



STATE OF MICHIGAN
OFFICE OF THE GOVERNOR
LANSING

GRETCHEN WHITMER
GOVERNOR

GARLIN GILCHRIST II
LT. GOVERNOR

EXECUTIVE DIRECTIVE

No. 2020-10

To: State Department Directors and Autonomous Agency Heads
From: Governor Gretchen Whitmer
Date: September 23, 2020
Re: Building a Carbon-Neutral Michigan

The science is clear, and message urgent: the earth's climate is now changing faster than at any point in the history of modern civilization, and human activities are largely responsible for this change. Climate change already degrades Michigan's environment, hurts our economy, and threatens the health and well-being of our residents, with communities of color and low-income Michiganders suffering most. Inaction over the last half-century has already wrought devastating consequences for future generations, and absent immediate action, these harmful effects will only intensify. But we can avoid some of the worst harms by quickly reducing greenhouse gas emissions and adapting nimbly to our changing environment.

At this very moment, our state is reckoning with the failure of U.S. officials to adequately prepare for the challenges of a global pandemic. We cannot make the same mistake when it comes to impending climate crises of food instability, crop-killing droughts, deadly heatwaves, and intensifying weather events. Even now, fires of historic proportion are raging across the West Coast, offering a tragic reminder that climate change is a present-day threat, and is not waiting for our attention.

Michigan must act now. That is why, with Executive Directive 2019-12, Michigan joined the United States Climate Alliance, a bipartisan coalition of governors from 25 states devoted to pursuing the goals of the internationally accepted Paris Agreement despite our federal government's withdrawal from that agreement. By joining the U.S. Climate Alliance, Michigan committed to pursue at least a 26-28% reduction below 2005 levels in greenhouse gas emissions by 2025 and to accelerate new and existing policies to reduce carbon pollution and promote clean energy deployment at the state and federal level.

Joining the Alliance, and committing Michigan to its objectives, was an important step in fighting climate change. But it is far from the last step. Michigan needs a comprehensive, coordinated, and aggressive plan to meet and exceed these commitments. Michigan must be a leader in this fight, working across all sectors – including state government – to reduce greenhouse gas emissions as quickly as possible.

Together, we must build a carbon-neutral state. Carbon-neutrality is needed not only for the environment and public health, but also for the resilience of our economy. To help meet its energy needs, Michigan annually sends billions of dollars out-of-state to purchase fossil fuels. Meanwhile, a global energy transformation is currently underway, driven by advancements in, and the lower costs of, clean and renewable energy resources.

Transitioning to carbon neutrality will enable Michigan to eliminate its dependence on out-of-state fossil fuels and take full advantage of this energy transformation—from the jobs it will generate for Michigan’s skilled workforce, to the protections it will provide for Michigan’s natural resources, to the savings it will bring to Michigan’s communities and families. This transition will require sustained and concerted effort from every sector of this state’s economy, and it must be done right to ensure that all workers, businesses, and communities can meet its challenges and reap its benefits in equal measure. But Michiganders know hard work and are up to the task at hand: for the sake of our present and our future.

Acting under sections 1 and 8 of article 5 of the Michigan Constitution of 1963, I direct the following:

1. Michigan will aim to achieve economy-wide carbon neutrality no later than 2050, and to maintain net negative greenhouse gas emissions thereafter. To ensure steady progress toward this ultimate statewide goal, and to prevent irreparable harm to our ecosystem, residents, and businesses in the interim, the state will aim to achieve a 28% reduction below 1999 levels in greenhouse gas emissions by 2025.
2. The Department of Environment, Great Lakes, and Energy (“Department”), through its Office of Climate and Energy, must develop and issue the MI Healthy Climate Plan (“Plan”), which will serve as the action plan for this state to reduce greenhouse gas emissions and transition toward economy-wide carbon neutrality. The Plan must provide strategies and recommendations for achieving and tracking progress toward the statewide goals set forth in section 1 of this directive, with a focus on near-term objectives that Michigan can achieve in five years. The Department must submit the Plan to me by December 31, 2021, and must submit a draft of the Plan to me by September 1, 2021. The Department must make these submissions publicly available on its website.
3. The Department, under the leadership of its Office of Climate and Energy, must oversee the implementation of the Plan. This must include, but is not limited to, monitoring and evaluating programs and activities that support statewide climate mitigation and adaptation practices, and coordinating and supporting the implementation efforts of state departments and agencies, tribal and local governments, utilities, businesses, communities, and other stakeholders. The Department must submit to me annual reports regarding the implementation of the Plan, with the first such report due no later than December 31, 2022. The Department must make these reports publicly available on its website.
4. The Department must expand its environmental advisory opinion filed by the Department in the Michigan Public Service Commission’s (“Commission”) Integrated Resource Plan (IRP) process under MCL sections 460.6t and also file environmental

advisory opinions in IRPs filed under MCL 460.6s. The Department must evaluate the potential impacts of proposed energy generation resources and alternatives to those resources, and also evaluate whether the IRPs filed by the utilities are consistent with the emission reduction goals included in this Directive. For advisory opinions relating to IRPs under both MCL 460.6s and MCL 460.6t, the Department must include considerations of environmental justice and health impacts under the Michigan Environmental Protection Act. The Commission's analysis of that evidence must be conducted in accordance with the standards of the IRP statute and the filing requirements and planning parameters established thereto.

5. As one part of this effort, the Department of Technology, Management, and Budget must investigate the cost effectiveness of energy efficiency opportunities when planning or renovating a building owned or operated by the State, and must adopt policies and procedures to ensure that:
 - (a) All new buildings and facilities owned and operated by the State, and all major renovations of such buildings and facilities, are carbon neutral by 2040; and
 - (b) All existing buildings and facilities owned and operated by the State reduce energy use by 40% by 2040.
6. Additionally, the Department of the Treasury must develop and implement an Energy Transition Impact Project (ETIP). The ETIP must identify the communities that will be impacted by changes to the mix of energy production facilities in Michigan, and minimize those impacts and dislocation, including loss of employment, property tax revenues, and related community services. The ETIP must engage those communities and displaced workers in discussion about opportunities for new development to offset losses of existing facilities, identify models used elsewhere that have successfully addressed large scale disruptions, and identify resources across federal, state, and local government, private industry, and non-profit organizations that can benefit the adjustment strategy. The ETIP must also explore taxation and revenue strategies to fit Michigan's changing energy production mix, and must report periodically on its progress in these areas.
7. All departments and agencies must follow the policies and procedures developed in connection with this directive.
8. All departments, agencies, committees, commissioners, and officers of this state must give to the Department and the Department of Technology, Management, and Budget, or to any member or representative of those departments, any necessary assistance required by those departments, or any member or representative of those departments, in the performance of those departments' duties under this directive, so far as is compatible with their duties and consistent with this directive and applicable law. Free access also must be given to any books, records, or documents in their custody relating to matters within the scope of inquiry, study, or review of those departments under this directive, consistent with applicable law.

This directive is effective immediately.

Thank you for your cooperation in implementing this directive.

A handwritten signature in blue ink, reading "Gretchen Whitmer". The signature is fluid and cursive, with a large initial "G" and a long horizontal stroke at the end.

Gretchen Whitmer
Governor