



MICHIGAN CHAPTER

June 13th, 2024

Chair McCann and Members of the Committee,

Michigan LCV, the Sierra Club, and the Michigan Environmental Council would like to thank you for the opportunity today to express our support today for SB's 152 and 153.

When implemented these bi-partisan bills could be a game-changer for the average Michigander who wants access to clean and affordable renewable energy. The bills will create opportunities for renters, low-income households, and others unable to afford or logistically install rooftop solar to subscribe to solar energy and lower their monthly energy bills.

We support an all-of-the-above scale deployment of renewable energy: household, community, and utility-scale - which is why we were strong advocates for renewable energy deployment and clean energy standards that passed in late 2023. We believe everyone should have the opportunity to lower their energy bills - whether they own a large farm in rural Michigan, rent in a dense urban core, or perhaps own a single-family home or business in the suburbs on property not conducive to rooftop solar. These bills open the doors for all.

Michigan is becoming a clean energy Economic engine and community solar will contribute.

An October 2021 report by Michigan State found that the installation of 900 MW of community solar projects across the state would contribute more than \$1.4 billion in gross state product and grow 18,500 jobs in Michigan. The study was based on 180 community solar projects installed over six years [30 projects annually at 5 MW].

This study was commissioned before the 2022 passage of the Inflation Reduction Act and Michigan's 100% clean energy standard. The Federal Local Solar for All Program alone is slotted to bring in 156 million dollars to Michigan to support rooftop and community solar, and battery development for thousands of households in low-income and disadvantaged communities through direct financial assistance.

A robust Michigan community solar program would unleash private investment and lever the federal dollars to build on a rapidly growing clean energy sector. Another strong October 2023 jobs [report](#) shows that Michigan leads the [Midwest region](#) in clean energy jobs and workers. The report, by Environmental Entrepreneurs, found that Michigan has nearly 124,000 clean energy jobs and that the industry grew nearly 5% in Michigan in 2022 with the addition of over 5,000 new jobs.

Community solar will help Michiganders build wealth and save money on their energy bills, but, of course, as conservation groups our core mission is protecting human health and the environment.

Hello Chair McCann and Committee Members. I am the Energy & Climate Policy Coordinator for the Michigan Environmental Council. Last year, thanks to many of those in this room, we passed a historic 100% clean energy standard here in Michigan. I am proud to see Michigan become a leader in the fight to slow the worst impacts of climate change. It is imperative that we continue the transition away from fossil fuels and towards 100% clean energy as quickly as we can.

The burning of fossil fuels is the largest contributor to air pollution, releasing a wide array of harmful emissions like mercury, sulfur, and nitrogen oxides into our air and straight into the lungs of Michiganders. These fossil fuel-burning plants are often concentrated in already overburdened environmental justice communities, where Michigan

residents suffer the effects of asthma, reduced lung function, cardiovascular disease, infant mortality, and even increased risk of dementia.

By enabling third party community solar projects here in Michigan we can place more power in the hands of these communities and begin to correct some of these historical injustices. Enabling community solar adds another tool to our toolbox so that we can meet the demands on our power grid with clean renewable energy and ensure a healthier future for our children and grandchildren. With that, I'll pass it on to Tim for our final words.

Thanks, Carlee. I'm Tim Minotas, Deputy Legislative and Political Director for the Michigan Sierra Club. According to an analysis by the National Renewable Energy Laboratory, nearly 50% of households and businesses are unable to host rooftop solar systems. That's because many barriers prevent households from adopting rooftop solar, such as people who can't afford the large up-front costs, who are renting, who live in a community with restrictive homeowner association rules, who have shaded rooftops, or who don't qualify for standard financing solutions.

Community solar breaks down those barriers and ensures that everyone, regardless of the characteristics or ownership of their home or business, can enjoy the financial and ecological advantages of solar power production. Put simply, for those unable to install solar panels directly on their property, community solar offers an alternative to participating in the clean energy transition and benefit from the cost savings and other advantages that solar energy brings. Under this legislation, interested parties could subscribe to an independently owned shared solar installation with a third-party developer located right in their community and receive a credit on their utility bill as set by the MPSC for their share of the power produced, and in doing so, reduce electricity bills and lower household energy costs - which we know Michigan is among some of the highest, all while building a stronger, distributed, and more resilient electric grid.

There is no agreed-upon definition of community solar. At its simplest, the term can refer to any project that uses solar panels to produce electricity for multiple customers or subscribers. However, Michigan only allows for utility-managed community solar projects and not independently owned third-party community solar. Right now, Investor utility-owned programs lack direct access to local solar for customers and communities and lack the economic benefits that could be provided by third-party ownership. These bills also require consumer protections for subscribers, give meaning to the word "community", and allow them to keep their subscriptions if they move.

Earlier Nick mentioned the historic \$156 million funding through the federal IRA Solar For All program. This funding provides a monumental opportunity for Michigan. However, without a community solar enabling policy here in Michigan that allows independently owned (third party) projects, we will be leaving a key policy lever off the table, undercutting our ability to take full advantage of the Solar For All funding and provide the energy costs saving benefits to residents that true community solar provides. The massive amount of requests for funding that this program received—from red, blue, and purple states alike—makes clear that there is a huge demand for clean energy nationwide and we must continue to fund and expand programs like this to enshrine Michigan's leadership and to achieve our clean energy standard and climate goals.

In the end, what this means is that we are making clean, renewable energy accessible to just about anyone, especially those who have historically been disproportionately affected by the climate crisis and air pollution. The benefits associated with community solar are expanded options for residents, cleaner air and water, lower-cost electricity, and a more environmentally sustainable Michigan. Again, we ask for your support. Thank you.