

A Business Strategy for Electric Power Deregulation

Dr. Kenneth Saulter, Michigan Manufacturing Technology Center, Ann Arbor, MI

As of September 21, 1999, 21 states have passed legislation to deregulate electric power. An additional three states (NY, MI, VT) are deregulating through a public utility commission order. For finishers and platers, the deregulation of electric power means that they can shop around for competitive power prices from other utilities or marketers outside their local utility service area or outside their state. The local utility will still be required to make its distribution wires system available for "wheeling" power from an outside source to your facility. If properly planned, electricity cost savings of 15 to 30 percent can be realized. This paper provides background information on deregulation, a 10-step cost-saving strategy for platers and finishers, and a business case for forming an aggregation-buying group in your local area. New metering technology and distributed (on site) generation technology are discussed.

For more information, contact:

Dr. Kenneth J. Saulter
Michigan Manufacturing Technology Center
2901 Hubbard Road
Ann Arbor, MI 48105-2467
Phone: 734-769-4234
FAX: 734-213-3408
e-mail - ksaulter@mmtc.org
Web Site - www.mmtc.org