

PROPERTY ASSESSED CLEAN ENERGY ACT (EXCERPT)
Act 270 of 2010

460.933 Definitions.

Sec. 3.

As used in this act:

(a) "Anaerobic digester" means a facility that uses microorganisms to break down biodegradable material in the absence of oxygen, producing methane and an organic product.

(b) "Anaerobic digester energy system" means an anaerobic digester and the devices used to generate electricity or heat from methane produced by the anaerobic digester or to store the methane for the future generation of electricity or heat.

(c) "District" means a district that is created by a local unit of government under a property assessed clean energy program and that lies within the local unit of government's jurisdictional boundaries. A local unit of government may create more than 1 district under the program, and districts may be separate, overlapping, or coterminous.

(d) "Energy efficiency improvement" means the acquisition, installation, replacement, or modification of equipment, devices, or materials intended to decrease energy consumption, including, but not limited to, any of the following:

- (i) Insulation in walls, roofs, floors, foundations, or heating and cooling distribution systems.
- (ii) Storm windows and doors; multi-glazed windows and doors; heat-absorbing or heat-reflective glazed and coated window and door systems; and additional glazing, reductions in glass area, and other window and door system modifications that reduce energy consumption.
- (iii) Automated energy control systems.
- (iv) Heating, ventilating, or air-conditioning and distribution systems.
- (v) Caulking, weather-stripping, or air sealing.
- (vi) Lighting fixtures.
- (vii) Energy recovery systems.
- (viii) Day lighting systems.
- (ix) Electrical wiring or outlets to charge a motor vehicle that is fully or partially powered by electricity.
- (x) Measures to reduce the usage of water or increase the efficiency of water usage.
- (xi) Any other equipment, devices, or materials approved as a utility cost-savings measure by the governing body.

(e) "Energy project" means any of the following:

- (i) An energy efficiency improvement.
- (ii) The acquisition, installation, replacement, or modification of a renewable energy system or anaerobic digester energy system.

(f) "Environmental hazard project" means the acquisition, installation, replacement, or modification of equipment, devices, or materials intended to address environmental hazards, including, but not limited to, measures to do any of the following:

- (i) Mitigate lead, heavy metal, or PFAS contamination in potable water systems.
- (ii) Mitigate the effects of floods or drought.
- (iii) Increase the resistance of property against severe weather.
- (iv) Mitigate lead paint contamination.

(g) "Governing body" means the county board of commissioners of a county, the township board of a township, or the council or other similar elected legislative body of a city or village.

(h) "Local unit of government" means a county, township, city, or village.

(i) "New construction energy project" means an energy project to which either of the following applies:

- (i) It occurs at a newly constructed building or other structure.
- (ii) It consists of significant modifications to an existing building or other structure.

(j) "Person" means an individual, firm, partnership, association, corporation, unincorporated joint venture, or trust, organized, permitted, or existing under the laws of this state or any other state, including, but not limited to, a federal corporation, or a combination thereof. However, person does not include a local unit of government.

(k) "Project" means an environmental hazard project or energy project.

(l) "Property" means any of the following privately owned real property located within the local unit of government:

- (i) Commercial property.
- (ii) Industrial property.
- (iii) Agricultural property.

(m) "Property assessed clean energy program" or "program" means a program as described in section 5(2).

(n) "Record owner" means the person or persons possessed of the most recent fee title or land contract vendee's interest in property as shown by the records of the county register of deeds.

(o) "Renewable energy resource" means a resource that naturally replenishes over a human, rather than a geological, time frame and whose conversion to a usable form of energy minimizes the output of toxic materials. Renewable energy resource does not include petroleum, nuclear material, natural gas, or coal. Renewable energy resource includes, but is not limited to, all of the following:

(i) Biomass.

(ii) Solar and solar thermal energy.

(iii) Wind energy.

(iv) Geothermal energy.

(v) Methane gas captured from a landfill.

(p) "Renewable energy system" means a fixture, product, device, or interacting group of fixtures, products, or devices on the customer's side of the meter that use 1 or more renewable energy resources to generate electricity. Renewable energy system includes a biomass stove but does not include an incinerator or digester.

History: 2010, Act 270, Imd. Eff. Dec. 14, 2010 ;-- Am. 2017, Act 242, Eff. Mar. 21, 2018 ;-- Am. 2023, Act 107, Eff. Feb. 13, 2024