

ENERGY POLICY

Michigan passed its first clean energy legislation in 2008 with broad bipartisan support. It set Michigan's first renewable energy standard at 10% and required energy providers to offer programs to help customers reduce energy waste by 1% annually for electricity (slightly less for natural gas). In 2016, lawmakers updated the legislation to a standard of 15% by 2021 and increased utility incentives to help customers reduce energy waste. Consumers and DTE have also made significant commitments to carbon emissions reductions and clean energy. Michigan has invested over \$3 million into bringing renewable projects online and has invested in energy waste reduction programs. However, COVID-19 and the economic recession have hit the clean energy industry hard. Once the leader in the region, Michigan has lost over 20,000 clean energy jobs due to the pandemic and the economic slowdown.

In addition to economic benefits, the transition to clean energy would help eliminate harmful air pollution. Pollution from old coal plants, transportation and heavy industry has a measurable impact on our residents. Our asthma rate is 25 percent above the national average, we have the sixth-highest percentage of residents with cardiovascular disease, and we're 17th in the incidence of lung cancer. The American Thoracic Society estimates that 275 people in Michigan die each year due to air pollution and another 640 become ill. Michigan ranks 7th in the nation in estimated deaths related to air pollution. Allegan, Berrien and Muskegon had the highest scores among Michigan counties for air pollution, mainly in the form of high ozone levels.

Renewable Energy

In the past decade, Michigan has decreased its generation from coal from 66% in 2008 to 37% in 2018. Renewable energy prices are at record lows and renewables like wind and solar are now the cheapest form of new energy generation—cheaper than coal and natural gas. However, policy barriers do still exist.

Michigan Environmental Council advocates for:



- Continuing our transition to clean, affordable energy sources—aiming for a 100 percent zero carbon emissions power sector by 2050.
- Removing barriers to people generating their own renewable energy, including arbitrary caps on the number of Michigan residents who can choose to generate their own power using solar panels or other methods.

- Supporting policies, like community solar or incentives, that facilitate the growth of self-generation in Michigan.
- Accelerating the retirement of expensive, old coal plants.

High Residential Utility Bills

Ten years ago, Michigan residential rates were identical to the national average (10.06 cents). Since then, our residential rates increased 52% versus national rates that increased only 25%. Over that same time period, Michigan's median household incomes declined 9%. Residential energy rates in Michigan are 16% higher than the Midwest average and 18% higher than the U.S. average. The high cost of utilities in Michigan is even more of a pressing problem given the financial hardship many residents are experiencing due to COVID-19 and the recession.

Michigan Environmental Council advocates for:

- Elimination of energy waste through cost-effective, deep weatherization of buildings and homes and by ensuring that standards for new buildings maximize energy efficiency.
- Supporting policies which discourage energy use at peak times when energy is most in demand, like hot summer afternoons. This will reduce utilities' reliance on expensive "peaker" power plants and eliminate the need for building new plants.

Electric Vehicles

Car companies are rapidly expanding their investment in the production and sale of electric vehicles (EV) across the U.S. Ford plans an \$11 billion investment in EVs by 2022 with the plan of adding 40 hybrid and fully electric vehicles to its fleet. GM will make a \$2.2 billion investment at its Detroit-Hamtramck assembly plant, which will produce 100% electric vehicles. There are currently around 20,000 plug-in hybrid electric vehicles (PHEV) and full EVs on the road in Michigan and over 1,000 publicly available charging stations. As the auto hub of the U.S., Michigan has the opportunity to become an EV superpower, yet it is falling behind states like California, New York and Florida, whose policies encourage driving electric.

Michigan Environmental Council advocates for:

- Michigan utilities, private charging station companies and regulators working together to invest in the expansion of electric vehicle charging infrastructure.
- Reforming our road infrastructure funding system so that it is equitable for PHEV and EV drivers.
- Adopting policies that incentivize the purchase of EVs.
- Assisting communities and schools to purchase electric transit and school buses.

CONTACT
<p>Charlotte Jameson, Program Director <i>Legislative Affairs, Energy & Drinking Water Policy</i> charlotte@environmentalcouncil.org</p> <p>Abby Wallace, Energy Specialist abby@environmentalcouncil.org</p> <p>Sean Hammond, Policy Director sean@environmentalcouncil.org</p>