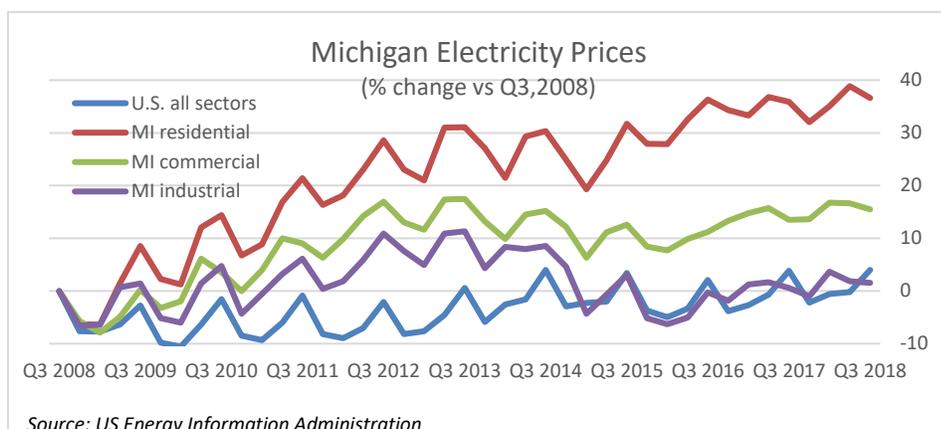


Michigan Municipal Association for Utility Issues

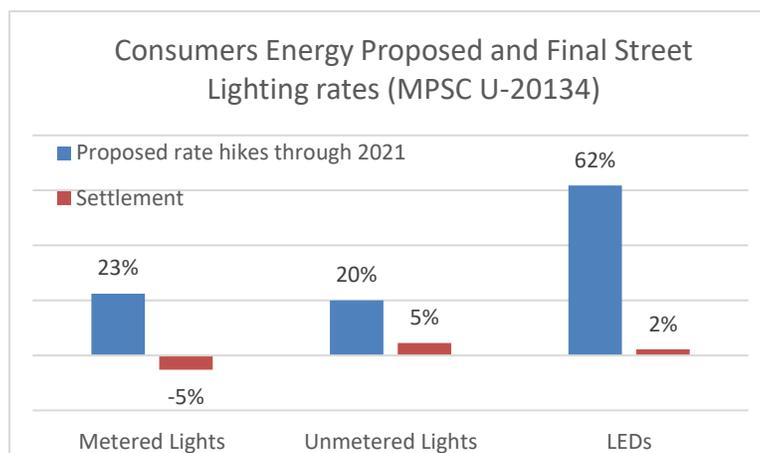
Local governments and public agencies are eager to reduce their energy costs and impacts, but have little influence over utility rates, regulations and business practices that determine what they can actually achieve. By joining together in the Michigan Municipal Association for Utility Issues (MI-MAUI), local governments and public agencies gain collective clout, focus and expertise to influence regulatory processes and utility practices. MI-MAUI connects key practitioners, aligns them along common interests, and produces innovative solutions to community challenges.

What's at stake?

The investor-owned utility business, and regulation of it, are changing rapidly. Any customer class poorly represented in this process risks losing out to better-organized interests. The history of electricity rates in Michigan (see chart) reveals that residential and commercial (including most municipal service) rates have gone up much faster than those for industries, who are very active in regulatory matters.



Working together, local governments gain a powerful, collective voice defending their fiscal, policy, climate and community development goals. In 2015-2016, for example, 25 southeast Michigan municipalities intervened in Michigan Public Service Commission (MPSC) rate cases filed by DTE Electric that would have slashed savings from conversions to LED street lighting. The municipal coalition's intervention saved municipalities a collective \$3.6 million per year with 100% LED lighting, compared to the rates DTE proposed. Similarly, in 2018, MI-MAUI convened municipalities to oppose street light tariff increases proposed to the MPSC by Consumers Energy. The resulting settlement reduced Consumer's street lighting rate increase by \$3 million in 2019, and blocked additional, similar increases in 2020 and 2021 (see chart).



Success in Other States

The **Texas Coalition of Cities for Utility Issues (TCCFUI)** is a coalition of more than 50 Texas municipalities dedicated to protecting and supporting the interests of the citizens and cities of Texas with regard to utility issues. TCCFUI monitors the activities of the US Congress, Texas Legislature, Texas Public Utility Commission, Texas Railroad Commission, and Federal Communications Commission on utility issues important to cities.

The **California City-County Street Lighting Association (CALSLA)** represents counties, cities and towns before the California Public Utilities Commission (CPUC). CALSLA advocates street light and traffic signal rates that are fair to local governments, and assists members with technical and engineering information, public and private funding information, acquisition strategies, legal review and support in negotiating service issues with utilities. CALSLA has saved cities over \$100 million since 1983 in avoided street light rate increases.

While local governments must monitor MPSC rate cases to serve their financial and policy interests, MI-MAUI's emphasis is on direct, proactive dialogue with utilities, which can be faster, cheaper, more cooperative and address business policies and practices in addition to MPSC-regulated rates and tariffs. MAUI's collective, expert and focused representation gives municipalities better-informed and unified representation with utilities, making it easier for utilities to respond to municipal needs.

Why is MI-MAUI needed?

No other organization collectively represents the energy utility interests of Michigan municipalities on regulatory and business matters.

- PROTEC represents Michigan municipalities on telecom issues;
- Michigan Municipal Electric Association represents municipal utilities, not municipalities served by investor-owned utilities;
- Michigan Municipal League represents energy and other interests of municipalities in the Legislature and executive agencies, but not before the MPSC.

MAUI's Scope and Role

MAUI represents local governments and other public agencies served by investor-owned utilities throughout Michigan, focusing on municipal operations including:

- municipal street lighting tariffs and utility practices;
- electric and gas tariffs and utility practices affecting municipal buildings, water treatment plants, etc.;
- tariffs and policies related to solar PV and microgrids serving municipal facilities;
- renewable-energy targets; and more.

MAUI members may address issues not directly related to municipal costs and operations, including right-of-way issues, energy facility siting policies and city-wide renewable energy, climate and sustainability goals. MAUI may elect to address topics other than energy within the MPSC's regulatory scope that are of concern to local public agencies, such as telecommunications issues. MAUI may also provide technical support to local governments in volatile or opaque markets such as recycling, waste hauling and energy hedging contracts.

MI-MAUI does not lobby for laws or policies, but may provide research and analysis to other organizations that lobby on behalf of municipalities.

Benefits, Services, Costs

1. Monitoring and analysis of MPSC rate cases of interest to local public governments/agencies; referral to legal and technical experts when municipalities wish to intervene formally in rate cases;
2. Representation of member interests in MPSC policy proceedings;
3. Coordination with and technical support for legislative advocacy partners;
4. Monthly teleconference update on MI-MAUI activities and opportunities;
5. Meetings, educational events, conferences, trainings and sharing of best practices among members;
6. Convening of issue dialogues and collaborations with utilities;

In most cases, membership or participation costs are figured as a small percentage of a government/agency's annual regulated-utility costs. MI-MAUI may take on special projects at the request of one or more members, with costs determined on a case-by-case basis.

Contact

Rick Bunch, Executive Director: 734-489-9633, rick@mi-maui.org