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Subject: Suggestions for Oct 22 Technical Conference U-21122
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September 17, 2021

Mr. Dan Scripps, Chair
Commissioner Tremaine Phillips
Commissioner Katherine Peretick
Michigan Public Service Commission
PO Box 30221
Lansing, MI 4807

Re: U-21222

Dear Chair Scripps and Commissioners Phillips and Peretick:

I am writing on behalf of the Great Lakes Renewable Energy Association (GLREA) in response to the Commission's order in U-21222 asking for suggestions for topics for the Technical Conference to be held on October 22, 2021.

But before I suggest topics, I think it's important to state the problem; that ratepayers for DTE Energy and Consumers Energy are paying the highest rates in the upper Midwest and are receiving some of the worse service in the country with Michigan ranked the fourth worst State for Grid reliability.

We then compare this reliability record with the fact that from 2015 to 2019, DTE received \$775 million in four rate increases, which was the second largest total of rate increases in the United States. Consumers Energy received a 11.4% increase in residential rates in December 2020 and then filed for another 8% in March of 2021 during the COVID pandemic and again

its very clear that rate-payers are paying a substantial amount of money for unreliable service that causes a lot of harm to families and business.

And we can't forget that with DTE Energy and Consumers Energy operating as a state sponsored monopoly, they are protected from any free market competitive pressure from other companies (except for a very small and fixed 10% slice of the market) so rate-payers have no choice but to buy power from their sole power provider in their geographical area.

The only avenue that rate-payers have to take control of the electrical energy needs is to install a solar energy system. But this option has been limited by the State's 1% Cap on DG participation. Also, many low- and moderate-income ratepayers have barriers to access to solar (such as the lack of home ownership) which could be partially resolved if Community Solar was enacted in state law. But DTE and Consumers Energy are adamantly opposed to eliminating the 1% Cap and allowing for Community Solar in Michigan.

So in sum, rate payers are paying a lot of money for electricity, they receive unreliable service and they have challenges in seeking another route through solar, because the monopoly utilities are opposed to expanding the solar option to all Michigan citizens and business.

With those introductory comments, I now want to make a series of suggestions for topics for the October 22 Technical Conference.

The single biggest suggestion is that we need to discuss and develop a commitment for building *'resiliency'* into the electric grid, which will reduce the impact of an outage.

There is no doubt that a number of suggestions can be made to reduce the number of blackouts as a result of storms, with DTE publicly admitting that it needs to do more tree trimming. But if this discussion is limited to how can we 'harden the grid' then this discussion will not fundamentally change the Grid to prevent future outages based upon actions by DTE and Consumers. We need to re-imagine the Grid as a system that rate-payers have paid for and that we allow Consumers and DTE to manage. But DTE and Consumers have proven by their track records that they can't manage it well, so GLREA is suggesting that we need to building *resiliency* into the Grid that over time, will reduce the impact of a power outage to ratepayers.

The following are suggestions for topics on how to build resiliency into the Grid.

First, we need to discuss how to increase the ability of all residential ratepayers to invest in ***behind the meter solar***. We need to acknowledge that the *1% Cap* must be eliminated and that *Community Solar* be supported as policies that will allow more people to invest in solar which will build resiliency into the Grid and reduce the impact of an outage on people that have a renewable energy system.

Second, we need to discuss how to reduce the *area of the outage* through the use of ***micro-grids, dual feeders*** and automatic ***re-closers***. The concept here, which is being implemented in other parts of the world, is that when an outage occurs, a section of the distribution system can be disconnected from the Grid. If there is enough distributive generation capacity, then a microgrid is formed within that smaller section of the Grid. Once the fault is cleared within the larger Grid then the that micro-grid reconnects with the larger Grid. Having micro-grids built into the Grid will provide a huge boost of resiliency, which will reduce dramatically the number of people negatively impacted by a power outage, especially in long outages.

Third, in addition to supporting increase behind the meter solar, we need to discuss how to further accelerate the inclusion of ***solar and battery storage*** on the Grid for essential services during an outage. This was proven successful in Louisiana, where residential solar+battery systems allowed some ratepayers to provide device charging and ice to their neighbors. As a part of this discussion, we need to talk about establishing standards and policies that support the right of rate-payers and business to have a ‘transfer switch’ that will facilitate the use of their electric vehicles to power their home or small business during an outage.

Fourth, we need to address the ***economic impact*** of a power outage on ***low and moderate income rate-payers and Black, Indigenous, People of Color communities*** and the disproportionate number and length of outages in these communities.

Fifth, GLREA would suggest that discuss the need to change how utilities are ***compensated*** and that we move to a ‘***performance based***’ metric. With state sponsored monopolies, there is no competitive market-based pressure to improve utility performance. We need to discuss creating new guidelines that reward good performance and punish poor performance. There is enough of a track record by DTE and Consumers of showing poor performance in storm outages and Grid reliability as compared to other utilities around the country, that it’s time to change how DTE and Consumers are compensated in a new effort to instill accountability and better performance.

The members of the Great Lakes Renewable Energy Association (GLREA) appreciate the opportunity that the Michigan Public Service Commission is providing for us to share these suggestions for topics for the October 22, 2021 Technical Conference. We respectfully request that you include these topics on the Technical Conference Agenda.

Very truly yours,

John Freeman

Executive Director

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