

Governor Rick Snyder's 2015 Energy Special Message

CALLS TO ACTION

Affordability:

- We should meet at least 15 percent more of Michigan's energy needs in the next decade by eliminating energy waste. Efforts to reduce energy since 2011 have generated \$2.5 billion in savings for Michiganders. We can build on these efforts with a goal of easily doubling that figure.
- On-bill financing provides an opportunity for people better afford replacing old furnaces and other appliances with new, more efficient versions that save energy and reduce energy waste. Legislation approved last year extends this in some cities, but we can do more. We should continue our good work on this issue, and repeal the on-bill financing ban for other utilities.
- We need to eliminate artificial limits to the amount of waste reduction that utilities do. Right now, our law prevents utilities from spending more than 2 percent of their budget on waste reductions, even if that forces them to buy expensive equipment.
- We need to make sure our Public Service Commission can weigh the benefits of energy waste reductions in the same way it can weigh other kinds of expenses.
- We need to break out of the thinking that says the only compensation for utilities for waste reduction programs is to offset a loss, and instead make our smartest option a place where utilities want to invest.
- When utilities propose big-dollar investments, we need to make sure those investments will keep down costs, provide reliability, and protect our environment.
- Some energy users, especially energy intensive industries, may be able to manage their energy use to go down when the grid starts to get strained, which will hold down costs and lower risks for everyone. We should make sure that we both create an opportunity and a reward for them to partner with our utilities to capture that savings.

Adaptability:

■ We need a cost-based goal, a target of 30 percent to 40 percent of renewable energy plus waste reduction within 10 years.

Reliability:

- Michigan needs to complete plans to deploy smart meters that help utilities locate outages and restore power more quickly.
- Michigan needs to continue investing in infrastructure and maintenance to keep our power grid and pipeline system working smoothly and safely.
- We must change our electric market structure to ensure all electric providers are protecting their customers from massive outages due to lack of supply.
- We need to act now to make sure we have the tools to solve our own problems and keep decision-making in Michigan, not in Washington D.C.
- Prevent the Lower Peninsula from developing the same crisis the Upper Peninsula faced by reforming our electrical market to require every electric provider to protect its customers.

Protecting the Environment:

- We need to continue to take environmental priorities into account when making energy decisions.
- We must work to ensure our energy portfolio should continue to get better over time in controlling pollutants. When you replace a coal plant with a natural gas plant, you have essentially eliminated mercury as a pollutant from that plant. Chemicals that lead to acid rain-- SOx and NOx -- also drop enormously when you replace coal with natural gas. Particulate matter, which is linked to heart and lung diseases like asthma is reduced through natural gas use instead of coal, but large reductions come when you rely more on our cleanest sources, like waste elimination and wind or solar power.