

*Submitted May 5th, 2022*

To the Michigan Public Service Commissioners and Staff,

**We, the undersigned, call upon the Michigan Public Service Commission (MPSC) to inform the Michigan Legislature that it cannot complete the Renewable Natural Gas (RNG) study within the timeframe allotted and that more funding is needed to complete additional studies to meet the requirements set by the Michigan Legislature.**

Public Act 87 of 2021 directed the MPSC to conduct a study into the potential for RNG development in the state that will:

- Compare the estimated per-unit cost savings of greenhouse gas emission reductions for RNG sources to the estimated likely per-unit cost savings from the use of other carbon abatement technologies, including hydrogen blending, building electrification, and similar technologies.
- Identify barriers to developing and utilizing RNG in Michigan.

**1. The RNG study cannot be completed by the MPSC without a Michigan-specific electrification study.**

Michigan currently does not know the estimated per-unit cost savings of greenhouse gas emission (GHG) reductions for building electrification. Without such an analysis, the MPSC will have nothing to compare the estimated per costs savings of GHG emission reductions for biogas to, as provided by ICF, the consultants for the study.

The economics of electrification vary widely by location in terms of avoided electric/gas costs, grid emission rates, and climate conditions. Another state's electrification study cannot be used as it can lead to highly misleading conclusions. The MPSC needs to compare the per-unit cost savings of GHG reduction of building electrification and a build-out of biogas to provide a complete report to the

Michigan Legislature. Such a study will serve the MPSC in other cases that would benefit from having Michigan-specific electrification costs.

**2. There are systemic impacts of moving forward with RNG that must be analyzed in a final report.**

Moving forward with biogas designed for pipeline injection as a climate mitigation strategy requires investments into the gas production and distribution system. These investments will erode the cost savings of electrification, which become most fully realized in a scenario where the gas distribution is completely phased out. Investing in gas distribution infrastructure can drive down the cost benefits of electrification, which in turn makes electrification harder to achieve. Additionally, incentivizing RNG would reinforce industrialized livestock production, which many researchers and the Intergovernmental Panel on Climate Change have identified as a major driver of GHG emissions and immanently unsustainable.

**3. MPSC and the public need to have confidence in a rigorous GHG embodied lifecycle analysis of both biogas and building electrification.**

The analysis needs to be transparent in its assumptions, model, parameters, and accounting procedures. Without such studies, the MPSC cannot determine which strategy is the most cost-effective in mitigating GHG emissions. These studies will allow the MPSC to develop rigorous standards for carbon accounting for the offsets used by Michigan utilities and other net zero emission accounting.

**4. The known health, social, and environmental impacts of the different strategies must be included in a true-cost accounting of the strategies and be included in the cost-analysis.**

It is for these reasons that we call upon the MPSC to inform the Michigan Legislature that it cannot complete the RNG study within the timeframe allotted and that more funding is needed to complete additional studies to meet the requirements set by the Michigan Legislature.

Thank you for your consideration,

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| Louise Gorenflo   | Michigan Food For All and the Earth Project |
| Levi Teitel       | Progress Michigan                           |
| Jessie Smith      | Michigan Organic Food and Farm Alliance     |
| Bridget Vial      | Michigan Environmental Justice Coalition    |
| Derrell Slaughter | Natural Resources Defense Council           |
| Mike Berkowitz    | The Sierra Club                             |