

# Welcome



**Local. Reliable. Efficient. Essential.**

# Our Panel

**Dave Koster, General Manager**

**Joel Davenport, Operations Director**

**Andrew Reynolds, Efficiency Programs Manager**

**Our Host: Julie DeCook, Communications Manager**

You can drive the conversation by texting questions to **616-490-3798**



**Local**



**Reliable**



**Efficient**



**Essential**





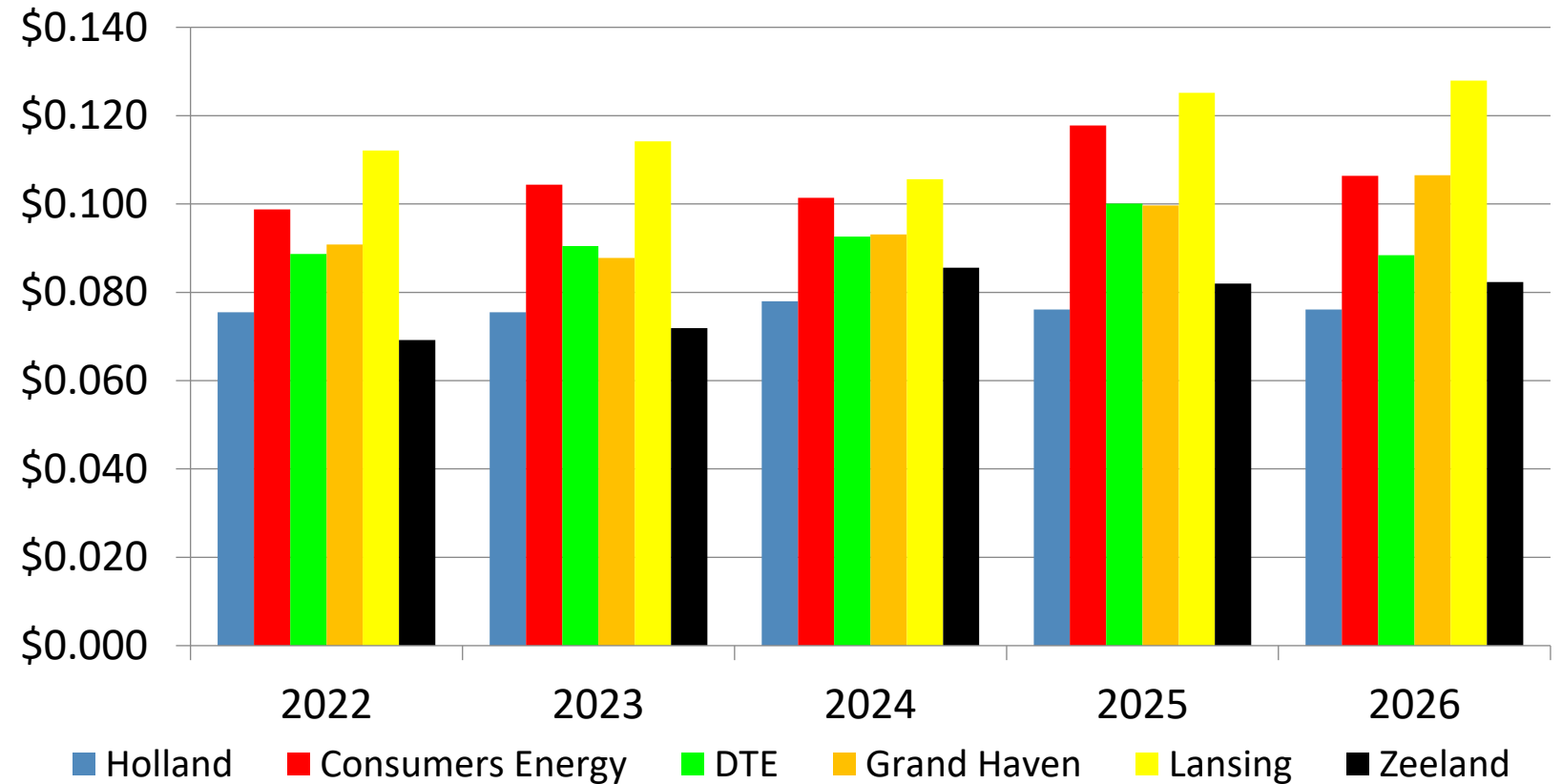
# Electric Utility



Text Questions to **616-490-3798**

# Electric Industrial Rate Comparison (per kwh)

- Achieving our goal of 10% lower than neighboring IOUs by a significant margin
- Mitigating customer concentration risk with a market rate when accounts exceed 20MW/30MW



# Prudent financial planning & management

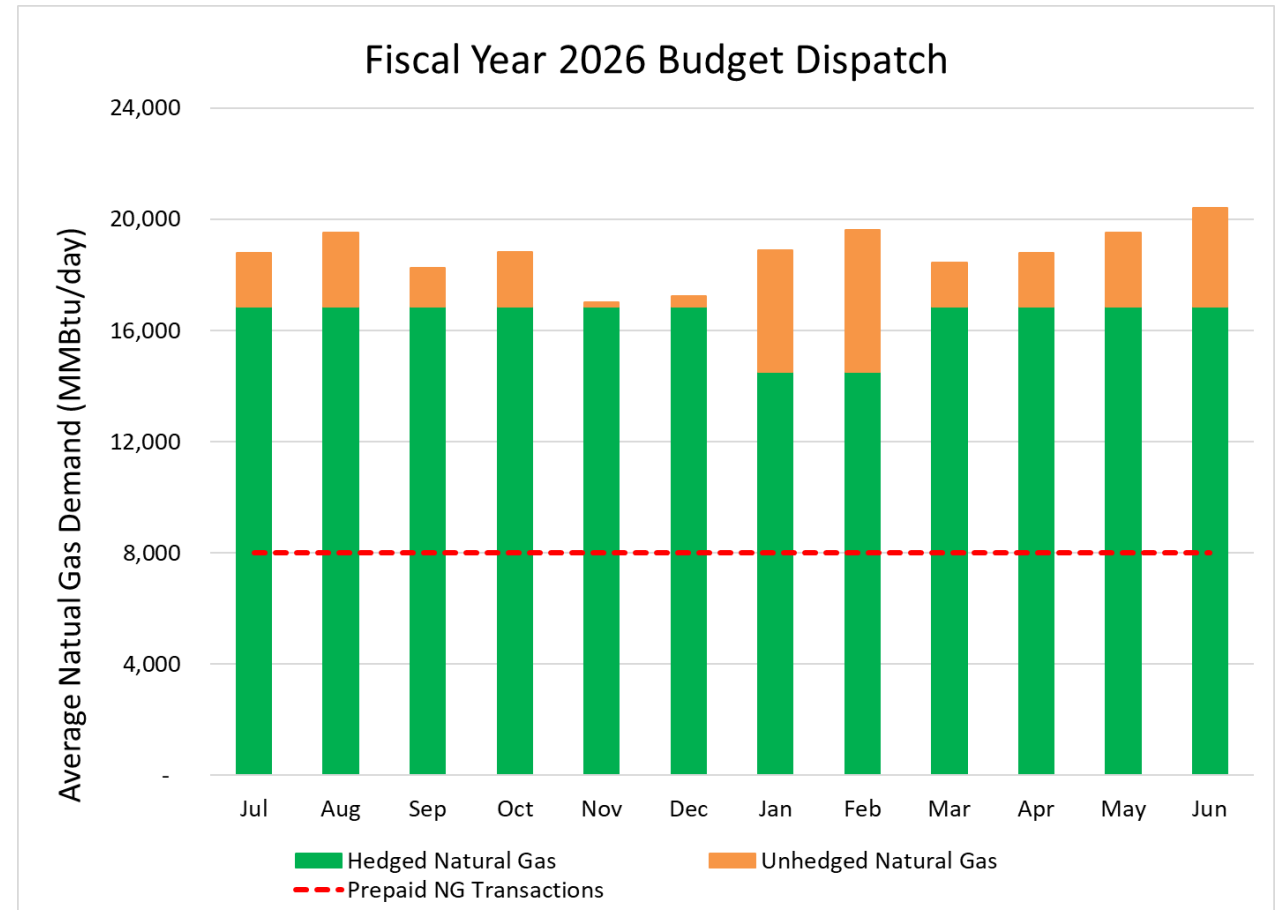
## HEP – debt elimination

- Debt redemption of nearly \$91 Million in 2021
- Refunded the remaining \$32 Million through direct placement
- Debt free in electric as of July 1, 2024
- Saves \$40+ Million in avoided future interest payments



# Prepaid Natural Gas

- Discount created by leveraging tax exempt status of municipal natural gas suppliers/users
- Gas must be for qualified use
- HBPW takes discount on gas hedged for electric generation needs
- Current participation is 8,000 MMBtu/day
- Current savings are >\$1.5 million per year



# Public Power Benefits



## Affordable

Public power utilities are not-for-profit entities owned by their communities. They provide electricity to customers at the lowest rates. **Homes powered by public power utilities paid 9% less than homes powered by private utilities in 2022.**



## Reliable

Customers of public power utilities lose power less often. **Customers of a public power utility experienced an average of 1.5 fewer hours without power than customers of other utility types in 2022**, outside of major adverse events, and nearly 3 fewer hours without power during major events.



**Holland BPW customers pay 45% less than Consumers Energy customers!**

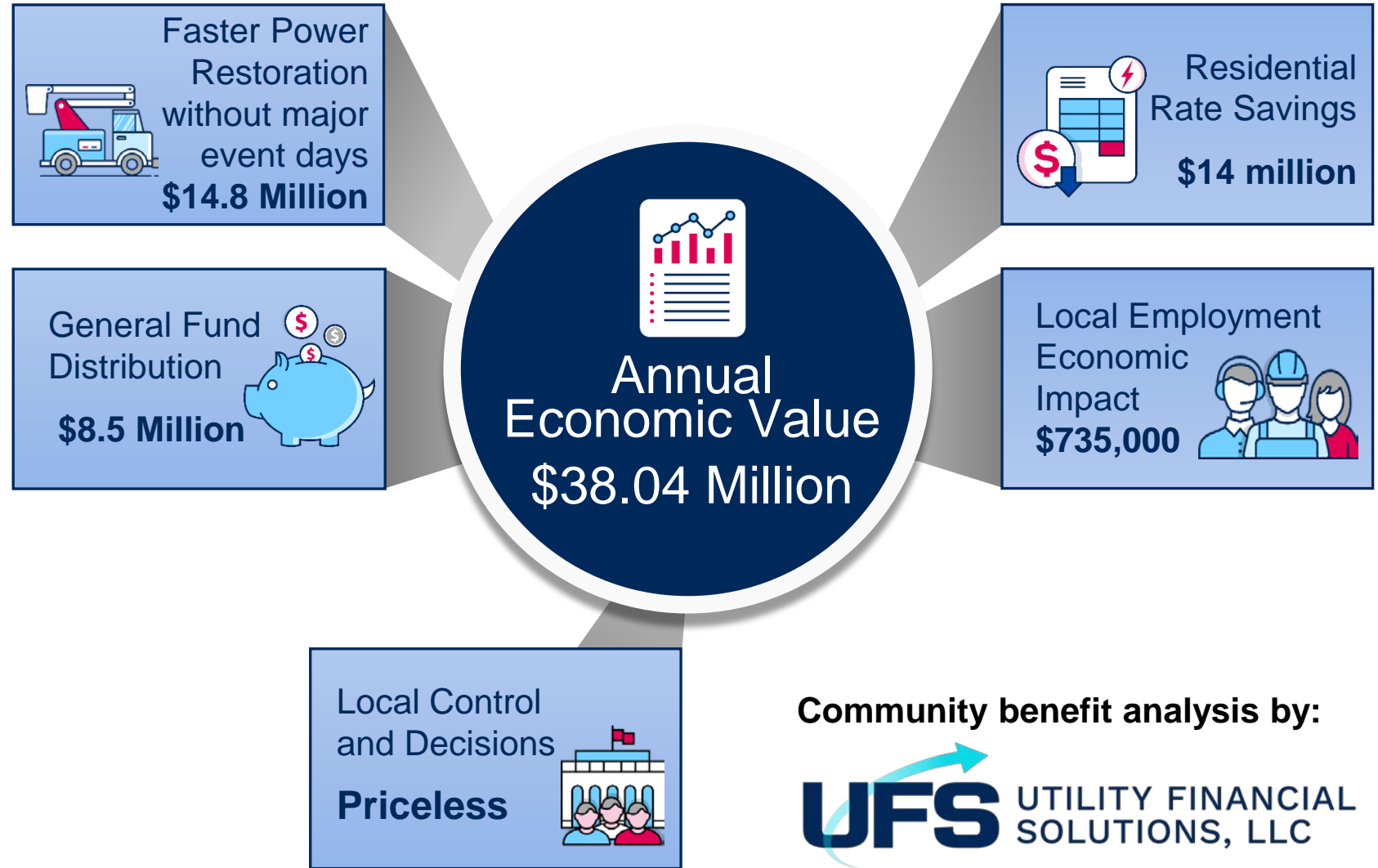
2025 Reliability Metrics	Holland BPW	Consumers Energy
SAIDI – including major events	31.1 minutes of outages	503 minutes minute of outages
SAIFI	0.34 outages per year	1.32 outages per year

Holland BPW customers experience 1 outage every 3 years. Consumers Energy customers experience 4 outages in 3 years!





# 2023 Community Benefit Summary

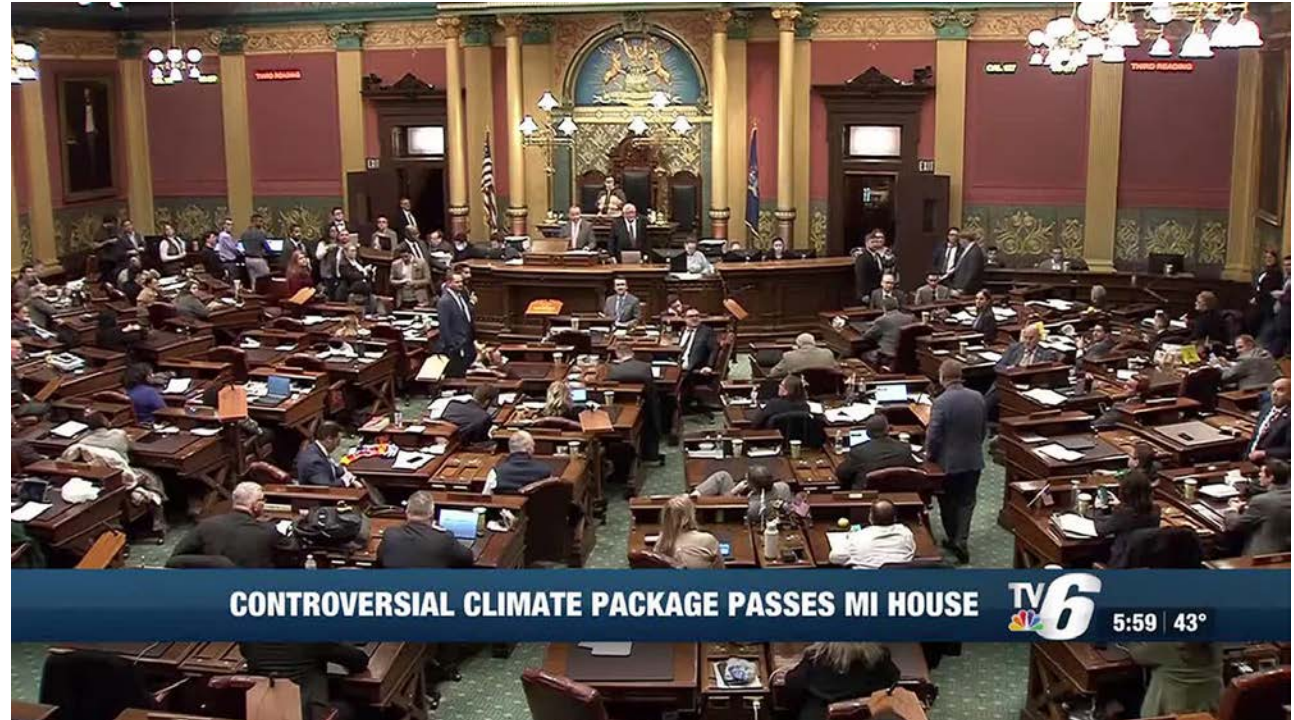


Community benefit analysis by:



# 2023 Clean Energy Legislation

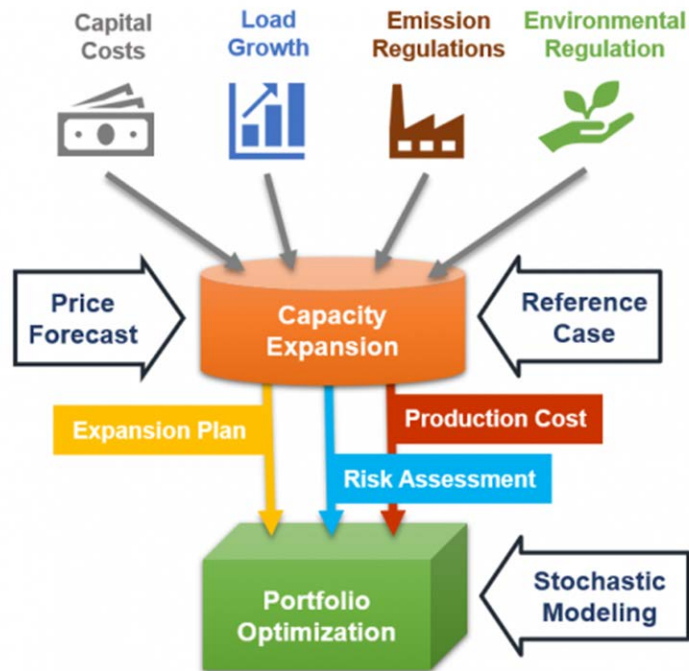
- Package of bills
  - Renewable and Clean Energy Standards
  - Energy Waste Reduction and Beneficial Electrification
  - Siting Approval



# Planned Actions to Meet RPS and CES

## Integrated Resource Planning (IRP)

**\*\*Completed this Spring\*\***

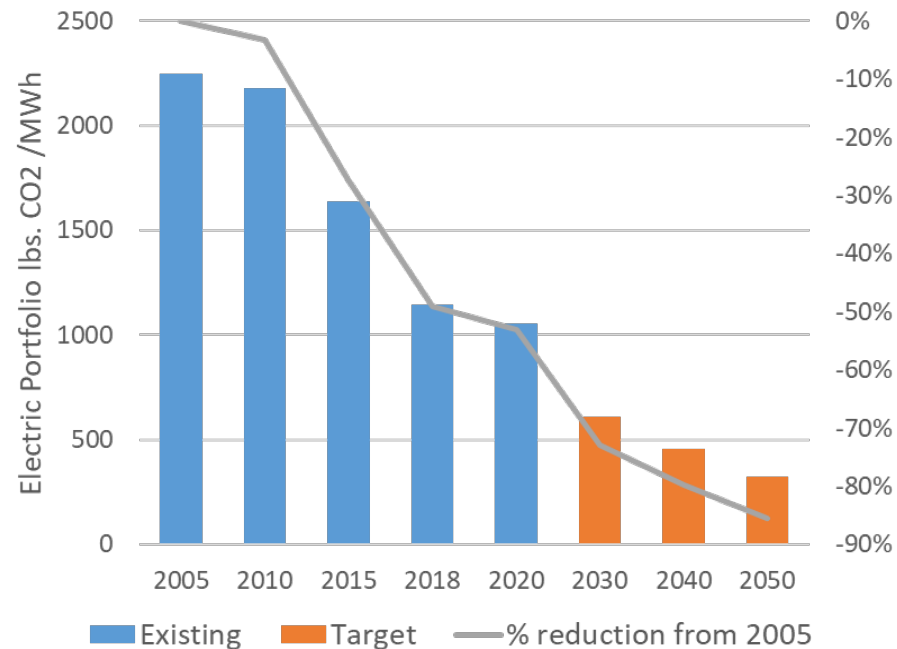


- 2030 Compliance path will likely involve
  - New utility scale investments with other municipal partners
  - Possible medium scale developments connected to Holland system
  - Use of customer-owned credits from LGES
  - Integration of distributed energy resources
- Longer term clean energy compliance will involve
  - Exploration of carbon capture and storage technology
  - Consideration of small modular reactor technology
  - Investment in energy storage

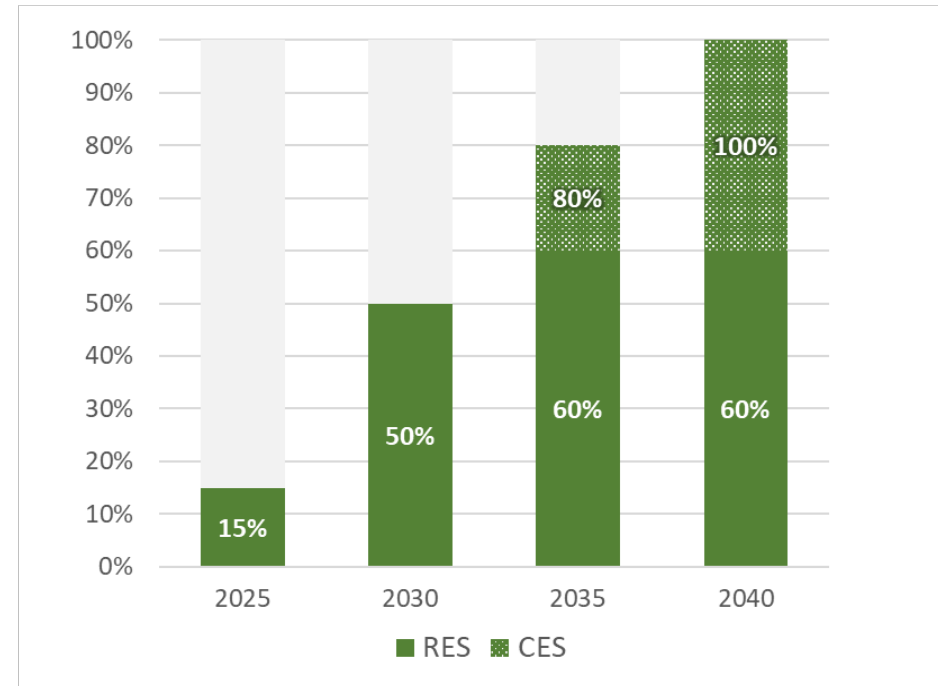
# IRP Scenarios

## Holland Community Energy Plan

- 70% reduction in portfolio emissions from *electric production* by 2030



## Michigan Renewable & Clean Energy Standards (PA 235)



# IRP Near-Term Recommendations

Action	Timeframe and Comments
Pursue participation in new Combined Cycle without CCS, in parallel with evaluating the addition of new RICE resources	<ul style="list-style-type: none"><li>• For commercial operation as early as 2028; 2035 at latest</li><li>• HBPW to refine MW and timing</li></ul>
Pursue utility-scale solar PV additions	<ul style="list-style-type: none"><li>• For commercial operation as early as 2028; 2030 at latest</li><li>• HBPW to refine MW and timing</li></ul>
Pursue utility-scale wind additions	<ul style="list-style-type: none"><li>• For commercial operation as early as 2028; 2030 at latest</li><li>• HBPW to refine MW and timing</li></ul>
Evaluate cost of BESS resources	<ul style="list-style-type: none"><li>• For commercial operation as early as 2028</li><li>• HBPW to refine location (internal vs. external), MW, and timing</li></ul>



# IRP Near-Term Recommendations

Action	Timeframe and Comments
Pursue participation in new Combined Cycle without CCS, in parallel with evaluating the addition of new RICE resources	<ul style="list-style-type: none"> <li>For commercial operation as early as 2028; 2035 at latest</li> <li>HBPW to refine timing</li> </ul> <p><b>MPPA Action Item</b></p>
Pursue utility-scale solar PV additions	<ul style="list-style-type: none"> <li>For commercial operation as early as 2028; 2030 at latest</li> <li>HBPW to refine timing</li> </ul> <p><b>HBPW FY 26 Tactical Action</b></p>
Pursue utility-scale wind additions	<ul style="list-style-type: none"> <li>For commercial operation as early as 2028; 2030 at latest</li> <li>HBPW to refine timing</li> </ul> <p><b>Monitoring</b></p>
Evaluate cost of BESS resources	<ul style="list-style-type: none"> <li>For commercial operation as early as 2028; 2030 at latest</li> <li>HBPW to refine timing (external), MW, and timing</li> </ul> <p><b>HBPW FY 26 Tactical Action</b></p>



# Efficiency Programs

- Energy efficiency helps reduce the scale of new generation
- Local incentive dollars not tied to State or Federal funding
- Rebate amount plus ongoing energy savings
- Types of assistance we can provide:
  - Energy Waste Reduction (electric >>> more-efficient electric) (e.g. LEDs)
  - Electrification (natural gas >>> efficient electric)
  - Other
    - Power Quality rebates for the effective kWh savings when improving power factor
    - Energy assessments by our team and/or third parties

# CEP Levers

Electric  
Portfolio

Building  
Energy  
Consumption

Transportation

Education

Carbon Offsets



# Elective Renewable Energy Program - Recent Changes

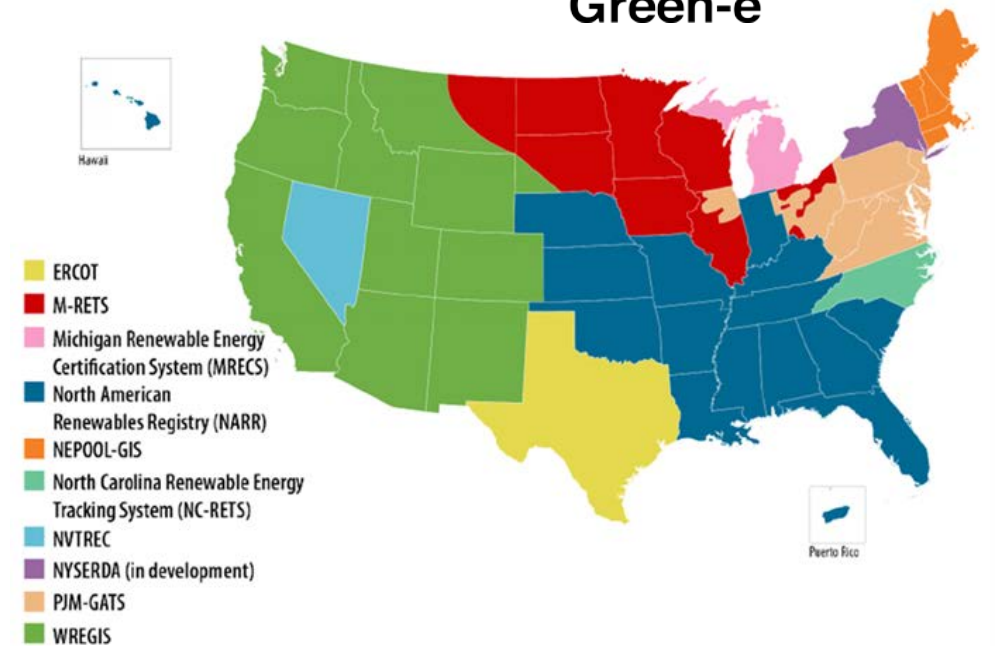
- Rate lowered to \$0.0048/kWh
- New services available to Rate K customers:
  - RECs retired in customer name within HBPW's retirement account
  - Periodic reports providing documentation of RECs retired in customer's name



# Elective Renewable Energy Program - Future Changes

- Additional Offerings to better support different customer sustainability goals
- Optionality to allow customer to choose product best aligned needs

RE100





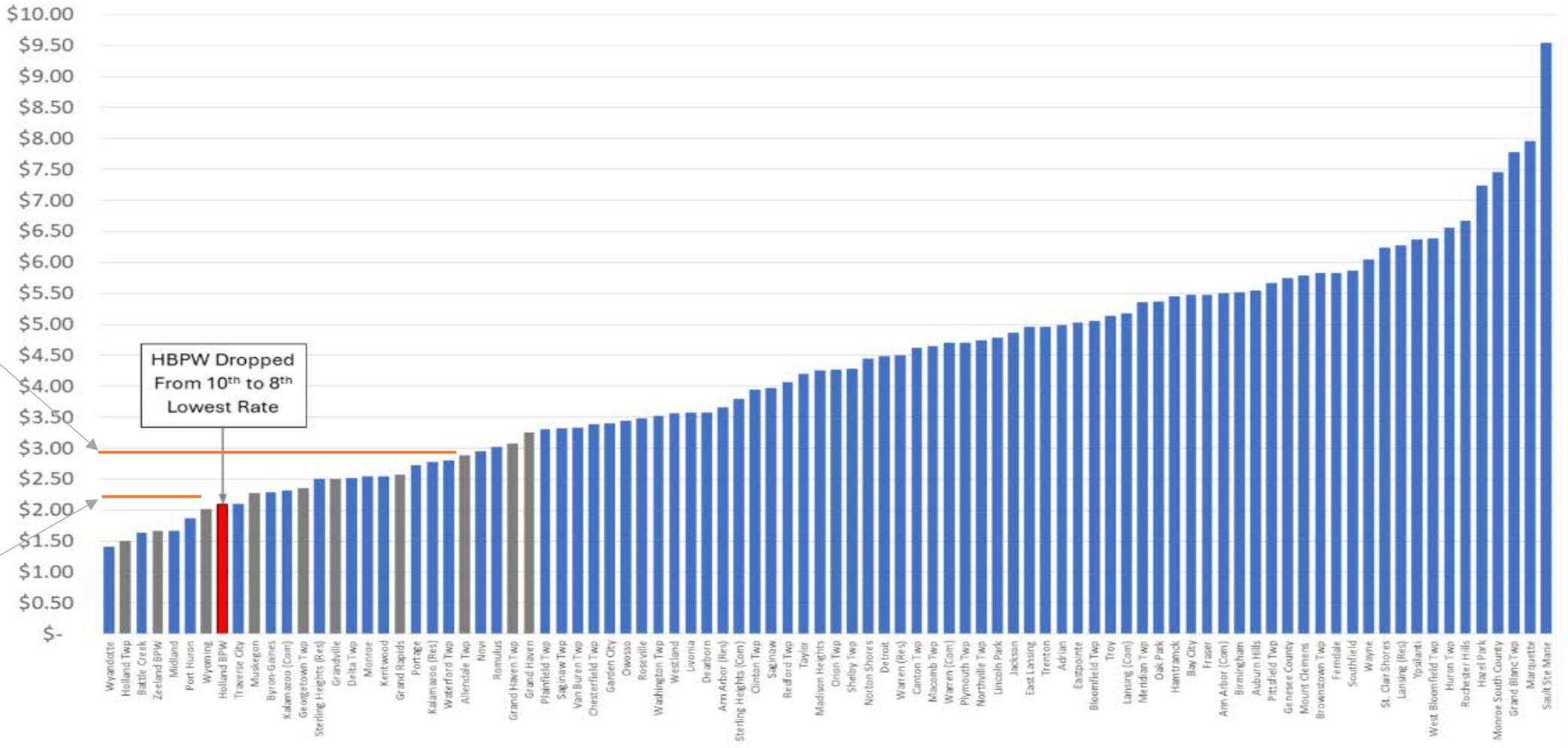
# Water Utility

Text Questions to **616-490-3798**



# Statewide Water Rate Comparison

FY26 Commodity Rates (\$/CCF)



Irrigation Rate

Base Rate

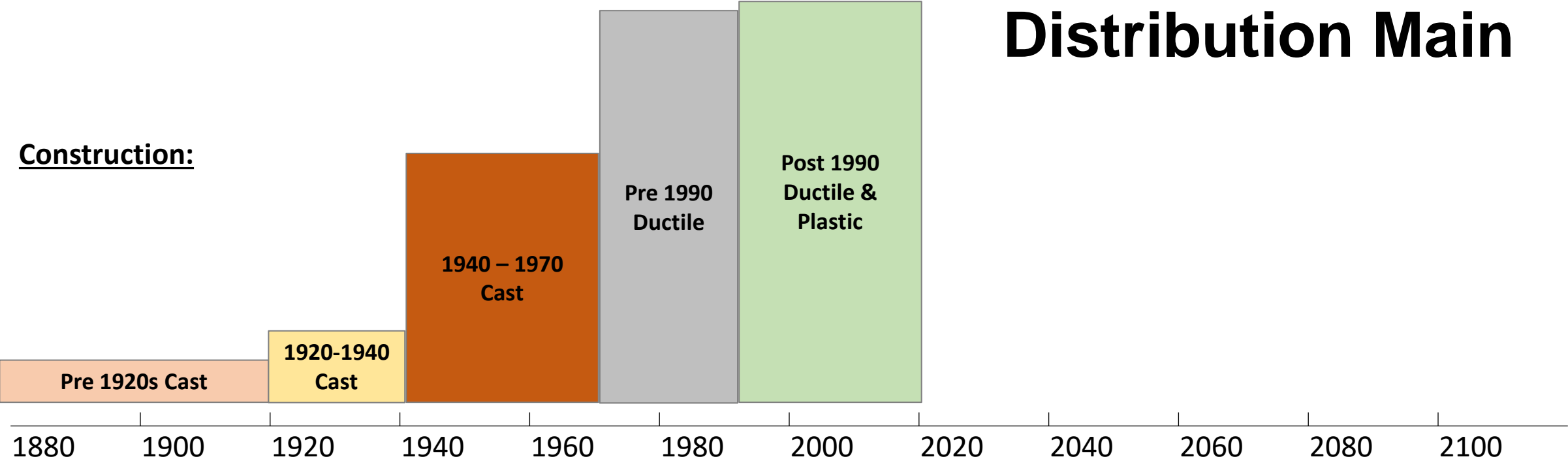
HBPW Dropped From 10<sup>th</sup> to 8<sup>th</sup> Lowest Rate



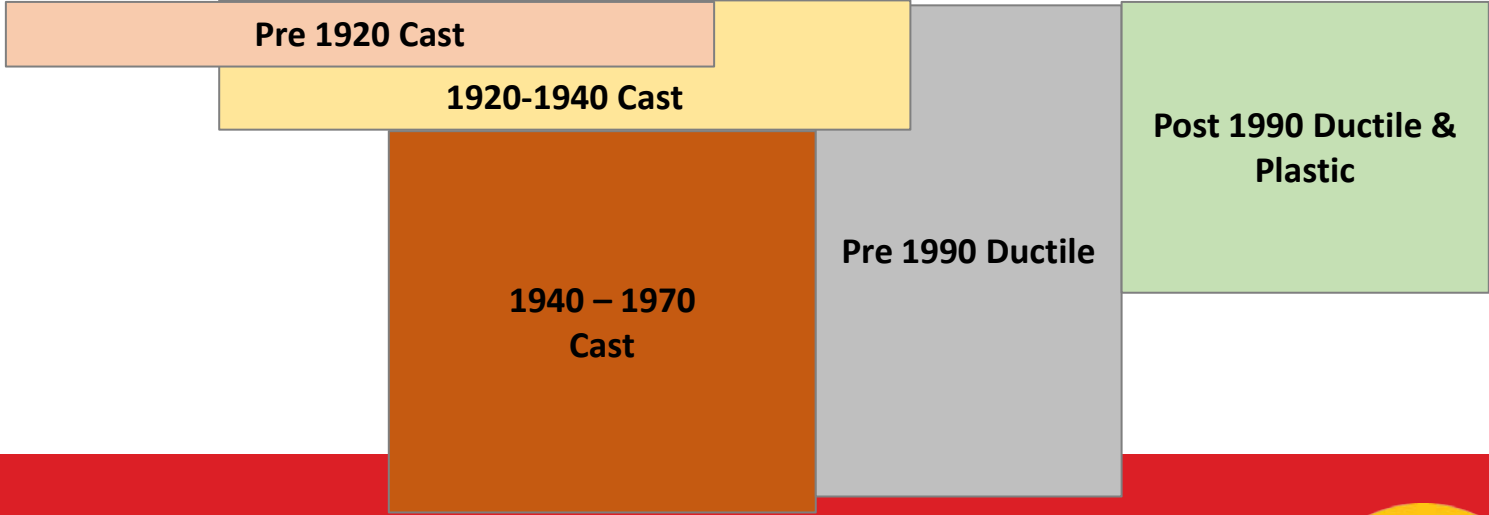
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# Distribution Main

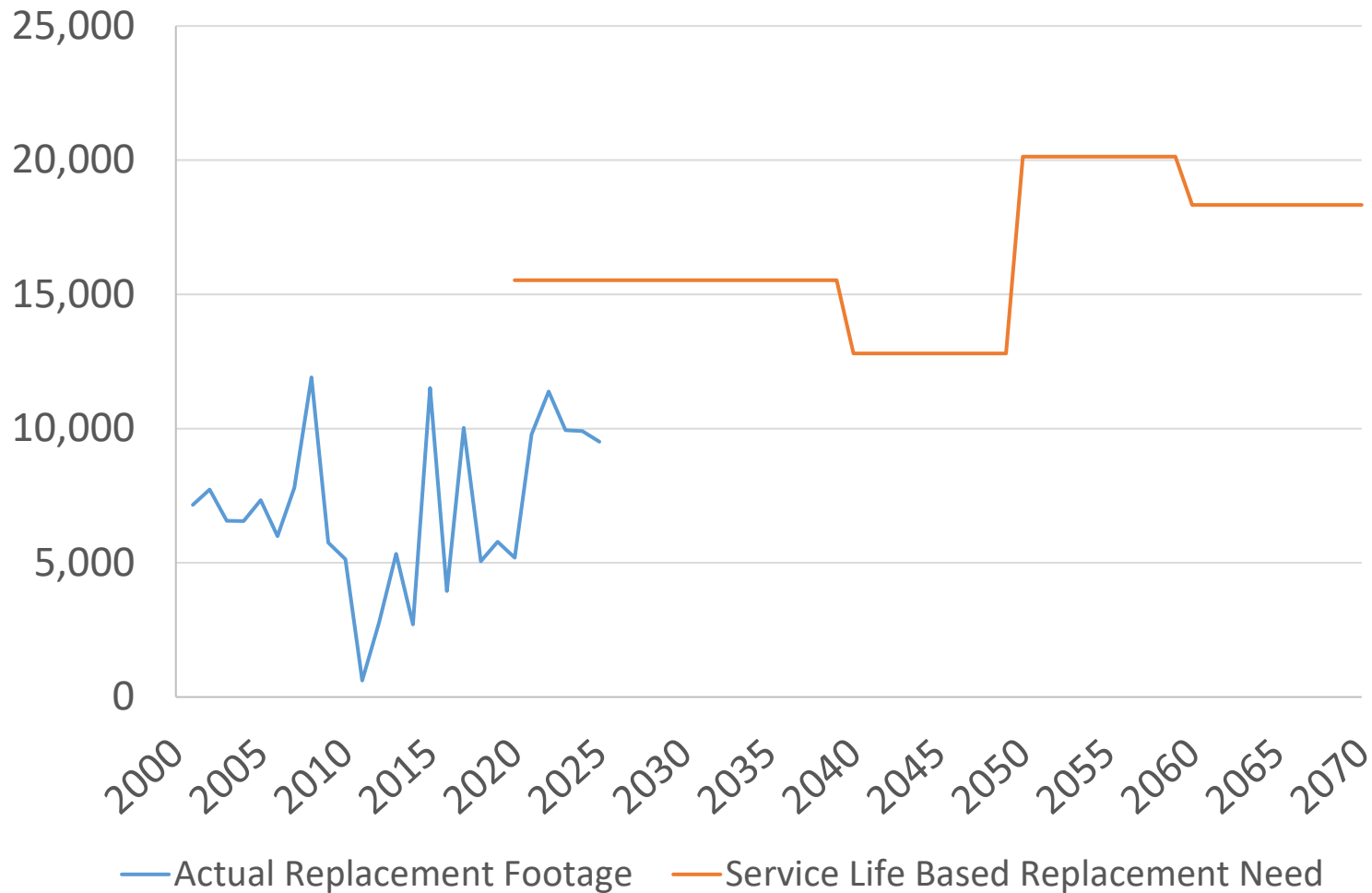
Construction:



Replacement:



# Distribution Main Replacement Phasing



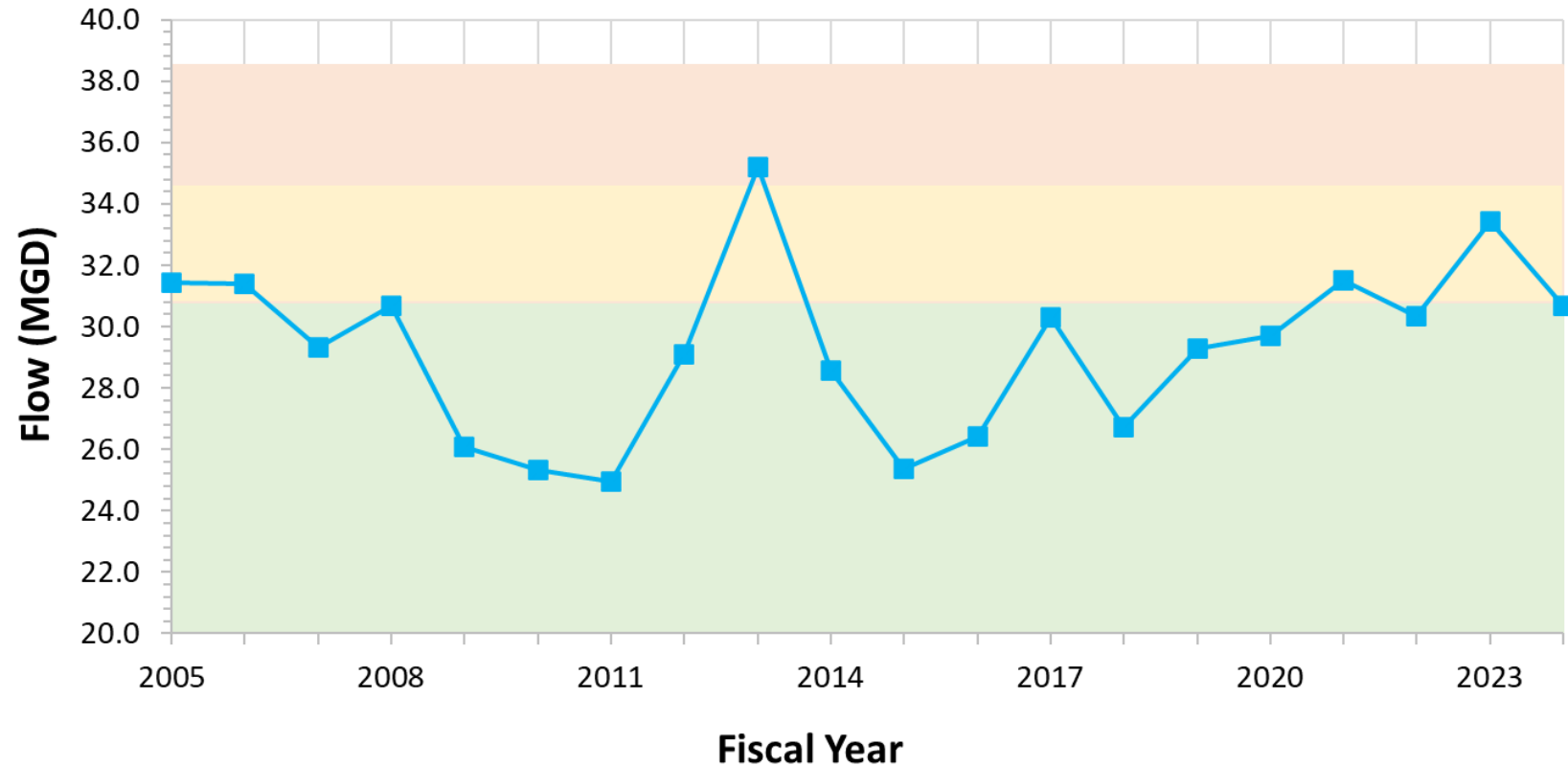
- Currently at a 5,000 ft/yr replacement deficit
- Additional need of 2.5M \$/yr assuming 450 \$/ft
- Evaluating alternative construction methods to drive down costs

# Peak Day Water System Demand

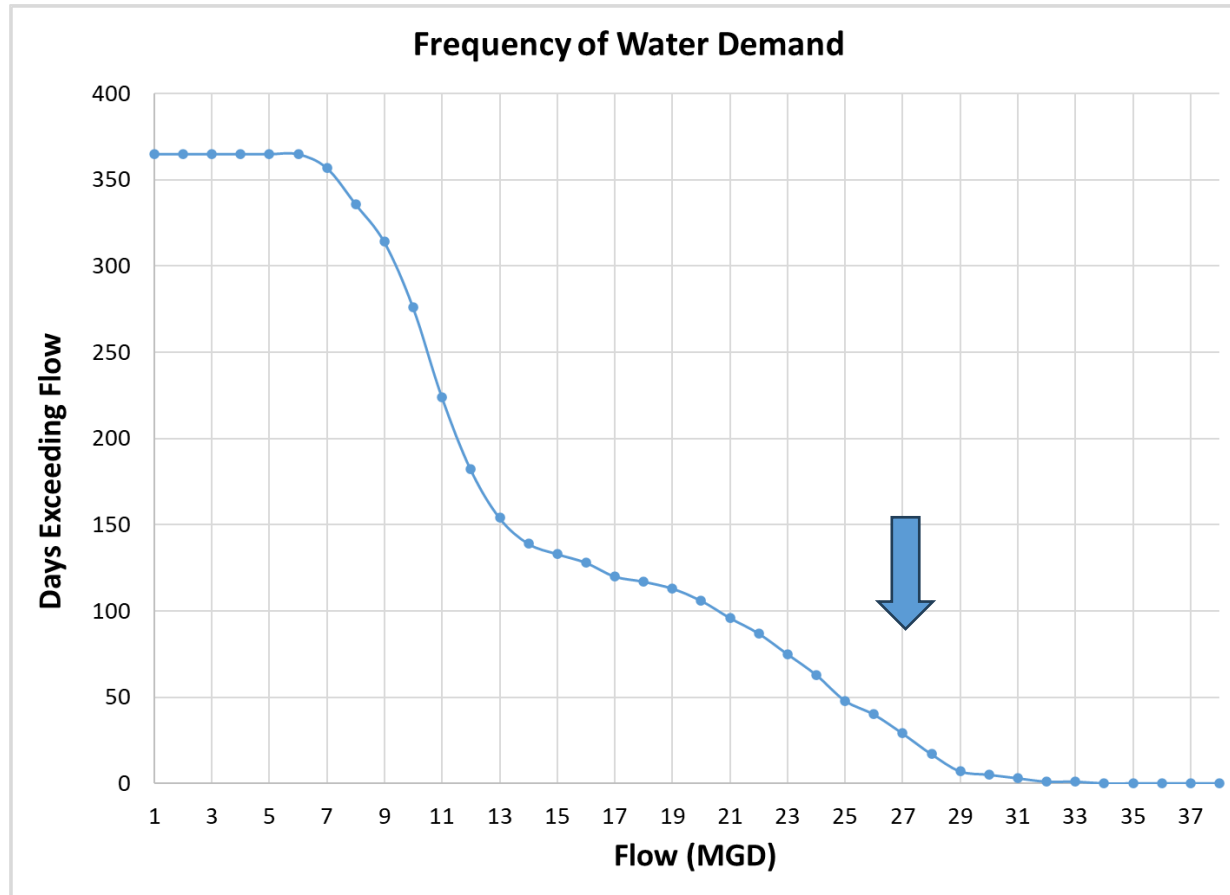
- Peak demands primarily influenced by temperature and precipitation
- Peak demand lower in FY24 vs. FY23 due to milder summer conditions

However...

- Max day peaking factor remains higher than desired



# Peak Demand Frequency



- Peak demands primarily influenced by temperature and precipitation
- Peak demand drives water supply and transmission expansion needs
- Peak demands represent small portion of operating days

# Conservation Efforts

- Like with electric conservation, reduced usage today helps delay future capacity expansion
- Demand Response – reduces risk of peak days
- Process changes – evaluate ongoing water use to reduce bills
- Irrigation is a focus – new tiered/irrigation rates and a new rebate for turf conversion





# Waste Water Utility



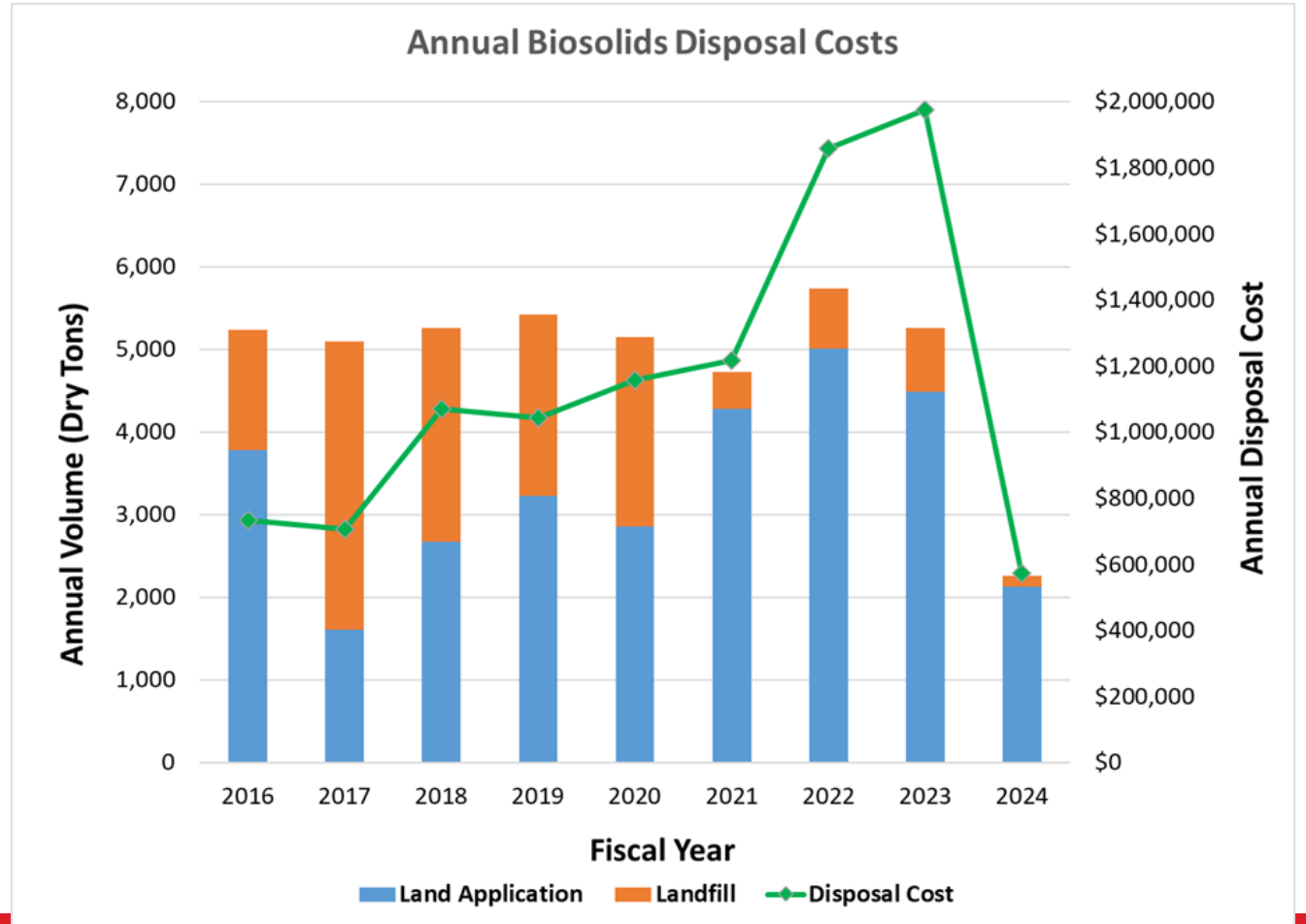
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# Anaerobic Digestion – Powering Sustainability

- >60% of the biosolids generated during wastewater treatment process converted into renewable energy
- Used to heat and power the facility
- Stabilizes remaining solids – More options for reuse!
- Improved odor reduction
- Low interest state loan with principal forgiveness
- Inflation Reduction Act (IRA) tax credit equivalent payment



# Biosolids Disposal Cost Mitigation - Digester



Text Questions to **616-490-3798**





# Broadband Utility



Text Questions to **616-490-3798**

# fiber

## Holland City Fiber Vote Passed

Residents of the City of Holland voted to invest in expanding the community-owned fiber network



**August 2, 2022**

Text Questions to **616-490-3798**

A screenshot of the Holland Board of Public Works website. The browser address bar shows "hollandbpw.com/en/find-your-fiberhood". The website header includes the BPW logo, the text "Holland Board of Public Works", a language dropdown set to "English", a search bar, and a "LOG IN" button. A navigation menu lists "ELECTRIC", "WATER", "WASTEWATER", "FIBER INTERNET", and "CUSTOMER SERVICE". The main content area features a dark blue banner with the text "Building fiberhoods in Holland." and an illustration of a yellow house. Below the banner is a map of Holland, Michigan, with a blue location pin. A dark blue overlay box on the map contains the text "Begin by typing your address and choosing from the list below:" and a search input field with the placeholder "Street number and street name...". Below the input field is a link that says "I could not find my address". The map shows various neighborhoods and landmarks like Lake Macatawa and the West Michigan Regional Airport.



**Building  
fiberhoods  
in Holland.**



## We are heading your way!

Sign up for Holland BPW Fiber.

**\$45/mo**  
2 Gbps

**\$125/mo**  
10 Gbps

### Monthly cost includes:

- Modem
- Router
- Installation

Holland BPW will be installing fiber internet in your area in the next several weeks. Sign up now to be included in the first installation wave of your fiberhood.

Get fiber internet at [hollandbpw.com/fiber](http://hollandbpw.com/fiber)  
or call (616) 355 - 1500, Option 2.

## All Services include

- ✓ Symmetrical Upload and Download speeds
- ✓ Free Router
- ✓ No Data Cap
- ✓ No Contract

## Additional Service Options

- Enhanced Service
  - 24x7 Support
  - Static IP Address
  - Service Level Agreement
  - +\$150/Month
- WiFi Mesh Range Extender
  - Additional WiFi Coverage
  - +\$5/Month/Access Point
- Additional IPv4 Addresses
  - +\$3/Month/IP Address

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# Have more questions? Stay and chat...



Steve Bruinsma  
Electric Distribution Supt.



Amy Yost  
Customer Solutions Senior Mgr.



Pieter Beyer  
Water/Wastewater Supt.



Barry Rutherford  
Energy Efficiency Engineer



Pete Hoffswell  
Broadband Supt.



Harle Battjes  
Efficiency Programs Specialist



**Local**



**Reliable**



**Efficient**



**Essential**

