

SPECIAL MEETING

The HBPW Board of Directors met
February 24, 2025
at 4:00 p.m.
625 Hastings Ave.
Holland, Michigan

Chair Thompson called the meeting to order at 4:00 p.m.

Members Present: PJ Thompson, Carolyn Maalouf, Paul Lilly, Brian Lynn, City Council Liaison Scott Corbin, and Ex Officio Member Keith Van Beek

Members Absent: Kyle Engbers and Dave Couch

Staff Present: Dave Koster, Janet Lemson, Joel Davenport, Chuck Warren, Becky Lehman, Tracy York, Joe Sikma, Alex Craigmile, Theo VanAken, Pieter Beyer, Julie DeCook Dialed in remotely from nFront: Brad Kushner, Robert Wilson

25.159 **Approval of Agenda**

Board Member Lilly made a motion to approve the agenda. The motion was seconded by Board Member Lynn.

25.160 **Communications From the Audience**

None

SPECIAL ACTION ITEM

25.161 **Integrated Resource Plan**

The results of an IRP are highly dependent on inputs such as market conditions, available technologies and associated costs, state and federal regulations, and local interests. Due to the changes that can happen with each of these inputs in a relatively short period of time, IRPs are generally performed at regular intervals. HBPW has historically sought to have an updated study performed approximately every 5 years. HBPW staff solicited six firms for planning service proposals for the 2024 IRP. nFront was selected to complete the 2024 IRP and work has been ongoing since entering in to a contract in May 2024.

In developing the scope of work for this IRP, staff identified two distinct scenarios that were desired for evaluation. The first scenario (Scenario A) in which HBPW achieves the reductions in emissions of carbon (as measured by emissions of carbon dioxide, or "CO₂") as set forth in the Holland Community Energy Plan (CEP). The second scenario (Scenario B) in which HBPW achieves the CO₂ emissions reductions targets in the CEP and also complies with the requirements of the State of Michigan's Renewable Energy Standard (RES) and Clean Energy Standard (CES), or "PA 235".

In addition to these two main IRP scenarios, other sensitivities were evaluated and shown below:

- LG Load Sensitivity: 40%, 60% (base case), and 80% of LG's Load Forecast provided to HBPW in October 2023.
- Self-Build Sensitivity: Only allow wind and solar PV PPA's and resources that HBPW could feasibly build and own themselves; LG Load at 60 percent of LG's Load Forecast

** Red italics indicate information or discussion added during the meeting and/or action taken.*

- No Inflation Reduction Act (“IRA”) Sensitivity: Adjusted IRA assumptions to remove IRA tax credits; increased capital costs of conventional technologies to reflect potential import tariffs (20%); LG Load at 60 percent of LG’s Load Forecast
- Battery Energy Storage System (“BESS”) Breakpoints: Decreased costs of new BESS resources to determine the cost level required for installations; considered BESS resources both internal and external to HBPW system; LG Load at 60 percent of LG’s Load Forecast

The differential costs of these scenarios and sensitivities were generated to show the true cost to meet the various requirements. nFront and HBPW staff will provide a presentation on the updates to the IRP from the December Board presentation and summarize the findings of the IRP prior to requested adoption.

Recommendation: The Board of Directors adopted the Integrated Resource Plan.

<i>Motion to approve recommendation</i>	<i>Lynn</i>
<i>Second</i>	<i>Maalouf</i>
<i>Favor</i>	<i>4</i>
<i>Oppose</i>	<i>0</i>

STUDY ITEMS

25.162 **Wastewater Utility Issues Discussion**

Staff concludes a four-month series of presentations on the HBPW's Electric, Broadband, Water, and Wastewater utility operations. Staff will highlight major issues that affect the current operations and future planning.

Plans to address short- and long-term treatment and conveyance of wastewater will be addressed, along with high-level summaries of the capital plans.

The Board accepted for information the staff report on issues affecting the Wastewater utility.

25.163 **Summary Budget Overview – Fiscal Year 2026**

Setting the annual budget is a process that begins in October and culminates with the formal presentation to the HBPW Board in March. From there, the City incorporates and presents a comprehensive budget to the City Council in May.

Recently, the Budget Subcommittee has reviewed the staff proposed budget and revenue adjustments. Minor adjustments have been made, and the budget is now at a point where the full Board would benefit by hearing a high-level summary.

The Board accepted this presentation for information. No action was needed.

25.164 **General Manager Comments**

- Our next meeting, a Regular Meeting, is scheduled for March 10

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ADJOURNMENT

A motion to adjourn the meeting of *February 24, 2025*, was made by *Maalouf* supported by *Lilly* and agreed upon by the Board of Directors present.

The Board Meeting of February 24, 2025, adjourned at *6:30 p.m.*

Minutes respectfully submitted by,

Janet Lemson, Secretary to the Board