

What the New Renewable Energy Siting Legislation Means for Michigan Counties

Sarah Mills
Michigan Counties Legislative Conference

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GRAHAM SUSTAINABILITY INSTITUTE
CENTER FOR
EMPOWERING COMMUNITIES
UNIVERSITY OF MICHIGAN

My background, perspective

- **PhD in rural land use planning**
 - Investigate claims of wind as farmland preservation tool
 - Surveys of 4,000+ Michiganders near wind farms
 - Now solar, too
- **Research on renewable energy policy, public opinion**
- **Funding from State Energy Office in EGLE**
 - Facilitate planning & zoning
 - Provide state-based data
 - Present pros and cons



Agenda

- **PA 233 Basics**
- **What are the options?**
- **Pros / Cons and where to start**

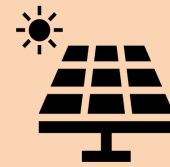
Part of a package

- **PA 233 (HB5120)**
 - MPSC siting authority for large projects
- **PA 234 (HB5121)**
 - MZEA
 - Nonconforming status to approved projects
- **PA 235 (SB 271)**
 - Increase rooftop solar cap to 10%
 - Renewable energy: 50% x 2030; 60% x 2035
 - Clean/carbon-free: 80% x 2035; 100% x 2040
 - 2,500MW energy storage by 2029
- Other bills on energy efficiency, IRP criteria, public engagement, just transition



PA 233 (Part 8 of Act 295 of 2008)

- Grants MPSC new authority to issue certificates for renewables projects at designated thresholds (MCL 460.1222 (1))
- Gives developers an option to go directly to the MPSC for certificate, rather than through local zoning
- Covers expansion and repowering of existing facilities—not just new construction (MCL 460.1221 (g))
- Effective date: November 29, 2024



50 MW nameplate capacity
solar energy facility



100 MW nameplate capacity
wind energy facility



50MW nameplate capacity energy
storage facility and an energy
discharge capability of 200 MW
hours or more

Today: Focus on “What now” rather than “How we got here”

MI HEALTHY CLIMATE PLAN

“Assist clean energy developers and communities in adopting best practices for siting renewable energy systems.”



Michigan's nonpartisan, nonprofit news source

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Guest Commentary

Opinion | Michigan's system to approve green energy projects is broken



September 25, 2023



[Sarah Mills](#)



[Guest Commentary](#)



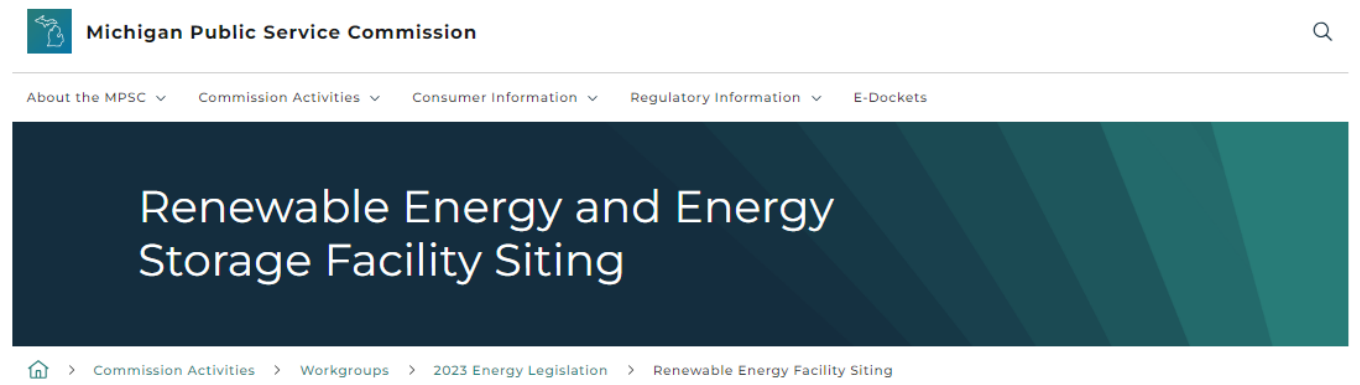
[Michigan climate change](#), [Rural Michigan](#)

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One more month of waiting

- **Ballot initiative**
- **MPSC stakeholder process**
 - First tranche Straw Proposal (4/5/24)
 - Public notice / public meeting
 - Who needs a CREO
 - Intervenor funds
 - Application fees



What's a county to do?

1 Let projects go to the MPSC

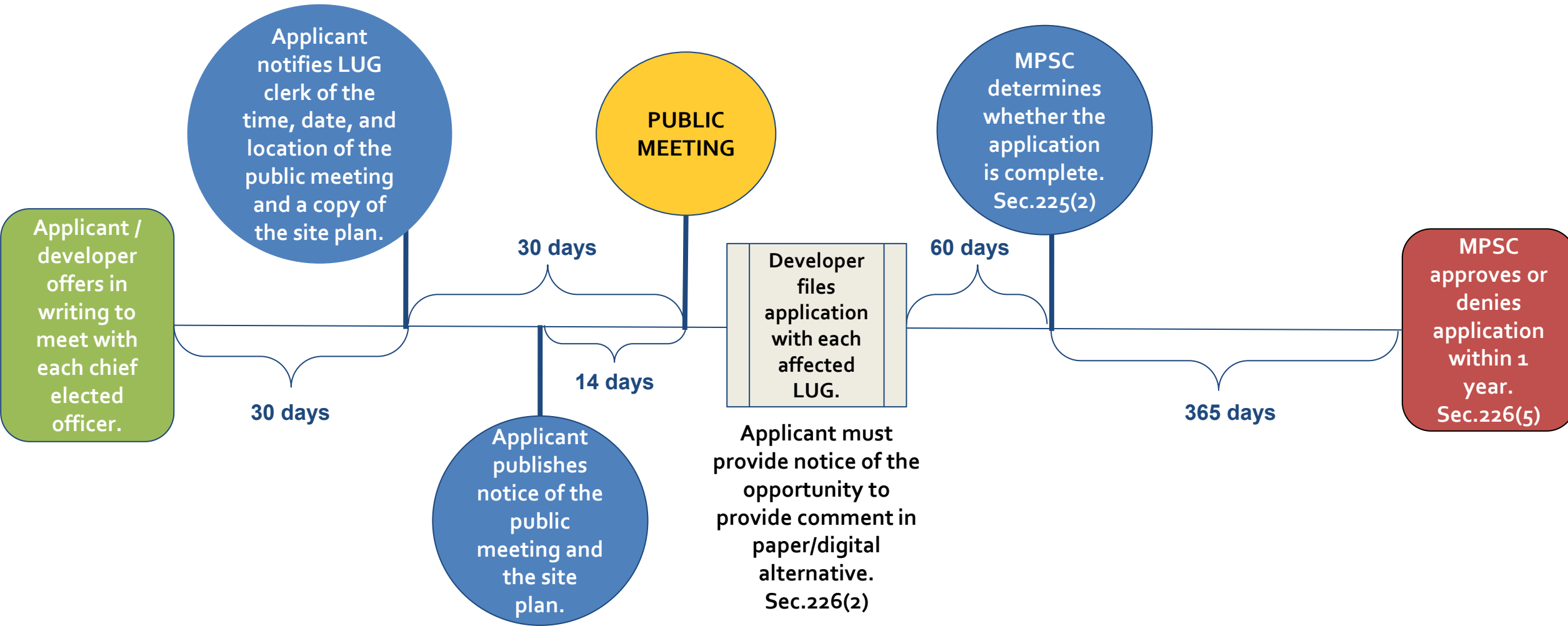
2 Compatible Renewable Energy Ordinance (CREO)

3 Workable Incompatible Ordinance (WIO)

When is this an option to developers?

- When requested by the local government
 - Process TBD
- When not **all** local government have **CREOs** (or any have moratoria)
 - CREO, all explained in a minute
- When local government delays or denies project

MPSC process



Components of the MPSC process

- **Some set standards (we'll get there)**
- **Evaluation criteria with broad authority to apply conditions** (226(6))
- **\$75k/\$150k grant to local unit(s) to intervene** (226 (1))
- **\$2k/MW 1-time Host Community Agreement** (227 (1))
- **Apprenticeship, prevailing wages for construction workers**

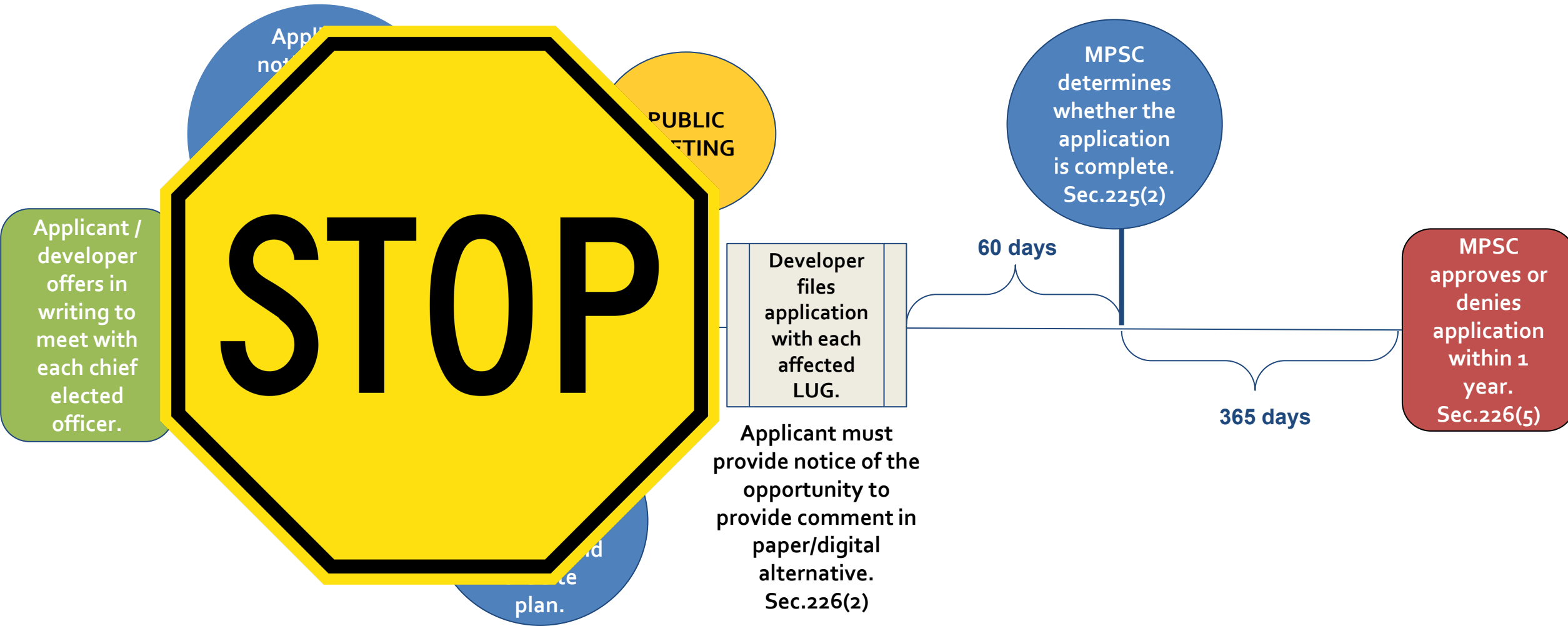
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MPSC process



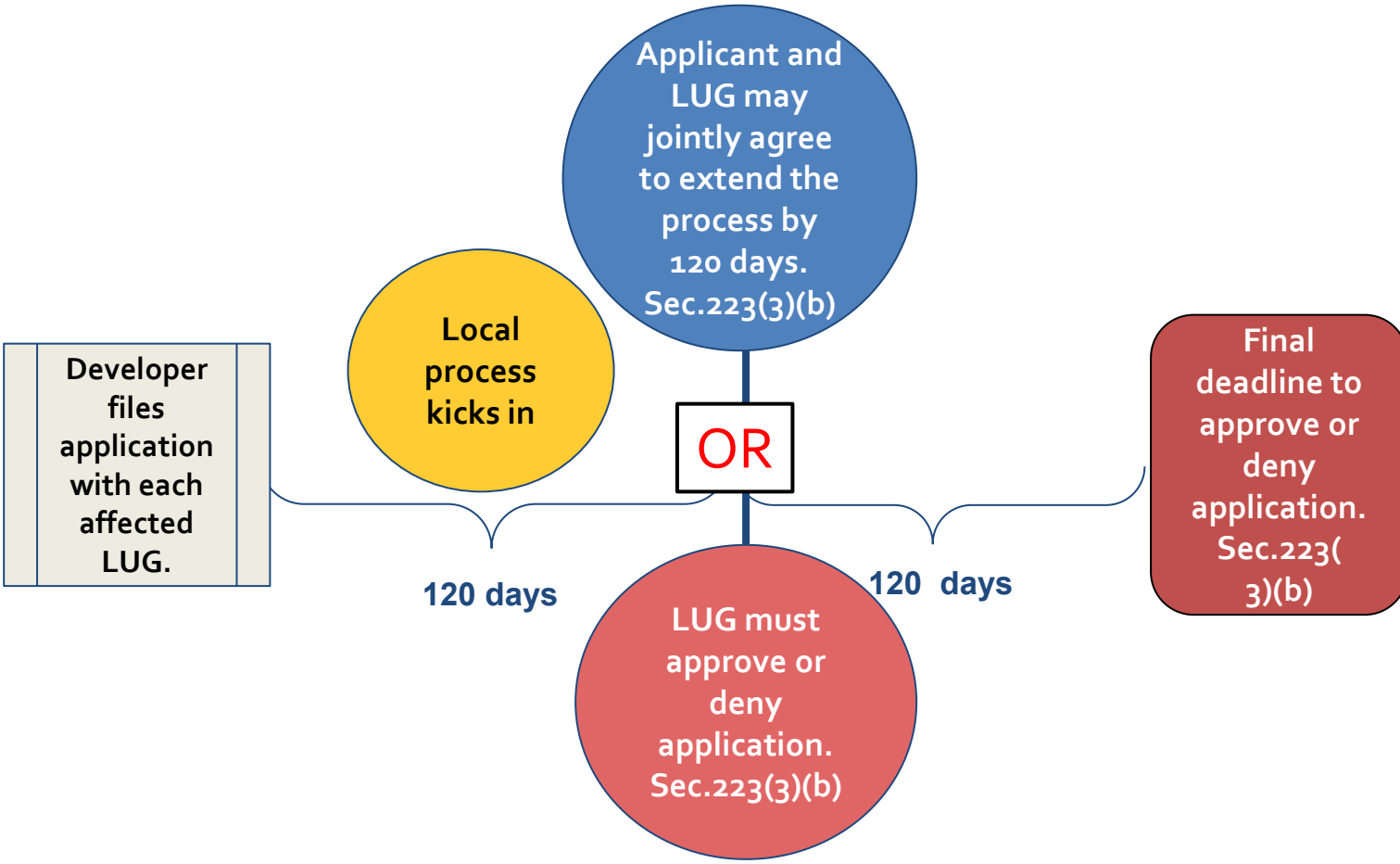
CREO & “All Affected Local Units of Government”

- If **all** local units have adopted a CREO, the developer must **first** have the project reviewed at the local level
 - What does **all** mean?
 - **Plain reading:** city + county; village + township + county
 - Can't all be zoning ordinances
 - **Intent:** Probably zoning authority?
 - **MPSC's Straw Proposal:** just the zoning jurisdiction
 - Counties breath a sigh of relief
 - Still important for projects in 2 counties

CREO & “All Affected Local Units of Government”

- If **all** local units have adopted a CREO, the developer must **first** have the project reviewed at the local level
 - Why **first**?
 - If local unit:
 - Fails to approve/deny a developer’s proposal in 120 days
 - Amends zoning ordinance
 - Denies a proposal that adheres to CREO standards
 - Then, developer can go to the MPSC

CREO process



The developer must begin construction within 5 years of the permitting date or the conclusion of subsequent challenges to the permit. Sec.223(4)

What's a CREO?

- “an ordinance..the requirements of which are no more restrictive than the provisions in section 226 (8)”

Solar and storage:

- Setbacks: 300' from NP house; 50' road; 50' NP property line
- Noise: 55 dBA Leq(1hr) from NP house
- Dark-sky friendly lighting
- Fencing:
 - Solar: NEC fencing, 25' height
 - Storage: NFPA 855

Wind

- Setbacks: 2.1x from NP house; 1.1x NP property line, road, transmission lines
- Noise: 55 dBA Leq(1hr) from NP house
- Flicker: 30 hrs at NP house
- Height: FAA Determination of no Hazard
- Light-mitigating technology (maybe temporary exemption)

Nothing else can be in a CREO?!

- **TBD**
 - Regulations mimicking MPSC standards/conditions? **
 - Compatibility with land uses / land use plans?
 - Other things customarily in zoning (screening/landscaping)?
- **Penalty for a “false” CREO (denying project that complies with Section 226(8) standards)**
 - Loss of intervenor funds
 - May no longer be able to claim CREO status **

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What's a workable ordinance?

- **Something the developer can live with**
 - *Could* mirror MPSC standards and review process. (And beyond)
- **How to tell?**
 - Talk to the developer
 - Look at what's worked before (tough for storage...)
 - EGLE's Successful Renewable Energy Ordinances datasheet for wind and solar developments.

What's a county to do?

- 1 Let projects go to the MPSC
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Primary benefits of each path

MPSC

- Easy / cheap
- Push controversy to state

CREO

- Attract developers
- Ensure proposals local

Workable

- Not be obstructionist, but voice

NEW: Renewables Ready Communities Award

- 1-time \$5,000/MW
- Projects at PA 233 threshold
- Only for projects that go through the local process

Primary drawbacks of each path

MPSC

- Less opportunity to influence outcome

CREO

- Less opportunity to establish local requirements

Workable

- No guarantee developer won't go to state

What to do next?

- **Talk to your neighbors**
 - Little point in CREO if neighboring self-zoned townships aren't CREO-ing**
- **Back-cast when you must start ordinance amendments**
 - Waiting = more answers from MPSC / info about ballot initiative
 - BUT get planner/lawyer scheduled
- **Participate in MPSC stakeholder engagement**
 - Need to hear from counties!

Energy funding resources at EGLE



Renewables Ready Communities Award

The Renewables Ready Communities Award is a \$30,000,000 program designed to reward municipal renewable energy adopters in the state. This program will provide up to \$5,000 per megawatt (MW) to eligible Michigan municipalities for an eligible renewable energy project that they will physically host and/or perform local permitting.



Community Energy Management Program

The Community Energy Management (CEM) Program offers financial incentives directly to communities to improve energy management and accelerate the transition to energy efficiency and renewable energy.



Agriculture and Rural Businesses Energy Incentive Program

The Agriculture and Rural Businesses Energy Incentive Program offers financial incentives to farms, agribusinesses, and rural businesses for energy efficiency and renewable energy implementation projects. The program also provides technical assistance from energy audits.



Sponsorship Program



Charge Up Michigan Program



Lake Michigan Circuit



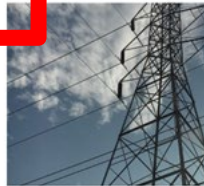
Small Manufacturers Retooling

The Small Manufacturers Retooling offers matching grants to small manufacturers located in Michigan to implement energy efficiency and retooling activities.



Building Operator Training

Efficient buildings are only efficient when managed to utilize the systems appropriately. This program will select a nationally recognized, award winning, training program that offers facilities personnel the knowledge and skills to succeed in their careers.



Grid Resilience

Bipartisan Infrastructure Law Outages and Enhancing the Resilience of the Electric Grid Grants. This program is intended to provide funding to eligible entities to carry out activities that are supplemental to existing hardening efforts and reduce the risk of power lines causing a wildfire; or reduce the likelihood and consequences of disruptive events.

- **Community Energy Management Program:**
 - Financial assistance for local and tribal governments or other public service entities to improve energy management and accelerate the implementation of energy efficiency and renewable energy.
 - Maximum award of **\$100,000** per applicant.

The MI Solar Access Program will support households move toward energy self-sufficiency and climate resiliency by assisting them with reducing their electricity usage, energy burden, climate preparedness, and access to renewable energy.

The National Electric Vehicle Infrastructure (NEVI) Formula Program is a federal funding opportunity provided to States to strategically deploy electric vehicle infrastructure and establish an interconnected network to facilitate data collection, access, and reliability.

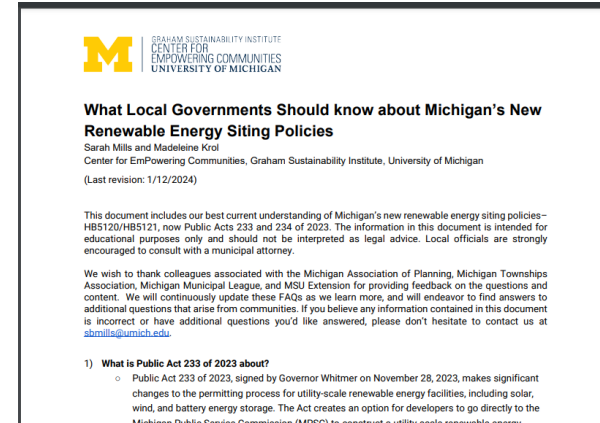
The Home Energy Rebate Programs offers rebates to help households save money on energy bills, improve energy efficiency, and reduce indoor and outdoor air pollution.



<https://www.michigan.gov/egle/about/organization/materials-management/energy/rfps-loans>

What resources are available?

- **FAQs**
 - <https://graham.umich.edu/media/files/FAQ-How-HB5120-Works.pdf>
- **WIO data/ guidance from EGLE available, CREO on the way**
 - <https://www.michigan.gov/egle/about/organization/materials-management/energy/communities/mi-zoning-database>
- **Storage guidebook on the way**
- **Eventual update of wind, solar guidebooks**



Questions?

- **Reach out to us**

- Answer questions
- Review draft zoning ordinances
 - Talk through pros/cons of alternatives
- Connect you to MSU-Extension, other communities

- **More training**

- Renewable Energy Academy
- Legal training, bus tours through MAP
- Online webinars on zoning

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