

WHY THE WOLVERINE STATE COULD BE THE NEXT SOLAR POWERHOUSE

5.1.19



ANNUAL SALES, 11TH IN THE NATION



| | MWH sales |
|-------------------------|--------------------|
| <u>Ohio</u> | 146,643,831 |
| <u>Illinois</u> | 137,196,310 |
| <u>Michigan</u> | 101,899,093 |
| <u>Indiana</u> | 98,965,968 |
| <u>Missouri</u> | 76,461,419 |
| <u>Wisconsin</u> | 69,079,109 |
| <u>Minnesota</u> | 67,152,580 |
| <u>Iowa</u> | 48,921,997 |
| <u>Kansas</u> | 40,287,787 |

HIGH ELECTRICITY RATES= STRONG VALUE PROPOSITION FOR CUSTOMER-SITED RENEWABLES



| | Ave retail price |
|------------------|------------------|
| <u>Michigan</u> | 11.28 |
| <u>Wisconsin</u> | 10.76 |
| <u>Kansas</u> | 10.6 |
| <u>Minnesota</u> | 10.27 |
| <u>Missouri</u> | 10.03 |
| <u>Ohio</u> | 9.84 |
| <u>Indiana</u> | 9.77 |
| <u>Illinois</u> | 9.49 |
| <u>Iowa</u> | 8.73 |

STRONG CUSTOMER INTEREST --



- MSU poll
 - 90% of respondents want more solar on the grid
 - 80% of homeowners interested in rooftop solar
- Strong interest from large users -
 - The **Michigan Corporate Purchasers** group — which employs 92,207 people in Michigan with 2016 revenues of \$689.8 billion
 - “We’re definitely seeing growth in interest from the (commercial and industrial) sector becoming more dependent on renewable energy,” said Jeff Myrom, Consumers Energy’s director of renewable energy and electric vehicle customer products. “I’m getting calls every day almost from new customers asking how can they do this,” Myrom added.

WHITMER ADMIN. VALUES CLEAN ENERGY



- GOV. WHITMER CAMPAIGNS ON 100% CLEAN ENERGY
- CREATES NEW OFFICE OF CLIMATE AND ENERGY
- JOINS US CLIMATE ALLIANCE
- APPOINTS PEOPLE WITH RENEWABLE ENERGY EXPERTISE

IRPS REFLECTING GREATER RELIANCE ON UTILITY SCALE SOLAR

- **CONSUMERS ENERGY**

- PHASE OUT COAL BY 2040
- 5000 MW NEW SOLAR BY 2030
- 1000 MW MORE BY 2040
- 50% NON-UTILITY OWNED
- SETTLEMENT IN LITIGATION DUE TO UNRESOLVED PURPA ISSUES

- **DETROIT EDISON PROPOSAL**

- CLEARLY COMMITTED TO A NATURAL GAS-CENTRIC PLAN
- FIRST PLANT UNDER CONSTRUCTION NOW
- SECOND ON HORIZON FOR 2029
- NEAR-TERM WIND RAMP UP (> 1 GW BY 2025)
- ONLY 11MW OF NEW SOLAR BY 2025, AND ONLY 500 BY 2030

COMMISSION LOOKING AT COMMUNITY SOLAR OPTIONS



- CURRENT UTILITY GREEN PRICING PROGRAM FALL SHORT, PREMIUM PRICING, NO ADDITIONALITY, NO VALUE PROPOSITION FOR CUSTOMERS'
- COMMISSION INITIATED WORKSHOP PROCESS TO ASSESS POTENTIAL FOR COMMUNITY SOLAR AND IDENTIFY BARRIERS
- 3RD WORKSHOP COMING UP IN MAY

AND ON DG --- LOOK FOR NEWS ON MAY 2



- 2016 STATUTE LED TO PROCESS TO REPLACE NEM
- COMMISSION RECOMMENDED INFLOW-OUTFLOW TARIFF
- DTE PROPOSAL TO IMPOSE STIFF MONTHLY CHARGES (\$2.31/KW/MO), SLASH CREDIT RATE (LMP)
- ALJ RECOMMENDS REJECTING GRID CHARGE, CREDITING AT POWER SUPPLY RATE LESS TRANSMISSION
- FINAL DECISION MAY 2
- CMS PROPOSAL DUE IN 2020