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"It's been a very deliberate, systematic approach that has been ongoing for nine years."

Dan Nally, BPW Business Services Manager

Governor's Message on Energy and the Environment

In his special message on energy and the environment, given November 28 at Hickory Corners, Governor Snyder stated he is looking at 2015 as the time "to implement new decisions about the state's energy framework to enhance Michigan's adaptability, reliability, affordability and environment." Citing energy efficiency as an "everyone wins" strategy, he wants to scale up the highly successful *Michigan Saves* program. As to new generation, if it is a choice between coal and natural gas, "gas is cleaner." On increased energy reliability for the Upper Peninsula, he favorably cited the repowering of the Presque Isle Power Plant and proposed a new transmission line connection between the U.P. and the Lower Peninsula. The message appendix sets out a 2013 timetable for the Chair of the Michigan Public Service Commission and the head of the Michigan Energy Office to convene public participation opportunities, gather information, and then issue energy reports in December. Subjects to be addressed include energy efficiency, renewable energy, and customer choice.

Solar Shingles Come (Back) to Michigan

Dow Solar has announced an expansion of the availability of its Powerhouse Solar Shingles to areas that include Michigan. The product is manufactured at Dow's Midland facility and has a 20 year performance warranty, both as a roofing and a solar product. Other new states include: Connecticut, New York, Maryland, Massachusetts, Washington D.C., and Louisiana.

City of Holland Selects Natural Gas Option for Generation

The Holland Board of Public works has approved a 114 MW natural gas fired electric generating facility to replace its seventy year old 65 MW coal-fired power plant. This decision effectively abandons the coal-fired generating option for which an air use permit was obtained in June of 2012. The two gas turbine and one steam turbine configuration will provide considerable generating flexibility. The new project could enable the city to expand its downtown snowmelt system and/or create a district heating system utilizing heated water. The location of the new facility needs to be determined before air permitting can commence. Contract negotiations are ongoing for another 17 MW of wind energy from the Exelon Wind's Beebe Community Wind project in Gratiot County.

Michigan Shorts

Ω CORRECTION: Reference to Nickel Cadmium hybrid auto batteries in the November issue of *Watts New?* should have been to Nickel Metal Hydride batteries Ω Zeeland Board of Public Works will purchase 3 MW of capacity from Exelon Wind's Beebe wind farm near Ithaca in Gratiot County Ω Escanaba Green Energy has received a letter of commitment from its lender for the purchase of the

Michigan Energy Venues

- Meeting of *West Michigan Bioenergy Consortium*, Grand Rapids at Varnum, Noon, January 3. Email chaplar@rightplace.org
- Meeting of *West Michigan Wind Manufacturing Network*, Grand Rapids at Varnum, Noon, January 10. Email chaplar@rightplace.org
- Meeting of *West Michigan Solar Supply Chain*, Grand Rapids at Varnum, Noon, January 17. Email chaplar@rightplace.org
- Michigan Energy Forum, Solar, Not Just a Passing Fad, Ann Arbor at Spark, 5:00 PM, February 7. <http://www.annarborusa.org/events/spark-events/michigan-energy-forum>

"We've been working on this for quite some time."

Randy Thelen, President
Lakeshore Advantage

"Because of this deal, Michigan has a key building block in place to ensure the reliability and power supply we need."

Governor Rick Snyder

City of Escanaba's power plant and its conversion to biomass Ω The Clean Energy Coalition of Ann Arbor has been awarded a \$500,000 grant by DOE for its Michigan Fuel Forward project to develop alternative vehicle plans, rules, and training Ω Women of Wind Energy – Michigan has become an affiliate organization of the Great Lakes Renewable Energy Association Ω The 100 MW, \$250 Million Lakes Winds Energy Park in Mason County (Consumers Energy) has begun commercial operation Ω the bankruptcy court has approved the sale of battery maker A123 Systems Inc. to China's Wanxiang America Corp. for \$256.6 million ΩΩ

DOE Grant for Superconducting Wires

Lapeer-based Grid Logic has been awarded a \$3.8 Million grant from the Department of Energy to develop a low-cost superconducting wire for use by electric utilities. This funding, under the Advanced Research Project Agency—Energy (ARPA-E) program, is designed and targeted to assist in commercializing cutting-edge technologies. Grid Logic will use a new manufacturing technique to embed very fine superconducting particles into a combination of metals to induce superconductivity. Such a wire product would reduce the cost of transmission lines, motors, and other electric devices. In total there were \$130 Million in ARPA-E awards.

New Effort to Develop Better Solar and Wind-Powered Batteries

A multi-partner team, led by Argonne National Laboratory near Chicago, has been awarded a five-year \$120 Million federal Department of Energy grant to create the Joint Center for Energy Storage Research. Secretary of Energy Steven Chu indicated the advanced battery research would be aimed at improving battery performance for electric vehicles, upgrading the electric grid, and allowing the nation to take greater advantage of intermittent renewable energy sources such as wind and solar. As part of this effort advanced battery research facilities will be located in Holland at Michigan State University's Bioeconomics Institute and in Ann Arbor at the University of Michigan. Also involved in the project are four other national labs, Dow Chemical, Applied Materials, Johnson Controls, the Clean Energy Trust and Lakeshore Advantage, the Holland/Zeeland/Saugatuck economic development organization, as an affiliate member.

U.P. Power Plant to be Kept Open

Wolverine Power Cooperative of Cadillac has agreed to co-partner on the retrofit of We Energies' coal-fired power plant in Marquette. The cost to bring the Preque Isle Power Plant up to new federal environmental standards is estimated to be between \$130 and \$140 Million. Wolverine will become a minority owner of the plant, which We Energies will continue to operate. Alternatives under consideration had been to either convert the plant to natural gas or shut it down. Under the shutdown scenario it was predicted that a \$1 Billion transmission line upgrade in the Upper Peninsula would have been necessary to adequately serve customers.

Kicking the Can Down the Road on Renewable Energy

For those renewable and alternative energy proponents who have been waiting since May 2011 (when Governor Snyder promised an energy policy within four months), the oft delayed energy "message" was a disappointment. Where is the "reinvention" and the "innovation" promised by this administration? Repowering a coal-fired plant for \$130 Million is like relaunching black and white vacuum tube television sets—not reinvention. Citing fracking as a "legacy of innovation already present in Michigan's energy sector" is far short of the energy leadership many had hoped for, and is not innovation. While everyone can agree that no national energy policy makes things difficult, it cannot serve as an excuse for Michigan to have no energy policy between 2011 and 2015. Policy decisions with 30+ year implications will now be made by utilities and others during this policy vacuum. By suggesting more study is needed, and by setting 2015 as the target year to "implement new decisions", the Governor has effectively kicked the energy can down the road.

