MICHIGAN LEAGUE OF CONSERVATION VOTERS

To: **House Committee on Energy and Technology**
From: **Michigan League of Conservation Voters**
Date: **October 27, 2021**
Re: **Testimony in Support of House Bills 4715 & 4716**

Chairman Bellino and Members of the House Energy Committee: The Michigan League of Conservation Voters would like to express their **support for HB 4715 and HB 4716.**

HB 4715 would direct the Michigan Public Service Commission (MPSC) to promulgate rules for community solar bill credit rates which ensure access for all classes of customers and would modify interconnection standards to allow community solar installations to be connected to the electrical grid. Additionally, HB 4715 would allow utilities to recover costs for bill credit administration and the reasonable interconnection costs.

HB 4716 would establish a bill credit for customers who opt-in to a community solar program in proportion to the size of the customer's subscription not exceeding the average annual bill for the customer's account. This bill also provides that no subscriber can hold more than 40% interest in the output of a community solar system and at least 60% of a given installation is subscribed to by consumers of 40KW or less.

Community Solar Enables Low-Income Clean Energy Access, Energy Savings
Solar energy brings down energy costs for everyone - direct and indirect. In a state with the highest energy costs in the Midwest, we should be giving Michiganders more options to get their energy from affordable solar installations; HB 4715-4716 does just that. Included in HB 4715 are key provisions which would ensure the accessibility of solar power to low-income households which are traditionally excluded from the solar market. Importantly, the bill also provides for consumer protections as a safeguard against predatory or unfair practices to give consumers enough confidence to invest in solar power.

HB 4716's proportional bill credit provisions offer all participating customers the opportunity to receive savings on their monthly energy bills while simultaneously investing in solar infrastructure that has a lifespan of around 30 years. Over the lifetime of the solar panels, residents can expect immediate and substantial savings.

These bills are a game-changer for the average Michigander who wants to see access to clean and affordable solar energy from the Upper Peninsula where skyrocketing energy costs can be overly burdensome to Detroit where residents have been calling for community-based energy alternatives as a means of bringing down energy costs to low-income households.

Whether you are a renter, aren't able or can't afford to install solar panels on your own rooftop, you should still have opportunities to invest in solar. This legislation will open the door for clean, affordable solar energy for communities across Michigan.

Solar Energy Adds Value to the Grid - Decreasing Costs for All Ratepayers
Decentralized solar power generation reduces transmission costs and adds resiliency to the state's electrical grid. Solar systems produce the most on the hottest days when energy is the most expensive and in high demand, and energy isn't lost sending it miles across inefficient transmission lines. Clean energy is a hedge against fuel price spikes, and as we saw this past summer, when roughly 10% of Michiganders were left without power, our existing aging, centralized energy infrastructure is insufficient and unreliable. By expanding the network of decentralized solar installations, over time we can build a more resilient grid. This is particularly important given that Michigan utilities had the second-worst restoration time per outage in the nation, even on days without major storm events.

Community Solar Creates Good-Paying Jobs and Will Immediately Grow the State Economy
An October 2021 report by Michigan State University's Product Center and the Center for Economic Analysis found that the installation of 900MW of solar energy projects across the state would contribute more than $1.4 billion in gross state product create 18,500 jobs. The study was developed to conform to the provisions of each bill presently before this committee, with community solar capacity capped at 5MW per installation as stipulated in HB 4716. Conservatively, the study bases the estimate on 180 solar projects being installed over a six-year period at a rate of 30 projects annually.

Figures released by the U.S. Bureau of Labor Statistics show that solar installation jobs are the fastest growing form of employment in the country, with future projections estimating the rate of increase to be 105% over the ten year period between 2016-2026. The passage of HB 4715-4716 will open the door to good paying jobs in an industry that offers long-term growth potential.

Clean Energy Reduces Air Pollution, Improves Public Health
As Michigan transitions towards a low-emissions economy, it is imperative that the legislature consider innovative solutions to expand renewable energy. This legislation will reduce air pollution caused by the burning of fossil fuels and address climate change in a cost-sensitive and economically fair manner. Investments in renewable energy bring with it a myriad of public health benefits, especially in environmental justice communities which are disproportionately affected by fossil fuel burning power plants which are often located in and around disadvantaged communities.

The burning of fossil fuels is the largest contributor to air pollution and is a major global public health concern. It releases a wide array of harmful pollutants, including particulate matter, ozone, nitrogen dioxide, sulfur dioxide, mercury, and other hazardous air pollutants. The health effects of breathing polluted air include reduced lung function, asthma, cardiovascular disease, preterm birth, and premature death.