

21. How has Michigan, and how have other jurisdictions, chosen to incentivize or penalize exceeding or falling short of renewable targets?

Michigan law provides no incentive for exceeding the RPS. Section 53 of Act 295, however, does include penalties for not meeting the RPS.

| State        | Renewable Portfolio Penalty Policy – Michigan and Neighboring States   |
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| Illinois     | No incentive available. No known penalty. Alternative payments are, at times and for certain entities (AES), required.   |
| Indiana      | Incentive: additional basis points for an electric supplier's authorized rate of return. No known penalty.   |
| Michigan     | No incentive available. Rate regulated providers who have not made a good faith effort may be ordered by the Commission to purchase the necessary renewable energy credits to comply without recovery. A complaint may be filed against non-regulated providers. |
| Minnesota    | No known incentive. Penalty includes order by Commission to construct or purchase RE facilities or to purchase RE credits. Financial penalty is also available.  |
| Ohio         | No incentive available. Alternative compliance payments if the provider is deficient.  |
| Pennsylvania | No incentive known. Alternative compliance payments are the penalty for failing to comply.   |
| Wisconsin    | No incentive available. Penalty not known as all utilities have met requirement.   |

Sources:

Calls with State Public Utility Commission Staff

<http://www.in.gov/legislative/bills/2011/SE/SE0251.1.html>

<https://www.revisor.mn.gov/statutes/?id=216b.1691>

<http://www2.legis.state.pa.us/WU01/LI/BI/BT/2003/0/SB1030P1973.pdf>