



Watt's New? *Michigan Energy News*

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"By switching to biodiesel fuel, Michigan can reduce greenhouse gas emissions dramatically, stop the massive importing of foreign fuel and keep the money local."

OnSite Energy CEO Michael Witt

Ballot Initiative on Alternative Energy Planned

A coalition of groups and companies is seeking to place a constitutional amendment before voters on November 3, 2012 to set Michigan's energy policy. The proposed ballot language would require that by 2025 at least 25 percent of each electricity provider's annual retail electricity sales be derived from clean renewable electric energy sources. The requirement would cover investor-owned, municipal-owned, and cooperative-owned electric utilities in the state. Petitions requesting that the initiative be placed on the November ballot must be filed by July 9, 2012, and must contain at least 322,609 valid signatures. Although the period during which signatures may be sought is 180 days, the petition must be filed at least 120 days before the election. The initiative requires a majority of the votes cast to go into effect.

Solar Activity in Saginaw Bay Area

Suniva Inc. is looking for acceptable financing and favorable market conditions before committing to a 2013 start-up of its \$250 million solar cell manufacturing facility in Thomas Township. To assist with financing, in December the Michigan Economic Development Authority authorized an \$8.7 million tax credit and renewed a previously granted \$15 million photovoltaic Michigan Business Tax credit. Ground has been broken on the 240-acre Great Lakes Solar Technology Park where 40 acres have been set aside for Suniva. Meanwhile, GlobalWatt, a developer of solar products, shut down its manufacturing facility in Saginaw area and left behind unused tax credits to relocate operations in Copenish and Hudsonville.

Detroit Edison Plans for 2029

In an order issued in December, the Michigan Public Service Commission (MPSC) approved an amended renewable energy plan for The Detroit Edison Company. The plan projects a 2029 renewable energy portfolio of about 1,000 MW (down from 1,295 MW in the prior plan), with 432 MW of company-owned wind energy generating facilities and 15 MW of solar generating assets. The new plan also calls for the purchase of renewable energy and renewable energy credits from third parties representing about 560 MW by 2029. The MPSC order also approved \$1 million for research and demonstration of emerging renewable energy technologies, including offshore wind generation for the MPSC Staff to convene an informal collaborative with interested parties (within 60 days) to explore possibilities for extending Detroit Edison's SolarCurrents program.

New Biofuels Project at MSU

Michigan State University has been partnering with OnSite Energy of Flint to develop a fully automated biodiesel fuel processor. The Freeway to Fuels project will involve the growing of oilseed crops on land in Michigan that is not currently under cultivation. The team has already developed a trailer mounted portable unit that contains equipment to crush oil from seed and convert it to biodiesel. The trailer approach is to allow an individual farm to make its own biodiesel fuel, and then move on to the next farm. Oil is extracted using a press, and then conversion chemicals are added to the automated system to convert the resulting oil to biodiesel. The units will come in 40 to 400 gallon-per-batch sizes.



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"Wolverine continues to seek cost-effective base load power supply to serve our member-cooperatives."

Eric D. Baker, CEO of Wolverine Power Cooperative

"Out on the lake, we found more wind and it was more robust."

Arn Boezaart, Director of MAREC

Michigan Energy Venues

- West Michigan Bioenergy site visit on February 2 at 8:00 AM. Email chaplar@rightplace.org for details
- West Michigan Wind Manufacturing Network site visit on February 9. Email chaplar@rightplace.org for details
- West Michigan Solar Supply Chain site visit on February 16. Email chaplar@rightplace.org for details
- AWEA Midwest Wind Energy Summit, Chicago, March 6-7 www.awea.org/events/AWEA-Midwest-West-Energy-Markets-Seminar-2012.cfm
- Michigan Integrated Suppliers, Energy Moves Michigan Forward Summit, Lansing, March 21, 2012 <http://tinyurl.com/mienergymoves>

Coal-fired Plant May Get Second Life

The Presque Isle coal-fired generating plant in Marquette consists of five units, each capable of generating approximately 85 MW of electricity. The owner, We Energies, was considering retirement in 2017. However, We Energies and Wolverine Power Cooperative have signed a letter of intent to investigate a potential joint venture wherein the facility would become jointly owned and be upgraded with state-of-the-art emission controls. The initial step will be to explore the technical feasibility of retrofitting and to develop a life extension program.

Wind Research Buoy Back on Shore

After bobbing for eight weeks four miles offshore in Lake Michigan, the WindSentinel buoy project managed by MAREC at Grand Valley State University is now taking measurements from its wintertime onshore location at the NOAA dock in Muskegon. During the two-month sea trial, the buoy demonstrated its ability to measure wind speeds at heights up to 150 meters utilizing laser pulse technology, as well as its ability to operate and communicate remotely. In mid-March 2012 the buoy will be deployed at the mid-lake plateau in Lake Michigan, approximately 35 miles offshore. Additional funding is being sought to replace State of Michigan funding that was canceled.

Property Tax Change on Wind Turbines

The Michigan Tax Commission has adopted a new set of equations for determining the taxable value of property which has changed the depreciation schedules for in-service wind turbines. As industrial personal property, wind turbines were previously taxed on 100% of their taxable value in the first year, and depreciated over 15 years down to 30%. In December, the policy was changed to taxing 80% in the first year and depreciating down to 30% over five years.

Michigan Shorts

ΩΩ The MDEQ issued an air permit to Midland Power Station, LLC in December for a 675 million Btu per hour biomass-fired rotary gasification steam and electrical generation facility for up to 35 megawatts (MW) of electricity Ω Mascoma Corporation has signed an agreement with the U.S. Department of Energy for up to \$80 million in new DOE funding for its cellulosic ethanol facility in Kinross Ω The Great Lakes Renewable Energy Association is 20 years old Ω Western Michigan University's campus has a new 50 KW solar array composed of 216 Mage 230 watt solar panels each with its own micro-inverter Ω The EU and Japan have requested a dispute panel be established to determine whether Ontario's domestic content requirements violates World Trade Organization rules ΩΩ

Good Things Come to Those Who Wait?

In May 2011, in front of 40 of Michigan's top leaders in clean energy manufacturing, Governor Snyder presented the first Reinventing Michigan Award to Energetx Composites. Having waited impatiently for four months, this group of entrepreneurs (ready to unleash their economic gardening skills, resources, and innovation) asked the Governor for his energy policy. Answer: his energy policy would be forthcoming "in the fall". In August, when Valerie Brader was named the state's energy policy officer, Mike Finney stated "Energy concerns are at the center of our economic future, whether we are talking about its cost and availability or job creation and new business potential in green energy manufacturing." Then word went out that the Governor's energy policy statement would be pushed to the first quarter of 2012. More waiting for those concerned about: RPS, standby rates, distributed energy, bioenergy, offshore wind, deregulation, customer choice, coal-fired generation, solar manufacturing, and advanced energy storage. The State of the State message last week yielded another setback: energy policy is being pushed off until "this fall". Michigan has been treading water on energy policy for over a year. We are in a policy twilight zone. Elected officials need to hear from the clean energy manufacturing community now. Policy delayed is policy denied.



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