

ANN ARBOR ENERGY COMMISSION - MEETING ANNOUNCEMENT

**July 10, 2007
City Hall 4th Floor Small Conference Room
5:30 – 7:00 pm**

AGENDA

- I. Approval of Minutes**
- II. Public Input**
- III. Energy Report - Energy News from the Energy Office, and Commission Members**
- IV. Creating a menu of items for Ann Arbor Citizens to Participate in the Green Energy Challenge**
- V. DTE Rate Case Update – David Wright**
- VI. Update on Ann Arbor Energy Award Program – Jason Bing**
- VII. Ann Arbor Energy Plan Update Project**
- VIII. Update on 5,000 Solar Roofs**
- IX. Future Meeting Planning**
- X. Other Business / Public Input – Limited to 10 minutes maximum**
- XI. Adjourn**

Visit <http://www.a2gov.org/energy/> to learn more about Ann Arbor's Energy Programs

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ANN ARBOR ENERGY COMMISSION – MEETING MINUTES June 12, 2007

Council Chambers
City Hall 5:30-7:30 PM

Attendees: Robert Black – Chair, Wayne Appleyard, Bill Verge, Kurt Brandle, Stephen Miller, David Wright, Erica Briggs, Paul Ganz Staff Support David Konkle, Andrew Brix

Approval of Minutes

Minutes for May were approved.

Public Input

There was no public input.

Energy News

Mayor Hieftje was not in attendance as he was an invited speaker to close out the 10th Annual Renewable Energy and Energy Efficiency Forum in Washington DC.

The National Conference of State Legislators will be holding a Midwestern Wind Policy Institute in Ann Arbor on June 14-15.

Wolverine Power announced a partnership with John Deere to build a 32 turbine wind farm in Huron County in the thumb of Michigan. Steve Miller pointed out that if Ann Arbor had access to retail transmission we could get wind power from Wolverine.

Ann Arbor LED Program

Mike Bergren, City lighting manager gave a presentation on the City's pilot programs for LED lighting. He showed pictures of 7 different types of neighborhood street lights being tested and commented that some had real promise. The downtown globe light retrofit pilot program has been very successful and is moving forward to retrofit all downtown lighting. DDA is considering awarding a \$630,000 grant to the City for this project.

Utility Re-Regulation Discussion – Invited speakers gave a 10 minute presentation on the subject and then an open discussion followed.

Don Keske, Attorney for Detroit Edison Intervention – stated that there were basically two proposals; returning to the 1890s pure utility monopoly or retaining the new competitive scenario established by Act 141. He felt that despite problems and glitches that the Act 141 scenario was beginning to work and should be given more time.

Bob Nelson, former MPSC Commissioner – Utility Choice programs in other states have produced horror stories but the Michigan Choice rules are different. Choice has saved money in Michigan. Before Act 141 we were paying above average cost for electricity in the Midwest, now we are paying below average. We need to implement competitive bidding legislation for new electric generation capacity, like Senate Bill 427, so that we get the best energy mix possible and the utilities do not control all the decisions on future generation. The City of Ann Arbor could consider municipalization of the electric utility to control their own electric policies, which would require 3/5 vote of the citizens.

James Clift, Policy Director, Michigan Environmental Council – Utility issues need to be looked at as a service. What do you want from your utility? Reliable energy, renewable energy, energy efficiency programs, net-metering could all be goals. If your utility is not providing the services you want, what is the best way to get them. Choice program or regulation, either can work if done right. It will be important to have a fair process to address new electricity generation needs.

The utilities are pushing for a state where we have no oversight of their capacity building decisions. Eliminating Choice does not solve the current market defects but regulation is the best way to address the defects. Utilities and utility regulations should focus on providing energy services, not just electrons.

Paul Ganz, DTE Community Relations – Paul handed out some DTE policy statements. These included; the need to “deskew” the electric rates by lowering business rates and raising residential rates since homes cost more to service and encouraging carbon-free nuclear power development. The unstable electric load that has resulted from customers moving in and out of Choice makes it impossible for the utilities to invest in new electric capacity without some guarantees. DTE supports an incentive based regulatory structure that combines the best of the traditional utility model with market and performance incentives.

A lively discussion followed, including wondering why Wolverine Power can plan to build a major coal plant in Michigan without guarantees but the utilities say they can't? Also, how is it we are told we will need more electric capacity but a bill in the Michigan House is aimed at reducing electric demand by 1% per year?

DTE Rate Case Update

David Wright stated that we have been accepted as interveners in the Detroit Edison rate case and the first testimony will be due in January. We will be looking for people to serve as expert witnesses and possible other partner organizations.

Green Fair Planning

The Mayor's Green Fair will be on Friday, June 15th. The Energy Commission will have a display. Members are encouraged to provide ideas for handouts, activities, whatever, and to help staff the display.

Update on Ann Arbor Energy Award Program

Time ran out before this item could be discussed

5000 Solar Roofs Update

Time ran out before this item could be discussed

Ann Arbor Energy Plan Updated

Time ran out before this item could be discussed

Future Meeting Planning

Time ran out before this item could be discussed

Adjourn Meeting was adjourned at 7:30 pm