

GRAND HAVEN BOARD OF LIGHT AND POWER MEETING AGENDA

Thursday, April 18, 2024

Meeting to be held at 1700 Eaton Drive

6:00 PM

1. Call to Order / Roll Call / Excuse Absent Members
2. Approve Meeting Agenda (1) \*
3. Pledge of Allegiance
4. Public Comment Period
5. Consent Agenda (1)
  - A. Approve Minutes of the March 21, 2024, Board Meeting \*
  - B. Receive and File: February Financial Statements, Power Supply, Retail Sales Dashboards \*
  - C. Receive and File: February Key Performance Indicators (KPI) Dashboard \*
  - D. Receive and File: MPPA ESP Resource Position Report (dated 3/29/2024) \*
  - E. Approve Payment of Bills (\$2,981,331.67 in total)
    1. In the amount of \$2,800,686.43 from the Operation & Maintenance Fund
    2. In the amount of \$180,645.24 from the Renewal & Replacement Fund
  - F. Approve Confirming Purchase Orders (\$18,083 in total)
    1. PO #23008, Landis & Gyr, \$18,083 (Grid Analytics Software – 6 months)
6. General Manager's Report \*
  - A. Approve Purchase Orders (\$256,313 in total) (1)
    1. PO #23002, C&S Solutions, \$15,841 (Underground Locator)
    2. PO #23013, MZH Concrete, \$7,100 (Replace Front Concrete at Service Center)
    3. PO #23016, Altec Industries, \$233,372 (Tree Bucket Truck)
  - B. FY25 Budget Presentation – Lynn Diffell (2) \*
  - C. APPA Awards (3)
    1. RP3 – Diamond Level
    2. Safety – Gold Level
7. Chairman's Report
  - A. By-Law Revision Approval (1) \*
  - B. Executive Search Services Subcommittee Update (1) \*
  - C. Governance Training – Lesson 1 Discussion (3)
  - D. Governance Training – Watch Lesson 2 for May Discussion (3)
8. Other Business
9. Public Comment
10. Adjourn

Notes:

(1) Board Action Required

(2) Future Board Action

\* Information Enclosed

(3) Information RE: Policy or Performance

(4) General Information for Business or Education

GRAND HAVEN BOARD OF LIGHT AND POWER  
MINUTES  
MARCH 21, 2024

5A

A regular meeting of the Grand Haven Board of Light and Power was held on Thursday, March 21, 2024, at 6:00 PM at the Board's office located at 1700 Eaton Drive in Grand Haven, Michigan and electronically via live Zoom Webinar.

The meeting was called to order at 6:00 PM by Chairperson Westbrook.

**Present:** Directors Crum, Hendrick, Knoth, Welling and Westbrook.

**Absent:** None.

**Others Present:** Interim General Manager Rob Shelley, Secretary to the Board Danielle Martin, Operations & Power Supply Manager Erik Booth, Finance Manager Lynn Diffell, and Attorney Ron Bultje.

**24-03A** Director Welling, supported by Director Crum, moved to approve the meeting agenda.

**Roll Call Vote:**

In favor: Directors Crum, Hendrick, Knoth, Welling and Westbrook; Opposed: None.  
Motion carried.

**Pledge of Allegiance**

**Public Comment Period:**

Mayor Bob Monetza, 945 Washington, reported City Council discussed the Board's Snowmelt Resolution and there was a consensus desire to hold a joint meeting. Monetza suggested the Interim General Manager and City Manager work together to schedule a date and compile an agenda with input from Board and Council members.

**24-03B** Director Welling, supported by Director Hendrick, moved to approve the consent agenda. The consent agenda includes:

- Approve the minutes of the February 29, 2024 Board meeting
- Receive and file the February Financial Statements, Power Supply and Retail Sales Dashboards
- Receive and File the February Key Performance Indicator (KPI) Dashboard
- Receive and File the MPPA Energy Services Project Resource Position Report dated 02/29/2024
- Approve payment of bills in the amount of \$2,471,928.53 from the Operation & Maintenance Fund
- Approve payment of bills in the amount of \$159,055.07 from the Renewal & Replacement Fund

GRAND HAVEN BOARD OF LIGHT AND POWER  
MINUTES  
MARCH 21, 2024

**Roll Call Vote:**

In favor: Directors Crum, Hendrick, Knoth, Witherell and Westbrook; Opposed: None.  
Motion carried.

**24-03C** Director Welling, supported by Director Knoth, moved to approve the Purchase Orders. The Purchase Orders include:

- Purchase Order 22976 to Premier Power Maintenance in the amount of \$33,345 for Osipoff sub maintenance
- Purchase Order 22984 to SD Meyers in the amount of \$33,552 for north sub T2 hot oil cleaning
- Purchase Order 22986 to Exit 16 Fleet Repair in the amount of \$8,150 for a transmission replacement in truck 3

**Roll Call Vote:**

In favor: Directors Crum, Hendrick, Knoth, Welling and Westbrook; Opposed: None.  
Motion carried.

**24-03D** Director Hendrick, supported by Director Welling, moved to authorize the MPPA 2026-2029 Power Purchase Commitment.

This authorization will allow MPPA to fill the BLP's established hedge plan through market purchases with annual total dollar not to exceed limits. None of the transactions will require confirmation by the City Council. The sum of all purchases represents a maximum commitment of \$17.2 million through 2029.

**Roll Call Vote:**

In favor: Directors Crum, Hendrick, Knoth, Welling and Westbrook; Opposed: None.  
Motion carried.

**24-03E** Erik Booth provided a presentation of the initial fiscal year 2025 power supply budget.

Power supply represents the largest portion of the BLP's annual expenditure. Conservative projections were used in the draft budget for expected capacity sales revenue. A more accurate number will be available after the annual auction is held in April. Renewable energy has grown to represent 23% of the BLP's power supply.

Section 28, Renewable Energy Portfolio, and Section 51, Clean Energy Standard, of Public Act 235 were discussed. Rob Shelley reported there are concerns at MPPA that the expectations of the new legislation may not be physically possible. If the solar projects the BLP participates in are delayed, we could be forced to use our banked Renewable Energy Credits or be subject to purchasing in the short-term market.

GRAND HAVEN BOARD OF LIGHT AND POWER  
MINUTES  
MARCH 21, 2024

The budgeted annual volume of energy to be purchased is decreasing from previous years. In addition to the BLP's third largest customer closing in September 2023, the new Energy Waste Reduction Act will require electric providers to achieve incremental energy savings. Total costs are expected to increase to \$20.17 million for FY2025. The cost per MWh is projected to be \$70.18. This is 8.2% higher than was budgeted for FY24.

**No formal action taken.**

**24-03F** Rob Shelley provided the annual reliability report.

In 2023, the average BLP customer experienced 1.5 outages per year, each lasting 1.8 hours on average. In 2022, the average Consumers Energy customer experienced 1.29 outages per year, each lasting an average of 6.04 hours. The typical customer across the state of Michigan experienced 1.34 outages per year, lasting on average 6.38 hours, in 2022. Comparison data for 2023 is not yet available. Of the 593 total outages experienced by the BLP in 2023, 330 were planned. The top unplanned outage causes were bad underground, trees, animals, and weather.

**No formal action taken.**

**24-03G** Rob Shelley provided a Strategic Plan update.

The strategic plan for fiscal years 2022 to 2026 identifies six areas of strategic priority including financial management, customer and community engagement, transmission and distribution, power supply, business practices and technology, and human resources. Overall, we are making good progress on the established goals. Many items are complete or being continuously improved. A few goals have been determined undesirable after further consideration and data examination. The Board had set the goal to conduct an annual self-evaluation and use the results to implement a Board development plan. The Board agreed to add this to a future agenda for further discussion.

**No formal action taken.**

**24-03H** Rob Shelley reported staff is planning to conduct one-on-one meetings with large customers and key stakeholders. These meetings typically include a short "state of the utility" presentation followed by open dialog. Chairperson Westbrook requested a summary report for the Board after the process is complete. Shelley asked the Board if there was interest in doing more for community engagement and suggested an open house event. By consensus, the Board supported the idea of an open house and asked staff to propose a format and associated cost for approval in the budget.

**No formal action taken.**

**24-03I** Erik Booth and his team have kicked off a social media campaign featuring electric vehicle chargers. There are fourteen chargers open to the public in Grand Haven and the surrounding area. The owners of these chargers report they are being under-utilized. In addition to

GRAND HAVEN BOARD OF LIGHT AND POWER  
MINUTES  
MARCH 21, 2024

the social media campaign, a new “Going Green” page has been added to the BLP website. This page contains information on rebate programs, the green energy rider, and electric vehicles.

**No formal action taken.**

**24-3J** Director Welling, supported by Director Hendrick, moved to reschedule the May Board meeting to May 23, 2024 at 6:00pm.

**Roll Call Vote:**

In favor: Directors Crum, Hendrick, Knoth, Welling and Westbrook; Opposed: None.  
Motion carried.

**24-3K** Chairperson Westbrook, supported by Director Welling, moved to approve the revised bylaws except for the changes to section 31, which will stay as previously written until further consideration.

Chairperson Westbrook is concerned about the exclusions to indemnification and approval process. Attorney Bultje stated the Bylaws represent the minimum of what the Board will do but the Board would not be precluded from doing more. Attorney Bultje made note of the comments provided tonight and will provide a recommendation of wording for section 31 to be considered at a future meeting.

**Roll Call Vote:**

In favor: Directors Crum, Hendrick, Knoth, Welling and Westbrook; Opposed: None.  
Motion carried.

**24-03L** Chairperson Westbrook reported the subcommittee tasked with recommending a firm for executive search services met on March 6, 2024 and narrowed the options to Mycoff Fry Partners and Preng and Associates. Zoom interviews were held on March 19<sup>th</sup> with both firms. Westbrook anticipates the subcommittee will meet one more time to discuss the interviews then make a recommendation at the Board’s April meeting.

**No formal action taken.**

**24-03M** Director Welling, supported by Director Crum, moved to approve the Resolution Regarding Whistleblower Investigation (Attachment A).

Chairperson Westbrook reminded everyone the resolution under consideration is to determine if there was evidence to terminate David Walters for cause. Westbrook stated the investigation report provides no reason to deny Mr. Walters any of the benefits provided by his employment agreement. He commends Mr. Walters’ personal integrity and ethics.

**Roll Call Vote:**

In favor: Directors Crum, Hendrick, Knoth, Welling and Westbrook; Opposed: None.  
Motion carried.

GRAND HAVEN BOARD OF LIGHT AND POWER  
MINUTES  
MARCH 21, 2024

**24-03N** Director Welling, supported by Director Hendrick, moved to approve the Resolution Regarding FOIA Fulfillment (Attachment B).

Chairperson Westbrook asked Attorney Bultje if the FOIA documents prove discrimination, harassment, or retaliation against David Walters by the BLP. Attorney Bultje's response was "no". Chairperson Westbrook stated while the FOIA documents did not show illegal activity, they were, in his opinion, unethical. Directors Crum and Welling shared his sentiment.

**Roll Call Vote:**

In favor: Directors Crum, Hendrick, Knoth, and Welling; Opposed: Westbrook.  
Motion carried.

**24-03O** Board and staff members have received the login credentials for the APPA Public Power Governance Essentials on-demand training. Chairperson Westbrook asked everyone to watch lesson one for discussion at the Board's April meeting.

**No formal action taken.**

**24-03P** No Board members reported availability to attend this year's APPA national conference. Two staff members will attend to represent the BLP.

**No formal action taken.**

**24-03Q** The MPPA stakeholder's meeting will be held on May 2<sup>nd</sup>. If any Board members would like to attend, they may scan the QR code provided in the meeting packet to register.

**No formal action taken.**

**Public Comment Period:**

Oliver Shampine, 540 D Avenue, questioned if the Board and Council really want to work together. Shampine feels it would be more genuine for the parties to sit down and talk than to exchange insults at public meetings.

**Adjournment**

At 7:46PM by motion of Director Hendrick, supported by Director Welling, the March 21, 2024 Board meeting was unanimously adjourned.

Respectfully submitted,

Danielle Martin  
Secretary to the Board

DM

GRAND HAVEN BOARD OF LIGHT AND POWER  
MINUTES  
MARCH 21, 2024

Attachment A

**Board of Light and Power  
Resolution Regarding Whistleblower Investigation**

WHEREAS, on January 25, 2024, the Grand Haven Board of Light and Power (the “BLP”) passed the Resolution Regarding General Manager; and

WHEREAS, the fifth item in the Resolution Regarding General Manager states

“If the City’s investigation into the whistleblower accusations against the General Manager provides evidence that the BLP had cause to terminate the General Manager according to Paragraph 10.B of the July 1, 2022 Employment Agreement, the BLP reserves the right to terminate the General Manager accordingly and to not pay the General Manager the benefits provided to him by Paragraph 10.C, all subject to a vote of the BLP Board.”; and

WHEREAS, on March 12, 2024, the Whistleblower Investigation Report was released by the City of Grand Haven; and

WHEREAS, the Executive Summary of the Whistleblower Investigation Report concludes “the whistleblower’s allegations are not substantiated by the evidence.”

THEREFORE, BE IT RESOLVED, the Board affirms that the Whistleblower Investigation Report did not provide evidence of cause to terminate the General Manager according to Paragraph 10.B of the July 1, 2022 employment agreement; and

BE IT FURTHER RESOLVED, the General Manager will be properly provided with all benefits permitted by Paragraph 10.C of the employment agreement as stated in item two of the Resolution Regarding General Manager for his retirement effective April 24, 2024.

**RESOLUTION DECLARED ADOPTED**

March 21, 2024

BOARD OF LIGHT AND POWER

By: \_\_\_\_\_  
Its: Board Secretary

GRAND HAVEN BOARD OF LIGHT AND POWER  
MINUTES  
MARCH 21, 2024

Attachment B

**Board of Light and Power  
Resolution Regarding FOIA Fulfillment**

WHEREAS, on January 25, 2024, the Grand Haven Board of Light and Power (the “BLP”) passed the Resolution Regarding General Manager; and

WHEREAS, the fourth item in the Resolution Regarding General Manager states:

“If the final disposition of the FOIA request made by the General Manager against Director Hendrick provides evidence that the General Manager’s allegations of discrimination, harassment, and retaliation by the BLP against the General Manager are warranted, the BLP will seek to negotiate more generous terms of separation for the General Manager, along with a release of any claims he may have against the BLP, all subject to a vote of the BLP Board”; and

WHEREAS, on March 1, 2024, the General Manager’s August 16, 2023, FOIA request was fulfilled; and

WHEREAS, the BLP’s legal counsel has reviewed all responsive documents associated with the August 16, 2023 FOIA request; and

WHEREAS, the BLP’s legal counsel has provided an opinion, dated March 17, 2024, concluding “none of the documents provide evidence that the General Manager’s allegations of discrimination, harassment, and retaliation by the BLP against the General Manager are warranted.”

THEREFORE, BE IT RESOLVED, the BLP affirms the opinion of its legal counsel and will not seek to negotiate more generous terms of separation for the General Manager; and

BE IT FURTHER RESOLVED, the General Manager will be properly provided with all benefits permitted by Paragraph 10.C of the employment agreement as stated in item two of the Resolution Regarding General Manager for his retirement effective April 24, 2024.

**RESOLUTION DECLARED ADOPTED**  
March 21, 2024

BOARD OF LIGHT AND POWER

By: \_\_\_\_\_

Its: Board Secretary



**GRAND HAVEN BOARD OF LIGHT AND POWER**  
**STATEMENT OF NET POSITION**  
**FOR THE MONTH ENDING MARCH 2024**

	<u>MARCH 2024</u>	<u>MARCH 2023</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
CASH AND CASH EQUIVALENTS	\$22,252,634	\$31,171,481
ACCOUNTS RECEIVABLE	3,947,949	3,871,829
PREPAID	4,204	237,151
	26,204,787	35,280,461
<b>NON-CURRENT ASSETS</b>		
DEPOSITS HELD BY MPIA	8,666,690	7,645,913
DEPOSITS HELD BY MPPA	2,500,000	2,500,000
ADVANCE TO CITY OF GRAND HAVEN	641,145	749,021
MITIGATION FUND	14,207,534	0
2021A BOND MITIGATION FUND	2,185,981	0
2021A BOND CONSTRUCTION FUND	3,724,765	8,842,439
2021A BOND REDEMPTION FUND	706,474	688,697
	32,632,589	20,426,070
<b>CAPITAL ASSETS</b>		
CONSTRUCTION IN PROGRESS	3,325,904	3,512,024
PROPERTY, PLANT AND EQUIPMENT	66,525,483	63,055,832
LESS ACCUMULATED DEPRECIATION	(31,884,624)	(30,544,723)
	37,966,763	36,023,133
<b>TOTAL ASSETS</b>	<b>\$96,804,139</b>	<b>\$91,729,664</b>
<b>DEFERRED OUTFLOWS/(INFLOWS)</b>		
PENSION/OPEB RELATED	4,681,112	(1,711,125)
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
ACCOUNTS PAYABLE	1,107,341	1,822,348
SERIES 2021A BOND CURRENT	2,480,185	2,489,665
ACCRUED PAYROLL LIABILITIES	275,156	321,907
CUSTOMER DEPOSITS	987,165	907,789
ACCRUED TRANSFER FUND	138,051	140,550
	4,987,898	5,682,259
<b>LONG TERM LIABILITIES</b>		
ASSET RETIREMENT OBLIGATION - MITIGATION	16,702,802	16,033,102
ACCRUED SICK AND PTO	274,168	264,532
SERIES 2021A BOND	17,900,000	20,300,000
NET PENSION LIABILITIES	6,301,362	(813,406)
NET OTHER POST EMPLOYMENT BENEFIT	500,888	638,925
	41,679,220	36,423,153
<b>TOTAL LIABILITIES</b>	46,667,118	42,105,412
<b>RETAINED EARNINGS</b>		
BEGINNING OF THE YEAR	48,794,255	44,505,093
YTD NET INCOME	6,023,878	3,408,034
<b>RETAINED EARNINGS</b>	54,818,133	47,913,127
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$101,485,251</b>	<b>\$90,018,539</b>

**GRAND HAVEN BOARD OF LIGHT AND POWER  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE MONTH OF MARCH 2024**

	Current Period Actual	YTD Actual	YTD Budget	Variance Over (Under)	Percent Variance Actual vs Budget	Previous Year Current Period	Previous Year YTD	Variance Over (Under)	Percent Variance Actual vs Last Year
<b>Operating Revenue</b>									
Residential Sales	\$ 909,947	\$ 9,882,085	\$ 10,099,808	\$ (217,723)	-2.16%	\$ 961,065	\$ 9,857,153	\$ 24,932	0.25%
Commercial Sales	765,290	7,800,419	8,045,704	(245,285)	-3.05%	774,162	7,692,670	107,749	1.40%
Industrial Sales	919,155	8,862,203	10,021,693	(1,159,490)	-11.57%	980,267	9,069,424	(207,221)	-2.28%
Municipal Sales	68,124	759,628	792,819	(33,191)	-4.19%	67,035	760,507	(879)	-0.12%
Total Charges for Services	2,662,516	27,304,335	28,960,024	(1,655,689)	-5.72%	2,782,529	27,379,754	(75,419)	-0.28%
Street Lighting	28,067	253,974	251,250	2,724	1.08%	28,462	254,605	(631)	-0.25%
Other Revenue	5,985	272,769	318,209	(45,440)	-14.28%	56,821	360,462	(87,693)	-24.33%
<b>Total Operating Revenue</b>	<b>2,696,568</b>	<b>27,831,078</b>	<b>29,529,483</b>	<b>(1,698,405)</b>	<b>-5.75%</b>	<b>2,867,812</b>	<b>27,994,821</b>	<b>(163,743)</b>	<b>-0.58%</b>
<b>Operating Expenses</b>									
Net Purchased Power	1,295,783	13,937,982	14,790,238	(852,256)	-5.76%	1,343,944	15,155,859	(1,217,877)	-8.04%
Distribution Operations	106,240	1,138,940	1,457,104	(318,164)	-21.84%	138,855	1,413,001	(274,061)	-19.40%
Distribution Maintenance	473,207	2,568,257	2,669,917	(101,660)	-3.81%	232,382	2,616,617	(48,360)	-1.85%
Energy Optimization	9,588	119,486	206,249	(86,763)	-42.07%	29,547	146,140	(26,654)	-18.24%
Administration	235,387	2,162,561	2,357,094	(194,533)	-8.25%	223,622	2,078,302	84,259	4.05%
Legacy Pension Expense	208,020	539,958	373,825	166,133	44.44%	61,499	535,052	4,906	-
<b>Operating Expenses Before Depreciation</b>	<b>2,328,225</b>	<b>20,467,184</b>	<b>21,854,427</b>	<b>(1,387,243)</b>	<b>-6.35%</b>	<b>2,029,849</b>	<b>21,944,971</b>	<b>(1,477,787)</b>	<b>-6.73%</b>
<b>Operating Net Income Before Depreciation</b>	<b>368,343</b>	<b>7,363,894</b>	<b>7,675,056</b>	<b>(311,162)</b>	<b>-4.05%</b>	<b>837,963</b>	<b>6,049,850</b>	<b>1,314,044</b>	<b>21.72%</b>
Depreciation	171,462	1,565,925	1,517,994	47,931	3.16%	163,541	1,496,941	68,984	4.61%
<b>Operating Net Income</b>	<b>196,881</b>	<b>5,797,969</b>	<b>6,157,062</b>	<b>(359,093)</b>	<b>-5.83%</b>	<b>674,422</b>	<b>4,552,909</b>	<b>1,245,060</b>	<b>27.35%</b>
Nonoperating Revenue/(Expenses)	88,463	789,620	270,224	519,396	192.21%	(29,249)	236,843	552,777	233.39%
Asset Retirement Expense	-	123,492	(749,997)	873,489	-116.47%	-	-	123,492	#DIV/0!
Environmental Surcharge	70,437	727,066	749,997	(22,931)	-3.06%	-	-	727,066	#DIV/0!
<b>Non-Operating Revenue/(Expenses)</b>	<b>158,900</b>	<b>1,640,178</b>	<b>270,224</b>	<b>1,369,954</b>	<b>506.97%</b>	<b>(29,249)</b>	<b>236,843</b>	<b>1,403,335</b>	<b>592.52%</b>
Transfers to City of Grand Haven	(138,051)	(1,414,269)	(1,437,557)	23,288	-1.62%	(140,550)	(1,381,718)	(32,551)	2.36%
<b>Increase in Net Assets</b>	<b>\$ 217,730</b>	<b>\$ 6,023,878</b>	<b>\$ 4,989,729</b>	<b>\$ 1,034,149</b>	<b>20.73%</b>	<b>\$ 504,623</b>	<b>\$ 3,408,034</b>	<b>\$ 2,615,844</b>	<b>76.76%</b>

**GRAND HAVEN BOARD OF LIGHT AND POWER  
POWER SUPPLY DASHBOARD  
FOR THE MONTH OF MARCH 2024**

<b>Power Supply for Month (kWh)</b>	<b><u>FY2024</u></b>		<b><u>FY2023</u></b>	
Net Purchased (Sold) Power	15,088,576	69.77%	17,367,249	74.75%
Renewable Energy Purchases	6,536,477	30.23%	5,867,653	25.25%
<b>Monthly Power Supply Total</b>	<b>21,625,053</b>		<b>23,234,902</b>	
Days in Month	31		31	
Average Daily kWh Supply for Month	<b>697,582</b>		<b>749,513</b>	
% Change	-6.93%			

<b>Power Supply FYTD</b>	<b><u>FY2024</u></b>		<b><u>FY2023</u></b>	
Net Purchased (Sold) Power	162,511,765	76.79%	174,555,089	79.01%
Renewable Energy Purchases	49,108,775	23.21%	46,380,092	20.99%
<b>FYTD Power Supply Total</b>	<b>211,620,540</b>		<b>220,935,181</b>	
FYTD Days (from 7/1)	275		274	
<b>Average Daily kWh Supply FYTD</b>	<b>769,529</b>		<b>806,333</b>	
% Change	-4.56%			

	<b><u>FY2024</u></b>		<b><u>FY2023</u></b>
Net Purchased Power Expenses	\$13,937,982		\$15,155,859
% Change	-8.04%		
<b>Net Energy Expenses per kWh Supplied to System FYTD</b>	<b>\$0.06586</b>		<b>\$0.06860</b>
% Change	-3.99%		

**GRAND HAVEN BOARD OF LIGHT AND POWER  
SALES DASHBOARD  
FOR THE MONTH OF MARCH 2024**

<u>Monthly Retail Customers</u>	<u>FY2024</u>		<u>FY2023</u>	
Residential	13,182	87.53%	13,065	87.45%
Commercial	1,638	10.88%	1,631	10.92%
Industrial	126	0.84%	128	0.86%
Municipal	114	0.76%	116	0.78%
<b>Total</b>	<b>15,060</b>		<b>14,940</b>	
<b><u>Monthly Energy Sold (kWh)</u></b>				
Residential	6,018,717	29.80%	6,239,868	30.00%
Commercial	5,501,733	27.24%	5,453,720	26.22%
Industrial	8,035,493	39.79%	8,474,513	40.74%
Municipal	573,768	2.84%	545,572	2.62%
Retail Monthly Total	20,129,711	99.67%	20,713,673	99.57%
Street Lighting	66,696	0.33%	88,819	0.43%
<b>Total Monthly Energy Sold</b>	<b>20,196,407</b>		<b>20,802,492</b>	
Days in Primary Meter Cycle	29		28	
<b>kWh Sold per Day</b>	<b>696,428</b>		<b>742,946</b>	
% Change	-6.26%			

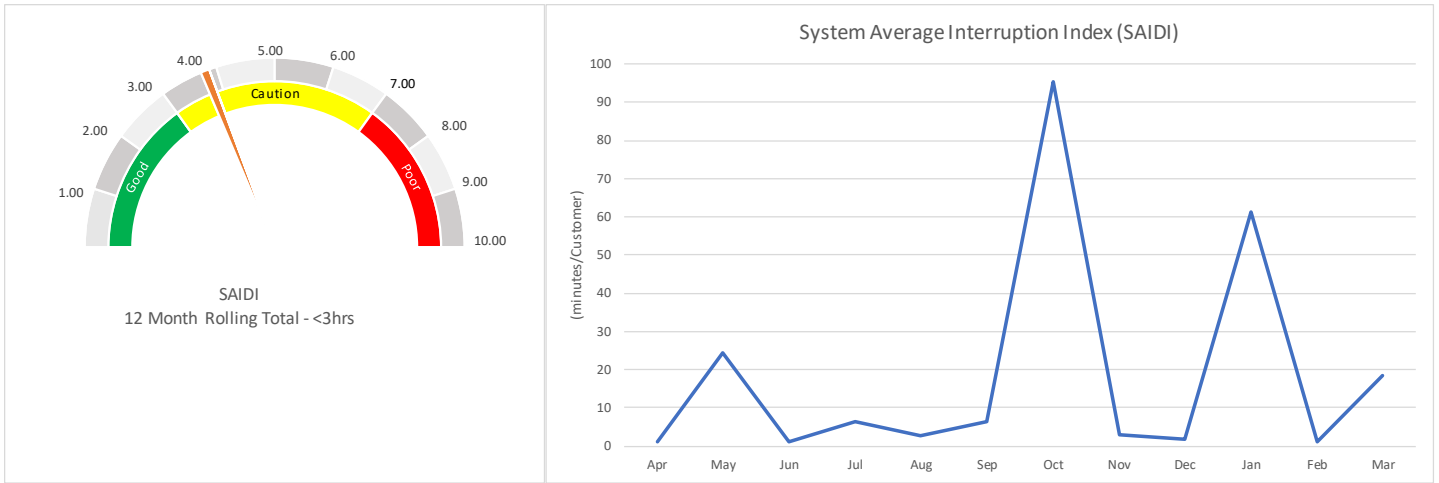
<u>Energy Sold (kWh) FYTD</u>	<u>FY2024</u>		<u>FY2023</u>	
Residential	67,147,771	32.21%	69,322,359	31.86%
Commercial	57,235,689	27.45%	58,344,396	26.82%
Industrial	76,978,759	36.92%	82,584,622	37.96%
Municipal	6,398,677	3.07%	6,541,170	3.01%
Retail Energy Sold Total FYTD	207,760,896	99.65%	216,792,547	99.65%
Street Lighting	722,420	0.35%	771,442	0.35%
<b>Energy Sold FYTD</b>	<b>208,483,316</b>		<b>217,563,989</b>	
Weighted Days in Meter Cycles FYTD	274		273	
<b>kWh Sold per Day</b>	<b>760,888</b>		<b>796,938</b>	
% Change	-4.52%			

<u>Sales Revenue FYTD net ERS</u>	<u>FY2024</u>	<u>Average Rate (\$/kWh)</u>	<u>FY2023</u>	<u>Average Rate (\$/KWh)</u>	<u>Percent Change \$/kWh</u>
Residential	\$9,882,085	\$0.1472	\$9,857,488	\$0.1422	3.50%
Commercial	\$7,800,419	\$0.1363	\$7,692,333	\$0.1318	3.37%
Industrial	\$8,862,203	\$0.1151	\$9,069,424	\$0.1098	4.83%
Municipal	\$759,628	\$0.1187	\$760,507	\$0.1163	2.11%
<b>Retail Sales Revenue FYTD</b>	<b>\$27,304,335</b>	<b>\$0.1314</b>	<b>\$27,379,753</b>	<b>\$0.1263</b>	<b>4.06%</b>
Street Lighting	\$253,974		\$254,605		
<b>Total Sales Revenue FYTD (Excl. Wholesale)</b>	<b>\$27,558,309</b>	<b>\$0.1322</b>	<b>\$27,634,358</b>	<b>\$0.1270</b>	

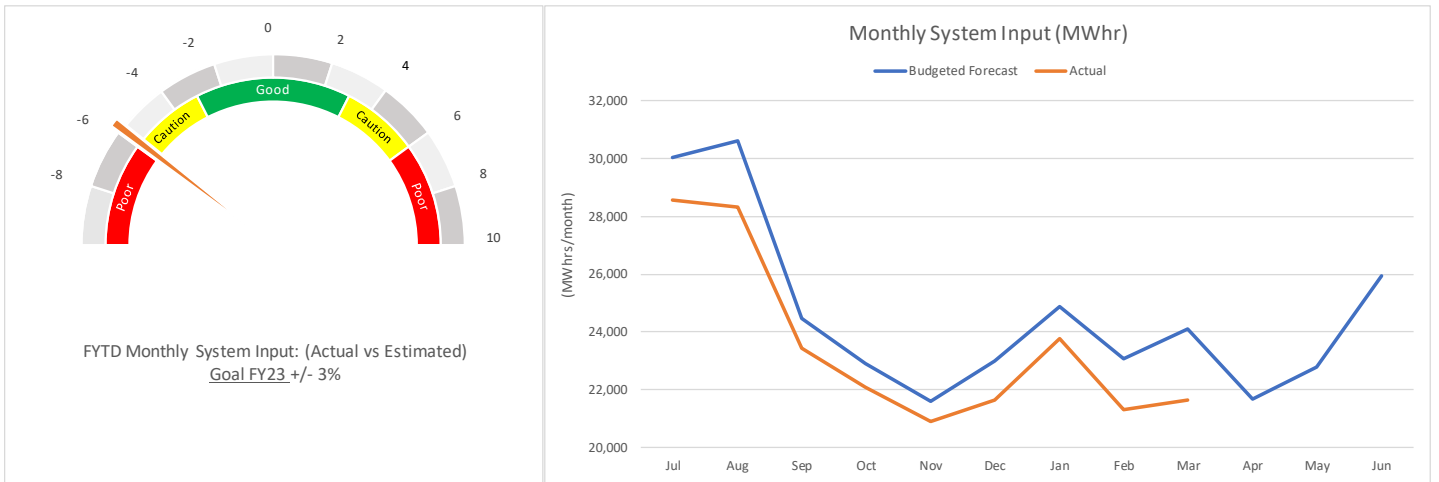
	<u>FY2024</u>	<u>FY2023</u>
Approx. Distribution Losses FYTD	1.12%	1.17%
<b>Net Energy Expenses/kWh Sold FYTD</b>	<b>\$0.06660</b>	<b>\$0.06940</b>
% Change	-4.03%	

April 15, 2024

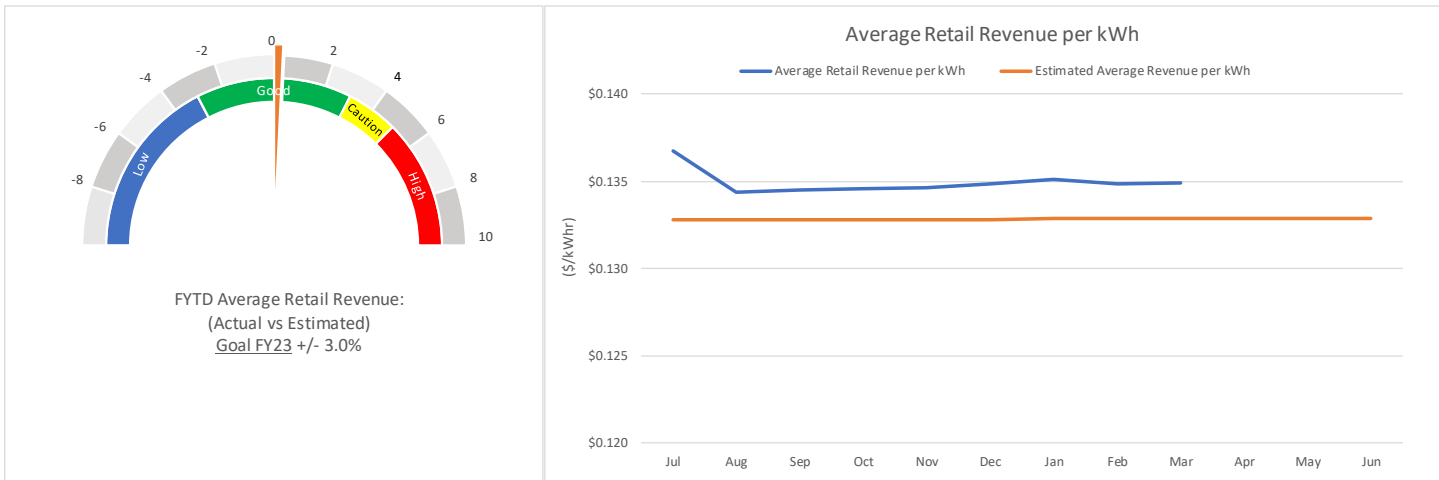
1) Reliability



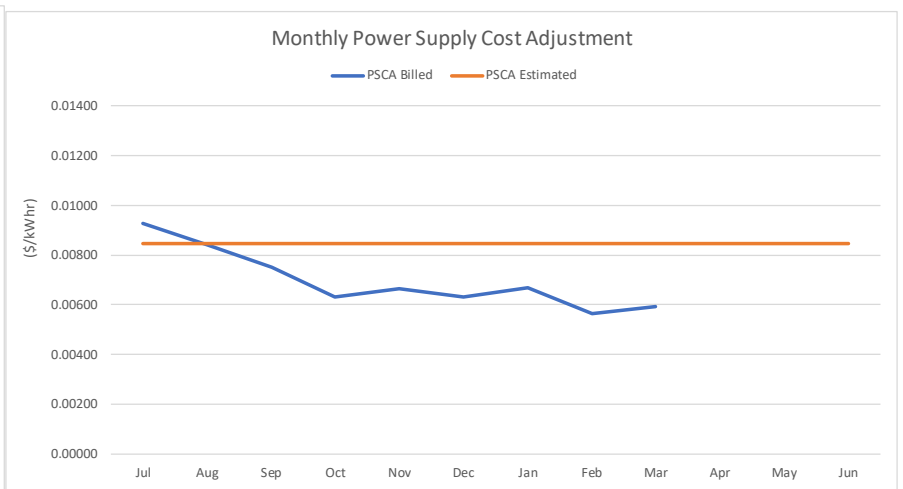
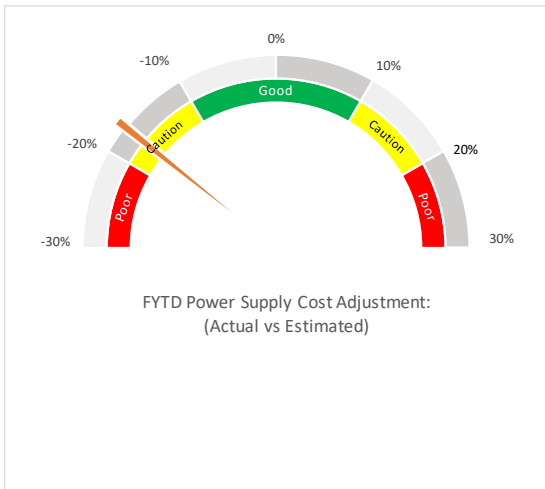
2) Power Supply



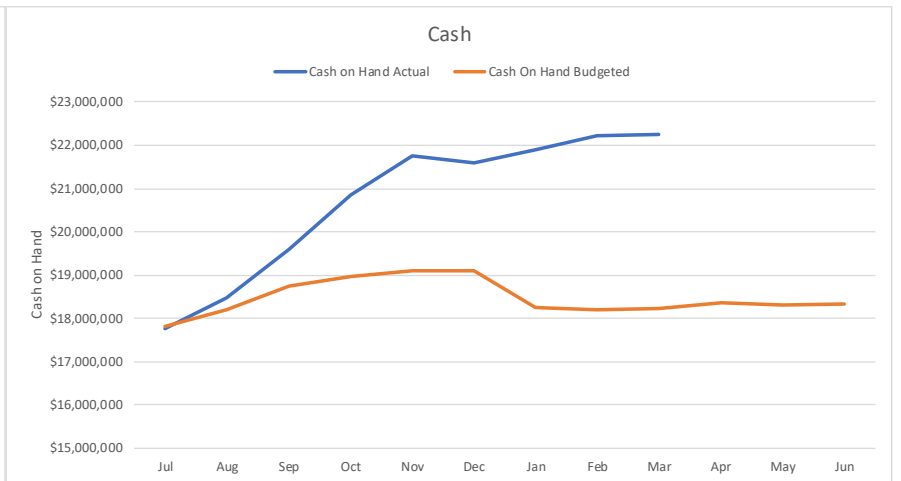
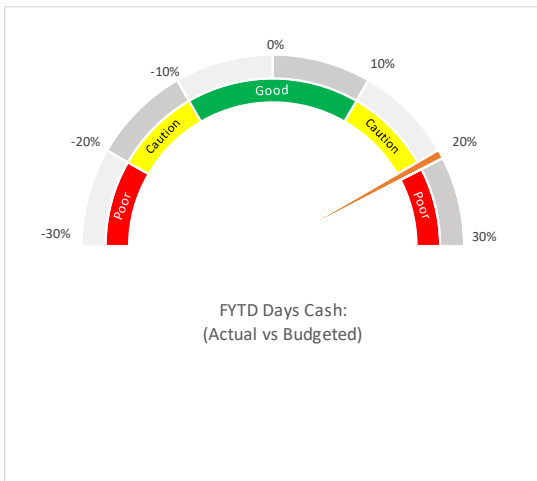
3) Average Retail Revenue per kWh



#### 4) Rates/PSCA



#### 5) Financial



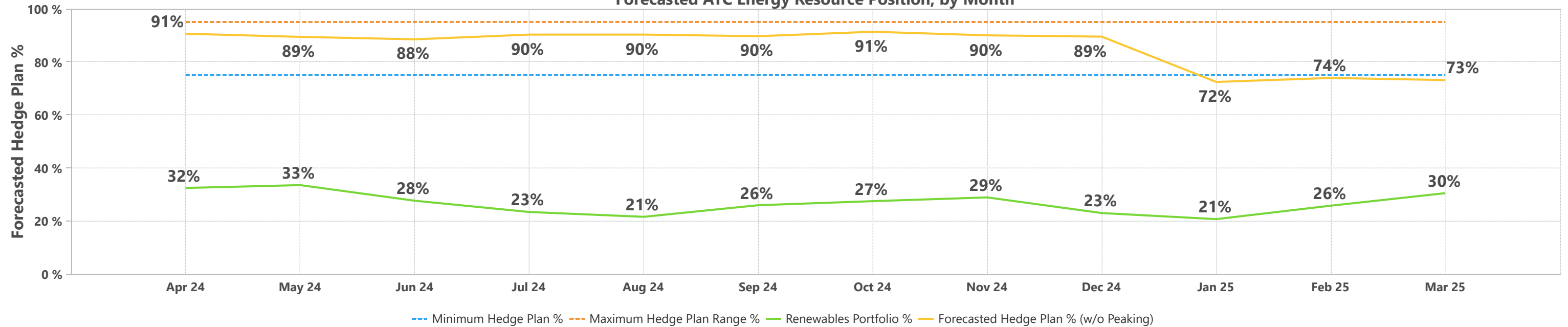
GRAN is forecasted to have an average of 86% of Around the Clock (ATC) Power Supply hedged over the upcoming 12 months, and Renewable Energy Resources are forecasted to provide an average of 26% towards load. Total Resources are forecasted to cost an average of \$48.65 Per MWh, and Market Balancing Energy is forecasted to come in at an average of \$42.75 per MWh. This results in a Total Forecasted Power Supply weighted average cost of \$48.49 over the upcoming 12 months.

### Forecasted Prompt 12 Months Energy Resource Position for GRAN

Power Supply, MWh	Apr 24	May 24	Jun 24	Jul 24	Aug 24	Sep 24	Oct 24	Nov 24	Dec 24	Jan 25	Feb 25	Mar 25
<b>Total Resources, MWh</b>	<b>18,730</b>	<b>19,859</b>	<b>22,244</b>	<b>26,289</b>	<b>26,791</b>	<b>21,423</b>	<b>20,169</b>	<b>18,950</b>	<b>20,199</b>	<b>17,543</b>	<b>16,505</b>	<b>17,051</b>
<b>Project Assets</b>	<b>1,986</b>	<b>1,990</b>	<b>1,823</b>	<b>1,800</b>	<b>1,823</b>	<b>1,849</b>	<b>1,956</b>	<b>1,892</b>	<b>1,898</b>	<b>2,025</b>	<b>1,832</b>	<b>1,965</b>
Landfill Project	1,986	1,990	1,823	1,800	1,823	1,849	1,956	1,892	1,898	2,025	1,832	1,965
<b>Contracted Power Supply</b>	<b>16,745</b>	<b>17,868</b>	<b>20,422</b>	<b>24,490</b>	<b>24,967</b>	<b>19,574</b>	<b>18,213</b>	<b>17,058</b>	<b>18,301</b>	<b>15,518</b>	<b>14,673</b>	<b>15,085</b>
Contracted ESP Renewable PPAs	4,711	5,441	5,110	4,992	4,557	4,334	4,096	4,178	3,275	2,974	3,908	5,130
Contracted Bilateral Energy Transactions	12,034	12,427	15,312	19,498	20,410	15,240	14,117	12,880	15,026	12,544	10,765	9,955

Total Power Supply	Apr 24	May 24	Jun 24	Jul 24	Aug 24	Sep 24	Oct 24	Nov 24	Dec 24	Jan 25	Feb 25	Mar 25
Forecasted Hedge Plan % (w/o Peaking)	91%	89%	88%	90%	90%	90%	91%	90%	89%	72%	74%	73%
Minimum Hedge Plan %	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
Maximum Hedge Plan Range %	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%
Renewables Portfolio %	32%	33%	28%	23%	21%	26%	27%	29%	23%	21%	26%	30%
Forecasted Load	(20,683)	(22,220)	(25,150)	(29,135)	(29,690)	(23,902)	(22,090)	(21,069)	(22,578)	(24,242)	(22,341)	(23,332)
Forecasted Market Balancing, MWh	(1,953)	(2,361)	(2,905)	(2,846)	(2,900)	(2,479)	(1,920)	(2,118)	(2,379)	(6,699)	(5,835)	(6,281)
Forecasted Hedge % (w/ Peaking)	91%	89%	88%	90%	90%	90%	91%	90%	89%	72%	74%	73%

Forecasted ATC Energy Resource Position, by Month

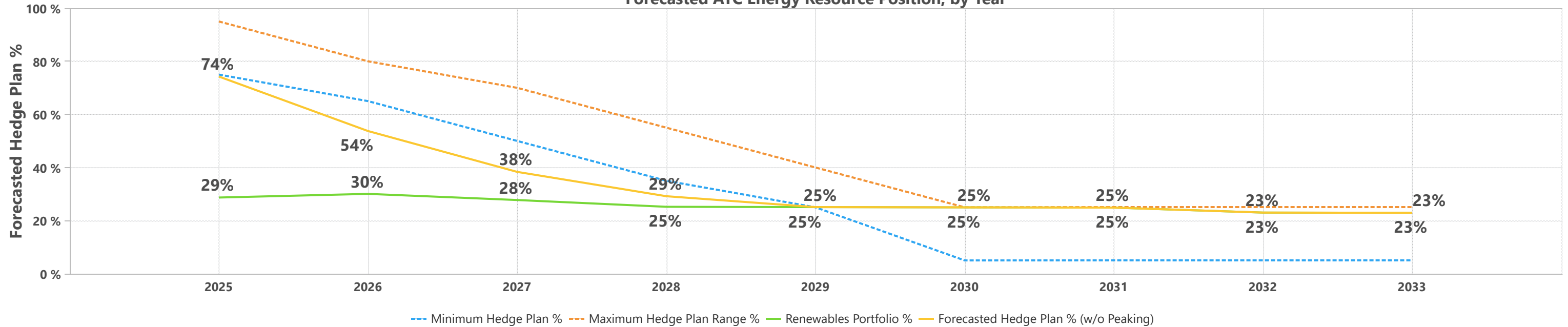


## Forecasted Outer Years Energy Resource Position for GRAN

Power Supply, MWh	2025	2026	2027	2028	2029	2030	2031	2032	2033
<b>Total Resources, MWh</b>	<b>214,953</b>	<b>155,930</b>	<b>111,541</b>	<b>85,068</b>	<b>73,263</b>	<b>73,086</b>	<b>72,925</b>	<b>67,540</b>	<b>67,358</b>
<b>Project Assets</b>	<b>22,321</b>	<b>21,581</b>	<b>15,224</b>	<b>8,113</b>	<b>8,106</b>	<b>8,104</b>	<b>8,104</b>	<b>2,880</b>	<b>2,872</b>
Landfill Project	22,321	21,581	15,224	8,113	8,106	8,104	8,104	2,880	2,872
<b>Contracted Power Supply</b>	<b>192,632</b>	<b>134,350</b>	<b>96,317</b>	<b>76,955</b>	<b>65,157</b>	<b>64,982</b>	<b>64,820</b>	<b>64,661</b>	<b>64,487</b>
Contracted ESP Renewable PPAs	60,719	65,667	65,496	65,334	65,157	64,982	64,820	64,661	64,487
Contracted Bilateral Energy Transactions	131,914	68,682	30,821	11,621					

Total Power Supply	2025	2026	2027	2028	2029	2030	2031	2032	2033
Forecasted Hedge Plan % (w/o Peaking)	74%	54%	38%	29%	25%	25%	25%	23%	23%
Minimum Hedge Plan %	75%	65%	50%	35%	25%	5%	5%	5%	5%
Maximum Hedge Plan Range %	95%	80%	70%	55%	40%	25%	25%	25%	25%
Renewables Portfolio %	29%	30%	28%	25%	25%	25%	25%	23%	23%
Forecasted Load	(289,451)	(290,197)	(290,875)	(291,484)	(292,038)	(292,559)	(293,007)	(293,398)	(293,775)
Forecasted Market Balancing, MWh	(74,498)	(134,266)	(179,334)	(206,416)	(218,775)	(219,473)	(220,082)	(225,857)	(226,417)
Forecasted Hedge % (w/ Peaking)	74%	54%	38%	29%	25%	25%	25%	23%	23%

**Forecasted ATC Energy Resource Position, by Year**





## Forecasted Prompt 12 Months Energy Resource Cost for GRAN

Project Asset Costs are as forecasted in the MPPA Financial Plan, including fixed costs and all other anticipated costs in addition to Energy costs.

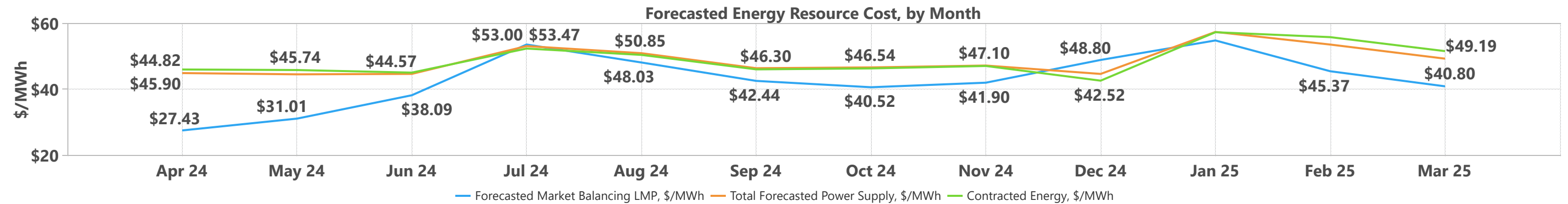
Power Supply \$'s	Apr 24	May 24	Jun 24	Jul 24	Aug 24	Sep 24	Oct 24	Nov 24	Dec 24	Jan 25	Feb 25	Mar 25
<b>Total Resources, \$'s</b>	<b>(\$859,782)</b>	<b>(\$908,292)</b>	<b>(\$1,000,053)</b>	<b>(\$1,373,744)</b>	<b>(\$1,348,487)</b>	<b>(\$984,208)</b>	<b>(\$932,514)</b>	<b>(\$890,187)</b>	<b>(\$858,791)</b>	<b>(\$1,003,545)</b>	<b>(\$919,596)</b>	<b>(\$877,665)</b>
<b>Project Assets</b>	<b>(\$216,948)</b>	<b>(\$217,340)</b>	<b>(\$199,387)</b>	<b>(\$197,983)</b>	<b>(\$199,161)</b>	<b>(\$201,806)</b>	<b>(\$213,074)</b>	<b>(\$208,068)</b>	<b>(\$76,886)</b>	<b>(\$223,323)</b>	<b>(\$202,454)</b>	<b>(\$217,101)</b>
Landfill Project	(\$216,948)	(\$217,340)	(\$199,387)	(\$197,983)	(\$199,161)	(\$201,806)	(\$213,074)	(\$208,068)	(\$76,886)	(\$223,323)	(\$202,454)	(\$217,101)
<b>Contracted Power Supply</b>	<b>(\$642,834)</b>	<b>(\$690,952)</b>	<b>(\$800,666)</b>	<b>(\$1,175,761)</b>	<b>(\$1,149,326)</b>	<b>(\$782,402)</b>	<b>(\$719,440)</b>	<b>(\$682,119)</b>	<b>(\$781,905)</b>	<b>(\$780,222)</b>	<b>(\$717,142)</b>	<b>(\$660,564)</b>
Contracted ESP Renewable PPAs	(\$210,293)	(\$241,250)	(\$225,179)	(\$218,763)	(\$199,937)	(\$192,224)	(\$183,889)	(\$190,135)	(\$149,644)	(\$138,199)	(\$180,464)	(\$234,792)
Contracted Bilateral Energy Transactions	(\$432,541)	(\$449,702)	(\$575,487)	(\$956,998)	(\$949,389)	(\$590,177)	(\$535,552)	(\$491,984)	(\$632,261)	(\$642,023)	(\$536,678)	(\$425,772)

Locational Basis, \$'s	Apr 24	May 24	Jun 24	Jul 24	Aug 24	Sep 24	Oct 24	Nov 24	Dec 24	Jan 25	Feb 25	Mar 25
Locational Basis (Projects)	(\$363)	(\$682)	(\$117)	(\$363)	(\$1,441)	(\$1,093)	(\$63)	(\$996)	\$27	(\$1,860)	(\$1,718)	(\$1,179)
Locational Basis (Contracted Power Supply)	(\$13,273)	(\$5,172)	(\$10,063)	(\$17,894)	(\$20,416)	(\$16,013)	(\$17,556)	(\$12,492)	(\$31,232)	(\$17,117)	(\$8,389)	(\$12,552)

Power Supply \$/MWh	Apr 24	May 24	Jun 24	Jul 24	Aug 24	Sep 24	Oct 24	Nov 24	Dec 24	Jan 25	Feb 25	Mar 25
<b>Power Supply \$/MWh</b>												
<b>Project Assets</b>												
Landfill Project	\$109.26	\$109.20	\$109.38	\$110.00	\$109.23	\$109.14	\$108.94	\$109.97	\$40.51	\$110.27	\$110.51	\$110.47
<b>Contracted Power Supply</b>												
Contracted ESP Renewable PPAs	\$44.64	\$44.34	\$44.07	\$43.82	\$43.88	\$44.36	\$44.89	\$45.50	\$45.70	\$46.47	\$46.17	\$45.77
Contracted Bilateral Energy Transactions	\$35.94	\$36.19	\$37.58	\$49.08	\$46.51	\$38.73	\$37.94	\$38.20	\$42.08	\$51.18	\$49.85	\$42.77

Locational Basis, \$/MWh	Apr 24	May 24	Jun 24	Jul 24	Aug 24	Sep 24	Oct 24	Nov 24	Dec 24	Jan 25	Feb 25	Mar 25
Locational Basis (Projects)	\$0.18	\$0.34	\$0.06	\$0.20	\$0.79	\$0.59	\$0.03	\$0.53	(\$0.01)	\$0.92	\$0.94	\$0.60
Locational Basis (Contracted Power Supply)	\$0.79	\$0.29	\$0.49	\$0.73	\$0.82	\$0.82	\$0.96	\$0.73	\$1.71	\$1.10	\$0.57	\$0.83

Total Power Supply	Apr 24	May 24	Jun 24	Jul 24	Aug 24	Sep 24	Oct 24	Nov 24	Dec 24	Jan 25	Feb 25	Mar 25
Forecasted Market Balancing LMP, \$/MWh	\$27.43	\$31.01	\$38.09	\$53.47	\$48.03	\$42.44	\$40.52	\$41.90	\$48.80	\$54.71	\$45.37	\$40.80
Forecasted Market Balancing LMP, \$'s	(\$53,571)	(\$73,205)	(\$110,662)	(\$152,181)	(\$139,274)	(\$105,219)	(\$77,822)	(\$88,768)	(\$116,070)	(\$366,494)	(\$264,780)	(\$256,266)
Total Forecasted Power Supply, \$/MWh	\$44.82	\$44.44	\$44.57	\$53.00	\$50.85	\$46.30	\$46.54	\$47.10	\$44.56	\$57.30	\$53.47	\$49.19
Total Forecasted Power Supply Costs, \$'s	(\$926,989)	(\$987,351)	(\$1,120,895)	(\$1,544,181)	(\$1,509,617)	(\$1,106,534)	(\$1,027,954)	(\$992,443)	(\$1,006,066)	(\$1,389,016)	(\$1,194,483)	(\$1,147,662)



## Forecasted Outer Years Energy Resource Cost for GRAN

Project Asset Costs are as forecasted in the MPPA Financial Plan, including fixed costs and all other anticipated costs in addition to Energy costs.

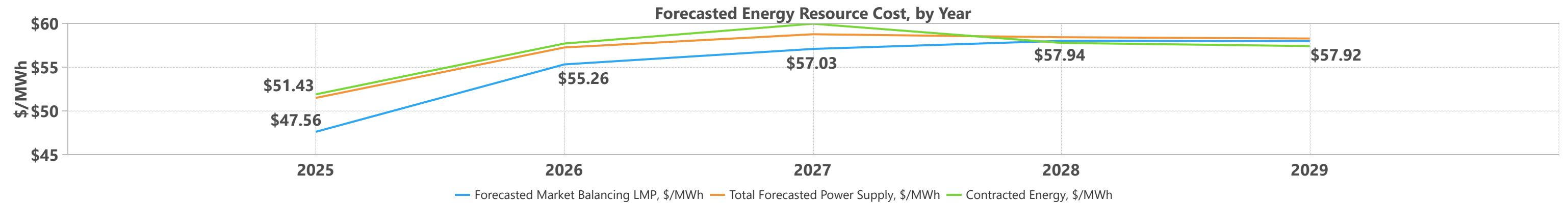
Power Supply \$'s	2025	2026	2027	2028	2029
<b>Total Resources, \$'s</b>	<b>(\$11,142,155)</b>	<b>(\$8,988,105)</b>	<b>(\$6,682,007)</b>	<b>(\$4,909,682)</b>	<b>(\$4,201,628)</b>
<b>Project Assets</b>	<b>(\$2,388,641)</b>	<b>(\$2,366,171)</b>	<b>(\$1,669,909)</b>	<b>(\$924,838)</b>	<b>(\$948,028)</b>
Landfill Project	(\$2,388,641)	(\$2,366,171)	(\$1,669,909)	(\$924,838)	(\$948,028)
<b>Contracted Power Supply</b>	<b>(\$8,753,515)</b>	<b>(\$6,621,933)</b>	<b>(\$5,012,098)</b>	<b>(\$3,984,844)</b>	<b>(\$3,253,600)</b>
Contracted ESP Renewable PPAs	(\$2,827,658)	(\$3,136,001)	(\$3,174,490)	(\$3,214,100)	(\$3,253,600)
Contracted Bilateral Energy Transactions	(\$5,925,857)	(\$3,485,932)	(\$1,837,608)	(\$770,743)	

Locational Basis, \$'s	2025	2026	2027	2028	2029
Locational Basis (Projects)	(\$10,827)	(\$11,563)	(\$11,681)	(\$2,476)	(\$2,465)
Locational Basis (Contracted Power Supply)	(\$190,325)	(\$178,700)	(\$154,696)	(\$138,528)	(\$126,429)

Power Supply \$/MWh	2025	2026	2027	2028	2029
<b>Power Supply \$/MWh</b>					
<b>Project Assets</b>					
Landfill Project	\$107.01	\$109.64	\$109.69	\$114.00	\$116.96
<b>Contracted Power Supply</b>					
Contracted ESP Renewable PPAs	\$46.57	\$47.76	\$48.47	\$49.19	\$49.93
Contracted Bilateral Energy Transactions	\$44.92	\$50.75	\$59.62	\$66.32	

Locational Basis, \$/MWh	2025	2026	2027	2028	2029
Locational Basis (Projects)	\$0.49	\$0.54	\$0.77	\$0.31	\$0.30
Locational Basis (Contracted Power Supply)	\$0.99	\$1.33	\$1.61	\$1.80	\$1.94

Total Power Supply	2025	2026	2027	2028	2029
Forecasted Market Balancing LMP, \$/MWh	\$47.56	\$55.26	\$57.03	\$57.94	\$57.92
Forecasted Market Balancing LMP, \$'s	(\$3,542,761)	(\$7,418,936)	(\$10,226,600)	(\$11,960,757)	(\$12,670,641)
Total Forecasted Power Supply, \$/MWh	\$51.43	\$57.19	\$58.70	\$58.36	\$58.22
Total Forecasted Power Supply Costs, \$'s	(\$14,886,068)	(\$16,597,304)	(\$17,074,985)	(\$17,011,443)	(\$17,001,162)



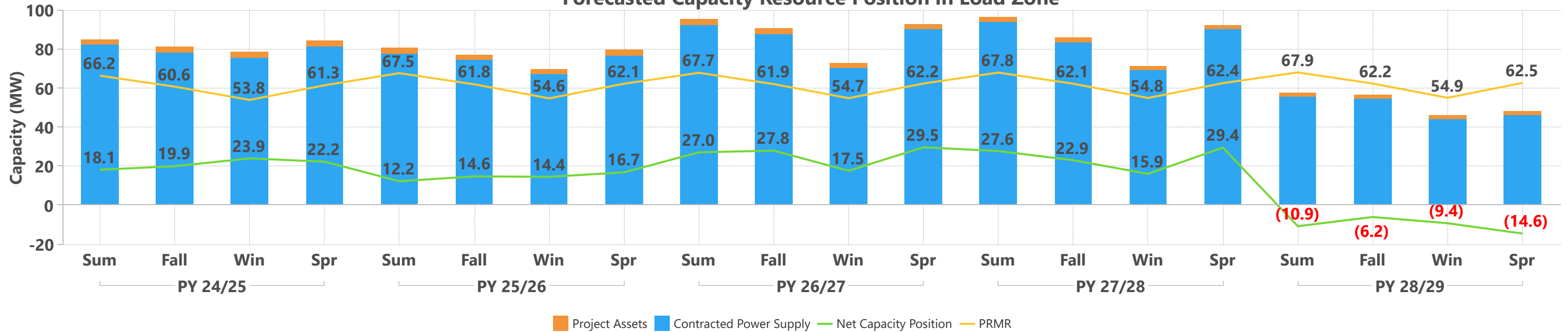
## Forecasted Outer Years Capacity Resource Position for GRAN

Capacity Resources, MW	PY 24/25				PY 25/26				PY 26/27				PY 27/28				PY 28/29			
	Sum	Fall	Win	Spr	Sum	Fall	Win	Spr	Sum	Fall	Win	Spr	Sum	Fall	Win	Spr	Sum	Fall	Win	Spr
<b>Net Capacity Position</b>	18.1	19.9	23.9	22.2	12.2	14.6	14.4	16.7	27.0	27.8	17.5	29.5	27.6	22.9	15.9	29.4	(10.9)	(6.2)	(9.4)	(14.6)
<b>Zone 7</b>	18.1	19.9	23.9	22.2	12.2	14.6	14.4	16.7	27.0	27.8	17.5	29.5	27.6	22.9	15.9	29.4	(10.9)	(6.2)	(9.4)	(14.6)
<b>Contracted Power Supply</b>	82.3	78.3	75.5	81.3	77.6	74.4	67.0	76.8	92.6	87.7	70.2	90.1	93.9	83.5	69.2	90.3	55.6	54.6	44.1	46.4
Contracted Bilateral Capacity Transactions	71.3	71.3	71.3	71.3	64.0	64.0	64.0	64.0	78.4	77.3	67.2	77.3	79.7	74.1	66.5	77.5	48.7	48.0	42.4	43.8
Contracted ESP Renewable PPAs	11.0	7.0	4.2	10.0	13.6	10.4	3.0	12.8	14.2	10.4	3.0	12.8	14.2	9.4	2.7	12.8	6.9	6.6	1.7	2.6
<b>Planning Reserve Margin Requirement</b>	(66.2)	(60.6)	(53.8)	(61.3)	(67.5)	(61.8)	(54.6)	(62.1)	(67.7)	(61.9)	(54.7)	(62.2)	(67.8)	(62.1)	(54.8)	(62.4)	(67.9)	(62.2)	(54.9)	(62.5)
PRMR	(66.2)	(60.6)	(53.8)	(61.3)	(67.5)	(61.8)	(54.6)	(62.1)	(67.7)	(61.9)	(54.7)	(62.2)	(67.8)	(62.1)	(54.8)	(62.4)	(67.9)	(62.2)	(54.9)	(62.5)
<b>Project Assets</b>	1.9	2.2	2.1	2.1	2.1	2.0	2.0	2.0	2.0	2.0	2.0	1.7	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Landfill Project	1.9	2.2	2.1	2.1	2.1	2.0	2.0	2.0	2.0	2.0	2.0	1.7	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5

Net Contracted Bilateral Capacity	PY 24/25			PY 25/26			PY 26/27			PY 27/28			PY 28/29		
	Net Bilat MW	Net Bilat \$'s	\$/kw-mo.	Net Bilat MW	Net Bilat \$'s	\$/kw-mo.	Net Bilat MW	Net Bilat \$'s	\$/kw-mo.	Net Bilat MW	Net Bilat \$'s	\$/kw-mo.	Net Bilat MW	Net Bilat \$'s	\$/kw-mo.
<b>Total Net Capacity Bilats</b>	(71.3)	(\$3,813,564)	\$4.46	(64.0)	(\$3,242,400)	\$4.22	(75.1)	(\$3,862,692)	\$4.29	(74.5)	(\$3,829,386)	\$4.28	(45.7)	(\$2,523,573)	\$4.60
Sum	(71.3)	(\$953,391)	\$4.46	(64.0)	(\$810,600)	\$4.22	(78.4)	(\$1,014,586)	\$4.31	(79.7)	(\$1,033,492)	\$4.32	(48.7)	(\$674,107)	\$4.62
Fall	(71.3)	(\$953,391)	\$4.46	(64.0)	(\$810,600)	\$4.22	(77.3)	(\$996,939)	\$4.30	(74.1)	(\$951,380)	\$4.28	(48.0)	(\$663,086)	\$4.61
Win	(71.3)	(\$953,391)	\$4.46	(64.0)	(\$810,600)	\$4.22	(67.2)	(\$852,468)	\$4.23	(66.5)	(\$842,799)	\$4.22	(42.4)	(\$583,047)	\$4.59
Spr	(71.3)	(\$953,391)	\$4.46	(64.0)	(\$810,600)	\$4.22	(77.3)	(\$998,698)	\$4.31	(77.5)	(\$1,001,715)	\$4.31	(43.8)	(\$603,332)	\$4.60

Net Capacity Position	PY 24/25			PY 25/26			PY 26/27			PY 27/28			PY 28/29		
	Market Cap MW	Market Cap \$'s	Total Cap \$'s	Market Cap MW	Market Cap \$'s	Total Cap \$'s	Market Cap MW	Market Cap \$'s	Total Cap \$'s	Market Cap MW	Market Cap \$'s	Total Cap \$'s	Market Cap MW	Market Cap \$'s	Total Cap \$'s
<b>Total Net Capacity Position</b>	18.1	\$1,248,900	(\$2,564,664)	12.2	\$841,800	(\$2,400,600)	17.5	\$1,207,500	(\$2,655,192)	15.9	\$1,097,100	(\$2,732,286)	(14.6)	(\$1,042,440)	(\$3,566,013)
Sum	18.1	\$312,225	(\$641,166)	12.2	\$210,450	(\$600,150)	17.5	\$301,875	(\$712,711)	15.9	\$274,275	(\$759,217)	(14.6)	(\$260,610)	(\$934,717)
Fall	18.1	\$312,225	(\$641,166)	12.2	\$210,450	(\$600,150)	17.5	\$301,875	(\$695,064)	15.9	\$274,275	(\$677,105)	(14.6)	(\$260,610)	(\$923,696)
Win	18.1	\$312,225	(\$641,166)	12.2	\$210,450	(\$600,150)	17.5	\$301,875	(\$550,593)	15.9	\$274,275	(\$568,524)	(14.6)	(\$260,610)	(\$843,657)
Spr	18.1	\$312,225	(\$641,166)	12.2	\$210,450	(\$600,150)	17.5	\$301,875	(\$696,823)	15.9	\$274,275	(\$727,440)	(14.6)	(\$260,610)	(\$863,942)

### Forecasted Capacity Resource Position in Load Zone



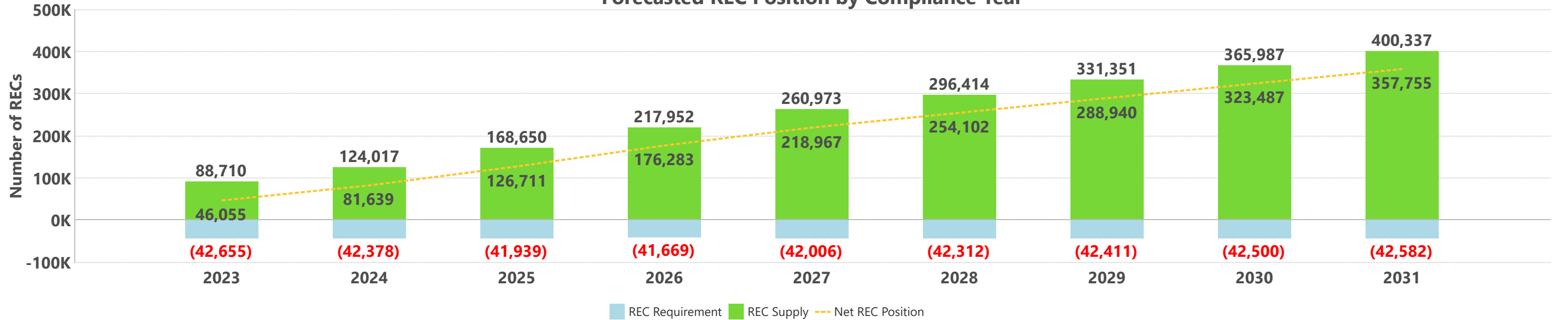
## Forecasted Renewable Energy Credit (REC) Position for GRAN

Forecasted REC volumes are based on actual meter data when available and use the latest modeled generation for future timeframes.  
Available Banked RECs in a compliance year reflect the forecasted Net REC Position at the end of the previous year.

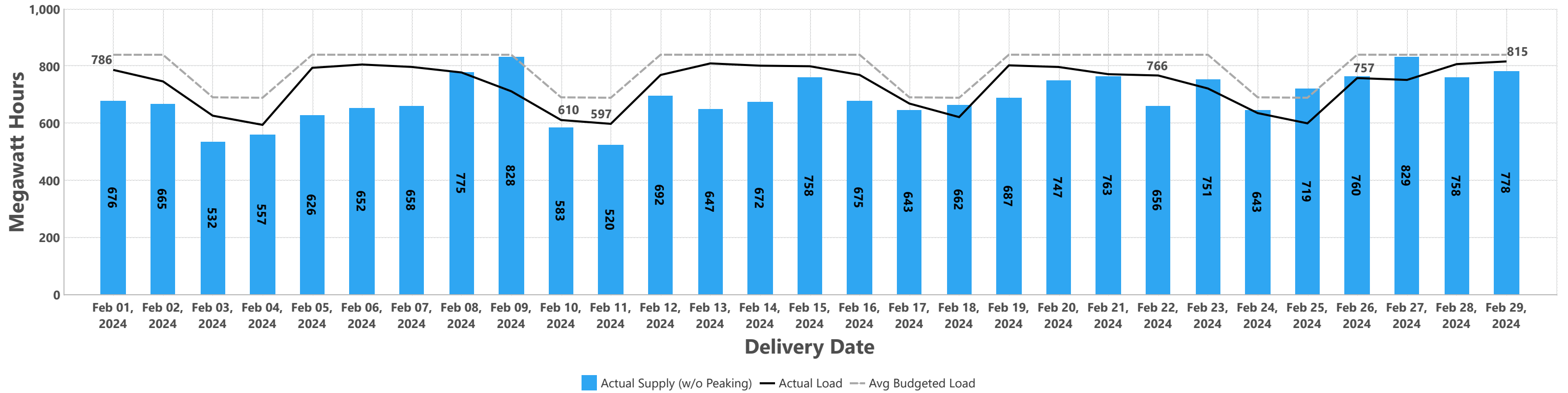
Compliance Year	2023	2024	2025	2026	2027	2028	2029	2030	2031
<b>Net REC Position</b>	<b>46,055</b>	<b>81,639</b>	<b>126,711</b>	<b>176,283</b>	<b>218,967</b>	<b>254,102</b>	<b>288,940</b>	<b>323,487</b>	<b>357,755</b>
Available Banked RECs	22,377	46,055	81,639	126,711	176,283	218,967	254,102	288,940	323,487
Hedge Policy REC Requirement	(42,655)	(42,378)	(41,939)	(41,669)	(42,006)	(42,312)	(42,411)	(42,500)	(42,582)
AES Calhoun Solar			2,894	4,515	4,492	4,477	4,447	4,425	4,403
Assembly Solar	9,374	10,545	10,708	10,664	10,607	10,555	10,501	10,446	10,393
Assembly Solar Phase II	7,798	8,737	8,924	8,887	8,836	8,794	8,752	8,705	8,656
Beebe	5,385	6,042	6,178	6,180	6,178	6,177	6,178	6,177	6,178
Hart Solar			5,220	8,670	8,644	8,618	8,593	8,567	8,541
Invenergy Calhoun Solar	7,138	13,085	13,763	13,739	13,687	13,649	13,609	13,566	13,516
Landfill Project (EDL)	15,851	17,438	17,083	16,343	10,006	2,934	2,926	2,925	2,924
Landfill Project (NANR)	4,580	5,179	5,234	5,234	5,234	5,234	5,234	5,233	5,233
Pegasus	16,207	16,935	17,007	17,009	17,006	17,008	17,009	17,003	17,007

Compliance Year	2023	2024	2025	2026	2027	2028	2029	2030	2031
3 Year Avg Retail Sales	(284,367)	(282,522)	(279,594)	(277,794)	(280,037)	(282,078)	(282,738)	(283,335)	(283,879)
Hedge Policy REC Target %	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
Hedge Policy REC Requirement	(42,655)	(42,378)	(41,939)	(41,669)	(42,006)	(42,312)	(42,411)	(42,500)	(42,582)
VGP REC %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
VGP REC Requirement	0	0	0	0	0	0	0	0	0

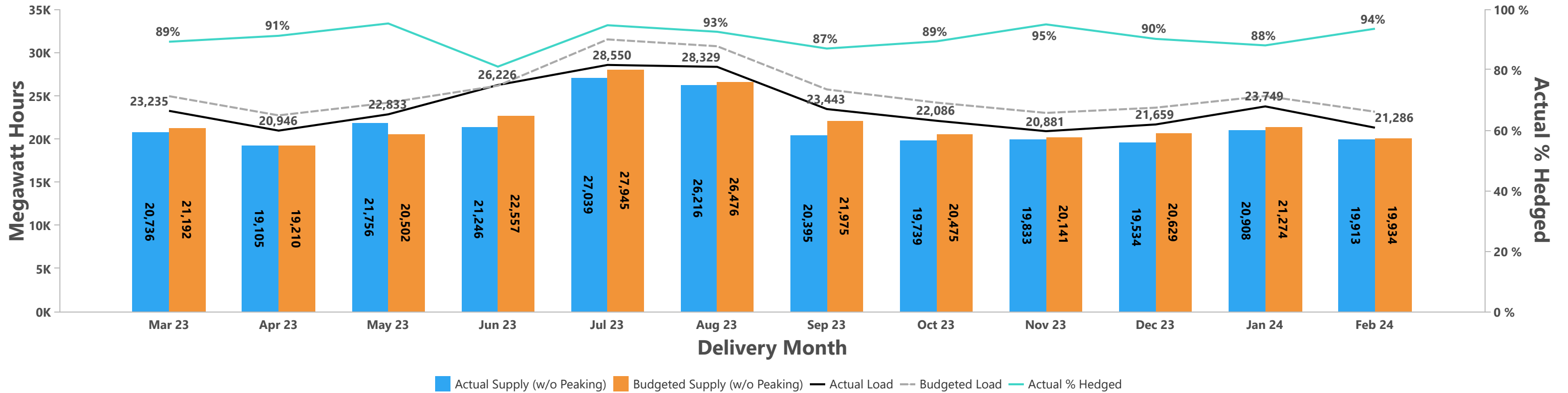
### Forecasted REC Position by Compliance Year



### Daily Actual Lookback for GRAN



### Actual vs Budget Lookback for GRAN



GRAND HAVEN BOARD OF LIGHT AND POWER  
GENERAL MANAGER'S REPORT  
BOARD MEETING OF APRIL 18, 2024

5. B. The BLP Financial Statements and Dashboards for the month ending March 31, 2024, are provided for your information. These financial statements represent the BLP's financial position through 75% of the fiscal year.

**INCOME STATEMENT**

**Operating revenues** are 71.9% of budgeted revenues. The primary drivers in the revenue variance are lower than anticipated Industrial Sales and lower than anticipated PSCA charges. Overall Year-to-Date Kwhs are 4.69% below budget and Cost per Kwh is 1.08% below budget.

<b>Retail Sales Variance</b>				
Kwh Over (Under) Budget	-4.69%	(10,216,104)	Kwh	\$ (1,357,293)
Sales\$ per Kwh Over (Under) Budget	-1.08%	\$ (0.00144)	per Kwh	\$ (298,396)
				\$ (1,655,689)

**Operating expenses** are 71.3% of budgeted operating expenses. All departments are under budget with the largest dollar variance being Purchased Power.

<b>Purchased Power Variance</b>				
Kwh Over (Under) Budget	-5.79%	(13,007,460)	Kwh	\$ (856,453)
Cost Over (Under) Budget per Kwh	0.03%	\$ 0.01983	per Kwh	\$ 4,197
				\$ (852,256)

Year-to-Date **Renewable Energy Purchases equal 49,108,775 Kwhs or 23.21% of power purchases.**

**The Net Income for the year is \$6,023,878.**

**BALANCE SHEET**

**Cash and Cash Equivalentents are at \$22,252,634.** This is \$4,252,634 above the minimum cash reserve and does not include funds set aside for remediation, bond funds and deposits held with MPIA and MPPA.

The **Capital Plan** approved for FY24 was \$8,585,500. As of March 31, 2024, 53% of the capital projects have been disbursed (excluding the \$4,000,000 planned for facility purchase).

5. F. Confirm Purchase Orders – There is only one (1) confirming Purchase Order on the Consent Agenda this month of **\$18,083** for your confirmation.

GRAND HAVEN BOARD OF LIGHT AND POWER  
GENERAL MANAGER'S REPORT  
BOARD MEETING OF APRIL 18, 2024

Confirming Purchase Orders on the Consent Agenda are either routine expenses within approved budgeted parameters, with prequalified and approved contractors or vendors, services or supplies that may have required immediate attention, again using prequalified and approved contractors or vendors when possible or change orders under a previously approved PO (and we are seeking after the fact concurrence/confirmation of the expenditure by the Board).

All applicable purchasing policy provisions associated with these Purchase Orders were followed. Budgeted funds are available. Staff is recommending approval. (Board action is requested through the approval of the Consent Agenda).

6. A. Approve Purchase Orders – There are three (3) Purchase Orders totaling **\$256,313** on the regular agenda.

The PO number, contractor name, associated dollar value, and short description of this item are listed on the agenda.

I, or an appropriate staff member, can answer any further questions you may have regarding these items.

All applicable purchasing policy provisions associated with these items were followed. Capital planning or budgeted funds are available. Staff is recommending approval of these Purchase Orders. (Board action is requested).

RS/dm  
Attachments  
04/15/24

**Grand Haven Board of Light and Power**  
**FY 2023-2024 Budget**  
Preliminary





# Key Budget Components

- Operating Sales-Power Sold (MWh)
- Operating Expenses
  - Purchased Power
  - Department Expenses
  - Energy Optimization
- Depreciation
- Transfer Fund
- Non-Operating Revenue and Expenses
- 5-year Capital Plan
- Balance Sheet Changes

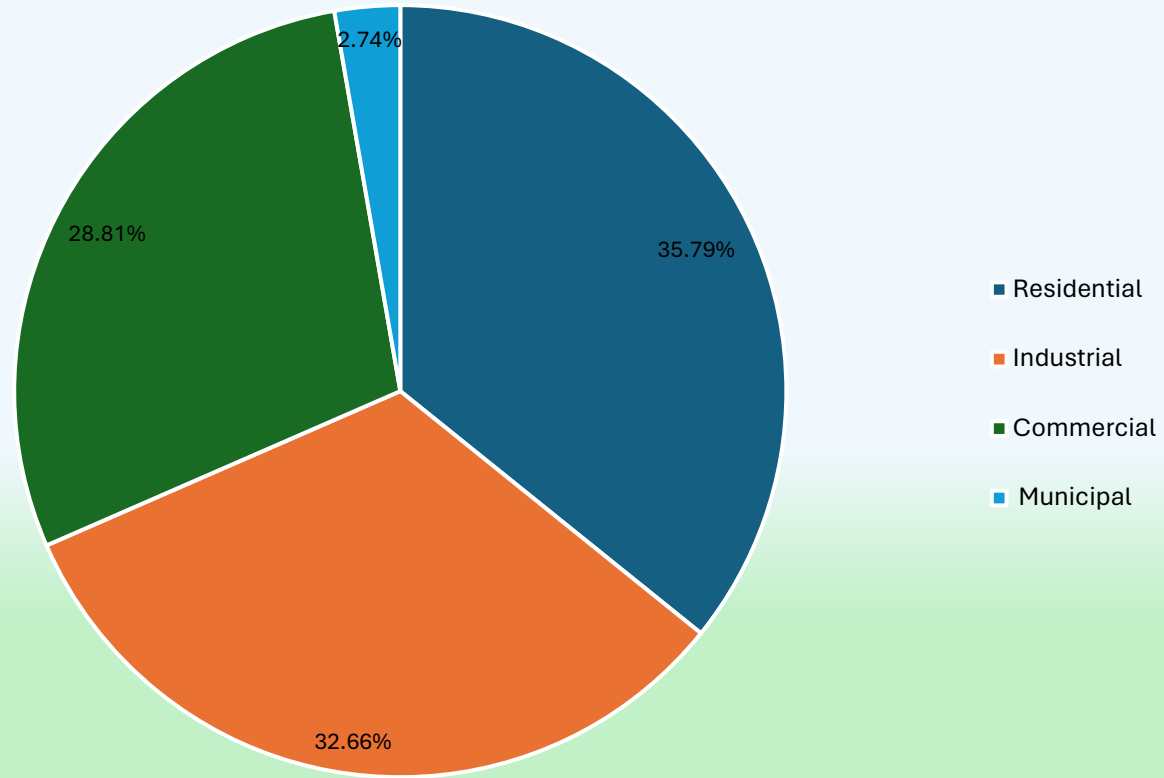
# Operating Sales-Power Sold-15,000 Meters

	Retail Sales Volume	Charges
• Actual FY2022	288,347	\$35,328,100
• Actual FY2023	283,192	\$36,449,244
• Forecast FY2024	270,504	\$35,381,734
• Budget FY2025	274,500	\$36,790,322*

\*We are planning no change in base rates for FY2025 but have budgeted for a cost-of-service study this fiscal year.

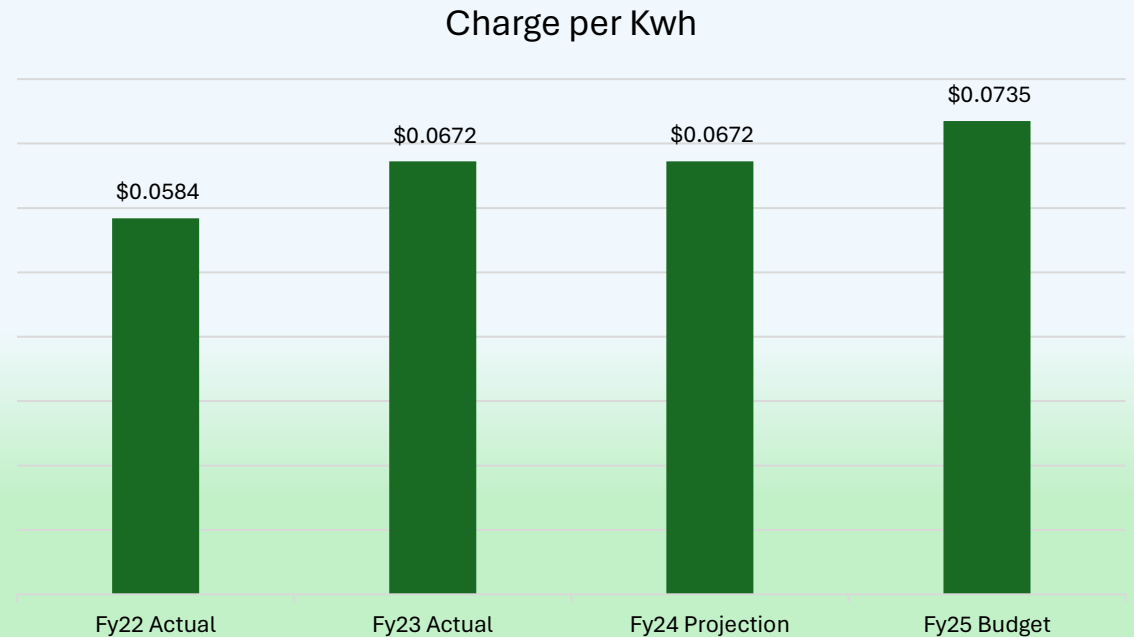
# Operating Sales-Power Sold

## FY2025 Budgeted Charges



# Purchased Power-69%

- Actual FY2022 \$16,841,879
- Actual FY2023 \$19,034,752
- Forecast FY2024 \$18,186,439
- Budget FY2025 \$20,172,378



# Department Expenses

## **Payroll and Benefits- 20% of Operating Expenses**

- Payroll-39 FTEs with a 3% cost of living increase and an additional 1% of payroll equity add if needed.
- Benefits are budgeted at current levels.

**Legacy Pension Expense- 2% of Operating Expenses - \$500,000-yearly contribution above and beyond employer contribution for current employees**

**Energy Optimization- 1% of Operating Expenses - \$325,000 includes incentives for Residential, Commercial and Industrial customers**

**Other Department Expenses- 8% of Operating Expenses - are budgeted at current levels**

# Depreciation Expense

Approximately 46% of our Capital Assets are depreciated and the average age of our system is 15 years.

Annual Depreciation is budgeted at **\$2,180,820** for FY25.

# Transfer Fund

Per the City of Grand Haven's charter, a transfer of 5% of gross monthly sales is required monthly to the City of Grand Haven.

We are estimating this transfer to be equal to **\$1,839,516** for FY25.

# Dollar Spent per MWh Sold



# Non-Operating Revenue & Expenses

All interest earned and paid (2021A Direct Purchase) are Non-Operating.

- FY25 Interest on Direct Purchase will be \$301,780 at an interest rate of 1.58%
- We currently have \$15,000,000 invested in Treasury Bills at rates of 5.0%-6.0%. I have budgeted for 4.5% for FY25.



# Capital Plan

5-year capital plan (FY25-FY29) totals \$25,067,500.

FY25 \$5,747,500

Vehicle Replacements	\$313,500
Circuit Rebuilds	\$2,500,000
Harbor drive Undergrounding	\$1,000,000
Renovations to Eaton Drive site	\$725,000

# Balance Sheet

## Cash/Deposits/Asset Retirement/Bond Payments

In addition to the Capital Plan, we are budgeted to:

- Contribute to MPIA and MPPA Working Capital reserve funds
  - \$1,250,000
- Add to the Asset Retirement Obligation Liability by means of the Environmental Remediation Charge
  - \$1,000,000
- Pay Principal payment on Direct Purchase
  - \$2,400,000

Ending Working Cash is estimated to be \$21,462,000

**GRAND HAVEN BOARD OF LIGHT AND POWER  
BUDGET FY2025**

	Actual 2021-2022	Actual 2022-2023	Budget 2023-2024	Forecast 2023-2024	Budget 2024-2025	Budget to Forecast Variance	Budget to Budget Variance
<b>Mwh (non street light)</b>	288,346	283,192	286,000	270,504	274,500		
<b>Operating Revenue</b>							
Residential Sales	12,599,201	12,850,114	13,252,500	12,553,208	13,167,349	614,141	(85,151)
Commerical/Industrial/Municipal Sales	22,728,899	23,599,129	24,747,500	22,828,526	23,622,973	794,447	(1,124,527)
<b>Total Charges for Services</b>	<b>35,328,100</b>	<b>36,449,244</b>	<b>38,000,000</b>	<b>35,381,734</b>	<b>36,790,322</b>	<b>1,408,588</b>	<b>(1,209,678)</b>
Street Lighting	376,312	340,330	335,000	335,000	336,000	1,000	1,000
Other Revenue	237,135	487,803	424,281	331,000	299,600	(31,400)	(124,681)
<b>Total Operating Revenue</b>	<b>35,941,547</b>	<b>37,277,377</b>	<b>38,759,281</b>	<b>36,047,734</b>	<b>37,425,922</b>	<b>1,378,188</b>	<b>(1,333,359)</b>
<b>Operating Expenses</b>							
Purchased Power	16,841,879	19,034,752	19,300,000	18,186,439	20,172,378	1,985,939	872,378
<u>Distribution</u>						-	-
Distribution Operations	2,131,370	1,803,721	1,942,813	1,492,014	1,968,107	476,093	25,294
Distribution Maintenance	2,964,507	3,439,036	3,559,903	3,289,284	3,531,103	241,819	(28,800)
Energy Optimization	290,816	150,294	275,000	220,000	325,000	105,000	50,000
Administration	2,532,771	3,046,088	3,142,804	2,981,141	2,940,250	(40,890)	(202,554)
Legacy Pension Expense	146,946	1,302,851	498,436	500,000	500,000	-	1,564
<b>Operating Expenses before Depreciation</b>	<b>24,908,289</b>	<b>28,776,741</b>	<b>28,718,956</b>	<b>26,668,878</b>	<b>29,436,838</b>	<b>2,767,960</b>	<b>717,882</b>
<b>Operating Net Income Before Depreciation</b>	<b>11,033,258</b>	<b>8,500,636</b>	<b>10,040,325</b>	<b>9,378,856</b>	<b>7,989,084</b>	<b>(1,389,772)</b>	<b>(2,051,241)</b>
Depreciation	1,891,594	1,986,280	2,024,000	2,024,000	2,180,820	156,820	156,820
<b>Operating Net Income</b>	<b>9,141,664</b>	<b>6,514,355</b>	<b>8,016,325</b>	<b>7,354,856</b>	<b>5,808,264</b>	<b>(1,546,592)</b>	<b>(2,208,061)</b>
Nonoperating Income/(Expenses)	(1,017,153)	676,128	360,300	1,125,300	618,220	(507,080)	257,920
Environmental Remediation Expense	(10,134,689)	(1,069,855)	(1,000,000)	(1,000,000)	(1,000,000)	-	-
Environmental Remediation Surcharge			1,000,000	1,000,000	1,000,000	-	-
	(11,151,842)	(393,728)	360,300	1,125,300	618,220	(507,080)	257,920
Transfers to the City of Grand Haven	(1,789,553)	(1,831,462)	(1,916,750)	(1,769,087)	(1,839,516)	(70,429)	77,234
<b>Increase in Net Assets</b>	<b>(3,799,731)</b>	<b>4,289,165</b>	<b>6,459,875</b>	<b>6,711,069</b>	<b>4,586,968</b>	<b>(2,124,101)</b>	<b>(1,872,907)</b>

**Cash Flow**

Starting on hand Including Bond Proceeds	42,809,443
Restricted Cash	(20,580,094)
Increase in Operating Net Assets	4,586,968
Depreciation in Increase of in Net Assets	2,180,820
Additional Mitigation Liability in the Increase of Net Assets	-
Additional Deposits to MPIA /MPPA	(1,250,000)
Purchase of Capital Assets	(3,885,137)
Bond Principal Payment Due 1/2024	(2,400,000)
Ending	21,462,000
<b>Days Operating Cash on Hand</b>	209
<b>Minimum Cash Reserve</b>	18,000,000

		FY24	Jan-24	FY24 Estimate	FY25	Revised	FY26	Revised	FY27	Revised	FY28	Revised	FY29	5 YEAR Cost
<b>DISTRIBUTION MAINTENANCE AND OPERATIONS</b>														
<b>Blanket Accounts</b>	DBXXXX													
Pole Blanket	DB0011	150,000	63,537	120,000	125,000	125,000	125,000	125,000	125,000	125,000	100,000	125,000	125,000	625,000
Overhead Lines Blanket	DB0021	200,000	122,982	190,000	200,000	200,000	200,000	200,000	200,000	200,000	125,000	200,000	200,000	1,000,000
Underground Lines Blanket	DB0041	225,000	27,343	45,000	130,000	130,000	130,000	130,000	330,000	130,000	130,000	130,000	130,000	650,000
Transformers Blanket	DB0051	200,000	202,564	225,000	175,000	200,000	175,000	200,000	175,000	200,000	125,000	200,000	200,000	1,000,000
New Services Blanket	DB0061	70,000	51,794	75,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	75,000	355,000
New Metering Blanket	DB0071	35,000	54,121	85,000	35,000	40,000	37,500	42,500	37,500	42,500	37,500	45,000	45,000	215,000
New Street Lights Blanket	DB0081	20,000	29,791	32,000	20,000	20,000	20,000	20,000	25,000	25,000	25,000	25,000	25,000	115,000
Streetlight LED Conversions	D00090	125,000	59,342	59,342										0
City Road Upgrades Blanket	DB0101	80,000		0	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	400,000
														0
<b>Vehicle Replacement</b>	DVXXXX	110,000			760,000		480,000	660,000	480,000	780,000	480,000	480,000	545,000	2,465,000
<i>Backyard Machine</i>	DV2401			260,000										0
<i>Tree Bucket</i>	DV2501					235,000								235,000
<i>Tree Chipper</i>						62,500								62,500
<i>Dump Trailer</i>						16,000								16,000
														0
<b>2400V Upgrades</b>														0
<i>DeSpelder Voltage Upgrade</i>	D00965		1,796	1,796										0
														0
<b>Overhead Circuit Reconductor/Rebuild</b>					2,000,000		2,000,000	1,450,000	2,100,000	1,850,000	2,225,000	2,450,000	2,500,000	8,250,000
<i>Circuit Rebuild/Riverhaven 3</i>	D01075			0										0
<i>Circuit Osploff-42</i>	D00700	1,200,000	683,181	1,000,000										0
<i>Circuit Osploff-34</i>	D00600	1,300,000	611,153	930,000										0
<i>Marion Ave Rebuild</i>						270,000								270,000
<i>Ckt 13 &amp; 14 Rebuild (Beechtree)</i>						1,150,000								1,150,000
<i>Ckt 41 Hospital Feed</i>						500,000								500,000
<i>West Spring Lake Rd (Williams to 168th)</i>						160,000								160,000
<i>Beechtree/Waverly Area</i>						420,000								420,000
														0
<b>Undergrounding Circuit Reconductor/Rebuild</b>								975,000		1,000,000		500,000	825,000	3,300,000
<i>Harbor Drive Undergrounding</i>	D02100			30,000	1,000,000	1,000,000	500,000	500,000						1,500,000
<i>Ohio &amp; Ferry Apts</i>						35,000								35,000
														0
<b>Substation Upgrades</b>														0
<i>Morford Sub Line Relaying Upgrade</i>	D00841	550,000	46,689	400,000		40,000								40,000
<i>North Sub Transformer T2-Circuit North-60</i>	D00851		5,565	5,565										0
														0
<b>Service Area Expansion</b>		100,000			100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	125,000	525,000
<i>UG Service North Shore Marina</i>	D02090			135,000										0
														0
<b>Misc Items</b>														0
<i>OMS Texting</i>	D03000	28,500		29,600										0
<i>Locator</i>		10,000		15,900		16,000								16,000
<i>Cap Banks</i>						15,000		15,000						30,000
														0
<b>SUBTOTAL</b>		<b>4,403,500</b>	<b>1,959,857</b>	<b>3,639,203</b>	<b>4,695,000</b>	<b>4,884,500</b>	<b>3,917,500</b>	<b>4,567,500</b>	<b>3,722,500</b>	<b>4,602,500</b>	<b>3,497,500</b>	<b>4,405,000</b>	<b>4,875,000</b>	<b>23,334,500</b>
<b>ADMINISTRATION/FACILITIES</b>														
Admin Facility	P08000	4,000,000	0	0		725,000		600,000						1,325,000
HVAC	AM2401			26,270										0
East HVAC						30,000								30,000
Front Concrete Pad				8,000										0
Misc. Admin		35,000			35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	175,000
<b>SUBTOTAL</b>		<b>4,035,000</b>	<b>-</b>	<b>34,270</b>	<b>35,000</b>	<b>790,000</b>	<b>35,000</b>	<b>635,000</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>	<b>1,530,000</b>
<b>TECHNOLOGY</b>														
Technology Upgrades	A00320		103,601	103,601					10,000	10,000		10,000	10,000	30,000
Substation Backup Network						68,000								68,000
Network Backup System		10,000		0										0
Host Server Replacement		80,000		0							80,000			0
Printers Replacement							10,000	10,000						10,000
San Storage		40,000		0					80,000					0
Microsoft Windows Server Upgrades		12,000		0			12,000	0			12,000	12,000	13,000	25,000
Network Infrastructure		5,000			10,000		10,000			10,000		10,000	10,000	30,000
Wi-Fi Upgrades						5,000		5,000						5,000
Firewall					5,000	25,000	30,000							35,000
<b>SUBTOTAL</b>		<b>147,000</b>	<b>103,601</b>	<b>103,601</b>	<b>10,000</b>	<b>73,000</b>	<b>57,000</b>	<b>45,000</b>	<b>90,000</b>	<b>20,000</b>	<b>92,000</b>	<b>32,000</b>	<b>33,000</b>	<b>203,000</b>
<b>TOTAL CAPITAL</b>		<b>\$ 8,585,500</b>	<b>\$ 2,063,459</b>	<b>\$ 3,777,074</b>	<b>\$ 4,740,000</b>	<b>\$ 5,747,500</b>	<b>\$ 4,009,500</b>	<b>\$ 5,247,500</b>	<b>\$ 3,847,500</b>	<b>\$ 4,657,500</b>	<b>\$ 3,624,500</b>	<b>\$ 4,472,000</b>	<b>\$ 4,943,000</b>	<b>\$ 25,067,500</b>

**Danielle Martin**

---

**From:** Ronald A. Bultje <RBultje@dickinson-wright.com>  
**Sent:** Tuesday, April 2, 2024 4:22 PM  
**To:** Danielle Martin  
**Cc:** Michael J. Westbrook; Rob Shelley; Jennifer L. Smith  
**Subject:** FW: BLP - Section 31 of the Grand Haven BLP Bylaws (revised in 2024) - 3 Versions  
**Attachments:** 4881-3812-3443 v1 BLP - #1 as is - Section 31 of the Grand Haven BLP Bylaws (revised in 2024).docx; Redline - -4881-3812-3443 v1-BLP - #1 as is - Section 31 of the Grand Haven BLP Bylaws (revised in 2024) and -4881-6053-6755 v1-BLP - #2 blue ink changes - Sect.pdf; Redline - -4881-3812-3443 v1-BLP - #1 as is - Section 31 of the Grand Haven BLP Bylaws (revised in 2024) and -4872-2317-5347 v1-BLP - #3 red ink changes - Secti.pdf

**Follow Up Flag:** Follow up  
**Flag Status:** Completed

Danielle: attached are three options regarding section 31 of the BLP bylaws, which section addresses the indemnification of Board members. I'm getting these options to you, Rob, and Mike, so that all of you can consider the language in the options and give me any questions or comments you may have.

Option 1 is the same language that was presented to the Board last month.

Option 2 is redlined to show the changes made to the last paragraph. Specifically, the changes are meant to indicate that the Board has the job of approving any indemnification request made to it, but the decision is to be made simply on the basis of whether the request is reasonable or not. The Board would not have the discretion to reject a request because the Board disagrees or decides it doesn't want to indemnify a certain Board member.

Option 3 is redlined to show changes made to the first paragraph. Specifically, the changes are meant to indicate that even if a Board member is being sued or prosecuted by the BLP or the City or a prosecuting attorney, the Board may still decide to indemnify the Board member if the Board finds the Board member was acting in good faith on behalf of the BLP. The Board would have the discretion in such a situation.

The fourth option, which I haven't attached, would be to incorporate the option 2 language AND the option 3 language into Section 31. That is actually my recommendation.

I haven't tried to make wholesale changes to Section 31, because my feeling is that the Board in general is in favor of Section 31, but simply wants to have some language to give the Board some direction or discretion with very unique situations. That's what I've tried to do with option 2 and option 3.

Please advise if this raises any questions or comments. I'm happy to do whatever I can to help facilitate this matter at the next Board meeting. Thanks very much.

**Ronald A. Bultje**

Member

O: 616-336-1007

[RBultje@dickinson-wright.com](mailto:RBultje@dickinson-wright.com)



#1 (as is)

Section 31. Indemnification of the Board. A Board member shall be indemnified by the BLP as of right to the fullest extent now or hereafter permitted by law in connection with any actual or threatened civil, criminal, administrative, or investigative action, suit, or proceeding, which is brought against the member because of the Board member's position on the Board, or in which the Board member is a witness because of the Board member's position on the Board. This right to indemnification does not apply to those actions, suits, or proceedings brought by or on behalf of the BLP, the City, or a prosecuting attorney for the people of the State of Michigan or of the United States against the Board member. Persons who are not Board members of the BLP may be similarly indemnified with respect to their service for the BLP to the extent authorized at any time by the Board.

- A. The Board may purchase and maintain insurance to protect itself and each Board member against any liability described above, whether or not the BLP would have the power to indemnify the Board member against such liability by law or under the provisions of this Section, to the extent allowed by law.
- B. The provisions of this Section (1) shall be applicable to actions, suits, or proceedings, whether arising from acts or omissions, (2) shall apply to both current and former Board members, and (3) shall inure to the benefit of the heirs, personal representatives, executors, and administrators of the Board members covered by this Section.
- C. The right of indemnity provided pursuant to this Section shall not be exclusive, and the BLP may provide indemnification to any person, by agreement or otherwise, on such terms and conditions as the Board may approve that are not inconsistent with applicable law. Any amendment, alteration, modification, repeal, or adoption of any provision in these Bylaws inconsistent with this Section shall not adversely affect the indemnification right or protection of any Board member existing at the time of such amendment, alteration, modification, repeal, or adoption, except as otherwise provided by law.
- D. Any person, including a Board member, before incurring expenses pursuant to this Section shall submit to the Board the name of the attorney(s) to provide legal services, the hourly rate(s) to be charged by the attorney(s), the estimated hours necessary for the representation of the person, the estimated time frame for the legal services to be rendered, the purpose of the legal services, and an estimate of any other expenses necessary for the representation of the person per this Section.
- E. The information required by subsection D to be submitted shall be reviewed by the BLP attorney, who shall promptly advise the Board of the receipt of the information. The BLP attorney shall further determine initially if the request is deemed reasonable, and if the request should be recommended to the Board for approval. The Board shall then vote to determine whether or not to approve the indemnification request.

Section 31. Indemnification of the Board. A Board member shall be indemnified by the BLP as of right to the fullest extent now or hereafter permitted by law in connection with any actual or threatened civil, criminal, administrative, or investigative action, suit, or proceeding, which is brought against the member because of the Board member's position on the Board, or in which the Board member is a witness because of the Board member's position on the Board. This right to indemnification does not apply to those actions, suits, or proceedings brought by or on behalf of the BLP, the City, or a prosecuting attorney for the people of the State of Michigan or of the United States against the Board member. Persons who are not Board members of the BLP may be similarly indemnified with respect to their service for the BLP to the extent authorized at any time by the Board.

- A. The Board may purchase and maintain insurance to protect itself and each Board member against any liability described above, whether or not the BLP would have the power to indemnify the Board member against such liability by law or under the provisions of this Section, to the extent allowed by law.
- B. The provisions of this Section (1) shall be applicable to actions, suits, or proceedings, whether arising from acts or omissions, (2) shall apply to both current and former Board members, and (3) shall inure to the benefit of the heirs, personal representatives, executors, and administrators of the Board members covered by this Section.
- C. The right of indemnity provided pursuant to this Section shall not be exclusive, and the BLP may provide indemnification to any person, by agreement or otherwise, on such terms and conditions as the Board may approve that are not inconsistent with applicable law. Any amendment, alteration, modification, repeal, or adoption of any provision in these Bylaws inconsistent with this Section shall not adversely affect the indemnification right or protection of any Board member existing at the time of such amendment, alteration, modification, repeal, or adoption, except as otherwise provided by law.
- D. Any person, including a Board member, before incurring expenses pursuant to this Section shall submit to the Board the name of the attorney(s) to provide legal services, the hourly rate(s) to be charged by the attorney(s), the estimated hours necessary for the representation of the person, the estimated time frame for the legal services to be rendered, the purpose of the legal services, and an estimate of any other expenses necessary for the representation of the person per this Section.
- E. The information required by subsection D to be submitted shall be reviewed by the BLP attorney, who shall promptly advise the Board of the receipt of the information. The BLP attorney shall further determine initially if the request is deemed reasonable, and if the request should be recommended to the Board for approval. The Board shall then vote to ~~determine whether or not to~~ approve the indemnification request to the extent it is deemed reasonable.

Section 31. Indemnification of the Board. A Board member shall be indemnified by the BLP as of right to the fullest extent now or hereafter permitted by law in connection with any actual or threatened civil, criminal, administrative, or investigative action, suit, or proceeding, which is brought against the member because of the Board member's position on the Board, or in which the Board member is a witness because of the Board member's position on the Board. This right to indemnification does not apply to those actions, suits, or proceedings brought by or on behalf of the BLP, the City, or a prosecuting attorney for the people of the State of Michigan or of the United States against the Board member, unless the Board concludes that the Board member acted in good faith on behalf of the BLP regardless of the action, suit, or proceeding. Persons who are not Board members of the BLP may be similarly indemnified with respect to their service for the BLP to the extent authorized at any time by the Board.

- A. The Board may purchase and maintain insurance to protect itself and each Board member against any liability described above, whether or not the BLP would have the power to indemnify the Board member against such liability by law or under the provisions of this Section, to the extent allowed by law.
- B. The provisions of this Section (1) shall be applicable to actions, suits, or proceedings, whether arising from acts or omissions, (2) shall apply to both current and former Board members, and (3) shall inure to the benefit of the heirs, personal representatives, executors, and administrators of the Board members covered by this Section.
- C. The right of indemnity provided pursuant to this Section shall not be exclusive, and the BLP may provide indemnification to any person, by agreement or otherwise, on such terms and conditions as the Board may approve that are not inconsistent with applicable law. Any amendment, alteration, modification, repeal, or adoption of any provision in these Bylaws inconsistent with this Section shall not adversely affect the indemnification right or protection of any Board member existing at the time of such amendment, alteration, modification, repeal, or adoption, except as otherwise provided by law.
- D. Any person, including a Board member, before incurring expenses pursuant to this Section shall submit to the Board the name of the attorney(s) to provide legal services, the hourly rate(s) to be charged by the attorney(s), the estimated hours necessary for the representation of the person, the estimated time frame for the legal services to be rendered, the purpose of the legal services, and an estimate of any other expenses necessary for the representation of the person per this Section.
- E. The information required by subsection D to be submitted shall be reviewed by the BLP attorney, who shall promptly advise the Board of the receipt of the information. The BLP attorney shall further determine initially if the request is deemed reasonable, and if the request should be recommended to the Board for approval. The Board shall then vote to determine whether or not to approve the indemnification request.



Board Members:  
 Michael Westbrook, Chairperson  
 Todd Crum, Vice Chairperson  
 Andrea Hendrick  
 Kurt Knoth  
 Micheal Welling

**Board of Light and Power**  
 1700 Eaton Drive  
 Grand Haven, Michigan 49417  
 616-846-6250  
 Fax 616-846-3114



## **SUBCOMMITTEE REPORT**

Subcommittee Purpose: Recommend a firm to provide Executive Search Services

Subcommittee Members: Michael Westbrook and Andrea Hendrick

### Research Conducted:

- On March 6, 2024 the subcommittee met at the BLP offices to review the four proposals which were included in the Board's February 29, 2024 meeting packet. Enclosed is a summary chart of all firms considered. The pros and cons of each proposal were discussed. Subcommittee members shared the desire to work with a firm that has expertise in the energy utility industry and used this principle to narrow the firms in consideration down to Preng & Associates and Mycoff Fry Partners. The subcommittee asked the Board secretary to schedule interviews with these two firms and requested the secretary reach out to MPPA for a reference on each.
- On March 9, 2024 MPPA provided the reference that Mycoff Fry Partners has a long history working in public power and their candidate database is likely to include individuals already working in public power. MPPA was unable to comment on Preng & Associates, as they are unfamiliar with this firm.
- On March 19, 2024 an interview was held at 3:00pm via Zoom with Gary Carlson and Mark Ciolek of Preng & Associates. An interview was held at 4:00pm via Zoom with Lanie Mycoff of Mycoff Fry Partners.
- On April 10, 2024 the subcommittee met via Zoom to discuss the interviews.

### Key Findings:

- Subcommittee members feel it is important for the Board to engage a firm which specializes in the energy utility industry. Of the four proposals, Preng & Associates and Mycoff Fry Partners are the two firms who fit this qualification.
- Following the interview with Preng & Associates, Director Hendrick felt this firm outlined a more systematic approach with a wide base of stakeholder participation without prompting. Director Westbrook felt this firm was not as familiar with the BLP's specific situation and was concerned by their limited work experience in Michigan.
- Following the interview with Mycoff Fry Partners, Director Hendrick felt this firm required prompting to discuss including a wide range of stakeholder participation and felt the salary range discussed was premature with the candidate profile not yet being established. Director Westbrook appreciated this firm's frankness regarding the BLP's situation and the difficulties the Board is facing. He felt positive about this firm's repeated work in Michigan including recruiting for Holland, Zeeland, Wolverine Power, and past work for the BLP.

### Recommendation:

The subcommittee recommends full Board deliberation at the April 18, 2024 meeting.

Enclosure:

<b>Firm Name</b>	<b>Cost</b>	<b>Guarantee</b>
Angott Search Group	<ul style="list-style-type: none"><li>• 25% of candidate's first year's base salary</li><li>• Non-refundable \$10,000 engagement fee (deducted from total due after search is complete)</li><li>• No travel expenses are expected</li></ul>	If the relationship between the BLP and the candidate is terminated for any reason on or before the 120th calendar day after its start, the firm will replace the candidate. Not applicable if position is eliminated, if due to insufficient work, or due to like circumstances beyond the firm's control.
GovHR USA	<ul style="list-style-type: none"><li>• \$30,000 subject to additional fees</li><li>• Additional fees apply if the advertising costs, consultant hours, or number of trips exceed what is budgeted</li><li>• \$2,500 for optional community survey</li><li>• \$8,500 for optional Assessment Center</li></ul>	Should the appointed candidate, at the request of the BLP or the employee's own determination, leave within the first 12 months, an additional recruitment will be conducted at the cost of expenses and announcements.
Mycoff Fry Partners	<ul style="list-style-type: none"><li>• \$80,000 plus expenses</li><li>• Reimbursable expenses include travel expenses to attend meetings/interviews and advertising</li></ul>	Firm will conduct an additional search for no additional fee should termination of employment occur for any reason other than lack of work, illness, injury or death within one year of the employment date. The BLP will be responsible for travel and advertising expenses.
Preng & Associates	<ul style="list-style-type: none"><li>• One-third of first year's cash compensation plus expenses</li><li>• Minimum fee of \$75,000</li><li>• Reimbursable expenses include travel, and other direct charges such as postage, background checks, etc.</li></ul>	If the placement leaves or is terminated before one full year, a replacement search will be commenced within 30 days with no additional professional fee. Additional fees apply if the new hire has a higher compensation package. Expenses billed at cost.