

SENATE BILL NO. 519

September 04, 2025, Introduced by Senators MCBROOM, IRWIN, SHINK, POLEHANKI, CAVANAGH, CHANG, BAYER, DALEY and MCMORROW and referred to Committee on Energy and Environment.

A bill to amend 2008 PA 295, entitled
"Clean and renewable energy and energy waste reduction act,"
(MCL 460.1001 to 460.1232) by adding sections 245 and 247.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 245. (1) By 1 year after the effective date of the
- 2 amendatory act that added this section, the commission shall
- 3 promulgate rules to do all of the following:
- 4 (a) Allow for the creation and financing of community solar
- 5 facilities and for subscribers to receive bill credits.

1 (b) Ensure that all customer classes have opportunities to
2 participate as subscribers to a community solar facility.

3 (c) Require that not less than 30% of the electricity produced
4 by each community solar facility be reserved for low-income
5 households and low-income service organizations.

6 (d) Prohibit an electric provider from removing a customer
7 from the customer's applicable customer class because the customer
8 subscribes to a community solar facility.

9 (e) Provide for the transferability and portability of
10 subscriptions, including a subscriber's retention of a subscription
11 to a community solar facility if the subscriber moves within the
12 same electric provider's service territory.

13 (f) Provide for consumer protection in compliance with
14 existing laws.

15 (g) Allow an electric provider to recover costs of
16 administering bill credits.

17 (h) Modify existing interconnection standards, fees, and
18 processes as needed to do both of the following:

19 (i) Facilitate the efficient and cost-effective interconnection
20 of community solar facilities.

21 (ii) Allow an electric provider to recover reasonable
22 interconnection costs for each community solar facility.

23 (i) Require that electric providers efficiently connect
24 community solar facilities to the electrical distribution grid and
25 not discriminate against community solar facilities.

26 (j) Ensure that prospective subscriber organizations have
27 received interconnection agreements, have legal control of their
28 sites, and have received all necessary nonministerial permits
29 before applying for the program under this part.

1 (k) Otherwise implement this part.

2 (2) By 1 year after the effective date of the amendatory act
3 that added this section, the commission shall establish applicable
4 bill credit rates that meet both of the following requirements:

5 (a) Result in access to subscriptions for all customer
6 classes.

7 (b) Are derived from the electric provider's total aggregate
8 retail rate on a per-customer-class basis, excluding the
9 commission-approved distribution cost components. In establishing
10 applicable bill credit rates, the commission may consider proposed
11 rules and proposed fees and charges.

12 Sec. 247. A subscriber organization is not considered to be an
13 electric provider as a result of its ownership or operation of a
14 community solar facility.

15 Enacting section 1. This amendatory act does not take effect
16 unless Senate Bill No. 518 of the 103rd Legislature is enacted into
17 law.