

**ORDINANCE NO. 35  
ELECTRIC AUTHORITY**

**STATEMENT OF PURPOSE:** The purpose of the Saginaw Chippewa Electric Authority is to manage, operate and maintain the electric distribution and generation system for the Saginaw Chippewa Indian Tribe of Michigan ("Tribe").

**BE IT ENACTED,** by the Saginaw Chippewa Tribal Council ("Council") as follows:

SECTION 1. Short Title. This Ordinance may be cited as the Saginaw Chippewa Electric Authority.

SECTION 2. Authority. This Ordinance is enacted pursuant to Article IV Section 1(h) and (j) of the Amended Constitution of November 4, 1986.

SECTION 3. Declaration of Need.

- a. There exists a need for safe, efficient electric facilities and distribution systems within the Saginaw Chippewa Isabella Indian Reservation.
- b. It is of Tribal concern and part of the Tribe's governmental functions to provide safe, cost effective, efficient electric facilities, and distribution systems for Tribal members, the Tribal community, and certain other entities, enterprises, or persons requiring electric services.
- c. That continued residential, commercial and industrial construction within the Reservation are important factors to general economic activity and that the undertaking authorized by this Ordinance to manage, operate and maintain a Tribal electric system, will make possible a more stable and larger volume of safe residential, commercial and industrial construction.
- d. That such an Ordinance is in the public interest.

SECTION 4. Definitions.

- a. "Authority" means the Utilities Department of the Tribe which, for purposes of this Ordinance, shall be considered and described herein as the Saginaw Chippewa Electric Authority.
- b. "Council" means the Saginaw Chippewa Tribal Council.
- c. "Customer" means person(s), entity(ies), or enterprise(s) to which wholesale electric power is provided by or through the System pursuant to

this Ordinance.

- d. "Private Customer" means any person, entity, company or organization that is not a wholly owned enterprise of the Tribe, or a Tribal department, agency or program to whom electric power is provided by or through the System pursuant to this Ordinance.
- e. "Supervisor of Operations" or "Supervisor" means the Director of Utilities or his/her designee, or any other position responsible for overseeing such physical operations as duly appointed by Tribal Council.
- f. "System" means the Saginaw Chippewa electric system including the Tribal Electrical Substation and any ancillary equipment or processes necessary for the transmission and generation of electric power.
- g. "Facilities and Structures" means any buildings, including both residential and commercial, which are connected to, utilize the services of, or require usage of the System.
- h. "Energy Desk" means persons duly appointed by Tribal Council responsible for the following: metering of Customers, submission of settlement statements to MISO, submission of billing invoices to accounting, forecasting current and future electricity needs, oversee and manage Council approved agreements with power providers, establish Council approved electric rates, and buying, selling, and hedging of wholesale or bulk power through the Tribal Electric System, the MISO footprint, or other system operator the Tribe elects to join in the future.
- i. "Economic Development Director" means the Tribal employee or consultant responsible for the management of the Tribal Economic Development Department and Energy Desk.
- j. "Tribal Electrical Substation" means a part of an electrical distribution system owned and operated by the Saginaw Chippewa Indian Tribe capable receiving and transmitting electrical power.

#### SECTION 5. Services to be Offered.

- a. Electric System. The Authority is responsible to provide safe, adequate electricity services to those residences and other entities connected to the electric distribution lines owned by the Tribe. Including the maintenance and operation of all above and below ground service lines, substation, meters, SCADA system, billing, electric storage facilities, and generation

assets. The Tribal Authority will be responsible for all equipment up to the meter at Customer premises. Customer shall be responsible for all wiring and equipment beyond the meter including but not limited to any buildings, residences or other real or personal property.

- b. Customer Use. Customer's shall not use the electric power provided by the Electric System or any equipment or property of the Tribe or Authority in violation of any applicable law or regulation or in any manner that presents or causes an unreasonable risk to the health safety and welfare of any person, the public or to any personal or real property.
- c. Qualified Personnel. To insure the provision of adequate electric services, the Authority will retain qualified personnel and/ or contracted third-party entities on duty or on call at all times in order to respond quickly to emergencies.

SECTION 6. Electric Meters. Electric meters will be installed on Facilities and Structures authorized by the Ordinance to connect to the System that will allow the Energy Desk to monitor and assess fees and charges for the electricity provided by through the Tribal Electrical Substation to each entity.

- a. The Authority will install electric meters to Facilities and Structures existing as of September 30, 2019 that are to be connected to the Tribal Electrical Substation at no cost to the facility unless otherwise provided by this Ordinance.
- b. Facilities and Structures constructed after October 1, 2019 must have an electric meter installed at the time of construction or interconnection in order to receive electric power from the Tribal Electrical Substation. Facilities that are not wholly owned by the Tribe must execute a Tribal Interconnection Agreement in a form and on terms agreeable to the Tribe prior to receipt by the Facility or Structure of electrical power from or through the Tribal Electrical Substation.
- c. Persons or entities owning Structures or Facilities constructed or connected to the system after October 1, 2019 shall be solely responsible for the cost of obtaining and installing electric meters to the Structure or Facility and for any other cost associated with the transmission, delivery and use of electric power. Electric meters must meet the criteria and requirements established by the Authority.
- d. The receipt of electric power from or through the System shall be contingent on the ability of the Authority, or agents thereof, to enter onto

any property receiving electric power from the System during regular business hours to inspect and read electric meters, and if necessary make repairs, additions, alterations or improvements to any System, or metering property or equipment.

SECTION 7. Maintenance Schedule. The Authority will develop and follow a regular schedule of maintenance for the System. These services will include, but not be limited to, the following:

a. Substation

1. Overall electric substation inspection.
2. Maintenance of each device.
3. Troubleshooting of equipment operation.
4. Mechanical and electrical testing of all substation apparatus.
5. Adopt Good Utility Practices, federal established best practice maintenance schedules, the equipment manufacturer's recommended maintenance schedule, or other industry developed programs as determined by the Authority or required by applicable law, or regulation.

b. Distribution System

1. In accordance to Good Utility Practices, maintain overhead and underground line inspection and maintenance records, including pole inspection and line patrol records.
2. Maintain line voltage regulator records.
3. Maintain distribution transformer records.
4. Maintain service interruption reports and summaries of experience.
5. Adopt and amend as necessary system maps with Emergency Restoration Plan (ERP).

c. SCADA and Metering System

1. Maintain hardware and software applications necessary for the operation of the metering system.

SECTION 8. System Financing.

- a. The System shall be funded from the Tribal Housing/Land and Economic Development Fund or by other means determined by formal action of the Tribal Council.

- b. The Authority shall be responsible for submitting an annual budget to the Tribal Council for approval beginning in fiscal year 2020 and continuing each fiscal year thereafter. The annual budget shall include all projected costs and expenses associated with the operation, maintenance and improvements of the System.

SECTION 9. Rate Schedule.

- a. The Energy Desk will set electric rates by regulation which shall include protocols and procedures for electric rate changes and notice to customers.
- b. Rates will include, at a minimum, the actual electric cost incurred for the generation and delivery of electric power by the Authority.
- c. Rates may include: Service Fees, Debt Service, Capital Maintenance Reserve, regulatory costs and applicable Tribal Tax (or equivalent amount imposed on the Authority).
- d. Electric rates shall be made publicly available in a manner provided by Energy Desk regulation.

SECTION 10. Billing and Collection.

- a. The Energy Desk will maintain a complete and current record of all Customers served by the System.
- b. The Energy Desk will monitor all Customers served by the System and shall establish, by regulation, protocols and procedures for Customer billing which shall include but not be limited to:  
invoicing, methods of payment and procedures for nonpayment or delinquency.

SECTION 11. Customer Billing Complaints.

- a. An Private Customer may seek a redetermination by the Energy Desk of the Private Customer's bill for System services by filing for a Request for Redetermination with the Energy Desk no later than 14 calendar days following the due date for the payment of such bill. Requests for Redetermination shall be made on a form approved by the Energy Desk and shall set forth the facts supporting the Request for Redetermination. Untimely or incomplete Requests for Redetermination shall not be valid and shall not be considered by the Energy Desk.

- b. The Energy Desk shall issue a final decision on a Request for Redetermination no later than 14 calendar days of the Energy Desk's receipt of the Request for Redetermination. The final decision shall provide the Energy Desk's findings and a schedule for any required remedy by the Energy Desk. The Energy Desk shall remedy any defect in billing within a reasonable time after the final decision.

SECTION 12. Enforcement.

- a. The Energy Desk shall issue a Notice of Discontinuation of Service to any Private Customer who is greater than 30 calendar days delinquent in payment for electrical services provided by or through the System or for noncompliance with the provisions of this Ordinance, any other law or regulation applicable to services provided by the System. A Notice Discontinuation of Services shall be sent by certified mail to last known address of the Private Customer and to the Authority and shall describe the violation and required remedy and notify the Private Customer of the date services will be discontinued. The Energy Desk shall promulgate regulations detailing the form of a Notice of Discontinuation of Services and the schedule for discontinuation of service. Such regulations shall be attached to any Notice of Discontinuation of Services provided under this Ordinance.
- b. The Authority shall discontinue electric power services to a Private Customer on the date provided in the Notice to Discontinue Services unless otherwise directed in writing by the Energy Desk.
- c. The Energy Desk shall have authority to bring actions in the name of the Saginaw Chippewa Indian Tribe in any court of competent jurisdiction for the collection of any unpaid bills, costs, damages or penalties, or for the enforcement of the provisions of this Ordinance. The Energy Desk may seek any appropriate civil remedy in such actions.
- d. The Energy Desk shall have authority to promulgate regulations necessary and consistent with this Ordinance. Regulations promulgated by the Energy Desk shall not be effective until approved by vote of the Tribal Council. Approved regulations shall be posted on the Saginaw Chippewa Indian Tribe website or by other means available to the public as shall be prescribed by regulation.

SECTION 13. Bookkeeping and Handling of Funds.

- a. The Energy Desk and the Tribal Accounting Department will comply with

applicable Tribal procedures for bookkeeping and banking of funds.

- b. The Energy Desk shall provide a written detailed accounting of all accounts and ledgers relating to the operations of the Energy Desk to the Tribal Council and the Tribe's Chief Financial Officer, and any other person designated by the Council, at the end of each fiscal year quarter of operation of the Energy Desk.

**SECTION 14. Management.**

- a. The Supervisor of Operations (Supervisor) will manage the daily physical operations of the Authority. The Supervisor will have responsibility to direct the work of all employees of the Authority. The Supervisor shall establish a direct chain of command for orderly functioning of the office and operation of the utility systems.
- b. The Economic Development Director will manage the financial requirements of the Electric Authority as defined in Section 4.i.

**SECTION 15. Amendments or Revisions. This Ordinance shall be amended by Tribal Council Resolution.**

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**Legislative History**

Ordinance 35 Electric Authority enacted by Resolution 20-013 approved on October 30, 2019.