



TALKING POINTS: RESPONSIBLE POLICIES FOR RENEWABLE ENERGY REPORT

- This is a crucial time to renew the conversation about Michigan's energy future. Renewables are essential to this future, making up a good portion of our energy supply today.
- Michigan has never had a fully integrated approach to energy and our grid, instead relying on a fragmented mix of subsidies, mandates, and laissez-faire strategies. But a 2016 energy law—coupled with the new renewable portfolio standard and integrated resource plan, or IRP—is putting Michigan on track to provide affordable, reliable, and clean energy. This process not only aims to help the state reduce energy waste, but also produce more power from renewable energy.
- Because renewable energy is going through a historic growth period, Michigan needs to ensure that this growth is managed through the IRP process, keeping rates affordable and our grid reliable.
- Michigan's power plants are old, and many are set to retire soon—that energy generation should be replaced in a responsible and affordable manner.
- What replaces that retiring power? What factors are considered when developing a balanced energy mix? How does the state balance variable energy sources with 24/7 power to keep the energy grid reliable? These are all key questions addressed in this [report](#). As the planning framework set forth by the 2016 energy law continues to be implemented, how the key principles of affordability, reliability, and clean energy are balanced is critical.
- Net metering is a way to price different forms of customer-owned distributed generation, such as rooftop solar, but its structure is outdated and doesn't align with current technology. Because of how rooftop solar customers are reimbursed, they avoid costs for supporting and maintaining the overall grid. Net billing is a better solution that will go a long way to fixing this problem, making it fair for every Michigander.
- The Public Utility Regulatory Policies Act, or PURPA, was enacted in response to the energy crisis in the early 1970s. PURPA achieved the goals it was created to address: diversifying our energy production, encouraging independent power production, and reducing our reliance on foreign sources. Now we live in an era of relative energy abundance, but PURPA is still being used to lock in decades-long contracts at artificially high rates. This hurts the energy market and consumers. The good news is that PURPA is implemented at the state level, and policymakers can fix it.
- For more information, visit publicsectorconsultants.com/energy.