

Energy Efficiency Question 21: *How does Michigan’s Energy Optimization Standard and Michigan’s Renewable Energy Standard interrelate in terms of planning, implementation, and compliance? How does energy efficiency and renewable energy interrelate in other jurisdictions?*

Executive Summary

1. Seven states, including Michigan, have energy efficiency as an eligible resource in their Renewable Portfolio Standard (RPS) policies
2. Expert studies indicate that including energy efficiency as an eligible resource to meet RPS standards can decrease compliance costs, enhance flexibility, and broaden political support for the policy
3. The flexibility to meet clean energy obligations with a combination of renewable energy and energy efficiency may be particularly valuable moving forward, as federal rules and policy on these topics come into play. Uncertainty around what might be required at a national level makes flexibility at the state level more important

Please refer to Renewable Energy Question 20 for a detailed discussion of this topic