House Energy Committee

House Bills 4715-4716

October 27, 2021

Sarah Nielsen – Exec. Dir. of Transportation, Renewables, & Storage



Consumers Energy currently offers customers access to affordable renewable energy sources





- Grand Valley State University 3 MW
- Western Michigan University 1 MW
- Cadillac Solar Gardens 0.5 MW
- Solar Sunrise Program



More Voluntary Green Pricing (VGP) programs

- Large Customer Renewable Energy Pilot
- Renewable Energy Credit (REC) Pilot
- Anchor Tenant option (pending approval)



Additional 8,000 MW of solar by 2040 through our IRP

This proposed legislation creates more problems than it solves

	HBs 4715 & 4716	What it means		Consumers Energy programs	
Impacts to other customers	"Applicable bill credit rate" means the dollar-per kilowatt- hour rate established by the commission	By creating a regulated rate for an unregulated entity, any difference between the "monetary value" and market prices would be paid for by all utility customers	X	There is no cost shift between program customers and other customers – only participating customers pay costs	~
Affordability	"Bill credit" means the monetary value of the electricity in kilowatt-hours generated by the community solar facility"	It is unclear what monetary value means, and the value is not tied to market-based prices	?	Our credits are based on the market value of the capacity and the energy produced	✓
Consumer protection and regulatory oversight	A subscriber organization is not considered to be an electric provider as a result of its ownership or operation of a community solar facility	Unregulated entities have no obligation to serve customers, plan for their energy supply needs, or protect them in the event of any unanticipated issues	X	Regulated utilities are subject to MPSC rules and oversight	✓
Access for all customers	"Subscriber organization" means a for-profit or nonprofit entity that owns or operates 1 or more community solar facilities	Because the entities are not regulated, they have no obligation to serve any customer and can pick and choose their customers	X	All customers have access to solar energy	✓