

22. Michigan law currently contains provisions for incentive renewable energy credits, and advanced cleaner energy credits.

What impact has the provisions for incentive renewable energy credits and advanced cleaner energy credits had on renewable energy in Michigan? What has been the impact of similar provisions in other jurisdictions?

Incentives RECs have allowed for an emphasis on Michigan equipment and labor, as well as motivation to place renewable capacity into service in a timely manner. The table below contains the Incentive RECs generated in Michigan in 2012. These incentive RECs make up about 10% of the total energy credits generated in Michigan in 2012 (4,378,587 energy credits).

	Incentive RECs 2012
Solar	6,571
On Peak	254,813
Pumped Storage	54,296
Michigan Equipment	920
Michigan Labor	114,943
Total Incentive RECs	431,543

Incentive RECs allow for attainment of the RPS standard at a lower cost, because if the incentives were not available then additional renewable capacity would need to be built to attain the REC goals. The removal of Incentive RECs would increase the investment and the cost to ratepayers needed to comply with the RPS standard.

The ELPC (Environmental Law & Policy Center) supply chain report finds there are 121 Michigan businesses working in solar energy and 120 companies involved in wind power. Solar and wind power provide over 10,000 jobs in Michigan. The state ranks fourth in the nation for number of jobs in the solar industry and first in the nation for clean energy patents. These companies are supplying major components; Ventower and Energetx recently began delivering wind towers and turbine blades respectively. Incentive RECs for Michigan labor and equipment help to keep these companies moving forward.

Sources:

[http://www.michigan.gov/documents/mpsc/implementation\\_of\\_PA295\\_renewable\\_energy\\_411615\\_7.pdf](http://www.michigan.gov/documents/mpsc/implementation_of_PA295_renewable_energy_411615_7.pdf)  
<http://elpc.org/wp-content/uploads/2011/03/ELPCMichiganSolarandWindReport2011.pdf>