

**December 10, 2021**

**Dear Director Clark and the Council on Climate Solutions,**

Michigan families are already suffering from the devastating impacts from our warming climate, with extreme rainfall and flooding events damaging homes, destroying dams, causing power outages, harming crops, and resulting in algae blooms and extreme fluctuations in water levels in our waterways and the Great Lakes.

Governor Whitmer acknowledged this crisis and pledged to make Michigan part of the solution with her **executive order** and **directive** that commit our state to cut climate emissions 28 percent by 2025 and achieve economy-wide carbon neutrality by 2050. As our state works to equitably decarbonize, we must also ensure that we are addressing the decades of cumulative and disproportionate impacts from fossil fuels and underinvestment in environmental justice (EJ) communities.

### **How Can Michigan Achieve Carbon Neutrality?**

According to modeling conducted by RMI, for Michigan to get onto a pathway to limit warming to 1.5 degree celsius, by 2030 we must:

- Reduce transportation sector emissions by 35-40% relative to 2005 levels,
- Reduce electricity generation emissions by 90% relative to 2005 levels,
- And reduce building sector emissions by 50% relative to 2005 levels.

***In short, to reach our 2025, 2030, and 2050 goals we must make major changes starting right now.*** Those changes should focus on efforts to **use less energy, power the grid with renewable energy and electrify buildings, transportation, and industry.**

We have the technology now to decarbonize our power sector and decarbonizing other sectors depends on achieving zero-carbon power generation; therefore, we recommend the plan achieve significant reductions in the energy sector in the near-term. Currently less than 15% of Michigan's electricity comes from renewable sources like wind and solar. It is critical that we invest heavily in energy efficiency to reduce our electricity demand and rapidly build out the solar and wind resources needed to fully replace the fossil fuels currently generating our electricity. In the near term, we must also begin the process of electrifying our transportation and building sector now as this effort will take significant time and depend heavily on vehicle and appliance turnover rates.

The undersigned believe that the recommendations below are the most critical to achieving near term and long term GHG reduction goals and to combating climate change in an equitable way that will improve our communities. We strongly encourage EGLE and the Council on Climate Solutions to ensure these recommendations are included in the draft and final MI Healthy Climate Plan. Without the below recommendations, Michigan will not achieve its climate goals

and will fall short of delivering a healthy, equitable climate for Michiganders for generations to come.

## **CRITICAL RECOMMENDATIONS:**

### **Energy Systems**

- Adopt a 100% zero-carbon energy standard by 2035, that does not rely on false solutions like new nuclear energy, carbon capture and sequestration, biogas, or carbon offsets.
- Advance policies that enable and encourage people to generate their own renewable energy and to better control and manage their energy use, while prioritizing low-income and environmental justice (EJ) communities. These policies include eliminating the cap on distributed generation (DG) of solar, updating the DG avoided cost calculation to better reflect the benefits of rooftop solar, enabling community solar, expanding MI Saves funding and enabling on-bill "pay-as-you-save" and other financing for distributed energy resources (DERs), and expanding and enhancing existing Energy Waste Reduction (EWR), Demand Response (DR), and DER programs, particularly for low-income communities.
- Direct EGLE and/or the Michigan Public Service Commission to initiate a staff-run stakeholder group or proceeding to evaluate opportunities and considerations for changes to gas utility regulatory and policy structures needed to support cost-effective and equitable achievement of the state's economy-wide GHG reduction goals.
- Direct the MPSC and EGLE to consider climate, health, and downstream impacts, and evaluate stakeholder engagement processes.

### **Transportation**

- Establish strong goals and a roadmap to achieve 50% electric light-duty vehicle sales and 30% electric heavy and medium-duty sales by 2030, including steps toward adopting both car and truck zero emission vehicle (ZEV) standards that would require automakers to supply an increasing % of ZEVs to the state.
- Make buying electric vehicles more affordable and EV charging more broadly accessible by funding the development of EV charging infrastructure and creating an electric vehicle purchase incentive. A statewide charging network could be achieved by expanding utility EV programs, adopting new building codes and parking requirements, and allocating additional state and federal funds to ensure all Michiganders have an opportunity to charge. Additionally, a purchase incentive is needed to narrow the cost gap and drive statewide demand. A priority should be placed on public fleet vehicles, such as transit and school buses, as well as incentives that support lower-income and disadvantaged communities.
- Require Michigan's Transportation agencies -- MDOT, regional and local road agencies- - to develop Greenhouse Gas Budgets and integrate them into transportation planning. Those budgets and plans should prioritize transportation projects that encourage less

driving, like expanding transit and non-motorized transit options, and building dedicated bus and bike lanes.

- Give Michiganders more safe and convenient options to get around without driving, including doubling state funding to expand and improve public and non-motorized transportation and create safer streets for walking and biking. This includes comprehensive plans to expand access to convenient zero-emission public and non-motorized transit throughout Michigan and for a Safe Systems Approach to reduce Vulnerable Road User fatalities.

### **Buildings and Housing**

- Set a target of 100% of all new heating equipment sales to be electric by 2035 and set interim targets leading up to 2035.
- Encourage utilities to increase spending on energy efficiency programs, in particular programs for low-income and energy burdened customers, to pursue all cost-effective energy waste reduction possible for their customers. And the MPSC should study what reforms or changes to the EWR programs might be needed to better target building shell improvements and/or what programmatic options are available to improve the building envelope and insulation of the current housing stock.
- Request utilities to file for pilot incentive programs for water and space heating heat-pumps. The pilots should include a prioritization of low income and energy burdened customers. Low-income and energy burdened customers participating in the pilot should be given a package of retrofits delivered together, including energy efficiency/building shell retrofits, electric appliances, health and safety walkaway remediation, and programs or rate designs aimed at achieving or maintaining energy bill affordability.
- Create a fund for decarbonization retrofits of affordable and low-income housing. The legislature should appropriate at least \$1 billion of federal and state dollars into the fund. Funding should be used to provide grants for deep energy efficiency projects, purchase and installation of electric appliances (including wiring upgrades), installation of EV charging, and mitigation of health and safety concerns in affordable and low income housing. This funding should be in addition to existing programs not in replacement of existing programs.

### **Environmental Justice and Climate Justice**

- Require state agencies to conduct an EJ analysis of climate impacts using an EJ screen that establishes a baseline of emissions and cumulative impacts, and regularly measures progress on pollution reductions in EJ communities.
- Prioritize EJ communities and directly reduce energy burden, disparities, and emissions in communities of color and low- and moderate-income communities, including specific goals to deploy clean energy resources and mitigation efforts in frontline communities like the Justice40 Initiative.
- Use the influx of federal dollars to prioritize jobs training programs, resiliency investments, and other investments in vulnerable and historically underinvested communities.

### **Natural and Working Lands**

- Prohibit the use of nature-based offsets in the energy/utility, transportation, and building sectors. Offsets in these sectors will only serve to delay real GHG reductions and negatively impact EJ and frontline communities by frustrating efforts to reduce harmful air pollution and GHG emissions at the source.
- Ensure Michigan is maintaining and developing healthy forests, including by pursuing establishing a 30 x 30 land protection target in Michigan.
- Ensure we protect existing wetlands and waterways, including establishing a moratorium on the destruction of wetlands and using existing state planning processes to encourage the preservation and restoration of wetlands.

### **Additional**

- The Governor should direct all state commissions and state agencies to exercise their authority to help facilitate Michigan's achievement of the GHG goals and this plan, and to consider and integrate climate change, climate impacts, and the state's GHG emissions reduction goals into their planning, budgets, and policy making decisions.
- Align land use with the state's climate commitments, working with municipalities to allow higher-density development in job-rich areas and near public transit, to allow more multi-family residences, and to eliminate parking minimums. People use less energy and have a lower climate footprint in higher-density communities, so the Climate Plan should break down barriers to density.

The next decade will be decisive in our effort to stop climate change by transitioning off fossil fuels. This transition off of fossil fuels will also reduce pollution, save lives and health care costs, make for healthier communities, create good jobs, and boost local economies. By prioritizing investments in most impacted and disadvantaged communities we will also be supporting and benefiting those most impacted by climate change.

We look forward to working with the Council on Climate Solutions and EGLE to ensure that Michigan adopts and implements an effective climate plan.

Cc:

James Clift, Department of Environment, Great Lakes, and Energy  
Kara Cook, Office of the Executive

Sincerely,

Sierra Club Michigan Chapter

City of Ann Arbor

Leelanau Energy, Leelanau Housing Action Committee member

Northern Michigan University

The Energy Alliance Group of Michigan  
Michigan Environmental Council  
Michigan Climate Action Network  
Michigan Clinicians for Climate Action  
Michigan League of Conservation Voters  
Sisters IHM  
THRIVE Collaborative  
Upper Peninsula Environmental Coalition  
Peace Education Center  
Kalamazoo Climate Crisis Coalition  
Detroit Greenways Coalition  
Kalamazoo Nature Center  
2030 Districts Network  
MI Air MI Health  
Ecology Center  
Transportation Riders United  
Soulardarity  
Alliance for the Great Lakes  
Clean Water Action  
Ceres  
Vote Solar  
DFD Architecture, LLC  
Great Lakes Renewable Energy Association  
Natural Resources Defense Council