



DEVELOPING CLEAN AND EFFICIENT ENERGY

- In 2016, the Michigan Legislature passed Public Act 341, increasing Michigan's renewable portfolio standard (RPS) from 10% to 15% by 2021. The Act also maintains a provision that ensures utilities reduce energy waste by at least 1% annually and offers financial incentives to utilities for going above and beyond the minimum requirement. Michigan's clean energy standards have become a homegrown success story — sparking investment, creating jobs, improving our air quality, and saving families and businesses money on their monthly utility bills.

High Residential Rates

- According to the U.S. Energy Information Administration (EIA), Michigan has the highest residential electric rates in the Midwest. The EIA estimates Michigan households would save \$1 billion annually on their electric bills if our rates were the same as the Midwest average.¹
- Over the past 10 years, DTE and Consumers Energy's residential users experienced the highest rate increases of all ratepayers, while rates for industrial users either saw declines in rates or had the smallest increases of all ratepayer groups.²
- Michigan's coal-fired power plants cost Michigan ratepayers \$75 million annually based on "must-run" practices that primarily benefit coal producers in other states.³

Low Cost Renewables; Least Cost Efficiency

- According to the International Renewable Energy Association (IRENA), solar and wind are now consistently cheaper than fossil fuels without financial assistance.⁴
- Replacing 500 gigawatts of coal-fired energy with renewable energy would not only cut global carbon emissions by 5%, it would also save \$23 billion each year.⁵
- It is widely agreed that energy efficiency is the cheapest, cleanest, and most quickly deployed source of energy. The MPSC estimates that customers save \$4.35 for every \$1 invested in energy efficiency.⁶

Building a Clean Energy Economy

- The MI Healthy Climate Plan.** Introduced by Governor Whitmer in 2020, the MI Healthy Climate Plan is Michigan's blueprint for a carbon-neutral future. The MI Healthy Climate plan ambitiously sets the goal for a carbon-neutral economy by 2050, while setting a progressive benchmark of a 28% carbon reduction in 2005 levels by 2025.
- The Clean Economy Act.** Co-drafted by Rep. Debbie Dingell (MI-12), the Clean Economy Act of 2019 is a clean energy economy policy that would put the United States on track to have economy wide net-zero emissions by 2050. Rep. Dingell also introduced legislation that would establish a national climate bank to fund clean energy initiatives.

- **The Biden Plan.** The Biden Plan is the most aggressive climate plan put forth by any major party Presidential nominee. Also aiming to achieve nationwide net-zero emissions by 2050, the Biden Plan represents an historic investment in our nation's clean energy sector and would spur growth in electric vehicle production, technological innovation, and infrastructural investment.

Clean Energy Spurs Economic Growth & Creates Jobs

- Michigan has lost almost 32,000 clean energy jobs due to the COVID-19 crisis. This sector, however, shows promise as a means to economic recovery. In 2019, Michigan was home to over 126,000 clean energy jobs.⁷
 - Before COVID, Michigan's clean energy jobs were growing annually by 4.0%. The renewable energy sector is also one of the fastest growing sectors in Michigan, with jobs growing over 2.5 times⁶ faster than average job creation in the state.
 - According to the Solar Energy Industries Association (SEIA), the cost of solar installations have decreased by 40% since 2015. Over the next 5 years, SEIA estimates that Michigan's solar capacity will increase by 1,292 MWh.⁸
 - Previously, Michigan led the Midwest and was⁷ ranked fifth in the nation for green energy jobs.



State Actions Needed On Clean Energy

- Remove barriers to individual energy production by eliminating the state's arbitrary 1% cap on distributed energy generation (for example, rooftop solar),
 - Direct MI utilities to expand and innovate their energy waste reduction programs including allowing residential customers easy access to financing options when retrofitting their homes and businesses. Additionally, all Michigan utilities, no matter how small, must commit to bold energy efficiency adoption goals and begin to rollout comprehensive efficiency retrofit programs. If they fail to do so, the Michigan Legislature should mandate programming.
 - Require utilities to completely close their coal-fired power plants by 2030 and replace them with more efficient and renewable energy.
 - Support the transition to a smarter electric grid; policy should allow and encourage independently-owned clean energy generation, including community-owned solar installations

¹ https://www.eia.gov/electricity/sales_revenue_price/

2 http://www.ucsusa.org/sites/default/files/legacy/assets/documents/clean_energy/Michigan-Coal-Imports-BCBC-Update-2014.pdf

[3 https://www.associatedgtr.com/default.aspx?documentid=energy_michigan_gas_imports_DODD_update_3](https://www.associatedgtr.com/default.aspx?documentid=energy_michigan_gas_imports_DODD_update_3)

[4 https://www.forbes.com/sites/jamesellsmoor/2019/06/15/renewable-energy-is-now-the-cheapest-option-even-without-subsidies/#640e5bddd5a6b](https://www.forbes.com/sites/jamesellsmoor/2019/06/15/renewable-energy-is-now-the-cheapest-option-even-without-subsidies/#640e5bddd5a6b)

5 <https://www.irena.org/costs>

6 https://www.michigan.gov/documents/mpsc/2019_Feb_15_Report_PA_295_Renewable_Energy_646445_7.pdf

8 <https://www.seia.org/state-solar-policy/michigan-solar>

⁸ <https://www.sela.org/state-solar-policy/michigan-solar-energy-standards>

