

## **SOULARDARITY STATEMENT ON THE DTE SETTLEMENT AGREEMENT 4/16/2021**

On Wednesday, DTE Energy [publicly filed a settlement agreement](#) in a Michigan Public Service Commission case regarding their clean energy plans. As the result of Soulardarity's engagement, the agreement includes a low-income renewable energy pilot that, if successful, will lead to three solar projects of over 250 KW being built in Highland Park, Detroit, and River Rouge. While the pilot makes some useful steps, it leaves a lot to be desired from the perspective of racial, economic, and environmental justice and energy democracy.

Soulardarity believes this proposal does not go far enough, and we are clear-eyed about why. DTE continues to spend excessively on [fighting locally owned solar](#), slamming residential ratepayers with [rate hikes they can't afford for some of the worst service in the country](#), and selling the resulting debt to [predatory collection agencies](#). We expect that DTE will continue to fight efforts for truly community-owned solar, while asking ratepayers to foot the bill for unnecessary fracked gas plants and pipelines.

Soulardarity does not plan to object to the settlement. Despite these limiting factors and DTE's opposition to community ownership, there are potential community benefits and positive changes present in the proposal:

- The three communities named - Highland Park, Detroit, and River Rouge - are extremely deserving of the locational benefits of clean energy, having been subject to decades of environmental injustice - much of it at DTE's hands.
- Hundreds of low-income ratepayers will receive monthly benefits estimated to be between \$25 and \$30 per month from these projects, and DTE has finally agreed to manage subscriptions for these projects as a direct benefit on the bill.
- The program will be guided by a board including a low-income ratepayer from each community, who will be compensated for their time. We see this as an opportunity for leadership development and setting a standard of valuing community expertise.
- DTE has committed \$300,000 to the cost of each project and has stated that they will neither recover those costs nor make a profit.

Early in the process, Soulardarity brought forward a proposal for a true low-income community solar program. The proposal was a robust, bottom-up approach which created a supportive framework for communities to organize and finance solar projects, bring them forward through a clear process, and have oversight by a board of majority low-income ratepayers. It set a meaningful rate of compensation for subscribers and included parity for low-income communities in the rollout of solar across DTE's service territory.

DTE's final offer is a far cry from our original proposal. It is a small pilot that only allows utility ownership and fails to compensate low-income participants fairly, in comparison with other solar users. It sets a weak example of the benefits solar can offer and fails to center the agency and leadership of communities in the process. While we hope this program is successful, because there are some meaningful benefits to be had by the communities it targets, we remain firm on the following points:

- **We need real low-income community solar - and we need it now.** DTE’s proposal to wait until 2025 to consider alternate ownership is self-interested and out of step. If DTE will not do it, we need judicial courage from our Michigan Public Service Commissioners. If the MPSC will not do it, we need leadership from our legislators.
- **Low income people, and especially those impacted by environmental injustice, must gain equitable access to benefits of clean energy** - People who are able to afford to install solar on their homes and businesses enjoy the benefits based upon a Distributed Generation tariff. Low Income people should enjoy the same compensation and have true community solar as a mechanism for equitable access.
- **Foundations should invest in community ownership first and foremost.** For this program to work, DTE will need to fundraise almost \$2 million of donations, likely from corporate or philanthropic supporters. We think that anyone considering offering such support for utility-owned assets should match or exceed that in support for community-owned projects.
- **DTE needs to get out of the way of community ownership.** The gap between our original proposal and DTE’s final settlement offer, despite hundreds of pages of testimony and case studies across the country, shows a firm opposition to all forms of non-utility ownership. This program may create some near-term benefits, but does not approach the transformation we need to achieve a Just Transition.

This is a significant victory for the City of Highland Park and its people. Soulardarity is proud to have played a central role in making it happen, but we're keenly aware there is a long way to go before we realize the vision of energy security for HP. We will celebrate the progress this agreement represents while continuing our fight for community ownership as the only equitable and durable path to energy democracy.

Finally: The progress made in this settlement is evidence of why frontlines communities most impacted by energy decisions must be at the table in critical negotiations. It will take increased dedication to uplifting the leadership of most impacted communities to get where we need to go. To [quote Commissioner Phillips](#): “Michigan is in the midst of a significant transition from large, central power plants to clean, distributed sources of energy, and active customer involvement will be critical to taking full advantage of the benefits of that shift.”

We look forward to the Commission’s support in making that real.