



## Celebrating our 30th Year in 2010

March 30, 2010

Mr. Edward E. Rice  
Executive Director  
Traverse City Light and Power

### *Via E-Mail*

Dear Ed:

We are writing with regard to the letter from you that customers of Traverse City Light and Power received from you recently asking them to "support TCL&P in its endeavors to provide safe, reliable, affordable energy in an environmentally conscious manner" (please see copy enclosed).

We can't overstate how disappointed NMEAC was to read this letter. It was issued weeks before April 7, the date on which TCL&P has said it will share its analysis of the community's concerns expressed in the February forums. And it was mailed in the same week that you and Jim Cooper met with our board and assured us that no decisions would be made about the biomass plan until all the concerns had been fully researched and studies had been completed of all feasible options for meeting your laudable 30 by 20 goals.

While saying that to us, you were telling customers in your letter that you were already committed to the biomass option:

*The issue is whether to implement the TCL&P plan to construct the most cost effective and reliable option of local renewable wood fueled biomass generation or to implement other plans which would cause the purchase of high priced and less reliable generation... TCL&P is convinced that the alternative plans would cause significantly higher electric rates which could cause severe financial hardships to Traverse City citizens and businesses. This, in turn, would erode the financial well being of our community.* (Emphasis added.)

This framing of the issue is biased and disingenuous. It presents the TCL&P biomass option as low-cost and environmentally responsible. The "alternative plans" would "erode the financial well being of our community." That is hardly a balanced presentation of the choices.

Moreover, you do not have the facts to support these statements. Presenting them to your customers in advance of in-depth analysis is misinformation. It is not an indicator of the kind of responsible stewardship we would expect from our publicly-owned utility.

The content and timing of the letter suggest to us that TCL&P has no intent to listen seriously to the concerns of the community about biomass or to look objectively at the alternatives. It feeds directly into the suspicion expressed by many people regarding the sincerity of TCL&P's public involvement efforts.

If this letter was advised by your PR consultants, it was bad advice. This approach will not take you where you want to go. The Grand Traverse community is too sophisticated and too committed to protecting our air, water, land and wildlife to be misled by the simplistic messages being conveyed in the letter.

*The Northern Michigan Environmental Action Council, P.O. Box 1166,  
Traverse City, MI 49685-1166; Phone 231-946-6931; on the Web at nmeac.org.*

Spin is what produced the septage plant fiasco in Grand Traverse County. It is what has forever tarnished the reputation of everyone involved in that decision, which appears to be heading for legal prosecution of those responsible for the analysis that turned out to be so wrong.

It would be unfortunate if the leaders of TCL&P fall into the same trap by substituting "messaging" for solid analysis of the options and honest dialogue with customers and the public.

No one will remember five years from now the promises you made in 2010 about keeping rates low. The legacy you leave and the lasting reputation of anyone currently serving on the TCL&P board will depend totally on the level of true community ownership you are able to build behind the solutions that are ultimately chosen and how the results actually play out over the next 20 to 50 years.

NMEAC remains open to a serious conversation with TCL&P about your 30 by 20 proposal. We continue to think it is possible for our publicly-owned utility to be a state and national leader in addressing in an environmentally responsible way the energy challenges we face.

We will attend your April 7 forum and listen closely for evidence you are truly seeking solutions rather than selling a plan.

Sincerely,



Greg Reisig  
Chair



Ken Smith, Ph.D., P.E.  
Executive Director

Cc: TCL&P Board  
Traverse City Commission  
Keith Schneider  
Hans Voss and Brian Beauchamp, Michigan Land Use Institute  
Anne Stanton, Northern Express  
Bill Thomas, Traverse City Record-Eagle



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Dear Valued Customer:

Traverse City Light & Power (TCL&P), your hometown municipal electric utility, is working very hard on your behalf for you to continue to have reliable and affordable electricity. Currently, your TCL&P electricity rates are much lower than the other electric utilities in the area and we are developing plans to address new issues we face in order to maintain this position for your benefit.

A 25 year old contract from a downstate electric generation company which supplies 50% of the TCL&P electricity requirement is set to expire at the end of the year. This generation supply must be replaced with another long term source of electric generation for the continuation of affordable and reliable electricity.

The issue is whether to implement the TCL&P plan to construct the most cost effective and reliable option of local renewable wood fueled biomass generation or to implement other plans which would cause the purchase of high priced and less reliable generation.

TCL&P is convinced that the alternative plans would cause significantly higher electric rates which could cause severe financial hardships to Traverse City citizens and businesses. This, in turn, would erode the financial well being of our community.

The TCL&P plan would be implemented in a manner that is consistent with TCL&P's long term commitment to the environment.

For 98 years TCL&P has been dedicated to doing its best for the City of Traverse City, its citizens and customers. Some difficult decisions have been made by TCL&P over those years with only the best interests of its customers in mind. We are now faced with another set of difficult decisions to support the continued success of the TCL&P mission.

Please support TCL&P in its endeavors to provide safe, reliable, affordable electricity in an environmentally conscious manner.

Sincerely,

Edward E. Rice, P.E.  
Executive Director