



Legislation Text

File #: 15-0128, **Version:** 1

Resolution in Support of Municipal Intervention in DTE Electric Company Rate Case U-17767

Whereas, In 2000, Ann Arbor began replacing traffic and pedestrian crossing signals with LEDs and this conversion produced a nearly 60 percent reduction in wattage;

Whereas, In 2005, Ann Arbor committed to investigate LEDs for outdoor public lighting purposes as part of the ICLEI Great Lakes Climate Policy Project;

Whereas, In 2007, Ann Arbor's won the International Council for Local Environmental Initiatives' first annual Climate Innovation Invitational Award for groundbreaking design and implementation of energy-efficient LED street lighting;

Whereas, In 2010, Ann Arbor won the International Energy Globe Award (United States) for the LED streetlight program;

Whereas, Ann Arbor has been converting its approximately 2,000 municipally-owned street lights to LED for the past 8 years, successfully completing the conversion of most City-owned fixtures;

Whereas, Ann Arbor has collaborated with DTE Electric (DTE) to convert around 500 of the 5,000 DTE-owned streetlights in Ann Arbor to LED; and

Whereas, The combined conversion of street lights to LED result in annual energy and maintenance savings of around \$200,000;

Whereas, Comparing 2005 with 2013, the estimated daily and therefore annual energy usage for streetlights in the City has been reduced by over 30%;

Whereas, Despite this tremendous reduction in energy demand and usage, the City's monthly costs for streetlights over the same period have increased by approximately 15%;

Whereas, Streetlight maintenance work orders in FY06 - prior to LED conversions of City lights - showed 486 total hours of labor compared with FY12 which had 287.5 hours; a 41% reduction in maintenance time for the City-owned streetlight inventory, and reductions in maintenance tickets have persisted since;

Whereas, Conversions have been accomplished with technical support from DTE, which has been a good partner with the City in its efforts to conserve energy use;

Whereas, DTE recently petitioned the Michigan Public Service Commission (MPSC) to change the rate charged to municipalities for electricity, including street lighting, increasing the cost of operating LED streetlights while decreasing the cost of operating conventional High Pressure Sodium (HPS) Lights (Rate Case U-17767);

Whereas, LED streetlights use significantly less electricity to operate than HPS lights and require less maintenance time;

Whereas, In order to secure a place among parties potentially intervening in DTE's rate filing (U-17767) and be a part of the established public process for rate changes at the MPSC, a coalition of municipalities led by the Michigan Municipal League and including the City of Ann Arbor filed its intervention with the MPSC by the deadline of Thursday, January 22, 2015;

Whereas, The cost of the intervention is being shared by the members of the coalition, including the City of Ann Arbor, and a contribution from the Michigan Municipal League's Legal Defense Fund, and that the City contribution (anticipated to not exceed \$16,000) is based on proportionate light inventories among participant members;

Whereas, Additional municipalities and other local governments may still join and are expected to join the coalition, and the City believes it is in the best interest of municipalities and other local governments to join together for purposes of participation in Rate Case U-17767;

RESOLVED, That City Council supports the intervention by the municipal coalition and the steps taken by the City Administrator and City Attorney to join that coalition;

RESOLVED, That the City urges other municipalities to join the intervention by the municipal coalition in Rate Case U-17767; and

RESOLVED, That this resolution be shared with the Washtenaw County Board of Commissioners and the City Councils of Ypsilanti and other nearby communities at the discretion of the City Administrator.

Sponsored by: Council Members Briere, Grand and Anglin and Mayor Taylor