

Electricity: It's Easy to Take for Granted

Every minute of every day we rely on energy to power our homes and businesses. In fact, we have become so accustomed to electricity that we rarely give it a second thought. That is, until the power goes out. Fortunately, the Grand Haven Board of Light and Power (BLP) maintains an extremely reliable electric system, strategically investing a portion of every electric bill into the distribution system we all count on.

The BLP has worked hard to keep rates affordable, which is why our residents are paying roughly the same costs today that they were paying nearly a decade ago. While we have an excellent track record for keeping costs down, there are times when adjustments are necessary to keep your electrical system operating smoothly and reliably.

Your Electric System

The BLP maintains four electric substations, 13 miles of 69-kilovolt transmission lines, and a distribution system that covers over 22 square miles in the Cities of Grand Haven and Ferrysburg, as well as portions of Grand Haven, Spring Lake, and Robinson Townships.

There are approximately 8,000 power poles in our service territory which support over 112 miles of overhead electrical lines and 73 miles of underground lines. Additionally, every home and business (over 15,000 customers in total) has an electric meter that monitors electrical usage.

That's a lot of electrical equipment our community relies on every day, and the BLP must always be ready to serve

regardless of seasonal fluctuations in weather or electric customers' monthly consumption habits.

Small Incremental Changes

Making changes incrementally helps stabilize current and future electric bills. The BLP's strategy includes slight adjustments to electric rates over a period of time to avoid the larger, disruptive rate increases that are taking place at other utilities across the state and nation. By moving forward in a proactive manner using sound financial planning, the BLP can continue in our mission to meet our community's expectations for reliable electric service that returns value to our customers and ensures the economic and environmental sustainability of the utility.

Preparing for the Future

The Board of Directors will begin the planning process in 2026 to update the current strategic plan. We welcome the public's involvement and will be sending out informational flyers in the future looking for your participation. In preparation for that process, we invite the community to learn more about the current Strategic Plan at: www.ghblp.org/about-us.

See a breakdown of an average bill inside. ↪



Partnering in Safety

You can help keep our power safe and reliable. If you see a downed line or power equipment that's at risk of damage from a tree, please contact our customer service team. Remember to always stay 50 feet from downed lines, even if they don't look energized.

Customer Service 8:00 a.m. - 5:00 p.m.
24-Hour Emergency Service
616-846-6250



Your Board of Directors:

Michael J. Westbrook, Chairperson
Todd B. Crum, Vice Chairperson
Phil Polyak
Kurt Knoth
Mike Welling

Grand Haven Board of Light & Power

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PLUGGED IN



Your Electric Bill: A Clear Explanation



Sept. - Oct. 2025

Your Electric Bill

The BLP keeps bills simple and easy to understand with only a few, clearly defined line items. In July, our board approved a restructuring of rates, which for most residential customers will mean the total monthly amount remains about the same. However, because there are some additional lines, we wanted to help you better understand any changes you notice. Please note that Low Income Energy Assistance charges will begin in September, rate restructuring will be reflected on October bills, and Energy Waste Reduction charges will begin with December bills.

The table here demonstrates the difference between two bills, both for the same usage (580kWh, an average residential meter), but with the new rate structure.

The following provides a more detailed explanation of each line item in a residential bill (commercial/industrial rate changes are provided online at www.ghblp.org):

1 Service Charge

BLP maintains electrical equipment 24/7 to serve customers whenever they need power—from substations through power lines and distribution equipment to the electrical meters on homes and businesses. That's why every bill includes a fixed monthly service charge that covers a portion of the costs to operate and maintain these essential systems.

An independent rate design consultant helps us balance costs between this fixed charge and the usage-based charge. The fixed charge also helps stabilize BLP's revenue,

Average Residential Bill

	Before		After	
1 Service Charge		\$ 15.00		\$ 20.00
2 kWh Charge	580 kWh @ 0.1144	66.35	580 kWh @ 0.1157	67.11
3 PSCA	580 kWh @ 0.01294	7.51	580 kWh @ 0.0029	1.68
4 Environmental Remediation Surcharge	580 kWh @ 0.0035	2.03	580 kWh @ 0.0035	2.03
Total Electric Charges		\$ 90.89		\$ 90.82
5 Low-Income Energy Assistance (effective 09/25)		NA		\$ 0.41
6 MI Energy Waste Reduction (effective 12/25)		NA		\$ 2.00
State Tax 4%		3.64		3.71
Total Charges		\$ 94.52		\$ 96.94

allowing us to reliably maintain and upgrade the electrical system regardless of seasonal usage fluctuations.

Please note that residential customers age 65 and older can apply to receive a \$5 discount on this monthly service charge.

2 kWh Charge

This charge is based on how much energy you use each month. The rate stays the same each month, but the charge varies based on usage, so expect your bill will be higher when you use more electricity like running air conditioning in summer or space heaters in winter.

Most of this cost pays for power supply from the regional grid, which currently costs BLP about \$20 million annually to serve all customers.

3 PSCA

The Power Supply Cost Adjustment (PSCA) changes monthly to balance actual power costs (what the BLP pays for energy, capacity, and transmission from the grid) with what's built into your electric rate.

Here's how it works: Your monthly electric rate includes a baseline amount for power supply costs. When actual costs are lower than this baseline, the PSCA appears as a credit on your bill. When actual costs are higher, it appears as a charge.

The BLP hasn't adjusted the baseline in several years, causing the PSCA to grow over time. To keep bills stable, we calculate the PSCA using a 12-month rolling average—so you won't see large month-to-month swings if your usage stays consistent. This year, the BLP is increasing the baseline power supply costs in your monthly rate but reducing the PSCA charge accordingly. Your total bill should remain about the same, but you'll see the costs distributed differently between these two line items.

4 Environmental Remediation

This charge, added in 2023, covers the costs of cleaning up coal and coal ash from the J.B. Sims Power Plant. The plant operated from the early 1960s until its retirement in 2020.

By starting with a small charge early in the cleanup process, BLP protects customers from

large rate increases later while ensuring proper funding for the environmental work. The Board of Directors has restricted all funds collected through this charge to be used only for cleanup of the former coal plant.

New Items

To comply with new laws from the State of Michigan, the BLP will begin collecting funds for two separate state-required programs starting later this year.

5 Low Income Energy Assistance Fund

The State of Michigan requires that all electric customers in the state be assessed a fixed monthly charge to implement a low-income energy assistance fund. This program is intended to help those in need with their heating and electric bills. This will add an additional charge of \$0.41/month to all customers which will begin on the September bills. For customers that need assistance, help is available by going to the BLP's website and clicking on Payment Assistance under the Residential Services banner.

6 MI Energy Waste Reduction

Beginning in 2026, the State of Michigan is requiring all electric utilities to reduce energy usage by 1.5% from the previous year's sales. This charge funds a rebate program that encourages customers to implement qualified energy waste reduction projects. This program will result in a charge of \$2.00 per month for residential customers that will show up on bills in December 2025. Program incentives will be available on the BLP's website in the beginning of 2026.