

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 5. As used in this act:
(a) "Electric provider", subject to sections 21(1), 23(1), and 25(1), means any of the following:
(i) Any person or entity that is regulated by the commission for the purpose of selling electricity to retail customers in this state.
(ii) A municipally-owned electric utility in this state.
(iii) A cooperative electric utility in this state.
(iv) Except as used in subpart B of part 2, an alternative electric supplier licensed under section 10a of 1939 PA 3, MCL...
460.10a.

(b) "Eligible electric generator" means that a methane digester or renewable energy system with a generation capacity limited to the customer's electric need and that does not exceed the following:

(i) For a renewable energy system, 150 kilowatts of aggregate generation at a single site.

(ii) For a methane digester, 550 kilowatts of aggregate generation at a single site.

(c) "Energy conservation" means the reduction of customer energy use through the installation of measures or changes in energy usage behavior. Energy conservation does not include the use of advanced cleaner energy systems.

(d) "Energy efficiency" means any of the following:

(i) A decrease in customer consumption of electricity or natural gas achieved through measures or programs that target customer behavior, equipment, devices, or materials without reducing the quality of energy services.

(ii) A decrease in the total amount of electricity or nonnatural gas consumed for an end use or end uses achieved through measures such as geothermal, including ground source, reclaimed water, or groundwater.

(e) "Energy optimization", subject to subdivision (f), means all of the following:

(i) Energy efficiency.

(ii) Load management, to the extent that the load management reduces overall energy usage.
(iii) Energy conservation, but only to the extent that the
decreases in the consumption of electricity produced by energy
conservation are objectively measurable and attributable to an
energy optimization plan.

(f) Energy optimization does not include electric provider
infrastructure projects that are approved for cost recovery by the
commission other than as provided in this act.

(g) "Energy optimization credit" means a credit certified
pursuant to section 87 that represents achieved energy
optimization.

(h) "Energy optimization plan" or "EO plan" means a plan
APPROVED under section 73.

(i) "Energy optimization standard" means the minimum energy
savings required to be achieved under section 77.

(j) "Energy star" means the voluntary partnership among the
United States department of energy, the United States environmental
protection agency, product manufacturers, local utilities, and
retailers to help promote energy efficient products by labeling
with the energy star logo, TO educate consumers about the benefits
of energy efficiency, and TO help promote energy efficiency in
buildings by benchmarking and rating energy performance.

(k) "Federal approval" means approval by the applicable
regional transmission organization or other federal energy
regulatory commission approved transmission planning process of a
transmission project that includes the transmission line. Federal
approval may be evidenced in any of the following manners:

(i) The proposed transmission line is part of a transmission
project included in the applicable regional transmission organization's board-approved transmission expansion plan.

(iii) The applicable regional transmission organization has informed the electric utility, affiliated transmission company, or independent transmission company that a transmission project submitted for an out-of-cycle project review has been approved by the applicable regional transmission organization, and the approved transmission project includes the proposed transmission line.

(iii) If, after the effective date of this act, OCTOBER 6, 2008, the applicable regional transmission organization utilizes another approval process for transmission projects proposed by an electric utility, affiliated transmission company, or independent transmission company, the proposed transmission line is included in a transmission project approved by the applicable regional transmission organization through the approval process developed after the effective date of this act, OCTOBER 6, 2008.

(iv) Any other federal energy regulatory commission approved transmission planning process for a transmission project.

Sec. 11. As used in this act:

(a) "Renewable energy" means electricity generated using a renewable energy system.

(b) "Renewable energy capacity portfolio" means the number of megawatts calculated under section 27(2) for a particular year.

(c) "Renewable energy contract" means a contract to acquire renewable energy and the associated renewable energy credits from 1 or more renewable energy systems.

(d) "Renewable energy credit" means a credit granted pursuant
to section 41 that represents generated renewable energy.

(e) "Renewable energy credit portfolio" means the sum of the renewable energy credits achieved by a provider for a particular year.

(f) "Renewable energy credit standard" means a minimum renewable energy portfolio required under section 27-27(3).

(g) "Renewable energy generator" means a person that, together with its affiliates, has constructed or has owned and operated 1 or more renewable energy systems with combined gross generating capacity of at least 10 megawatts.

(h) "Renewable energy plan" or "plan", means a plan approved under section 21 or 23 or found to comply with this act under section 25, with any amendments adopted under this act.

(i) "Renewable energy resource" means a resource that naturally replenishes over a human, not a geological, time frame and that is ultimately derived from solar power, water power, or wind power. Renewable energy resource does not include petroleum, nuclear, natural gas, or coal. A renewable energy resource comes from the sun or from thermal inertia of the earth and minimizes the output of toxic material in the conversion of the energy and includes, but is not limited to, all of the following:

   (i) Biomass.

   (ii) Solar and solar thermal energy.

   (iii) Wind energy.

   (iv) Kinetic energy of moving water, including all of the following:

      (A) Waves, tides, or currents.
(B) Water released through a dam.

(v) Geothermal energy.

(vi) **THERMAL ENERGY PRODUCED BY A GEOTHERMAL HEAT PUMP.**

(vii) (vi)—Municipal solid waste.

(viii) (vii)—Landfill gas produced by municipal solid waste.

(j) "Renewable energy standard" means the minimum renewable energy capacity portfolio, if applicable, and the renewable energy credit portfolio required to be achieved under section 27.

(k) "Renewable energy system" means a facility, electricity generation system, or set of electricity generation systems that use 1 or more renewable energy resources to generate electricity. Renewable energy system does not include any of the following:

(i) A hydroelectric pumped storage facility.

(ii) A hydroelectric facility that uses a dam constructed after the effective date of this act **OCTOBER 6, 2008** unless the dam is a repair or replacement of a dam in existence on the effective date of this act **OCTOBER 6, 2008** or an upgrade of a dam in existence on the effective date of this act **OCTOBER 6, 2008** that increases its energy efficiency.

(iii) An incinerator unless the incinerator is a municipal solid waste incinerator as defined in section 11504 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11504, that was brought into service before the effective date of this act, **OCTOBER 6, 2008**, including any of the following:

(A) Any upgrade of such an incinerator that increases energy efficiency.

(B) Any expansion of such an incinerator before the effective
(C) Any expansion of such an incinerator on or after the effective date of this act—OCTOBER 6, 2008—to an approximate design rated capacity of not more than 950 tons per day pursuant to the terms of a final request for proposals issued on or before October 1, 1986.

(I) "Revenue recovery mechanism" means the mechanism for recovery of incremental costs of compliance established under section 21.