

GRAND HAVEN BOARD OF LIGHT AND POWER MEETING AGENDA

Thursday, July 17, 2025

Meeting to be held at 421 Columbus Avenue

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. June 19, 2025 Special Meeting Minutes *
 2. June 19, 2025 Closed Session Meeting Minutes
 3. June 19, 2025 Regular Meeting Minutes *
 4. June 25, 2025 Special Meeting Minutes *
 5. June 25, 2025 Closed Session Meeting Minutes
 - B. Receive and File: June Financial Statements, Power Supply & Retail Sales Dashboards *
 - C. Receive and File: June Key Performance Indicators (KPI) Dashboard *
 - D. Receive and File: MPPA ESP Resource Position Report (dated 6/30/2025) *
 - E. Approve Payment of Bills (\$3,510,866.77 in total)
 1. In the amount of \$2,728,412.59 from the Operation & Maintenance Fund
 2. In the amount of \$782,454.18 from the Renewal & Replacement Fund
 - F. Approve Confirming Purchase Orders (\$78,720 in total)
 1. PO #23452, Traverse City Light & Power, \$6,885 (Mutual Aid from Storm Damage)
 2. PO #23464, Waste Management, \$71,835 (Coal Yard Cleanup Landfill Fees)
6. General Manager's Report *
 - A. Approve Purchase Orders (\$206,393 in total) (1)
 1. PO #23429, Zervas Facility Maintenance, \$24,000 (FY26 Eaton Drive Cleaning Service)
 2. PO #23454, Interphase Office Interiors, \$6,637 (HR Office Furniture)
 3. PO #23457, C&S Solutions, \$15,890 (New UG Locator)
 4. PO #23468, CRC, \$16,500 (FY26 Call Center Subscription)
 5. PO #23470, CDW, \$8,366 (Building WiFi Replacement)
 6. PO #23479, Verdantas, \$47,000 (Grand Ave Rebuild Engineering)
 7. PO #23480, Verdantas, \$88,000 (Ckt 21 & 22 Rebuild Engineering)
 - B. Policy Review (1) *
 - C. Updated Board Meeting Schedule (1)
 - D. Approve FY 2026 Rates (1) *
7. Chairman's Report
8. Other Business (4)
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
JUNE 19, 2025

A special meeting of the Grand Haven Board of Light and Power was held on Thursday, June 19, 2025, at 4:30 PM at the Board's office located at 1700 Eaton Drive in Grand Haven, Michigan.

The meeting was called to order at 4:30 PM by Chairperson Westbrook.

Present: Directors Crum, Knoth, Polyak, Welling, and Westbrook.

Absent: None.

Others Present: Secretary to the Board Danielle Martin.

25-07A Director Welling, supported by Director Polyak, moved to approve the meeting agenda.

Roll Call Vote:

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

Public Comment Period: None.

25-07B At 4:31 PM Director Welling, supported by Director Knoth, moved to enter closed session pursuant to Section 8(1)(a) of the Open Meetings Act to consider a periodic personnel evaluation of the General Manager upon the request for a closed hearing.

Roll Call Vote:

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

25-07C At 5:40 PM Director Welling, supported by Director Polyak, moved to end closed session and re-enter open session.

Roll Call Vote:

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

Adjournment

At 6:11 PM by motion of Director Welling supported by Director Knoth, the June 19, 2025 special Board meeting was unanimously adjourned.

Respectfully submitted,

Danielle Martin
Secretary to the Board

DM

GRAND HAVEN BOARD OF LIGHT AND POWER
MINUTES
JUNE 19, 2025

A regular meeting of the Grand Haven Board of Light and Power was held on Thursday, June 19, 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.

25-08A Director Welling, supported by Director Polyak, 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.

25-08B Director Welling, supported by Director Polyak, moved to approve the consent agenda. The consent agenda includes:

- Approve the minutes of the May 15th Special Meeting, May 15th Closed Session, and May 15th Regular Meeting.
- Receive and File the May Financial Statements, Power Supply and Retail Sales Dashboards
- Receive and File the May Key Performance Indicator (KPI) Dashboard
- Receive and File the MPPA Energy Services Project Resource Position Report dated 05/30/2025
- Approve payment of bills in the amount of \$2,732,788.41 from the Operation & Maintenance Fund
- Approve payment of bills in the amount of \$520,133.36 from the Renewal & Replacement Fund
- Approve confirming Purchase Order #23415 to Get-R-Cut in the amount of \$22,063 for tree work from storm damage

GRAND HAVEN BOARD OF LIGHT AND POWER
MINUTES
JUNE 19, 2025

- Approve confirming Purchase Order #23417 to CSX in the amount of \$5,018 for annual crossing fees
- Approve confirming Purchase Order #23431 to Flory Line Construction in the amount of \$62,633 for line work from storm damage
- Approve confirming Purchase Order #23445 to Charter Communications in the amount of \$15,000 for fiscal year 2026 internet service
- Approve confirming Purchase Order #23448 to Landis & Gyr in the amount of \$40,000 for the fiscal year 2026 grid analytics software subscription
- Approve confirming Purchase Order #23449 to Landis & Gyr in the amount of \$30,000 for the fiscal year 2026 AMI software subscription

Roll Call Vote:

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

25-08C Director Welling, supported by Director Crum, moved to approve the Purchase Orders.
The Purchase Orders include:

- Purchase Order #23422 to Koppers in the amount of \$15,393 for 23 distribution wood poles for BLP stock
- Purchase Order #23424 to Altec in the amount of \$251,794 for a AT48P bucket truck
- Purchase Order #23434 to Tri-Cities Broadcasting in the amount of \$6,000 for fiscal year 2026 WAWL outreach
- Purchase Order #23435 to Holland Litho in the amount of \$17,000 for fiscal year 2026 printing services
- Purchase Order #23436 to WGHN in the amount of \$8,200 for fiscal year 2026 outreach
- Purchase Order #23437 to Boileau Communications in the amount of \$40,000 for fiscal year 2026 customer communication

Roll Call Vote:

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

25-08D Director Welling, supported by Director Crum, moved to approve the fiscal year 2025 utility write offs in the amount of \$11,213.83.

GRAND HAVEN BOARD OF LIGHT AND POWER
MINUTES
JUNE 19, 2025

There are no miscellaneous accounts receivable to write off this year. The write offs are a very small amount compared to the BLP's revenue and this year's amount is consistent with the past. Collection efforts continue on these accounts.

Roll Call Vote:

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

25-08E Director Welling, supported by Director Polyak, moved to award the Waste Energy Reduction Program to the state administrator.

The State has passed new Energy Waste Reduction legislation. The BLP has invested \$4.3 million since 2012 and achieved results which exceeded the State requirements in past Energy Waste Reduction efforts. The new requirements call for a 1.5% annual reduction in energy sales beginning in 2026 and the development of a low-income program. The BLP must choose between two options for meeting the new standards. Option one is a State administered program. This program's estimated cost is \$933,000 per year and has a two-year commitment. Option two is an MPPA administered program. This program's estimated cost is \$711,000 and has a four-year commitment. The MPPA program focuses more heavily on C&I incentives while the State program is more balanced toward residential. With either program, the money contributed by the BLP must be used for BLP customers and approximately \$500,000 is expected to be returned to customer's pockets. Staff is recommending the BLP use the State administered program. The benefits of choosing the State's program include the State taking accountability for the program's success, more flexibility due to the shorter time commitment, and residential spending that is more proportionate to sales.

Roll Call Vote:

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

25-08F Director Welling, supported by Director Polyak, moved to approve the eleven policies as presented.

Staff is working to update policies and procedures and move them into a consistent format. The majority of the eleven policies presented were previously approved by the Board, but it had been many years so a re-fresh was desired.

Roll Call Vote:

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

GRAND HAVEN BOARD OF LIGHT AND POWER
MINUTES
JUNE 19, 2025

25-08G Director Crum, supported by Director Welling, moved to approve the General Manager's performance evaluation with a score of "Exceeds Expectations" and a salary increase of 3% effective July 1, 2025.

Roll Call Vote:

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

Other Business

- Chairperson Westbrook and the General Manager attended the APPA National Conference last week. They found the topics to be interesting and appreciated the networking opportunities.
- The MMEA conference is being held in September in Muskegon. Directors can let the General Manager know if they are interested in attending and he will take care of their registration.
- The Board will hold a Special Meeting on Wednesday, June 25th at 4:00pm at the BLP offices.
- Chairperson Westbrook read a card from a customer following the storm-related outages thanking the BLP for a quick restoration of power.
- The General Manager reported key account meetings are in progress and expected to be wrapped up in the next couple of weeks.

No formal action taken.

Public Comment Period: None.

Adjournment

At 6:37PM by motion of Director Welling, supported by Director Polyak, the June 19, 2025 Board meeting was unanimously adjourned.

Respectfully submitted,

Danielle Martin
Secretary to the Board

DM

GRAND HAVEN BOARD OF LIGHT AND POWER
MINUTES
JUNE 25, 2025

A special meeting of the Grand Haven Board of Light and Power was held on Wednesday, June 25, 2025, at 4:00 PM at the Board's office located at 1700 Eaton Drive in Grand Haven, Michigan.

The meeting was called to order at 4:01 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, Attorney Ron Bultje of Dickinson Wright, and Attorney Kevin Yombor of Kaufman Dolowich (attending remotely).

25-09A Director Welling, supported by Director Polyak, moved to approve the meeting agenda.

Roll Call Vote:

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

Public Comment Period: None.

25-09B At 4:02 PM Director Welling, supported by Director Polyak, moved to enter closed session pursuant to Section 8(1)(e) of the Open Meetings Act to discuss with BLP attorneys trial or settlement strategy pertaining to the David Walters litigation because an open meeting would have a detrimental financial impact upon the litigating or settlement position of the BLP.

Roll Call Vote:

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

25-09C At 4:28 PM Director Welling, supported by Director Knoth, moved to end closed session and re-enter open session.

Roll Call Vote:

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

25-09D Director Crum, supported by Director Welling, moved to approve the Resolution Regarding Walters Litigation (attachment A).

Roll Call Vote:

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

GRAND HAVEN BOARD OF LIGHT AND POWER
MINUTES
JUNE 25, 2025

Adjournment

At 4:29 PM by motion of Director Welling supported by Director Knoth, the June 25, 2025 special Board meeting was unanimously adjourned.

Respectfully submitted,

Danielle Martin
Secretary to the Board

DM

DRAFT

GRAND HAVEN BOARD OF LIGHT AND POWER
MINUTES
JUNE 25, 2025

Attachment A

GRAND HAVEN BOARD OF LIGHT & POWER

RESOLUTION REGARDING DAVID WALTERS LITIGATION

WHEREAS, the Grand Haven Board of Light and Power ("BLP") is a Defendant in a lawsuit initiated by David Walters ("Walters"), David Walters v. Grand Haven Board of Light & Power, Case No. 24-7759-CD, in the 20th Circuit Court for the County of Ottawa (the "Lawsuit"); and

WHEREAS, in the Lawsuit, Walters alleges that BLP terminated him in breach of his employment agreement, as well as in retaliation for reporting suspected violations of the law, in violation of Michigan's Whistleblower Protection Act. Walters also alleges that the BLP has violated Michigan's Open Meetings Act; and

WHEREAS, BLP denies Walter's allegations, and asserts that BLP properly terminated Walters pursuant to Paragraph 10.C of his July 1, 2022 Employment Agreement; and

WHEREAS, BLP attended a mediation with Walters on April 18, 2025. The Parties did not reach a resolution at mediation; and

WHEREAS, BLP desires to try and resolve this Lawsuit without additional legal fees and costs.

THEREFORE, BE IT RESOLVED, BLP instructs its attorney, Kaufman Dolowich, to negotiate and accept a Settlement Agreement with Walters consistent with the presentation by Kaufman Dolowich in closed session on this date. BLP further instructs its General Manager to execute that Settlement Agreement upon its negotiation. This Settlement Agreement would resolve all claims set forth in the Complaint filed by Plaintiff, dated April 19, 2024.

RESOLUTION DECLARED ADOPTED

Dated: June 25, 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 June 25, 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: June 25, 2025

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

GRAND HAVEN BOARD OF LIGHT AND POWER
STATEMENT OF NET POSITION - PRELIMINARY
FOR THE MONTH ENDING JUNE 2025

	<u>JUNE 2025</u>	<u>JUNE 2024</u>
ASSETS		
CURRENT ASSETS		
CASH AND CASH EQUIVALENTS	\$28,602,575	\$23,281,715
ACCOUNTS RECEIVABLE	4,195,484	4,316,797
PREPAID	3,369	3,870
	32,801,428	27,602,382
NON-CURRENT ASSETS		
DEPOSITS HELD BY MPIA	10,279,939	9,543,361
DEPOSITS HELD BY MPPA	2,500,000	2,500,000
ADVANCE TO CITY OF GRAND HAVEN	492,666	622,481
MITIGATION FUND	17,240,300	14,422,206
2021A BOND FUND	0	5,449,083
2021A BOND REDEMPTION FUND	1,396,742	1,391,916
	31,909,647	33,929,047
CAPITAL ASSETS		
CONSTRUCTION IN PROGRESS	3,853,148	2,856,068
PROPERTY, PLANT AND EQUIPMENT	68,047,118	65,446,915
LESS ACCUMULATED DEPRECIATION	(31,953,159)	(29,988,127)
	39,947,107	38,314,856
TOTAL ASSETS	\$104,658,182	\$99,846,285
DEFERRED OUTFLOWS/(INFLOWS)		
PENSION/OPEB RELATED	3,736,804	3,736,804
LIABILITIES		
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	1,586,537	1,452,797
SERIES 2021A BOND CURRENT	2,541,410	2,560,370
ACCRUED PAYROLL LIABILITIES	305,463	175,477
CUSTOMER DEPOSITS	977,587	1,016,397
ACCRUED TRANSFER FUND	157,092	159,548
	5,568,089	5,364,589
LONG TERM LIABILITIES		
ASSET RETIREMENT OBLIGATION - MITIGATION	17,920,629	17,556,307
ACCRUED SICK AND PTO	293,413	260,479
SERIES 2021A BOND	15,500,000	17,900,000
NET PENSION LIABILITIES	5,491,563	5,491,563
NET OTHER POST EMPLOYMENT BENEFIT	929,482	929,482
	40,135,087	42,137,831
TOTAL LIABILITIES	45,703,176	47,502,420
NET POSITION		
BEGINNING OF THE YEAR	56,080,669	48,794,255
YTD INCREASE IN NET ASSETS	6,611,141	7,286,414
NET POSITION	62,691,810	56,080,669
TOTAL LIABILITIES AND EQUITY	\$108,394,986	\$103,583,089

GRAND HAVEN BOARD OF LIGHT AND POWER
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - PRELIMINARY
FOR THE MONTH OF JUNE 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	\$ 1,019,762	\$ 13,337,818	\$ 13,167,349	\$ 170,469	1.29%	\$ 1,088,632	\$ 12,766,448	\$ 571,370	4.48%
Commercial Sales	907,797	10,640,245	10,597,492	42,753	0.40%	925,060	10,305,682	334,563	3.25%
Industrial Sales	994,277	11,541,967	12,017,309	(475,342)	-3.96%	975,836	11,714,817	(172,850)	-1.48%
Municipal Sales	84,631	995,987	1,008,172	(12,185)	-1.21%	103,009	1,007,146	(11,159)	-1.11%
Total Charges for Services	3,006,467	36,516,017	36,790,322	(274,305)	-0.75%	3,092,537	35,794,093	721,924	2.02%
Street Lighting	28,171	337,324	336,000	1,324	0.39%	28,005	338,040	(716)	-0.21%
Other Revenue	19,081	702,769	299,600	403,169	134.57%	17,345	363,629	339,140	93.27%
Total Operating Revenue	3,053,719	37,556,110	37,425,922	130,188	0.35%	3,137,887	36,495,762	1,060,348	2.91%
Operating Expenses									
Net Purchased Power	1,627,387	19,568,533	20,263,682	(695,149)	-3.43%	1,546,548	18,281,810	1,286,723	7.04%
Distribution Operations	99,482	1,314,763	1,788,807	(474,044)	-26.50%	103,728	1,500,116	(185,353)	-12.36%
Distribution Maintenance	333,897	3,387,577	3,531,103	(143,526)	-4.06%	221,557	3,344,651	42,926	1.28%
Energy Optimization	16,761	197,954	325,000	(127,046)	-39.09%	29,993	171,607	26,347	15.35%
Administration	212,351	2,848,061	3,122,550	(274,489)	-8.79%	274,660	2,938,758	(90,697)	-3.09%
Legacy Pension Expense	355,668	498,345	500,000	(1,655)	-0.33%	608,426	1,226,872	(728,527)	-59.38%
Operating Expenses Before Depreciation	2,645,546	27,815,233	29,531,142	(1,715,909)	-5.81%	2,784,912	27,463,814	351,419	1.28%
Operating Changes Before Depreciation	408,173	9,740,877	7,894,780	1,846,097	23.38%	352,975	9,031,948	708,929	7.85%
Depreciation	183,231	2,212,144	2,180,820	31,324	1.44%	171,450	2,080,299	131,845	6.34%
Operating Changes	224,942	7,528,733	5,713,960	1,814,773	31.76%	181,525	6,951,649	577,084	8.30%
Nonoperating Revenue/(Expenses)	72,705	949,283	618,220	331,063	53.55%	1,094,164	2,064,938	(1,115,655)	-54.03%
Asset Retirement Expense	(948,545)	(923,846)	(1,000,000)	76,154	-0.076154	(953,037)	(829,545)	(94,301)	11.37%
Environmental Surcharge	77,620	948,544	1,000,000	(51,456)	-5.15%	82,274	953,037	(4,493)	-0.47%
Non-Operating Revenue/(Expenses)	(798,220)	973,981	618,220	355,761	57.55%	223,401	2,188,430	(1,214,449)	-55.49%
Transfers to City of Grand Haven	(157,092)	(1,891,573)	(1,839,516)	(52,057)	2.83%	(159,548)	(1,853,665)	(37,908)	2.05%
Increase in Net Assets	<u>\$ (730,370)</u>	<u>\$ 6,611,141</u>	<u>\$ 4,492,664</u>	<u>\$ 2,118,477</u>	<u>47.15%</u>	<u>\$ 245,378</u>	<u>\$ 7,286,414</u>	<u>\$ (675,273)</u>	<u>-9.27%</u>

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

<u>Power Supply for Month (kWh)</u>	<u>FY2025</u>		<u>FY2024</u>	
Net Purchased (Sold) Power	19,367,107	72.58%	19,174,324	72.89%
Renewable Energy Purchases	7,316,024	27.42%	7,130,970	27.11%
Monthly Power Supply Total	26,683,131		26,305,294	
Days in Month	30		30	
Average Daily kWh Supply for Month	889,438		876,843	
% Change	1.44%			

<u>Power Supply FYTD</u>	<u>FY2025</u>		<u>FY2024</u>	
Net Purchased (Sold) Power	204,383,765	72.96%	209,848,740	74.84%
Renewable Energy Purchases	75,748,508	27.04%	70,540,628	25.16%
FYTD Power Supply Total	280,132,273		280,389,368	
FYTD Days (from 7/1)	365		366	
Average Daily kWh Supply FYTD	767,486		766,091	
% Change	0.18%			

	<u>FY2025</u>	<u>FY2024</u>
Net Purchased Power Expenses	\$19,568,533	\$18,281,810
% Change	7.04%	
Net Energy Expenses		
per kWh Supplied to System FYTD	\$0.06985	\$0.06520
% Change	7.14%	

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

<u>Monthly Retail Customers</u>	<u>FY2025</u>		<u>FY2024</u>	
Residential	13,335	87.56%	13,242	87.54%
Commercial	1,655	10.87%	1,643	10.86%
Industrial	128	0.84%	126	0.83%
Municipal	111	0.73%	115	0.76%
Total	15,229		15,126	
 <u>Monthly Energy Sold (kWh)</u>				
Residential	6,743,002	30.28%	7,316,989	31.02%
Commercial	6,472,907	29.07%	6,743,497	28.59%
Industrial	8,225,359	36.94%	8,573,914	36.35%
Municipal	760,039	3.41%	888,348	3.77%
Retail Monthly Total	22,201,307	99.70%	23,522,748	99.72%
Street Lighting	66,393	0.30%	66,224	0.28%
Total Monthly Energy Sold	22,267,700		23,588,972	
 Days in Primary Meter Cycle	 31		 31	
kWh Sold per Day	718,313		760,935	
% Change	-5.60%			

<u>Energy Sold (kWh) FYTD</u>	<u>FY2025</u>		<u>FY2024</u>	
Residential	89,393,274	32.87%	86,274,562	31.57%
Commercial	76,924,705	28.29%	75,534,977	27.64%
Industrial	96,593,175	35.52%	102,094,372	37.36%
Municipal	8,248,787	3.03%	8,460,445	3.10%
Retail Energy Sold Total FYTD	271,159,941	99.71%	272,364,356	99.66%
Street Lighting	798,011	0.29%	921,517	0.34%
Energy Sold FYTD	271,957,952		273,285,873	
 Weighted Days in Meter Cycles FYTD	 365		 366	
kWh Sold per Day	745,090		746,683	
% Change	-0.21%			

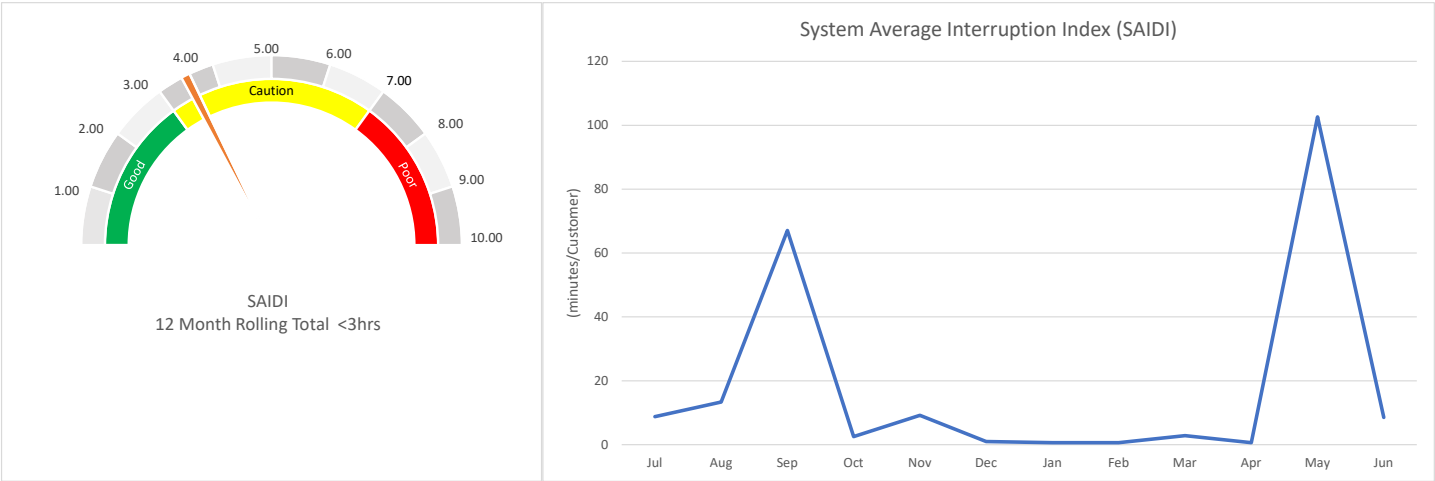
<u>Sales Revenue FYTD net ERS</u>	<u>FY2025</u>	<u>Average Rate (\$/kWh)</u>	<u>FY2024</u>	<u>Average Rate (\$/kWh)</u>	<u>Percent Change \$/kWh</u>
Residential	\$13,358,206	\$0.1494	\$12,149,864	\$0.1408	6.11%
Commercial	\$10,644,479	\$0.1384	\$9,773,649	\$0.1294	6.94%
Industrial	\$11,540,428	\$0.1195	\$11,022,670	\$0.1080	10.66%
Municipal	\$1,002,478	\$0.1215	\$947,623	\$0.1120	8.50%
Retail Sales Revenue FYTD	\$36,545,591	\$0.1348	\$33,893,807	\$0.1244	8.30%
Street Lighting	\$337,324		\$337,964		
Total Sales Revenue FYTD (Excl. Wholesale)	\$36,882,915	\$0.1356	\$34,231,771	\$0.1253	

	<u>FY2025</u>	<u>FY2024</u>
Approx. Distribution Losses FYTD	2.92%	2.53%
 Net Energy Expenses/kWh Sold FYTD	\$0.07189	\$0.06685
% Change	7.54%	

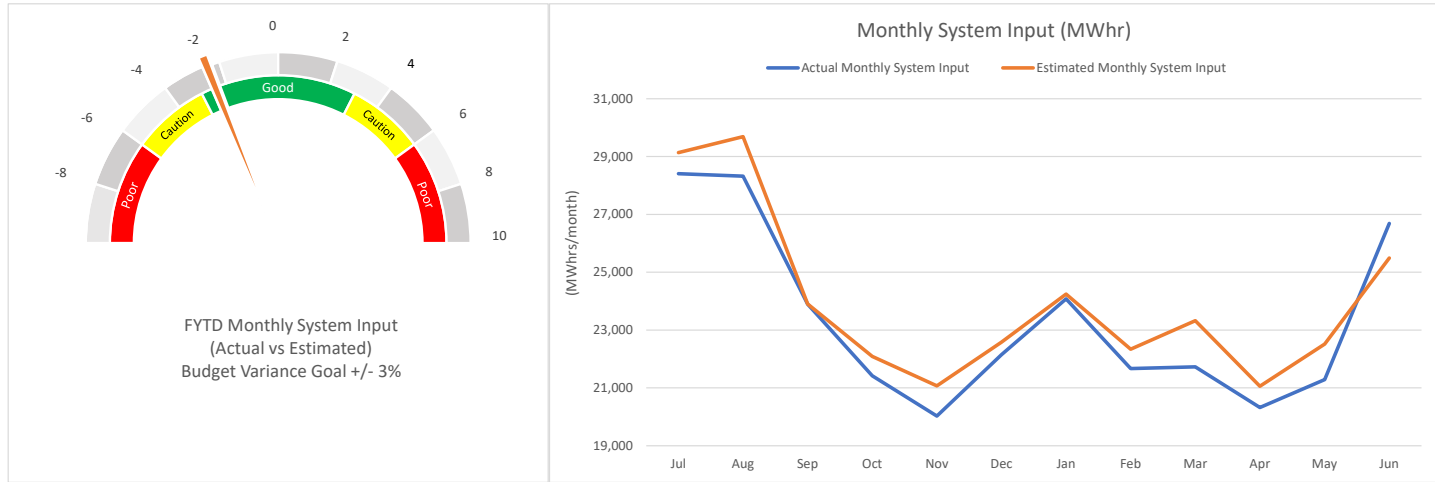
GHBLP Key Performance Indicators

July 10, 2025

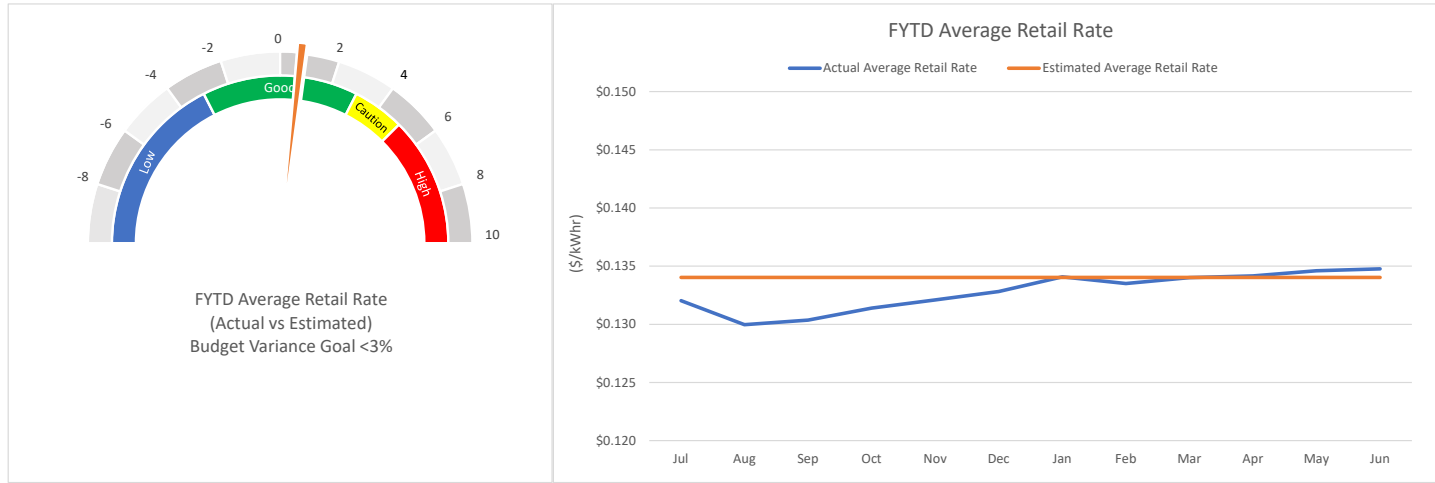
1) Reliability



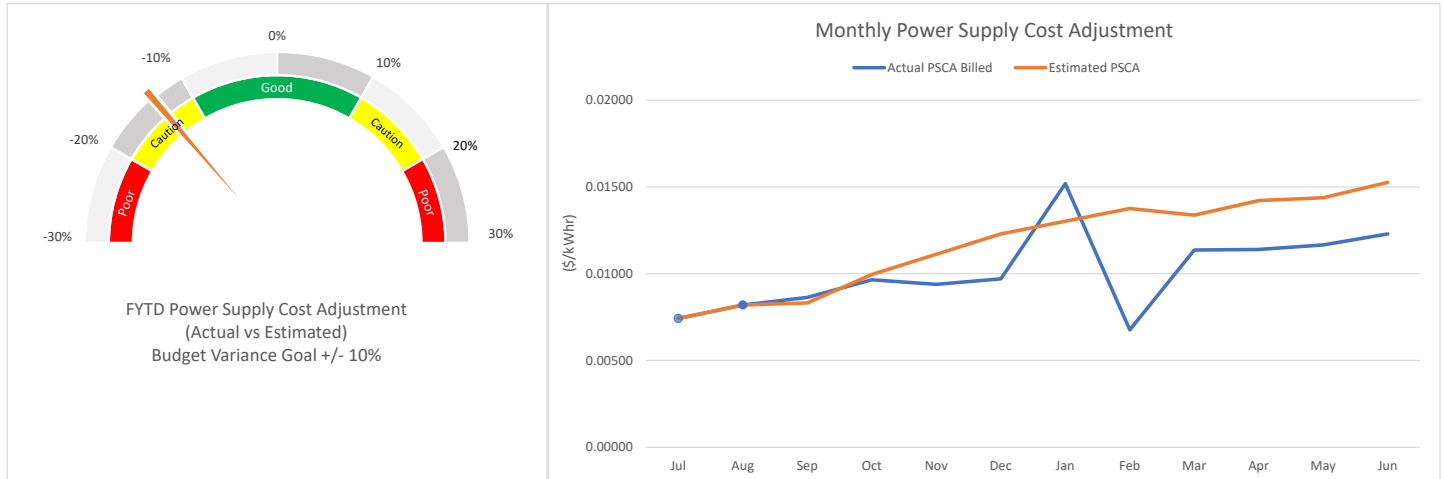
2) Power Supply



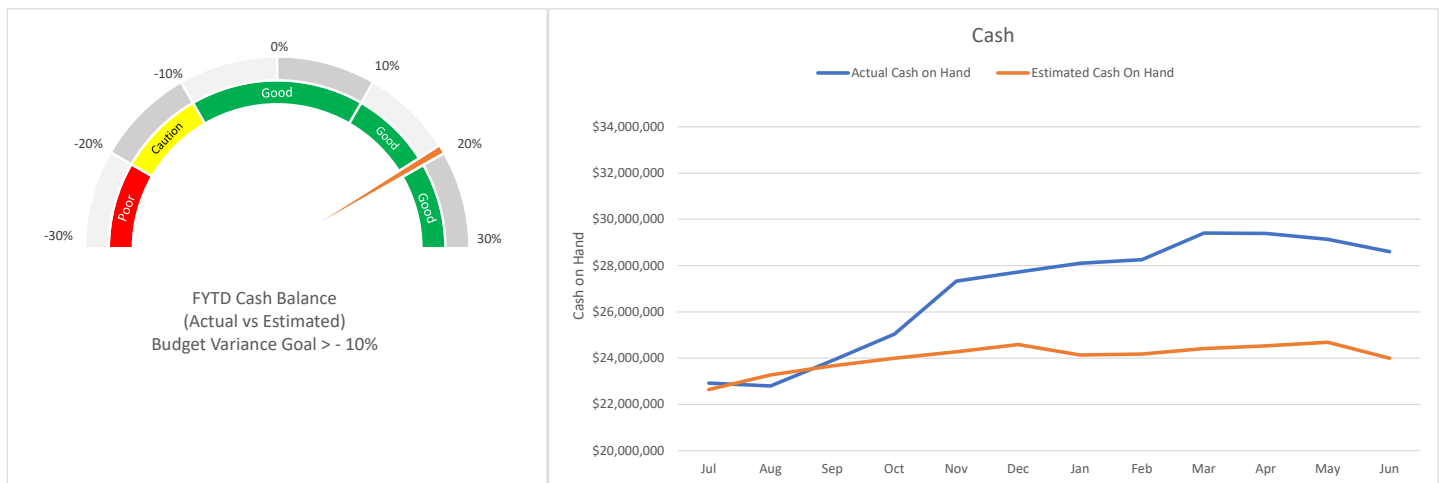
3) Average Retail Revenue per kWh



4) Rates/PSCA



5) Financial

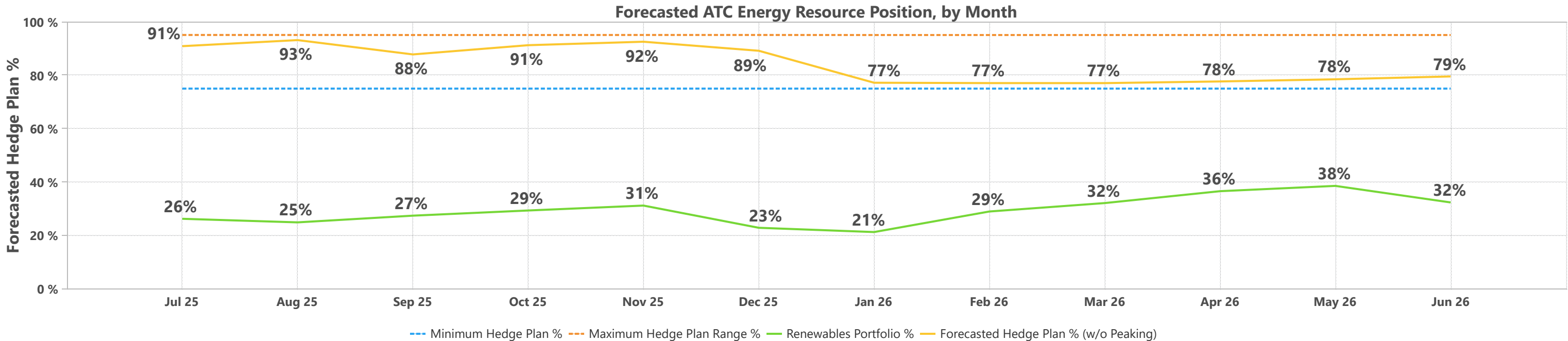


GRAN is forecasted to have an average of 84% of Around the Clock (ATC) Power Supply hedged over the upcoming 12 months, and Renewable Energy Resources are forecasted to provide an average of 29% towards load. Total Resources are forecasted to cost an average of \$52.76 Per MWh, and Market Balancing Energy is forecasted to come in at an average of \$50.78 per MWh. When including Locational Basis this results in a Total Forecasted Power Supply weighted average cost of \$53.34 over the upcoming 12 months.

Forecasted Prompt 12 Months Energy Resource Position for GRAN

Power Supply, MWh	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25	Dec 25	Jan 26	Feb 26	Mar 26	Apr 26	May 26	Jun 26
Total Resources, MWh	25,065	25,658	20,261	18,807	17,904	19,214	18,024	16,542	17,373	15,669	16,878	19,664
Project Assets	1,579	1,545	1,556	1,701	1,655	1,639	1,657	1,488	1,694	1,612	1,673	1,529
Landfill Project	1,579	1,545	1,556	1,701	1,655	1,639	1,657	1,488	1,694	1,612	1,673	1,529
Contracted Power Supply	23,485	24,113	18,705	17,106	16,250	17,575	16,367	15,054	15,679	14,057	15,205	18,135
Contracted ESP Renewable PPAs	5,628	5,283	4,747	4,327	4,360	3,266	3,285	4,712	5,530	5,751	6,604	6,449
Contracted Bilateral Energy Transactions	17,858	18,830	13,958	12,778	11,890	14,310	13,082	10,342	10,149	8,306	8,601	11,686

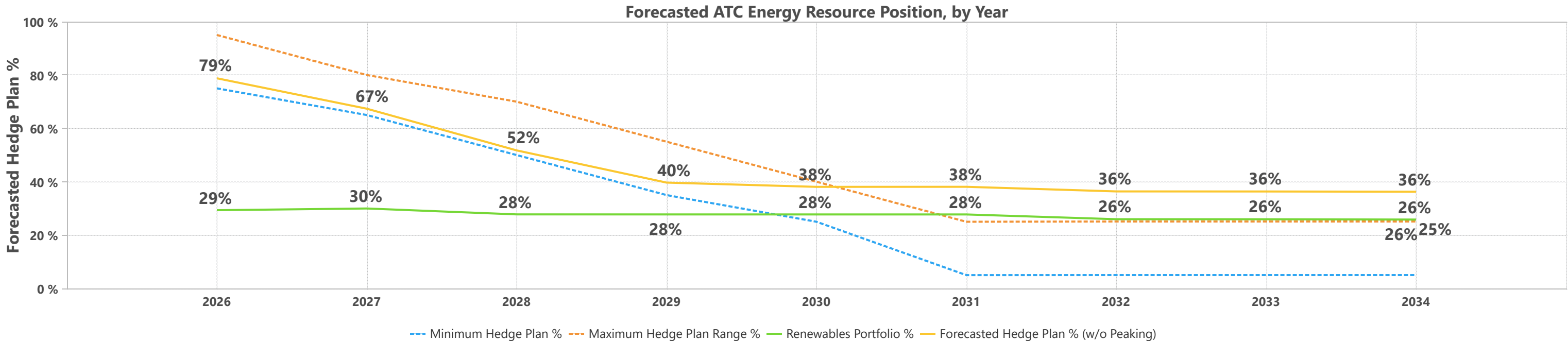
Total Power Supply	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25	Dec 25	Jan 26	Feb 26	Mar 26	Apr 26	May 26	Jun 26
Forecasted Hedge Plan % (w/o Peaking)	91%	93%	88%	91%	92%	89%	77%	77%	77%	78%	78%	79%
Minimum Hedge Plan %	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
Maximum Hedge Plan Range %	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%
Renewables Portfolio %	26%	25%	27%	29%	31%	23%	21%	29%	32%	36%	38%	32%
Forecasted Load	(27,603)	(27,566)	(23,099)	(20,627)	(19,362)	(21,569)	(23,378)	(21,492)	(22,574)	(20,197)	(21,531)	(24,745)
Forecasted Market Balancing, MWh	(2,538)	(1,907)	(2,839)	(1,821)	(1,458)	(2,355)	(5,354)	(4,950)	(5,201)	(4,528)	(4,653)	(5,081)
Forecasted Hedge % (w/ Peaking)	91%	93%	88%	91%	92%	89%	77%	77%	77%	78%	78%	79%



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	103,071	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	95,581	95,509	95,222	95,040
Contracted ESP Renewable PPAs	60,986	68,289	68,133	67,920	67,736	67,549	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	(273,791)	(273,091)	(272,429)	(271,800)	(271,180)	(270,537)	(269,893)	(269,289)	(268,715)
Forecasted Market Balancing, MWh	(58,124)	(89,099)	(131,472)	(163,966)	(167,919)	(167,466)	(171,731)	(171,412)	(171,293)
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.

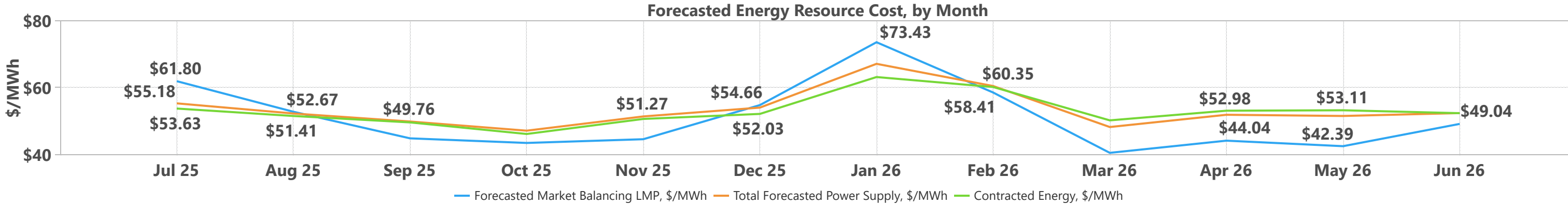
Power Supply \$'s	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25	Dec 25	Jan 26	Feb 26	Mar 26	Apr 26	May 26	Jun 26
Total Resources, \$'s	(\$1,344,115)	(\$1,318,997)	(\$1,002,686)	(\$865,656)	(\$904,602)	(\$999,642)	(\$1,136,173)	(\$993,404)	(\$870,377)	(\$830,201)	(\$896,402)	(\$1,027,282)
Project Assets	(\$195,899)	(\$180,738)	(\$182,027)	(\$137,671)	(\$194,173)	(\$191,977)	(\$196,648)	(\$177,654)	(\$142,926)	(\$193,227)	(\$202,123)	(\$182,621)
Landfill Project	(\$195,899)	(\$180,738)	(\$182,027)	(\$137,671)	(\$194,173)	(\$191,977)	(\$196,648)	(\$177,654)	(\$142,926)	(\$193,227)	(\$202,123)	(\$182,621)
Contracted Power Supply	(\$1,148,215)	(\$1,138,259)	(\$820,659)	(\$727,985)	(\$710,429)	(\$807,666)	(\$939,525)	(\$815,750)	(\$727,451)	(\$636,975)	(\$694,280)	(\$844,661)
Contracted ESP Renewable PPAs	(\$261,706)	(\$245,965)	(\$226,918)	(\$206,813)	(\$207,997)	(\$154,673)	(\$160,120)	(\$227,951)	(\$269,172)	(\$279,611)	(\$320,933)	(\$314,004)
Contracted Bilateral Energy Transactions	(\$886,509)	(\$892,294)	(\$593,741)	(\$521,172)	(\$502,432)	(\$652,993)	(\$779,405)	(\$587,799)	(\$458,279)	(\$357,364)	(\$373,347)	(\$530,657)

Locational Basis, \$'s	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25	Dec 25	Jan 26	Feb 26	Mar 26	Apr 26	May 26	Jun 26
Locational Basis (Projects)	(\$649)	(\$1,025)	(\$345)	\$359	(\$695)	\$787	(\$1,403)	(\$1,329)	\$121	\$1,552	(\$922)	(\$1,122)
Locational Basis (Contracted Power Supply)	(\$21,443)	(\$17,049)	(\$19,323)	(\$25,605)	(\$22,571)	(\$35,208)	(\$35,208)	(\$13,177)	(\$5,608)	(\$17,492)	(\$12,345)	(\$15,945)

Power Supply \$/MWh	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25	Dec 25	Jan 26	Feb 26	Mar 26	Apr 26	May 26	Jun 26
Power Supply \$/MWh												
Project Assets												
Landfill Project	\$124.06	\$116.98	\$117.00	\$80.94	\$117.35	\$117.16	\$118.70	\$119.42	\$84.36	\$119.87	\$120.83	\$119.45
Contracted Power Supply												
Contracted ESP Renewable PPAs	\$46.50	\$46.56	\$47.81	\$47.79	\$47.70	\$47.36	\$48.74	\$48.38	\$48.67	\$48.62	\$48.60	\$48.69
Contracted Bilateral Energy Transactions	\$49.64	\$47.39	\$42.54	\$40.79	\$42.26	\$45.63	\$59.58	\$56.83	\$45.16	\$43.03	\$43.41	\$45.41

Locational Basis, \$/MWh	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25	Dec 25	Jan 26	Feb 26	Mar 26	Apr 26	May 26	Jun 26
Locational Basis (Projects)	\$0.41	\$0.66	\$0.22	(\$0.21)	\$0.42	(\$0.48)	\$0.85	\$0.89	(\$0.07)	(\$0.96)	\$0.55	\$0.73
Locational Basis (Contracted Power Supply)	\$0.91	\$0.71	\$1.03	\$1.50	\$1.39	\$2.00	\$2.15	\$0.88	\$0.36	\$1.24	\$0.81	\$0.88

Total Power Supply	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25	Dec 25	Jan 26	Feb 26	Mar 26	Apr 26	May 26	Jun 26
Forecasted Market Balancing LMP, \$/MWh	\$61.80	\$52.67	\$44.73	\$43.35	\$44.47	\$54.66	\$73.43	\$58.41	\$40.40	\$44.04	\$42.39	\$49.04
Forecasted Market Balancing LMP, \$'s	(\$156,854)	(\$100,456)	(\$126,963)	(\$78,938)	(\$64,826)	(\$128,729)	(\$393,138)	(\$289,133)	(\$210,086)	(\$199,389)	(\$197,228)	(\$249,169)
Total Forecasted Power Supply, \$/MWh	\$55.18	\$52.15	\$49.76	\$47.02	\$51.27	\$53.91	\$66.98	\$60.35	\$48.11	\$51.77	\$51.41	\$52.27
Total Forecasted Power Supply Costs, \$'s	(\$1,523,060)	(\$1,437,526)	(\$1,149,318)	(\$969,840)	(\$992,694)	(\$1,162,792)	(\$1,565,921)	(\$1,297,043)	(\$1,085,950)	(\$1,045,531)	(\$1,106,897)	(\$1,293,519)



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.

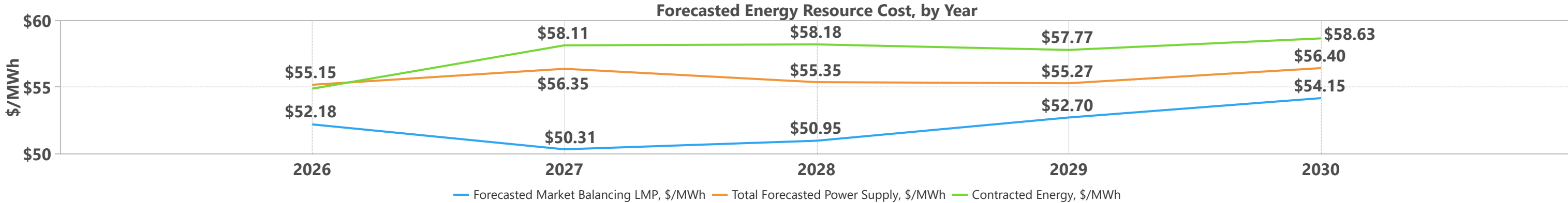
Power Supply \$'s	2026	2027	2028	2029	2030
Total Resources, \$'s	(\$11,830,799)	(\$10,691,769)	(\$8,200,974)	(\$6,229,122)	(\$6,054,202)
Project Assets	(\$2,121,355)	(\$1,492,827)	(\$862,621)	(\$884,885)	(\$907,489)
Landfill Project	(\$2,121,355)	(\$1,492,827)	(\$862,621)	(\$884,885)	(\$907,489)
Contracted Power Supply	(\$9,709,444)	(\$9,198,942)	(\$7,338,353)	(\$5,344,237)	(\$5,146,713)
Contracted ESP Renewable PPAs	(\$2,962,561)	(\$3,362,932)	(\$3,402,332)	(\$3,439,295)	(\$3,478,809)
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)	(\$4,869)	(\$5,498)	(\$998)	(\$918)	(\$932)
Locational Basis (Contracted Power Supply)	(\$231,478)	(\$209,038)	(\$177,307)	(\$150,569)	(\$146,982)

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)	\$0.25	\$0.41	\$0.13	\$0.12	\$0.12
Locational Basis (Contracted Power Supply)	\$1.18	\$1.23	\$1.33	\$1.50	\$1.53

Total Power Supply	2026	2027	2028	2029	2030
Forecasted Market Balancing LMP, \$/MWh	\$52.18	\$50.31	\$50.95	\$52.70	\$54.15
Forecasted Market Balancing LMP, \$'s	(\$3,032,855)	(\$4,482,447)	(\$6,698,766)	(\$8,640,475)	(\$9,092,625)
Total Forecasted Power Supply, \$/MWh	\$55.15	\$56.35	\$55.35	\$55.27	\$56.40
Total Forecasted Power Supply Costs, \$'s	(\$15,100,001)	(\$15,388,752)	(\$15,078,044)	(\$15,021,083)	(\$15,294,741)

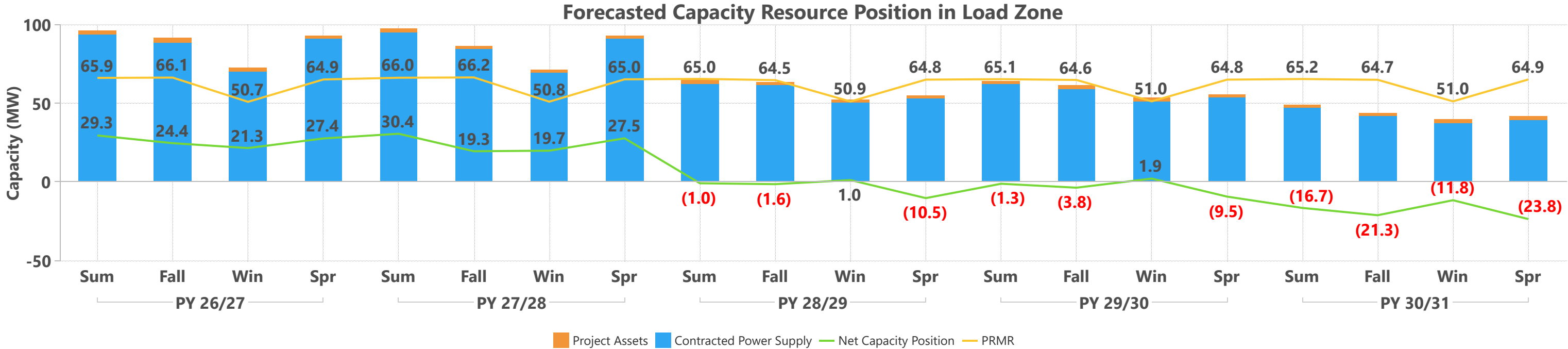


Forecasted Outer Years Capacity Resource Position for GRAN

Capacity Resources, MW	PY 26/27				PY 27/28				PY 28/29				PY 29/30				PY 30/31			
	Sum	Fall	Win	Spr	Sum	Fall	Win	Spr	Sum	Fall	Win	Spr	Sum	Fall	Win	Spr	Sum	Fall	Win	Spr
Net Capacity Position	29.3	24.4	21.3	27.4	30.4	19.3	19.7	27.5	(1.0)	(1.6)	1.0	(10.5)	(1.3)	(3.8)	1.9	(9.5)	(16.7)	(21.3)	(11.8)	(23.8)
Zone 7	29.3	24.4	21.3	27.4	30.4	19.3	19.7	27.5	(1.0)	(1.6)	1.0	(10.5)	(1.3)	(3.8)	1.9	(9.5)	(16.7)	(21.3)	(11.8)	(23.8)
Contracted Power Supply	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	47.0	41.9	37.7	39.6
Contracted Bilateral Capacity Transactions	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	41.1	38.4	36.2	37.3
Contracted ESP Renewable PPAs	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	5.9	3.5	1.5	2.3
Planning Reserve Margin Requirement	(65.9)	(66.1)	(50.7)	(64.9)	(66.0)	(66.2)	(50.8)	(65.0)	(65.0)	(64.5)	(50.9)	(64.8)	(65.1)	(64.6)	(51.0)	(64.8)	(65.2)	(64.7)	(51.0)	(64.9)
PRMR	(65.9)	(66.1)	(50.7)	(64.9)	(66.0)	(66.2)	(50.8)	(65.0)	(65.0)	(64.5)	(50.9)	(64.8)	(65.1)	(64.6)	(51.0)	(64.8)	(65.2)	(64.7)	(51.0)	(64.9)
Project Assets	1.7	1.7	1.7	1.2	1.2	1.2	1.2	1.2	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	1.7	1.7	1.7	1.2	1.2	1.2	1.2	1.2	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 26/27			PY 27/28			PY 28/29			PY 29/30			PY 30/31		
	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	(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	(38.3)	(\$2,143,611)	\$4.67
Sum	(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	(41.1)	(\$577,155)	\$4.68
Fall	(77.3)	(\$997,389)	\$4.30	(74.1)	(\$951,859)	\$4.28	(54.3)	(\$776,036)	\$4.77	(54.0)	(\$771,574)	\$4.77	(38.4)	(\$537,810)	\$4.67
Win	(67.2)	(\$852,918)	\$4.23	(66.5)	(\$843,277)	\$4.23	(48.7)	(\$695,997)	\$4.77	(50.0)	(\$714,426)	\$4.77	(36.2)	(\$506,379)	\$4.66
Spr	(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	(37.3)	(\$522,267)	\$4.67

Net Capacity Position	PY 26/27			PY 27/28			PY 28/29			PY 29/30			PY 30/31		
	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	21.3	\$1,469,700	(\$2,056,446)	19.3	\$1,505,400	(\$2,325,899)	(10.5)	(\$850,500)	(\$3,825,871)	(9.5)	(\$798,000)	(\$3,812,516)	(23.8)	(\$2,070,600)	(\$4,214,211)
Sum	21.3	\$367,425	(\$309,266)	19.3	\$376,350	(\$657,620)	(10.5)	(\$212,625)	(\$999,682)	(9.5)	(\$199,500)	(\$994,812)	(23.8)	(\$517,650)	(\$1,094,805)
Fall	21.3	\$367,425	(\$629,964)	19.3	\$376,350	(\$575,509)	(10.5)	(\$212,625)	(\$988,661)	(9.5)	(\$199,500)	(\$971,074)	(23.8)	(\$517,650)	(\$1,055,460)
Win	21.3	\$367,425	(\$485,493)	19.3	\$376,350	(\$466,927)	(10.5)	(\$212,625)	(\$908,622)	(9.5)	(\$199,500)	(\$913,926)	(23.8)	(\$517,650)	(\$1,024,029)
Spr	21.3	\$367,425	(\$631,723)	19.3	\$376,350	(\$625,843)	(10.5)	(\$212,625)	(\$928,906)	(9.5)	(\$199,500)	(\$932,703)	(23.8)	(\$517,650)	(\$1,039,917)

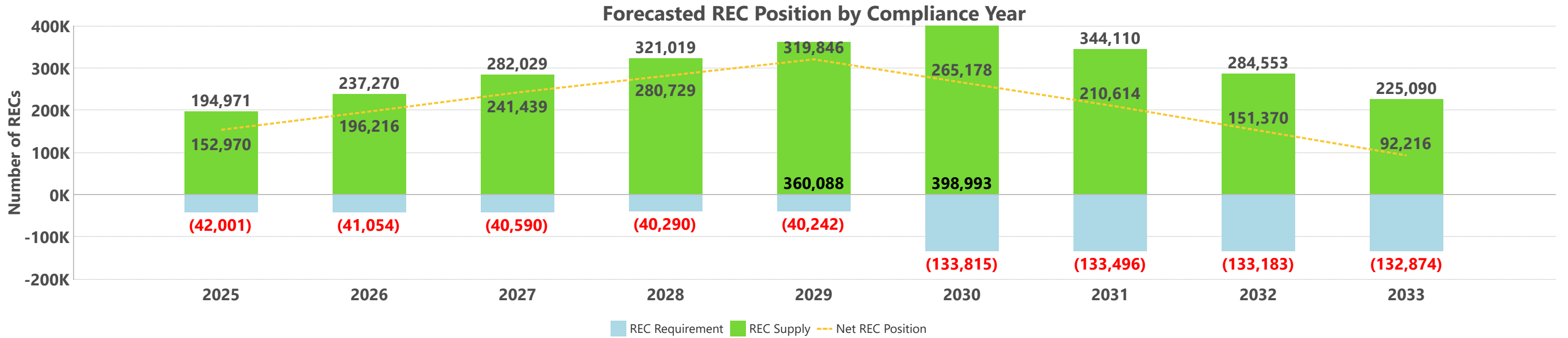


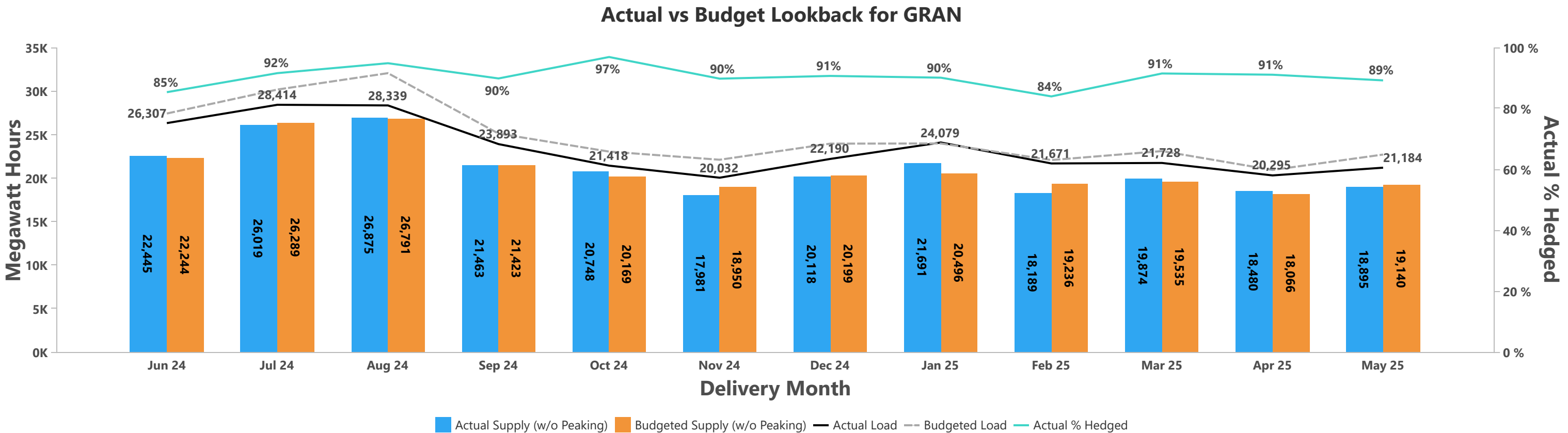
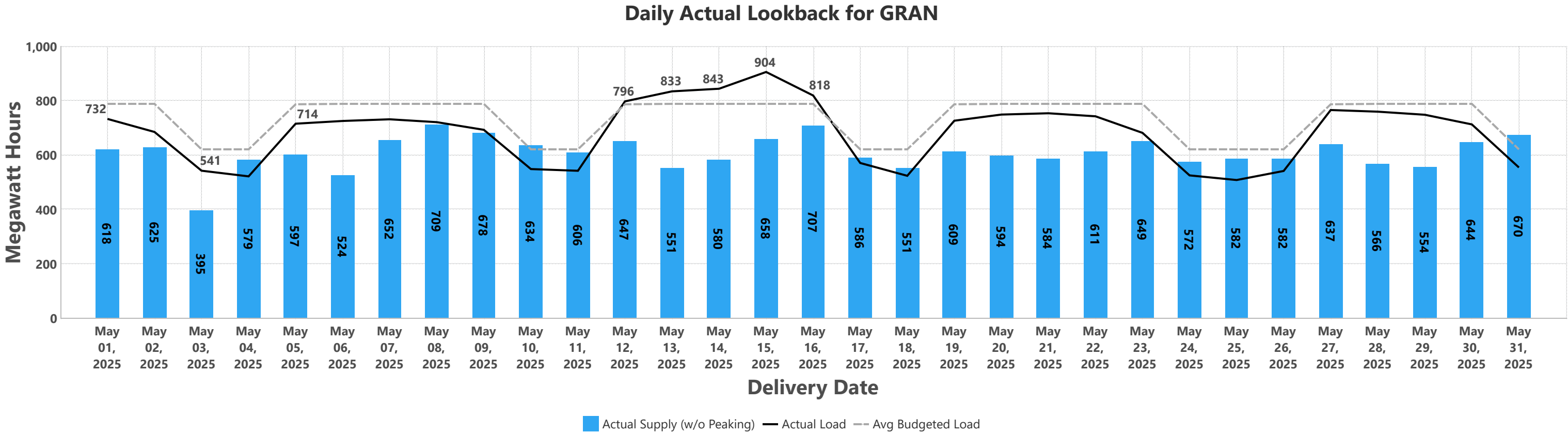
Forecasted Renewable Energy Credit (REC) Position for GRAN

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	2025	2026	2027	2028	2029	2030	2031	2032	2033
Net REC Position	152,970	196,216	241,439	280,729	319,846	265,178	210,614	151,370	92,216
Available Banked RECs	115,990	152,970	196,216	241,439	280,729	319,846	265,178	210,614	151,370
Hedge Policy REC Requirement	(42,001)	(41,054)	(40,590)	(40,290)	(40,242)	(133,815)	(133,496)	(133,183)	(132,874)
Assembly Solar	10,239	10,610	10,552	10,499	10,448	10,392	10,336	10,290	10,242
Assembly Solar Phase II	8,546	8,794	8,746	8,702	8,658	8,612	8,568	8,529	8,484
Beebe	6,018	5,802	5,802	5,801	5,803	5,802	5,801	5,802	5,802
Brandt Woods Solar	3,263	4,515	4,492	4,477	4,447	4,425	4,403	4,389	4,359
Hart Solar		161	7,628	7,618	7,582	7,559	7,537	7,527	7,491
Invenergy Calhoun Solar	11,954	13,754	13,707	13,667	13,625	13,581	13,536	13,501	13,461
Landfill Project (EDL)	15,751	14,457	8,697	2,637	2,642	2,642	2,643	2,637	2,642
Landfill Project (NANR)	4,339	4,839	4,839	4,839	4,839	4,839	4,836		
Pegasus	18,117	17,545	17,545	17,546	17,548	17,547	17,543	17,545	17,546
White Tail Solar	755	3,824	3,805	3,794	3,767	3,748	3,729	3,719	3,692

Compliance Year	2025	2026	2027	2028	2029	2030	2031	2032	2033
3 Year Avg Retail Sales	(280,006)	(273,690)	(270,602)	(268,601)	(268,282)	(267,629)	(266,991)	(266,365)	(265,747)
Hedge Policy REC Target %	15.0%	15.0%	15.0%	15.0%	15.0%	50.0%	50.0%	50.0%	50.0%
Hedge Policy REC Requirement	(42,001)	(41,054)	(40,590)	(40,290)	(40,242)	(133,815)	(133,496)	(133,183)	(132,874)
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





GRAND HAVEN BOARD OF LIGHT AND POWER
GENERAL MANAGER'S REPORT
BOARD MEETING OF JULY 17, 2025

5. B. The Preliminary BLP Financial Statements and Dashboards for the month ending June 30, 2025, are provided for your information. These financial statements represent the BLP's financial position through 100% of the fiscal year. However, the June financial statements are kept open to ensure the appropriate expenses are posted to the correct fiscal year. We will be preparing adjustments for Pension and OPEB liabilities, interest, and fixed asset capitalization. This information is not currently available.

Income Statement Budget Variance	
	<u>over(under)</u>
Total Charges for Service	\$ (272,981)
Other Revenue	403,169
	130,188
Purchased Power	(695,149)
Departments Salary and Fringe	(405,092)
Departments Other	(486,968)
Other	(128,701)
	(1,715,910)
Depreciation	31,324
Non-Operating Revenue (Expenses)	355,761
Transfers to City of Grand Haven	52,057
Increase in Net Assets	<u>\$ 2,118,477</u>

INCOME STATEMENT

Operating Charge revenues are 99% of annual budgeted revenues. Industrial charges are below budget, yet Residential charges are above budget. We are experiencing an unbudgeted decrease in usage from our largest industrial customer this year. In total, Kwh's and Sales per Kwh are very close to budget. We are less than 1% below total budgeted revenue. See below:

Retail Sales Budget Variance				
Kwh Over (Under) Budget	-1.22%	(3,340,059)	Kwh	\$ (447,655)
Sales\$ per Kwh Over (Under) Budget	0.56%	\$ 0.00075	per Kwh	\$ 202,924
				\$ (244,731)

Operating expenses are 94% of annual budgeted operating expenses. All departments are under budget. Purchased power, almost 70% of our operating expenses, is 7,300 Mwh below budget along with the price per Kwh being slightly below expectations. See below:

GRAND HAVEN BOARD OF LIGHT AND POWER
GENERAL MANAGER'S REPORT
BOARD MEETING OF JULY 17, 2025

Purchased Power Budget Variance				
Kwh Over (Under) Budget	-2.54%	(7,300,056)	Kwh	\$ (514,646)
Cost Over (Under) Budget per Kwh	-0.91%	\$ (0.64435)	per Kwh	\$ (180,503)
				\$ (695,149)

Year-to-Date **Renewable Energy Purchases** equal **75,748,508 KWh's**, or **27.04%**, of total power purchases.

The Increase in Net Position for the year is equal to \$6,611,141.

BALANCE SHEET

Cash and Cash Equivalents are \$28,602,575. This is \$10.6M 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 June 30, 2025, 68% of the capital projects budgeted funds have been disbursed.

5. F. Confirm Purchase Orders – There are two (2) confirming Purchase Orders on the Consent Agenda this month of **\$78,720** 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).

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

PO #23464 – Waste Management: This PO is part of the Coal Yard Cleanup Project. This project was bid to have the contractor haul the waste from the site to the landfill and the BLP would pay the landfill tipping fees directly. This PO is to cover the June invoice from Waste Management.

GRAND HAVEN BOARD OF LIGHT AND POWER
GENERAL MANAGER'S REPORT
BOARD MEETING OF JULY 17, 2025

6. A. Approve Purchase Orders – There are seven (7) Purchases Order totaling **\$206,393** 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).

6. C. Board Meeting Schedule – It has been requested to move the November 2025 Board Meeting from November 20 to November 13 due to a scheduling conflict.

RS/dm

Attachments 7/11/25

Policy Name	Last Approved	Comments
Billing Outside Parties Policy	6/19/2025	
Cash Reserve Policy	New	
De Minimis Benefits Policy	6/19/205	
Employee Handbook Update Policy	6/19/2025	
Employee Recognition Policy	6/19/2025	
Energy Risk Management Policy	6/19/2025	
Executive Management PTO Matching Option	6/19/2025	
Investment Policy	New	
Payment Card Security Policy	6/19/2025	
Purchasing Authority	New	Lists approval dollar values that were contained in Purchasing Policy. Will require City Council approval.
Purchasing Policy	2/16/2023	Removed dollar values to work with Purchasing Authority.
Record Retention Policy	6/19/2025	
Retiree Recognition Policy	6/19/2025	
Social Security Number Privacy Policy	6/19/2025	
Technology Use Policy	6/19/2025	

Highlighted denotes included in this package

Grand Haven Board of Light & Power Policy

Title	Cash Reserve Policy
Adopted by the Board	
Previous Adoption Dates	None
Responsible Person	General Manager

The following two methods will be calculated and used for analysis.

Calculation with Risk Factors

*Calculation to be updated annual during budget process

- **Operating and Maintenance Risk:** The cash reserve policy will include 12.3% of annual operating expenses excluding depreciation expenses and power cost expenses.
 - 12.3% was derived from assuming a 45-day lag between billing and payment receipt from customers. (45 days/365 days).
- **Power Supply Risk:** The percentage is calculated each year by applying a 45-day lag to the maximum expected monthly bill.
- **Historical Investments Risk:** The typical range for set aside under this category is 1.0 – 3.0%. The following table will be used to determine the risk factor as assets are added and depreciated:

Risk Table		
Depreciation Percent	0 - 49%	1.0%
Depreciation Percent	50 - 55%	2.0%
Depreciation Percent	Over 55%	3.0%

- **Debt Service Risk:** The cash reserve policy will include 100% of the July 1 current portion of debt service less funds set aside in the Redemption Fund.
- **Five-Year Capital Plan Risk:** The cash reserve policy will include 20% (1/5th) of the five-year capital improvement program **less** any improvements funded through the issuance of bonds.
- **MPIA Deposit:** The cash reserve policy will include the annual transfer to MPIA.
- **MPPA Deposit:** The cash reserve policy will include additional credit requirements within the Energy Services Project, increasing the deposit at MPPA to the max month power cost adjusted to a 45-day lag time. This amount should be net of funds currently held by MPPA. Note: Power

Supply Cost Adjustment is billed to customers with a twelve-month rolling calculation which requires GHBLP to extend “credit” to its customers when power cost are increasing.

FY 2026 Calculation

	Annual Cost	Percent Allocated	Minimum Reserve
Recommended MINIMUM Reserves			
Operations and Maintenance Risk	9,131,106	12.3%	1,123,126
Power Supply Risk	20,006,655	15.6%	3,117,918
Historical Investment Risk	65,446,915	1.0%	654,469
Debt Service Risk	2,400,000	100.0%	2,400,000
Five-Year Capital Plan Risk	26,505,000	20.0%	5,301,000
MPIA Deposit	800,000	100.0%	800,000
MPPA Deposits additionally needed	3,117,918		617,918
Recommended MINIMUM Reserves			\$ 14,014,431

Calculation with Days Cash on Hand

Calculated with Standard and Poor’s Global Rating-AA which is 150 to 270 Days.

FY 2026 Calculation

Recommended MINIMUM Reserves

Annual Operating Cost	29,137,761	
Daily Operating Cost	79,829	
	<u>150 Days</u>	<u>270 Days</u>
Recommended MINIMUM Reserves	\$11,974,422	\$21,553,960

Action/Restoration

Each year during the annual budget process, the two methods will be calculated. If cash reserves fall below minimum reserve levels, the Governing Body should take action to restore cash reserves to the minimum levels over the subsequent three years. These actions may include a number of options:

1. Rate adjustments
2. Cost reductions
3. Issuance of bonds to fund capital improvement programs (The utility should strive to fund normal capital improvements through electric rates and cash generation)
4. Review of the assumptions

Grand Haven Board of Light & Power Policy

Title	Investment
Adopted by the Board	
Previous Adoption Dates	None
Responsible Person	General Manager

Introduction

It is the policy of Grand Haven Board of Light and Power (GHBLP) to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow needs of the GHBLP and complying with all state statutes governing the investment of public funds.

Policy

This investment policy applies to all assets of the GHBLP excluding employee pension and deferred compensation funds, funds held by the Michigan Professional Insurance Authority (MPIA) and funds held by the Michigan Public Power Agency (MPPA). These assets are accounted for in the various cash funds of the GHBLP and include the general fund and any new fund established by the GHBLP. All funds are held under the name of the City of Grand Haven and shall be approved by the City of Grand Haven's Finance Director.

Objectives

The primary objectives, in priority order, of GHBLP's investment activities shall be:

A. Safety -Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

B. Diversification-The investments will be diversified by security type and institution in order that potential losses on individual securities do not exceed the income generated by the remainder of the portfolio.

C. Liquidity-The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.

D. Return on Investment --The investment portfolio shall be designed with the objective of obtaining a rate of return throughout the budgetary and economic cycles, considering the investment risk constraints and the cash flow characteristics of the portfolio.

Authorized Investments

GHBLP is limited to those investments authorized by Act 20 of the Public Acts of Michigan of 1943, as amended as follows:

A. Bonds, securities, and other obligations of the United States, or an agency or instrumentality of the United States.

B. Certificates of Deposits, savings accounts, deposit accounts, or depository receipts of a financial institution, but only if the institution is eligible to be a depository of funds belonging to the State of Michigan under a law or rule of the State of Michigan or the United States.

C. Mutual funds registered under the investment company act of 1940 with the intention to maintain a \$1.00 per share net asset value and purchase only investment by a public corporation.

Safekeeping, Custody and Prudence

All security transactions entered into by the GHBLP shall be on a cash basis. Securities may be held by a third-party custodian evidenced by safekeeping receipts and statements. The third-party must be provided a copy and agree to comply with this investment policy.

The prudent person rule shall be applied in the context of managing the overall portfolio. Investment acting in accordance with written procedures and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations expectations are reported to the chief executive in a timely fashion and appropriate action is taken to control adverse developments.

Reports

Within 180 days of the end of the fiscal year and within the scope of the financial audit, an annual written report to the governing body concerning the investment of the funds will be presented.

Grand Haven Board of Light & Power Policy

Title	Purchasing Authority
Adopted by the Board	Within Purchasing Policy 2/16/2023
Previous Adoption Dates	Board Consensus 6/27/2002
Responsible Person	City of Grand Haven City Council

Policy

1. A Department Head and the Board Chairperson of the Board of Light and Power are authorized to approve purchases up to \$2,500 without prior approval from the General Manager.
2. The General Manager of the Board of Light and Power is authorized to approve purchases of up to \$30,000 without prior approval from the Board of Directors. Purchases above this amount will require competitive bids/quotes.
3. All payments continue to be reviewed and approved by the Finance Manager, General Manager, two GHBLP Board Members and the Finance Director of the City of Grand Haven.

Grand Haven Board of Light & Power Policy

Title	Purchasing
Adopted by the Board	02/16/2023
Previous Adoption Dates	None
Responsible Person	General Manager

Introduction

Pursuant to Section 14.4 of the Grand Haven City Charter, this policy is intended to establish procedures for the purchase of goods and services by the Grand Haven Board of Light and Power (the "BLP"). This policy supersedes and replaces all previously adopted purchasing policies and all purchasing authority previously granted by Board resolution or other action.

The purchasing policy, for the most part, does not address what items and services can or will be purchased. The City Charter allows electric utility employees, under the direction and control of the Board, to purchase any items or services required to conduct the affairs of the electric utility. The Board is also permitted under provisions of the charter to "make contracts" for goods and services necessary to maintain and operate the utility and its facilities as deemed appropriate by the Board and its management, subject to the overall control of the council as established in the charter.

This purchasing policy establishes appropriate approval processes and practices for purchases of necessary goods and services for the City's electric utility department. This policy also establishes the dollar limits for purchases that can be made without the necessity of securing competitive bids, and the dollar limit within which purchases can be made by the utility director (its General Manager), or delegated to department heads, without the necessity of Board approval.

Policy

1. Purchasing Authority

- a. Department Managers are authorized to approve purchases of budgeted operating expenses and planned capital items for the department under their responsibility up to the limit established in the Purchasing Authority Policy.
- b. The General Manager is authorized to approve purchases of budgeted operating expenses and planned capital items up to the limit established in the Purchasing Authority Policy. The General Manager is also assigned to act as the Member Authorized Representative in power purchases under the terms of the MPPA Energy Services Agreement and the BLP's approved Energy Risk Management and Hedge Policy.
- c. The Board Chairperson is authorized to approve purchases of budgeted operating expenses for activities of the Board up to the limit established in the Purchasing Authority Policy, in accordance with the Board approved annual budget for such activities.

- d. The Board shall approve all other purchases and make contracts for the city electric utility. Additionally, contracts of more than 10 years, unless such contract is with a public utility or one or more governmental units, require a determination by resolution of City Council that such contract is “necessary for the proper operations of the city’s electric utility in accordance with prudent utility practices,” or such contract must be approved by a majority of the electors voting thereon at a regular or special election, consistent with City Charter Section 12.3 (b), before the Board approved contract can become effective.

2. Purchasing Policy

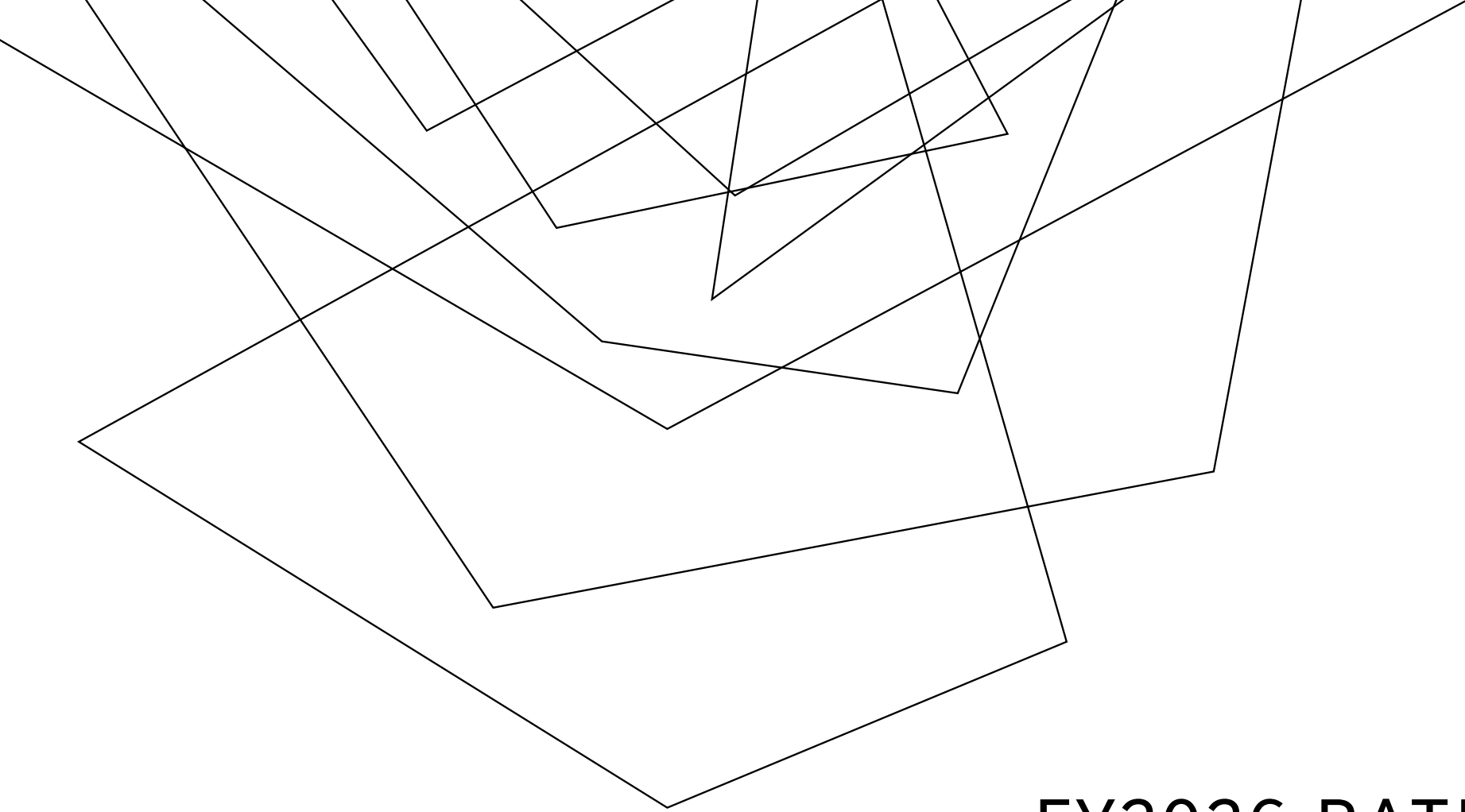
- a. All operating and capital purchases and expenditures will utilize good judgement in the best interest of the BLP, consistent with all established and applicable state and federal laws, rules, regulations, and directives of the Board. Any expenditure deemed inappropriate by a higher authority will be addressed appropriately by that authority up to and including disciplinary action as necessary.
- b. Exceptions from this approval process:
 - i. Acquisition of purchased power and associated cost which is obtained through the Michigan Public Power Agency in accordance with applicable contract terms and approved Energy Risk Management and Hedge policies.
 - ii. Pass through of deductions from payroll.
 - iii. Recurring contracted products or services in accordance with an earlier approved contract.
- c. Credit Cards may be issued to the following positions with their use subject to the same purchasing authority and restrictions stated herein:
 - i. General Manager, Department Heads and Supervisors deemed appropriate by the General Manager.
- d. In certain circumstances, it may be most efficient or practicable for employees to purchase budgeted goods or services directly and thereafter seek reimbursement from the BLP. In these circumstances, prior approval will be obtained by the employee from the appropriate purchasing authority (if the employee is not that authority). When seeking reimbursement, the applicable accounting department procedures will be followed, including the submittal of all receipts and appropriate reimbursement forms.
- e. All purchases will be approved in advance using the established Purchase Order system and procedures, subject to the authority spending limits set in the Purchasing Authority Policy. If a purchase is of an immediate or emergency nature, and there is inadequate time for this pre-approval process, the Department Head may approve the immediate purchase, with a preapproved vendor, and follow up later seeking appropriate authorization using a Confirming Purchase Order. In these circumstances, the expenditure will be approved by the appropriate authority as soon as practicable. If applicable, a Confirming Purchase Order will be prepared and presented to the Board for its approval on the consent agenda at its next meeting.
- f. Pursuant to Section 14.8 of the Grand Haven City Charter, all checks or warrants drawn for the payment of money, under the authority of the board, shall be signed by the city clerk or finance director and countersigned by the city treasurer.
- g. All completed disbursements will be reviewed and approved by the Finance Department Head and General Manager weekly and an accurate summary will be prepared by the accounting department and additionally approved by the Finance Department Head and General Manager. A schedule and summary of monthly disbursements will then be presented to the Board monthly for their approval on the consent agenda. Additionally, two Board members, most

typically the Chair and Vice-Chair, will sign the schedule on behalf of the Board for conducting the Board's monthly review and approving all monthly disbursements.

h. Competitive Bids/Quotations

- i. At least two competitive bids/quotations will be obtained for equipment, supplies and services of more than the General Manager's purchasing authority subject to the following exceptions:
 1. Auditing and banking services
 2. Bond issuance and related services
 3. Insurance services including employee benefits and tax requirements
 4. Recurring services, implementation, programming, or training services for software use
 5. Legal services using previously approved attorneys
 6. Engineering services using previously approved firms
 7. Contract renewals within the current contract terms
 8. Required membership dues
 9. Energy, transmission service, capacity, Renewable Energy Credits, ancillary services, and energy waste reduction program services obtained and purchased under contract with the Michigan Public Power Agency
 10. Expenditures related to the Energy Services Program
 11. Inspection services and other regulated expenditures
 12. * Instances in which a preferred vendor has been approved by the appropriate authority
 13. There is only one supplier who can meet the needs
 14. Services are professional in nature and require expertise specific in nature
 15. The time constraints are such that it is not possible or practicable to solicit and receive competitive bids/quotations
 16. Market conditions, existing contractual arrangements, delivery time constraints and/or other considerations make it desirable to waive the bid/quotation requirements for clearly recognized financial benefits to the BLP and its customers
- ii. *Preferred vendors may be determined periodically that will be used for purchases that, in the best interest of the BLP, are bid out annually, or at some other established frequency as may be determined appropriate. Designations as preferred vendors will be reviewed in a reasonable consistent manner.

- i. Exceptions will be documented and disclosed for reference.
- j. All insurance and bonding requirements must be met as outlined in the Scope of Work and Contracts Documents that are presented to potential bidders.



FY2026 RATES OVERVIEW

COST OF SERVICE

Cost of Service Study

- Revenue Neutral Proposal
- Increase Service Charge on all Rate Classes (fixed costs)
- Decrease Energy Charge on all Rate Classes (variable costs)
- Set Base Power Cost to \$69/MWh
 - Increase Energy by \$0.01
 - Reduce PSCA by \$0.01
- Reduce General Service Secondary Revenue by 1%
- Increase General Service Large Secondary Revenue by 0.9%
- Rates Effective Starting October Billing

STATE PROGRAMS

Low-Income Energy Assistance

- \$0.41 per Meter
- LIEAF Surcharge Effective September Billing

MI Energy Waste Reduction

- \$2.20 Residential
- \$5.00 GS Secondary
- \$44.00 GS Large Secondary
- \$56.00 GS Primary
- \$700.00 GS Large Primary
- EWR Surcharge Effective December Billing

Article XIII. RESIDENTIAL SERVICE

Section 13.01 Available

Electric service is available under this schedule in the entire area served by the BLP's electric system.

Section 13.02 Applicable

- A. Subject to any restrictions, this rate is available to any customer desiring electric service for any usual residential use in:
- (1) Private family dwellings
 - (2) Tourist homes, rooming houses, dormitories, nursing homes and other similarly occupied buildings containing sleeping accommodations for up to six persons
 - (3) Existing multifamily dwellings containing up to four households served through a single meter.
 - (4) Service for single-phase or three-phase equipment may be included under this rate, provided the individual capacity of such equipment does not exceed 3 hp or 3 kW, nor does the total connected load of the home exceed 10 kW, without the specific consent of the BLP.
- B. This rate is not available for:
- (1) Resale purposes
 - (2) Multifamily dwellings containing more than four living units served through a single meter
 - (3) Tourist homes, rooming houses, dormitories, nursing homes and similarly occupied buildings containing sleeping accommodations for more than six persons
 - (4) Any other Non-Residential usage.

Section 13.03 Character of Service

Alternating current, 60 hertz, single phase, 120 or 120/240 volts.

Section 13.04 Monthly Rates

- A. Service Charge: \$20.00 per customer per month
- (1) Senior Citizen Service Credit: \$5.00 discount for senior citizens 65 years of age or older
 - (2) Energy Charge: 11.57 cents per kWh for all energy used
 - (3) Environmental Remediation Surcharge: *See Surcharges Article XXII
 - (4) Low-Income Energy Assistance Surcharge *See Surcharges Article XXII
 - (5) Energy Waste Reduction Surcharge *See Surcharges Article XXII

Section 13.05 Power Supply Cost Adjustment (PSCA)

The PSCA will be increased or decreased each month by the amount of increase or decrease in the 12-month rolling average power supply cost per kilowatt hour above or below a designated amount, included in other service charges, multiplied by 105%. Power supply costs include all transmission, energy, capacity, and renewable costs.

Section 13.06 Tax Adjustment

Bills shall be increased to any customer receiving electric service from the BLP within the territorial limits of a tax authority who imposes any new or increased tax on the BLP's electric operation after the effective date of this rate schedule. New or increased taxes include franchise, occupation, gross receipts, license, excise, privilege or similar type tax. Each customer's bill affected within the specific territorial limits of a tax authority shall be increased to offset such new or increased taxes in conformity with the basis that such total tax is imposed upon the BLP's electric operation.

Section 13.07 Terms of Service

The obligation of both parties will commence when the BLP begins to supply service and continues for a minimum of one year thereafter, until either party shall have received proper notice to discontinue service and thereafter until service is discontinued; provided that the BLP may require a longer minimum term of contract in cases involving unusual expense to make service available.

Service rendered under this schedule is subject to the BLP's standard rules and regulations.

Section 13.08 Manual Meter Reading Charge

The BLP installed systemwide advanced metering infrastructure capable of remote reading of meters. Should the customer elect to have the BLP shut off the radio transmitter component of this meter, there will be a \$70 one-time fee and a \$10 monthly charge for monthly manual meter reads. An account must be paid in full to be eligible to switch to manual meter reads.

Article XIV. GENERAL SERVICE LARGE- PRIMARY

Section 14.01 Available

Electric service is available under this schedule in the entire area served by the BLP electric system.

Section 14.02 Applicable

To any customer with customer owned transformer installation for all power and energy uses at any one location where service of a single character is taken through one meter at one point of delivery. The customer shall be responsible for design and to furnish, install, and maintain all necessary transforming, controlling, and protective devices, such equipment being satisfactory to the BLP. This schedule is not applicable to resale or shared electric service.

Section 14.03 Character of Service

Primary Voltages: Alternating current, 60 hertz, three phase, three phase, 4 wire 7,620/13,200Y volt.

Section 14.04 Monthly Rates

A. Service Charge: \$625.00 per customer per month plus:

(1) Demand Charge:

- i. \$15.75 per kW for all kW of On-Peak billing demand
- ii. \$4.50 per kW for all kW of maximum billing demand

(2) Energy Charge:

- i. 6.67 cents per kWh for all kWh consumed during the On-Peak period
- ii. 5.55 cents per kWh for all kWh consumed during the Off-Peak period

(3) Environmental Remediation Surcharge: *See Surcharges Article XXII

(4) Low-Income Energy Assistance Surcharge *See Surcharges Article XXII

(5) Energy Waste Reduction Surcharge *See Surcharges Article XXII

Section 14.05 Schedule of On-Peak and Off-Peak Hours

The following schedule shall apply Monday through Friday (except holidays designated by the BLP). Weekends and holidays are off-peak.

A. On-Peak hours: 10:00 AM to 6:00 PM

B. Off-Peak hours: 6:00 PM to 10:00 AM

C. The following are designated as holidays by the BLP:

- (1) New Year's Day
- (2) Memorial Day

- (3) Independence Day
- (4) Labor Day
- (5) Thanksgiving Day
- (6) Christmas Day

Section 14.06 Metering

All services to customers under this rate shall be metered at the high voltage side of the transformers.

Section 14.07 Power Supply Cost Adjustment (PSCA)

The PSCA will be increased or decreased each month by the amount of increase or decrease in the 12-month rolling average power supply cost per kilowatt hour above or below a designated amount, included in other service charges, multiplied by 105%. Power supply costs include all transmission, energy, capacity, and renewable costs.

Section 14.08 Tax Adjustment

Bills shall be increased to any customer receiving electric service from the BLP within the territorial limits of a tax authority who imposes any new or increased tax on the BLP's electric operation after the effective date of this rate schedule. New or increased taxes include franchise, occupation, gross receipts, license, excise, privilege or similar type tax. Each customer's bill affected within the specific territorial limits of a tax authority shall be increased to offset such new or increased taxes in conformity with the basis that such total tax is imposed upon the BLP's electric operation.

Section 14.09 Billing Demand

The on-peak billing demand shall be the kW supplied during the 15-minute period of maximum use during the on-peak hours during the billing period, but not less than 60% of the highest on-peak demand established during the preceding 11 months, nor less than 100 kW. The maximum demand shall be the kW supplied during the 15-minute period of maximum use during the billing period whether on-peak or off-peak, but not less than 60% of the highest maximum demand established during the preceding 11 months, nor less than 100 kW.

Section 14.10 Adjustment for Power Factor

Whenever the customer's power factor measured at the highest KW demand is less than 85 percent lagging, the demand charge shall be increased to achieve 85% power factor. The BLP may at its option determine the customer's power factor by test or by permanently installed measuring equipment.

Section 14.11 Terms of Service

The obligation of both parties will commence when the BLP begins to supply service and continues for a minimum of one year thereafter, until either party shall have received proper notice to

discontinue service and thereafter until service is discontinued; provided that the BLP may require a longer minimum term of contract in cases involving unusual expense to make service available.

Service rendered under this schedule is subject to the BLP's standard rules and regulations.

Article XV. GENERAL SERVICE LARGE- SECONDARY

Section 15.01 Available

Electric service is available under this schedule in the entire area served by the BLP's electric system.

Section 15.02 Applicable

To any customer for all power and energy uses at any one location where service of a single character is taken through one meter at one point of delivery. This schedule is not applicable to temporary, breakdown, standby, supplementary, resale or shared electric service.

Section 15.03 Character of Service

Secondary Voltages: Alternating current, 60 hertz; single phase, 120 or 120/240 volts; three phase, 3 wire 240 or 480 volt; three phase, 4 wire 120/208 volt, 120/240 volt or 277/480 volt.

Section 15.04 Monthly Rates

- A. Service Charge: \$250.00 per customer per month plus,
 - (1) Demand Charge: \$17.00 per kW for all billing demand
 - (2) Energy Charge: 7.66 cents per kWh for all energy used
 - (3) Environmental Remediation Surcharge: *See Surcharges Article XXII
 - (4) Low-Income Energy Assistance Surcharge *See Surcharges Article XXII
 - (5) Energy Waste Reduction Surcharge *See Surcharges Article XXII

Section 15.05 Primary Metering Discount

When the customer's power and energy requirements are metered at the primary voltage side of the line transformer (at the BLP's option), the amount of the total bill shall be reduced 2.0 percent.

Section 15.06 Power Supply Cost Adjustment (PSCA)

The PSCA will be increased or decreased each month by the amount of increase or decrease in the 12-month rolling average power supply cost per kilowatt hour above or below a designated amount, included in other service charges, multiplied by 105%. Power supply costs include all transmission, energy, capacity, and renewable costs.

Section 15.07 Tax Adjustment

Bills shall be increased to any customer receiving electric service from the BLP within the territorial limits of a tax authority who imposes any new or increased tax on the BLP's electric operation after the effective date of this rate schedule. New or increased taxes include franchise, occupation, gross receipts, license, excise, privilege or similar type tax. Each customer's bill affected within the specific territorial limits of a tax authority shall be increased to offset such new or increased taxes in conformity with the basis that such total tax is imposed upon the BLP's electric operation.

Section 15.08 Minimum Billing Demand

The billing demand shall be determined by measurement and shall be the kW supplied during the 15-minute period of maximum use during the billing period, but not less than 60% of the highest demand established during the preceding 11 months, nor less than 10 kW.

Section 15.09 Adjustment for Power Factor

Whenever the customer's power factor measured at the highest KW demand is less than 85 percent lagging, the demand charge shall be increased to achieve 85% power factor. The BLP may at its option determine the customer's power factor by test or by permanently installed measuring equipment.

Section 15.10 Special Billing Demands Provisions

Billing demands for customers requiring electric service for welding equipment shall be normal 15-minute measured maximum demand plus the individual loads of each welder as determined by the following schedule:

Rated Duty Cycle of Welder	Factor to be Applied to Welder's Rated kVA
50%	0.71
40%	0.63
30%	0.55
25%	0.50
20% or less	0.45

Where more than one welder is connected, total load of all welders shall be determined as follows:

100% of the largest welder
60% of all remaining welders

This section does not apply unless the welder demand calculated under the terms of this provision exceeds the average 15-minute demand over the last calendar year. If a customer falls into this category, the special billing demand will apply only to that portion of this connected welder load above the 15-minute average demand. This will be applied at the discretion of the General Manager and is intended to affect only those customers where the BLP is forced to install facilities which are larger than the BLP would otherwise install to meet the load.

Section 15.11 Terms of Service

The obligation of both parties will commence when the BLP begins to supply service and continues for a minimum of one year thereafter, until either party shall have received proper notice to discontinue service and thereafter until service is discontinued; provided that the BLP may require a longer minimum term of contract in cases involving unusual expense to make service available.

Service rendered under this schedule is subject to the BLP's standard rules and regulations.

Article XVI. GENERAL SERVICE PRIMARY

Section 16.01 Available

Electric service is available under this schedule in the entire area served by the BLP's electric system.

Section 16.02 Applicable

To any customer with customer owned transformer installation for all power and energy uses at any one location where service of a single character is taken through one meter at one point of delivery. The customer shall be responsible for design and to furnish, install, and maintain all necessary transforming, controlling, and protective devices, such equipment being satisfactory to the BLP. This schedule is not applicable to resale or shared electric service.

Section 16.03 Character of Service

Primary Voltages: Alternating current, 60 hertz, three phase, three phase, 4 wire 7,620/13,200Y volt.

Section 16.04 Monthly Rates

- A. Service Charge: \$170.00 per customer per month plus:
- (1) Energy Charge: 13.24 cents per kWh for all energy used
 - (2) Environmental Remediation Surcharge: *See Surcharges Article XXII
 - (3) Low-Income Energy Assistance Surcharge *See Surcharges Article XXII
 - (4) Energy Waste Reduction Surcharge *See Surcharges Article XXII

Section 16.05 Power Supply Cost Adjustment (PSCA)

The PSCA will be increased or decreased each month by the amount of increase or decrease in the 12-month rolling average power supply cost per kilowatt hour above or below a designated amount, included in other service charges, multiplied by 105%. Power supply costs include all transmission, energy, capacity, and renewable costs.

Section 16.06 Tax Adjustment

Bills shall be increased to any customer receiving electric service from the BLP within the territorial limits of a tax authority who imposes any new or increased tax on the BLP's electric operation after the effective date of this rate schedule. New or increased taxes include franchise, occupation, gross receipts, license, excise, privilege or similar type tax. Each customer's bill affected within the specific territorial limits of a tax authority shall be increased to offset such new or increased taxes in conformity with the basis that such total tax is imposed upon the BLP's electric operation.

Section 16.07 Terms of Service

The obligation of both parties will commence when the BLP begins to supply service and continues for a minimum of one year thereafter, until either party shall have received proper notice to discontinue service and thereafter until service is discontinued; provided that the BLP may require a longer minimum term of contract in cases involving unusual expense to make service available.

Service rendered under this schedule is subject to the BLP's standard rules and regulations.

Article XVII. GENERAL SERVICE SECONDARY

Section 17.01 Available

Electric service is available under this schedule in the entire area served by the BLP's electric system.

Section 17.02 Applicable

To any customer for all power and energy uses at any one location where service of a single character is taken through one meter at one point of delivery. The total connected load of the customer shall not exceed 150 kW, without the specific consent of the BLP. This schedule is not applicable to resale or shared electric service.

Section 17.03 Character of Service

Alternating current, 60 hertz, single phase or three phase. Voltages as approved by the BLP.

Section 17.04 Monthly Rates

- A. Service Charge: \$39.00 per customer per month plus,
 - (1) Energy Charge: 13.29 cents per kWh for all kWh
 - (2) Environmental Remediation Surcharge: *See Surcharges Article XXII
 - (3) Low-Income Energy Assistance Surcharge: *See Surcharges Article XXII
 - (4) Energy Waste Reduction Surcharge: *See Surcharges Article XXII

Section 17.05 Power Supply Cost Adjustment (PSCA)

The PSCA will be increased or decreased each month by the amount of increase or decrease in the 12-month rolling average power supply cost per kilowatt hour above or below a designated amount, included in other service charges, multiplied by 105%. Power supply costs include all transmission, energy, capacity, and renewable costs.

Section 17.06 Tax Adjustment

Bills shall be increased to any customer receiving electric service from the BLP within the territorial limits of a tax authority who imposes any new or increased tax on the BLP's electric operation after the effective date of this rate schedule. New or increased taxes include franchise, occupation, gross receipts, license, excise, privilege or similar type tax. Each customer's bill affected within the specific territorial limits of a tax authority shall be increased to offset such new or increased taxes in conformity with the basis that such total tax is imposed upon the BLP's electric operation.

Section 17.07 Terms of Service

The obligation of both parties will commence when the BLP begins to supply service and continues for a minimum of one year thereafter, until either party shall have received proper notice to

discontinue service and thereafter until service is discontinued; provided that the BLP may require a longer minimum term of contract in cases involving unusual expense to make service available.

Service rendered under this schedule is subject to the BLP's standard rules and regulations.

Article XVIII. LIGHTING SERVICE

Section 18.01 Available

Lighting service is available under this schedule in the entire area served by the BLP's electric distribution system.

Section 18.02 Applicable

To public street lighting and customers for area outdoor lighting service where all facilities for service including fixtures, controls, poles, transformers, secondaries, lamps and other appurtenances are owned and maintained by the BLP.

This rate is also applicable for secondary voltage energy only street lighting service where all facilities for service including fixtures, controls, poles, transformers, secondaries, lamps and other appurtenances are owned and maintained by the customer or owned by the customer and basic maintenance (bulb and ballast) is performed by the BLP. Customer owned equipment shall be subject to the BLP's approval.

Service locations shall not be intermixed with luminaries owned by the customer and by the BLP.

This rate is not available for resale purposes.

Section 18.03 Character of Service

Alternating current, 60 hertz, single phase or three phase. Voltages as approved by the BLP.

For BLP owned service the charges will be based on flat monthly charges for the facilities.

For secondary energy services the charges will be based upon the metered usage. At the BLP's option, such service may be unmetered based on the capacity requirements in kilowatts of the lamp(s), associated ballast(s), and control equipment, assuming 4,200 burning hours per year. The capacity requirement of the lamp(s), associated ballast(s), and control equipment for each luminaire shall be determined by the BLP from specifications furnished by the manufacturer of such equipment, provided that the BLP shall have the right to test such capacity requirements from time to time. In the event that said tests show capacity requirements different from those indicated by the manufacturer's specifications, the capacity requirements shown by said test shall control. The customer shall not change the capacity requirements of the equipment owned without first notifying the BLP in writing of such changes, and the date that they shall be made.

Basic maintenance will include bulb and ballast replacement only. All other repairs, replacements, and maintenance performed by the BLP will be billed to the customer.

Section 18.04 Monthly Rates (BLP Owned and Maintained Equipment)

A. Mercury Vapor

Watts	kWh/ Year	Rate Per Lamp
100	538	12.80*
175	878	15.75*

*Not available to new customers

B. High Pressure Sodium

Watts	kWh/ Year	Rate Per Lamp
70	353	10.45*
100	491	14.00*
400	2,016	37.35

*Available only for BLP approved locations.

C. Metal Halide

Watts	kWh/ Year	Rate Per Lamp
175	882	18.25
400	1,932	30.30

D. Magnetic Induction

Watts	kWh/ Year	Rate Per Lamp
85	491	12.60

E. LED

Watts	kWh/ Year	Rate Per Lamp
60	252	12.60*
133	559	22.10*

*Limited available only for BLP approved locations.

When other new facilities are to be required for lighting purposes outside of the road right of way, the customer will in addition to the above monthly rate, pay \$8.10 per month for each pole and span of wire not to exceed 160 feet from the nearest or most suitable pole to the point designated by the customer for the installation of said lamp(s).

Section 18.05 Monthly Rates (Customer Owned/BLP Maintained Equipment)

A. Energy Charge: 17.39 cents per kWh for all kWh.

- (1) Environmental Remediation Surcharge: *See Surcharges Article XXII
- (2) Low-Income Energy Assistance Surcharge: *See Surcharges Article XXII

Section 18.06 Monthly Rates (Customer Owned and Maintained Equipment)

A. Energy Charge: 10.98 cents per kWh for all kWh.

(1) Environmental Remediation Surcharge: *See Surcharges Article XXII

(2) Low-Income Energy Assistance Surcharge: *See Surcharges Article XXII

Section 18.07 Power Supply Cost Adjustment (PSCA)

The PSCA will be increased or decreased each month by the amount of increase or decrease in the 12-month rolling average power supply cost per kilowatt hour above or below a designated amount, included in other service charges, multiplied by 105%. Power supply costs include all transmission, energy, capacity, and renewable costs.

Section 18.08 Tax Adjustment

Bills shall be increased to any customer receiving electric service from the BLP within the territorial limits of a tax authority who imposes any new or increased tax on the BLP's electric operation after the effective date of this rate schedule. New or increased taxes include franchise, occupation, gross receipts, license, excise, privilege or similar type tax. Each customer's bill affected within the specific territorial limits of a tax authority shall be increased to offset such new or increased taxes in conformity with the basis that such total tax is imposed upon the BLP's electric operation.

Section 18.09 Terms of Service

The obligation of both parties will commence when the BLP begins to supply service and continues for a minimum of one year thereafter, until either party shall have received proper notice to discontinue service and thereafter until service is discontinued; provided that the BLP may require a longer minimum term of contract in cases involving unusual expense to make service available.

Service rendered under this schedule is subject to the BLP's standard rules and regulations.

Article XIX. MUNICIPAL SNOWMELT PUMPING RATE

Section 19.01 Available

Service is available under this schedule to the City of Grand Haven at the snowmelt building.

Section 19.02 Applicable

To the City of Grand Haven for electric service for City Snow Melt System.

Section 19.03 Character of Service

Alternating current, 60 hertz, single phase or three phase. Voltages as approved by the BLP.

Section 19.04 Monthly Rates

A. Service Charge: \$39.00 per month

- (1) Electrical Energy Charge: 9.24 cents per kWh for all kWh used
- (2) Environmental Remediation Surcharge: *See Surcharges Article XXII
- (3) Low-Income Energy Assistance Surcharge *See Surcharges Article XXII
- (4) Energy Waste Reduction Surcharge *See Surcharges Article XXII

Section 19.05 Power Supply Cost Adjustment (PSCA)

The PSCA will be increased or decreased each month by the amount of increase or decrease in the 12-month rolling average power supply cost per kilowatt hour above or below a designated amount, included in other service charges, multiplied by 105%. Power supply costs include all transmission, energy, capacity, and renewable costs.

Section 19.06 Tax Adjustment

Bills shall be increased to any customer receiving electric service from the BLP within the territorial limits of a tax authority who imposes any new or increased tax on the BLP's electric operation after the effective date of this rate schedule. New or increased taxes include franchise, occupation, gross receipts, license, excise, privilege or similar type tax. Each customer's bill affected within the specific territorial limits of a tax authority shall be increased to offset such new or increased taxes in conformity with the basis that such total tax is imposed upon the BLP's electric operation.

Section 19.07 Terms of Service

The obligation of both parties will commence when the BLP begins to supply service and continues for a minimum of one year thereafter, until either party shall have received proper notice to discontinue service and thereafter until service is discontinued; provided that the BLP may require a longer minimum term of contract in cases involving unusual expense to make service available.

Service rendered under this schedule is subject to the BLP's standard rules and regulations.

Article XX. GREEN ENERGY RIDER

Section 20.01 Character of Service

The BLP will purchase additional renewable energy credits per participant enrollments.

Section 20.02 Customer Eligibility

- A. All customers of the BLP are eligible to take service under this Green Energy Rider.
- B. A customer's eligibility to take service under the Green Energy Rider is subject to the following conditions:
 - (1) Customer Participation: After a customer elects to take service under the Green Energy Rider, or change the level of participation, the customer shall not be permitted to exit the Green Energy Rider, or change the newly established level of participation, until at least 12-months have elapsed.

Section 20.03 Monthly Rate

- A. Consumers electing to participate in the Green Energy Rider will receive an additional charge of \$0.008* per kWh of energy consumption.
- B. Elections must be made in 100 kWh blocks.
- C. Elections may be made annually with automatic renewal and will be billed until notification is received to terminate.
- D. The BLP will purchase additional renewable energy credits (above that already committed to by the utility and included in its power supply portfolio) equivalent to the collective total of all customer enrollments under the Green Energy Rider.

*The estimated cost to purchase renewable energy credits including administration is \$0.008 per kWh. The BLP reserves the right to adjust this Green Energy Rider Rate if renewable energy credit rates change.

Article XXI. NET METERING SERVICE RIDER

Section 21.01 Available

Available to customers with qualifying non-dispatchable renewable energy generating facilities designed to operate in parallel with the BLP's electric system. Customers served under this rider must also take service from the BLP under the otherwise applicable standard rate.

Section 21.02 Applicable

Subject to the capacity limitations set forth below, the Net Metering Service Rider shall be open to qualifying customers for a period of five (5) years from the effective date of this rider. Customers enrolled in this Net Metering Service Rider shall be eligible to continue their participation for a total period of ten (10) years. Participating customers may elect to discontinue receiving service under this rider at any time for any reason.

The total generating capacity of all customers receiving service under this rider shall be limited to one percent (1.0%) of the BLP's previous fiscal year's peak demand in kilowatts (kW). Service under this rider shall be available to customers on a first come, first served basis.

Section 21.03 Conditions for Service

For purposes of this rider, a qualifying net metering facility is an electrical generating facility that complies with all of the following requirements:

- A. Is powered by wind, solar, hydro, or other renewable energy system(s) approved by the BLP.
- B. Is located on the customer's premises.
- C. Is intended primarily to offset all or part of the customer's own electrical load requirements.
- D. Is designed and installed to operate in parallel with the BLP's system without adversely affecting the operation of the equipment and service of the BLP and its customers.
- E. Does not present a safety hazard to BLP personnel or the customer.
- F. The installation shall comply with all requirements in the "Expedited Generator Interconnection Requirements" or "Generator Interconnection Requirements," as appropriate, and all documents referred to therein. The installation shall comply with the Institute of Electrical and Electronic Engineers (IEEE) Standard 1547-2003, "IEEE Standard for Interconnecting Distributed Resources with Electric Power Systems". Residential installations using an inverter-based generator with UL certification 1741 Scope 1.1A meeting IEEE 1547-2003 and 1547.1-2005 do not require a study.
- G. BLP personnel shall be provided access to the generation facility during normal business hours and during all emergency situations.
- H. If the project is proven to be the source of electrical interference and the interference exceeds

the generally accepted industry standards, the generator owner shall be responsible to eliminate the interference.

Non-dispatchable generation systems shall be sized not to exceed the customer's annual electric needs at the location of the renewable system, measured in kilowatt-hours (kWh).

A customer seeking to interconnect an eligible net metering facility to the BLP's electric system must submit a completed Interconnection Application to the BLP. The BLP will provide copies of all applicable forms upon request.

Upon acceptance of the Interconnection Application, one or more contracts must be executed before the net metering facility may be interconnected with the BLP's electric system.

It is the customer's responsibility to make sure the proposed generation equipment and installation meet all applicable federal, state and local laws, regulations, ordinances and zoning requirements before acquiring and installing the generating equipment.

Section 21.04 Metering

Net energy metering shall be accomplished using a standard kWh meter or meters capable of measuring and recording the flow of electricity in each direction. The BLP, at its own expense, shall install a generator meter to monitor the flow of electricity.

Section 21.05 Monthly Charges

Monthly charges shall be calculated based on the applicable rate for all capacity and energy delivered by the BLP to the customer as described below. In addition, there will be a monthly charge for participation in the net metering service rider as follows:

Rate RS, Residential	\$5.00/month
Rate GSS, General Service Secondary	\$8.00/month
Rate GSP, General Service Primary	\$8.00/month
Rate GSLS, General Service Large Secondary	\$8.00/month
Rate GSLP, General Service Large Primary	\$8.00/month

Section 21.06 Monthly Credits

For all rate classes, monthly credits shall be calculated for all energy delivered by the customer to the BLP based on the BLP's avoided power supply costs. Power supply costs include fuel and fuel related expenses for all BLP generation, purchased power costs including transmission, energy, capacity, and renewable costs. In no case shall the credit per kWh exceed the sum of the applicable energy charges during any given time period.

Residential Net Metering as defined by the "Expedited Generator Interconnection Requirements" shall be credited at the full retail rate.

Section 21.07 Net Energy Billing Terms and Conditions

- A. The BLP shall measure the net electricity produced or consumed by the customer during each billing period, in accordance with the BLP's normal metering practices
- B. If the electricity supplied by the BLP to the customer exceeds the electricity generated and delivered into the BLP's electric system by the customer during the billing period, or any portion thereof, then the customer shall be billed at the rate under which the customer takes service for the electricity supplied by the BLP. In addition, the customer shall be billed the appropriate customer charge paid by other customers in the same rate class for each meter and any other charges, such as Demand and reactive power charges and other charges applicable to energy use and applicable adjusting rates.
- C. If the electricity generated and delivered into the BLP's electric system by the customer during the billing period, or any portion thereof, exceeds the electricity supplied by the BLP to the customer, then the customer shall be:
 - (1) Billed for the appropriate customer charge as other customers in the same rate class for each meter and any other charges, including but not limited to Demand and reactive power charges and any applicable adjusting rates; and
 - (2) Credited for the net excess kilowatt-hours generated and delivered into the Utility's electric system by the customer during the billing period, with this kilowatt-hour credit appearing on the customer's bill for the following period used as an offset for the following period's energy charges. Any remaining unused kilowatt-hour credit accumulated by the customer during the billing period shall be granted to the BLP, without any compensation to the customer.
- D. Customer shall pay any amount owing for electric service provided by the BLP in accordance with the BLP's applicable rates and policies. Nothing in this rider shall limit the BLP's rights under the BLP's applicable Rate Schedules, Customer-Generator Service Policies, or General Rules and Provisions.

Section 21.08 Terms and Conditions

This rider is subject to the BLP's Terms and Conditions for Electric Service and all provisions of the standard rate under which the customer takes service. This rider is also subject to the provisions of the Generator Interconnection Application to be submitted by the customer; the Interconnection Agreement to be executed prior to initiating service under this rider; the Net Metering Agreement to be executed prior to initiating service under this rider; the Generator Interconnection Requirements or the Expedited Generator Interconnection Requirements, as appropriate; any Interconnection Study Agreement; any Contact List; and the BLP's Rate Schedules, Customer-Generator Service Policies, and General Rules and Provisions (all as the same may be modified by the BLP from time to time).

Article XXII. SURCHARGES

Section 22.01 Low-Income Energy Assistance Fund (LIEAF)-PA95

A LIEAF is a fund set up for a State of Michigan mandated program beginning with September 2025 billing cycle. The program year is from October 1 to September 30. The LIEAF surcharge is calculated each year based on the LIEAF surcharge set by the Michigan Public Service Commission (MPSC). The amount charged for the next year to the BLP customer will be no more than the MPSC LIEAF surcharge minus BLP's fund balance as of May 1.

*The LIEAF surcharge for the program year 2026 will be \$0.41 per meter per month.

Section 22.02 Energy Waste Reduction Program (EWR)-PA229

The EWR surcharge is a State of Michigan mandated surcharge required with December 2025 billing cycle for the calendar year. The EWR surcharge is calculated each year based on the anticipated annual cost of the program to the BLP.

*The EWR surcharge for the calendar year 2026 will be:

Rate RS, Residential	\$2.20 per meter per month
Rate GSS, General Service-Secondary	\$5.00 per month per month
Rate GSP, General Service-Primary	\$56.00 per month per month
Rate GSLS, General Service-Large Secondary	\$44.00 per month per month
Rate GSLP, General Service-Large Primary	\$700.00 per month per month

Section 22.03 Environmental Remediation Surcharge (ER)

The ER Surcharge is a Board approved surcharge implemented in July 2023 to fund necessary SIMS Site combustion coal residual cleanup activities. The ER surcharge is intended to collect \$1,000,000 each year.

*The ER surcharge was effective in July 2023 will be \$.0035 per Kwh.