

MPSC REPORT ON STATUS OF ELECTRIC COMPETITION IN MICHIGAN

On January 31, 2014, the MPSC released the annual report on the status of electric competition required pursuant to Michigan law.

This report is intended to give an overview of developments and statistics relevant to the implementation of Electric Choice programs in Michigan.

Following are some of the highlights of the report:

I. Participation in Electric Choice.

- a. As of December 2013 there were approximately 6,660 customers participating in Electric Choice programs representing 2,410 MW of electric demand which is an increase of about 396 MW from 2012. As of December 2013 approximately 11,400 customers were in the queue waiting to receive Electric Choice service.
- b. Consumers Energy currently has a total participation of 10.77%. If customers in the queue are counted, the participation would be 25%.
- c. Detroit Edison currently has 11.03% participation in Choice program. If customers in the queue were counted, participation would be 22%.
- d. There is also Choice participation on the UPPCO, WEPCO and WPS electric systems. Participation in I&M electric system ceased with implementation of new higher Commission capacity rates.

II. Benchmarking Michigan's Prices.

- a. Michigan average residential retail rates are currently the highest in the Midwest, third highest among the 10 largest states.
- b. Michigan's commercial electric rates are currently highest in the Midwest, third highest in the 10 largest states.
- c. Michigan's industrial rates are currently the highest in the Midwest, second highest in the 10 largest states.

III. Recommendations for Legislation.

The Commission currently had no recommendations for legislation regarding Electric Choice.