

## Some shareholders, groups question CMS Energy record

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By Bryce Martin for the Daily News

Some Consumers Energy shareholders are signaling that they have concerns about CMS Energy's environmental performance.

Two shareholder proposals are on the ballot of the company's shareholder meeting next month. The Office of the Comptroller of New York City, a major investor in CMS, has asked the company to report to its shareholders on quantitative goals to reduce greenhouse gas emissions and **As You Sow, a California shareholder advocacy organization, has requested that the company report on its efforts to reduce the environmental and health hazards associated with coal combustion waste.**

Consumers also has seen opposition to its proposed \$3.57 billion coal plant in Essexville, which is being criticized by the Natural Resources Defense Council.

"Our position on the coal plant proposal is that there are better alternatives for meeting Michigan's energy needs," said Shannon Fisk, staff attorney for the NRDC. "We were hoping that Consumers would decide not to proceed with their coal plant and proceed with a cleaner alternative."

Jeff Holyfield, executive director of corporate communications for Consumers, said coal is not outdated and that CMS Energy is taking steps toward energy efficiency by using renewable resources.

"When the NRDC and the Sierra Club say there ought to be more renewable energy in Michigan, we agree with that," Holyfield said. "When they say we ought to do more with energy efficiency in Michigan, we agree with that. We are putting our money where our mouth is on that."

The coal plant in Essexville is going to be an 830-megawatt unit and will use state-of-the-art technology throughout.

"It's going to be one of the cleanest, if not the cleanest, coal plants in the world," he said. "It is totally inaccurate to say that it is outdated technology."

With construction of the new plant, Consumers will retire at least five of its older units, and possibility two more depending on customer needs.

“With that, you get a significant reduction in emissions,” he said. “The critics of the plant conveniently ignore this. If their concern is truly about reducing emissions, then they should support this plant.”

Another concern is the amount of wetlands at the site where Consumers would like to build.

“We recently appealed their Clean Air Act permits that the Michigan Department of Natural Resources and Environment issued,” Fisk said. “In August, we believe Consumers Energy is going to apply for rate recovery. They are going to file an application with the Michigan Public Service Commission and so we will be intervening in that proceeding to make the argument that there are cleaner and better economical ways to do energy in Michigan.”

Fisk wants Consumers moving toward clean energy alternatives.

“Michigan should be moving toward the clean energy future where the jobs really are rather than continuing to pursue outdated technology that isn’t the economic future,” Fisk said.

Holyfield said Consumers Energy has a plan, approved by the Michigan Public Service Commission, where it will add 900 megawatts of renewable energy capacity to their fleet in the next several years. There are also plans to build wind farms and have 450 megawatts of wind capacity, an investment of \$1.3 billion.

Consumers Energy is already the largest supplier for renewable energy in the state of Michigan, according to Holyfield. Today, four percent of the power it supplies to customers comes from renewable energy.

“Unfortunately, our critics ignore our track record,” he said. “On energy efficiency, last July we launched a very aggressive energy efficiency program. That’s going to be a six-year program with an investment of \$500 million.”

Coal plants today provide the majority of electricity that powers the United States and coal is not an outdated technology, he said.

Concerning the issue of wetlands on the site, Holyfield said that is something the company will have to work through.

“We have been generating electricity at that site since 1940 and it’s a 2,400-acre site,” he said. “I know there is a lot of discussion between us and the regulators about whether farmland that has been farmed for two or three generations is technically still a

wetland. In that, there seems to be a lot of interpretation about what is a wetland and what is not.”

Between now and 2018, Holyfield said two-thirds of the projected new energy CMS Energy will need to serve customers will come from renewable energy and energy efficiency.

“With the legal case now challenging the permit, we’ll have to see how that plays out,” he said. “But our plan right now is to start construction in 2011. There’s lots of work yet to be done but we continue to move forward.”