

GRAND HAVEN BOARD OF LIGHT AND POWER MEETING AGENDA

Thursday, May 23, 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 April 18, 2024, Board Meeting \*
  - B. Receive and File: April Financial Statements, Power Supply, Retail Sales Dashboards \*
  - C. Receive and File: April Key Performance Indicators (KPI) Dashboard \*
  - D. Receive and File: MPPA ESP Resource Position Report (dated 4/30/2024) \*
  - E. Approve Payment of Bills (\$2,336,631.71 in total)
    1. In the amount of \$2,074,787.22 from the Operation & Maintenance Fund
    2. In the amount of \$261,844.49 from the Renewal & Replacement Fund
  - F. Approve Confirming Purchase Orders (\$90,680 in total)
    1. PO #23019, JMAP, \$9,000 (CY24 Apprentice Lineworker Tuition)
    2. PO #23024, Kent Power, \$13,887 (New Service for 300 Washington)
    3. PO #23025, Midwest Dial Tone, \$13,000 (FY25 Phone Service)
    4. PO #23044, Western Tel-Com, \$35,218 (North Shore Marina – Customer Reimburse)
    5. PO #23045, Western Tel-Com, \$10,202 (North Shore Estates – Customer Reimburse)
    6. PO #23046, Western Tel-Com, \$9,373 (Mary Lane – GHBLP Repair)
6. General Manager's Report \*
  - A. Approve Purchase Orders (\$652,289 in total) (1)
    1. PO #23031, Zervas Facility Maintenance, \$24,000 (FY25 Cleaning at Eaton Drive)
    2. PO #23040, Murray's Asphalt Maintenance, \$5,190 (Reseal Asphalt at Eaton Drive)
    3. PO #23042, Irby, \$70,560 (Harbor Drive UG Pad Mount Equipment)
    4. PO #23047, Schweitzer, \$6,600 (Capacitor Controls x 2)
    5. PO #23048, Power Line Supply, \$375,390 (Harbor Dr UG Wire)
    6. PO #23049, Power Line Supply, \$54,332 (Harbor Dr UG Material)
    7. PO #23051, Koppers, \$21,282 (47 Wood Distribution Poles)
    8. PO #23053, T&R Electric, \$30,510 (150kVA Padmount Transformers x 3)
    9. PO #23055, Power Line Supply, \$15,050 (Vacuum Switch x 7)
    10. PO #23058, Power Line Supply, \$7,837 (#2 15kV UG Wire)
    11. PO #23059, Power Line Supply, \$8,043, (Box Pads for Transformers)
    12. PO #23061, City of Grand Haven, \$6,793 (HDR – Annual Unit 3 Impoundment Inspections)
    13. PO #23062, City of Grand Haven, \$14,467 (HDR – 5 Yr Inflow Flood Plan)
    14. PO #23063, City of Grand Haven, \$12,235 (HDR – ACO Assistance)
  - B. FY25 Budget Presentation – Lynn Diffell (1) \*
  - C. City/BLP Joint Meeting
  - D. Key Accounts Presentation (4) \*
  - E. Walters v BLP Update (3)

Notes:

(1) Board Action Required

(2) Future Board Action

\* Information Enclosed

(3) Information RE: Policy or Performance

(4) General Information for Business or Education

7. Chairman's Report
  - A. Executive Search Services Update – Danielle Martin (1) \*
  - B. Governance Training – Lesson 2 Discussion (3)
  - C. Governance Training – Watch Lesson 3 for June 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  
APRIL 18, 2024

A regular meeting of the Grand Haven Board of Light and Power was held on Thursday, April 18, 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 6:02 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 Austin Gagnon as Technical Support.

**24-04A** Director Welling, supported by Director Hendrick, 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:**

Jim Hagen, 400 Lake, recommended the BLP conduct a study on time of use rates. Hagen also recommended a community solar project for the roof of the DPW building.

**24-04B** Director Welling, supported by Director Knoth, moved to approve the consent agenda. The consent agenda includes:

- Approve the minutes of the March 21, 2024 Board meeting
- Receive and file the March Financial Statements, Power Supply and Retail Sales Dashboards
- Receive and File the March Key Performance Indicator (KPI) Dashboard
- Receive and File the MPPA Energy Services Project Resource Position Report dated 03/29/2024
- Approve payment of bills in the amount of \$2,800,686.43 from the Operation & Maintenance Fund
- Approve payment of bills in the amount of \$180,645.24 from the Renewal & Replacement Fund
- Approve confirming Purchase Order #23008 to Landis & Gyr Technology in the amount of \$18,083 for six months of grid analytics software service

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**Roll Call Vote:**

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

**24-04C** Director Welling, supported by Director Hendrick, moved to approve the Purchase Orders. The Purchase Orders include:

- Purchase Order #23002 to C&S Solutions in the amount of \$15,841 for an underground locator
- Purchase Order #23013 to MZH Concrete in the amount of \$7,100 to replace the front concrete at the Service Center
- Purchase Order #23016 to Altec Industries in the amount of \$233,372 for a tree bucket truck

**Roll Call Vote:**

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

**24-04D** Finance Manager Lynn Diffell presented the Fiscal Year 2025 budget.

Key budget components were reviewed. Sales are budgeted to increase incrementally and to remain below fiscal years 2022 and 2023 levels. Total charges are budgeted to increase slightly due to the PSCA and no rate changes are proposed. Funds are included to conduct a rate study this year. The BLP has a nice mix of sales, with residential, commercial, and industrial sales each representing approximately one-third, plus a small fraction of municipal sales.

Purchased power, presented last month, represents 69% of operating expenses equaling an expected \$20 million in FY25. Payroll and benefits represent 20% of operating expenses. We are planning to maintain 39 full time employees with benefits budgeted at the current levels. Legacy pension expenses represent 2% of operating expenses, or \$500,000. This is a yearly contribution above the employer contribution for current employees. The Energy Optimization program represents 1% of operating expenses at \$325,000. Other departmental expenses represent 8% of operating expenses and are budgeted to remain at current levels. Annual depreciation is budgeted to be \$2.1 million. The 5% of gross monthly sales transferred to the City of Grand Haven is expected to be \$1.8 million. The Environmental Remediation Surcharge is budgeted to continue. Working cash at the end of Fiscal Year 2025 is expected to be \$21.4 million. The minimum working cash level established by the Board is \$18 million.

The Capital Plan includes \$750,000 for building renovations at Eaton Drive. Since the Board has been unable to acquire additional facility space, staff is proposing making changes to our current space to address our needs. Half of the renovations are budgeted to take place in FY2025, and the other half will occur the following year. Renovations include adding an employee locker room in

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the distribution warehouse and adding a new garage in the storage yard to make up for the lost warehouse space. Funds are also budgeted to add back up IT equipment at one of the substations.

The final budget will be brought to the Board at its May meeting for approval. Diffell invited the Board to reach out to her directly with any budget related questions prior to the May meeting.

**No formal action taken.**

**24-04E** Rob Shelley announced the BLP has received two APPA awards. We received a gold level safety award and diamond level Reliable Public Power Provider award. These awards place the BLP in the top 10% of participating municipalities in the nation.

**No formal action taken.**

**24-04F** Director Welling, supported by Director Knoth, moved to reject the proposed Bylaw changes to Section 31.

At its last meeting, the Board approved several Bylaw changes, except for those proposed to Section 31. In this month's packet, the Board's attorney provided three options to address the concerns in Section 31. After discussion, the Board agreed there is no option that would be able to cover every scenario and to leave Section 31 as is.

**Roll Call Vote:**

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

**24-04G** Chairperson Westbrook, supported by Director Welling, moved to hire Mycoff Fry Partners for Executive Search Services.

Director Hendrick and Chairperson Westbrook served on the subcommittee tasked with recommending an executive search services firm. The committee met on March 6<sup>th</sup> and narrowed the list to two firms: Mycoff Fry Partners and Preng & Associates. Interviews were held via Zoom on March 19<sup>th</sup> with both firms. The subcommittee met on April 10<sup>th</sup> to discuss their thoughts following the interviews. The subcommittee agreed to present both firms to the Board for consideration.

Director Hendrick felt both firms are qualified and either option would be money well spent. She felt the differences between the two were minute. She leaned toward Preng & Associates because of how they discussed stakeholder involvement. She felt the candidate representing Mycoff Fry Partners made a high salary assumption before discussing the skills or type of person desired.

Chairperson Westbrook agreed there is not a bad choice between the two firms but felt Mycoff Fry Partners was the stronger candidate. He appreciated the representative's candor when discussing the struggles the Board may face. He felt the representative had her finger on the pulse

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of the local environment and had positive references from BLP Board members and employees who worked with them in the past.

**Roll Call Vote:**

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

**24-04H** An open discussion was held on Governance Training Lesson 1 “Public Power Governance Models”. Overall, the statement that stuck with the Board was that the best governance structure is likely the one you have. Directors found the number of model variations to be surprising along with the number of utilities run by councils or city managers. Director Hendrick suggested the Board examine the City Charter and if something does not fit, bring the issue to Council. Director Knoth hopes joint meetings become a regular occurrence.

**No formal action taken.**

**24-04I** Chairperson Westbrook stated Governance Training Lesson 2 will be on the agenda for discussion in May.

**No formal action taken.**

**24-04J** Other Business

Rob Shelley informed the Board he and the City Manager are looking at the weeks of May 27 and June 3 at 6:30pm for the proposed joint meeting. Board member’s availability was discussed, and Shelley will work with the City Manager to finalize a date.

Chairperson Westbrook stated it is Lineman Appreciation Day today, and Administrative Professionals Day next Wednesday. The BLP is hosting an all employee luncheon tomorrow to celebrate both days.

Chairperson Westbrook stated he attended the recent Harbor Island event. He thanked the City for putting on this event.

**No formal action taken.**

**Public Comment Period:**

Jim Hagen, 400 Lake, invited everyone to attend the Earth Day celebrations at Central Park Place this Saturday. The Community Energy Plan will have a table.

Mayor Bob Monetza, 945 Washington, congratulated the BLP on receiving APPA’s safety and reliability awards. He thanked the Board for helping work toward a joint meeting.

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**Adjournment**

At 7:12PM by motion of Director Hendrick, supported by Director Welling, the April 18, 2024 Board meeting was unanimously adjourned.

Respectfully submitted,

Danielle Martin  
Secretary to the Board

DM

DRAFT

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

	<u>APRIL 2024</u>	<u>APRIL 2023</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
CASH AND CASH EQUIVALENTS	\$22,674,873	\$31,413,603
ACCOUNTS RECEIVABLE	4,032,140	4,053,799
PREPAID	2,802	221,676
	<hr/> 26,709,815	<hr/> 35,689,078
<b>NON-CURRENT ASSETS</b>		
DEPOSITS HELD BY MPIA	8,627,653	7,615,000
DEPOSITS HELD BY MPPA	2,500,000	2,500,000
ADVANCE TO CITY OF GRAND HAVEN	635,211	740,628
MITIGATION FUND	14,277,725	0
2021A BOND MITIGATION FUND	2,185,843	0
2021A BOND CONSTRUCTION FUND	3,671,610	8,372,888
2021A BOND REDEMPTION FUND	934,527	920,827
	<hr/> 32,832,569	<hr/> 20,149,343
<b>CAPITAL ASSETS</b>		
CONSTRUCTION IN PROGRESS	3,652,268	4,034,184
PROPERTY, PLANT AND EQUIPMENT	66,525,483	63,055,832
LESS ACCUMULATED DEPRECIATION	<hr/> (32,056,085)	<hr/> (30,707,836)
	38,121,666	36,382,180
<b>TOTAL ASSETS</b>	<hr/> <hr/> \$97,664,050	<hr/> <hr/> \$92,220,601
<b>DEFERRED OUTFLOWS/(INFLOWS)</b>		
PENSION/OPEB RELATED	<hr/> 4,681,112	<hr/> (1,711,125)
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
ACCOUNTS PAYABLE	1,355,753	1,441,902
SERIES 2021A BOND CURRENT	2,506,913	2,519,553
ACCRUED PAYROLL LIABILITIES	306,126	285,154
CUSTOMER DEPOSITS	987,047	903,221
ACCRUED TRANSFER FUND	142,763	147,303
	<hr/> 5,298,602	<hr/> 5,297,133
<b>LONG TERM LIABILITIES</b>		
ASSET RETIREMENT OBLIGATION - MITIGATION	16,702,664	15,988,317
ACCRUED SICK AND PTO	248,432	260,403
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
	<hr/> 41,653,346	<hr/> 36,374,239
<b>TOTAL LIABILITIES</b>	<hr/> 46,951,948	<hr/> 41,671,372
<b>NET POSITION</b>		
BEGINNING OF THE YEAR	48,794,255	44,505,093
YTD INCREASE IN NET ASSETS	6,598,959	4,333,011
<b>NET POSITION</b>	<hr/> 55,393,214	<hr/> 48,838,104
<b>TOTAL LIABILITIES AND EQUITY</b>	<hr/> <hr/> \$102,345,162	<hr/> <hr/> \$90,509,476



GRAND HAVEN BOARD OF LIGHT AND POWER  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE MONTH OF APRIL 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
Operating Revenue									
Residential Sales	\$ 939,420	\$ 10,821,504	\$ 11,127,053	\$ (305,549)	-2.75%	\$ 976,686	\$ 10,833,839	\$ (12,335)	-0.11%
Commercial Sales	790,365	8,590,785	8,864,028	(273,243)	-3.08%	828,403	8,521,072	69,713	0.82%
Industrial Sales	952,262	9,814,465	11,040,992	(1,226,527)	-11.11%	1,045,921	10,115,346	(300,881)	-2.97%
Municipal Sales	71,268	830,896	873,456	(42,560)	-4.87%	66,499	827,006	3,890	0.47%
Total Charges for Services	2,753,315	30,057,650	31,905,529	(1,847,879)	-5.79%	2,917,509	30,297,263	(239,613)	-0.79%
Street Lighting	28,049	282,023	279,166	2,857	1.02%	28,557	283,162	(1,139)	-0.40%
Other Revenue	24,321	297,090	353,566	(56,476)	-15.97%	64,143	424,605	(127,515)	-30.03%
Total Operating Revenue	2,805,685	30,636,763	32,538,261	(1,901,498)	-5.84%	3,010,209	31,005,030	(368,267)	-1.19%
Operating Expenses									
Net Purchased Power	1,379,074	15,317,056	16,132,768	(815,712)	-5.06%	1,125,253	16,281,112	(964,056)	-5.92%
Distribution Operations	129,874	1,268,814	1,619,004	(350,190)	-21.63%	143,726	1,556,727	(287,913)	-18.49%
Distribution Maintenance	252,938	2,821,195	2,966,574	(145,379)	-4.90%	275,622	2,892,239	(71,044)	-2.46%
Energy Optimization	11,032	130,518	229,166	(98,648)	-43.05%	10,781	156,921	(26,403)	-16.83%
Administration	254,830	2,417,391	2,618,993	(201,602)	-7.70%	181,308	2,259,610	157,781	6.98%
Legacy Pension Expense	43,227	583,185	415,362	167,823	40.40%	62,012	597,065	(13,880)	-
Operating Expenses Before Depreciation	2,070,975	22,538,159	23,981,867	(1,443,708)	-6.02%	1,798,702	23,743,674	(1,205,515)	-5.08%
Operating Changes Before Depreciation	734,710	8,098,604	8,556,394	(457,790)	-5.35%	1,211,507	7,261,356	837,248	11.53%
Depreciation	171,462	1,737,387	1,686,660	50,727	3.01%	163,113	1,660,054	77,333	4.66%
Operating Changes	563,248	6,361,217	6,869,734	(508,517)	-7.40%	1,048,394	5,601,302	759,915	13.57%
Nonoperating Revenue/(Expenses)	80,710	870,329	300,249	570,080	189.87%	23,887	260,730	609,599	233.80%
Asset Retirement Expense	-	123,492	-	123,492	#DIV/0!	-	-	123,492	#DIV/0!
Environmental Surcharge	73,886	800,952	833,330	(32,378)	-3.89%	-	-	800,952	#DIV/0!
Non-Operating Revenue/(Expenses)	154,596	1,794,773	1,133,579	661,194	58.33%	23,887	260,730	1,534,043	588.36%
Transfers to City of Grand Haven	(142,763)	(1,557,031)	(1,597,285)	40,254	-2.52%	(147,303)	(1,529,021)	(28,010)	1.83%
Increase in Net Assets	\$ 575,081	\$ 6,598,959	\$ 6,406,028	\$ 192,931	3.01%	\$ 924,978	\$ 4,333,011	\$ 2,265,948	52.29%

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

<b><u>Power Supply for Month (kWh)</u></b>	<b><u>FY2024</u></b>		<b><u>FY2023</u></b>	
Net Purchased (Sold) Power	14,558,814	67.32%	15,329,638	73.18%
Renewable Energy Purchases	7,066,239	32.68%	5,616,788	26.82%
<b>Monthly Power Supply Total</b>	<b>21,625,053</b>		<b>20,946,426</b>	
Days in Month	30		30	
Average Daily kWh Supply for Month	<b>720,835</b>		<b>698,214</b>	
% Change	3.24%			

<b><u>Power Supply FYTD</u></b>	<b><u>FY2024</u></b>		<b><u>FY2023</u></b>	
Net Purchased (Sold) Power	177,069,767	75.91%	189,884,727	78.50%
Renewable Energy Purchases	56,187,247	24.09%	51,996,880	21.50%
<b>FYTD Power Supply Total</b>	<b>233,257,014</b>		<b>241,881,607</b>	
FYTD Days (from 7/1)	305		304	
<b>Average Daily kWh Supply FYTD</b>	<b>764,777</b>		<b>795,663</b>	
% Change	-3.88%			

	<b><u>FY2024</u></b>	<b><u>FY2023</u></b>
Net Purchased Power Expenses	\$15,317,056	\$16,281,112
% Change	-5.92%	
<b>Net Energy Expenses per kWh Supplied to System FYTD</b>	<b>\$0.06567</b>	<b>\$0.06731</b>
% Change	-2.44%	

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

<u>Monthly Retail Customers</u>	<u>FY2024</u>		<u>FY2023</u>	
Residential	13,200	87.56%	13,057	87.44%
Commercial	1,636	10.85%	1,632	10.93%
Industrial	126	0.84%	128	0.86%
Municipal	114	0.76%	116	0.78%
<b>Total</b>	<b>15,076</b>		<b>14,933</b>	
 <u>Monthly Energy Sold (kWh)</u>				
Residential	6,262,475	29.56%	5,307,865	25.39%
Commercial	5,800,001	27.38%	5,899,858	28.22%
Industrial	8,468,468	39.97%	9,051,494	43.29%
Municipal	587,872	2.77%	558,192	2.67%
Retail Monthly Total	21,118,816	99.69%	20,817,409	99.57%
Street Lighting	66,524	0.31%	89,256	0.43%
<b>Total Monthly Energy Sold</b>	<b>21,185,340</b>		<b>20,906,665</b>	
 Days in Primary Meter Cycle				
	31		31	
<b>kWh Sold per Day</b>	<b>683,398</b>		<b>674,409</b>	
% Change	1.33%			

<u>Energy Sold (kWh) FYTD</u>	<u>FY2024</u>		<u>FY2023</u>	
Residential	73,410,246	31.96%	75,630,224	31.58%
Commercial	63,035,690	27.45%	64,244,254	26.83%
Industrial	85,447,227	37.20%	91,636,116	38.27%
Municipal	6,986,549	3.04%	7,099,362	2.96%
Retail Energy Sold Total FYTD	228,879,712	99.66%	238,609,956	99.64%
Street Lighting	788,944	0.34%	860,698	0.36%
<b>Energy Sold FYTD</b>	<b>229,668,656</b>		<b>239,470,654</b>	
 Weighted Days in Meter Cycles FYTD				
	305		304	
<b>kWh Sold per Day</b>	<b>753,012</b>		<b>787,732</b>	
% Change	-4.41%			

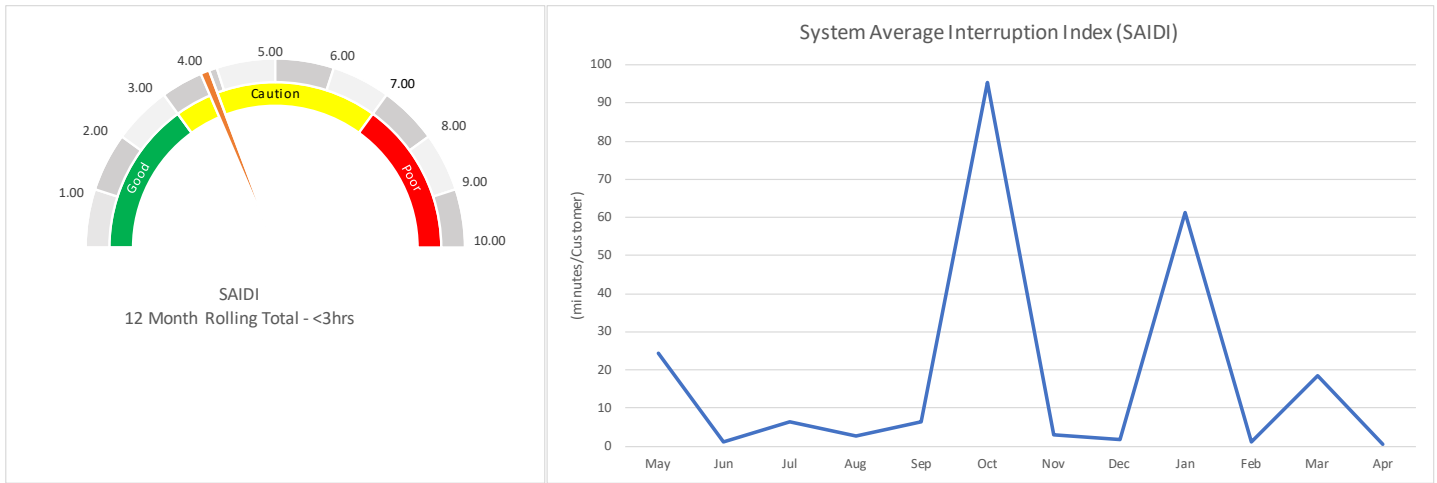
<u>Sales Revenue FYTD net ERS</u>	<u>FY2024</u>	<u>Average Rate (\$/kWh)</u>	<u>FY2023</u>	<u>Average Rate (\$/KWh)</u>	<u>Percent Change \$/kWh</u>
Residential	\$10,821,504	\$0.1474	\$10,834,176	\$0.1433	2.90%
Commercial	\$8,590,785	\$0.1363	\$8,520,736	\$0.1326	2.76%
Industrial	\$9,814,465	\$0.1149	\$10,115,345	\$0.1104	4.05%
Municipal	\$830,896	\$0.1189	\$827,006	\$0.1165	2.09%
<b>Retail Sales Revenue FYTD</b>	<b>\$30,057,650</b>	<b>\$0.1313</b>	<b>\$30,297,263</b>	<b>\$0.1270</b>	<b>3.43%</b>
Street Lighting	\$282,023		\$283,162		
<b>Total Sales Revenue FYTD (Excl. Wholesale)</b>	<b>\$30,339,673</b>	<b>\$0.1321</b>	<b>\$30,580,425</b>	<b>\$0.1277</b>	

	<u>FY2024</u>	<u>FY2023</u>
Approx. Distribution Losses FYTD	1.54%	1.00%
<b>Net Energy Expenses/kWh Sold FYTD</b>	<b>\$0.06668</b>	<b>\$0.06798</b>
% Change	-1.92%	

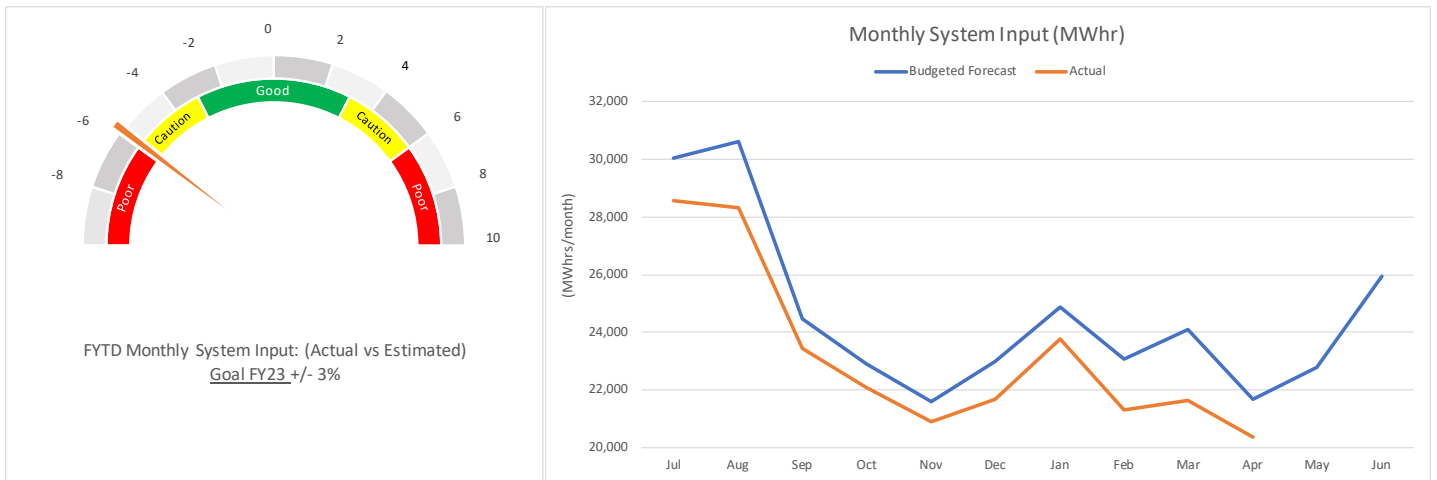
## GHBLP Key Performance Indicators

May 17, 2024

## 1) Reliability

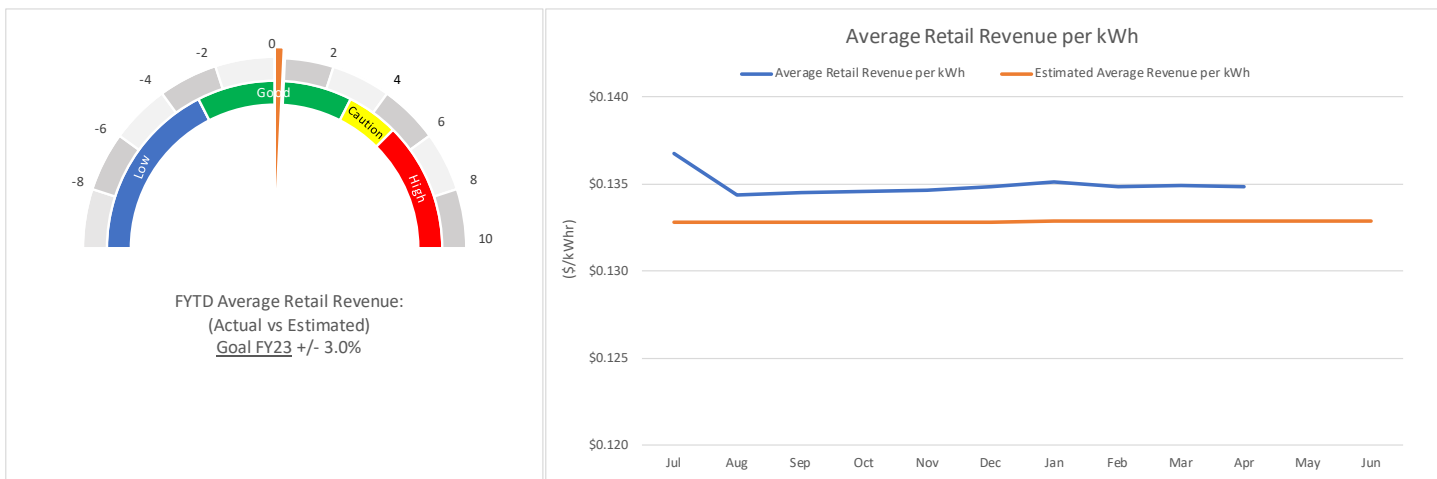


## 2) Power Supply

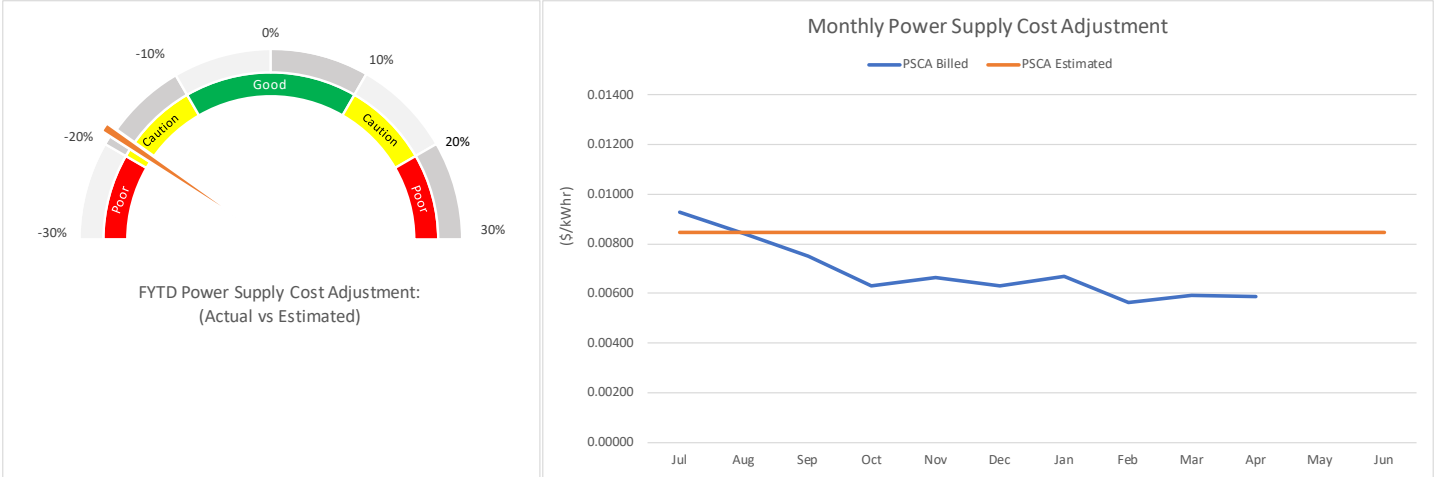


Note: Third largest customer closed in September 2023.

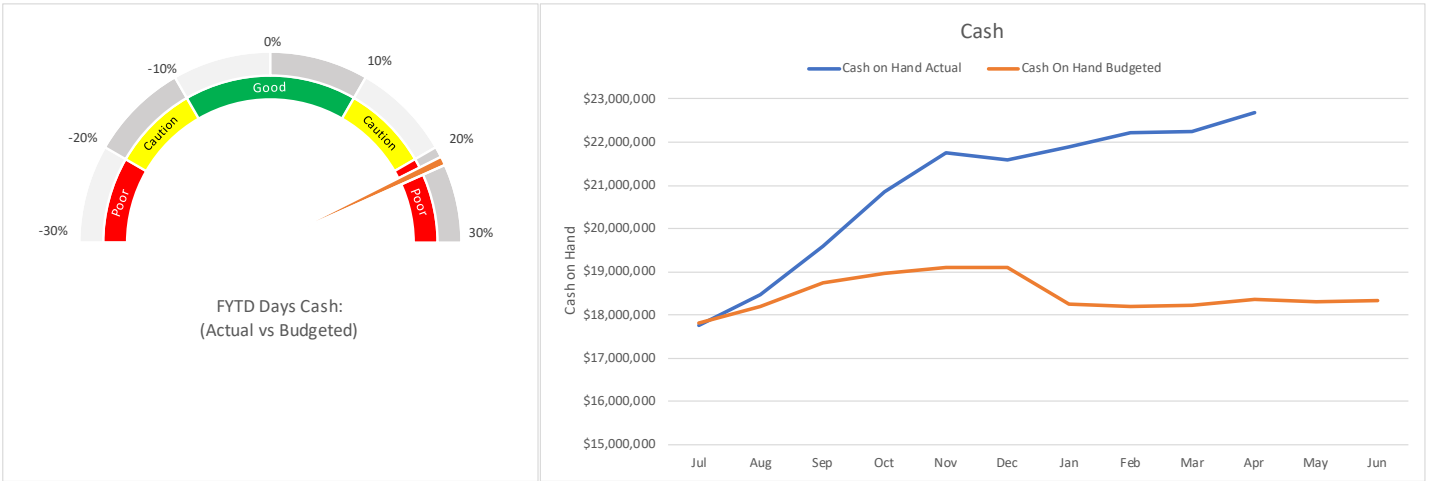
## 3) Average Retail Revenue per kWh



4) Rates/PSCA



5) Financial

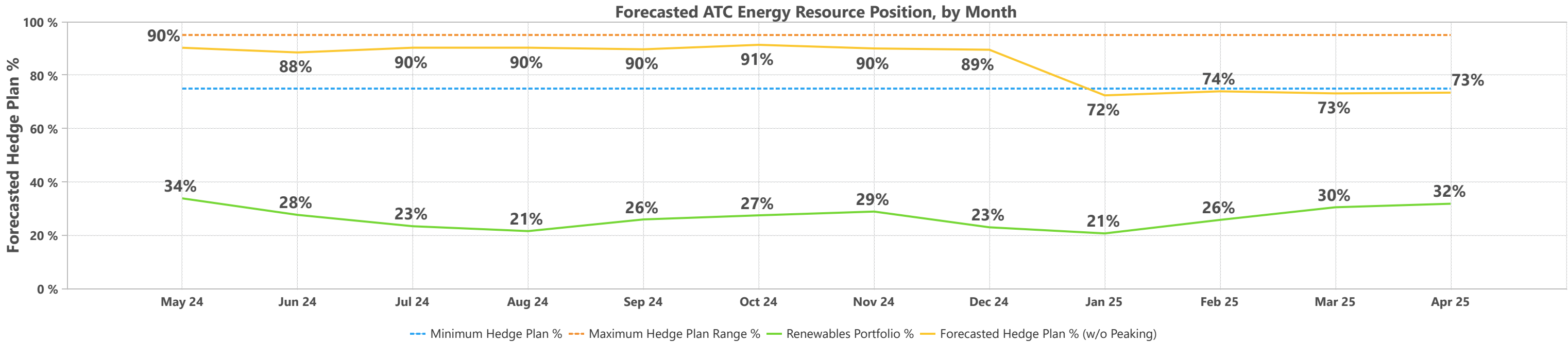


GRAN is forecasted to have an average of 85% of Around the Clock (ATC) Power Supply hedged over the upcoming 12 months, and Renewable Energy Resources are forecasted to provide an average of 26% towards load. Total Resources are forecasted to cost an average of \$49.01 Per MWh, and Market Balancing Energy is forecasted to come in at an average of \$43.37 per MWh. This results in a Total Forecasted Power Supply weighted average cost of \$48.80 over the upcoming 12 months.

Forecasted Prompt 12 Months Energy Resource Position for GRAN

Power Supply, MWh	May 24	Jun 24	Jul 24	Aug 24	Sep 24	Oct 24	Nov 24	Dec 24	Jan 25	Feb 25	Mar 25	Apr 25
Total Resources, MWh	19,859	22,244	26,289	26,791	21,423	20,169	18,950	20,199	17,543	16,505	17,051	15,453
Project Assets	1,990	1,823	1,800	1,823	1,849	1,956	1,892	1,898	2,025	1,832	1,965	1,986
Landfill Project	1,990	1,823	1,800	1,823	1,849	1,956	1,892	1,898	2,025	1,832	1,965	1,986
Contracted Power Supply	17,868	20,422	24,490	24,967	19,574	18,213	17,058	18,301	15,518	14,673	15,085	13,468
Contracted ESP Renewable PPAs	5,441	5,110	4,992	4,557	4,334	4,096	4,178	3,275	2,974	3,908	5,130	4,700
Contracted Bilateral Energy Transactions	12,427	15,312	19,498	20,410	15,240	14,117	12,880	15,026	12,544	10,765	9,955	8,768

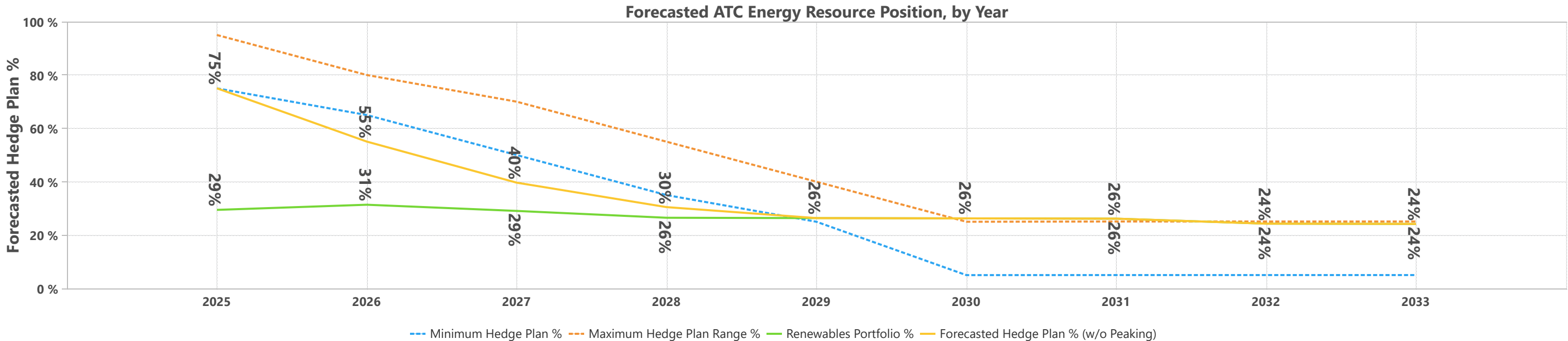
Total Power Supply	May 24	Jun 24	Jul 24	Aug 24	Sep 24	Oct 24	Nov 24	Dec 24	Jan 25	Feb 25	Mar 25	Apr 25
Forecasted Hedge Plan % (w/o Peaking)	90%	88%	90%	90%	90%	91%	90%	89%	72%	74%	73%	73%
Minimum Hedge Plan %	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
Maximum Hedge Plan Range %	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%
Renewables Portfolio %	34%	28%	23%	21%	26%	27%	29%	23%	21%	26%	30%	32%
Forecasted Load	(22,013)	(25,150)	(29,135)	(29,690)	(23,902)	(22,090)	(21,069)	(22,578)	(24,242)	(22,341)	(23,325)	(21,057)
Forecasted Market Balancing, MWh	(2,154)	(2,905)	(2,846)	(2,900)	(2,479)	(1,920)	(2,118)	(2,379)	(6,699)	(5,835)	(6,275)	(5,604)
Forecasted Hedge % (w/ Peaking)	90%	88%	90%	90%	90%	91%	90%	89%	72%	74%	73%	73%



Forecasted Outer Years Energy Resource Position for GRAN

Power Supply, MWh	2025	2026	2027	2028	2029	2030	2031	2032	2033
Total Resources, MWh	217,156	159,747	115,339	88,855	77,022	76,827	76,647	71,252	71,044
Project Assets	22,321	21,581	15,224	8,113	8,106	8,104	8,104	2,880	2,872
Landfill Project	22,321	21,581	15,224	8,113	8,106	8,104	8,104	2,880	2,872
Contracted Power Supply	194,836	138,167	100,115	80,742	68,917	68,724	68,543	68,373	68,172
Contracted ESP Renewable PPAs	62,922	69,484	69,294	69,121	68,917	68,724	68,543	68,373	68,172
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)	75%	55%	40%	30%	26%	26%	26%	24%	24%
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%	31%	29%	26%	26%	26%	26%	24%	24%
Forecasted Load	(289,444)	(290,191)	(290,860)	(291,468)	(292,032)	(292,552)	(293,000)	(293,382)	(293,760)
Forecasted Market Balancing, MWh	(72,288)	(130,444)	(175,521)	(202,614)	(215,010)	(215,725)	(216,353)	(222,130)	(222,716)
Forecasted Hedge % (w/ Peaking)	75%	55%	40%	30%	26%	26%	26%	24%	24%



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.

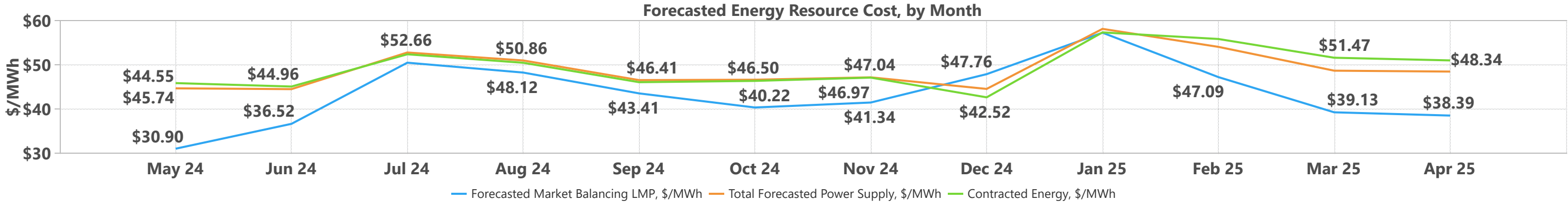
Power Supply \$'s	May 24	Jun 24	Jul 24	Aug 24	Sep 24	Oct 24	Nov 24	Dec 24	Jan 25	Feb 25	Mar 25	Apr 25
Total Resources, \$'s	(\$908,292)	(\$1,000,053)	(\$1,373,744)	(\$1,348,487)	(\$984,208)	(\$932,514)	(\$890,187)	(\$858,791)	(\$1,003,545)	(\$919,596)	(\$877,665)	(\$786,129)
Project Assets	(\$217,340)	(\$199,387)	(\$197,983)	(\$199,161)	(\$201,806)	(\$213,074)	(\$208,068)	(\$76,886)	(\$223,323)	(\$202,454)	(\$217,101)	(\$218,842)
Landfill Project	(\$217,340)	(\$199,387)	(\$197,983)	(\$199,161)	(\$201,806)	(\$213,074)	(\$208,068)	(\$76,886)	(\$223,323)	(\$202,454)	(\$217,101)	(\$218,842)
Contracted Power Supply	(\$690,952)	(\$800,666)	(\$1,175,761)	(\$1,149,326)	(\$782,402)	(\$719,440)	(\$682,119)	(\$781,905)	(\$780,222)	(\$717,142)	(\$660,564)	(\$567,287)
Contracted ESP Renewable PPAs	(\$241,250)	(\$225,179)	(\$218,763)	(\$199,937)	(\$192,224)	(\$183,889)	(\$190,135)	(\$149,644)	(\$138,199)	(\$180,464)	(\$234,792)	(\$213,830)
Contracted Bilateral Energy Transactions	(\$449,702)	(\$575,487)	(\$956,998)	(\$949,389)	(\$590,177)	(\$535,552)	(\$491,984)	(\$632,261)	(\$642,023)	(\$536,678)	(\$425,772)	(\$353,457)

Locational Basis, \$'s	May 24	Jun 24	Jul 24	Aug 24	Sep 24	Oct 24	Nov 24	Dec 24	Jan 25	Feb 25	Mar 25	Apr 25
Locational Basis (Projects)	(\$661)	(\$114)	(\$331)	(\$1,466)	(\$1,106)	(\$65)	(\$980)	\$17	(\$1,904)	(\$1,747)	(\$1,542)	(\$490)
Locational Basis (Contracted Power Supply)	(\$5,155)	(\$9,658)	(\$16,844)	(\$20,489)	(\$16,377)	(\$17,392)	(\$12,338)	(\$30,513)	(\$17,898)	(\$8,724)	(\$7,631)	(\$16,224)

Power Supply \$/MWh	May 24	Jun 24	Jul 24	Aug 24	Sep 24	Oct 24	Nov 24	Dec 24	Jan 25	Feb 25	Mar 25	Apr 25
Power Supply \$/MWh												
Project Assets												
Landfill Project	\$109.20	\$109.38	\$110.00	\$109.23	\$109.14	\$108.94	\$109.97	\$40.51	\$110.27	\$110.51	\$110.47	\$110.21
Contracted Power Supply												
Contracted ESP Renewable PPAs	\$44.34	\$44.07	\$43.82	\$43.88	\$44.36	\$44.89	\$45.50	\$45.70	\$46.47	\$46.17	\$45.77	\$45.50
Contracted Bilateral Energy Transactions	\$36.19	\$37.58	\$49.08	\$46.51	\$38.73	\$37.94	\$38.20	\$42.08	\$51.18	\$49.85	\$42.77	\$40.31

Locational Basis, \$/MWh	May 24	Jun 24	Jul 24	Aug 24	Sep 24	Oct 24	Nov 24	Dec 24	Jan 25	Feb 25	Mar 25	Apr 25
Locational Basis (Projects)	\$0.33	\$0.06	\$0.18	\$0.80	\$0.60	\$0.03	\$0.52	(\$0.01)	\$0.94	\$0.95	\$0.78	\$0.25
Locational Basis (Contracted Power Supply)	\$0.29	\$0.47	\$0.69	\$0.82	\$0.84	\$0.95	\$0.72	\$1.67	\$1.15	\$0.59	\$0.51	\$1.20

Total Power Supply	May 24	Jun 24	Jul 24	Aug 24	Sep 24	Oct 24	Nov 24	Dec 24	Jan 25	Feb 25	Mar 25	Apr 25
Forecasted Market Balancing LMP, \$/MWh	\$30.90	\$36.52	\$50.35	\$48.12	\$43.41	\$40.22	\$41.34	\$47.76	\$57.14	\$47.09	\$39.13	\$38.39
Forecasted Market Balancing LMP, \$'s	(\$66,564)	(\$106,098)	(\$143,291)	(\$139,539)	(\$107,613)	(\$77,239)	(\$87,582)	(\$113,606)	(\$382,743)	(\$274,812)	(\$245,506)	(\$215,146)
Total Forecasted Power Supply, \$/MWh	\$44.55	\$44.37	\$52.66	\$50.86	\$46.41	\$46.50	\$47.04	\$44.42	\$58.00	\$53.93	\$48.55	\$48.34
Total Forecasted Power Supply Costs, \$'s	(\$980,672)	(\$1,115,923)	(\$1,534,209)	(\$1,509,981)	(\$1,109,304)	(\$1,027,211)	(\$991,086)	(\$1,002,893)	(\$1,406,090)	(\$1,204,880)	(\$1,132,344)	(\$1,017,989)





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.

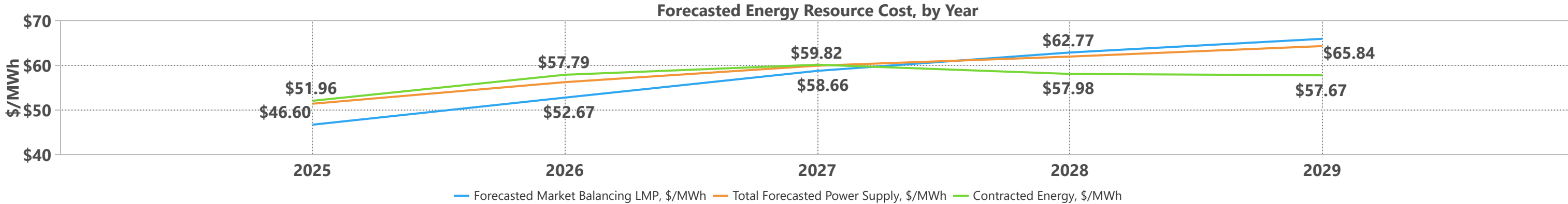
Power Supply \$'s	2025	2026	2027	2028	2029
Total Resources, \$'s	(\$11,282,827)	(\$9,231,814)	(\$6,924,498)	(\$5,151,485)	(\$4,441,700)
Project Assets	(\$2,388,641)	(\$2,366,171)	(\$1,669,909)	(\$924,838)	(\$948,028)
Landfill Project	(\$2,388,641)	(\$2,366,171)	(\$1,669,909)	(\$924,838)	(\$948,028)
Contracted Power Supply	(\$8,894,187)	(\$6,865,643)	(\$5,254,589)	(\$4,226,647)	(\$3,493,672)
Contracted ESP Renewable PPAs	(\$2,968,330)	(\$3,379,711)	(\$3,416,981)	(\$3,455,903)	(\$3,493,672)
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)	(\$11,067)	(\$12,010)	(\$12,919)	(\$2,839)	(\$2,898)
Locational Basis (Contracted Power Supply)	(\$185,876)	(\$175,179)	(\$165,328)	(\$157,415)	(\$151,657)

Power Supply \$/MWh	2025	2026	2027	2028	2029
Power Supply \$/MWh					
Project Assets					
Landfill Project	\$107.01	\$109.64	\$109.69	\$114.00	\$116.96
Contracted Power Supply					
Contracted ESP Renewable PPAs	\$47.17	\$48.64	\$49.31	\$50.00	\$50.69
Contracted Bilateral Energy Transactions	\$44.92	\$50.75	\$59.62	\$66.32	

Locational Basis, \$/MWh	2025	2026	2027	2028	2029
Locational Basis (Projects)	\$0.50	\$0.56	\$0.85	\$0.35	\$0.36
Locational Basis (Contracted Power Supply)	\$0.95	\$1.27	\$1.65	\$1.95	\$2.20

Total Power Supply	2025	2026	2027	2028	2029
Forecasted Market Balancing LMP, \$/MWh	\$46.60	\$52.67	\$58.66	\$62.77	\$65.84
Forecasted Market Balancing LMP, \$'s	(\$3,368,685)	(\$6,870,642)	(\$10,296,874)	(\$12,718,979)	(\$14,155,968)
Total Forecasted Power Supply, \$/MWh	\$51.30	\$56.13	\$59.82	\$61.86	\$64.21
Total Forecasted Power Supply Costs, \$'s	(\$14,848,456)	(\$16,289,645)	(\$17,399,619)	(\$18,030,719)	(\$18,752,224)

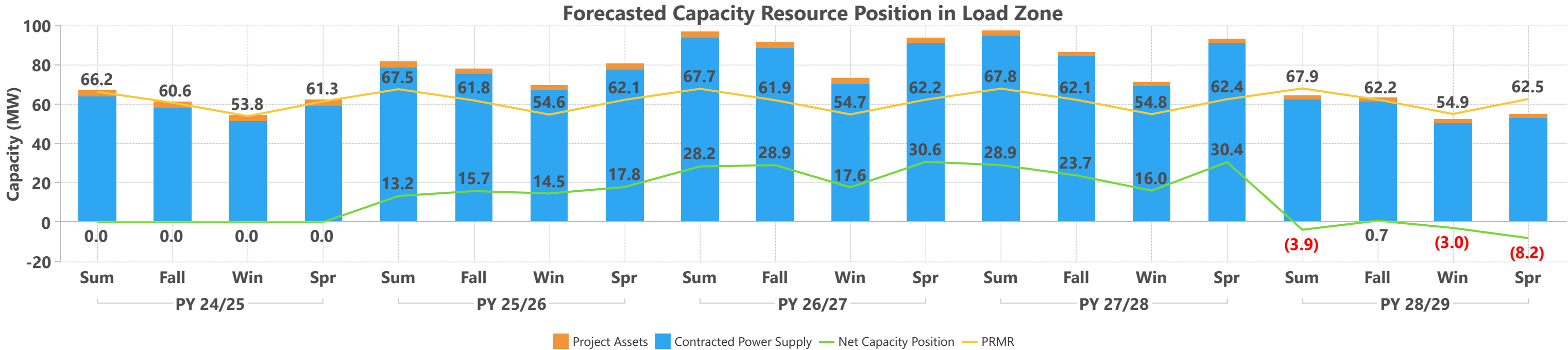


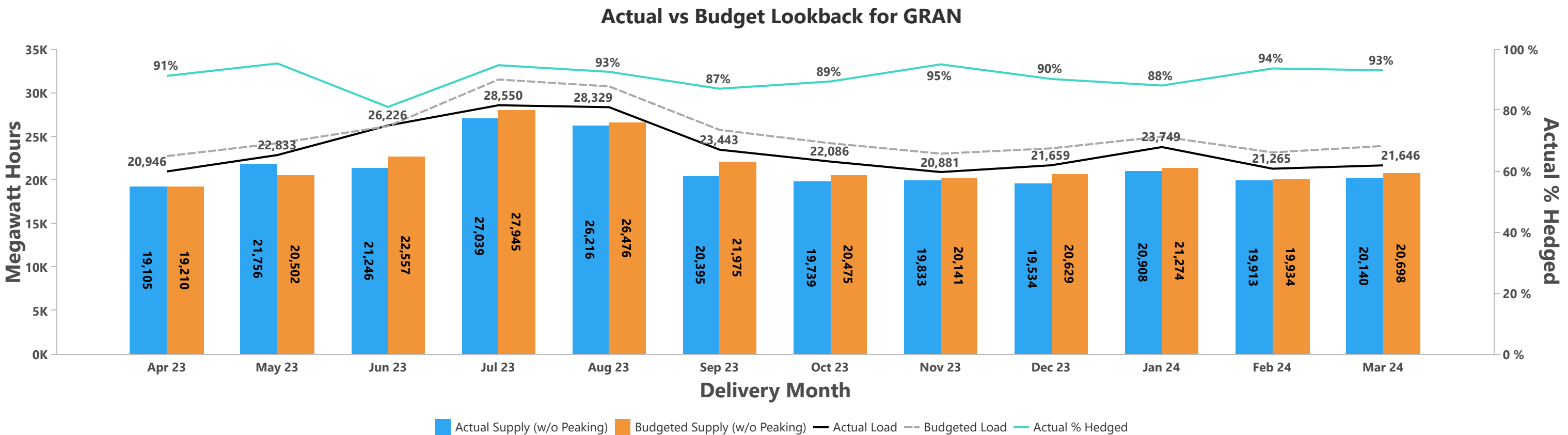
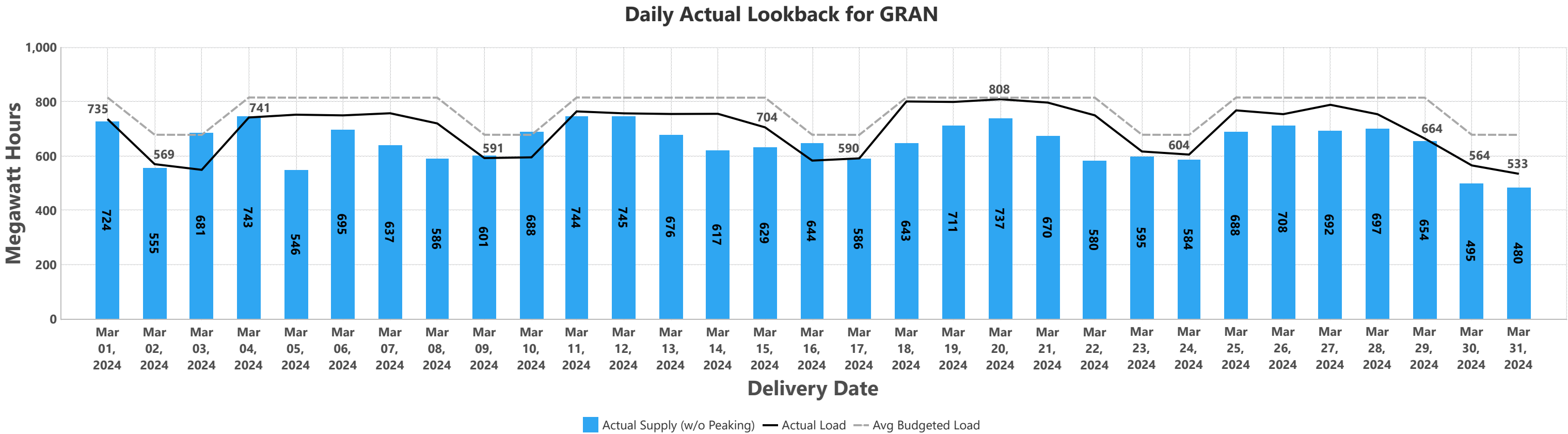
Forecasted Outer Years Capacity Resource Position for GRAN

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
Net Capacity Position	0.0	0.0	0.0	0.0	13.2	15.7	14.5	17.8	28.2	28.9	17.6	30.6	28.9	23.7	16.0	30.4	(3.9)	0.7	(3.0)	(8.2)
Zone 7	0.0	0.0	0.0	0.0	13.2	15.7	14.5	17.8	28.2	28.9	17.6	30.6	28.9	23.7	16.0	30.4	(3.9)	0.7	(3.0)	(8.2)
Contracted Power Supply	64.3	58.4	51.7	59.2	78.7	75.5	67.1	77.9	93.9	88.8	70.3	91.2	95.2	84.3	69.3	91.4	62.5	61.4	50.4	52.8
Contracted Bilateral Capacity Transactions	53.2	51.4	47.4	49.1	64.0	64.0	64.0	64.0	78.4	77.3	67.2	77.3	79.7	74.1	66.5	77.5	55.0	54.3	48.7	50.1
Contracted ESP Renewable PPAs	11.0	7.0	4.2	10.0	14.7	11.5	3.1	13.9	15.5	11.5	3.1	13.9	15.5	10.2	2.8	13.9	7.5	7.2	1.7	2.8
Planning Reserve Margin Requirement	(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)
Project Assets	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.
Total Net Capacity Bilats	(50.3)	(\$3,665,500)	\$6.09	(64.0)	(\$3,242,400)	\$4.22	(75.1)	(\$3,862,692)	\$4.29	(74.5)	(\$3,829,386)	\$4.28	(52.0)	(\$2,973,393)	\$4.77
Sum	(53.2)	(\$903,562)	\$5.66	(64.0)	(\$810,600)	\$4.22	(78.4)	(\$1,014,586)	\$4.31	(79.7)	(\$1,033,492)	\$4.32	(55.0)	(\$786,562)	\$4.77
Fall	(51.4)	(\$926,286)	\$6.00	(64.0)	(\$810,600)	\$4.22	(77.3)	(\$996,939)	\$4.30	(74.1)	(\$951,380)	\$4.28	(54.3)	(\$775,541)	\$4.77
Win	(47.4)	(\$951,781)	\$6.69	(64.0)	(\$810,600)	\$4.22	(67.2)	(\$852,468)	\$4.23	(66.5)	(\$842,799)	\$4.22	(48.7)	(\$695,502)	\$4.77
Spr	(49.1)	(\$883,871)	\$6.00	(64.0)	(\$810,600)	\$4.22	(77.3)	(\$998,698)	\$4.31	(77.5)	(\$1,001,715)	\$4.31	(50.1)	(\$715,787)	\$4.77

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
Total Net Capacity Position	0.0	\$0	(\$3,665,500)	3.3	\$227,700	(\$3,014,700)	4.4	\$303,600	(\$3,559,092)	4.0	\$276,000	(\$3,553,386)	(2.1)	(\$146,370)	(\$3,119,763)
Sum	0.0	\$0	(\$903,562)	13.2	\$227,700	(\$582,900)	0.0	\$0	(\$1,014,586)	0.0	\$0	(\$1,033,492)	0.0	\$0	(\$786,562)
Fall	0.0	\$0	(\$926,286)	0.0	\$0	(\$810,600)	0.0	\$0	(\$996,939)	0.0	\$0	(\$951,380)	0.0	\$0	(\$775,541)
Win	0.0	\$0	(\$951,781)	0.0	\$0	(\$810,600)	17.6	\$303,600	(\$548,868)	16.0	\$276,000	(\$566,799)	0.0	\$0	(\$695,502)
Spr	0.0	\$0	(\$883,871)	0.0	\$0	(\$810,600)	0.0	\$0	(\$998,698)	0.0	\$0	(\$1,001,715)	(8.2)	(\$146,370)	(\$862,157)





GRAND HAVEN BOARD OF LIGHT AND POWER  
GENERAL MANAGER'S REPORT  
BOARD MEETING OF MAY 23, 2024

5. B. The BLP Financial Statements and Dashboards for the month ending April 30, 2024, are provided for your information. These financial statements represent the BLP's financial position through 83% of the fiscal year.

**INCOME STATEMENT**

Income Statement Budget Variance	
	<u>over(under)</u>
Total Charges for Service	\$ (1,847,879)
Other Revenue	(53,619)
	(1,901,498)
Purchased Power	(815,712)
Departments Salary and Fringe	(352,789)
Departments Other	(344,383)
Other	69,175
	(1,443,709)
Depreciation	50,727
Non-Operating Revenue (Expenses)	661,194
Transfers to City of Grand Haven	(40,254)
Increase in Net Assets	<u>\$ 192,932</u>

**Operating revenues** are 82.44% of annual 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 1.16% below budget.

Retail Sales Budget Variance				
Kwh Over (Under) Budget	-4.69%	(11,260,288)	Kwh	\$ (1,496,067)
Sales\$ per Kwh Over (Under) Budget	-1.16%	\$ (0.00154)	per Kwh	\$ (351,813)
				\$ (1,847,879)

**Operating expenses** are 78.3% of annual budgeted operating expenses. All departments are under budget with the largest dollar variance being Purchased Power.

Purchased Power Budget Variance				
Kwh Over (Under) Budget	-5.29%	(13,026,986)	Kwh	\$ (853,329)
Cost Over (Under) Budget per Kwh	0.25%	\$ 0.16127	per Kwh	\$ 37,617
				\$ (815,712)

Year-to-Date **Renewable Energy Purchases** equal 56,187,247 Kwhs or 24.09% of power purchases.

GRAND HAVEN BOARD OF LIGHT AND POWER  
GENERAL MANAGER'S REPORT  
BOARD MEETING OF MAY 23, 2024

**The Increase in Net Position for the year is \$6,598,959.**

**BALANCE SHEET**

**Cash and Cash Equivalents are at \$22,674,873.** This is \$4,674,873 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 April 30, 2024, 60.6% of the capital projects have been disbursed (excluding the \$4,000,000 planned for facility purchase).

5. F. Confirm Purchase Orders – There are six (6) confirming Purchase Orders on the Consent Agenda this month of **\$90,680** for your confirmation.

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).

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

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 fourteen (14) Purchase Orders totaling **\$652,289** 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).

GRAND HAVEN BOARD OF LIGHT AND POWER  
GENERAL MANAGER'S REPORT  
BOARD MEETING OF MAY 23, 2024

I have three (3) PO's for which I would like to give more detail.

PO #23061 – City of Grand Haven: This PO is to allow the BLP to reimburse the City for work performed by HDR. The scope of work was to complete the required annual inspection of the Unit 3A/B impoundments. City Staff is recommending approval.

PO #23062 – City of Grand Haven: This PO is to allow the BLP to reimburse the City for work performed by HDR. The scope of work was to complete the required 5 year flood plan for the Unit 1/2 and Unit 3A/B impoundments. City Staff is recommending approval.

PO #23063 – City of Grand Haven: This PO is to allow the BLP to reimburse the City for work being performed by HDR. The scope of work is to provide technical assistance to the City and Legal Counsel in drafting the Administrative Consent Order (ACO) for the Unit 3A/B impoundments. City Staff is recommending approval.

RS/dm

Attachments

05/20/24



**Grand Haven Board of Light and Power**  
**FY 2024-2025 Budget**  
Final



# 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

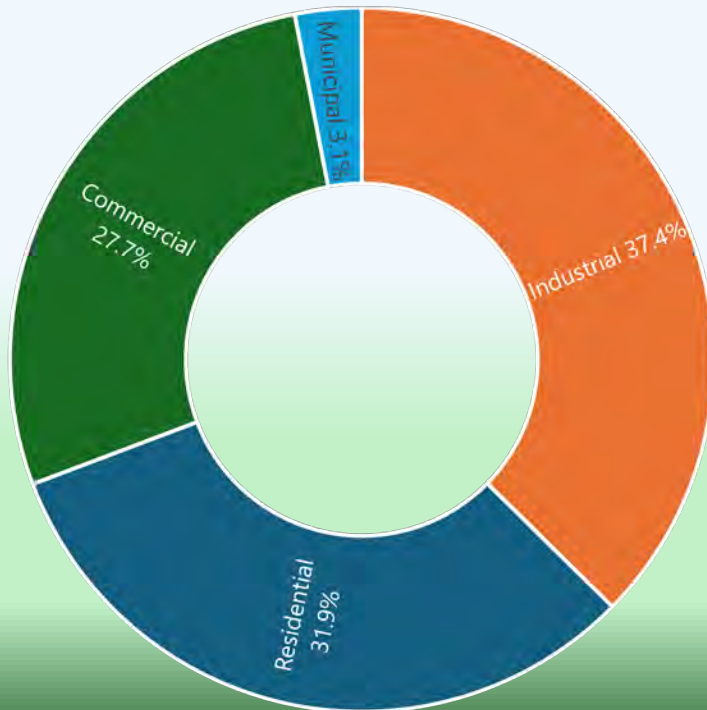


# Operating Sales-Power Sold-15,000 Meters

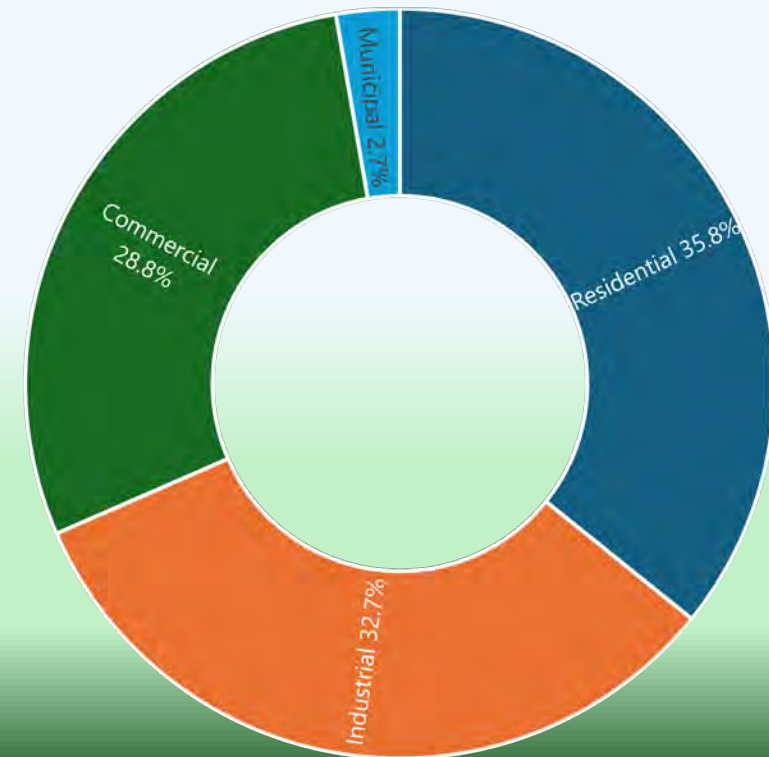
- Budget FY2025                      274,500                      \$36,790,322\*

\*We are planning NO change in base rates for FY2025

FY2025 Budgeted KWHs

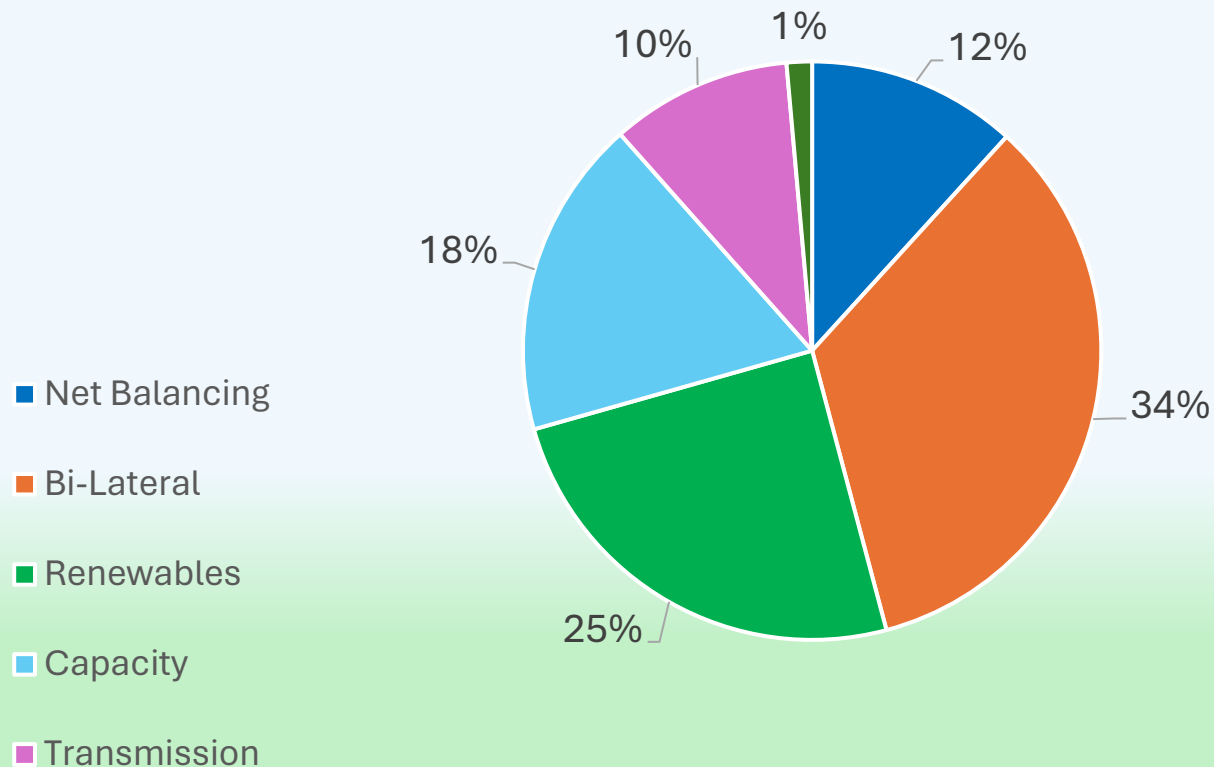


FY2025 Budgeted Charges



# Purchased Power- 69% of Operating Expenses

FY25 Final Budget - \$20.26 million



# 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. Employer portion of Health Care is budgeted at \$672,000. Employees will contribute 6% in 2024 and 7% in 2025 of health care rates.

**Legacy Pension Expense- 2% of Operating Expenses** -\$500,000-yearly contribution above and beyond employer contribution for current employees of 10%

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

**Other Department Expenses- 8% of Operating Expenses** - 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

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

- FY25 Interest Expense on the 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 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
Other Distribution	\$1,031,000
Substation Upgrades	\$40,000
Renovations to Eaton Drive site	\$790,000
Technology	\$73,000

# 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 \$21,813,220

Increase in Net Assets in FY25 is anticipated to be \$4,492,664



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

	<b>Actual 2021-2022</b>	<b>Actual 2022-2023</b>	<b>Budget 2023-2024</b>	<b>Forecast 2023-2024</b>	<b>Budget 2024-2025</b>	<b>Budget to Forecast Variance</b>	<b>Budget to Budget Variance</b>
<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	20,263,682	2,077,243	963,682
Distribution						-	-
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	2,943,250	(37,890)	(199,554)
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>29,531,142</b>	<b>2,862,264</b>	<b>812,186</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>7,894,780</b>	<b>(1,484,076)</b>	<b>(2,145,545)</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>5,713,960</b>	<b>(1,640,896)</b>	<b>(2,302,365)</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>4,492,664</b>	<b>(2,218,405)</b>	<b>(1,967,211)</b>

**Cash Flow**

Starting on hand Including Bond Proceeds	43,744,578
Restricted Cash	(21,069,705)
Increase in Operating Net Assets	4,492,664
Depreciation in Increase of in Net Assets	2,180,820
Deposits to MPIA /MPPA	(1,250,000)
Purchase of Capital Assets	(3,885,137)
Bond Principal Payment Due 1/2025	(2,400,000)
<b>Ending</b>	<b>21,813,220</b>

GRAND HAVEN BOARD OF LIGHT AND POWER  
5 YEAR CAPITAL PLAN FY2025-2029

		FY25	FY26	FY27	FY28	FY29	5 YEAR Cost
<b>DISTRIBUTION MAINTENANCE AND OPERATIONS</b>							
<b>Blanket Accounts</b>							
Pole Blanket	DB0011	125,000	125,000	125,000	125,000	125,000	625,000
Overhead Lines Blanket	DB0021	200,000	200,000	200,000	200,000	200,000	1,000,000
Underground Lines Blanket	DB0041	130,000	130,000	130,000	130,000	130,000	650,000
Transformers Blanket	DB0051	200,000	200,000	200,000	200,000	200,000	1,000,000
New Services Blanket	DB0061	70,000	70,000	70,000	70,000	75,000	355,000
New Metering Blanket	DB0071	40,000	42,500	42,500	45,000	45,000	215,000
New Street Lights Blanket	DB0081	20,000	20,000	25,000	25,000	25,000	115,000
Streetlight LED Conversions	D00090						0
City Road Upgrades Blanket	DB0101	80,000	80,000	80,000	80,000	80,000	400,000
							0
<b>Vehicle Replacement</b>	DVXXXX		660,000	780,000	480,000	545,000	2,465,000
Backyard Machine	DV2401						0
Tree Bucket	DV2501	235,000					235,000
Tree Chipper		62,500					62,500
Dump Trailer		16,000					16,000
							0
<b>2400V Upgrades</b>							0
DeSpelder Voltage Upgrade	D00965						0
							0
<b>Overhead Circuit Reconstructor/Rebuild</b>			1,450,000	1,850,000	2,450,000	2,500,000	8,250,000
Circuit Rebuild/Riverhaven 3	D01075						0
Circuit Osipoff-42	D00700						0
Circuit Osipoff-34	D00600						0
Marion Ave Rebuild		270,000					270,000
Ckt 13 & 14 Rebuild (Beechtree)		1,150,000					1,150,000
Ckt 41 Hospital Feed		500,000					500,000
West Spring Lake Rd (Williams to 168th)		160,000					160,000
Beechtree/Waverly Area		420,000					420,000
							0
<b>Undergrounding Circuit Reconstructor/Rebuild</b>			975,000	1,000,000	500,000	825,000	3,300,000
Harbor Drive Undergrounding	D02100	1,000,000	500,000				1,500,000
Ohio & Ferry Apts		35,000					35,000
							0
<b>Substation Upgrades</b>							0
Morford Sub Line Relaying Upgrade	D00841	40,000					40,000
North Sub Transformer T2-Circuit North-60	D00851						0
							0
<b>Service Area Expansion</b>		100,000	100,000	100,000	100,000	125,000	525,000
UG Service North Shore Marina	D02090						0
							0
<b>Misc Items</b>							0
OMS Texting	D03000						0
Locator		16,000					16,000
Cap Banks		15,000	15,000				30,000
<b>SUBTOTAL</b>		<b>4,884,500</b>	<b>4,567,500</b>	<b>4,602,500</b>	<b>4,405,000</b>	<b>4,875,000</b>	<b>23,334,500</b>
<b>ADMINISTRATION/FACILITIES</b>							
Admin Facility		725,000	600,000				1,325,000
HVAC	AM2401						0
East HVAC		30,000					30,000
Front Concrete Pad							0
Misc. Admin		35,000	35,000	35,000	35,000	35,000	175,000
<b>SUBTOTAL</b>		<b>790,000</b>	<b>635,000</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>	<b>1,530,000</b>
<b>TECHNOLOGY</b>							
Technology Upgrades	A00320			10,000	10,000	10,000	30,000
Substation Backup Network		68,000					68,000
Network Backup System							0
Host Server Replacement							0
Printers Replacement			10,000				10,000
San Storage							0
Microsoft Windows Server Upgrades			0		12,000	13,000	25,000
Network Infrastructure				10,000	10,000	10,000	30,000
Wi-Fi Upgrades			5,000				5,000
Firewall		5,000	30,000				35,000
<b>SUBTOTAL</b>		<b>73,000</b>	<b>45,000</b>	<b>20,000</b>	<b>32,000</b>	<b>33,000</b>	<b>203,000</b>
<b>TOTAL CAPITAL</b>		<b>\$ 5,747,500</b>	<b>\$ 5,247,500</b>	<b>\$ 4,657,500</b>	<b>\$ 4,472,000</b>	<b>\$ 4,943,000</b>	<b>\$ 25,067,500</b>

**RESOLUTION OF THE GRAND HAVEN BOARD OF LIGHT & POWER**

**TO APPROVE THE FISCAL YEAR 2025 BUDGET**

**WHEREAS** THE BOARD OF LIGHT AND POWER HAS ESTABLISHED A BUDGET WHICH INCLUDES OPERATING AND NONOPERATING REVENUE AND EXPENSES FOR THE FISCAL YEAR 2025; AND,

**WHEREAS** THE BOARD OF LIGHT & POWER HAS INCLUDED PROJECTIONS FOR RETAIL SALES ALONG WITH PURCHASED POWER, EMPLOYEE AND OTHER EXPENSES.

**NOW THEREFORE BE IT RESOLVED** THE BOARD OF LIGHT AND POWER BELIEVES THAT THESE PROJECTIONS ARE REASONABLE AND BASED ON BEST PRACTICES; AND,

**BE IT FURTHER RESOLVED** THE BOARD OF LIGHT AND POWER APPROVES THE BUDGET AS PRESENTED FOR THE FISCAL YEAR 2025.

**RESOLUTION OF THE GRAND HAVEN BOARD OF LIGHT &  
POWER TO APPROVE THE FISCAL YEAR 2025 CAPITAL PLAN**

**WHEREAS** THE BOARD OF LIGHT AND POWER HAS ESTABLISHED A FIVE-YEAR CAPITAL PLAN FOR THE FISCAL YEARS 2025-2029; AND,

**WHEREAS** THE BOARD OF LIGHT & POWER HAS INCLUDED ESTIMATED COSTS FOR PROJECTS ANTICIPATED TO BEGIN IN THE FISCAL YEAR 2025 AND PURCHASES FOR CAPITALIZED INVENTORY.

**NOW THEREFORE BE IT RESOLVED** THE BOARD OF LIGHT AND POWER BELIEVES THAT THESE PROJECTIONS ARE REASONABLE AND BASED ON BEST PRACTICES AND RECENT ENGINEERING STUDIES; AND

**BE IT FURTHER RESOLVED** THE BOARD OF LIGHT AND POWER IS APPROVING THE FIVE-YEAR CAPITAL PLAN PRESENTED FOR THE FISCAL YEAR 2025.

# Key Accounts - 2024





Robert Shelley P.E.  
Interim General Manager

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#### GHBLP Stats:

- Created 1896
- 15,000 Customers
- 22.2 Square Miles
  - City of GH, Ferrysburg, Spring Lake Twp, GH Twp, Robinson Twp
- 4 Substations
- 13 Miles of Transmission Lines
- 112 Miles of Overhead Lines
- 73 Miles of Underground Lines



# Reliability

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- APPA RP3 Awards
  - 2021 – 2024
  - 2024 – 2027
- APPA Safety Awards
  - 2021
  - 2023
- 2023 Outage hours: 2.6
  - 2022 MI Avg: 8.55



American Public Power Association

**DIAMOND LEVEL**



# Affordability

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- Community Owned Not for Profit
- Lower Rates
  - >20% on Residential
  - >6% on Industrial
- Financial Management
  - Adequate Cash Reserves
  - Diversified Power Portfolio
- \$17M Reserved for Harbor Island
  - CCR Remediation





# Sustainability

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- Currently 23% Green Energy
- 28% Renewable by 2025
- Energy Waste Reduction
  - Over 30 Million kWh Savings/yr
  - Rebates
  - Appliance Recycling
  - LED Street Lights
- Green Energy Rider
  - \$0.80 per 100kWh



# Contact Info

Grand Haven BLP Website:  
[ghblp.org](http://ghblp.org)

Customer Service:  
616-846-6250  
[customerservice@ghblp.org](mailto:customerservice@ghblp.org)

Office:  
1700 Eaton Drive  
Grand Haven  
Hours: 8:00 – 5:00 M - F





# Memorandum

*To: Board of Directors*

*From: Danielle Martin, Administrative Services Supervisor*

*Date: May 20, 2024*

*Subject: Executive Search Timeline*

A proposed timeline for the executive search process with Mycoff Fry Partners (MFP) is provided below. Any desired adjustments can be made at this week's Board meeting.

- MFP networks the position: May 13<sup>th</sup> through June 14<sup>th</sup>
- MFP submits resumes, candidate summaries, and recommendations: June 19<sup>th</sup>
- Board selects semi-finalists: June 20<sup>th</sup>
  - Special meeting before the regularly scheduled meeting at 6:00pm.
  - Lanie Mycoff to attend via video call.
- Board selects finalists: July 18<sup>th</sup>
  - Special meeting before the regularly scheduled meeting at 6:00pm.
  - Lanie Mycoff to attend via video call.
- Interviews: Week of August 5<sup>th</sup> through 9<sup>th</sup>
  - MFP suggests holding two days.
  - Lanie Mycoff to attend in person.
  - Specific days to be discussed at this week's meeting.
- Board deliberates and selects candidate: August 15<sup>th</sup>
  - Agenda item for the Board's regularly scheduled meeting.