

Proposed Work Plan for Wind Energy Resource Zone Board

Below for review by Michigan Public Service Commission (MPSC) staff and the Wind Energy Resource Zone Board is Public Sector Consultants Inc.'s (PSC) proposed work plan to complete its tasks under the proposals submitted in partnership with the Land Policy Institute on January 27, 2009, and March 27, 2009. Completion of this work plan is contingent on the execution of contracts; notwithstanding, PSC is proceeding with efforts to prepare materials for the April 20, 2009, board meeting as described below.

Task	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan
PSC provides for board's review: (1) draft report outline, and (2) memorandum on options to consult with local governments	4/16									
Board comments on and approves report outline and provides feedback on strategy to consult with local governments (carry over to 4/27 meeting if needed); PSC provides verbal update on interconnection data analysis	4/20									
PSC works with board, local government representatives, and MPSC to refine strategy for comment process and receiving input from local governments										
LPI completes technical analyses		5/5								
Board consults with local government representatives (TBD) during regular meeting		5/11								
PSC provides initial draft of proposed report and cover letter		5/13								
Board comments on draft of proposed report and letter		5/26*								
PSC provides final, edited proposed report and letter		5/29								
LPI provides presentation for use by board										
Board receives comments from local governments**										
PSC provides summary of comments from local governments and works with board to include any changes										
PSC and LPI attend public hearing(s)								Early Nov		
PSC works with board to revise report to reflect comments and any changes; provides final report to board 30 days after date of last public hearing										
Board issues final report										

* If the board is unable to provide comments outside of a regularly scheduled meeting, we would propose moving up this meeting to ensure adequate time to incorporate changes and edit the final version of the proposed report. In the alternative, PSC could receive written comments from board members and/or work with a committee on revisions to the draft report prior to the May 26, 2009, meeting.

** Due 63 days after the board's proposed report issued on June 2, 2009.

MEMORANDUM

To: Members of the Wind Energy Resource Zone Board
From: Sally Talberg, Senior Consultant for Energy and Environment
Cc: Eric Davis, Michigan Association of Counties
Date: April 17, 2009
Subject: Options to Solicit Input from Local Government

The purpose of this memorandum is to identify options for the Wind Energy Resource Zone Board to solicit input from local units of government related to the board's responsibilities under Public Act 295 of 2008.

BACKGROUND

Under section 145 of the Act, the board must study in consultation with local units of government the wind energy production potential, the viability of wind as a commercial source of energy, and the availability of land for potential use by wind energy systems. There are local government representatives on the board to provide input on these issues. The board is also charged with issuing, by June 2, 2009, a proposed report on its findings and providing the proposed report to the "legislative body of each local unit of government located in whole or part within any region listed in subsection (3)(a)," that is, the regions identified by the board as having the "highest level of wind energy harvest potential." These local units of government have 63 days to comment; thereafter, the board must hold one or more public hearings in the state.

Public Sector Consultants has committed to working with the board to develop, and assist the board in implementing, a strategy to solicit input from local units of government. Moreover, PSC is responsible for summarizing comments on the proposed report received through the comment and hearing process, and working with the board to update the final report as appropriate.

PSC has identified two options to present to the board. These options have been discussed with representatives from local government associations (i.e., Michigan Municipal League [MML], Michigan Township Association [MTA], and Michigan Association of Counties [MAC]).¹ With the board's approval, PSC will implement these options in coordination with the board and local government representatives.

¹ It is not clear whether counties fall under the definition of local units of government in 2008 PA 295. Although counties are not traditionally included in this definition, the board may want to consider whether to include counties as a courtesy and because some counties have zoning authority over wind turbines.

Option 1: Develop online tool for local governments to comment on the proposed report

- PSC would work with the board to design and administer an online form to receive comments on the proposed report from local units of government in the areas identified as having the highest wind energy production potential. The form could include questions related to specific topics and sections of the report (e.g., land availability) as well as have space available for open-ended and general comments. We would work with the board during May to design the actual questions and template. This system would be used in lieu of the MPSC docket filing system or other alternatives. Although we understand that many townships and municipalities have used similar Web-based survey tools, we would provide the option for local governments to request and submit a paper copy of the comment template. This approach should facilitate the analysis of comments.
- The cover letter to local governments would include instructions for submitting comments through the online system. The proposed report would be available on a website along with additional instructions, the comment form, and contact information at PSC for questions or technology problems. Questions related to the board’s analysis and methodology would be directed to the Land Policy Institute’s “Ask an Expert” site. A proposed timeline is provided below.

Proposed Timeline

Task	Dates
Board reviews sample comment template	April 27
Board approves final template and instructions; PSC works with MTA, MML, and MAC on logistics	May 11/26
Board sends letter with instructions to identified local governments	June 2 (with submittal of proposed report)
Follow-up communications from MTA, MML, and MAC as appropriate	? (TBD)
Deadline for comments	63 days after proposed report submitted
PSC presents analysis of comments to board	Part of final report revision process

Option 2: Assist MML, MTA, and MAC to serve as conduits for communications to local governments

- We can assist local government associations in educating and notifying their members of the opportunity to provide input as part of the board’s process. These communications would be targeted primarily at the local governments in the areas identified in the proposed report. For example, we could provide sample language to the MML, MTA, and MAC to include in newsletters, electronic mailing lists, and

other communications (e.g., presentations). This will reinforce the message from the board that the input from local governments on the proposed report is valuable and not merely a pro forma exercise.

Wind Energy Resource Zone Board

Proposed Report Outline

Acknowledgements

I. Executive Summary

A. Purpose and process of board as set forth in 2008 PA 295

B. Key findings related to:

- i. Recorded wind velocities
- ii. Land availability for potential wind development
- iii. List of proposed regions with the highest wind energy production potential (map showing areas; summary of minimum and maximum megawatt and megawatt-hour potential by area and aggregated total)
- iv. Current and proposed wind projects, including summary of interconnection requests
- v. Viability of wind as a commercial source of energy generation

C. Next steps

- i. Comment process and the role of local units of government in the identified regions
- ii. Public hearings
- iii. Final report; board dissolves
- iv. Transmission planning by electric utilities and transmission companies
- v. MPSC designation of one or more wind zones

II. Introduction

A. Drivers behind creation of the board

- i. Unique challenges related to generation interconnection planning in the context of wind; experiences in Michigan and other states (e.g., Thumb area, Texas, California, and Great Plains)
- ii. Approaches by other states to address existing and future challenges related to interconnection queue backlogs, incremental system upgrades on a project-by-project basis, and transmission constraints
- iii. 2008 PA 295— recognized need among policymakers for a pro-active and efficient process to plan infrastructure for wind energy development; also reference renewable portfolio standard

B. Designation of board members (list members and affiliations)

C. Specific charge to the board under 2008 PA 295

D. Board's process and the role of other entities (local units of government, electric utilities/transmission owners, and MPSC)

III. Methodology and assumptions

- A. Wind speeds and data sets
- B. Land availability—exclusive areas and buffers
- C. Minimum and maximum capacity and energy production estimates
- D. Interconnection requests
- E. Economic viability analysis

IV. Key findings

- A. Land availability for potential wind development
- B. List of regions with the highest wind energy production potential
- C. Maps and information for each region and total for state; include estimated minimum and maximum energy and capacity potential and estimated number of turbines
- D. Current and proposed wind projects
- E. Viability of wind as a commercial source of energy generation

V. Input on proposed report (placeholder for final report)

- A. Summary of comments from local units of government and public hearing(s)
- B. Summary of any revisions

VI. Conclusions

Appendices

List of local units of government located in whole or in part of the identified regions
Additional maps; data tables, if warranted

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