

THE
NATIONAL LAW REVIEW

Watt's New? Michigan Energy Law News - November 2012

Thursday, November 29, 2012

Proposal 3 Rejected by Voters

The renewable energy initiated constitutional amendment on the November 6 statewide ballot (Proposal 3) was defeated 62 percent to 38 percent. The proposal would have constitutionally mandated that by 2025, 25 percent of the state's electricity would come from renewable resources. It was the second-most expensive ballot campaign this election cycle. According to the Michigan Campaign Finance Network, supporters of the proposal, including the League of Conservation Voters, the BlueGreen Alliance, the American Wind Energy Association, and the Green Tech Action Fund, contributed over \$10 million to the campaign. The opposition raised more than \$25 million, including \$11.5 million from Consumers Energy and \$9.4 million from DTE Energy.

Patriot Solar Development Efforts Shine

Albion-based Patriot Solar has completed a number of solar projects in the 4th quarter of 2012. Having supplied the racking systems for a 3 MW array as Phase I of a 62 MW project in Rockford, Illinois, it has been the lead contractor on four recent solar projects in Massachusetts. These include: 3.8 MW project in Smithbridge; 0.6 MW project in Fair Haven; 1.2 MW project in Maynard; and a 0.6 MW project in Brookfield. For 2013 they have a subcontract on the 20 MW solar project scheduled for Denton, Texas, and a 30 MW commitment for other projects with a major international solar developer. Patriot Solar is also working on a Pure Michigan solar offering with Michigan-made solar panels, inverters, and racking.

Reducing Total Lifetime System Costs for Solar Panels

Dow Chemical of Midland is marketing a new way to minimize delamination in solar panels. Using polyolefin technology, Dow has created its ENLIGHT™ product which combines the encapsulate and backsheet as one unit for solar panels. This eliminates the need to laminate multilayers with adhesives with improved performance, moisture barrier, and temperature resistance.

Sierra Club Ready to Sue on Alleged Air Quality Violations

As required under the federal **Clean Air Act**, the Sierra Club has filed a "notice of intent to sue" alleging at least 1330 air quality violations by DTE Energy coal-fired power plants: St. Clair, Belle River, and Trenton Channel. It is likely that any legal action would seek injunctive relief. DTE Energy's responsive press release indicated it has already invested \$2 billion in the last 10 years to install emissions controls, and would be spending another \$1-2 billion to meet new emission regulations.

Renewable Energy Approvals for Detroit Edison

The Michigan Public Service Commission (MPSC) has approved a 2 MW Phase II for Detroit Edison's customer-owned SolarCurrents Program. Fifty percent of the renewable energy credit credits (RECs) will be purchased "up-front" for \$0.20/W, with the remaining RECs purchased over the life of the system at \$0.03/kWh. In a separate

VARNUM
ATTORNEYS AT LAW

Article By [Varnum LLP](#)
[Energy Practice Group](#)
[Watt's New? Energy Law Varnum](#)

[Election Law / Legislative News](#)
[Biotech, Food, Drug](#)
[Utilities & Transport](#)
[Environmental, Energy & Resources](#)
[Litigation / Trial Practice](#)
[Administrative & Regulatory](#)
[Michigan](#)
[All Federal](#)

action at the MPSC, Detroit Edison received approval for the purchase of up to 970,000 RECs at \$7 per REC from Michigan Waste Energy for years 2009 through 2024. [This is a lower price than three previously submitted REC-only purchases.] In another docket Detroit Edison received MPSC approval of a 20-year 100 MW power purchase agreement (including RECs) with Tuscola Wind II, LLC, with pricing up to \$70.45 MWh for net energy delivered.

Starting Energy Companies in Michigan

In 2005 graduates of Western Michigan University launched mStation Audio LLC in Oshtemo Township to sell audio docking systems for Apple's iPod. When the company acquired mophie inc. in 2006, it took that name, and transitioned to designing and manufacturing accessories for the iPhone. One of its products, the Juice Pack, is an auxiliary battery that attaches to the iPhone and retails for about \$80, with over 1 million sold. Now headquartered in California to be near Apple, other company operations—distribution, quality control, tech support and customer service—are in Paw Paw, where it employs 30 people. It was recently awarded a \$240,000 Michigan Business Development Program incentive. Suburb Solar, Inc. started in 2010 near Manistique. Its flagship product is a portable solar generator on wheels. The EasySun 1500 has no moving parts, weighs 120 pounds, and has a handle for rolling on two wheels. Two 110V outlets and two 12V outlets provide power. It is configured so that a user can push a button and plug in an appliance. Equipped with a battery and a meter to show the state of battery charge, it can be operated even when there is no sun. Renovo Power Systems LLC, based in Ann Arbor, develops and manufactures advanced digital grid tied inverters. Founded in 2008, it provides an inverter product line for solar, wind and hybrid systems. It has recently collaborated with Power Panel Inc. of Detroit on a solar thermal and solar PV project in Ypsilanti for Arbor Brewing Company.

Michigan Shorts

ΩΩ CORRECTION: Solar Street Lighting USA does not use marine batteries in its systems, it uses solar deep cycle batteries Ω The Fermi 2 nuclear power plant was taken off-line in early November because of an excess of hydrogen gas in a cooling system for the main electrical generator Ω Dow Powerhouse solar shingles have been set as a standard feature on all homes in a new suburban San Antonio subdivision Ω NextEnergy, a 501(c)(3) nonprofit organization created to accelerate energy security, economic competitiveness and environmental responsibility through the growth of advanced-energy technologies, businesses and industries, is now ten years old Ω An environmental coalition opposing the proposed Fermi 3 nuclear reactor claims the mitigation plans for impacts on the Eastern Fox Snake are not adequate Ω The World Trade Organization has issued an interim report finding that Ontario Province has broken WTO rules by requiring renewable energy firms to source up to 60 percent of their equipment from within the province Ω U.S. carbon dioxide emissions from energy use during the first quarter of 2012 were the lowest in two decades for any January-March period ΩΩ

Competition Drives Innovation and Trumps Regulation

Earlier this month I attended the Battery Show in Novi, spending the day touring the exposition side of the show and going from booth to booth to see what is new in the advanced energy storage arena. Since I was expecting this show to be all about lithium ion batteries, imagine my surprise when I spotted two different vendors touting the latest development in lead acid batteries. Can 100 year old lead acid technology outperform nickel cadmium for plug in hybrids? Can the cost advantage of lead acid batteries blunt the inroads expected from lithium ion batteries? The answers are not nearly as intriguing as the idea that competition indeed spurs innovation. Look at how deregulation and the injection of competition unleashed changes in the telephone industry. Would we have our current cell phone capabilities if we were still renting our telephonic instruments from the regulated monopoly, Michigan Bell? Would we have virtually free long distance calling? We have come a long way since the breakup of the baby Bells in 1982. Imagine the innovation in the next 30 years if Michigan's electric generation and electric supply were opened to competition. Competition, and not the MPSC, would regulate the rates [and they would likely go down]. Are you ready to go to the local electricity store to buy a two year electric plan with unmetered service on the weekends?

© 2019 Varnum LLP

Source URL: <https://www.natlawreview.com/article/watt-s-new-michigan-energy-law-news-november-2012>