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Small businesses saved nearly \$166,000 on utility-related matters in 2015, thanks to MAE ombudsman

LANSING, Mich. – Michigan small businesses saved nearly \$166,000 in 2015 by contacting the small business ombudsman at the Michigan Agency for Energy (MAE) about utility-related matters.

“Small businesses face many challenges in their day-to-day operations, including utility-related issues,” notes Valerie Brader, MAE’s executive director. “For help with issues, they can turn to MAE’s small business ombudsman who specializes in helping small businesses get answers to their questions and for help with problem resolution.” The process has proven to be valuable to many businesses that have contacted MAE. The toll-free phone number is: 1-800-292-9555.

In 2015, over 660 small businesses contacted MAE’s ombudsman, who successfully assisted businesses with installation of new service, power quality and reliability concerns, deposit and payment arrangements, meter concerns, some telecommunication issues, and landlord issues.

Examples of how MAE has assisted small businesses to lower their utility bills or prevent problems include:

- Energy efficiency programs to help Michigan businesses cut their energy waste and reduce their electric and natural gas bills. Businesses should contact their utilities to learn what energy efficiency measures are available to help them. In addition, the [Michigan Saves Business Energy Financing Program](#) helps businesses reduce costs by providing low-interest financing for energy efficient lighting, heating and cooling systems, insulation, refrigeration, equipment and more. Small businesses may also pursue energy efficiency improvements using Property Assessed Clean Energy (PACE) financing, an innovative way that landlords, tenants and local officials can work together to pursue energy waste reduction projects that would not otherwise take place.

- Under the Michigan Public Service Commission's (MPSC) Rules for Service Quality and Reliability Standards, commercial customers may be eligible for a credit on their electric bill if they experience frequent outages. A business should notify its electric utility of service outages and retain a written record of the outages as well as notification information.
- Churches, schools, charities, eligible hospitals, and other nonprofit organizations are exempt from state sales tax on regulated electric, natural gas, and telecommunication bills. This results in significant savings on monthly utility bills for those entities. It is important to contact each utility in order to comply with their filing process and keep the filing current.
- Many utility services in Michigan are open to competition. This enables Michigan businesses to choose from a number of competing [electric](#), [natural gas](#), and [telecommunications](#) suppliers at rates that are not regulated by the MPSC. Shopping for utility services is a new experience for many businesses, providing opportunities as well as challenges. The MPSC recently unveiled a natural gas price comparison [website](#) to help customers make informed decisions when choosing a provider. Electric competition in Michigan is limited to 10 percent of a utility's retail sales and many are already at their 10 percent cap. Therefore, customers interested in electric choice may need to enter their utility's queue for choice service.
- Business owners have many expenses, and paying for utility service may be one of the more significant. To prevent disconnection of service or payment of a costly security deposit, it is important to understand the rules that govern utility deposits and how those deposits may affect commercial service.

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