



AGENDA ITEM SUMMARY FORM

MEETING DATE: 04/22/24

PREPARED BY: Melissa Marsh, City Manager

AGENDA ITEM CONTENT: Membership - Michigan Municipal Association for Utility Issues - MI-MAUI

AGENDA ITEM SECTION: Consent Agenda

BUDGETED AMOUNT: \$2,500

FUNDS REQUESTED: \$4,413

FUND: 101 - General Fund

EXECUTIVE SUMMARY:

Madison Heights is joining an municipal pool, Michigan Municipal Association for Utility Issues (MI-MAUI). The biggest commitments are electric rates cases files by DTE and Consumers Energy. MAUI works to fund advocacy and litigation related to these utility issues and are current developing an aggressive plan DTE rate case to advocate reliability and cost control. They plan also to argue for better information sharing with local governments, and project coordination; for example coordination with DTE and municipality to place electric lines underground during city road construction. Councilman David Soltis has asked that the City Council take action on the DTE rate case, therefore this partnership invoice is being sent to City Council for formal discussion and approval.

RECOMMENDATION:

City Council approved the City of Madison Heights' membership and support of the Michigan Municipal Association for Utility Issues (MI-MAUI).



Michigan Municipal Association for
UTILITY ISSUES
MI-MAUI

Date: March 7, 2024

Number: 202401

Invoice

To:

Melissa Marsh
City Manager
Madison Heights, Michigan

From:

MI-MAUI
4989 Earhart Road
Ann Arbor, MI 48105
USA

Description of work
2024 MI-MAUI membership assessment, figured as 0.3% of DTE billings. = 2023 dues + 7% DTE rate increase =\$1,887 x 1.07
MPSC case no. U-21297 share of legal fees, apportioned as \$0.20/streetlight.

2024 membership	\$2,019.00
Share of legal fees, case no U-21297	\$507
2023 membership – past due	\$1,887
Total due	\$4,413

Please remit payment within 21 days of invoice date, to address above or via electronic payment.



April 2, 2024

Dear MI-MAUI members,

I am pleased to provide this review of 2023 MI-MAUI activities and outcomes and a preview of 2024 activities.

As usual, our biggest 2023 commitments were to the electric rate cases filed by DTE and Consumers Energy.

In DTE Electric general rate case no. U-21297, the Commission's December 2023 final order handed local governments a big victory on streetlight costs and reliability and progress on reliability concerns. The Commission disallowed any increase to direct streetlight costs, which is where we focus our efforts. The final streetlight increase was 6.9%, less than any other rate class and explained entirely by increases in general electric system costs which we did not address. In addition, DTE was ordered to provide all streetlight customers with periodic outage reports, to improve accountability for service quality. Our advocacy also led the Commission to order DTE to improve its project coordination with local governments and to reject DTE's proposed increase in the financial rate of return. I am attaching a more detailed case-outcome summary, prepared by our rate case attorney, Valerie Brader.

DTE has now filed its next electric rate case, no. U-21534. We are evaluating the filing and preparing our recommendations for intervention.

In Consumers Energy electric rate case no. U-21389, the primary outcome was a big increase in streetlight rates. This is not all bad, because as you will recall we got the Company to stop charging you out-of-pocket for LED conversions a couple of years ago; now they are recovering those costs in rates, and you might think of the increase as offset by the reduction in out-of-pocket costs. We argued two other cost issues. One, we argued that customers who want new lights installed should pay the full installation cost; right now, installation costs over \$100 per light are paid by Consumers and recovered in rates, such that all customers pay for one customer's new light. The Commission did not grant us relief on this issue but did order Consumers to justify why it charges customers so little the next time it files a rate case. The Commission also ordered Consumers to make streetlight outage reports available to customers, so they can track the reliability of your service and the outage credits they received on their bill. We are meeting regularly with Consumers to follow up on these items and to discuss ongoing operational concerns. A more detailed summary of rate case outcomes is attached here.

We filed comments on the Electric Distribution Infrastructure Investment Plans (EDIIPs) of both DTE and Consumers Energy. EDIIPs are meant to lay out a roadmap and costs for safe, affordable and reliable electricity distribution. Our comments did not attempt comprehensively to address to all issues that might be of fiscal, operational, or policy concern to local governments. Rather, to focus our message, we



addressed issues no other commenters would address, or on which local governments have unique perspectives or credibility. I sent those comments to you by email previously.

We continue to address a range of data access concerns for local governments. Last year, the Commission finally ordered the utilities to provide reliability data segmented by zip code and census tract, with additional reliability analysis of low-income and other “energy justice” areas. I would be happy to help extract reliability data for your community upon request. We continue to advocate for better local-government access to data about the energy and economic needs of the people you serve; for example, summary data about service disconnections and arrearages, customers on special low-income and senior rates, etc. Similarly, we support local government access to community energy-use data that can help you set and track energy security, energy efficiency, renewable energy and climate goals. Finally, we are advocating for more timely and detailed communication from the utilities during power outages, which might help local governments better deliver services where and to whom they are needed.

I serve on MAUI’s behalf on the Commission’s Low Income Energy Policy Board and Energy Affordability and Assistance Committee, both of which seek to improve energy security for low-income and other marginalized customers.

We are addressing other issues, as well, and I would be happy to hear from you about emerging needs and concerns in your community. We appreciate your ongoing engagement in MI-MAUI and look forward to continuing to serve your priorities.

Very best regards,

A handwritten signature in black ink, appearing to read "Rick Bunch", is positioned above the printed name.

Rick Bunch
Executive Director