



CLEAN AIR
TASK FORCE

RENEWABLE ENERGY CREDIT PORTFOLIO AND CLEAN ENERGY PORTFOLIO REQUIREMENTS

Michigan



Policy type

Renewable Portfolio Standard

Clean Energy Standard

Form of the standard

Energy-based RPS

% of renewable energy required

Energy-based CES

% of clean energy required

Targets

- RPS: Interim – 15% target through 2029, 50% from 2030-2034, 60% by 2035
- CES: Interim – 80% by 2035; Final – 100% by 2040

Economy-wide goal: 28% reduction below 1990 levels by 2025 and fully carbon neutral by 2050

Point of regulation: Retail sales

Regulated entities: Investor-owned utilities, municipal utilities, cooperative utilities, and retail suppliers

Percent of retail sales covered by RPS: 100%

Implementing agency: Michigan Public Service Commission (PSC)

Enforcement mechanisms: Civil action for injunctive relief can be brought against municipal and co-op utilities that fail to comply. Utilities shall have 90 days to comply before plaintiffs file suit.

Compliance flexibility and cost containment: The Commission may grant extensions for clean energy plan deadlines for good cause, but deadlines shall not exceed 2 years. Rate impact cost ceilings have been set at \$3.00 per month for residential customers, \$16.58 per month for secondary commercial customers and \$187.50 per month for primary commercial and industrial customers.

Carve-outs and incentives: Credit multipliers for: renewable energy, other than wind, produced at peak demand times; renewable energy produced with in-state equipment and/or an in-state workforce; renewable energy storage

Compliance tracking: MIRECS; utilities must file a proposed plan with the Commission every two years for review. Annual reports to the Commission are required on the status of renewables, effects on electricity pricing, employment, and cost effectiveness of the standard.

Notable features: Outflow from the distributed energy generation program, the sales from a voluntary green pricing program, as well as in-state nuclear energy before or on January 1st, 2024, are excluded when calculating a utility's target for the year

Links to agency website and statutes/rules: Mich. Comp. Laws § 460.1028; Mich. Comp. Laws § 460.1051; Senate Bill No.271 of 2023; Retail Electricity Sales; EPA's REC Tracking Systems

Eligible sources

RPS

Biogas

Biomass

Distributed Generation

Existing Hydropower

Geothermal

Solar

Wave/Tidal

Wind

CES

Energy Efficiency

Fossil Fuels with at least 90% CCS

Non-Emitting Technologies

See Mich. Comp. Laws § 460.1011(g), (j) for limits on hydropower and biomass and Mich. Comp. Laws § 460.1003(g), (i) for nuclear and fossil fuels. See Mich. Comp. Laws § 460.1011(g) and Mich. Comp. Laws § 460.1003(g) for definitions of remaining eligible sources. Certain limits may apply.