



Public Service Commission

Energy, Labor & Economic Growth



Michigan Wind Working Group Michigan Public Service Commission Update

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MPSC Wind Activities

- Summary of New Wind Projects
- Wind Contract Pricing
- ITC Thumb Transmission Project Case Status



2008 PA 295

Renewable Portfolio Standard

- 10% RPS by 2015, with interim steps for 2012-13-14.
- Michigan had approximately 3.6% renewable energy for 2009



CLEAN, RENEWABLE, AND EFFICIENT ENERGY ACT Act 295 of 2008

AN ACT to require certain providers of electric service to establish renewable energy programs; to require certain providers of electric or natural gas service to establish energy optimization programs; to authorize the use of certain energy systems to meet the requirements of those programs; to provide for the approval of energy optimization service companies; to provide for certain charges on electric and natural gas bills; to promote energy conservation by state agencies and the public; to create a wind energy resource zone board and provide for its power and duties; to authorize the creation and implementation of wind energy resource zones; to provide for expedited transmission line siting certificates; to provide for a net metering program and the responsibilities of certain providers of electric service and customers with respect to net metering; to provide for fees; to prescribe the powers and duties of certain state agencies and officials; to require the promulgation of rules and the issuance of orders; and to provide for civil sanctions, remedies, and penalties.

History: 2008, Act 295, Imd. Eff. Oct. 6, 2008.

Compiler's note: Enacting section 1 of Act 295 of 2008 provides: "Enacting section 1. As provided in section 5 of 1846 RS 1, MCL 8.5, this act is severable."

The People of the State of Michigan enact:

PART I. GENERAL PROVISIONS

460.1001 Short title; purpose of act.

Sec. 1. (1) This act shall be known and may be cited as the "clean, renewable, and efficient energy act".

(2) The purpose of this act is to promote the development of clean energy, renewable energy, and energy optimization through the implementation of a clean, renewable, and energy efficient standard that will cost-effectively do all of the following:

(a) Diversify the resources used to reliably meet the energy needs of consumers in this state.

(b) Provide greater energy security through the use of indigenous energy resources available within the state.

(c) Encourage private investment in renewable energy and energy efficiency.

(d) Provide improved air quality and other benefits to energy consumers and citizens of this state.

History: 2008, Act 295, Imd. Eff. Oct. 6, 2008.

Compiler's note: Enacting section 1 of Act 295 of 2008 provides: "Enacting section 1. As provided in section 5 of 1846 RS 1, MCL 8.5, this act is severable."

460.1003 Definitions; A to C.

Sec. 3. As used in this act:

(a) "Advanced cleaner energy" means electricity generated using an advanced cleaner energy system.

(b) "Advanced cleaner energy credit" means a credit certified under section 43 that represents generated advanced cleaner energy.

(c) "Advanced cleaner energy system" means any of the following:

(i) A gasification facility.

(ii) An industrial cogeneration facility.

(iii) A coal-fired electric generating facility if 85% or more of the carbon dioxide emissions are captured and permanently geologically sequestered.

(iv) An electric generating facility or system that uses technologies not in commercial operation on the effective date of this act.

(d) "Affiliated transmission company" means that term as defined in the electric transmission line certification act, 1995 PA 30, MCL 460.562.

(e) "Applicable regional transmission organization" means a nonprofit, member-based organization governed by an independent board of directors that serves as the federal energy regulatory commission-approved regional transmission organization with oversight responsibility for the region that includes the provider's service territory.

(f) "Biomass" means any organic matter that is not derived from fossil fuels, that can be converted to usable fuel for the production of energy, and that replenishes over a human, not a geological, time frame, including, but not limited to, all of the following:

(i) Agricultural crops and crop wastes.

New Wind Projects

- Over 600 MW of new wind power purchase agreements have been filed at the MPSC
 - Consumers Energy
 - Needs to add about 900 MW
 - Contracts for 396 MW to date (372 MW of wind)
 - Detroit Edison
 - Needs to add about 1,250 MW
 - Contracts for 252 MW to date (226 MW of wind)
- To put this into perspective, according to the Energy Information Administration, Michigan's total 2008 net summer capacity was 30,419 MW

Detroit Edison RFP

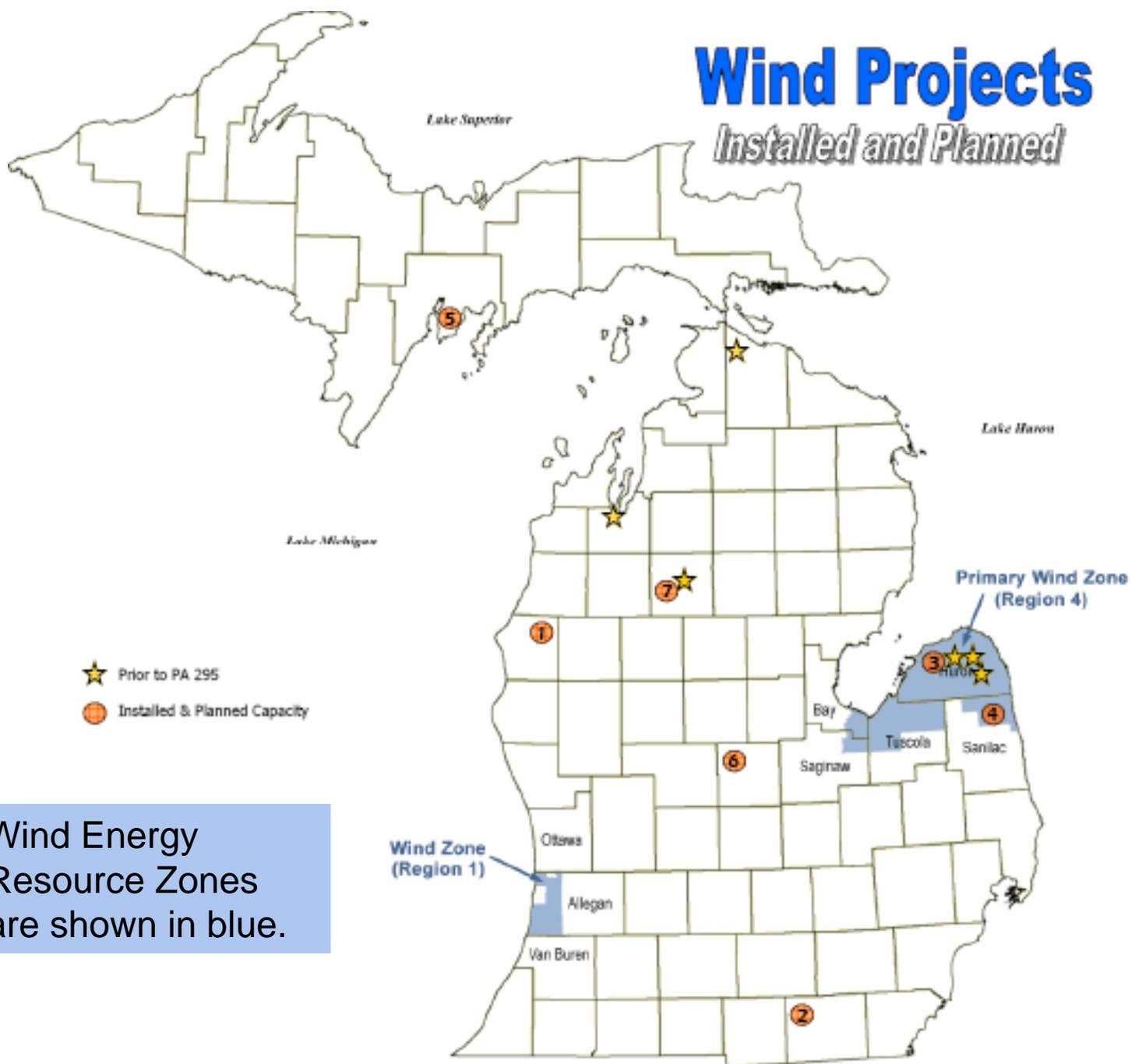
- Detroit Edison issued a request for proposals on November 18
- 245 MW of renewable energy
 - 120 MW operating by the end of 2012
 - 125 MW operating by the end of 2014
- Notice of intent to bid is due January 21
- Bids are due February 17

Michigan Utility Scale Wind Projects

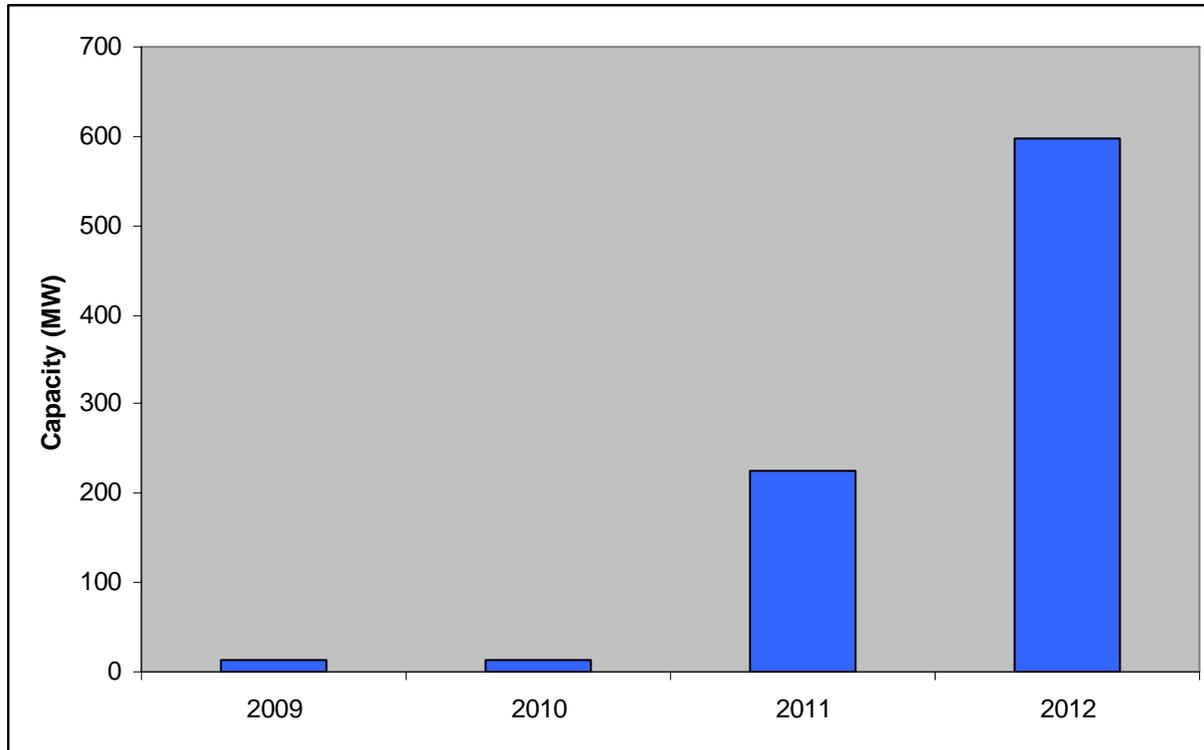
Map Key	Project Name	County	Capacity (MW)	Project Developer	Power Purchaser	Year Online
1	Lake Winds Energy Park	Mason	100.8	Consumers Energy	Consumers Energy	2012
2	Blissfield Wind	Lenawee	81	John Deere Wind	Consumers Energy	2012
3	Harvest II Wind	Huron	59.4	John Deere Wind	Consumers Energy	2012
4	Michigan Wind 2	Sanilac	90	John Deere Wind	Consumers Energy	2012
5	Garden Wind Farm	Delta	28.6	Heritage Sustainable Energy	Consumers Energy	2012
6	Gratiot County Wind	Gratiot	200	Invenergy Wind	Detroit Edison	2011
7	Stoney Corners (Post-Act 295)	Missaukee	38.5	Heritage Sustainable Energy	Detroit Edison & Consumers Energy	2009 - 2012
	Pre-Act 295		129.4			
Total			727.7	MW		

Wind Projects

Installed and Planned



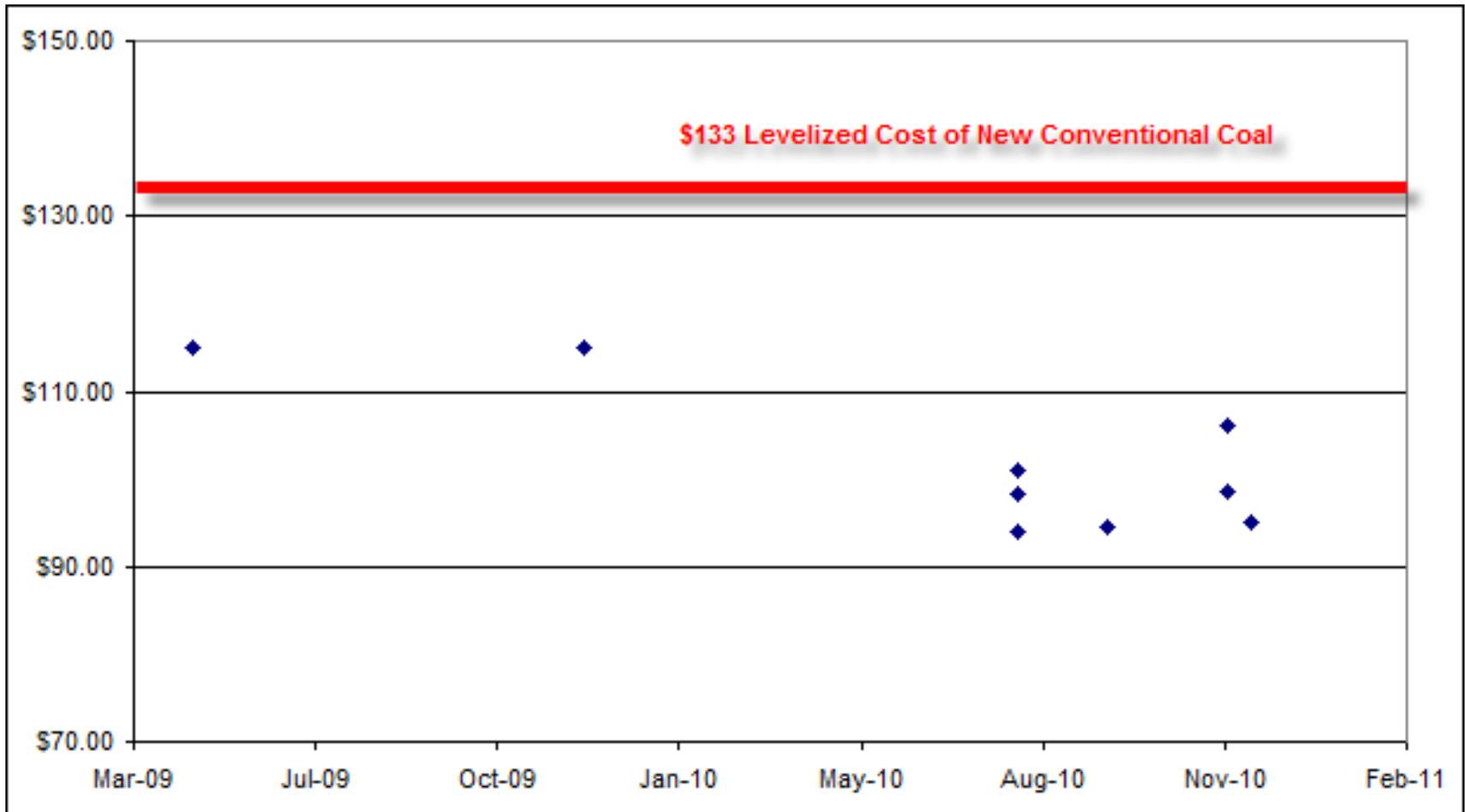
Cumulative New Wind Capacity (MW)



Michigan Utility Scale Wind Projects Pricing Information

Map Key	Project Name	County	Capacity (MW)	Levelized Price	Power Purchaser	Year Online
1	Lake Winds Energy Park	Mason	100.8	\$95/MWh	Consumers Energy	2012
2	Blissfield Wind	Lenawee	81	\$100.88/MWh	Consumers Energy	2012
3	Harvest II Wind	Huron	59.4	\$98.38/MWh	Consumers Energy	2012
4	Michigan Wind 2	Sanilac	90	\$94/MWh	Consumers Energy	2012
5	Garden Wind Farm	Delta	28.6	\$106.2/MWh	Consumers Energy	2012
6	Gratiot County Wind	Gratiot	200	\$94.43/MWh	Detroit Edison	2011
7	Stoney Corners (Post-Act 295)	Missaukee	38.5	\$98.5 - \$115/MWh	Detroit Edison & Consumers Energy	2009 - 2012
	Pre-Act 295		129.4			
Total			727.7	MW		

Wind Contract Prices (20-year levelized price)



Wind Technical Workgroups

- Wind & Health and Wind & Wildlife Technical Workgroups
- Established by MPSC to conduct literature review of wind turbine sound studies and wildlife research.
- These workgroups will be responsible for getting needed scientific information to wind siting decision makers
- More information will be available soon

Sample Zoning Language

- Siting & zoning primarily township or county responsibility
- Some state & federal requirements, e.g. Federal Aviation Administration
- Energy Office has voluntary guidelines
- Different requirements for “On-Site Use” & “Utility Grid”
- www.michigan.gov/eorenew
- Workgroups are developing revisions

MPSC Thumb Project Update

- ITC Transmission made a filing with the MPSC requesting an Expedited Siting Certificate on August 30, 2010
- MPSC Decision due around the end of February, 2011
- \$510 million dollar cost
- Approximately 140 miles of 345 kV transmission lines
- MPSC Case No. U-16200



Questions?

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Renewable Energy Section

Michigan Public Service Commission

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