



# MI Power Grid: Phase III Advanced Planning Processes

Environmental Considerations Subgroup  
Stakeholder Feedback from March 23, 2022

April 1, 2022

VIA E-MAIL at [GibbsK2@Michigan.gov](mailto:GibbsK2@Michigan.gov)

**RE: Consumers Energy Comments to Staff on Michigan Integrated Resource Planning Parameters (“MIRPP”) and Integrated Resource Plan (“IRP”) Filing Requirements**

Dear Ms. Gibbs:

The Company appreciates Staff’s efforts leading the Advanced Planning Phase III workgroup collaborative discussions on March 23, 2022 and the [presentations](#) made by members of EGLE Staff. The Company thanks Staff for providing the opportunity for discussion and comment.

The Company requests consideration of the following comments in response to Staff’s request for feedback about the approach to environmental considerations and environmental justice discussed in the IRP discussed during the March 23 meeting:

*Proposed Requirement 4 on Slide 12*

Consumers Energy appreciates that this proposed requirement is limited to doing a screening-level dispersion analysis only when an IRP plan does not project a decrease in PM2.5 emissions. That said, we still have substantial concerns regarding this requirement for the same reasons as previously expressed in prior comments provided on March 10<sup>th</sup>, 2022. To re-iterate, Consumers Energy does not support the dispersion modeling requirement for three primary reasons: (a) it will not add incremental value to generation supply planning processes that is useful to Staff, EGLE, or stakeholder groups, beyond facility-specific mass emission data, (b) it is significantly time-consuming for utilities, MPSC, AND EGLE staff to develop the models and review the results within the constrained time from of an IRP regulatory case, as well as being costly to the utility, and (c) it is beyond EGLE’s legal authority to require dispersion modeling except in narrow circumstances related to certain facility permitting – which is not the case in an IRP. Please refer to our comments provided on March 10 in this regard.

Beyond the comments provided on March 10, we have other concerns with the revised language. First, this requirement is duplicative of existing requirements. As EGLE is aware, air dispersion modeling is already required under the Clean Air Act for any new thermal generating units, and certain modifications to existing units as part of the air permitting process. Requiring dispersion modeling in an IRP – besides being legally questionable – is thus entirely duplicative to this existing requirement. Doing dispersion modeling both in an IRP and again for an air permit wastes the resources of all participants in the IRP process, including the MPSC, EGLE, intervenors, and the utility.

Second, we believe dispersion modeling would produce results so speculative as to not provide value to the IRP analysis. Air dispersion modeling can be done only when specific information about the new unit is known after significant communication with engineering staff. Data like exhaust flow and temperature, pollutant concentrations, operational concerns such as start-ups and shutdown, specific

exhaust location on-site and nearby structures, and stack heights are critical to determining the ambient impacts when modeling. If a new emission source is proposed in an IRP to be constructed in the future, this information would not be available, as the new unit would just be proposed in the filing and therefore it would not have been appropriate to have already conducted or completed the engineering work.

Similarly, it is unclear how to conduct a dispersion analysis that applies over a 20-year period; typically, such modeling projects dispersion at a specific point in time in the present, not years into the future. An analysis over a longer period would necessarily require numerous uncertainties such as units in operation, future wind speeds, nearby buildings, etc. for those years, which creates such a high degree of uncertainty for the analysis as to be irrelevant for planning purposes. Climate change may also exacerbate the uncertainty, as wind speeds are starting to change, further weakening any potential value this intensive analysis would provide. Estimating such data would only increase the uncertainty in the modeling outputs and reduce this effort to a speculative exercise at best.

Third, we are not aware of any tool that allows for a “screening level” air dispersion analysis. For example, the AERMOD software presented by EGLE during the March 23 meeting is not a screening level tool; it performs full blown air dispersion modeling. Thus, we are unsure how to conduct a screening level analysis. We request EGLE provide more detailed information about how any potential screening analysis would work and how it would differ in time, cost and effort associated with full air dispersion modeling.

Fourth, the dispersion analysis should apply only when the facility projects an increase in PM<sub>2.5</sub> emissions over its typical historical production. Dispatch models used in IRPs try to predict future dispatch over a multi-decade period. Because of this fact, there are significant uncertainties in those projections – which correspondingly result in significant uncertainties in the projected emissions. Minor projected increases in emissions are well within the uncertainty of such models. For example, in Consumers Energy’s 2021 IRP we analyzed the historic range of typical dispatch for certain units near vulnerable communities to see if those units were projected to increase their projected dispatch outside of the typical range. This analysis was important because any projected dispatch within the historical dispatch range, even if an increase over the average, may not represent any meaningful change in actual emissions. If dispersion modeling is required in any form in IRPs, the MPSC should **only** require it for projected material increases in PM<sub>2.5</sub> emissions that are beyond the typical historical dispatch range.

Fifth, we recommend EGLE clarify that this proposed requirement applies to only PM<sub>2.5</sub> emissions from electric generating facilities specifically addressed in the IRP filing, and not other emission sources that happen to be nearby. An IRP’s scope includes only facilities that the utility currently or proposes to own, acquire, or purchase power from in the future, a fact which these requirements should reflect. Similarly, we ask that EGLE limit any dispersion modeling requirement to three miles from a unit to maintain consistency with how vulnerable communities are identified.

Finally, if EGLE ultimately wants to understand PM<sub>2.5</sub> concentrations in vulnerable communities, the best way to do this is not using models that by their nature have numerous assumptions and uncertainties; these types of models are not designed to evaluate long-term concentrations of particulate matter over a multi-decade period. Rather, the best way for EGLE to understand PM<sub>2.5</sub> concentrations is for EGLE to install air monitors in the identified vulnerable communities, which will measure actual

concentrations. We recommend EGLE consider this more effective method to acquiring the data they are looking for with respect to vulnerable communities.

Proposed Requirement 1a on Slide 8

We continue to note that, unlike most emission types, there is a lack of reliable data for VOCs associated with MISO purchases. While we can attempt to estimate them, these estimates are likely to include substantial assumptions that weaken their usefulness and reliability. The MPSC and EGLE should continue to expect the Company to raise this issue in future IRP filings.

Proposed Requirements 1b and 2 on Slides 9-10

Consumers Energy is concerned that “vulnerable communities” is to be “defined collaboratively with EGLE.” This appears to allow the definition to vary between different utility’s IRP filings. We recommend that there be one definition applied uniformly across all IRPs. As such, the filing requirements should identify a specific percentile index score that qualifies a community as “vulnerable.”

For example, the EPA recommends, when using its EJSCREEN tool, that a community at or above the 80<sup>th</sup> percentile be further evaluated for environmental justice concerns.<sup>1</sup> To be more conservative, Consumers Energy in its 2021 IRP (Case No. U-21090) identified a community as potentially vulnerable at or above the 75<sup>th</sup> percentile. We continue to support that percentile, as it is more protective of potentially vulnerable communities.

We are cautious about using a lower percentile like 65, as it is too far removed from EPA’s recommended percentile of 80. If EGLE seeks such a low percentile, we ask that EGLE provide its rationale and then allow for public comment. Picking a number substantially lower than EPA’s 80<sup>th</sup> percentile, without a supporting rationale, would be arbitrary. In the absence of such a rationale, we recommend that the filing requirements use the 75<sup>th</sup> percentile.

We also are concerned about the requirement to analyze “expected changes in land use for new or retiring resources.” For a proposed future retirement, a utility is unlikely to have a solid understanding of expected land use changes at the time of an IRP’s filing, as such decisions are typically made closer to the retirement date and after there is more certainty with a plan that has been approved by the Commission. While a retiring facility will likely be demolished, land use changes beyond that may not be known at the time of filing. Similarly, for new sites, the Company is unlikely to even know the location of a future site, and so cannot state any expected changes in land use. This requirement should be reworded to require “expected changes in land use for new or retiring resources *to the extent reasonably known at the time of the IRP’s filing.*”

Proposed Requirement 3 on Slide 11

Consumers Energy requests that the MPSC clarify that the geographic scope of the health impact analysis for vulnerable communities. To make the analysis with proposed requirement 2 on slide 10, we

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<sup>1</sup> See EPA’s EJSCREEN Technical Documentation, September 2019, available at [https://www.epa.gov/sites/default/files/2021-04/documents/ejscreen\\_technical\\_document.pdf](https://www.epa.gov/sites/default/files/2021-04/documents/ejscreen_technical_document.pdf), at page 114.

suggest that the health impacts analysis be limited to a 3-mile radius of any facility in a vulnerable communities.

Proposed Requirement 5 on Slide 13

The Company again raises its recommendation that the MPSC fix a point in time when the nonattainment status is analyzed. Whether an area is in nonattainment can change over time as air quality, or the NAAQS levels, in the state changes. Because of this fact, it is recommended that the requirement specify a point in time to determine an area's status of attainment. For example, the first sentence of this requirement could be rephrased as "Identify and assess the impact to non-attainment areas *in effect one year before the filing deadline for the IRP* that the PCA..." This type of language would prevent the problem of a utility having to redo analyses when a change in the nonattainment status occurs in the weeks or few months before an IRP is filed, which is typically well after all substantive analysis is complete and testimony is near final. Because nonattainment areas do not change frequently, the Company does not believe this proposed change to the requirement should negatively impact EGLE's or the MPSC's review of an IRP.

Proposed Requirement 6 On Slide 13

We have no comments on this proposed requirement.

Respectfully submitted,  
Consumers Energy Company