

Michigan Energy Independence Campaign Utility Policy Platform Summary

Michigan spends about \$20 billion each year on imported fuels, virtually all of which are polluting and non-renewable. This dependence on out-of-state fossil fuels harms our public health, natural resources, and struggling economy. Fortunately, there are home-grown, cleaner alternatives that can address all of these concerns. Our first priority should be to dramatically cut energy demand through efficiency, which provides energy at less than half the cost of energy from a new power plant. We should also invest heavily in Michigan's significant renewable resources. Achieving greater energy independence in this way would create thousands of new jobs, enable healthier communities, and reduce our global warming footprint.

PRIORITY POLICY SOLUTIONS

A. Utility-funded, statewide efficiency programs for electricity and natural gas:

- Minimum requirement for efficiency programs to save 1% of our energy usage per year, beginning at 0.5% and building up to 1% by 2011 or earlier.

B. Renewable energy standard (RES):

- Minimum requirements of 13% by 2015 and 20% by 2020
- Responsible definition of "renewable energy"
- Alternative compliance mechanism that supports renewable energy projects

SUPPORTING POLICY SOLUTIONS

- Upgraded appliance efficiency standards
- Upgraded building efficiency codes
- Long-term renewable energy tax credits
- Decoupling, adjusted price signals, etc.
- True net metering
- Separate low income programs with equal funding for bill pay assistance and weatherization/energy efficiency
- Solar set-aside in the RES
- Revised utility tax schedule
- Improved interconnection standards
- Consistent zoning that supports renewable projects

MEETING OUR FUTURE ENERGY NEEDS WITHOUT NEW COAL

Continued reliance on coal-based power undermines Michigan's current and future prosperity. It shifts our wealth to regions that produce coal. It pollutes our Great Lakes with potent toxins such as mercury, which cause birth defects and development problems in children. It degrades the quality of our air. And it increases global warming pollution. Ratepayers, too, are at risk from our reliance on coal-based power. Fossil fuel prices are expected to rise over time, and eventual restrictions on greenhouse gas emissions will make it even more costly. Building new coal plants is not the right option for Michigan. Instead our state should commit to the entirely feasible goal of meeting all future growth in electricity demand through smart investments in energy efficiency and domestic renewable resources. The keys to success will be innovation and productivity – two of Michigan's strong suits – and the result will be a brighter future.