

Michigan Manufacturers Association Comments of Draft Report on Renewable Energy

The Michigan Manufacturers Association (MMA) is the state's leading advocate exclusively devoted to promoting and maintaining a business climate favorable to industry. MMA's goal is to make it possible for Michigan manufacturers to successfully compete in the national and international marketplace.

While the 90 page report itself explores all aspects of the current state of renewable energy in Michigan, the MMA is concerned that the tone or wording of certain parts of the Executive Summary and the full report are misleading as to the true feasibility and practical implications of significantly increasing the renewable portfolio standard (RPS). While the MMA supports the advancement of clean energy technology, and many of its members are active participants in the development and manufacturing of the equipment and components of this emerging industry, the Association also believes we need to weigh the impact such mandates will have on costs and reliability.

Beginning on page 3 and continuing through its discussions of "various scenarios" on page 5 of the Executive Summary the report uses the term "technical feasibility" to support the statement that under "these assumptions, all evaluated scenarios (ranging from 15% by 2020 to 30% by 2035) are achievable". The summary does not qualify that statement and it is misleading regarding the true feasibility of those levels. Unfortunately, the layperson will be neither inclined nor possess the expertise to read the full report to truly appreciate the fact that such claims are not practically achievable.

Nowhere is this played out more than on page 32 of the full report: *"In general, there is broad agreement that there is significant technical potential for renewables to provide significant supply in Michigan because it's technically possible to meet all of Michigan's needs through renewables. That said, there is significant difference between theoretical technical feasibility of aggressive renewables and the practical ability to deploy it at very high levels within the State."*

It is impossible to "make good energy decisions" based on theoretical assumptions about projections which are not practically feasible. We have already seen public commentary that has translated "technical feasibility" of expanded mandates to mean "practical and reasonable."

The projections of the report are heavily reliant on wind, but do not provide a sufficient discussion of the issues associated with this renewable source. Wind can and should have an important role going forward, but until we solve the problems of intermittency and storage, it is simply physically impossible for wind to provide the level of reliable generation claimed to be achievable. Wind is dependent upon having a duplicative generation infrastructure to be at all useful to meet energy demand. Michigan must keep 712 MW of fossil plants in services to back-up wind. Moreover, MISO reported in its 2013 Wind Capacity Credit Report, that it uses only 88 MW of the 801 MW of installed wind, or just 11% in its capacity planning.

Further, the report is virtually silent on the impact the sheer volume of the number of turbines (6,000) and land mass (600,000 acres) that would be required to meet a 30% RPS.

The MMA requests that the Executive Summary and full report be rewritten to provide a more balanced analysis and identification of the problems. At a minimum, we ask that the first sentence of the Summary of Costs on page 32 be stricken. While we believe wind can play a role in diversifying our generation portfolio, saying "...because it's technically possible to meet all of Michigan's needs through renewables." simply doesn't reflect overwhelming practical realities.

Thank you for your consideration.

Respectfully,

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Mike

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