

GRAND HAVEN BOARD OF LIGHT AND POWER MEETING AGENDA

Thursday, December 19, 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
 1. November 14, 2024 Regular Meeting Minutes*
 - B. Receive and File: November Financial Statements, Power Supply & Retail Sales Dashboards *
 - C. Receive and File: November Key Performance Indicators (KPI) Dashboard *
 - D. Receive and File: MPPA ESP Resource Position Report (dated 11/26/2024) *
 - E. Approve Payment of Bills (\$2,517,242.52 in total)
 1. In the amount of \$2,383,626.88 from the Operation & Maintenance Fund
 2. In the amount of \$133,615.64 from the Renewal & Replacement Fund
 - F. Approve Confirming Purchase Orders (\$39,500 in total)
 1. PO #23248, Verdantas, \$39,500 (Metronet Pole Attachment Review)
6. General Manager's Report *
 - A. Approve Purchase Orders (\$973,656 in total) (1)
 1. PO #22241-3, City of Grand Haven, \$160,351 (HDR – CCR Ground Water Sampling)
 2. PO #23242, Irby, \$22,756 (3 Phase Switch x 3 for BLP Stock)
 3. PO #23245, Kent Power, \$639,545 (Harbor Dr UG Labor)
 4. PO #23254, Morbark, \$58,963 (Replacement Tree Chipper)
 5. PO #23256, C&S Solutions, \$15,841 (New UG Locator)
 6. PO #23258, Great Blue Research, \$25,000 (Customer Satisfaction Survey)
 7. PO #23262, Utility Financial Solutions, \$42,500 (Rate Study)
 8. PO #23272, State of Michigan, \$8,700 (2025 NPDES Permit)
 - B. MDOT – Performance Resolution for Municipalities * (1)
 - C. MPPA – Energy & REC PPC * (1)
 - D. Progressive A&E – Eaton Drive Building Project * (2)
7. Chairman's Report
 - A. Harbor Island Legal Fees (1)
 - B. Governance Training – Lessons 13 Discussion (3)
 - C. Governance Training – Watch Lesson 14 for January Discussion (3)
8. Other Business
9. Public Comment Period
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
NOVEMBER 14, 2024

A regular meeting of the Grand Haven Board of Light and Power was held on Thursday, November 14, 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, Polyak, Welling and Westbrook.

Absent: Director Knoth.

Others Present: General Manager Rob Shelley, Secretary to the Board Danielle Martin, Finance Manager Lynn Diffell, Distribution and Engineering Manager Austin Gagnon and Information Technology Specialist Dan Deller.

24-16A Director Welling, supported by Director Polyak, moved to excuse Director Knoth from the meeting due to a scheduling conflict.

Roll Call Vote:

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

24-16B Director Polyak, supported by Director Welling, moved to approve the meeting agenda.

Roll Call Vote:

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

Pledge of Allegiance

Public Comment Period

Ryan Cotton, 515 Park Avenue, provided an update on the Sustainability and Energy Commission. The Commission would like to be placed on the Board's December meeting agenda to give a presentation.

24-16C Director Welling, supported by Director Polyak, moved to approve the consent agenda. The consent agenda includes:

- Approve the minutes of the October 17, 2024 Regular Board Meeting
- Receive and file the October Financial Statements, Power Supply and Retail Sales Dashboards
- Receive and File the October Key Performance Indicator (KPI) Dashboard
- Receive and File the MPPA Energy Services Project Resource Position Report dated 10/31/2024

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- Approve payment of bills in the amount of \$2,296,364.73 from the Operation & Maintenance Fund
- Approve payment of bills in the amount of \$137,725.42 from the Renewal & Replacement Fund
- Approve Purchase Order #23232 to CRC in the amount of \$12,000 for the fiscal year 2025 call center subscription
- Approve Purchase Order #23236 to Charter Spectrum Internet in the amount of \$8,750 for fiscal year 2025 fiber internet services

Staff investigated the trend in lower than expected industrial sales mentioned at the Board's October meeting. Contributing factors include the way West Michigan Molding sales were allocated and a lower cost of power overall. Staff expects sales to come back in line with the budget as the year progresses.

Roll Call Vote:

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

24-16D Director Welling, supported by Director Polyak, moved to approve the Purchase Orders. The Purchase Orders include:

- Purchase Order #23230 to Rehmann Technology in the amount of \$12,886 for network firewalls
- Purchase Order #23234 to Power Line Supply in the amount of \$51,079 for Harbor Drive underground materials
- Purchase Order #23237 to Rehmann Technology in the amount of \$14,685 for Barracuda cloud backup for three years
- Purchase Order #23239 to Irby in the amount of \$44,544 for nine pole mount transformers for stock

Roll Call Vote:

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

24-16E Director Welling, supported by Director Crum, moved to adopt the Annual Exemption Option as set forth in Public Act 152 (Attachment A).

Public Act 152 limits the amount public employers can contribute to employee health care. A hard cap limit is set each year. If the employer is contributing below the hard cap amount, no further action is required. If the employer is contributing more than the hard cap amount, the

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employer can comply by either requiring the employee to contribute 20% of the monthly healthcare premium or by opting out of the Act.

In 2025, BLP employees will pay 7% of the monthly premium for healthcare coverage while the employer will pay the remaining 93%. The employer contribution will be more than the hard cap limit. Staff recommends the Board adopt the exemption option to provide this benefit to our employees.

Roll Call Vote:

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

24-16F 2025 Customer Satisfaction surveys were discussed. A purchase order to conduct the surveys will be on the Board's December meeting agenda. The General Manager asked the Board if there were any topics they would like to include ahead of strategic planning in 2026. By consensus, the Board asked for questions regarding Board accessibility and transparency, internal generation, and types of generation desired to be included in the survey.

No formal action taken.

24-16G The General Manager announced the BLP received a silver level Customer Satisfaction Award from APPA. The BLP also received a three-year designation as a Smart Energy Provider from APPA.

No formal action taken.

24-16H The Board discussed Governance Training Lessons 11 "The Board Meeting" and 12 "Board Conflict"

No formal action taken.

24-15I The Board will watch Governance Training Lesson 13 for discussion at December's meeting.

No formal action taken.

Other Business

The General Manager provided the following updates:

- The BLP partnered with the Community Action Agency to host an event tonight at River Haven. Erik Booth and his team are passing out home weatherization and energy saving kits aimed at helping customers reduce energy waste.
- The General Manager recently presented the utility energy plan to the Ferrysburg and Grand Haven City Councils. A copy of the slides were provided to the Board.

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- The Grand Haven City Council approved the Harbor Island Approval Procedures. The DPW Director will be at the Board's meetings in December and January to present upcoming task orders and contracts to the Board. There are outstanding legal bills that will need approval. The General Manager will meet with the City Manager and DPW Director to determine which portion of the bills the Board will be asked to pay.

Public Comment Period

No comments.

Adjournment

At 6:38 PM by motion of Director Welling, supported by Director Crum, the November 14, 2024 Board meeting was unanimously adjourned.

Respectfully submitted,

Danielle Martin
Secretary to the Board

DM

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Attachment A

RESOLUTION TO ADOPT THE ANNUAL EXEMPTION OPTION AS SET FORTH IN 2011 PUBLIC ACT 152 THE PUBLICLY FUNDED HEALTH INSURANCE CONTRIBUTION ACT

WHEREAS, 2011 Public Act 152 (the "Act") was passed by the State Legislature and signed by the Governor on September 24, 2011; and

WHEREAS, the Act contains three options for complying with the requirements of the Act; and

WHEREAS, the three options are as follows:

- 1) Section 3 - "Hard Caps" Option - limits a public employer's total annual health care costs for employees based on coverage levels, as defined in the Act;
- 2) Section 4 - "80%/20%" Option - limits a public employer's share of total annual health care costs to not more than 80%. This option requires an annual majority vote of the governing body;
- 3) Section 8 - "Exemption" Option - a local unit of government, as defined in the Act, may exempt itself from the requirements of the Act by an annual 2/3 vote of the governing body; and

WHEREAS, the Grand Haven Board of Light and Power has decided to adopt the annual Exemption option as its choice of compliance under the Act.

NOW THEREFORE, BE IT RESOLVED, the Grand Haven Board of Light and Power elects to comply with the requirements of 2011 Public Act 152, the Publicly Funded Health Insurance Contribution Act, by adopting the annual Exemption option for the medical benefit plan coverage year January 1, 2025 through December 31, 2025.

RESOLUTION DECLARED ADOPTED

Dated: November 14, 2024

Danielle Martin, Board Secretary
Grand Haven Board of Light & Power

CERTIFICATION

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Grand Haven Board of Light & Power, at a meeting held on October 17, 2024, and that public notice of said meeting was given pursuant to, and in compliance with, Act 267 of the Public Acts of Michigan of 1976, as amended.

November 14, 2024

Robert Shelley, General Manager
Grand Haven Board of Light & Power

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

	<u>NOVEMBER 2024</u>	<u>NOVEMBER 2023</u>
ASSETS		
CURRENT ASSETS		
CASH AND CASH EQUIVALENTS	\$27,331,152	\$21,637,625
ACCOUNTS RECEIVABLE	4,161,854	4,038,442
PREPAID	5,161	15,946
	31,498,167	25,692,013
NON-CURRENT ASSETS		
DEPOSITS HELD BY MPIA	10,550,269	8,822,836
DEPOSITS HELD BY MPPA	2,500,000	2,500,000
ADVANCE TO CITY OF GRAND HAVEN	571,284	668,041
MITIGATION FUND	16,745,677	13,926,147
2021A BOND FUND	783,310	6,643,255
2021A BOND REDEMPTION FUND	2,380,732	2,365,052
	33,531,272	34,925,331
CAPITAL ASSETS		
CONSTRUCTION IN PROGRESS	1,041,615	2,381,362
PROPERTY, PLANT AND EQUIPMENT	68,381,811	66,525,483
LESS ACCUMULATED DEPRECIATION	(30,912,404)	(31,194,975)
	38,511,022	37,711,870
TOTAL ASSETS	\$103,540,461	\$98,329,214
DEFERRED OUTFLOWS/(INFLOWS)		
PENSION/OPEB RELATED	3,736,804	4,681,112
	3,736,804	4,681,112
LIABILITIES		
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	1,386,111	1,728,873
SERIES 2021A BOND CURRENT	2,533,642	2,549,442
ACCRUED PAYROLL LIABILITIES	143,212	270,798
CUSTOMER DEPOSITS	947,453	988,643
ACCRUED TRANSFER FUND	141,791	141,975
	5,152,209	5,679,731
LONG TERM LIABILITIES		
ASSET RETIREMENT OBLIGATION - MITIGATION	17,324,124	16,814,727
ACCRUED SICK AND PTO	244,880	236,405
SERIES 2021A BOND	17,900,000	20,300,000
NET PENSION LIABILITIES	5,491,563	6,301,362
NET OTHER POST EMPLOYMENT BENEFIT	929,482	500,888
	41,890,049	44,153,382
TOTAL LIABILITIES	47,042,258	49,833,113
NET POSITION		
BEGINNING OF THE YEAR	56,080,669	48,794,255
YTD INCREASE IN NET ASSETS	4,154,338	4,382,958
NET POSITION	60,235,007	53,177,213
TOTAL LIABILITIES AND EQUITY	\$107,277,265	\$103,010,326

**GRAND HAVEN BOARD OF LIGHT AND POWER
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE MONTH OF NOVEMBER 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	\$ 914,041	\$ 5,995,167	\$ 5,767,755	\$ 227,412	3.94%	\$ 923,192	\$ 5,825,108	\$ 170,059	2.92%
Commercial Sales	804,813	4,699,726	4,642,069	57,657	1.24%	790,796	4,625,510	74,216	1.60%
Industrial Sales	951,135	4,991,836	5,263,998	(272,162)	-5.17%	956,400	5,240,688	(248,852)	-4.75%
Municipal Sales	67,128	471,333	441,614	29,719	6.73%	68,260	457,221	14,112	3.09%
Total Charges for Services	2,737,117	16,158,062	16,115,436	42,626	0.26%	2,738,648	16,148,527	9,535	0.06%
Street Lighting	28,095	140,286	140,000	286	0.20%	28,042	142,219	(1,933)	-1.36%
Other Revenue	88,271	365,377	124,833	240,544	192.69%	13,419	194,161	171,216	88.18%
Total Operating Revenue	2,853,483	16,663,725	16,380,269	283,456	1.73%	2,780,109	16,484,907	178,818	1.08%
Operating Expenses									
Net Purchased Power	1,458,652	8,462,053	8,724,089	(262,036)	-3.00%	1,318,634	7,945,360	516,693	6.50%
Distribution Operations	132,357	578,899	745,333	(166,434)	-22.33%	138,735	620,587	(41,688)	-6.72%
Distribution Maintenance	263,336	1,229,367	1,471,287	(241,920)	-16.44%	239,179	1,270,971	(41,604)	-3.27%
Energy Optimization	11,906	80,297	135,416	(55,119)	-40.70%	16,837	61,060	19,237	31.51%
Administration	304,514	1,224,373	1,301,058	(76,685)	-5.89%	266,876	1,151,529	72,844	6.33%
Legacy Pension Expense	5,147	62,323	208,333	(146,010)	-70.08%	43,380	214,266	(151,943)	-70.91%
Operating Expenses Before Depreciation	2,175,912	11,637,312	12,585,516	(948,204)	-7.53%	2,023,641	11,263,773	373,539	3.32%
Operating Changes Before Depreciation	677,571	5,026,413	3,794,753	1,231,660	32.46%	756,468	5,221,134	(194,721)	-3.73%
Depreciation	186,487	924,277	908,671	15,606	1.72%	175,263	876,276	48,001	5.48%
Operating Changes	491,084	4,102,136	2,886,082	1,216,054	42.14%	581,205	4,344,858	(242,722)	-5.59%
Nonoperating Revenue/(Expenses)	73,480	435,927	257,591	178,336	69.23%	91,600	443,311	(7,384)	-1.67%
Asset Retirement Expense	24,698	24,698	-	24,698	#DIV/0!	-	-	24,698	#DIV/0!
Environmental Surcharge	70,606	427,889	416,665	11,224	2.69%	72,817	430,870	(2,981)	-0.69%
Non-Operating Revenue/(Expenses)	168,784	888,514	674,256	214,258	31.78%	164,417	874,181	14,333	1.64%
Transfers to City of Grand Haven	(141,791)	(836,312)	(805,772)	(30,540)	3.79%	(141,975)	(836,081)	(231)	0.03%
Increase in Net Assets	\$ 518,077	\$ 4,154,338	\$ 2,754,566	\$ 1,399,772	50.82%	\$ 603,647	\$ 4,382,958	\$ (228,620)	-5.22%

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

Power Supply for Month (kWh)	<u>FY2025</u>		<u>FY2024</u>	
Net Purchased (Sold) Power	14,901,092	74.53%	15,197,804	72.71%
Renewable Energy Purchases	5,093,256	25.47%	5,704,704	27.29%
Monthly Power Supply Total	19,994,348		20,902,508	
Days in Month	30		30	
Average Daily kWh Supply for Month	666,478		696,750	
% Change	-4.34%			

Power Supply FYTD	<u>FY2025</u>		<u>FY2024</u>	
Net Purchased (Sold) Power	91,215,240	74.69%	95,454,451	77.42%
Renewable Energy Purchases	30,911,605	25.31%	27,834,966	22.58%
FYTD Power Supply Total	122,126,845		123,289,417	
FYTD Days (from 7/1)	153		153	
Average Daily kWh Supply FYTD	798,215		805,813	
% Change	-0.94%			

	<u>FY2025</u>		<u>FY2024</u>
Net Purchased Power Expenses	\$8,462,053		\$7,945,360
% Change	6.50%		
Net Energy Expenses per kWh Supplied to System FYTD	\$0.06929		\$0.06444
% Change	7.52%		

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

<u>Monthly Retail Customers</u>	<u>FY2025</u>		<u>FY2024</u>	
Residential	13,276	87.51%	13,102	87.42%
Commercial	1,654	10.90%	1,645	10.98%
Industrial	126	0.83%	126	0.84%
Municipal	114	0.75%	115	0.77%
Total	15,170		14,988	
<u>Monthly Energy Sold (kWh)</u>				
Residential	5,872,187	29.00%	6,011,022	28.78%
Commercial	5,786,865	28.58%	5,746,590	27.51%
Industrial	7,983,580	39.43%	8,485,581	40.63%
Municipal	539,276	2.66%	563,518	2.70%
Retail Monthly Total	20,181,908	99.67%	20,806,711	99.61%
Street Lighting	66,652	0.33%	80,667	0.39%
Total Monthly Energy Sold	20,248,560		20,887,378	
Days in Primary Meter Cycle	31		31	
kWh Sold per Day	653,179		673,786	
% Change	-3.06%			

<u>Energy Sold (kWh) FYTD</u>	<u>FY2025</u>		<u>FY2024</u>	
Residential	41,183,134	33.58%	39,707,576	32.13%
Commercial	34,726,859	28.31%	33,985,753	27.50%
Industrial	42,417,706	34.58%	45,599,318	36.90%
Municipal	3,997,001	3.26%	3,836,389	3.10%
Retail Energy Sold Total FYTD	122,324,700	99.73%	123,129,036	99.65%
Street Lighting	332,103	0.27%	436,519	0.35%
Energy Sold FYTD	122,656,803		123,565,555	
Weighted Days in Meter Cycles FYTD	153		153	
kWh Sold per Day	801,678		807,618	
% Change	-0.74%			

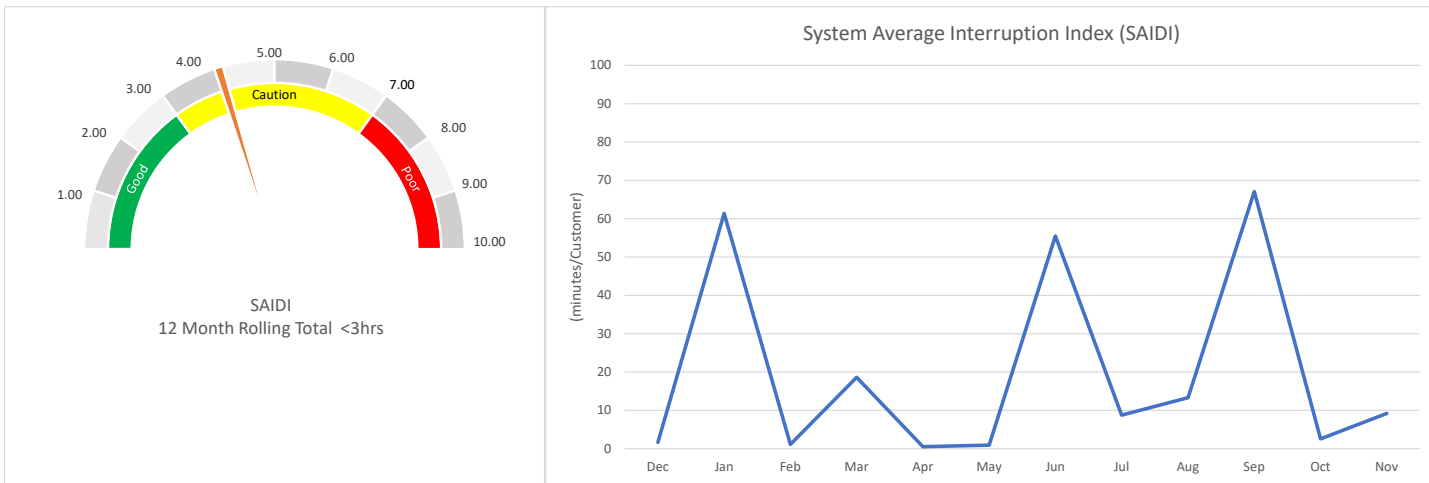
<u>Sales Revenue FYTD net ERS</u>	<u>FY2025</u>	<u>Average Rate (\$/kWh)</u>	<u>FY2024</u>	<u>Average Rate (\$/KWh)</u>	<u>Percent Change \$/kWh</u>
Residential	\$5,995,167	\$0.1456	\$5,825,108	\$0.1467	-0.77%
Commercial	\$4,699,726	\$0.1353	\$4,625,511	\$0.1361	-0.56%
Industrial	\$4,991,836	\$0.1177	\$5,240,688	\$0.1149	2.40%
Municipal	\$471,333	\$0.1179	\$457,221	\$0.1192	-1.06%
Retail Sales Revenue FYTD	\$16,158,062	\$0.1321	\$16,148,527	\$0.1312	0.72%
Street Lighting	\$140,286		\$142,219		
Total Sales Revenue FYTD (Excl. Wholesale)	\$16,298,347	\$0.1329	\$16,290,746	\$0.1318	

	<u>FY2025</u>	<u>FY2024</u>
Approx. Distribution Losses FYTD	-0.43%	-0.22%
Net Energy Expenses/kWh Sold FYTD	\$0.06899	\$0.06430
% Change	7.29%	

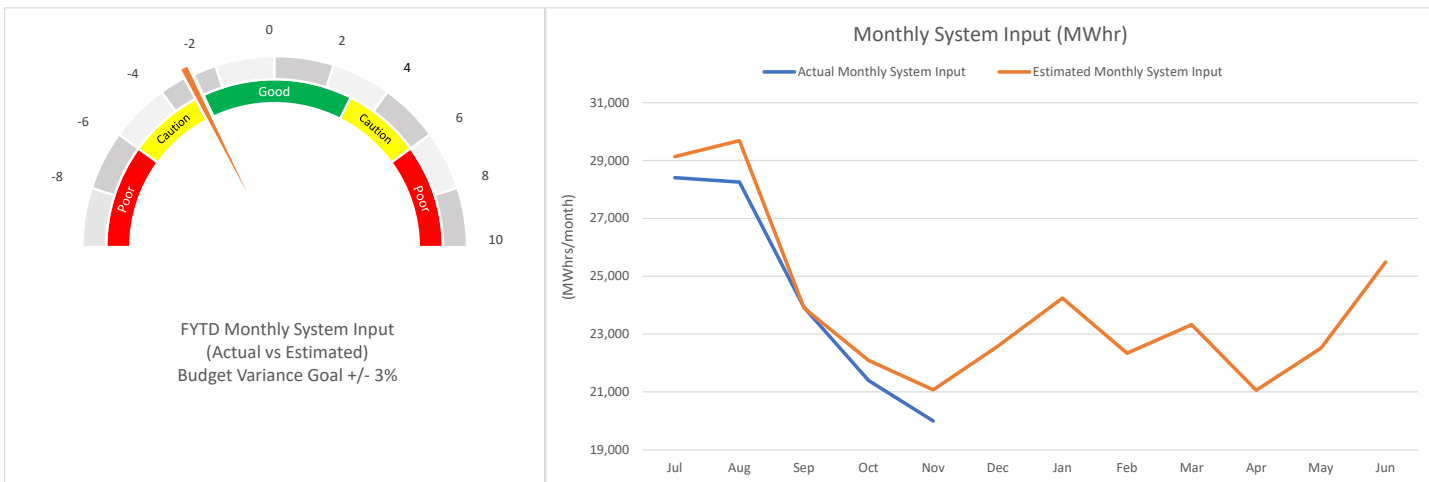
GHBLP Key Performance Indicators

December 12, 2024

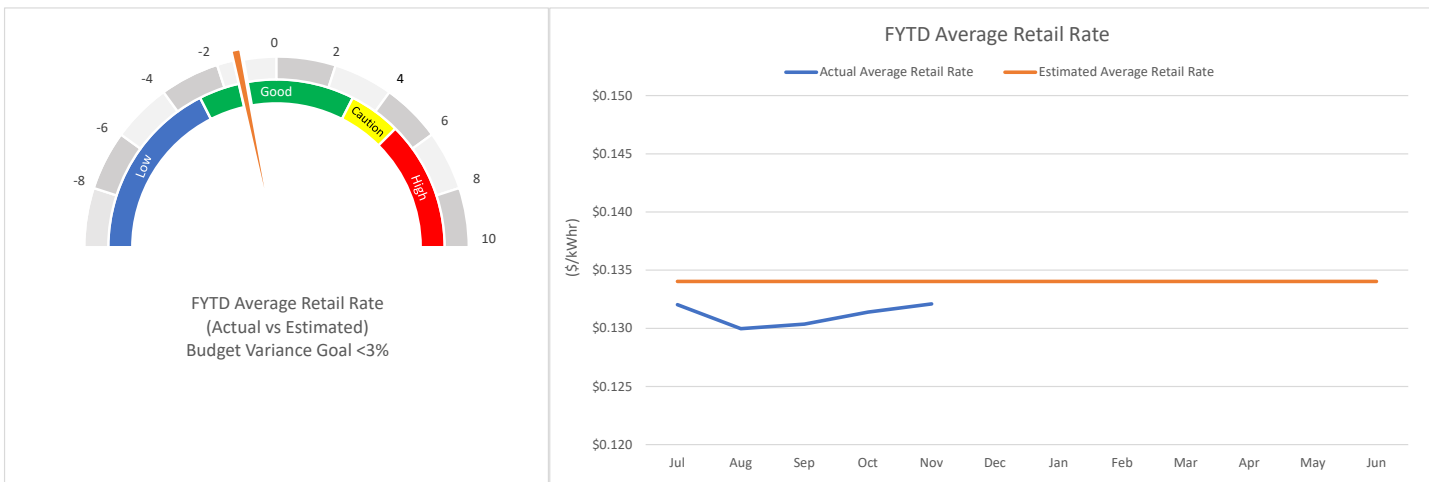
1) Reliability



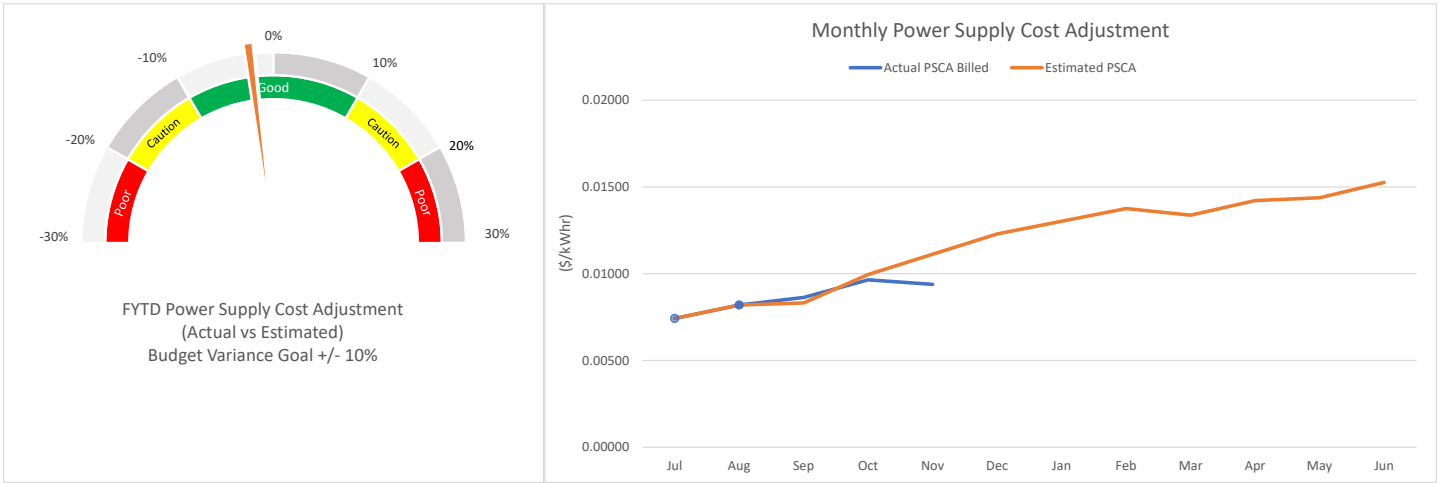
2) Power Supply



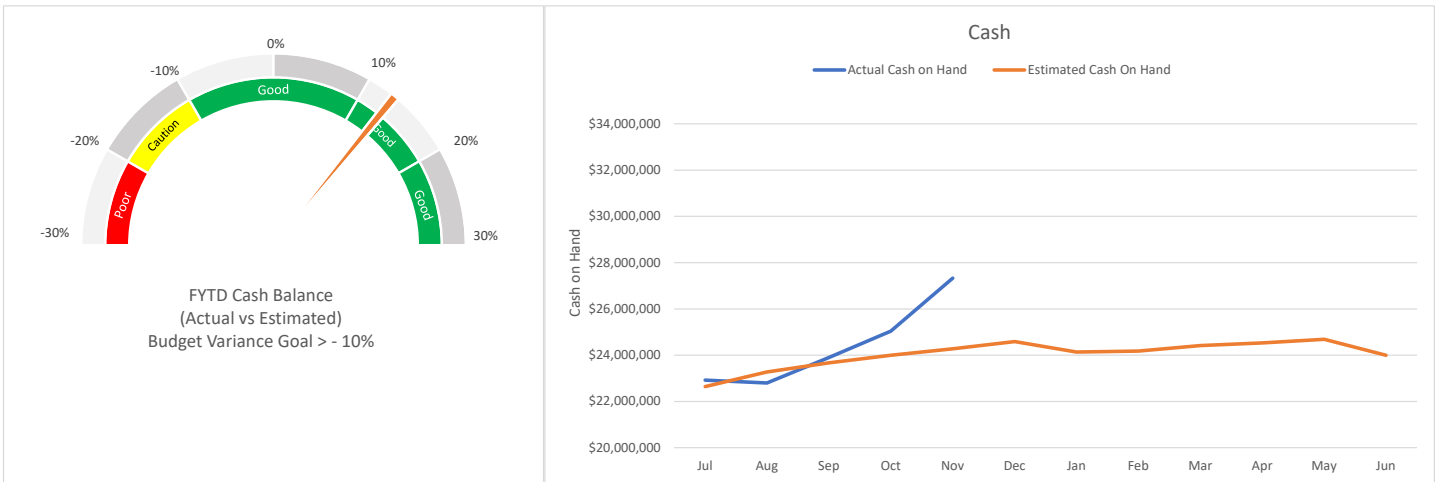
3) Average Retail Revenue per kWh



4) Rates/PSCA



5) Financial



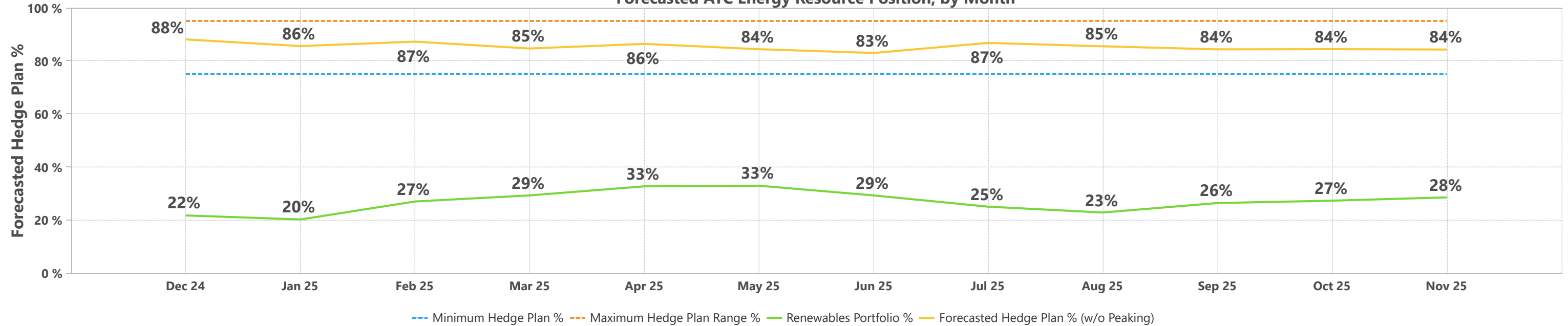
GRAN is forecasted to have an average of 85% of Around the Clock (ATC) Power Supply hedged over the upcoming 12 months, and Renewable Energy Resources are forecasted to provide an average of 27% towards load. Total Resources are forecasted to cost an average of \$50.87 Per MWh, and Market Balancing Energy is forecasted to come in at an average of \$43.87 per MWh. When including Locational Basis this results in a Total Forecasted Power Supply weighted average cost of \$50.52 over the upcoming 12 months.

Forecasted Prompt 12 Months Energy Resource Position for GRAN

Power Supply, MWh	Dec 24	Jan 25	Feb 25	Mar 25	Apr 25	May 25	Jun 25	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25
Total Resources, MWh	19,923	20,496	19,236	19,535	18,066	19,140	21,858	25,065	25,658	20,194	18,696	17,813
Project Assets	1,810	1,845	1,665	1,894	1,811	1,887	1,717	1,579	1,545	1,556	1,701	1,655
Landfill Project	1,810	1,845	1,665	1,894	1,811	1,887	1,717	1,579	1,545	1,556	1,701	1,655
Contracted Power Supply	18,113	18,651	17,572	17,641	16,256	17,252	20,141	23,485	24,113	18,638	16,995	16,159
Contracted ESP Renewable PPAs	3,086	2,975	4,269	4,847	5,011	5,567	5,977	5,628	5,283	4,747	4,327	4,360
Contracted Bilateral Energy Transactions	15,026	15,676	13,302	12,794	11,245	11,686	14,165	17,858	18,830	13,891	12,668	11,798

Total Power Supply	Dec 24	Jan 25	Feb 25	Mar 25	Apr 25	May 25	Jun 25	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25
Forecasted Hedge Plan % (w/o Peaking)	88%	86%	87%	85%	86%	84%	83%	87%	85%	84%	84%	84%
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 %	22%	20%	27%	29%	33%	33%	29%	25%	23%	26%	27%	28%
Forecasted Load	(22,634)	(23,968)	(22,061)	(23,091)	(20,922)	(22,693)	(26,362)	(28,904)	(30,034)	(23,958)	(22,162)	(21,151)
Forecasted Market Balancing, MWh	(2,711)	(3,471)	(2,825)	(3,556)	(2,855)	(3,554)	(4,504)	(3,840)	(4,376)	(3,765)	(3,465)	(3,337)
Forecasted Hedge % (w/ Peaking)	88%	86%	87%	85%	86%	84%	83%	87%	85%	84%	84%	84%

Forecasted ATC Energy Resource Position, by Month

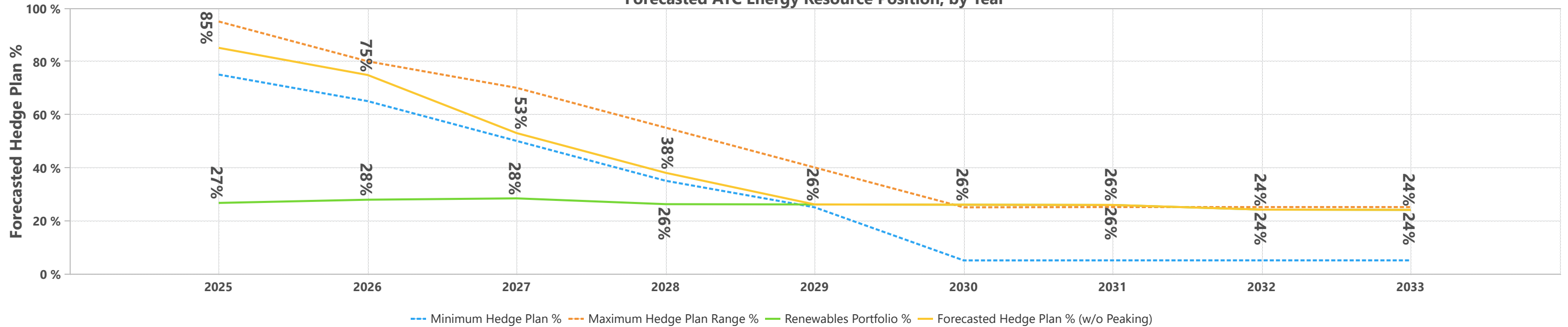


Forecasted Outer Years Energy Resource Position for GRAN

Power Supply, MWh	2025	2026	2027	2028	2029	2030	2031	2032	2033
Total Resources, MWh	244,937	215,667	152,761	109,725	75,413	75,219	75,045	70,054	69,844
Project Assets	20,492	19,325	13,564	7,493	7,493	7,491	7,492	2,654	2,654
Landfill Project	20,492	19,325	13,564	7,493	7,493	7,491	7,492	2,654	2,654
Contracted Power Supply	224,445	196,341	139,197	102,232	67,920	67,728	67,553	67,400	67,190
Contracted ESP Renewable PPAs	56,257	60,986	68,289	68,133	67,920	67,728	67,553	67,400	67,190
Contracted Bilateral Energy Transactions	168,188	135,355	70,908	34,099					

Total Power Supply	2025	2026	2027	2028	2029	2030	2031	2032	2033
Forecasted Hedge Plan % (w/o Peaking)	85%	75%	53%	38%	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 %	27%	28%	28%	26%	26%	26%	26%	24%	24%
Forecasted Load	(287,901)	(288,163)	(288,456)	(288,763)	(289,128)	(289,497)	(289,859)	(290,215)	(290,593)
Forecasted Market Balancing, MWh	(42,965)	(72,496)	(135,695)	(179,038)	(213,715)	(214,277)	(214,814)	(220,161)	(220,749)
Forecasted Hedge % (w/ Peaking)	85%	75%	53%	38%	26%	26%	26%	24%	24%

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.

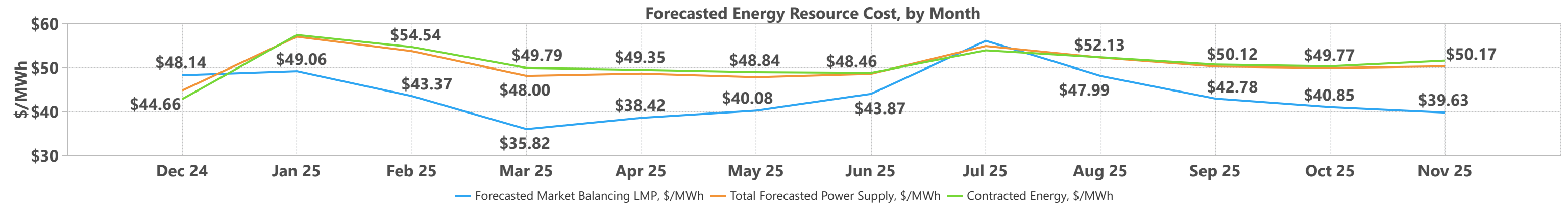
Power Supply \$'s	Dec 24	Jan 25	Feb 25	Mar 25	Apr 25	May 25	Jun 25	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25
Total Resources, \$'s	(\$850,016)	(\$1,174,621)	(\$1,049,240)	(\$972,619)	(\$891,497)	(\$934,708)	(\$1,063,869)	(\$1,347,927)	(\$1,339,158)	(\$1,020,937)	(\$937,991)	(\$916,202)
Project Assets	(\$76,886)	(\$223,323)	(\$202,454)	(\$217,101)	(\$218,842)	(\$219,237)	(\$201,128)	(\$199,711)	(\$200,900)	(\$203,568)	(\$214,934)	(\$209,884)
Landfill Project	(\$76,886)	(\$223,323)	(\$202,454)	(\$217,101)	(\$218,842)	(\$219,237)	(\$201,128)	(\$199,711)	(\$200,900)	(\$203,568)	(\$214,934)	(\$209,884)
Contracted Power Supply	(\$773,130)	(\$951,298)	(\$846,786)	(\$755,518)	(\$672,654)	(\$715,471)	(\$862,741)	(\$1,148,215)	(\$1,138,259)	(\$817,369)	(\$723,057)	(\$706,318)
Contracted ESP Renewable PPAs	(\$140,869)	(\$138,019)	(\$196,276)	(\$221,807)	(\$228,478)	(\$250,518)	(\$278,887)	(\$261,706)	(\$245,965)	(\$226,918)	(\$206,813)	(\$207,997)
Contracted Bilateral Energy Transactions	(\$632,261)	(\$813,279)	(\$650,510)	(\$533,711)	(\$444,177)	(\$464,952)	(\$583,854)	(\$886,509)	(\$892,294)	(\$590,450)	(\$516,244)	(\$498,321)

Locational Basis, \$'s	Dec 24	Jan 25	Feb 25	Mar 25	Apr 25	May 25	Jun 25	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25
Locational Basis (Projects)	(\$4)	(\$1,416)	(\$1,366)	(\$1,228)	(\$604)	(\$511)	(\$985)	(\$582)	(\$948)	(\$348)	\$327	(\$864)
Locational Basis (Contracted Power Supply)	(\$30,206)	(\$17,810)	(\$9,244)	(\$7,091)	(\$12,956)	(\$5,112)	(\$14,939)	(\$19,396)	(\$15,559)	(\$18,418)	(\$23,798)	(\$11,688)

Power Supply \$/MWh	Dec 24	Jan 25	Feb 25	Mar 25	Apr 25	May 25	Jun 25	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25
Power Supply \$/MWh												
Project Assets												
Landfill Project	\$42.48	\$121.05	\$121.61	\$114.64	\$120.87	\$116.16	\$117.16	\$126.47	\$130.03	\$130.85	\$126.37	\$126.85
Contracted Power Supply												
Contracted ESP Renewable PPAs	\$45.64	\$46.39	\$45.97	\$45.76	\$45.59	\$45.00	\$46.66	\$46.50	\$46.56	\$47.81	\$47.79	\$47.70
Contracted Bilateral Energy Transactions	\$42.08	\$51.88	\$48.90	\$41.71	\$39.50	\$39.79	\$41.22	\$49.64	\$47.39	\$42.51	\$40.75	\$42.24

Locational Basis, \$/MWh	Dec 24	Jan 25	Feb 25	Mar 25	Apr 25	May 25	Jun 25	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25
Locational Basis (Projects)	\$0.00	\$0.77	\$0.82	\$0.65	\$0.33	\$0.27	\$0.57	\$0.37	\$0.61	\$0.22	(\$0.19)	\$0.52
Locational Basis (Contracted Power Supply)	\$1.67	\$0.95	\$0.53	\$0.40	\$0.80	\$0.30	\$0.74	\$0.83	\$0.65	\$0.99	\$1.40	\$0.72

Total Power Supply	Dec 24	Jan 25	Feb 25	Mar 25	Apr 25	May 25	Jun 25	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25
Forecasted Market Balancing LMP, \$/MWh	\$48.14	\$49.06	\$43.37	\$35.82	\$38.42	\$40.08	\$43.87	\$55.97	\$47.99	\$42.78	\$40.85	\$39.63
Forecasted Market Balancing LMP, \$'s	(\$130,504)	(\$170,301)	(\$122,527)	(\$127,370)	(\$109,695)	(\$142,432)	(\$197,580)	(\$214,897)	(\$209,966)	(\$161,048)	(\$141,568)	(\$132,271)
Total Forecasted Power Supply, \$/MWh	\$44.66	\$56.92	\$53.59	\$48.00	\$48.50	\$47.71	\$48.46	\$54.76	\$52.13	\$50.12	\$49.77	\$50.17
Total Forecasted Power Supply Costs, \$'s	(\$1,010,730)	(\$1,364,149)	(\$1,182,377)	(\$1,108,307)	(\$1,014,753)	(\$1,082,763)	(\$1,277,374)	(\$1,582,802)	(\$1,565,632)	(\$1,200,752)	(\$1,103,030)	(\$1,061,025)



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.

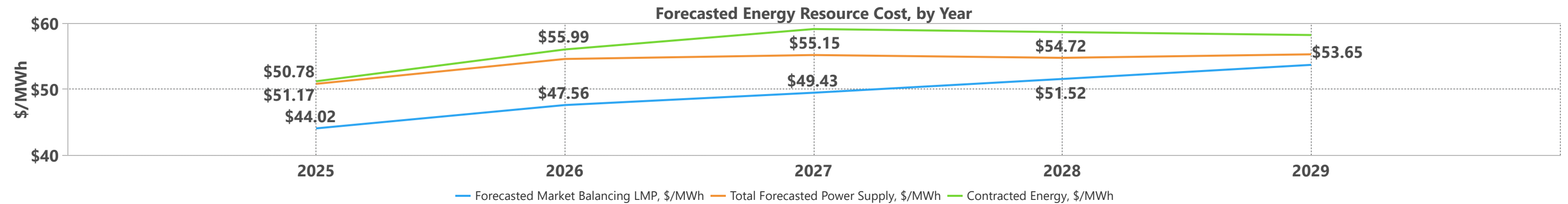
Power Supply \$'s	2025	2026	2027	2028	2029
Total Resources, \$'s	(\$12,532,228)	(\$12,075,614)	(\$9,025,870)	(\$6,432,436)	(\$4,387,322)
Project Assets	(\$2,388,641)	(\$2,366,171)	(\$1,669,909)	(\$924,838)	(\$948,028)
Landfill Project	(\$2,388,641)	(\$2,366,171)	(\$1,669,909)	(\$924,838)	(\$948,028)
Contracted Power Supply	(\$10,143,587)	(\$9,709,443)	(\$7,355,961)	(\$5,507,598)	(\$3,439,293)
Contracted ESP Renewable PPAs	(\$2,618,057)	(\$2,962,560)	(\$3,362,931)	(\$3,402,330)	(\$3,439,293)
Contracted Bilateral Energy Transactions	(\$7,525,530)	(\$6,746,882)	(\$3,993,030)	(\$2,105,268)	

Locational Basis, \$'s	2025	2026	2027	2028	2029
Locational Basis (Projects)	(\$8,548)	(\$9,647)	(\$9,901)	(\$2,034)	(\$2,028)
Locational Basis (Contracted Power Supply)	(\$186,433)	(\$185,546)	(\$163,673)	(\$143,047)	(\$119,149)

Power Supply \$/MWh	2025	2026	2027	2028	2029
Power Supply \$/MWh					
Project Assets					
Landfill Project	\$116.56	\$122.44	\$123.12	\$123.43	\$126.52
Contracted Power Supply					
Contracted ESP Renewable PPAs	\$46.54	\$48.58	\$49.25	\$49.94	\$50.64
Contracted Bilateral Energy Transactions	\$44.74	\$49.85	\$56.31	\$61.74	

Locational Basis, \$/MWh	2025	2026	2027	2028	2029
Locational Basis (Projects)	\$0.42	\$0.50	\$0.73	\$0.27	\$0.27
Locational Basis (Contracted Power Supply)	\$0.83	\$0.95	\$1.18	\$1.40	\$1.75

Total Power Supply	2025	2026	2027	2028	2029
Forecasted Market Balancing LMP, \$/MWh	\$44.02	\$47.56	\$49.43	\$51.52	\$53.65
Forecasted Market Balancing LMP, \$'s	(\$1,891,498)	(\$3,448,006)	(\$6,707,509)	(\$9,223,560)	(\$11,466,690)
Total Forecasted Power Supply, \$/MWh	\$50.78	\$54.55	\$55.15	\$54.72	\$55.25
Total Forecasted Power Supply Costs, \$'s	(\$14,618,707)	(\$15,718,814)	(\$15,906,953)	(\$15,801,078)	(\$15,975,188)



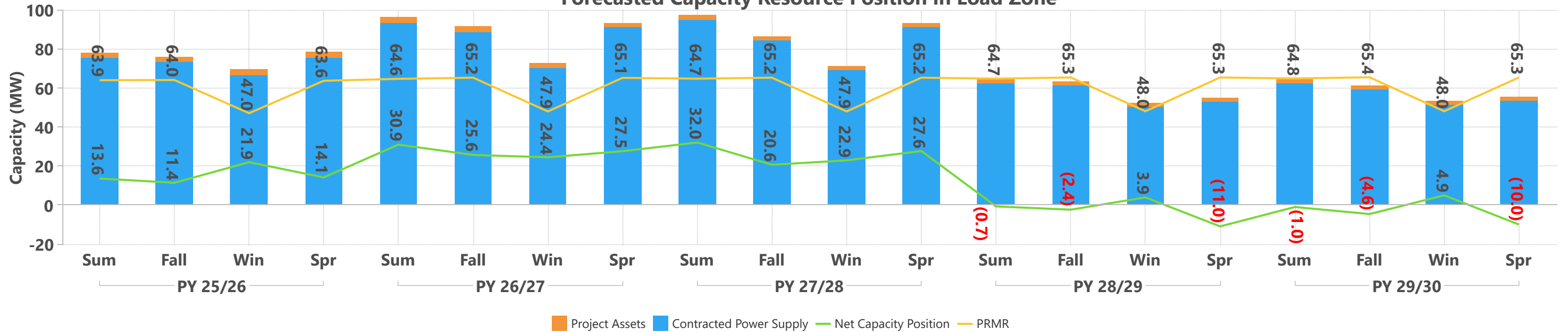
Forecasted Outer Years Capacity Resource Position for GRAN

Capacity Resources, MW	PY 25/26				PY 26/27				PY 27/28				PY 28/29				PY 29/30			
	Sum	Fall	Win	Spr	Sum	Fall	Win	Spr	Sum	Fall	Win	Spr	Sum	Fall	Win	Spr	Sum	Fall	Win	Spr
Net Capacity Position	13.6	11.4	21.9	14.1	30.9	25.6	24.4	27.5	32.0	20.6	22.9	27.6	(0.7)	(2.4)	3.9	(11.0)	(1.0)	(4.6)	4.9	(10.0)
Zone 7	13.6	11.4	21.9	14.1	30.9	25.6	24.4	27.5	32.0	20.6	22.9	27.6	(0.7)	(2.4)	3.9	(11.0)	(1.0)	(4.6)	4.9	(10.0)
Contracted Power Supply	75.4	73.3	66.9	75.7	93.5	88.8	70.3	91.2	95.2	84.3	69.3	91.4	62.5	61.4	50.4	52.8	62.3	59.3	51.5	53.8
Contracted Bilateral Capacity Transactions	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	55.6	54.0	50.0	51.3
Contracted ESP Renewable PPAs	11.4	9.3	2.9	11.7	15.1	11.5	3.1	13.9	15.5	10.2	2.8	13.9	7.5	7.2	1.7	2.8	6.7	5.3	1.5	2.6
Planning Reserve Margin Requirement	(63.9)	(64.0)	(47.0)	(63.6)	(64.6)	(65.2)	(47.9)	(65.1)	(64.7)	(65.2)	(47.9)	(65.2)	(64.7)	(65.3)	(48.0)	(65.3)	(64.8)	(65.4)	(48.0)	(65.3)
PRMR	(63.9)	(64.0)	(47.0)	(63.6)	(64.6)	(65.2)	(47.9)	(65.1)	(64.7)	(65.2)	(47.9)	(65.2)	(64.7)	(65.3)	(48.0)	(65.3)	(64.8)	(65.4)	(48.0)	(65.3)
Project Assets	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Landfill Project	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5

Net Contracted Bilateral Capacity	PY 25/26			PY 26/27			PY 27/28			PY 28/29			PY 29/30		
	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	(64.0)	(\$3,242,400)	\$4.22	(75.1)	(\$3,864,492)	\$4.29	(74.5)	(\$3,831,299)	\$4.29	(52.0)	(\$2,975,371)	\$4.77	(52.7)	(\$3,014,516)	\$4.77
Sum	(64.0)	(\$810,600)	\$4.22	(78.4)	(\$1,015,036)	\$4.32	(79.7)	(\$1,033,970)	\$4.32	(55.0)	(\$787,057)	\$4.77	(55.6)	(\$795,312)	\$4.77
Fall	(64.0)	(\$810,600)	\$4.22	(77.3)	(\$997,389)	\$4.30	(74.1)	(\$951,859)	\$4.28	(54.3)	(\$776,036)	\$4.77	(54.0)	(\$771,574)	\$4.77
Win	(64.0)	(\$810,600)	\$4.22	(67.2)	(\$852,918)	\$4.23	(66.5)	(\$843,277)	\$4.23	(48.7)	(\$695,997)	\$4.77	(50.0)	(\$714,426)	\$4.77
Spr	(64.0)	(\$810,600)	\$4.22	(77.3)	(\$999,148)	\$4.31	(77.5)	(\$1,002,193)	\$4.31	(50.1)	(\$716,281)	\$4.77	(51.3)	(\$733,203)	\$4.77

Net Capacity Position	PY 25/26			PY 26/27			PY 27/28			PY 28/29			PY 29/30		
	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	11.4	\$786,600	(\$2,455,800)	24.4	\$1,683,600	(\$2,180,892)	20.6	\$1,421,400	(\$2,409,899)	(11.0)	(\$785,400)	(\$3,760,771)	(10.0)	(\$714,000)	(\$3,728,516)
Sum	11.4	\$196,650	(\$613,950)	24.4	\$420,900	(\$594,136)	20.6	\$355,350	(\$678,620)	(11.0)	(\$196,350)	(\$983,407)	(10.0)	(\$178,500)	(\$973,812)
Fall	11.4	\$196,650	(\$613,950)	24.4	\$420,900	(\$576,489)	20.6	\$355,350	(\$596,509)	(11.0)	(\$196,350)	(\$972,386)	(10.0)	(\$178,500)	(\$950,074)
Win	11.4	\$196,650	(\$613,950)	24.4	\$420,900	(\$432,018)	20.6	\$355,350	(\$487,927)	(11.0)	(\$196,350)	(\$892,347)	(10.0)	(\$178,500)	(\$892,926)
Spr	11.4	\$196,650	(\$613,950)	24.4	\$420,900	(\$578,248)	20.6	\$355,350	(\$646,843)	(11.0)	(\$196,350)	(\$912,631)	(10.0)	(\$178,500)	(\$911,703)

Forecasted Capacity Resource Position in Load Zone



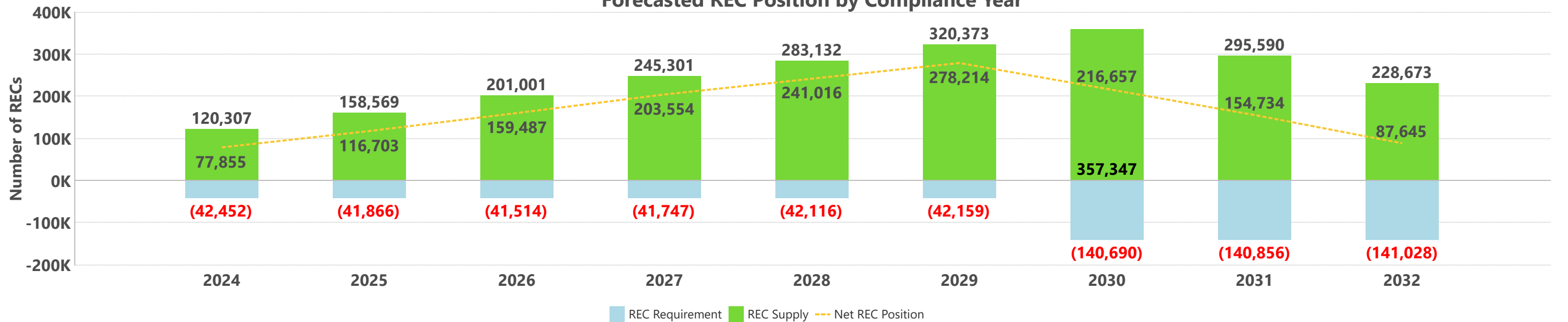
Forecasted Renewable Energy Credit (REC) Position for GRAN

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.

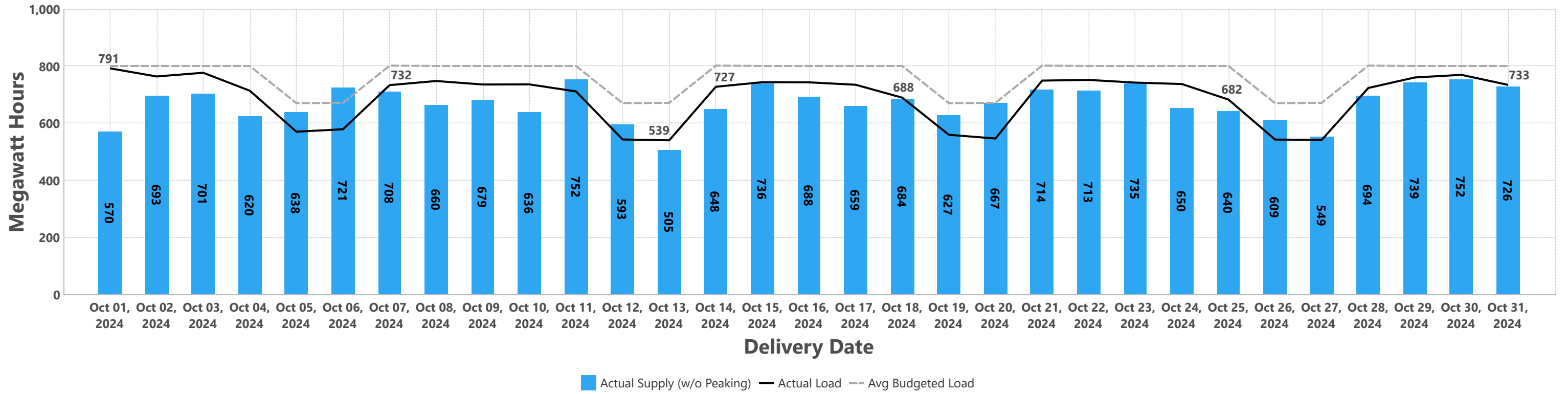
Compliance Year	2024	2025	2026	2027	2028	2029	2030	2031	2032
Net REC Position	77,855	116,703	159,487	203,554	241,016	278,214	216,657	154,734	87,645
Available Banked RECs	46,017	77,855	116,703	159,487	203,554	241,016	278,214	216,657	154,734
Hedge Policy REC Requirement	(42,452)	(41,866)	(41,514)	(41,747)	(42,116)	(42,159)	(140,690)	(140,856)	(141,028)
Assembly Solar	9,805	10,647	10,602	10,543	10,488	10,443	10,384	10,331	10,280
Assembly Solar Phase II	8,081	8,822	8,788	8,741	8,696	8,652	8,607	8,561	8,523
Beebe	5,779	5,803	5,801	5,802	5,801	5,801	5,801	5,803	5,803
Brandt Woods Solar		2,894	4,515	4,492	4,477	4,447	4,425	4,403	4,389
Hart Solar			161	7,628	7,618	7,582	7,559	7,537	7,527
Invenergy Calhoun Solar	10,898	13,793	13,763	13,716	13,676	13,632	13,588	13,543	13,510
Landfill Project (EDL)	17,603	15,618	14,461	8,700	2,640	2,645	2,644	2,644	2,640
Landfill Project (NANR)	4,952	4,839	4,839	4,839	4,839	4,839	4,837	4,837	
Pegasus	17,173	17,544	17,545	17,548	17,549	17,549	17,540	17,544	17,549
White Tail Solar		755	3,824	3,805	3,794	3,767	3,748	3,729	3,719

Compliance Year	2024	2025	2026	2027	2028	2029	2030	2031	2032
3 Year Avg Retail Sales	(283,015)	(279,104)	(276,761)	(278,315)	(280,770)	(281,063)	(281,380)	(281,712)	(282,056)
Hedge Policy REC Target %	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%	50.0%	50.0%	50.0%
Hedge Policy REC Requirement	(42,452)	(41,866)	(41,514)	(41,747)	(42,116)	(42,159)	(140,690)	(140,856)	(141,028)
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

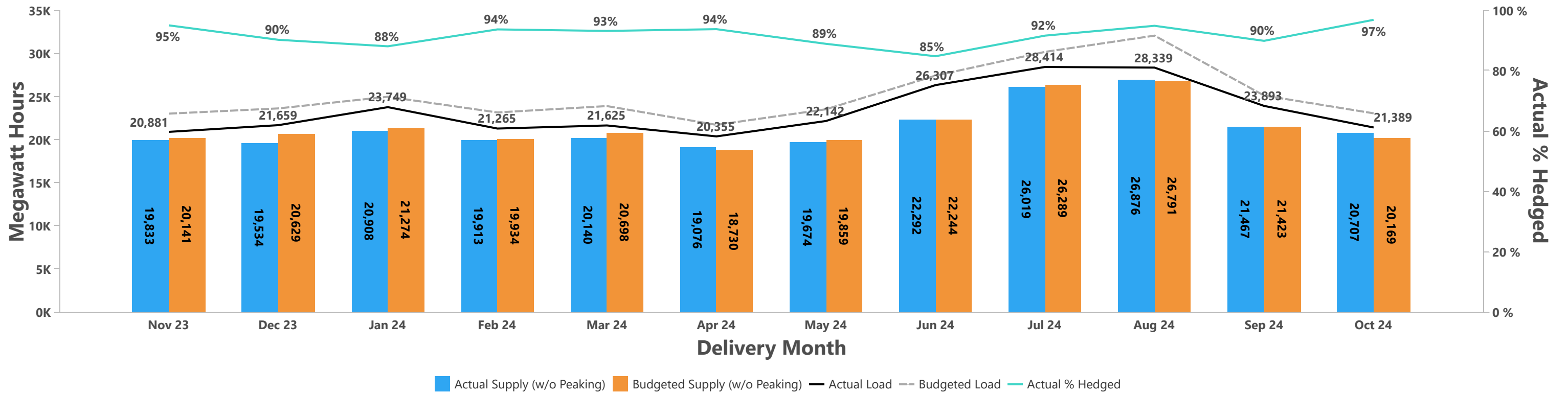
Forecasted REC Position by Compliance Year



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 DECEMBER 19, 2024

5. B. The BLP Financial Statements and Dashboards for the month ending November 30, 2024, are provided for your information. These financial statements represent the BLP’s financial position through 41.7% of the fiscal year.

INCOME STATEMENT

Income Statement Budget Variance	
	over(under)
Total Charges for Service	\$ 42,912
Other Revenue	240,544
	283,456
Purchased Power	(262,036)
Departments Salary and Fringe	(249,578)
Departments Other	(235,461)
Other	(201,129)
	(948,204)
Depreciation	15,606
Non-Operating Revenue (Expenses)	214,258
Transfers to City of Grand Haven	30,540
Increase in Net Assets	<u>\$ 1,399,772</u>

Operating Charge revenues are at 43.92% of annual budgeted revenues. Industrial charges are below budget, yet Residential charges are above budget. The primary driver in the charge revenue variance is timing of the budget compared to actual. These variances will adjust as the year proceeds. Overall Year-to-Date Kwhs are 1.73% above budget and Sales per Kwh are 1.44% below budget. This is the result of warmer than anticipated months and a different mix of Kwh’s consumed than budgeted.

Retail Sales Budget Variance				
Kwh Over (Under) Budget	1.73%	2,084,185	Kwh	\$ 279,337
Sales\$ per Kwh Over (Under) Budget	-1.44%	\$ (0.00194)	per Kwh	<u>\$ (236,712)</u>
				\$ 42,626

GRAND HAVEN BOARD OF LIGHT AND POWER
 GENERAL MANAGER'S REPORT
 BOARD MEETING OF DECEMBER 19, 2024

Operating expenses are 39.41% of annual budgeted operating expenses. All departments are under budget. Purchased Power expenses in total were under budget. Both purchased power costs per Kwh and purchased Kwh's were under budget.

Purchased Power Budget Variance				
Kwh Over (Under) Budget	-2.99%	(3,758,674)	Kwh	\$ (260,483)
Cost Over (Under) Budget per Kwh	-0.02%	\$ (0.01272)	per Kwh	\$ (1,553)
				\$ (262,036)

Year-to-Date **Renewable Energy Purchases equal 30,911,605 Kwh's, or 25.3%, of power purchases.**

The Increase in Net Position for the year is \$4,154,338.

BALANCE SHEET

Cash and Cash Equivalents are **\$27,331,152**. This is \$9,331,152 above the minimum cash reserve of \$18,000,000 and does not include funds set aside for remediation, bond funds and working capital held with MPIA and MPPA. Cash has increased this month with a corresponding decrease in 2021A Bond Funds due to distribution expenditures previously purchased with working cash reverting to bond projects. This enables us to meet the bond requirement of 85% use of bond funds by December of this year.

The **Capital Plan** approved for FY25 was \$5,747,500. As of November 30, 2024, 21% of the capital projects budget has been disbursed.

- 5. F. Confirm Purchase Order – There is one (1) confirming Purchase Orders on the Consent Agenda this month of **\$39,500** 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).

GRAND HAVEN BOARD OF LIGHT AND POWER
GENERAL MANAGER'S REPORT
BOARD MEETING OF DECEMBER 19, 2024

I have one (1) PO for which I would like to give more detail.

PO #23248 – Verdantas: This PO is for engineering review of pole attachments. Metronet is a new internet provider that wants to do a system wide attachment to BLP poles. BLP staff cannot accommodate the pace that Metronet would like. Therefore, we have hired Verdantas to perform these attachment reviews. Metronet has agreed to reimburse and provided a down payment to the BLP for these additional costs required to maintain their schedule.

6. A. Approve Purchase Orders – There are eight (8) Purchase Orders totaling **\$973,656** 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).

I have two (2) PO's for which I would like to give more details.

PO #22241-3 – City of Grand Haven: This PO is to approve the City to contract with HDR for Harbor Island work. The scope of work is to perform the required CCR ground water sampling for Q1 & Q2 of 2025 and required reports. City Staff is recommending approval.

PO #23272 – State of Michigan: This PO is to pay for the 2025 NPDES permit related to the outfall on Harbor Island. These outfalls are currently not being used, however City Staff/HDR would like to keep the permit active for possible future use tied to site cleanup efforts. City Staff is recommending approval.

6. B. MDOT Performance Resolution for Municipalities – This resolution is a standard form required by MDOT for municipalities to apply for and obtain MDOT permits. The resolution authorizes the General Manager and Distribution & Engineering Manager to apply for permits on the GHBLP's behalf. Staff is recommending approval. See enclosed proposed resolution.

RS/dm
Attachments
12/13/24

PERFORMANCE RESOLUTION FOR MUNICIPALITIES

This Performance Resolution (Resolution) is required by the Michigan Department of Transportation for purposes of issuing to a Municipality an "Individual Permit for Use of State Highway Right of Way", and/or an "Annual Application and Permit for Miscellaneous Operations within State Highway Right of Way".

RESOLVED WHEREAS, the _____
(County, City, Village, Township, etc.)

hereinafter referred to as the "MUNICIPALITY," periodically applies to the Michigan Department of Transportation, hereinafter referred to as the "DEPARTMENT," for permits, referred to as "PERMIT," to construct, operate, use and/or maintain utilities or other facilities, or to conduct other activities, on, over, and under State Highway Right of Way at various locations within and adjacent to its corporate limits;

NOW THEREFORE, in consideration of the DEPARTMENT granting such PERMIT, the MUNICIPALITY agrees that:

1. Each party to this *Resolution* shall remain responsible for any claims arising out of their own acts and/or omissions during the performance of this *Resolution*, as provided by law. This *Resolution* is not intended to increase either party's liability for, or immunity from, tort claims, nor shall it be interpreted, as giving either party hereto a right of indemnification, either by Agreement or at law, for claims arising out of the performance of this Agreement.
2. If any of the work performed for the MUNICIPALITY is performed by a contractor, the MUNICIPALITY shall require its contractor to hold harmless, indemnify and defend in litigation, the State of Michigan, the DEPARTMENT and their agents and employee's, against any claims for damages to public or private property and for injuries to person arising out of the performance of the work, except for claims that result from the sole negligence or willful acts of the DEPARTMENT, until the contractor achieves final acceptance of the MUNICIPALITY Failure of the MUNICIPALITY to require its contractor to indemnify the DEPARTMENT, as set forth above, shall be considered a breach of its duties to the DEPARTMENT.
3. Any work performed for the MUNICIPALITY by a contractor or subcontractor will be solely as a contractor for the MUNICIPALITY and not as a contractor or agent of the DEPARTMENT. The DEPARTMENT shall not be subject to any obligations or liabilities by vendors and contractors of the MUNICIPALITY, or their subcontractors or any other person not a party to the PERMIT without the DEPARTMENT'S specific prior written consent and notwithstanding the issuance of the PERMIT. Any claims by any contractor or subcontractor will be the sole responsibility of the MUNICIPALITY.
4. The MUNICIPALITY shall take no unlawful action or conduct, which arises either directly or indirectly out of its obligations, responsibilities, and duties under the PERMIT which results in claims being asserted against or judgment being imposed against the State of Michigan, the Michigan Transportation Commission, the DEPARTMENT, and all officers, agents and employees thereof and those contracting governmental bodies performing permit activities for the DEPARTMENT and all officers, agents, and employees thereof, pursuant to a maintenance contract. In the event that the same occurs, for the purposes of the PERMIT, it will be considered as a breach of the PERMIT thereby giving the State of Michigan, the DEPARTMENT, and/or the Michigan Transportation Commission a right to seek and obtain any necessary relief or remedy, including, but not by way of limitation, a judgment for money damages.
5. The MUNICIPALITY will, by its own volition and/or request by the DEPARTMENT, promptly restore and/or correct physical or operating damages to any State Highway Right of Way resulting from the installation construction, operation and/or maintenance of the MUNICIPALITY'S facilities according to a PERMIT issued by the DEPARTMENT.

- 6. With respect to any activities authorized by a PERMIT, when the MUNICIPALITY requires insurance on its own or its contractor's behalf it shall also require that such policy include as named insured the State of Michigan, the Transportation Commission, the DEPARTMENT, and all officers, agents, and employees thereof and those governmental bodies performing permit activities for the DEPARTMENT and all officers, agents, and employees thereof, pursuant to a maintenance contract.
- 7. The incorporation by the DEPARTMENT of this *Resolution* as part of a PERMIT does not prevent the DEPARTMENT from requiring additional performance security or insurance before issuance of a PERMIT.
- 8. This *Resolution* shall continue in force from this date until cancelled by the MUNICIPALITY or the DEPARTMENT with no less than thirty (30) days prior written notice provided to the other party. It will not be cancelled or otherwise terminated by the MUNICIPALITY with regard to any PERMIT which has already been issued or activity which has already been undertaken.

BE IT FURTHER RESOLVED that the following position(s) are authorized to apply to the DEPARTMENT for the necessary permit to work within State Highway Right of Way on behalf of the MUNICIPALITY.

Title and/or Name:

I HEREBY CERTIFY that the foregoing is a true copy of a resolution adopted by

the _____
 (Name of Board, etc.)

of the _____ of _____
 (Name of MUNICIPALITY) (County)

at a _____ meeting held on the _____ day
 of _____ A.D. _____.

Signed

Title

Print Signed Name



ENERGY SERVICES PROJECT POWER PURCHASE COMMITMENT AUTHORIZATION

This Power Purchase Commitment Authorization (“Authorization”) is made and entered into as of _____, 2024, by and between Michigan Public Power Agency (“MPPA”), a joint agency of the State of Michigan created pursuant to 1976 PA 448, and Grand Haven Board of Light and Power (the “Participant”).

WHEREAS, MPPA is a municipal joint agency established in 1978 to provide a means for Michigan municipal electric utilities to achieve the benefits of economies of scale and diversification in securing power supply and related services for their present and future needs;

WHEREAS, during an open meeting on March 11, 2009, the MPPA Board of Commissioners (“BOC”) created the Energy Services Project (“ESP”) for the purpose of providing a means for full members of MPPA to obtain contracted power supply and market operation services;

WHEREAS, the Participant joined the ESP by approving and executing an Energy Service Agreement (“ESA”) that describes the terms and conditions of power supply transactions, known as Power Purchase Commitments (“PPC”), between the Participant and MPPA;

WHEREAS, this Authorization is a PPC between the Participant and MPPA;

WHEREAS, by executing this Authorization, the Member Authorized Representative (“MAR”) of the Participant is representing that the Participant has received all required approvals from its governing body to enter into this PPC with MPPA; and

WHEREAS, MPPA reviewed the specifications and benefits with the Participant of the structured energy and renewable energy credit transaction further described below.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein contained, it is agreed by and between MPPA and the Participant hereto as follows:

Section 1. Power Purchase Commitment

Participant is committing to receive and pay for the Participant’s Quantity of the Products as defined within this Authorization. The Products will be derived from an MPPA Energy and Renewable Energy Credit (“REC”) transaction between MPPA and an energy supplier to be selected by MPPA (“Transaction”).

The Energy and RECs provided to Participant under this Authorization are part of a diversified power supply portfolio. The Energy will be used to achieve future-year, price-certain supply percentage targets. The RECs will be used to help meet renewable energy compliance requirements imposed upon Participant by Public Act 235 of 2023, which amended Michigan’s Clean and Renewable Energy and Energy Waste Reduction Act of 2008 (“PA 235”).

Section 2. Products

Financially firm Energy.

Unit contingent RECs compliant with PA 235.

Section 3. Delivery Location

Energy: MISO Michigan Hub (in the Day Ahead Market)
RECs: Michigan Renewable Energy Certification System (or any successor system)

Section 4. Delivery Period

Energy: Around the Clock (7 x 24)
RECs: Calendar Year

Section 5. Term

If the Authorization becomes effective per Section 10 of this Authorization, the term of the PPC is nine (9) years and will begin on January 1, 2027, through December 31, 2035.

Section 6. Quantity

The Participant is allocated the following share of Energy and RECs provided to MPPA under the Transaction:

Energy Quantity (MW)	Annual Average Energy Quantity (MWh)	Average Annual % of Forecasted Load
3.20	28,050	9.7%

REC Allocation Percentage	Expected Average Annual REC Quantity	Expected Average Annual % of Forecasted Load
12.3%	27,692	9.6%

Section 7. Payment

The Participant will pay MPPA the contract rate in the Transaction for the Participant's Energy and REC Quantity. Over the term of the PPC, the not-to-exceed financial commitment is \$16,454,957.70.

Section 8. Energy Services Agreement

This Authorization is subject to the terms and conditions of the ESA between MPPA and Participant. In the event the terms of this Authorization conflict with the terms of the ESA, the terms of the ESA shall control.

Section 9. Evidence

Authority of the Participant's MAR to execute this Authorization is evidenced through a Participant resolution adopted by the Participant's governing body or through the meeting minutes of the Participant's governing body where approval was granted to the MAR to execute this Authorization.

Section 10. Effectiveness

This Authorization will not become effective until MPPA has executed the Transaction, which execution can only happen after MPPA has received executed power purchase commitment authorizations from all other participating Members of MPPA who have their own respective power purchase commitment with MPPA for their quantity of Energy and RECs supplied pursuant to the Transaction.

Member Authorized Representative

Its: _____

By: _____

Dated: _____



Energy + REC Transaction – Talking Points

MPPA has pursued, negotiated, and come to terms on a unique, 9-year Energy + Renewable Energy Credit (“REC”) transaction opportunity that will provide valuable renewable power supply to Member participants of this transaction. The following provides the context for the transaction, as well as critical attributes used by MPPA executive staff in recommending that the MPPA Commissioners approve the transaction at the November 13th, 2024, MPPA Board Meeting.

Background:

- MPPA has committed over \$1B in renewable power supply over the last 15 years
- Michigan’s Clean and Renewable Energy and Energy Waste Reduction Act (“PA 235”) requires more to be done by increasing the renewable energy requirements to 50% in 2030 and 60% in 2035
- To achieve compliance, MPPA will continue to evaluate new renewable investment and contracting opportunities (primarily solar and wind), recognizing that additional opportunities will need to be executed upon in the future
- It is important to note that through 2035, Municipal utilities have a third option (beyond owning or contracting for renewables) to meet PA 235’s requirements: Procuring MISO market sourced RECs

Transaction Approach:

- MPPA emphasizes taking a risk management approach for power supply procurement, focusing on diversification and layering in multiple, right-sized transactions over time
- To act on these principles, and to take advantage of ability to procure market sourced RECs, MPPA has pursued and is recommending an Energy + REC transaction

Transaction Rationale:

- **Renewable Energy Compliance:** Provides RECs to help meet PA 235 requirements
- **Right Sized / Fit:** Forecasted to meet ~10% of Member’s energy + REC needs
- **Price Certainty:** Achieves price certainty for ~10% of forecasted energy + REC needs
- **Transaction Structure:** Forward procurement of energy (MISO Michigan Hub) paired with RECs from a specific resource is a unique and attractive transaction structure
- **Transaction Timing:** Current energy costs are favorable relative to pricing since the beginning of 2024
- **Term:** 1/1/27 to 12/31/35; ideal timing from regulatory requirement perspective, while also offering power supply portfolio flexibility
- **Portfolio Flexibility:** Provides options for the banking and more optimal use of RECs from PPAs

Approval Request:

- Approve an Energy + REC PPC for MPPA’s transaction.



SPACE ALLOCATION LEGEND

- AREAS OF WORK
- NEW SPACE CREATED
- OFFICES / FIELD OPERATIONS / FIELD BREAKROOM
- CONFERENCE
- WORKSTATION
- MEETING SPACE
- OFFICE BREAKROOM
- TOILET / STORAGE / MECH / LOBBY
- WAREHOUSE / GARAGE
- CIRCULATION / STAND-UP SPACE / CASEWORK STORAGE

	EXISTING	UPDATED	\$QFT
OVERALL OFFICEBLOCK	8,625	8,625	
CONTROL / FIELD OPERATIONS / BREAKROOM	1,860	1,860	
CONFERENCE	555	955 (FLEXED)	
WORKSTATION	965	965	
OFFICE	745	885 (4HR)	
OFFICE SUPPORT SPACE	445	268	
OFFICE BREAKROOM	520	520	
TOILET / STORAGE / MECH	1,185	1,185	
WAITING LOBBY	400	400	
CIRCULATION / STAND UP / CASEWORK	2,190	2,190	
NEW CONFERENCE (SHARED)		955	
NEW HR OFFICE		140	
NEW LOCKER / RESTROOM		780	

OVERALL FLOOR PLAN - DIAGRAMMATIC FLOOR PLAN
1/8" = 1'-0"

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"MODERNFOLD" OR SIMILAR OPERABLE PARTITION ALLOWS FOR EXPANSION OF CONFERENCE WITH ADJOINING CAFE. CAFE CAN SERVICE BOARD/PUBLIC MEETINGS.

DEMO AND REMOVE EXISTING SMALL MEETING SPACE. REMOVE DEMISING WALL TO CREATE FLEX CAFE/CONFERENCE ROOM.

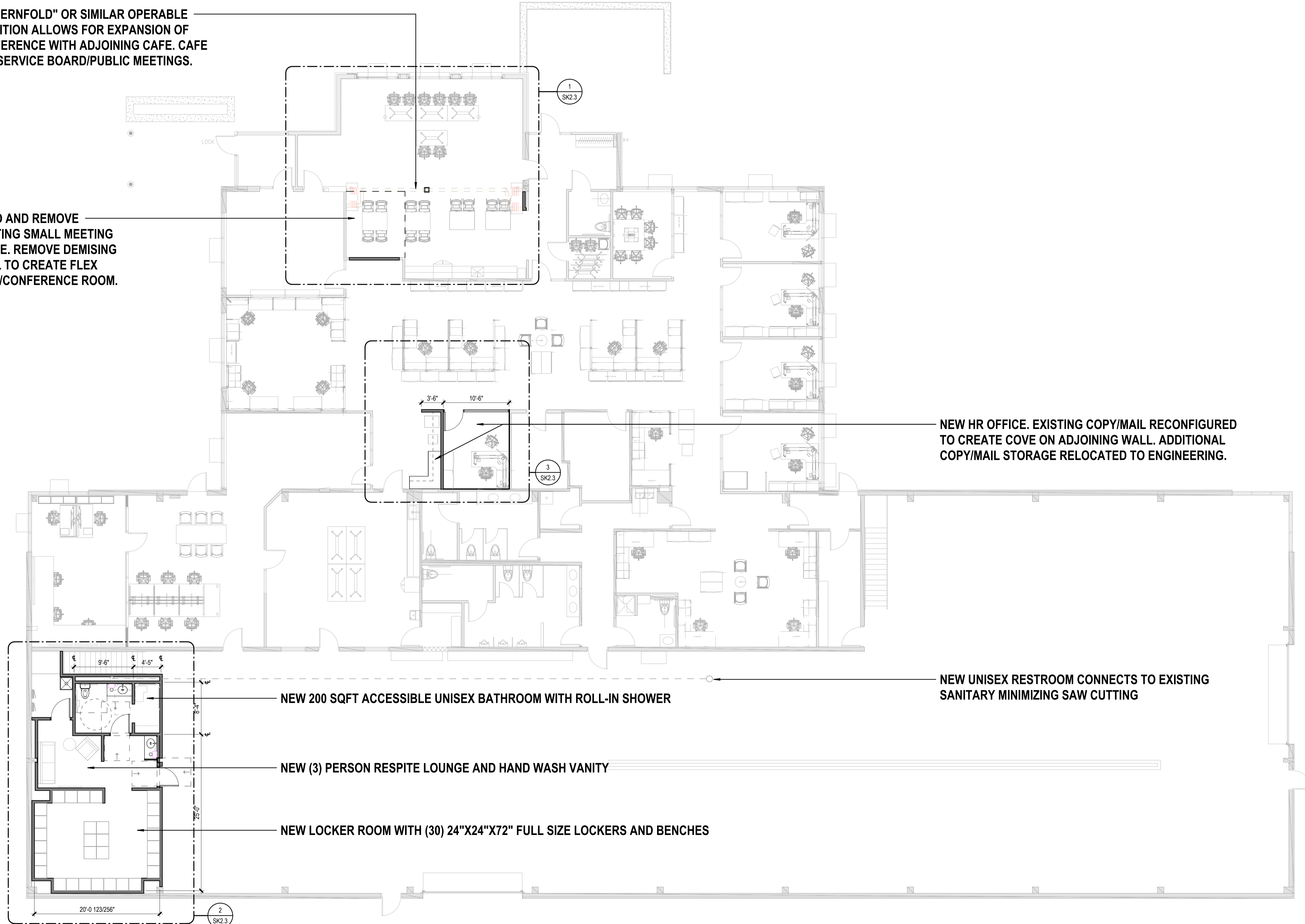
NEW HR OFFICE. EXISTING COPY/MAIL RECONFIGURED TO CREATE COVE ON ADJOINING WALL. ADDITIONAL COPY/MAIL STORAGE RELOCATED TO ENGINEERING.

NEW UNISEX RESTROOM CONNECTS TO EXISTING SANITARY MINIMIZING SAW CUTTING

NEW 200 SQFT ACCESSIBLE UNISEX BATHROOM WITH ROLL-IN SHOWER

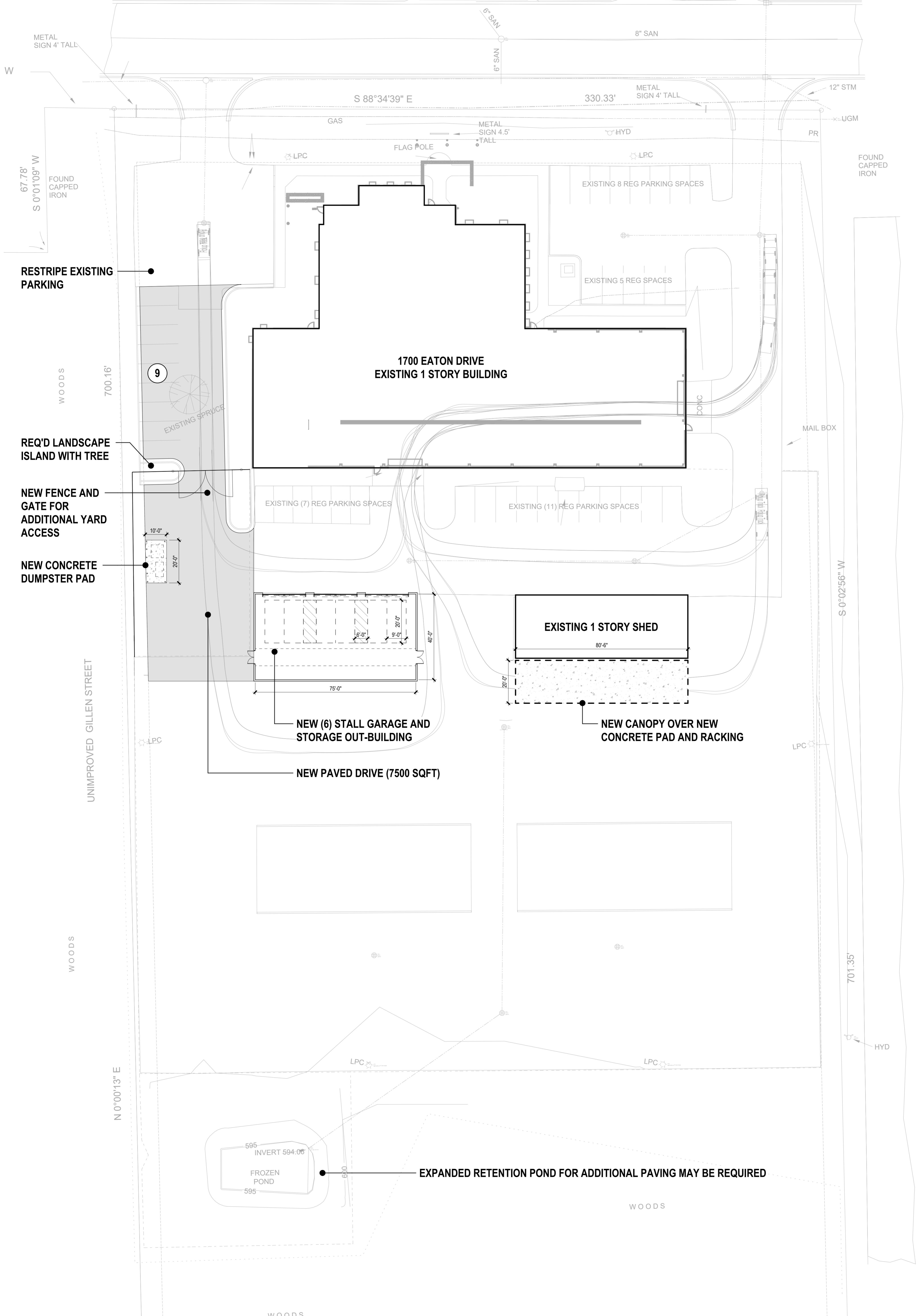
NEW (3) PERSON RESPITE LOUNGE AND HAND WASH VANITY

NEW LOCKER ROOM WITH (30) 24"X24"X72" FULL SIZE LOCKERS AND BENCHES

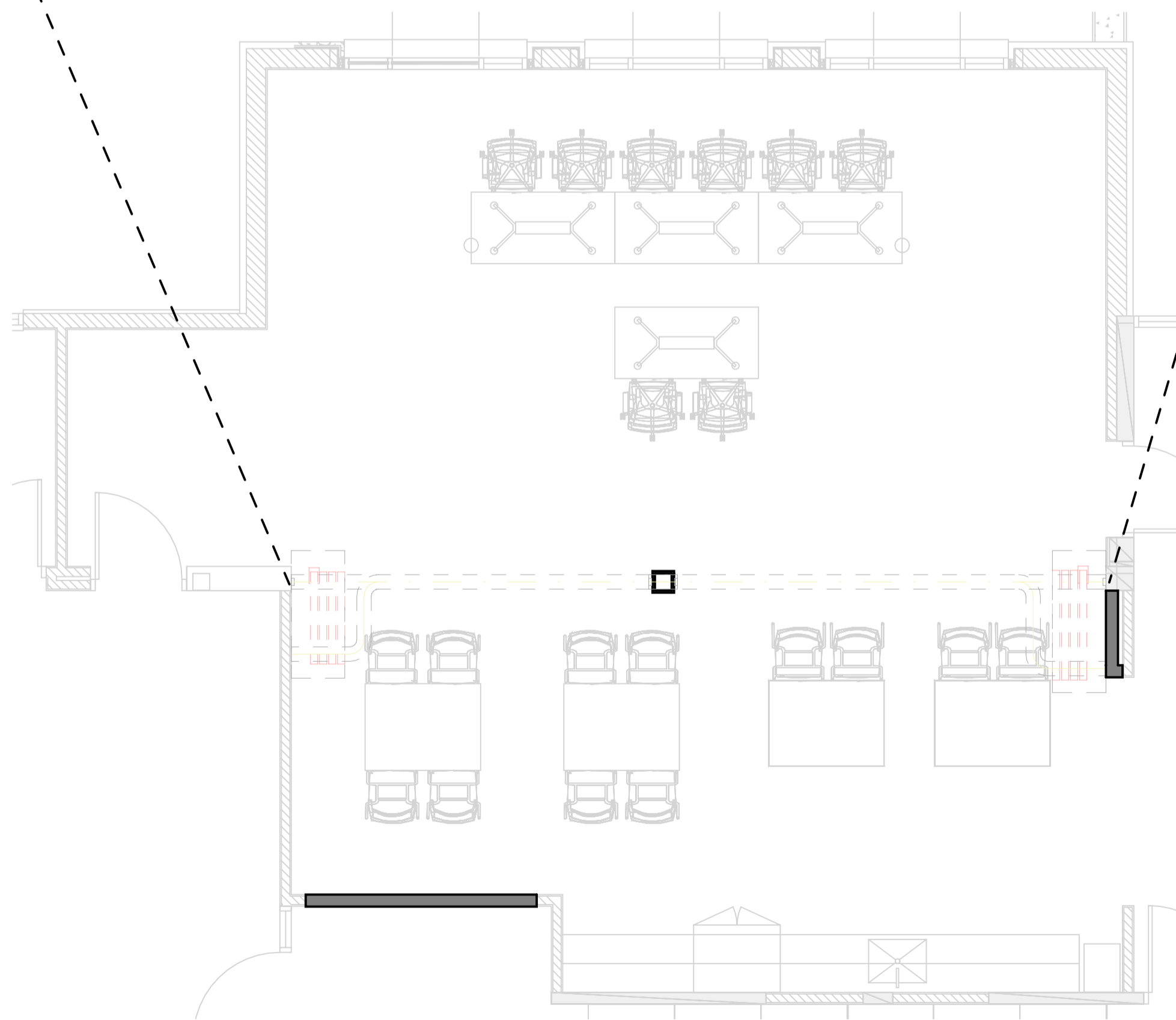


1 OVERALL FLOOR PLAN - CONCEPTUAL DESIGN
1/8" = 1'-0"

EATON DRIVE

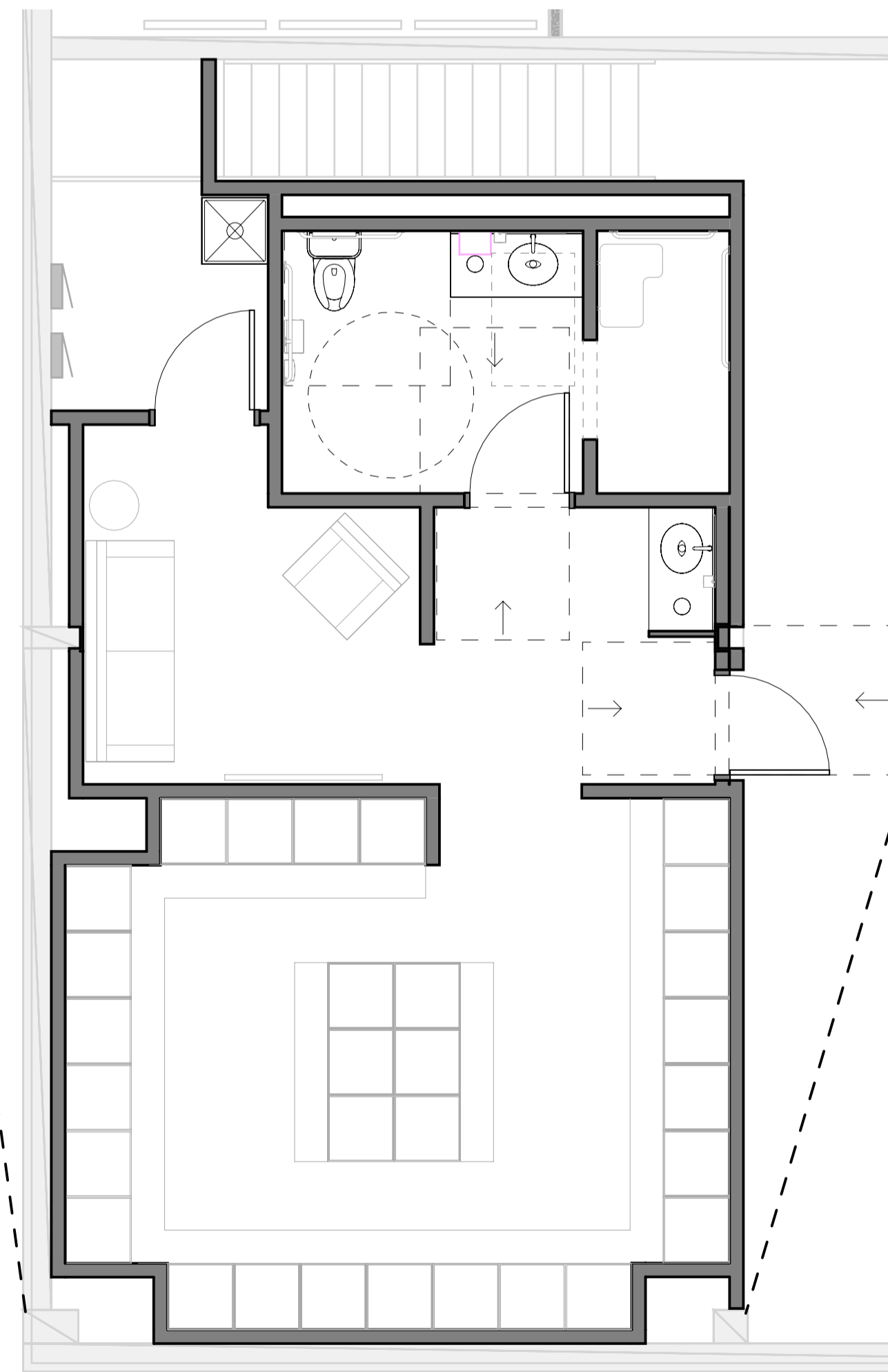
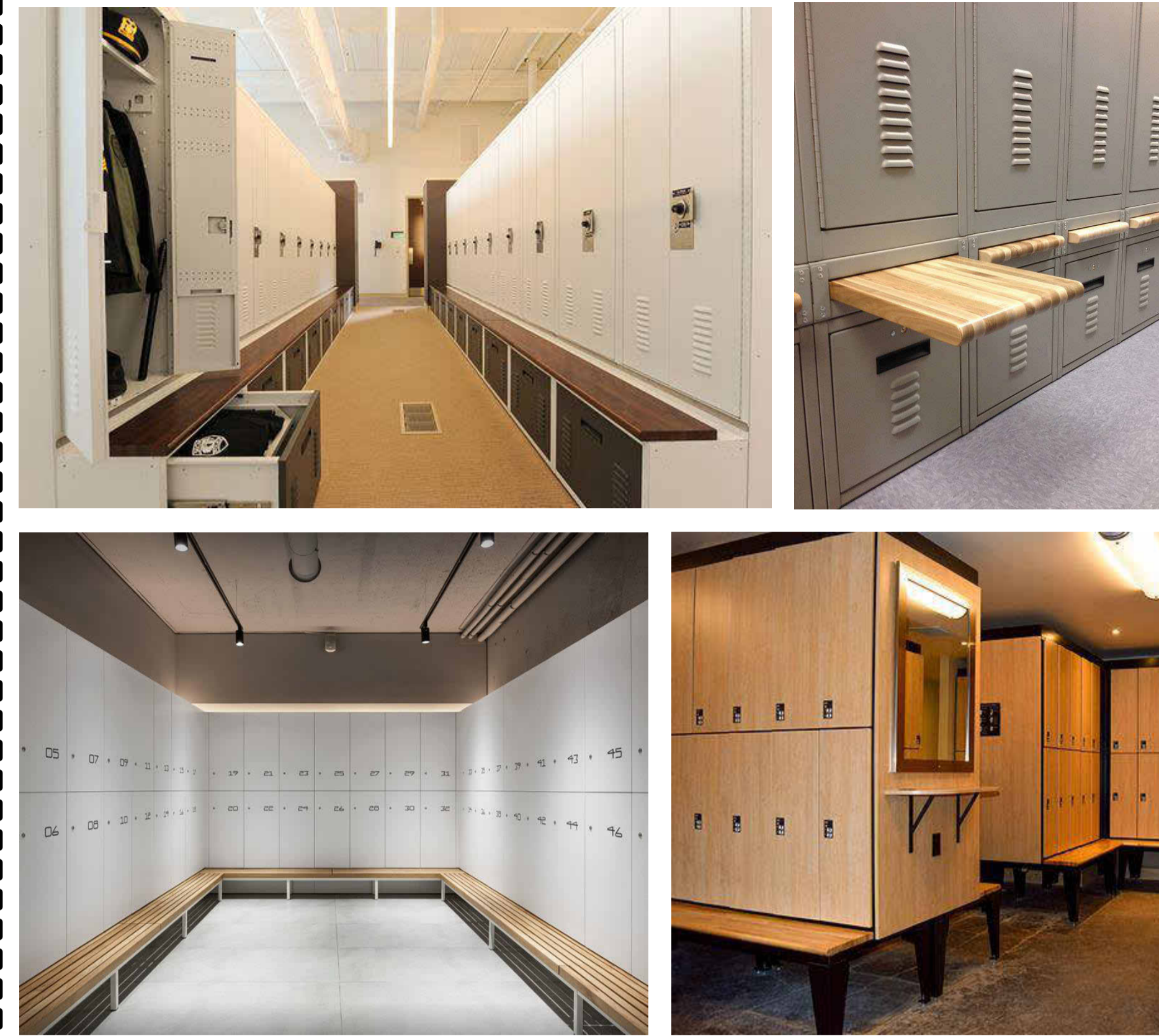


**BASIS OF DESIGN: MODERNFOLD ACOUSTI-SEAL ENCORE WOOD PANEL/WHITE BOARD.
SOUND TRANSMISSION CLASS RATING OF 52 TO 56**



1 CONCEPT PLAN - BOARDROOM / CAFE
1/4" = 1'-0"

BASIS OF DESIGN: SPACESAVER LOCKERS WITH INTEGRAL BENCH

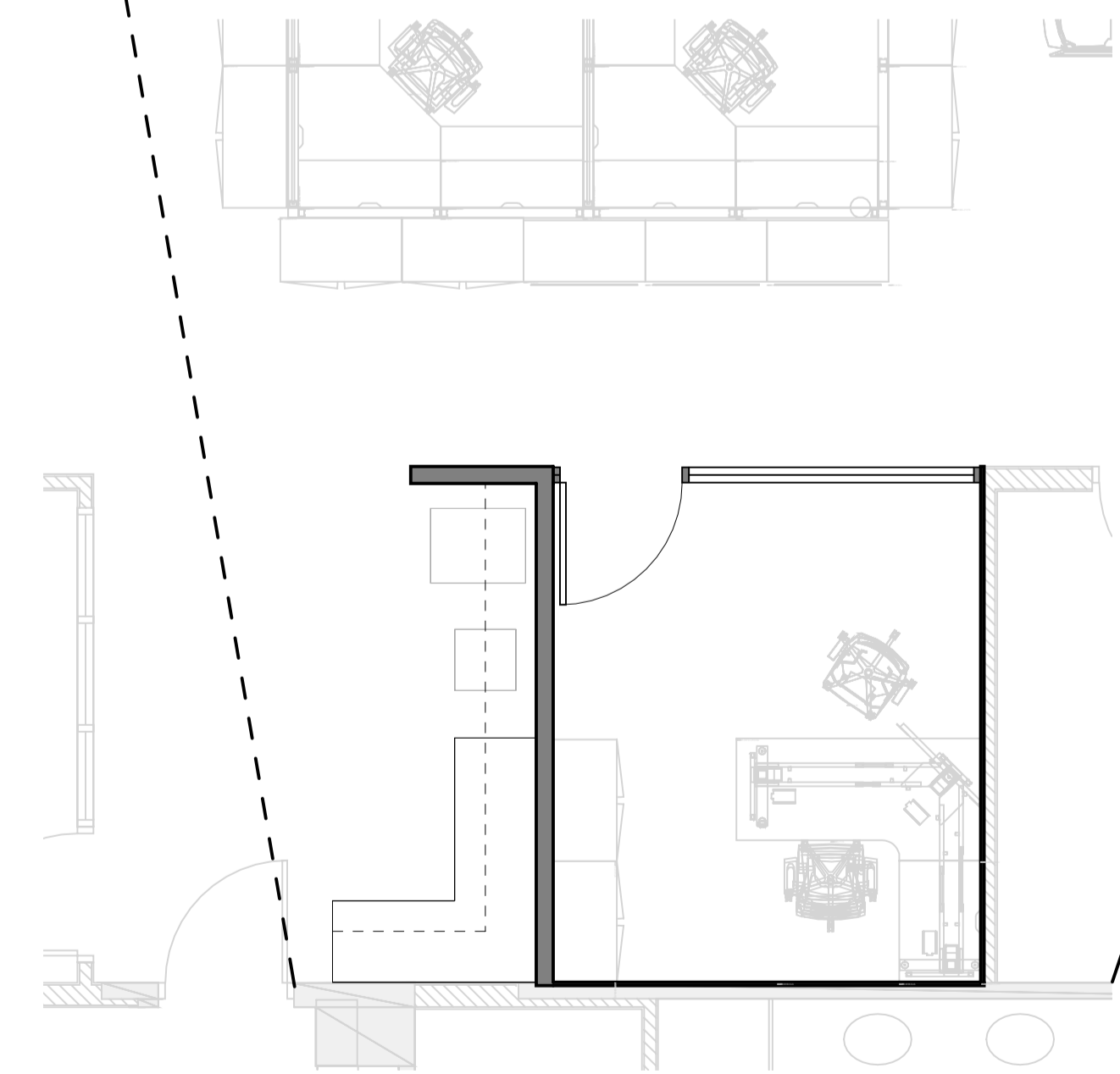


2 CONCEPT PLAN - NEW LOCKER, RESPITE,
AND UNISEX RESTROOM
1/4" = 1'-0"

EXISTING COPY ROOM



CONCEPTUAL PERSPECTIVE UPDATED HR OFFICE AND COPY CORNER



3 CONCEPT PLAN - NEW HR OFFICE AND
COPY STATION
1/4" = 1'-0"