

GRAND HAVEN BOARD OF LIGHT AND POWER  
MINUTES  
APRIL 28, 2025

A regular meeting of the Grand Haven Board of Light and Power was held on Thursday, April 28, 2025, 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, Knoth, Polyak, Welling, and Westbrook.

**Absent:** None.

**Others Present:** General Manager Rob Shelley, Secretary to the Board Danielle Martin, Finance Manager Lynn Diffell, Operations and Power Supply Manager Erik Booth, and Distribution and Engineering Manager Austin Gagnon.

**25-04A** Director Knoth, supported by Director Welling, moved to approve the meeting agenda.

**Roll Call Vote:**

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

**Pledge of Allegiance**

**Public Comment Period:** None.

**25-04B** Director Welling, supported by Director Polyak, moved to approve the consent agenda. The consent agenda includes:

- Approve the minutes of the March 20, 2025 Regular 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 03/27/2025
- Approve payment of bills in the amount of \$2,261,229.82 from the Operation & Maintenance Fund
- Approve payment of bills in the amount of \$199,422.71 from the Renewal & Replacement Fund
- Approve Purchase Order #23376 to Koppers in the amount of \$16,920 for distribution wood poles for BLP stock

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- Approve Purchase Order #23379 to Power Line Supply in the amount of \$109,867 for GH-T1 transformer bushings

**Roll Call Vote:**

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

**25-04C** Director Welling, supported by Director Polyak, moved to approve the Purchase Orders. The Purchase Orders include:

- Purchase Order #23364 to Border States in the amount of \$40,829 for electric meters for BLP stock
- Purchase Order #23370 to Irby in the amount of \$112,906 for 32 overhead transformers for BLP stock
- Purchase Order #23378 to the Holland Board of Public Works in the amount of \$8,000 for LEDS safety training
- Purchase Order #23380 to Dykstra Landscape in the amount of \$8,130 for Eaton Drive and Osipoff Substation lawn care
- Purchase Order #23389 to Dewitt Trenching in the amount of \$21,600 for directional bore services for Sterns Bayou
- Purchase Order #23392 to HIS Workplace in the amount of \$6,300 for fiscal year 2026 safety training videos
- Purchase Order #23393 to Koppers in the amount of \$108,386 for distribution wood poles for capital improvement plan projects

**Roll Call Vote:**

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

**25-04D** Distribution and Engineering Manager Austin Gagnon provided a transmission and distribution strategic goals update.

Of the four goals established in the Strategic Plan for the transmission and distribution area of focus, three have been completed and the last one is in progress. A full system audit has been conducted and since 2020 five major capital projects have been completed. In progress capital improvement plan projects are running behind schedule. Material costs are up 25-100% with increased lead times. Contract labor rates are also up, in some cases as much as 100%. Due to

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these factors, the budgeted capital plan is expected to grow to \$5 million per year. Upcoming projects in the capital plan focus on hardening overhead and strategic undergrounding.

Reliability data was also reviewed. In 2024, the average BLP customer experienced 2.4 outages per year and have been without power for only 3.9 hours. These results meet the Board's established Key Performance Indicator goal for the average customer to experience a loss of power for fewer than four hours per year. The average outage restoration time improved from 1.8 hours in 2023 to 1.6 hours in 2024. Of 506 outages experienced in 2024, 284 were planned, 106 were due to trees, 24 to animals, with the remainder due to bad underground, fuses, or substations.

**No formal action taken.**

**25-04E** Finance Manager Lynn Diffell presented the preliminary capital plan and expense budget.

The BLP is seeing a decrease in Mwh's sold per year. In fiscal year 2023, retail sales totaled 283,192 Mwh. For fiscal year 2026, the forecasted amount has dropped to 266,910 Mwh. Despite the decrease in sales, the BLP is in a low risk position with each customer category (residential, industrial, and commercial) representing approximately 30% of sales. 69% of budgeted operating expenses are allocated to purchased power, totaling \$20 million. The transfer to the City of Grand Haven is expected to be \$1.84 million. The five year capital plan totals \$27.6 million, with fiscal year 2026 accounting for \$7.2 million of this total, including \$2.2 million for building renovations. The environmental remediation surcharge is budgeted to continue through fiscal year 2026 and will collect an additional \$1 million for future Harbor Island costs. Cash is expected to decrease from \$30 million to \$26 million during the fiscal year 2026.

**No formal action taken.**

**25-04F** Chairperson Westbrook asked the Board to keep Wednesday, May 21<sup>st</sup> at 6:00pm open for a potential joint BLP and City Council meeting.

**No formal action taken.**

**Other Business**

- The BLP received a 2024 Diamond Level Safety Award from the American Public Power Association. This is the highest level that can be earned.
- The BLP had a rotation of one crew, or three employees at a time, doing mutual aid work in northern Michigan for the past three weeks following the ice storms. All employees have now returned home.
- MMEA's "Impact Report" was shared, which summarizes data on public power in Michigan. The study found that public power customers in the state of Michigan save \$402 million per year.

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**Public Comment Period:** None.

**Adjournment**

At 7:00 PM by motion of Director Welling, supported by Director Knoth, the April 28, 2025 Board meeting was unanimously adjourned.

Respectfully submitted,

Danielle Martin  
Secretary to the Board

DM

**GRAND HAVEN BOARD OF LIGHT AND POWER**  
**STATEMENT OF NET POSITION**  
**FOR THE MONTH ENDING APRIL 2025**

	<u>APRIL 2025</u>	<u>APRIL 2024</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
CASH AND CASH EQUIVALENTS	\$29,393,456	\$22,674,873
ACCOUNTS RECEIVABLE	4,315,929	4,032,140
PREPAID	2,580	2,802
	<hr/> 33,711,965	<hr/> 26,709,815
<b>NON-CURRENT ASSETS</b>		
DEPOSITS HELD BY MPIA	10,357,176	8,627,653
DEPOSITS HELD BY MPPA	2,500,000	2,500,000
ADVANCE TO CITY OF GRAND HAVEN	516,075	635,211
MITIGATION FUND	17,100,801	14,277,725
2021A BOND FUND	0	5,857,453
2021A BOND REDEMPTION FUND	946,747	934,527
	<hr/> 31,420,799	<hr/> 32,832,569
<b>CAPITAL ASSETS</b>		
CONSTRUCTION IN PROGRESS	2,613,872	3,652,268
PROPERTY, PLANT AND EQUIPMENT	68,047,118	66,525,483
LESS ACCUMULATED DEPRECIATION	<hr/> (31,586,695)	<hr/> (32,056,085)
	39,074,295	38,121,666
<b>TOTAL ASSETS</b>	<hr/> <hr/> \$104,207,059	<hr/> <hr/> \$97,664,050
<b>DEFERRED OUTFLOWS/(INFLOWS)</b>		
PENSION/OPEB RELATED	<hr/> 3,736,804	<hr/> 4,681,112
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
ACCOUNTS PAYABLE	1,259,174	1,355,753
SERIES 2021A BOND CURRENT	2,494,273	2,506,913
ACCRUED PAYROLL LIABILITIES	330,144	306,126
CUSTOMER DEPOSITS	977,500	987,047
ACCRUED TRANSFER FUND	147,004	142,763
	<hr/> 5,208,095	<hr/> 5,298,602
<b>LONG TERM LIABILITIES</b>		
ASSET RETIREMENT OBLIGATION - MITIGATION	17,064,504	16,702,664
ACCRUED SICK AND PTO	266,472	248,432
SERIES 2021A BOND	15,500,000	17,900,000
NET PENSION LIABILITIES	5,491,563	6,301,362
NET OTHER POST EMPLOYMENT BENEFIT	929,482	500,888
	<hr/> 39,252,021	<hr/> 41,653,346
<b>TOTAL LIABILITIES</b>	<hr/> 44,460,116	<hr/> 46,951,948
<b>NET POSITION</b>		
BEGINNING OF THE YEAR	56,080,669	48,794,255
YTD INCREASE IN NET ASSETS	7,403,078	6,598,959
<b>NET POSITION</b>	<hr/> 63,483,747	<hr/> 55,393,214
<b>TOTAL LIABILITIES AND EQUITY</b>	<hr/> <hr/> \$107,943,863	<hr/> <hr/> \$102,345,162

GRAND HAVEN BOARD OF LIGHT AND POWER  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE MONTH OF APRIL 2025

	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	\$ 972,219	\$ 11,409,664	\$ 10,968,197	\$ 441,467	4.02%	\$ 939,420	\$ 10,821,504	\$ 588,160	5.44%
Commercial Sales	825,737	8,890,719	8,827,546	63,173	0.72%	790,365	8,590,785	299,934	3.49%
Industrial Sales	972,964	9,608,096	10,010,231	(402,135)	-4.02%	952,262	9,814,465	(206,369)	-2.10%
Municipal Sales	67,850	836,990	839,791	(2,801)	-0.33%	71,268	830,896	6,094	0.73%
Total Charges for Services	2,838,770	30,745,469	30,645,765	99,704	0.33%	2,753,315	30,057,650	687,819	2.29%
Street Lighting	28,200	280,974	280,000	974	0.35%	28,049	282,023	(1,049)	-0.37%
Other Revenue	198,826	664,618	249,666	414,952	166.20%	24,321	297,090	367,528	123.71%
Total Operating Revenue	3,065,796	31,691,061	31,175,431	515,630	1.65%	2,805,685	30,636,763	1,054,298	3.44%
Operating Expenses									
Net Purchased Power	1,336,787	16,178,633	16,890,740	(712,107)	-4.22%	1,379,074	15,317,056	861,577	5.62%
Distribution Operations	93,522	1,072,347	1,490,666	(418,319)	-28.06%	129,874	1,268,814	(196,467)	-15.48%
Distribution Maintenance	342,233	2,573,472	2,942,574	(369,102)	-12.54%	252,938	2,821,195	(247,723)	-8.78%
Energy Optimization	1,907	150,491	270,832	(120,341)	-44.43%	11,032	130,518	19,973	15.30%
Administration	211,516	2,367,547	2,602,115	(234,568)	-9.01%	254,830	2,417,391	(49,844)	-2.06%
Legacy Pension Expense	11,408	135,832	416,665	(280,833)	-67.40%	43,227	583,185	(447,353)	-76.71%
Operating Expenses Before Depreciation	1,997,373	22,478,322	24,613,592	(2,135,270)	-8.68%	2,070,975	22,538,159	(59,837)	-0.27%
Operating Changes Before Depreciation	1,068,423	9,212,739	6,561,839	2,650,900	40.40%	734,710	8,098,604	1,114,135	13.76%
Depreciation	183,231	1,845,681	1,817,343	28,338	1.56%	171,462	1,737,387	108,294	6.23%
Operating Changes	885,192	7,367,058	4,744,496	2,622,562	55.28%	563,248	6,361,217	1,005,841	15.81%
Nonoperating Revenue/(Expenses)	74,865	801,026	515,181	285,845	55.48%	80,710	870,329	(69,303)	-7.96%
Asset Retirement Expense	-	24,698	-	24,698	#DIV/0!	-	123,492	(98,794)	-80.00%
Environmental Surcharge	73,115	801,703	833,330	(31,627)	-3.80%	73,886	800,952	751	0.09%
Non-Operating Revenue/(Expenses)	147,980	1,627,427	1,348,511	278,916	20.68%	154,596	1,794,773	(167,346)	-9.32%
Transfers to City of Grand Haven	(147,004)	(1,591,407)	(1,532,288)	(59,119)	3.86%	(142,763)	(1,557,031)	(34,376)	2.21%
Increase in Net Assets	\$ 886,168	\$ 7,403,078	\$ 4,560,719	\$ 2,842,359	62.32%	\$ 575,081	\$ 6,598,959	\$ 804,119	12.19%

**GRAND HAVEN BOARD OF LIGHT AND POWER  
POWER SUPPLY DASHBOARD  
FOR THE MONTH OF APRIL 2025**

<b><u>Power Supply for Month (kWh)</u></b>	<b><u>FY2025</u></b>		<b><u>FY2024</u></b>	
Net Purchased (Sold) Power	13,095,641	64.53%	13,312,171	65.40%
Renewable Energy Purchases	7,199,537	35.47%	7,042,915	34.60%
<b>Monthly Power Supply Total</b>	<b>20,295,178</b>		<b>20,355,086</b>	
Days in Month	30		30	
Average Daily kWh Supply for Month	<b>676,506</b>		<b>678,503</b>	
% Change	-0.29%			

<b><u>Power Supply FYTD</u></b>	<b><u>FY2025</u></b>		<b><u>FY2024</u></b>	
Net Purchased (Sold) Power	170,980,272	73.65%	175,778,283	75.79%
Renewable Energy Purchases	61,181,255	26.35%	56,163,923	24.21%
<b>FYTD Power Supply Total</b>	<b>232,161,527</b>		<b>231,942,206</b>	
FYTD Days (from 7/1)	304		305	
<b>Average Daily kWh Supply FYTD</b>	<b>763,689</b>		<b>760,466</b>	
% Change	0.42%			

	<b><u>FY2025</u></b>	<b><u>FY2024</u></b>
Net Purchased Power Expenses	\$16,178,633	\$15,317,056
% Change	5.62%	
<b>Net Energy Expenses per kWh Supplied to System FYTD</b>	<b>\$0.06969</b>	<b>\$0.06604</b>
% Change	5.53%	

**GRAND HAVEN BOARD OF LIGHT AND POWER  
SALES DASHBOARD  
FOR THE MONTH OF APRIL 2025**

<u>Monthly Retail Customers</u>	<u>FY2025</u>		<u>FY2024</u>	
Residential	13,271	87.55%	13,200	87.56%
Commercial	1,650	10.89%	1,636	10.85%
Industrial	128	0.84%	126	0.84%
Municipal	109	0.72%	114	0.76%
<b>Total</b>	<b>15,158</b>		<b>15,076</b>	
 <u>Monthly Energy Sold (kWh)</u>				
Residential	6,245,779	29.78%	6,262,475	29.56%
Commercial	5,853,692	27.91%	5,800,001	27.38%
Industrial	8,255,545	39.36%	8,468,468	39.97%
Municipal	554,290	2.64%	587,872	2.77%
Retail Monthly Total	20,909,306	99.68%	21,118,816	99.69%
Street Lighting	66,586	0.32%	66,524	0.31%
<b>Total Monthly Energy Sold</b>	<b>20,975,892</b>		<b>21,185,340</b>	
 Days in Primary Meter Cycle	 31		 31	
<b>kWh Sold per Day</b>	<b>676,642</b>		<b>683,398</b>	
% Change	-0.99%			

<u>Energy Sold (kWh) FYTD</u>	<u>FY2025</u>		<u>FY2024</u>	
Residential	76,917,668	33.47%	73,410,246	31.96%
Commercial	64,598,727	28.11%	63,035,690	27.45%
Industrial	80,727,923	35.13%	85,447,227	37.20%
Municipal	6,912,450	3.01%	6,986,549	3.04%
Retail Energy Sold Total FYTD	229,156,768	99.71%	228,879,712	99.66%
Street Lighting	665,198	0.29%	788,944	0.34%
<b>Energy Sold FYTD</b>	<b>229,821,966</b>		<b>229,668,656</b>	
 Weighted Days in Meter Cycles FYTD	 304		 305	
<b>kWh Sold per Day</b>	<b>755,993</b>		<b>753,012</b>	
% Change	0.40%			

<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	\$11,409,665	\$0.1483	\$10,821,504	\$0.1474	0.63%
Commercial	\$8,890,719	\$0.1376	\$8,590,785	\$0.1363	0.99%
Industrial	\$9,608,096	\$0.1190	\$9,814,465	\$0.1149	3.62%
Municipal	\$836,990	\$0.1211	\$830,896	\$0.1189	1.81%
<b>Retail Sales Revenue FYTD</b>	<b>\$30,745,469</b>	<b>\$0.1342</b>	<b>\$30,057,650</b>	<b>\$0.1313</b>	<b>2.16%</b>
Street Lighting	\$280,974		\$282,023		
<b>Total Sales Revenue FYTD (Excl. Wholesale)</b>	<b>\$31,026,443</b>	<b>\$0.1350</b>	<b>\$30,339,673</b>	<b>\$0.1321</b>	

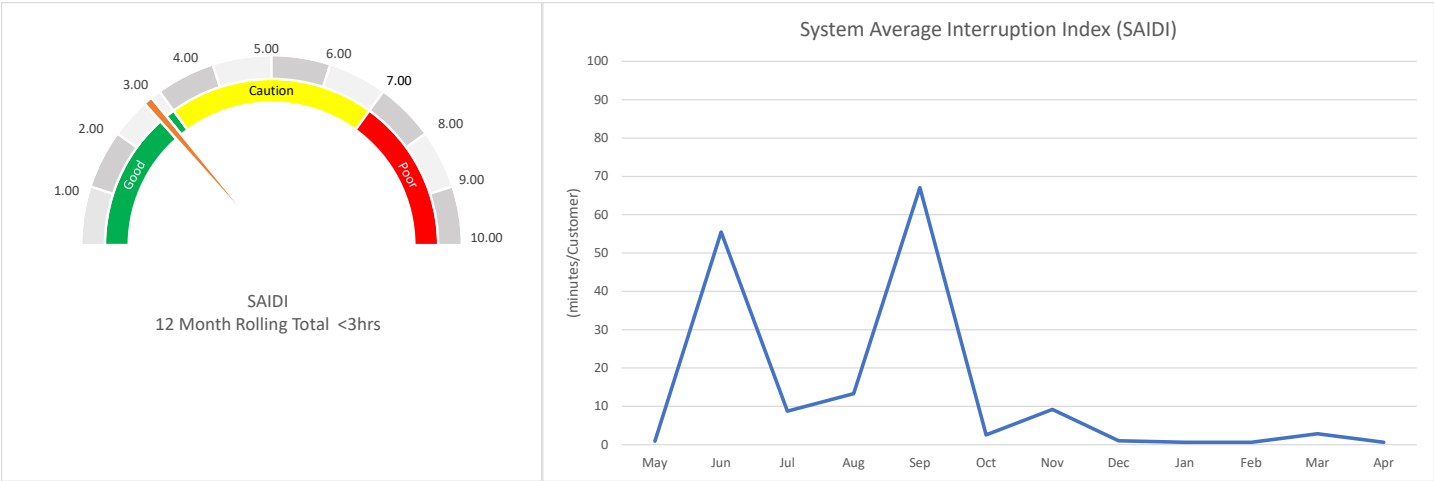
	<u>FY2025</u>	<u>FY2024</u>
Approx. Distribution Losses FYTD	1.01%	0.98%
 <b>Net Energy Expenses/kWh Sold FYTD</b>	<b>\$0.07039</b>	<b>\$0.06669</b>
% Change	5.55%	



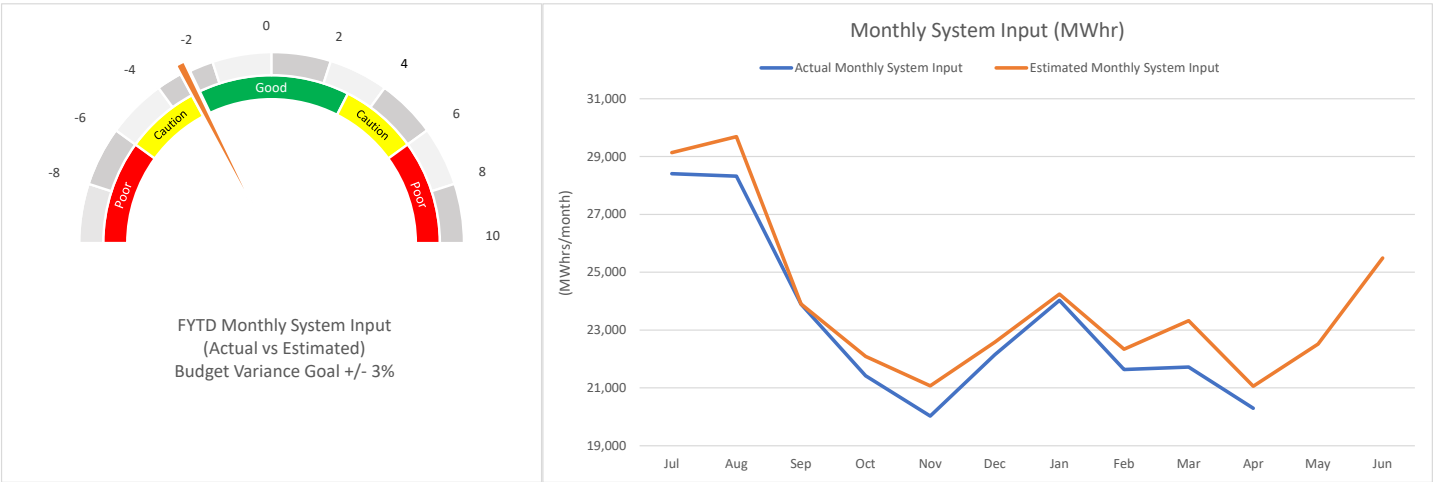
GHBLP Key Performance Indicators

May 10, 2025

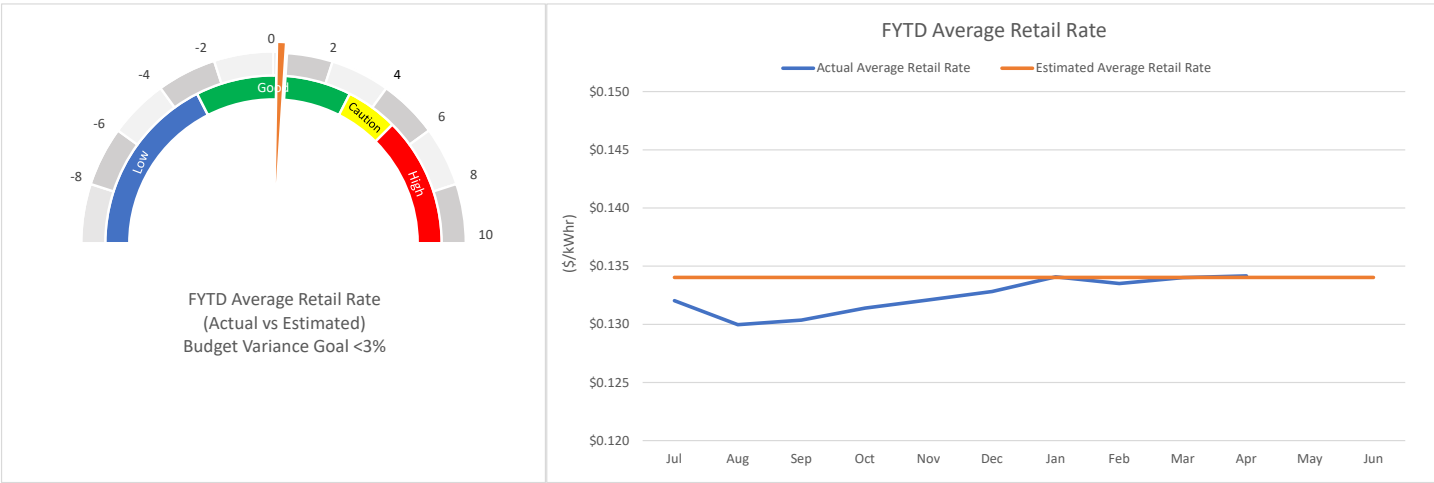
1) Reliability



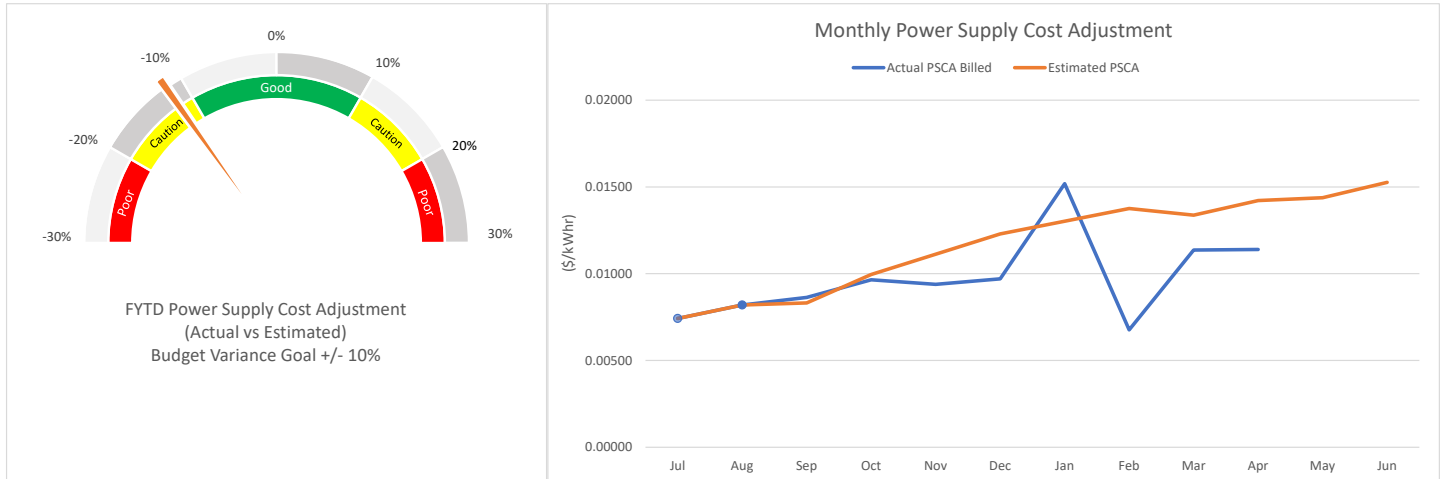
2) Power Supply



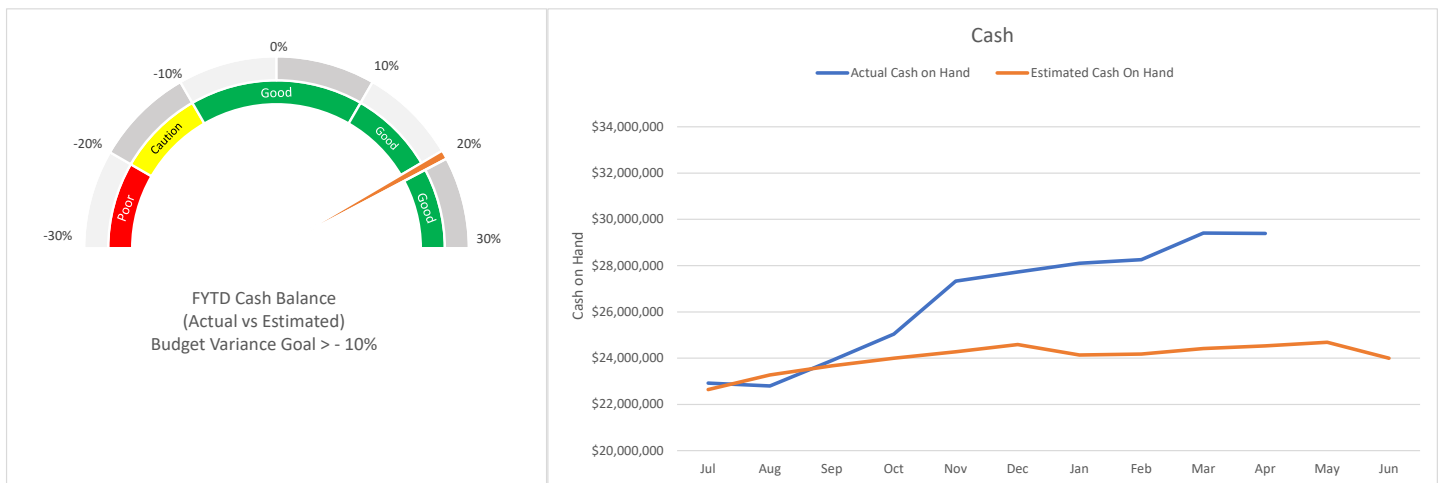
3) Average Retail Revenue per kWh



#### 4) Rates/PSCA



#### 5) Financial

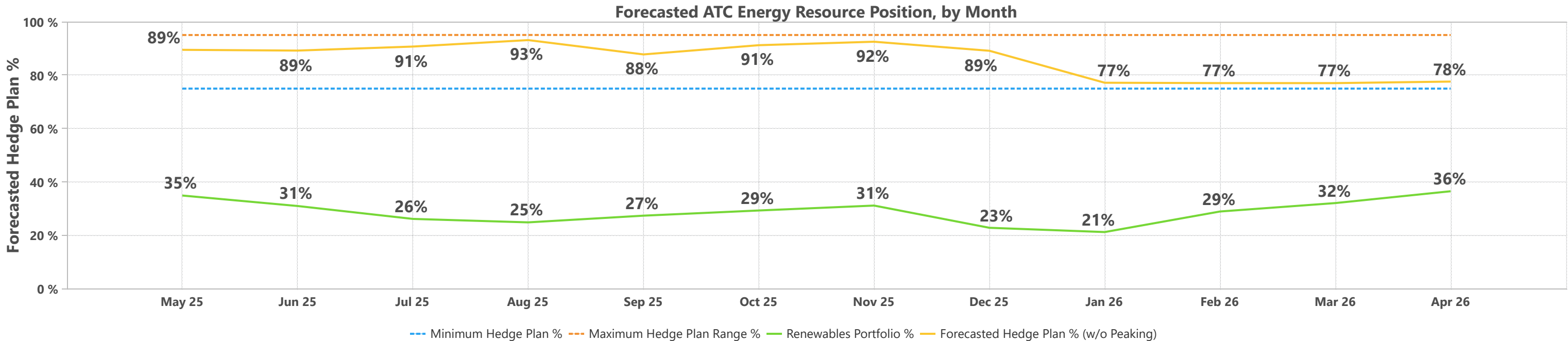


GRAN is forecasted to have an average of 86% of Around the Clock (ATC) Power Supply hedged over the upcoming 12 months, and Renewable Energy Resources are forecasted to provide an average of 29% towards load. Total Resources are forecasted to cost an average of \$52.01 Per MWh, and Market Balancing Energy is forecasted to come in at an average of \$46.81 per MWh. When including Locational Basis this results in a Total Forecasted Power Supply weighted average cost of \$52.10 over the upcoming 12 months.

Forecasted Prompt 12 Months Energy Resource Position for GRAN

Power Supply, MWh	May 25	Jun 25	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25	Dec 25	Jan 26	Feb 26	Mar 26	Apr 26
Total Resources, MWh	19,140	22,194	25,065	25,658	20,261	18,807	17,904	19,214	18,024	16,542	17,373	15,669
Project Assets	1,887	1,717	1,579	1,545	1,556	1,701	1,655	1,639	1,657	1,488	1,694	1,612
Landfill Project	1,887	1,717	1,579	1,545	1,556	1,701	1,655	1,639	1,657	1,488	1,694	1,612
Contracted Power Supply	17,252	20,477	23,485	24,113	18,705	17,106	16,250	17,575	16,367	15,054	15,679	14,057
Contracted ESP Renewable PPAs	5,567	5,977	5,628	5,283	4,747	4,327	4,360	3,266	3,285	4,712	5,530	5,751
Contracted Bilateral Energy Transactions	11,686	14,501	17,858	18,830	13,958	12,778	11,890	14,310	13,082	10,342	10,149	8,306

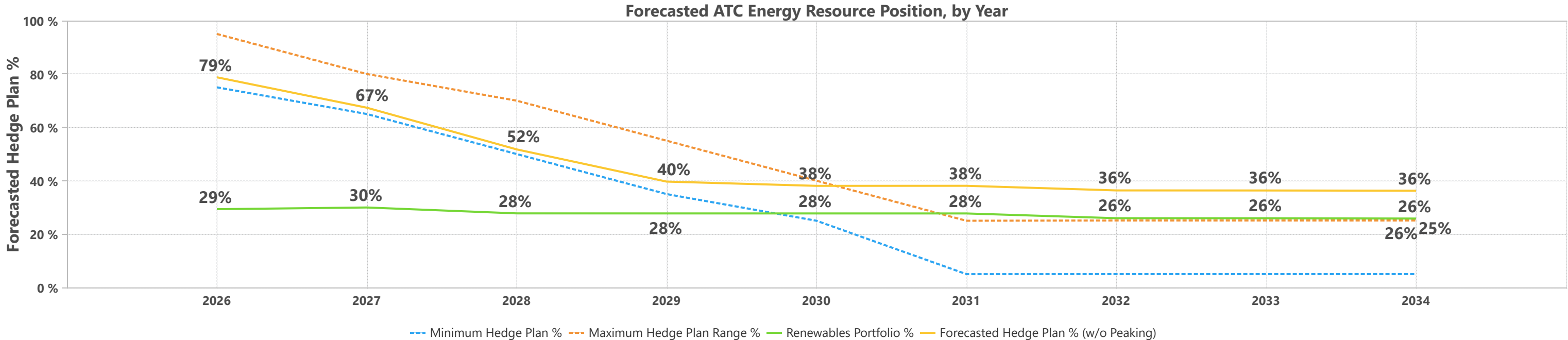
Total Power Supply	May 25	Jun 25	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25	Dec 25	Jan 26	Feb 26	Mar 26	Apr 26
Forecasted Hedge Plan % (w/o Peaking)	89%	89%	91%	93%	88%	91%	92%	89%	77%	77%	77%	78%
Minimum Hedge Plan %	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
Maximum Hedge Plan Range %	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%
Renewables Portfolio %	35%	31%	26%	25%	27%	29%	31%	23%	21%	29%	32%	36%
Forecasted Load	(21,401)	(24,895)	(27,647)	(27,566)	(23,099)	(20,627)	(19,362)	(21,569)	(23,378)	(21,492)	(22,574)	(20,209)
Forecasted Market Balancing, MWh	(2,261)	(2,701)	(2,583)	(1,907)	(2,839)	(1,821)	(1,458)	(2,355)	(5,354)	(4,950)	(5,201)	(4,540)
Forecasted Hedge % (w/ Peaking)	89%	89%	91%	93%	88%	91%	92%	89%	77%	77%	77%	78%



Forecasted Outer Years Energy Resource Position for GRAN

Power Supply, MWh	2026	2027	2028	2029	2030	2031	2032	2033	2034
Total Resources, MWh	215,667	183,992	140,957	107,834	103,261	103,069	98,163	97,876	97,422
Project Assets	19,325	13,564	7,493	7,493	7,493	7,490	2,654	2,654	2,382
Landfill Project	19,325	13,564	7,493	7,493	7,493	7,490	2,654	2,654	2,382
Contracted Power Supply	196,341	170,429	133,464	100,341	95,768	95,578	95,509	95,222	95,040
Contracted ESP Renewable PPAs	60,986	68,289	68,133	67,920	67,736	67,546	67,400	67,190	67,008
Contracted Bilateral Energy Transactions	135,355	102,139	65,331	32,422	28,032	28,032	28,109	28,032	28,032

Total Power Supply	2026	2027	2028	2029	2030	2031	2032	2033	2034
Forecasted Hedge Plan % (w/o Peaking)	79%	67%	52%	40%	38%	38%	36%	36%	36%
Minimum Hedge Plan %	75%	65%	50%	35%	25%	5%	5%	5%	5%
Maximum Hedge Plan Range %	95%	80%	70%	55%	40%	25%	25%	25%	25%
Renewables Portfolio %	29%	30%	28%	28%	28%	28%	26%	26%	26%
Forecasted Load	(273,814)	(273,114)	(272,439)	(271,824)	(271,201)	(270,560)	(269,916)	(269,314)	(268,724)
Forecasted Market Balancing, MWh	(58,148)	(89,122)	(131,481)	(163,989)	(167,940)	(167,492)	(171,754)	(171,438)	(171,302)
Forecasted Hedge % (w/ Peaking)	79%	67%	52%	40%	38%	38%	36%	36%	36%



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.

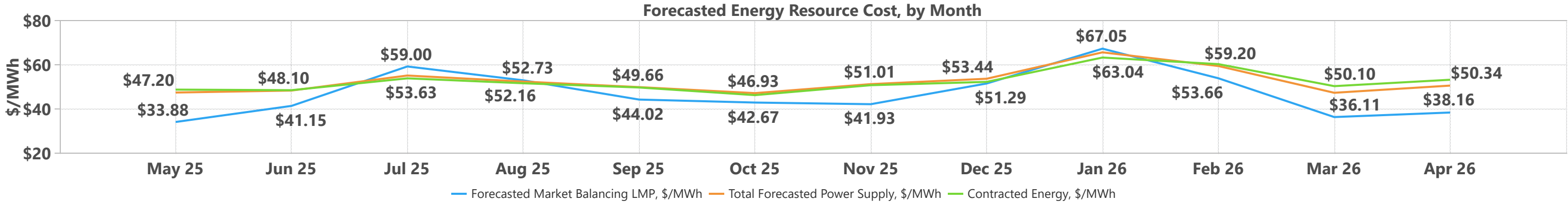
Power Supply \$'s	May 25	Jun 25	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25	Dec 25	Jan 26	Feb 26	Mar 26	Apr 26
Total Resources, \$'s	(\$928,688)	(\$1,071,247)	(\$1,344,115)	(\$1,318,997)	(\$1,002,686)	(\$865,656)	(\$904,602)	(\$999,642)	(\$1,136,173)	(\$993,404)	(\$870,377)	(\$830,201)
Project Assets	(\$213,218)	(\$192,646)	(\$195,899)	(\$180,738)	(\$182,027)	(\$137,671)	(\$194,173)	(\$191,977)	(\$196,648)	(\$177,654)	(\$142,926)	(\$193,227)
Landfill Project	(\$213,218)	(\$192,646)	(\$195,899)	(\$180,738)	(\$182,027)	(\$137,671)	(\$194,173)	(\$191,977)	(\$196,648)	(\$177,654)	(\$142,926)	(\$193,227)
Contracted Power Supply	(\$715,471)	(\$878,601)	(\$1,148,215)	(\$1,138,259)	(\$820,659)	(\$727,985)	(\$710,429)	(\$807,666)	(\$939,525)	(\$815,750)	(\$727,451)	(\$636,974)
Contracted ESP Renewable PPAs	(\$250,518)	(\$278,887)	(\$261,706)	(\$245,965)	(\$226,918)	(\$206,813)	(\$207,997)	(\$154,673)	(\$160,120)	(\$227,951)	(\$269,172)	(\$279,610)
Contracted Bilateral Energy Transactions	(\$464,952)	(\$599,713)	(\$886,509)	(\$892,294)	(\$593,741)	(\$521,172)	(\$502,432)	(\$652,993)	(\$779,405)	(\$587,799)	(\$458,279)	(\$357,364)

Locational Basis, \$'s	May 25	Jun 25	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25	Dec 25	Jan 26	Feb 26	Mar 26	Apr 26
Locational Basis (Projects)	(\$508)	(\$1,006)	(\$670)	(\$1,083)	(\$392)	\$357	(\$669)	\$781	(\$1,382)	(\$1,280)	\$123	(\$701)
Locational Basis (Contracted Power Supply)	(\$4,417)	(\$14,156)	(\$20,469)	(\$17,180)	(\$18,991)	(\$25,076)	(\$21,295)	(\$33,056)	(\$32,221)	(\$12,104)	(\$5,015)	(\$13,191)

Power Supply \$/MWh	May 25	Jun 25	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25	Dec 25	Jan 26	Feb 26	Mar 26	Apr 26
Power Supply \$/MWh												
Project Assets												
Landfill Project	\$112.97	\$112.22	\$124.06	\$116.98	\$117.00	\$80.94	\$117.35	\$117.16	\$118.70	\$119.42	\$84.36	\$119.87
Contracted Power Supply												
Contracted ESP Renewable PPAs	\$45.00	\$46.66	\$46.50	\$46.56	\$47.81	\$47.79	\$47.70	\$47.36	\$48.74	\$48.38	\$48.67	\$48.62
Contracted Bilateral Energy Transactions	\$39.79	\$41.36	\$49.64	\$47.39	\$42.54	\$40.79	\$42.26	\$45.63	\$59.58	\$56.83	\$45.16	\$43.03

Locational Basis, \$/MWh	May 25	Jun 25	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25	Dec 25	Jan 26	Feb 26	Mar 26	Apr 26
Locational Basis (Projects)	\$0.27	\$0.59	\$0.42	\$0.70	\$0.25	(\$0.21)	\$0.40	(\$0.48)	\$0.83	\$0.86	(\$0.07)	\$0.43
Locational Basis (Contracted Power Supply)	\$0.26	\$0.69	\$0.87	\$0.71	\$1.02	\$1.47	\$1.31	\$1.88	\$1.97	\$0.80	\$0.32	\$0.94

Total Power Supply	May 25	Jun 25	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25	Dec 25	Jan 26	Feb 26	Mar 26	Apr 26
Forecasted Market Balancing LMP, \$/MWh	\$33.88	\$41.15	\$59.00	\$52.73	\$44.02	\$42.67	\$41.93	\$51.29	\$67.05	\$53.66	\$36.11	\$38.16
Forecasted Market Balancing LMP, \$'s	(\$76,617)	(\$111,146)	(\$152,362)	(\$100,581)	(\$124,963)	(\$77,700)	(\$61,125)	(\$120,782)	(\$358,979)	(\$265,608)	(\$187,794)	(\$173,266)
Total Forecasted Power Supply, \$/MWh	\$47.20	\$48.10	\$54.89	\$52.16	\$49.66	\$46.93	\$51.01	\$53.44	\$65.39	\$59.20	\$47.09	\$50.34
Total Forecasted Power Supply Costs, \$'s	(\$1,010,230)	(\$1,197,556)	(\$1,517,616)	(\$1,437,842)	(\$1,147,032)	(\$968,075)	(\$987,691)	(\$1,152,700)	(\$1,528,755)	(\$1,272,395)	(\$1,063,063)	(\$1,017,359)



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.

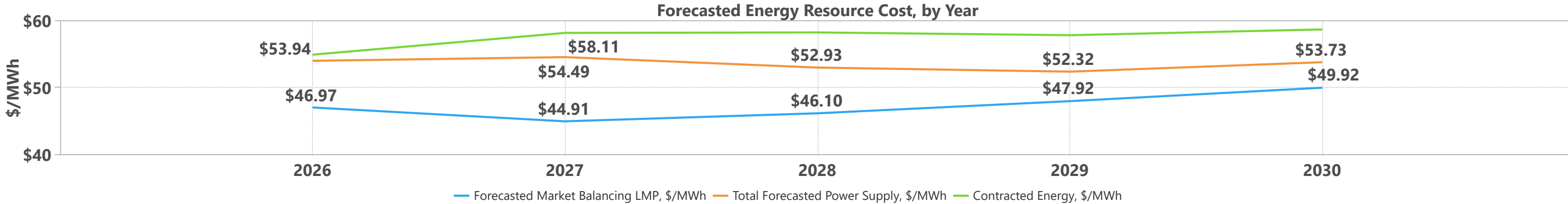
Power Supply \$'s	2026	2027	2028	2029	2030
Total Resources, \$'s	(\$11,830,797)	(\$10,691,768)	(\$8,200,973)	(\$6,229,121)	(\$6,054,201)
Project Assets	(\$2,121,355)	(\$1,492,827)	(\$862,621)	(\$884,885)	(\$907,489)
Landfill Project	(\$2,121,355)	(\$1,492,827)	(\$862,621)	(\$884,885)	(\$907,489)
Contracted Power Supply	(\$9,709,443)	(\$9,198,941)	(\$7,338,352)	(\$5,344,236)	(\$5,146,712)
Contracted ESP Renewable PPAs	(\$2,962,560)	(\$3,362,931)	(\$3,402,331)	(\$3,439,294)	(\$3,478,808)
Contracted Bilateral Energy Transactions	(\$6,746,882)	(\$5,836,010)	(\$3,936,021)	(\$1,904,942)	(\$1,667,904)

Locational Basis, \$'s	2026	2027	2028	2029	2030
Locational Basis (Projects)	(\$6,718)	(\$7,034)	(\$1,269)	(\$1,176)	(\$1,181)
Locational Basis (Contracted Power Supply)	(\$200,768)	(\$182,416)	(\$157,281)	(\$134,336)	(\$132,510)

Power Supply \$/MWh	2026	2027	2028	2029	2030
Power Supply \$/MWh					
Project Assets					
Landfill Project	\$109.77	\$110.06	\$115.12	\$118.10	\$121.11
Contracted Power Supply					
Contracted ESP Renewable PPAs	\$48.58	\$49.25	\$49.94	\$50.64	\$51.36
Contracted Bilateral Energy Transactions	\$49.85	\$57.14	\$60.25	\$58.76	\$59.50

Locational Basis, \$/MWh	2026	2027	2028	2029	2030
Locational Basis (Projects)	\$0.35	\$0.52	\$0.17	\$0.16	\$0.16
Locational Basis (Contracted Power Supply)	\$1.02	\$1.07	\$1.18	\$1.34	\$1.38

Total Power Supply	2026	2027	2028	2029	2030
Forecasted Market Balancing LMP, \$/MWh	\$46.97	\$44.91	\$46.10	\$47.92	\$49.92
Forecasted Market Balancing LMP, \$'s	(\$2,731,438)	(\$4,002,080)	(\$6,061,817)	(\$7,858,260)	(\$8,384,351)
Total Forecasted Power Supply, \$/MWh	\$53.94	\$54.49	\$52.93	\$52.32	\$53.73
Total Forecasted Power Supply Costs, \$'s	(\$14,769,722)	(\$14,883,298)	(\$14,421,340)	(\$14,222,893)	(\$14,572,243)

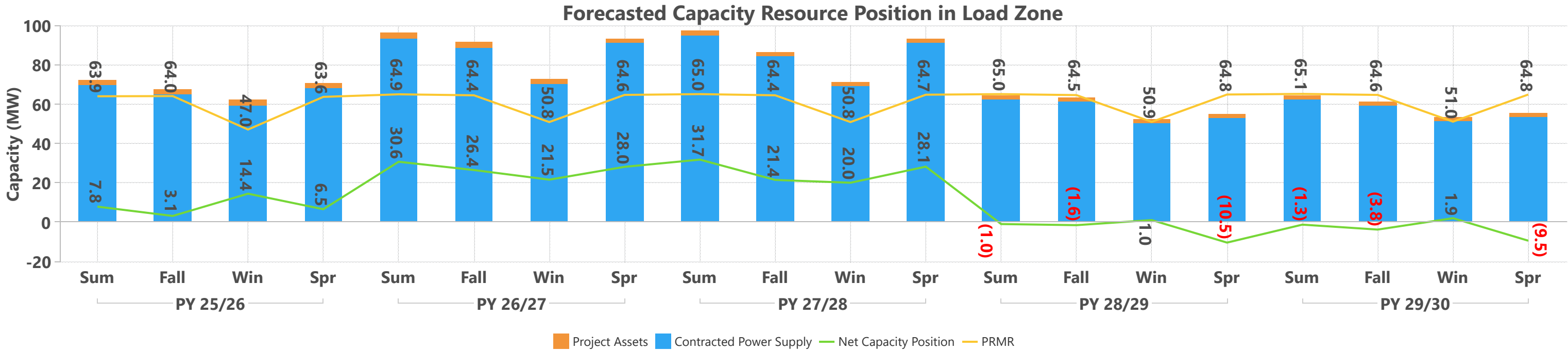


Forecasted Outer Years Capacity Resource Position for GRAN

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	7.8	3.1	14.4	6.5	30.6	26.4	21.5	28.0	31.7	21.4	20.0	28.1	(1.0)	(1.6)	1.0	(10.5)	(1.3)	(3.8)	1.9	(9.5)
Zone 7	7.8	3.1	14.4	6.5	30.6	26.4	21.5	28.0	31.7	21.4	20.0	28.1	(1.0)	(1.6)	1.0	(10.5)	(1.3)	(3.8)	1.9	(9.5)
Contracted Power Supply	69.9	65.2	59.6	68.2	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	57.2	57.2	57.2	57.2	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	12.7	8.0	2.4	11.0	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)	(64.9)	(64.4)	(50.8)	(64.6)	(65.0)	(64.4)	(50.8)	(64.7)	(65.0)	(64.5)	(50.9)	(64.8)	(65.1)	(64.6)	(51.0)	(64.8)
PRMR	(63.9)	(64.0)	(47.0)	(63.6)	(64.9)	(64.4)	(50.8)	(64.6)	(65.0)	(64.4)	(50.8)	(64.7)	(65.0)	(64.5)	(50.9)	(64.8)	(65.1)	(64.6)	(51.0)	(64.8)
Project Assets	1.8	1.9	1.8	1.9	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	1.8	1.9	1.8	1.9	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	(57.2)	(\$2,814,000)	\$4.10	(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	(57.2)	(\$703,500)	\$4.10	(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	(57.2)	(\$703,500)	\$4.10	(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	(57.2)	(\$703,500)	\$4.10	(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	(57.2)	(\$703,500)	\$4.10	(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	3.1	\$213,900	(\$2,600,100)	21.5	\$1,483,500	(\$2,380,992)	20.0	\$1,560,000	(\$2,271,299)	(10.5)	(\$850,500)	(\$3,825,871)	(9.5)	(\$798,000)	(\$3,812,516)
Sum	3.1	\$53,475	(\$650,025)	21.5	\$370,875	(\$644,161)	20.0	\$390,000	(\$643,970)	(10.5)	(\$212,625)	(\$999,682)	(9.5)	(\$199,500)	(\$994,812)
Fall	3.1	\$53,475	(\$650,025)	21.5	\$370,875	(\$626,514)	20.0	\$390,000	(\$561,859)	(10.5)	(\$212,625)	(\$988,661)	(9.5)	(\$199,500)	(\$971,074)
Win	3.1	\$53,475	(\$650,025)	21.5	\$370,875	(\$482,043)	20.0	\$390,000	(\$453,277)	(10.5)	(\$212,625)	(\$908,622)	(9.5)	(\$199,500)	(\$913,926)
Spr	3.1	\$53,475	(\$650,025)	21.5	\$370,875	(\$628,273)	20.0	\$390,000	(\$612,193)	(10.5)	(\$212,625)	(\$928,906)	(9.5)	(\$199,500)	(\$932,703)



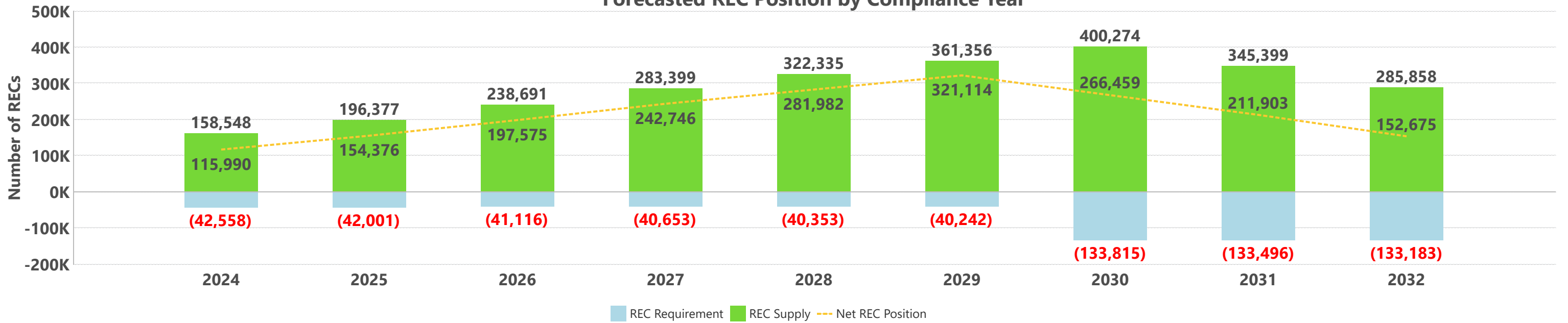
Forecasted Renewable Energy Credit (REC) Position for GRAN

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.

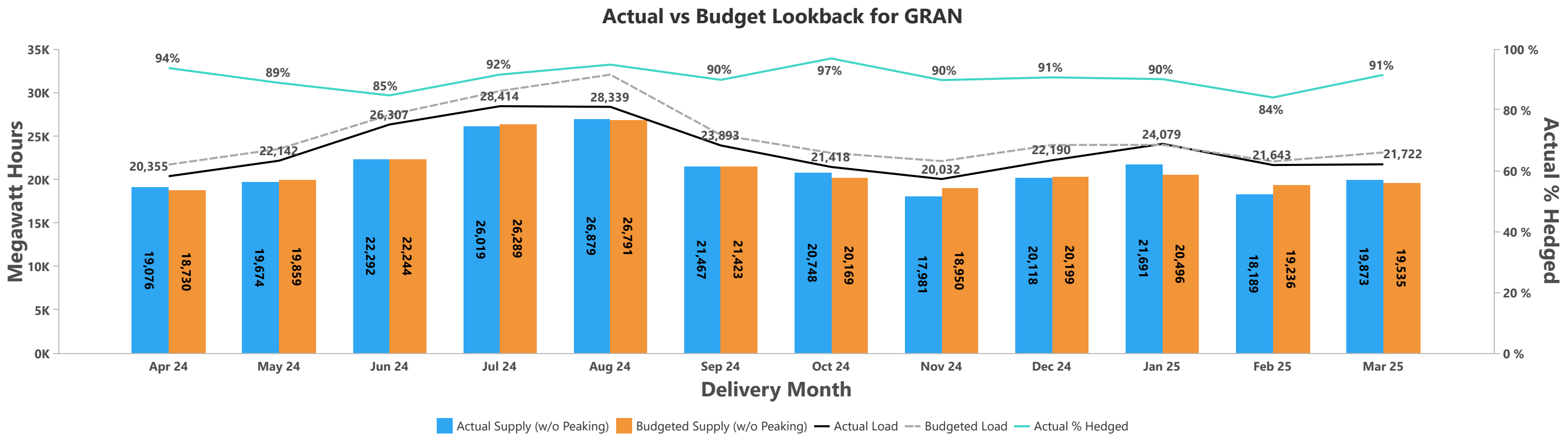
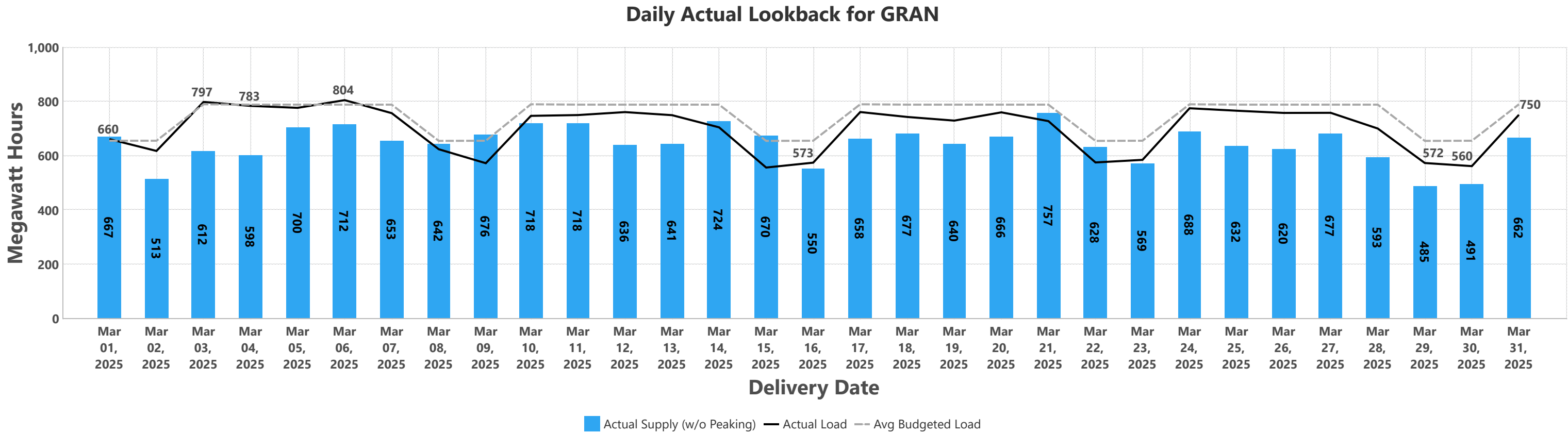
Compliance Year	2024	2025	2026	2027	2028	2029	2030	2031	2032
Net REC Position	115,990	154,376	197,575	242,746	281,982	321,114	266,459	211,903	152,675
Available Banked RECs	158,548	115,990	154,376	197,575	242,746	281,982	321,114	266,459	211,903
Hedge Policy REC Requirement	(42,558)	(42,001)	(41,116)	(40,653)	(40,353)	(40,242)	(133,815)	(133,496)	(133,183)
Assembly Solar		10,545	10,613	10,551	10,498	10,450	10,393	10,337	10,290
Assembly Solar Phase II		8,799	8,794	8,747	8,702	8,659	8,612	8,568	8,530
Beebe		5,932	5,802	5,802	5,801	5,803	5,802	5,800	5,802
Brandt Woods Solar		3,289	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		12,796	13,763	13,715	13,676	13,634	13,590	13,544	13,513
Landfill Project (EDL)		15,644	14,458	8,699	2,639	2,644	2,644	2,642	2,639
Landfill Project (NANR)		4,740	4,839	4,839	4,839	4,839	4,839	4,836	
Pegasus		17,886	17,547	17,547	17,545	17,549	17,548	17,543	17,547
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	(283,721)	(280,006)	(274,108)	(271,019)	(269,019)	(268,282)	(267,629)	(266,991)	(266,365)
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	(42,558)	(42,001)	(41,116)	(40,653)	(40,353)	(40,242)	(133,815)	(133,496)	(133,183)
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







GRAND HAVEN BOARD OF LIGHT AND POWER  
GENERAL MANAGER'S REPORT  
BOARD MEETING OF MAY 15, 2025

5. B. The BLP Financial Statements and Dashboards for the month ending April 30, 2025, are provided for your information. These financial statements represent the BLP's financial position through 83% of the fiscal year.

<b>Income Statement Budget Variance</b>	
	<b><u>over(under)</u></b>
Total Charges for Service	\$ 100,678
Other Revenue	414,952
	515,630
Purchased Power	(712,107)
Departments Salary and Fringe	(456,803)
Departments Other	(565,186)
Other	(401,174)
	(2,135,270)
Depreciation	28,338
Non-Operating Revenue (Expenses)	278,916
Transfers to City of Grand Haven	59,118
Increase in Net Assets	\$ 2,842,359

**INCOME STATEMENT**

**Operating Charge revenues** are 83% of annual budgeted revenues. Industrial charges are below budget, yet Residential charges are above budget. We are experiencing an unexpected decrease in usage from our largest industrial customer this year. In total, Kwh's and Sales per Kwh are very close to budget. See below:

<b>Retail Sales Budget Variance</b>			
Kwh Over (Under) Budget	0.22%	502,539	Kwh \$ 67,356
Sales\$ per Kwh Over (Under) Budget	0.11%	\$ 0.00014	per Kwh \$ 32,348
			\$ 99,704

**Operating expenses** are 76% of annual budgeted operating expenses. All departments are under budget. Purchased power Kwh's purchased are 3% under budget along with cost per Kwh. See below:

<b>Purchased Power Budget Variance</b>			
Kwh Over (Under) Budget	-3.03%	(7,265,454)	Kwh \$ (512,552)
Cost Over (Under) Budget per Kwh	-1.22%	\$ (0.85955)	per Kwh \$ (199,555)
			\$ (712,107)

GRAND HAVEN BOARD OF LIGHT AND POWER  
GENERAL MANAGER'S REPORT  
BOARD MEETING OF MAY 15, 2025

Year-to-Date **Renewable Energy Purchases equal 61,181,255 Kwh's, or 26.3%, of total power purchases.**

**The Increase in Net Position for the year is equal to \$7,403,078.**

**BALANCE SHEET**

**Cash and Cash Equivalents are \$29,393,456.** This is \$11M above the minimum cash reserve of \$18M and does not include funds set aside for remediation, bond funds and working capital held with MPIA and MPPA.

The **Capital Plan** approved for FY25 was \$5,747,500. As of April 30, 2025, 46% of the capital projects budgeted funds have been disbursed.

6. A. Approve Purchase Orders – There are six (6) Purchases Order totaling **\$1,817,956** 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 three (3) PO's for which I would like to give more detail.

PO #23403 – City of Grand Haven: This PO is to allow the BLP to reimburse the City for work to be performed by HDR. The scope of work is to perform the required ground water monitoring on Harbor Island and generate the associated reports for FY26. City Staff is recommending approval.

PO #23404 – City of Grand Haven: This PO is to allow the BLP to reimburse the City for work to be performed by HDR. The scope of work is to perform the required annual inspections on Unit 3A/B impoundments. City Staff is recommending approval.

PO #23409 – Midwest Construction: This PO is for the Eaton Drive building remodel project. This project includes modifications to the boardroom, adding an HR office, adding a locker room, constructing a new 6 stall garage building and parking/gate improvements. Approval of this PO authorizes Staff to sign the required documents to proceed with this project.

GRAND HAVEN BOARD OF LIGHT AND POWER  
GENERAL MANAGER'S REPORT  
BOARD MEETING OF MAY 15, 2025

RS/dm

Attachments 5/9/25

City of Grand Haven  
City Manager's Office  
616-847-4888



**MEMORANDUM**

TO: GHBLP Board of Directors

CC: Ashley Latsch – City Manager  
Rob Shelly – BLP General Manager  
Eric Booth – Operations and Power Supply Manager  
Paul Cederquist – Utility Compliance Specialist

FROM: Derek Gajdos – Project Management Director *DG*

DATE: May 5, 2025

SUBJECT: HDR - FY 25/26 Ground Water Monitoring Proposal

---

HDR has completed a proposal to conduct the Coal Combustion Residual (CCR) required groundwater monitoring activities for Fiscal Year 2025/2026. The proposal includes all associated reporting requirements and laboratory fees.

City staff have reviewed the proposal and determined it to be appropriate and in compliance with the current CCR requirements. In addition to meeting the annual requirements, HDR will be performing groundwater background calculations that are required to be reevaluated every other year. The last time these values were calculated was in 2023.

Therefore, City staff is requesting the BLP Board approve the Task Order 019 – Task 006 for FY 25/26 Ground Water Monitoring for the not to exceed amount of \$414,608. If approved by the BLP Board, City Council will consider the same request at its June 2, 2025 Council Meeting.

The proposal is attached for reference.

City of Grand Haven  
City Manager's Office  
616-847-4888



**MEMORANDUM**

TO: GHBLP Board of Directors

CC: Ashley Latsch – City Manager  
Rob Shelly – BLP General Manager  
Eric Booth – Operations and Power Supply Manager  
Paul Cederquist – Utility Compliance Specialist

FROM: Derek Gajdos – Project Management Director *DG*

DATE: May 5, 2025

SUBJECT: HDR - FY 25/26 Annual Impoundment Inspection

---

HDR has completed a proposal to conduct the Coal Combustion Residual (CCR) required annual inspection of Impoundment #A/B Fiscal Year 2025/2026. The proposal includes all associated reporting requirements.

City staff have reviewed the proposal and determined it to be appropriate and in compliance with the current CCR requirements.

Therefore, City staff is requesting the BLP Board approve the Task Order 21 – Task 26.0 for the FY 26/26 Annual Impoundment Inspection, for the not to exceed amount of \$6,796.00.

The proposal is attached for reference.



May 8, 2025

Robert Shelley P.E.  
General Manager  
Grand Haven Board of Light & Power  
1700 Eaton Drive  
Grand Haven, MI 49417

Re: Grand Haven Board of Light & Power – Office Renovations and Site Improvements

Dear Rob,

The following is our recommendation for award on the above-referenced project. Recommendations are based on the lowest responsible bid that we received through the public bidding process as well as post-bid reviews subsequently performed on May 6, 2025, at which time completeness of bid submission was evaluated.

Based on the completeness, cost, flexible construction schedule, and comparable proposed metal building product of this bid, we would recommend at this time to proceed with Midwest Construction Group, Inc.:

<b>Midwest Construction Group</b>	
Base Bid	\$ 993,000.00
<b><u>Bid Award Recommendation</u></b>	<b><u>\$ 993,000.00</u></b>

Please refer to the attached Bid Tabulation for the complete bid numbers. We will deliver electronic copies of the bids to you under separate cover.

Sincerely,

Mark Cahill | AIA, NCARB, CDT, LEED AP  
Architect

Attachment

mpc

76780011\01 ADMIN\A2 CORRESPONDENCE\A Owner\2025 05 08 Bid Award Letter of Rec\2025 04 18 GHBLP Office Renovations Award Recommendation Letter.docx"

**GHBLP - Office Renovations  
Bid Tabulation**

Project No. 76780011

	Bidder Name	Base Bid	Performance Bond	Bid Bond	Iran Sanctions Certification	Familial Disclosure Form	Metal Building Mfr	Ad 1	Voluntary Alternate #1	Voluntary Alternate #2
1	Carbon Six Construction	\$ 1,079,000	x	x	x	x	-	x		
2	Clifford Buck Construction Company, Inc.	\$ 979,000	x	x	x	x	Nucor	x	Add \$16,000	
3	Midwest Construction Group, Inc.	\$ 993,000	x	x	x	x	American Buildings Group	x		
4	Mugen Construction, Inc	\$ 1,115,042	x	x	x	x	Varco Pruden	x		
5	Progressive SPR, LLC	\$ 1,094,260	x	x	x	x	VP Buildings (Varco Pruden)	x		



**Grand Haven Board of Light and Power  
FY 2025-2026 Budget**



# Key Budget Components

- Operating Sales-Power Sold (MWh)
  - Additional Fees
  - Rate adjustments
- Operating Expenses
  - Purchased Power
  - Department Expenses
  - Energy Optimization
- Depreciation
- Transfer Fund - 5% of Gross Sales
- Non-Operating Revenue and Expenses
- 5-year Capital Plan
- Balance Sheet Changes

# Operating Sales-15,200 Meters

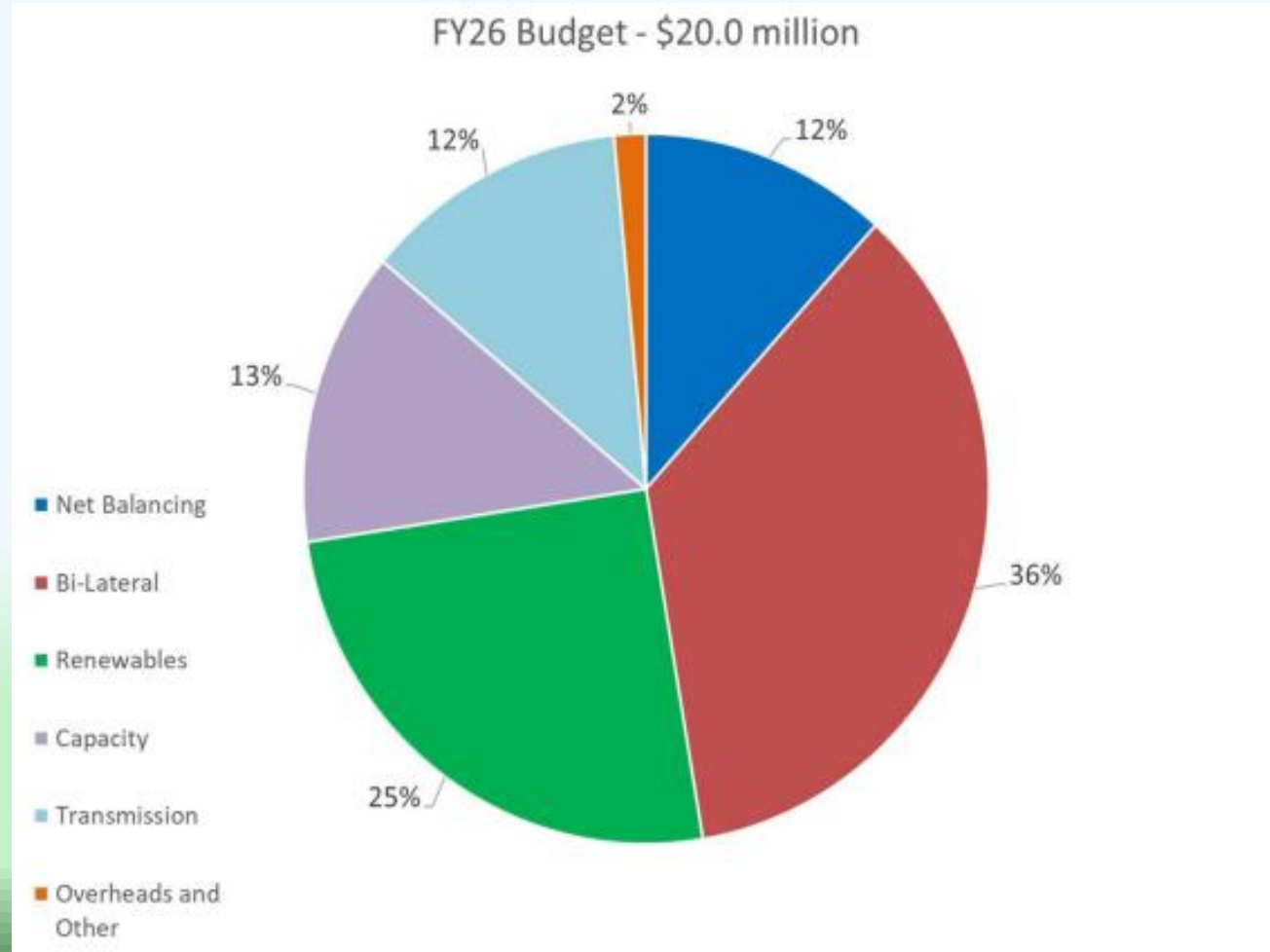
	<u>KWh</u>	<u>Charges</u>	<u>Per KWh</u>
• Budget FY2026	267,798,000	\$37,741,624	\$.1409
➤ Residential 34%	91,910,000	\$14,091,395	\$.1533
➤ Commercial 29%	78,000,000	\$11,056,118	\$.1417
➤ Industrial 33%	88,500,000	\$10,329,825	\$.1167
➤ Municipal 3%	8,500,000	\$994,516	\$.1170
➤ Streetlights	888,000	\$336,000	

# Additional Fees/Rate Adjustments

- Environmental Remediation Fee - \$.0035/kWh (continue)
- Low Income Energy Assistance – up to \$1.25 per meter per month
- Energy Waste Reduction – cost unknown currently
- Proposed adjustment to rates (UFS presentation) will have a net effect of 0% to charge revenue in FY26

# Purchased Power- 69% of Operating Expenses

- Budget FY26  
\$20,006,655



# Department Expenses

## Payroll and Benefits- 20% of Operating Expenses

- Payroll-38 FTEs with a 3% cost of living increase and an additional 1% of payroll equity add if needed.
- Benefits are budgeted at current levels.

## Legacy Pension Expense- 1.5% of Operating Expenses

- \$400,000-yearly contribution above required employer contribution for current employees of 10% - **As of Dec 2023 we were 95% funded.**

## Energy Optimization- 1% of Operating Expenses

- \$125,000 for ½ of the year includes incentives for Residential, Commercial and Industrial customers. A new program will be mandated for the remainder of the fiscal year (Energy Waste Reduction Fee).

## Other Department Expenses- 8.5% of Operating Expenses

- Budgeted at expected disbursements

# Depreciation Expense

Approximately 45% of our Capital Assets are depreciated and the average age of our system is 14.4 years.

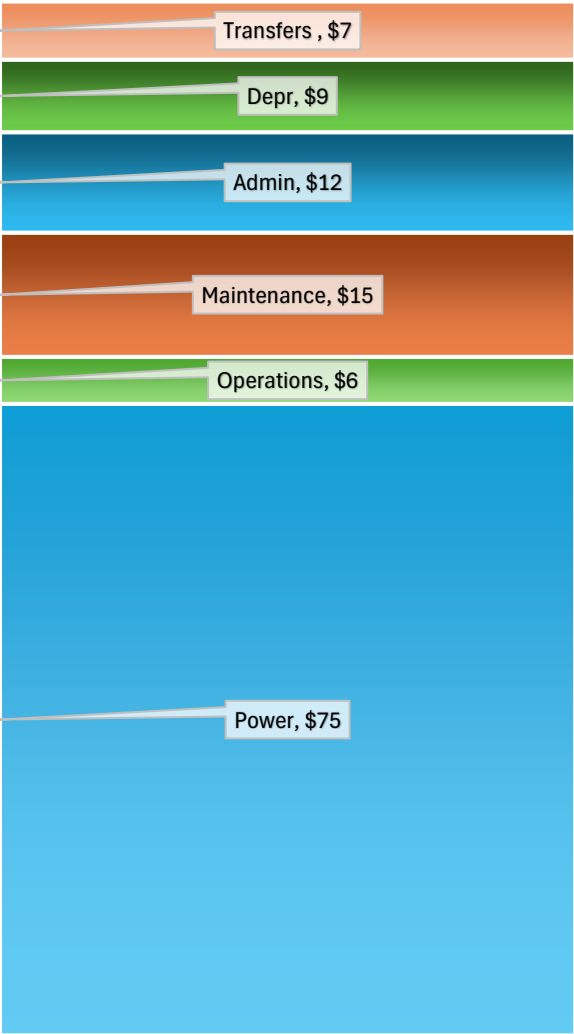
Annual Depreciation is budgeted at **\$2,300,000** for FY26.

# 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 **\$1,840,400** for FY26.

Dollar Spent per MWh Sold-\$124



Budget FY26



# Non-Operating Revenue & Expenses

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

- FY26 Interest Expense on Direct Purchase Bond will be \$263,860 at an interest rate of 1.58%
- We currently have \$15,000,000 invested in Treasury Bills at rates of 3.9%-4.2%. I have budgeted 3% for FY26.

# Capital Plan

5-year capital plan (FY26-FY30) totals \$26,505,000.

FY26 \$6,152,000

Vehicle Replacements	\$690,000
Circuit Rebuilds	\$2,370,000
Harbor Drive Undergrounding	\$652,000
Renovations to Eaton Drive site	\$1,100,000

# 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
  - \$800,000
- 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 \$27,600,000

**GRAND HAVEN BOARD OF LIGHT AND POWER  
BUDGET FY2026**

	<b>Actual 2022-2023</b>	<b>Actual 2023-2024</b>	<b>Budget 2024-2025</b>	<b>Forecast 2024-2025</b>	<b>Budget 2025-2026</b>	<b>Budget to Forecast Variance</b>	<b>Budget to Budget Variance</b>
<b>Mwh (non street light)</b>	283,192	272,364	274,500	273,500	266,910		
<b>Operating Revenue</b>							
Residential Sales	12,850,114	12,766,448	13,167,349	13,433,000	14,091,395	658,395	924,046
Commerical/Industrial/Municipal Sales	23,599,129	23,027,646	23,622,973	23,209,000	22,380,457	(828,543)	(1,242,516)
<b>Total Charges for Services</b>	<b>36,449,244</b>	<b>35,794,094</b>	<b>36,790,322</b>	<b>36,642,000</b>	<b>36,471,852</b>	<b>(170,148)</b>	<b>(318,470)</b>
Street Lighting	340,330	338,039	336,000	336,000	336,000	-	-
Other Revenue	487,803	363,629	299,600	533,262	382,600	(150,662)	83,000
<b>Total Operating Revenue</b>	<b>37,277,377</b>	<b>36,495,762</b>	<b>37,425,922</b>	<b>37,511,262</b>	<b>37,190,452</b>	<b>(320,810)</b>	<b>(235,470)</b>
<b>Operating Expenses</b>							
Purchased Power	19,034,752	18,281,810	20,263,682	19,628,066	20,006,655	378,589	(257,027)
Distribution						-	-
Distribution Operations	1,791,039	1,500,117	1,968,107	1,370,280	1,489,483	119,203	(478,624)
Distribution Maintenance	3,451,720	3,344,651	3,531,103	3,359,268	3,936,709	577,441	405,606
Energy Optimization	150,294	171,607	325,000	200,000	125,000	(75,000)	(200,000)
Administration	3,046,088	2,938,759	2,943,250	3,045,717	3,179,914	134,197	236,664
Legacy Pension Expense	1,302,851	1,226,872	500,000	200,000	400,000	200,000	(100,000)
<b>Operating Expenses before Depreciation</b>	<b>28,776,744</b>	<b>27,463,814</b>	<b>29,531,142</b>	<b>27,803,331</b>	<b>29,137,761</b>	<b>1,334,430</b>	<b>(393,381)</b>
<b>Operating Net Income Before Depreciation</b>	<b>8,500,633</b>	<b>9,031,948</b>	<b>7,894,780</b>	<b>9,707,931</b>	<b>8,052,691</b>	<b>(1,655,240)</b>	<b>157,911</b>
Depreciation	1,986,280	2,080,300	2,180,820	2,218,000	2,300,000	82,000	119,180
<b>Operating Net Income</b>	<b>6,514,352</b>	<b>6,951,648</b>	<b>5,713,960</b>	<b>7,489,931</b>	<b>5,752,691</b>	<b>(1,737,240)</b>	<b>38,731</b>
Nonoperating Income/(Expenses)	676,128	2,064,938	618,220	744,395	382,140	(362,255)	(236,080)
Environmental Remediation Expense	(1,069,855)	(829,545)	(1,000,000)	(975,302)	(1,000,000)	(24,698)	-
Environmental Remediation Surcharge		953,037	1,000,000	1,000,000	1,000,000	-	-
	(393,728)	2,188,430	618,220	769,093	382,140	(386,953)	(236,080)
Transfers to the City of Grand Haven	(1,831,462)	(1,853,665)	(1,839,516)	(1,848,929)	(1,840,400)	8,529	(884)
<b>Increase in Net Assets</b>	<b>4,289,162</b>	<b>7,286,413</b>	<b>4,492,664</b>	<b>6,410,096</b>	<b>4,294,431</b>	<b>(2,115,665)</b>	<b>(198,233)</b>

**Cash Flow**

Starting on hand Including Bond Redemption Fund 5/1/25	30,340,203
Increase in Operating Net Assets	4,294,431
Depreciation in Increase of in Net Assets	2,300,000
Deposits to MPIA	(800,000)
Purchase of Capital Assets	(6,152,000)
Bond Principal Payment Due 1/2026	(2,400,000)

**Ending**

**27,582,634**

GRAND HAVEN BOARD OF LIGHT AND POWER  
5 YEAR CAPITAL PLAN FY 2026-2030

		Revised FY26	Revised FY27	Revised FY28	Revised FY29	FY30	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	230,000	230,000	230,000	230,000	230,000	1,150,000
Underground Lines Blanket	DB0041	150,000	150,000	150,000	130,000	130,000	710,000
Transformers Blanket	DB0051	300,000	300,000	300,000	300,000	300,000	1,500,000
New Services Blanket	DB0061	70,000	70,000	70,000	75,000	75,000	360,000
New Metering Blanket	DB0071	50,000	50,000	50,000	50,000	50,000	250,000
New Street Lights Blanket	DB0081	50,000	25,000	30,000	30,000	30,000	165,000
City Road Upgrades Blanket	DB0101	40,000	80,000	80,000	80,000	80,000	360,000
Smith's Bridge Rebuild		150,000	25,000				175,000
<b>Vehicle Replacement</b>	DVXXXX			540,000	545,000	485,000	1,570,000
Puller	D01010						-
Tree Bucket	DV2501						-
Tree Chipper	DV2510						-
Dump Trailer	DV2502						-
Line Bucket	DV2600	360,000					360,000
Service Bucket	DV2610	275,000					275,000
Digger Derrick			350,000				350,000
Pickup Replacements	DV2620	55,000	55,000				110,000
Dump Truck			125,000				125,000
HD Pickup			65,000				65,000
							-
<b>Overhead Circuit Reconductor/Rebuild</b>					2,000,000	3,000,000	5,000,000
Ckt 13 & 14 (Beechtree) & Marion Ave Rebuild	D00750	1,240,000					1,240,000
Ckt 41 Hospital Feed	D00500	765,000					765,000
West Spring Lake Rd (Williams to 168th)	D00510	275,000					275,000
Beechtree/Waverly Area	D00400		950,000	950,000			1,900,000
Grand Avenue Rebuild	D02035		850,000				850,000
Ckt 21 & 22 Rebuild	D02025		1,400,000	1,400,000			2,800,000
OH Pole Replacement/BlueJ&Elliott Subs	D02110						-
16215 Harbor Point Pole Relocation	D02220						-
							-
<b>Undergrounding Circuit Reconductor/Rebuild</b>					280,000	400,000	680,000
Harbor Drive URD	D02100	652,000					652,000
Ohio & Ferry Apts URD	D02055						-
Pine Island & Taft Cable URD	D02065	55,000					55,000
Osner/Johnson URD	D02075	35,000					35,000
River Haven Cable URD	D02085			875,000	875,000		1,750,000
Underground Cable Replacement			40,000	150,000	220,000		410,000
<b>Substation Upgrades</b>							-
Morford Sub Line Relaying Upgrade	D00841						-
							-
<b>Service Area Expansion</b>		100,000	100,000	100,000	100,000	100,000	500,000
UG Service North Shore Marina	D02090						-
Cottage Shores Development							-
172nd Expansion	D02230						-
<b>Misc Items</b>							-
O/S Texting	D03000						-
Locator and Clamps	D03020	17,000					17,000
Cap Banks							-
Metronet make Ready-Will be reimbursed	D02210						-
							-
<b>SUBTOTAL</b>		<b>4,994,000</b>	<b>4,990,000</b>	<b>5,050,000</b>	<b>5,040,000</b>	<b>5,005,000</b>	<b>25,079,000</b>
<b>ADMINISTRATION/FACILITIES</b>							
Admin Facility	A00400	1,100,000					1,100,000
East HVAC	AM2501						-
Misc. Admin-Furniture		35,000	35,000	35,000	35,000	35,000	175,000
<b>SUBTOTAL</b>		<b>1,135,000</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>	<b>1,275,000</b>
<b>TECHNOLOGY</b>							
Technology Upgrades	A00320		5,000	10,000	10,000	10,000	35,000
Substation Backup Network	A00330						-
Network Backup System							-
Host Server Replacement							-
Printers Replacement		13,000					13,000
San Storage							-
Microsoft Windows Server Upgrades				12,000	13,000	13,000	38,000
Network Infrastructure			25,000	10,000	10,000	10,000	55,000
Wi-Fi Upgrades		10,000					10,000
Firewall							-
<b>SUBTOTAL</b>		<b>23,000</b>	<b>30,000</b>	<b>32,000</b>	<b>33,000</b>	<b>33,000</b>	<b>151,000</b>
<b>TOTAL CAPITAL</b>		<b>\$ 6,152,000</b>	<b>\$ 5,055,000</b>	<b>\$ 5,117,000</b>	<b>\$ 5,108,000</b>	<b>\$ 5,073,000</b>	<b>\$ 26,505,000</b>

**GRAND HAVEN BOARD OF LIGHT & POWER**

**RESOLUTION TO APPROVE THE FISCAL YEAR 2026 BUDGET**

WHEREAS, the Board of Light and Power has established a budget which includes operating and nonoperating revenue and expenses for the fiscal year 2026; and

WHEREAS, the Board of Light and Power has included projections for retail sales along with purchased power, employee and other expenses.

THEREFORE, BE IT RESOLVED, the Board of Light and Power believes that these projections are reasonable and based on the best practices; and

BE IT FURTHER RESOLVED, the Board of Light and Power hereby approves the budget plan as presented for fiscal year 2026.

**RESOLUTION DECLARED ADOPTED**

Dated: May 15, 2025

---

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 May 15, 2025, 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.

Dated: May 15, 2025

---

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

**GRAND HAVEN BOARD OF LIGHT & POWER**

**RESOLUTION TO APPROVE THE FISCAL YEAR 2026 CAPITAL PLAN**

WHEREAS, the Board of Light and Power has established a five-year capital plan for the fiscal years 2026-2030; and

WHEREAS, the Board of Light and Power has included estimated costs for projects anticipated to begin in the fiscal year 2026 and purchases for capitalized inventory.

THEREFORE, BE IT RESOLVED, the Board of Light and Power believes that these projections are reasonable and based on the best practices and recent engineering studies; and

BE IT FURTHER RESOLVED, the Board of Light and Power hereby approves the five-year capital plan as presented for fiscal year 2026.

**RESOLUTION DECLARED ADOPTED**

Dated: May 15, 2025

---

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 May 15, 2025, 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.

Dated: May 15, 2025

---

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

# Grand Haven Board of Light and Power

Electric Financial Projection, Cost of Service,  
and Rate Design Summary for FY2026

Revised 05/6/25 for May 15<sup>th</sup> Board Meeting



# Discussion

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## Financial Projection

- Assumptions used
  - Measure to key financial targets
- 

## Cost of Service

- Class Cost Results
  - Monthly meter charge
- 

## Utility Board Guidance

- FY2026 revenue adjustments
- Rate component adjustments towards cost of service
- Discuss resetting PSCA base power supply cost

# Projection Assumptions

The following assumptions were used in projections

Fiscal Year	Retail Sales Units (kWh)	Supply Change (%)	Inflation on Expenses (%)	Investment Income (%)	Capital Additions (\$)
2026	267,866,454	BLP Budget	3.5%	1.5%	\$ 6,152,000
2027	264,996,042	-0.4%	3.5%	1.5%	5,200,000
2028	265,120,255	0.0%	3.5%	1.5%	5,200,000
2029	264,520,135	-0.2%	3.5%	1.5%	5,200,000
2030	263,906,882	-0.2%	3.5%	1.5%	5,200,000

# Projection Summary

## Projection under current rates

Fiscal Year	Projected Rate Adjustments	Debt Coverage Ratio	Projected Expenses	Projected Revenues	Adjusted Operating Income	Optimal Operating Income	Projected Cash Balances	UFS Recommended Minimum Cash	S&P AA Rating: Days cash on hand 150 Days - 270 Days	
2026	0.0%	2.59	\$ 33,284,932	\$ 37,225,284	\$ 3,940,353	\$ 1,908,555	\$ 27,420,967	\$ 14,866,106	\$ 12.7 M	\$ 22.9 M
2027	0.0%	3.01	34,505,214	38,608,343	4,103,129	2,167,056	26,898,629	15,199,835	\$ 13.2 M	\$ 23.7 M
2028	0.0%	2.61	35,697,280	39,366,180	3,668,900	2,423,383	25,218,226	15,379,240	\$ 13.6 M	\$ 24.5 M
2029	0.0%	2.36	37,409,496	40,308,648	2,899,152	2,684,958	22,946,464	15,712,747	\$ 14.2 M	\$ 25.6 M
2030	0.0%	2.32	38,363,903	40,820,781	2,456,879	2,947,769	20,513,112	15,859,916	\$ 14.5 M	\$ 26.1 M

## Projection with optional revenue adjustments

Fiscal Year	Projected Rate Adjustments	Debt Coverage Ratio	Projected Expenses	Projected Revenues	Adjusted Operating Income	Optimal Operating Income	Projected Cash Balances	UFS Recommended Minimum Cash	S&P AA Rating: Days cash on hand 150 Days - 270 Days	
2026	0.0%	2.59	\$ 33,284,932	\$ 37,225,284	\$ 3,940,353	\$ 1,908,555	\$ 27,420,967	\$ 14,866,106	\$ 12.7 M	\$ 22.9 M
2027	1.5%	3.21	34,505,214	39,154,997	4,649,783	2,167,056	27,445,283	15,199,835	\$ 13.2 M	\$ 23.7 M
2028	1.5%	3.02	35,697,280	40,468,204	4,770,924	2,423,383	26,866,904	15,379,240	\$ 13.6 M	\$ 24.5 M
2029	0.0%	2.75	37,436,828	41,408,172	3,971,343	2,684,958	25,667,333	15,716,117	\$ 14.2 M	\$ 25.6 M
2030	0.0%	2.70	38,419,004	41,917,750	3,498,746	2,947,769	24,275,849	15,866,709	\$ 14.5 M	\$ 26.2 M

# Projection Targets

*(under current rates)*

## Target 1 : Debt Coverage Ratio

Description	Projected FY2026	Projected FY2027	Projected FY2028	Projected FY2029	Projected FY2030
<b>Debt Coverage Ratio</b>					
Net Income	\$ 4,252,380	\$ 5,481,167	\$ 4,115,103	\$ 3,415,743	\$ 3,046,153
Add Depreciation/Amortization Expense	2,392,495	2,496,495	2,704,495	2,912,495	3,120,495
Add Interest Expense	263,860	225,150	185,650	145,360	104,280
Cash Generated from Operations	\$ 6,908,735	\$ 8,202,812	\$ 7,005,247	\$ 6,473,598	\$ 6,270,928
Debt Principal and Interest	\$ 2,663,860	\$ 2,725,150	\$ 2,685,650	\$ 2,745,360	\$ 2,704,280
<b>Projected Debt Coverage Ratio (Covenants)</b>	<b>2.59</b>	<b>3.01</b>	<b>2.61</b>	<b>2.36</b>	<b>2.32</b>
Minimum Debt Coverage Ratio	1.4	1.4	1.4	1.4	1.4

# Projection Targets

(under current rates)

## Target 2 : UFS Minimum Cash Reserve

Description	Allocation	Projected FY2026
<b>Minimum Cash Reserve Levels Determinants</b>		
Operation & Maintenance Less Depreciation Expense		\$ 10,955,894
Purchase Power Expense		20,006,655
Historical Rate Base		80,685,811
Current Portion of Debt Service Payment		2,663,860
Five Year Capital Improvements - Net of bond proceeds		26,952,000
% Plant Depreciated (Total Plant)		44%
<b>Calculated Minimum Cash Level</b>		
Operation & Maintenance Less Depreciation Expense	12.3%	\$ 1,350,727
Purchase Power Expense	11.3%	2,250,749
Historical Rate Base	2%	1,613,716
Current Portion of Debt Service Reserve	100%	2,663,860
Five Year Capital Improvements - Net of bond proceeds	20%	5,390,400
Market Risk on Power Supply [1]		1,596,655
<b>Minimum Unrestricted Cash Reserve Levels</b>		<b>\$ 14,866,106</b>
<b>Projected Cash Reserves</b>		<b>\$ 27,420,967</b>

Note [1]: assuming 20% of purchased kWh's are \$0.0300/kWh greater than planned

## S&P AA Rating : Cash Reserve

Description	Projected FY2026
<b>S&amp;P AA Rating: 150-270 Days Cash on hand</b>	
Total Operating Expenses	\$ 31,460,144
Less Depreciation	(2,322,382)
Add City PILOT	1,824,788
Adjusted Annual Operating Expenses	\$ 30,962,549
Days per year	365
Adjusted Daily Operating Expenses	\$ 84,829
S&P AA Rating: Low of 150 Days Cash on hand	\$ 12.7 M
S&P AA Rating: High of 270 Days Cash on hand	\$ 22.9 M
Projected unrestricted cash balance	\$ 27,420,967
Projected Days cash on hand	323

# Projection Target #3

*(Optimal Operating Income – under current rates)*

Description	Projected FY2026
<b>Optimal Operating Income Determinants</b>	
Net Book Value/Working Capital	\$ 45,261,611
Outstanding Principal on Debt	15,500,000
System Equity	\$ 29,761,611
Debt: Equity Ratio	34%
<b>Optimal Operating Income Allocation</b>	
Interest on Debt	1.47%
System Equity	5.53%
<b>Optimal Operating Income</b>	
Interest on Debt	\$ 263,860
System Equity	1,644,695
<b>Optimal Operating Income</b>	<b>\$ 1,908,555</b>
Projected Operating Income	\$ 3,940,353
Rate of Return in %	4.2%

## Optimal Operating Income

- Difference between revenue collected and expenses incurred
- Ensures current customers are paying their fair share for use of system and not deferring the charge to future generations
- Funds interest expense on debt and inflationary increase on historical investment of system

# Cost of Service Summary

*Cost of service and revenue by customer group*

Percent change required to move current rates to  
cost of service for each customer rate class

Bandwidth  
+/- 1.0%

Customer Class	Cost of Service	Projected Revenues	% Change
Residential	\$ 13,360,264	\$ 13,878,448	-3.7%
GS-Secondary	3,828,649	4,609,037	-16.9%
GS-Primary	287,452	306,791	-6.3%
Street Lighting	325,449	366,233	-11.1%
GSL-Secondary	5,131,241	4,981,363	3.0%
GSL-Primary	11,877,831	12,700,812	-6.5%
<b>Total</b>	<b>\$ 34,810,886</b>	<b>\$ 36,842,684</b>	<b>-5.5%</b>

Proposed Change (%)
0.0%
-1.0%
0.0%
0.0%
0.9%
0.0%
<b>0.0%</b>

# Customer Charges (Base Rate)

## *Cost Component Recovery*

Customer Class	COS Customer Charge	Current Average Customer Charge	Average Monthly Bill	Proposed Year 1	Proposed Year 2	Proposed Year 3
Residential	\$ 19.76	\$ 15.00	\$ 86.84	<b>\$ 20.00</b>	\$ 20.00	\$ 20.00
GS-Secondary	38.98	37.50	\$ 239.75	<b>\$ 39.00</b>	\$ 39.00	\$ 39.00
GS-Primary	168.67	100.00	\$ 2,556.59	<b>\$ 170.00</b>	\$ 170.00	\$ 170.00
Street Lighting	1.80	-		\$ -	\$ -	\$ -
GSL-Secondary	440.40	150.00	\$ 1,939.78	<b>\$ 250.00</b>	<b>\$ 350.00</b>	<b>\$ 450.00</b>
GSL-Primary	621.50	350.00	\$ 21,282.02	<b>\$ 625.00</b>	\$ 625.00	\$ 625.00



# Summary

## Rate Design

1. Revenue neutral adjustment in FY2026
  - Utilize a bandwidth of +/- 1.0% to move towards cost of service
2. Adjust monthly charges towards cost of service
3. Increase base PSCA by \$0.0100 (from \$0.0590 to \$0.0690)

# Rate Design for FY2026

Customer Class	Projected Revenues Under Current Rates		Projected Revenues Under Proposed Rates Year 1		Projected Percentage Change Year 1	Projected Sales (kWh)
Residential	\$	13,993,220	\$	13,993,220	0.0%	91,910,000
GS-Secondary		4,609,037		4,562,947	-1.0%	28,325,426
GS-Primary		306,791		306,791	0.0%	2,135,136
Street Lighting		366,233		366,233	0.0%	1,107,492
GSL-Secondary		4,981,363		5,027,454	0.9%	33,099,293
GSL-Primary		12,700,812		12,700,812	0.0%	111,038,808
<b>Total</b>	<b>\$</b>	<b>36,957,456</b>	<b>\$</b>	<b>36,957,456</b>	<b>0.00%</b>	<b>267,616,154</b>

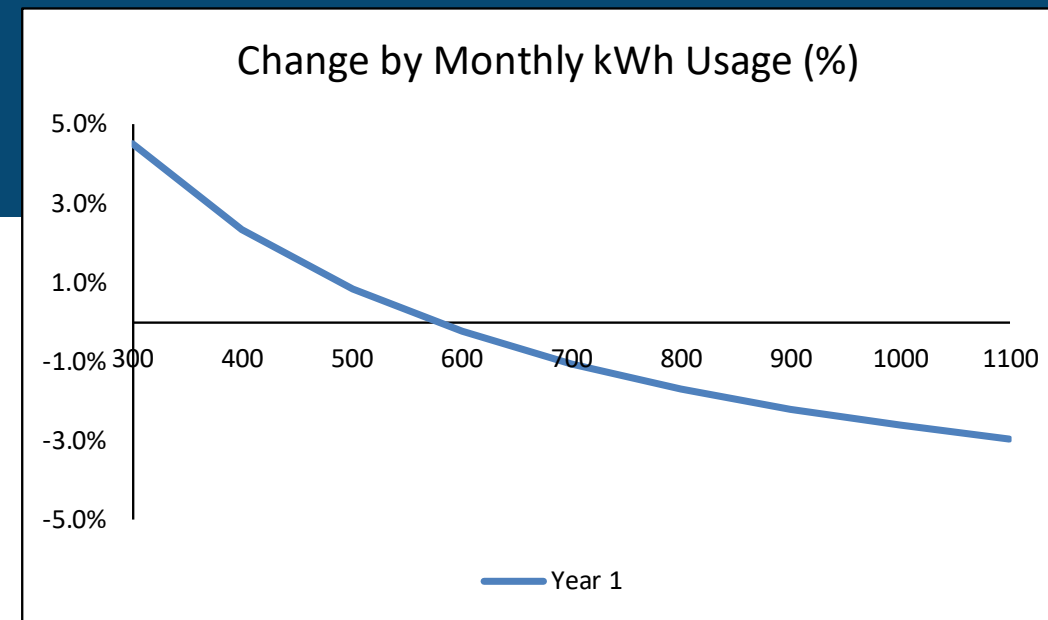
# Rate Design for FY2026

## Grand Haven Board of Light & Power

### Draft Rate Design for FY2026

Residential

Rates	Current	Year 1
<b>Monthly Facilities Charge:</b>		
Customers	\$ 15.00	\$ 20.00
Seniors	\$ 11.50	\$ 15.00
<b>Energy Charge:</b>		
All Energy (Including Seniors)	\$ 0.11440	\$ 0.10571
Net Metering	\$ -	\$ 0.10571
<b>Power Cost Adjustment:</b>		
All Energy	\$ 0.01177	\$ 0.01177
Revenue from Rate	\$ 13,993,220	\$ 13,993,220
Change from Previous		0.0%



Monthly \$ Change by Energy Usage			
All Energy (Including Seniors)		Year 1	
200 kWh	\$		3.26
300 kWh	\$		2.39
400 kWh	\$		1.52
500 kWh	\$		0.65
600 kWh	\$		(0.22)
700 kWh	\$		(1.09)
800 kWh	\$		(1.96)
900 kWh	\$		(2.82)
1000 kWh	\$		(3.69)
1100 kWh	\$		(4.56)

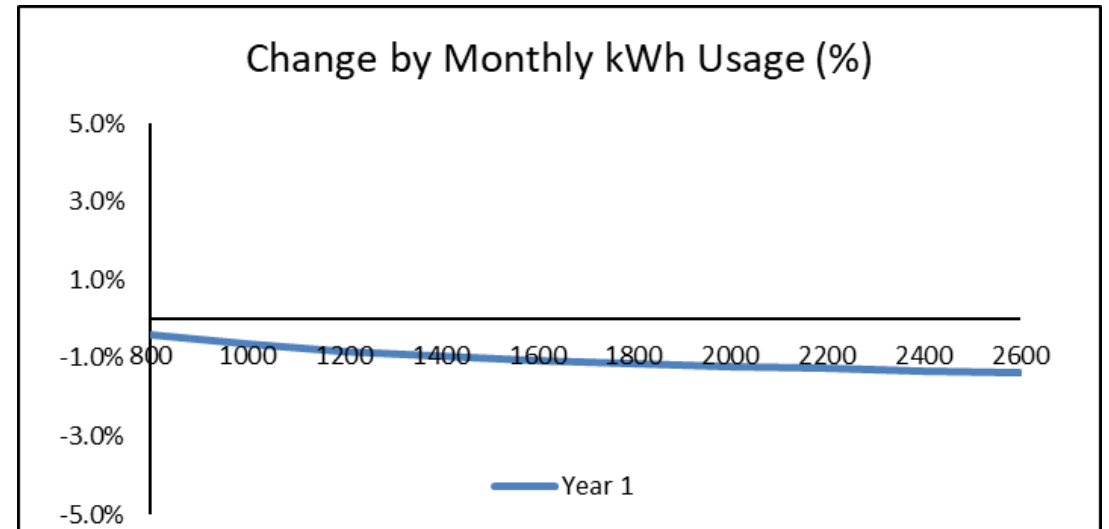
# Rate Design for FY2026

## Grand Haven Board of Light & Power

### Draft Rate Design for FY2026

General Service - Secondary

Rates	Current	Year 1
Monthly Facilities Charge:		
All Customers	\$ 37.50	\$ 39.00
Energy Charge:		
All Energy	\$ 0.12550	\$ 0.12285
Power Cost Adjustment:		
All Energy	\$ 0.01177	\$ 0.01177
Revenue from Rate	\$ 4,609,037	\$ 4,562,947
Change from Previous		-1.0%



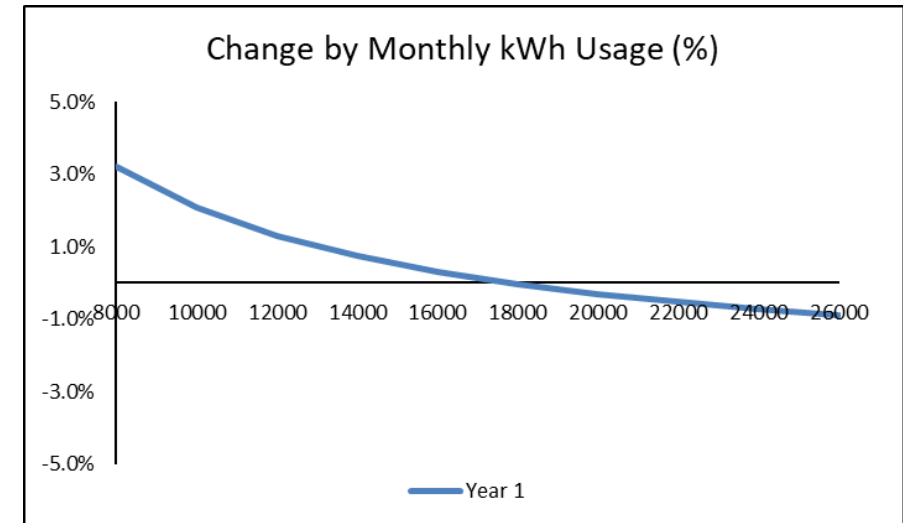
# Rate Design for FY2026

## Grand Haven Board of Light & Power

### Draft Rate Design for FY2026

General Service - Primary

Rates	Current	Year 1
Monthly Facilities Charge:		
All Customers	\$ 100.00	\$ <b>170.00</b>
Energy Charge:		
All Energy	\$ 0.12630	\$ <b>0.12237</b>
Power Cost Adjustment:		
All Energy	\$ 0.01177	\$ <b>0.01177</b>
Revenue from Rate	\$ 306,791	\$ 306,791
Change from Previous		<b>0.0%</b>



# Rate Design for FY2026

## Grand Haven Board of Light & Power

### Draft Rate Design for FY2026

#### Street Lighting

Rates	Current	Year 1
<b>Flat Rate DEVICES</b>		
Flat 15kwh - F015W	\$ 15.00	\$ <b>15.00</b>
Flat 26kwh - F026W	\$ 15.00	\$ <b>15.00</b>
Flat 70kwh - F070W	\$ 15.00	\$ <b>15.00</b>
Flat 200kwh - F200W	\$ 22.90	\$ <b>22.90</b>
Flat 334Kwh - F334W	\$ 38.20	\$ <b>38.20</b>
Flat 400kwh - F400W	\$ 45.80	\$ <b>45.80</b>
Govt Emerg Siren - FLEGW	\$ 15.00	\$ <b>15.00</b>
Municipal Emerg Siren - FLEMW	\$ 15.00	\$ <b>15.00</b>

## Grand Haven Board of Light & Power

### Draft Rate Design for FY2026

#### Street Lighting

Rates	Current	Year 1
<b>Street Lights Not Metered</b>		
Magnetic Induction - I85W	\$ 12.60	\$ <b>12.60</b>
LED - L133W	\$ 22.10	\$ <b>22.10</b>
LED - L60W	\$ 12.60	\$ <b>12.60</b>
Medal Halide - M175W	\$ 18.25	\$ <b>18.25</b>
Medal Halide - M400W	\$ 30.30	\$ <b>30.30</b>
Pedestrian - PEDS	\$ 15.00	\$ <b>15.00</b>
High Pressure Sodium - S100W	\$ 14.00	\$ <b>14.00</b>
High Pressure Sodium - S400W	\$ 30.30	\$ <b>30.30</b>
High Pressure Sodium - S70W	\$ 10.45	\$ <b>10.45</b>
Mercury Vapor - V100W	\$ 12.80	\$ <b>12.80</b>
Mercury Vapor - V175W	\$ 15.75	\$ <b>15.75</b>
Poles - POLES	\$ 8.10	\$ <b>8.10</b>
Shared Mercury Vapor - VH7 Shared	\$ 7.90	\$ <b>7.90</b>
<b>Energy Charge:</b>		
Energy with Maintenance SM	\$ 0.16390	\$ <b>0.16390</b>
Security Lights-Meterd Energy Only	\$ 0.09980	\$ <b>0.09980</b>

Revenue from Rate \$ 366,233 \$ 366,233  
Change from Previous **0.0%**

FINANCIAL  
CONS, LLC

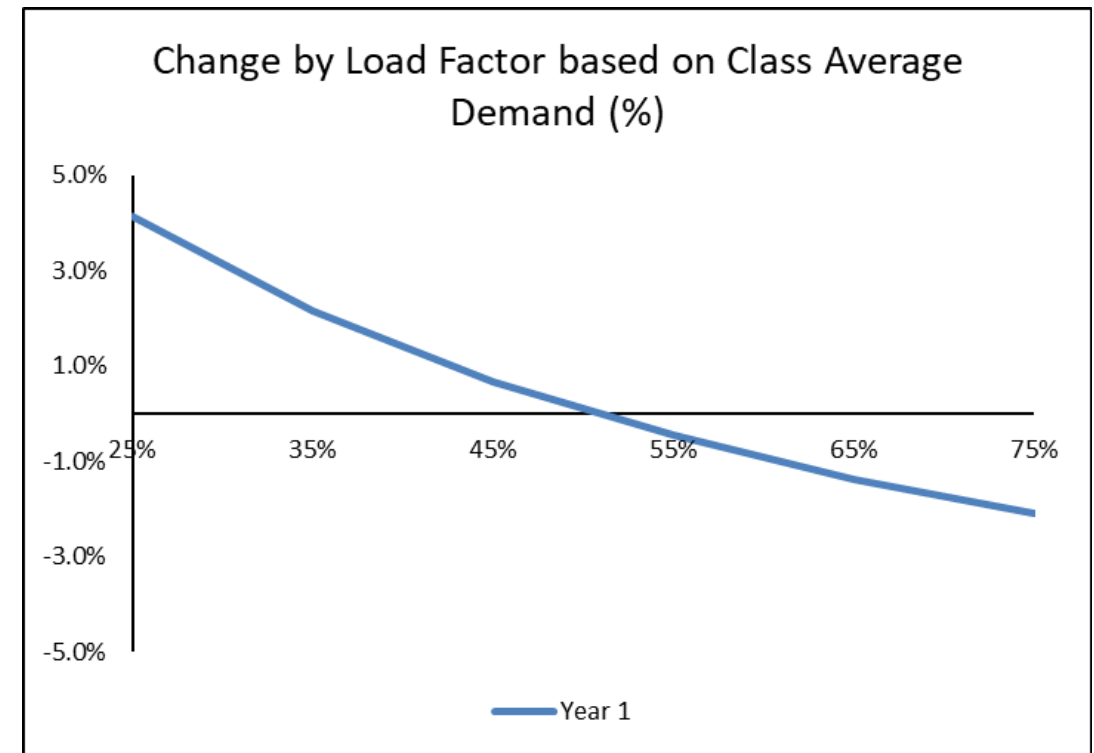
# Rate Design for FY2026

## Grand Haven Board of Light & Power

### Draft Rate Design for FY2026

General Service Large - Secondary

Rates	Current	Year 1
Monthly Facilities Charge:		
Monthly Charge	\$ 150.00	\$ 250.00
Energy Charge:		
All Energy	\$ 0.07460	\$ 0.06664
Demand Charge		
All Demand	\$ 16.50	\$ 17.00
Power Cost Adjustment:		
All Energy	\$ 0.01177	\$ 0.01177
Revenue from Rate	\$ 4,981,363	\$ 5,027,454
Change from Previous		0.9%



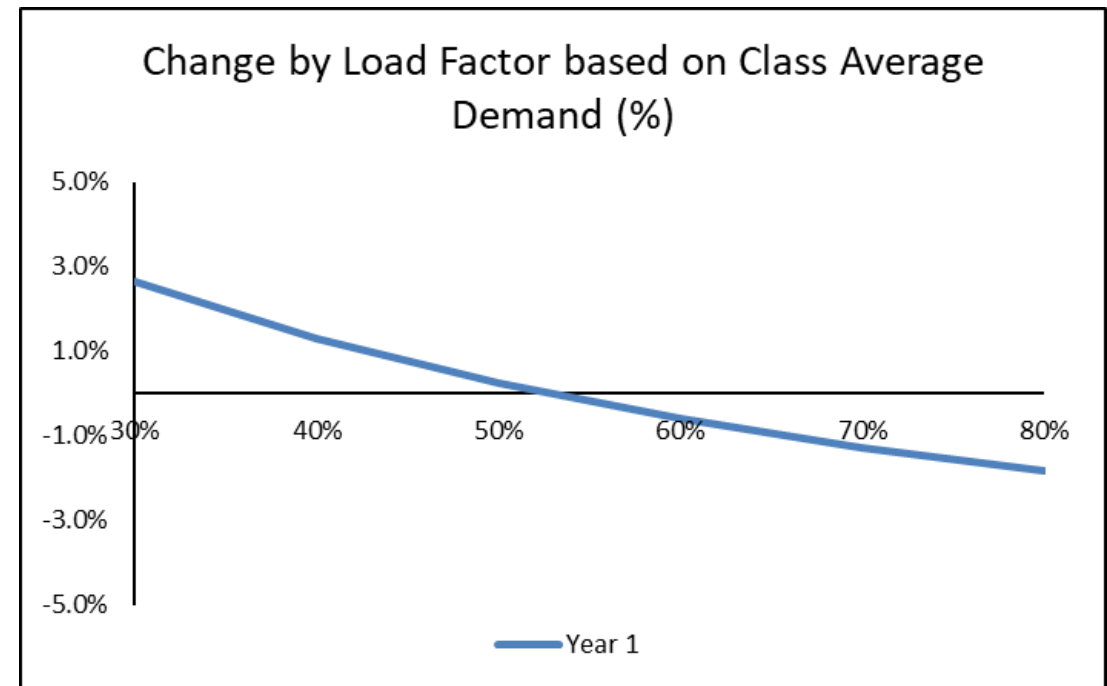
# Rate Design for FY2026

## Grand Haven Board of Light & Power

### Draft Rate Design for FY2026

General Service Large - Primary

Rates	Current	Year 1
Monthly Facilities Charge:		
Customer	\$ 350.00	\$ <b>625.00</b>
Energy Charge:		
On Peak Energy	\$ 0.06300	\$ <b>0.05674</b>
Off Peak Energy	\$ 0.05050	\$ <b>0.04548</b>
Demand Charge:		
On Peak kW	\$ 15.75	\$ <b>15.75</b>
per kW of Max Peak	\$ 3.00	\$ <b>4.50</b>
Power Cost Adjustment:		
All Energy	\$ 0.01177	\$ <b>0.01177</b>
Revenue from Rate	\$ 12,700,812	\$ 12,700,812
Change from Previous		<b>0.00%</b>





# Power Supply Cost Adjustment (PSCA)

## PSCA rate components

- Reset PSCA Base from \$0.0590/kWh to \$0.0690/kWh
- Add \$0.0100 to all kWh charges and variable PSCA will drop by \$0.0100

PSCA Base Rate		\$ 0.05900	\$ 0.01000	\$ 0.06900
Residential Rates	Current	Proposed Year 1	Add \$0.0100 to PCA Base	Rates with Adjusted PCA
<b>Monthly Facilities Charge:</b>				
Customers	\$ 15.00	\$ 20.00		\$ 20.00
Seniors	\$ 10.00	\$ 15.00		\$ 15.00
<b>Energy Charge:</b>				
All Energy (Including Seniors)	\$ 0.11440	\$ 0.10571	\$ 0.01000	\$ 0.11571
Net Metering	\$ 0.11440	\$ 0.10571	\$ 0.01000	\$ 0.11571
<b>Power Supply Cost Adjustment:</b>				
All Energy	\$ 0.01177	\$ 0.01177	\$ (0.01000)	\$ 0.00177
Revenue from Rate	\$ 13,993,220	\$ 13,993,220		\$ 13,993,220
Change from Previous		0.0%		0.0%

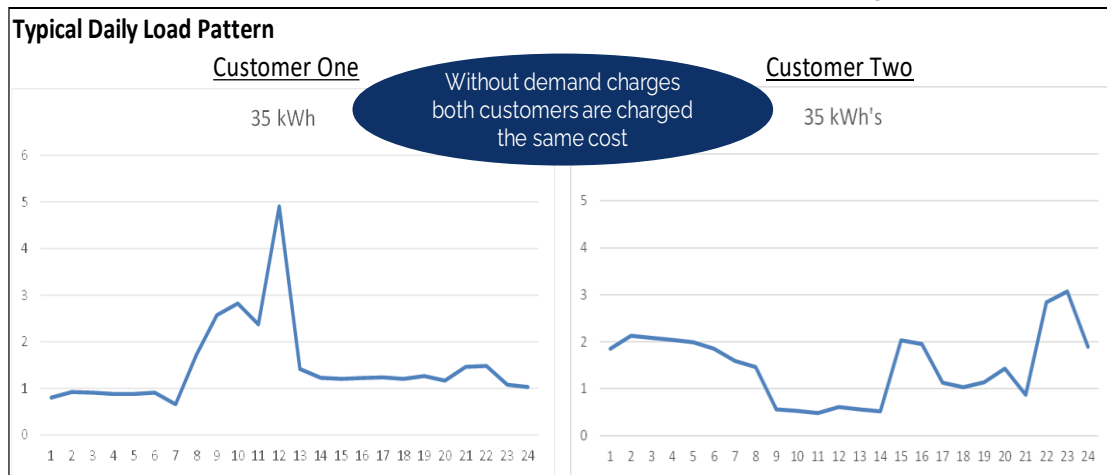
### Average Residential Bill using 575 kWh units per month

Monthly Charge	\$ 15.00	\$ 20.00	\$ 20.00
Average Monthly Energy Charge	65.78	60.78	66.53
Average Monthly PSCA Charge	6.77	6.77	1.02
Average Residential Monthly Bill	\$ 87.55	\$ 87.55	\$ 87.55

# Next Steps for Rate Design

## Demand Charges (*distribution system*)

- Reduce subsidies between customers (fairness)
- Help reduce off-peak costs for residential electric vehicles
- Sends price signals to flatten usage and use infrastructure more efficiently



## Time of Use Charges (*power supply*)

- Lowers usage during peak demand hours
- Increases usage during low-cost hours
  - Electric vehicles
  - Heating/cooling
- Allows customers control over electric bill
- Customers accept time of use rates.  
Pricing for most consumer products vary based on demand for their product
  - Hotels
  - Happy hour
  - Vacations
  - Airline prices
  - Uber
  - Movie prices

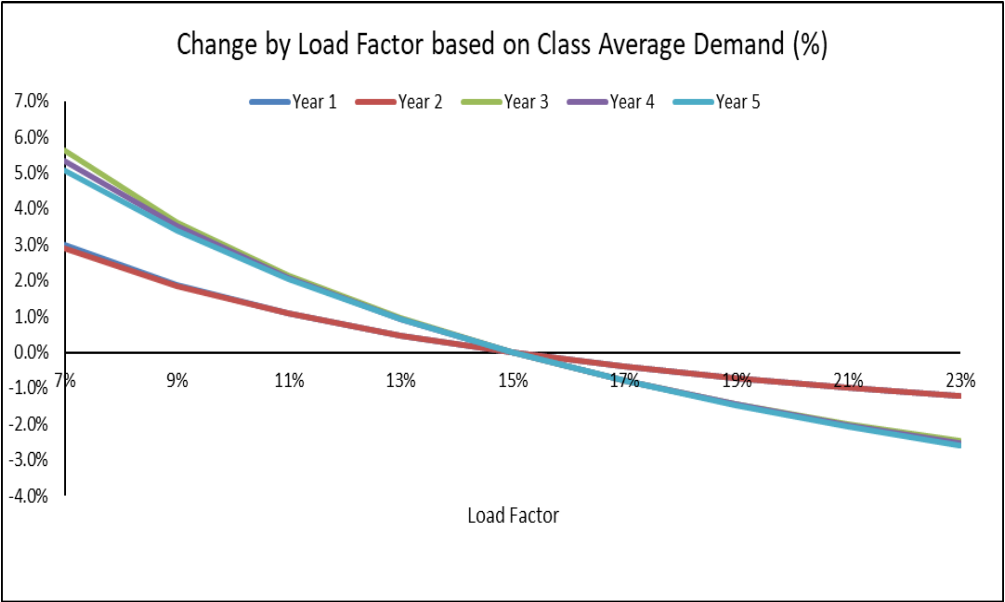
# Next Steps for Rate Design

## Distribution Demand Charges

(Assuming FY2026 rate design approved)

### Residential Rate Example Implementation

- Example set as revenue neutral
- Yr's 1&2 +\$0.50/kW then +\$1.00 in Yr's 3,4,5



Rates	Current	Year 1	Year 2	Year 3	Year 4	Year 5
Monthly Charge	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00
All Energy	\$ 0.10571	\$ 0.10098	\$ 0.09625	\$ 0.08679	\$ 0.07733	\$ 0.06787
All Demand	\$ -	\$ 0.50	\$ 1.00	\$ 2.00	\$ 3.00	\$ 4.00
PCA - All Energy	\$ 0.01177	\$ 0.01177	\$ 0.01177	\$ 0.01177	\$ 0.01177	\$ 0.01177
Revenue from Rate	\$13,993,220	\$13,993,220	\$13,993,220	\$13,993,220	\$13,993,220	\$13,993,220
Change from Previous	-	0.0%	0.0%	0.0%	0.0%	0.0%

Load Factor (Avg load = 5.4kW)	Monthly Usage	Year 1	Year 2	Year 3	Year 4	Year 5
7%	258	\$ 1.50	\$ 1.50	\$ 3.00	\$ 3.00	\$ 3.00
9%	338	\$ 1.12	\$ 1.12	\$ 2.25	\$ 2.25	\$ 2.25
11%	417	\$ 0.75	\$ 0.75	\$ 1.50	\$ 1.50	\$ 1.50
13%	496	\$ 0.37	\$ 0.37	\$ 0.74	\$ 0.74	\$ 0.74
14.5%	576	\$ (0.00)	\$ (0.00)	\$ (0.01)	\$ (0.01)	\$ (0.01)
17%	655	\$ (0.38)	\$ (0.38)	\$ (0.76)	\$ (0.76)	\$ (0.76)
19%	735	\$ (0.75)	\$ (0.75)	\$ (1.51)	\$ (1.51)	\$ (1.51)
21%	814	\$ (1.13)	\$ (1.13)	\$ (2.26)	\$ (2.26)	\$ (2.26)
23%	894	\$ (1.51)	\$ (1.51)	\$ (3.01)	\$ (3.01)	\$ (3.01)

Energy	Current \$	Year 1 \$	Year 2 \$	Year 3 \$	Year 4 \$	Year 5 \$
258	\$ 50.32	\$ 51.82	\$ 53.32	\$ 56.32	\$ 59.32	\$ 62.32
338	\$ 59.66	\$ 60.78	\$ 61.90	\$ 64.15	\$ 66.40	\$ 68.64
417	\$ 68.99	\$ 69.73	\$ 70.48	\$ 71.98	\$ 73.47	\$ 74.97
496	\$ 78.32	\$ 78.69	\$ 79.06	\$ 79.80	\$ 80.55	\$ 81.29
576	\$ 87.65	\$ 87.64	\$ 87.64	\$ 87.63	\$ 87.63	\$ 87.62
655	\$ 96.98	\$ 96.60	\$ 96.22	\$ 95.46	\$ 94.70	\$ 93.94
735	\$ 106.31	\$ 105.55	\$ 104.80	\$ 103.29	\$ 101.78	\$ 100.27
814	\$ 115.64	\$ 114.51	\$ 113.38	\$ 111.12	\$ 108.85	\$ 106.59
894	\$ 124.97	\$ 123.46	\$ 121.96	\$ 118.94	\$ 115.93	\$ 112.92

Energy	Current \$/kWh	Year 1 \$/kWh	Year 2 \$/kWh	Year 3 \$/kWh	Year 4 \$/kWh	Year 5 \$/kWh
258	\$ 0.1949	\$ 0.2008	\$ 0.2066	\$ 0.2182	\$ 0.2298	\$ 0.2414
576	\$ 0.1522	\$ 0.1522	\$ 0.1522	\$ 0.1522	\$ 0.1522	\$ 0.1522
894	\$ 0.1399	\$ 0.1382	\$ 0.1365	\$ 0.1331	\$ 0.1297	\$ 0.1264

# Next Steps for Rate Design

## Time of Use Charges

(Assuming FY2026 rate design approved)

### Residential Rate Example Implementation

- Example set as revenue neutral
- Demand: Yr's 1&2 +\$0.50/kW then +\$1.00 in Yr's 3,4,5
- TOU: moving on-peak rate up about \$0.01 annually and off-peak down about \$0.01 annually

Customer Class Type	Source	Load Factors for NCP		System Coincidence Factors	
		S	W	S	W
Residential	GHBLP AMI Data	49%	68%	69%	65%
GS-Secondary	GHBLP AMI Data	54%	62%	77%	89%
GS-Primary	GHBLP AMI Data	43%	31%	62%	61%
GSL-Secondary	GHBLP AMI Data	62%	66%	78%	92%
GSL-Primary	GHBLP AMI Data	72%	69%	72%	96%
		System Peaks HE		2pm-5pm	9am-1pm

Rates	TOU Phase Current	TOU Phase 1	TOU Phase 2	TOU Phase 3	TOU Phase 4	TOU Phase 5
Monthly Charge (\$/meter)	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00	\$ 20.00
Winter On-Peak (\$/kWh)	\$ 0.10571	\$ 0.11977	\$ 0.13507	\$ 0.14409	\$ 0.15223	\$ 0.15921
Winter Off-Peak (\$/kWh)	\$ 0.10571	\$ 0.09637	\$ 0.08673	\$ 0.07275	\$ 0.05897	\$ 0.04549
Summer On-Peak (\$/kWh)	\$ 0.10571	\$ 0.11977	\$ 0.13507	\$ 0.14409	\$ 0.15223	\$ 0.15921
Summer Off-Peak (\$/kWh)	\$ 0.10571	\$ 0.09637	\$ 0.08673	\$ 0.07275	\$ 0.05897	\$ 0.04549
Summer Critical-Peak (\$/kWh)	\$ 0.10571	\$ 0.13288	\$ 0.16214	\$ 0.18404	\$ 0.20445	\$ 0.22289
All Demand (\$/kW)	\$ -	\$ 0.50	\$ 1.00	\$ 2.00	\$ 3.00	\$ 4.00
PCA - All Energy (\$/kWh)	\$ 0.01177	\$ 0.01177	\$ 0.01177	\$ 0.01177	\$ 0.01177	\$ 0.01177
Revenue from Rate	\$ 13,993,220	\$ 13,993,220	\$ 13,993,220	\$ 13,993,220	\$ 13,993,220	\$ 13,993,220
Change from Current	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



Erik Booth, P.E.

**Operations & Power Supply Manager**

Grand Haven Board of Light & Power

1700 Eaton Drive

Grand Haven, MI 49417

Dear Erik,

On behalf of the GreatBlue Research team, congratulations on Grand Haven Board of Light & Power's ('GHBLP') exceptional 2025 customer satisfaction results. The feedback from both residential and commercial audiences confirm GHBLP's continued commitment to operational excellence, customer focus, and long-term strategic progress.

**Residential Customers: Well Above National Benchmarks**

This year's results clearly demonstrate that GHBLP is not only delivering at a high level—but doing so in ways that significantly outperform peer utilities nationwide. Residential respondents rated GHBLP:

- **19.6 percentage points higher** than the national benchmark for **promptness in responding to customer questions** (85.9% vs. 66.3%)
- **26.2 points higher** for **maintaining reliable infrastructure** (94.1% vs. 67.9%)
- **27.1 points higher** for **providing good value for the cost of electricity** (90.1% vs. 63.0%)
- And **19.6 points higher** in **overall satisfaction** (90.7% vs. 71.1%)

Having conducted research in the public power industry for over 26 years, these performance levels are particularly notable given that few utilities nationwide achieve comparable outcomes. They reflect not merely satisfaction, but a deep and growing trust in GHBLP's ability to deliver on what matters most to its residential customers—unwavering reliability, meaningful value, and transparent, responsive service.

**Commercial Customers: Across-the-Board Gains**

Commercial respondents also voiced strong approval, with an average positive rating of **85.8%** across key organizational traits—a 3.8-point increase over 2022. Notably:

- **95.7%** were satisfied with their employee interactions
- **91.3%** reported issue resolution on first contact (+13.3 pts)
- **100%** satisfaction was reported with field service interactions (+16.7 pts)
- Confidence in GHBLP's outage response stood at **98.2%**



Commercial respondents are also increasingly recognizing and valuing GHBLP's community-owned model (+14.2 pts) and digital service tools like SmartHub and Auto Pay ACH.

### **Strategic Insight for the Future**

This research was designed to help GHBLP identify strengths, uncover improvement opportunities, and build an informed roadmap for deeper engagement and satisfaction. These results do just that. Your performance reflects a utility that listens, responds, and leads—and your customers see it.

Once again, congratulations on this year's outstanding results and your ongoing commitment to serving the Grand Haven community with excellence and know that GreatBlue and our staff are here to continue supporting GHBLP, its staff and goals.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Michael Vigeant', with a large, sweeping horizontal stroke underneath.

Michael Vigeant

CEO | GreatBlue Research