Renewable Energy in Michigan: A Path to Sustainability

University of Michigan Research Inquiry

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Background of the Issue

- There is historical significance of Michigan as a state focusing on sustainability
- Industrial development
- A recent shift towards sustainability
- automotive industry, environmental responsibility, and the importance of renewable energy



What State has done before

Michigan has a history of focusing on renewables....



- Michigan has a history of focusing on:
 - Wind
 - Solar
 - Hydroelectric
 - Biomass energy
- Focusing on: growth, and they currently have ambitious targets of 40% by 2030 and trying to reach for effectiveness of existing policies



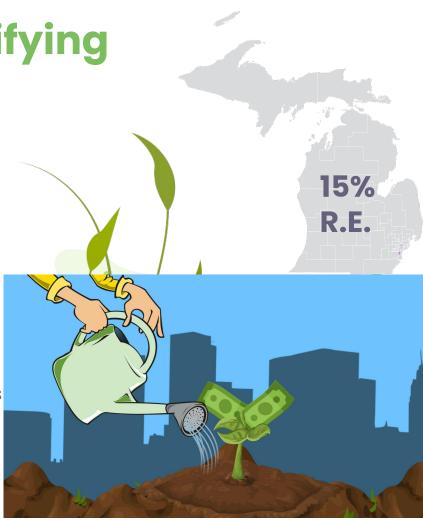
Presenting On...

- We will be diving deeper into:
- Inquiring after the essential, efficient, and economical forms of renewable energy
 - Addressing environmental and economic conditions that are unique to Michigan
 - Looking at policy options that focus on investment and private funding, private partnerships, allocating state funds ,attracting federal investments, expanding existing programs



Policy Option #1: Diversifying the renewable energy sources/portfolio

- Introduce mandates requiring a higher percentage of energy to come from renewable sources
 - Build on the Michigan Public Act 295 of 2008 (RPS)
- Implement policies that support a broader range of renewable energy technologies
 - Example: Expand or implement green banks/funds similar to the Michigan Saves program



Policy Option #2: Enhancement of Distributed Generation Systems →Passing HB 4236

- Michigan caps distributed solar generation (rooftop solar energy) to 1% of a utility's average peak load
- Clean Energy advocates call to remove cap by passing HB 4236
- Connects with providing tax incentive for private energy sources
 - No E.V. incentive as of now
 - But Michigan residents who upgrade to solar get 30% federal tax credit when filed





Expert Insight: Rebecca Lowy

- Rebecca's Recommendation:
 - Overall: importance of distributed generation and variety in renewable energy approaches
 - Key points will focus on: Funding Sources (IRA, EPA, and state-level), restructuring energy systems, and the need for diverse approaches



Recommendation

Next step is encouragement of distributed generation systems.



Providing state tax credits encouraging everyday people to move towards renewable energy and stimulate the Michigan auto industry.

HB 4236 2021: Removing caps on amount of energy that can come from private solar panels.

HB 4236

Conclusion

Allowing and encouraging individuals to make decisions that expand generation and use of renewable energy is the way forward for the State of Michigan



