**CITY OF GRAND HAVEN**
**GRAND HAVEN, MICHIGAN**

**AGENDA FOR**
**SPECIAL CITY COUNCIL WORK SESSION**

**GRAND HAVEN CITY HALL***
**COUNCIL CHAMBERS**
**519 WASHINGTON AVE**

**November 02, 2026**
**6:30 PM**

## 1. CALL TO ORDER

## 2. ROLL CALL

## 3. PRESENTATIONS

A. Peaking Power Plant Presentation – Rob Shelley, General Manager of Grand Haven Board of Light and Power

## 4. ADJOURNMENT



*Streaming LIVE on Facebook! Follow us at facebook.com/cityofgrandhaven

# COGH Work Session
# November 2026




# 1896-2026
# 130 Years of Service

GHBLP Milestones:

1896: $10,000 Bond for First Generator

1929: Construction of Diesel Plant Starts

1930: Voters Reject Sale of Utility to Consumers Energy
Charter Amendment Creates Separate Board

1939: Free Month of Electricity

1950: Engine 7 Installed in the Diesel Plant
Diesel Plant is Largest in USA

1959: Sims I & II Construction Starts

1980: Sim III Construction Starts

2020: GHBLP Gets Network Transmission Service
Diesel Plant and Sims Plant Taken Out of Service

# Industry Trends

Load Growth

AI Data Centers

Resource Adequacy

Electrification

Grid Resiliency

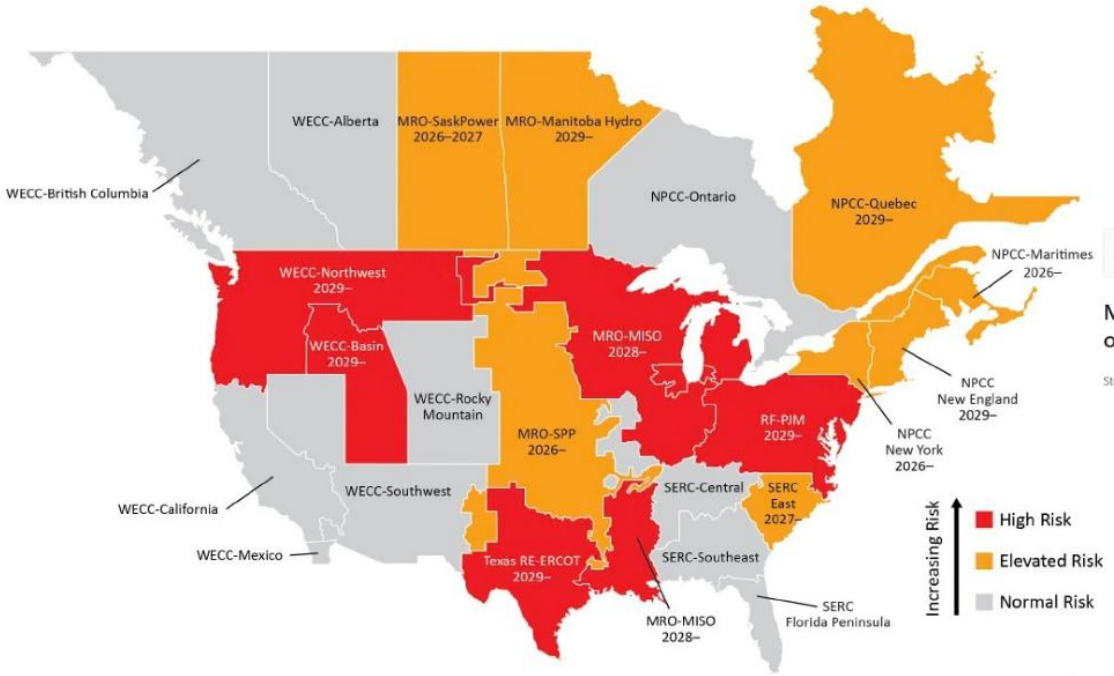
Fuel Diversity

Energy Transition



# 2025 Long-Term Reliability Assessment

## North American Electric Reliability Corporation NERC




**Risk Area Summary 2026–2030**

Shows highest risk classification that occurs in the first 5 years and states initial year of occurrence

POWER

ENERGY SECURITY

**NERC Warns Long-Term Grid Reliability Risks Mounting from Surging Demand, Lagging Resources**

Sonal Patel

Thursday, January 29, 2026 SHARE

Reuters World Business Markets Sustainability Legal Commentary Technology Investigations

**US faces growing risks of power outages due to rising winter demand, changing fuel mix**

By Laila Kearney and Tim McLaughlin

January 29, 2026 2:37 PM EST · Updated 17 hours ago

Washington Examiner + Follow

**Much of grid risks failure in years ahead as fossil fuels phase out, regulator warns**

Story by Maydeen Merino, Washington Examiner • 14h • 4 min read

NERC

Newsroom > Resource Adequacy Ri...

**Resource Adequacy Risks Intensify Across North America as Demand Growth Surges**

Seeking Alpha

**Grid reliability at long-term risk in large swaths of U.S., report warns**

ENSALES ELECTRICAL ASSOCIATES, INC. HOME ABOUT MANUFACTURERS OUR TEAM NEWS CONTACT



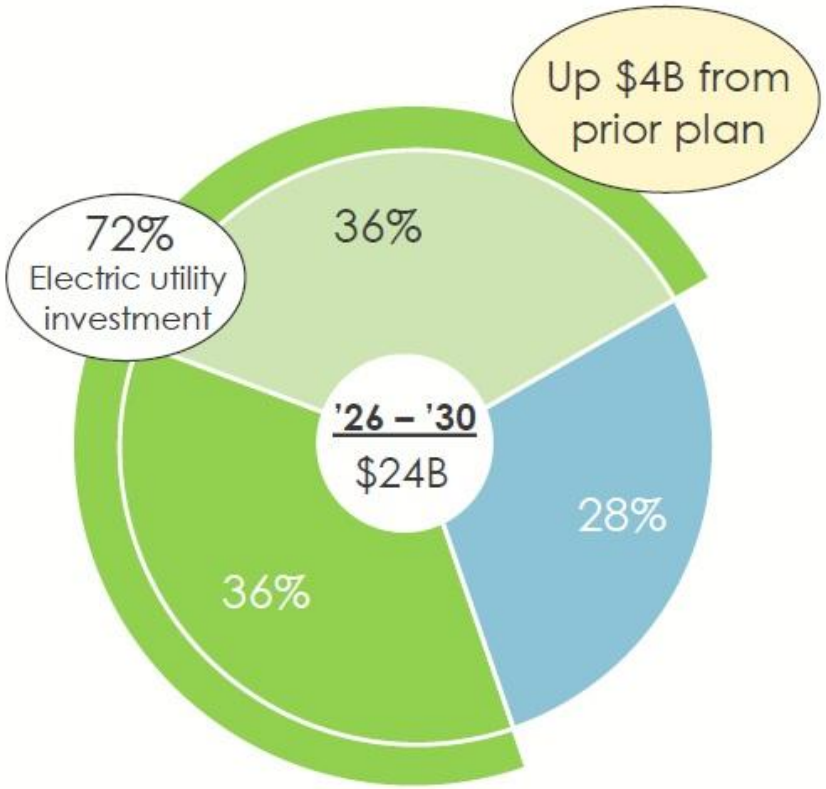

THE HILL

ENERGY & ENVIRONMENT

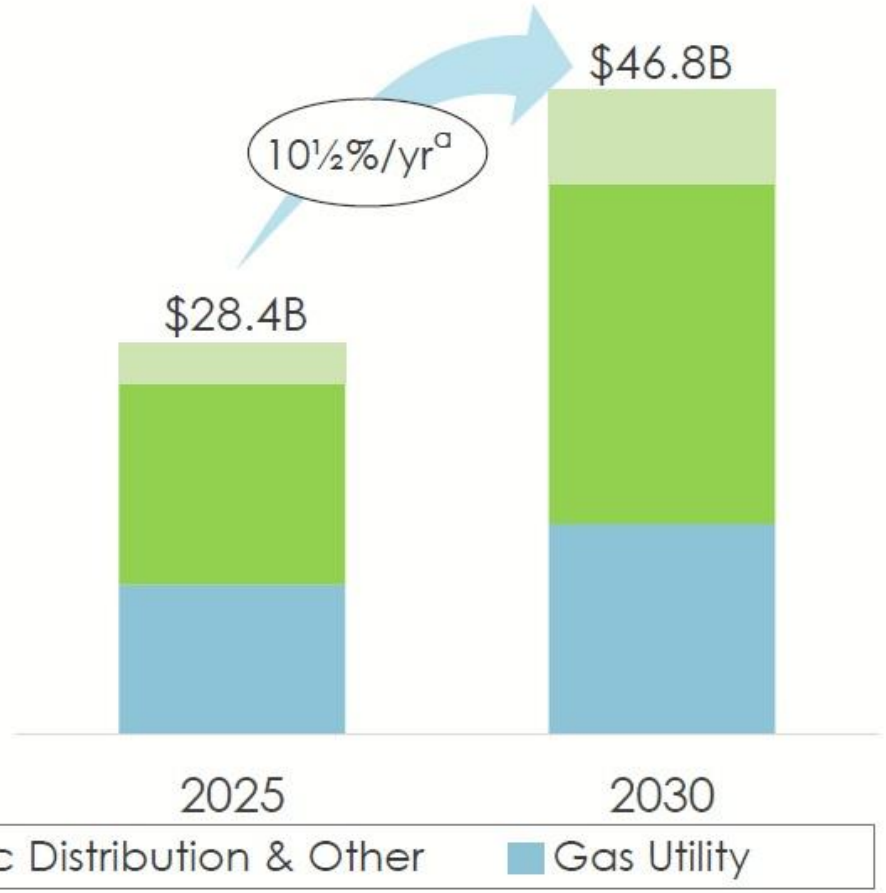
**Grid reliability projected to decline as data centers drive demand, watchdog says**

BY RACHEL FRAZIN - 01/29/26 5:19 PM ET

## New Utility Investment Plan




## Rate Base Growth



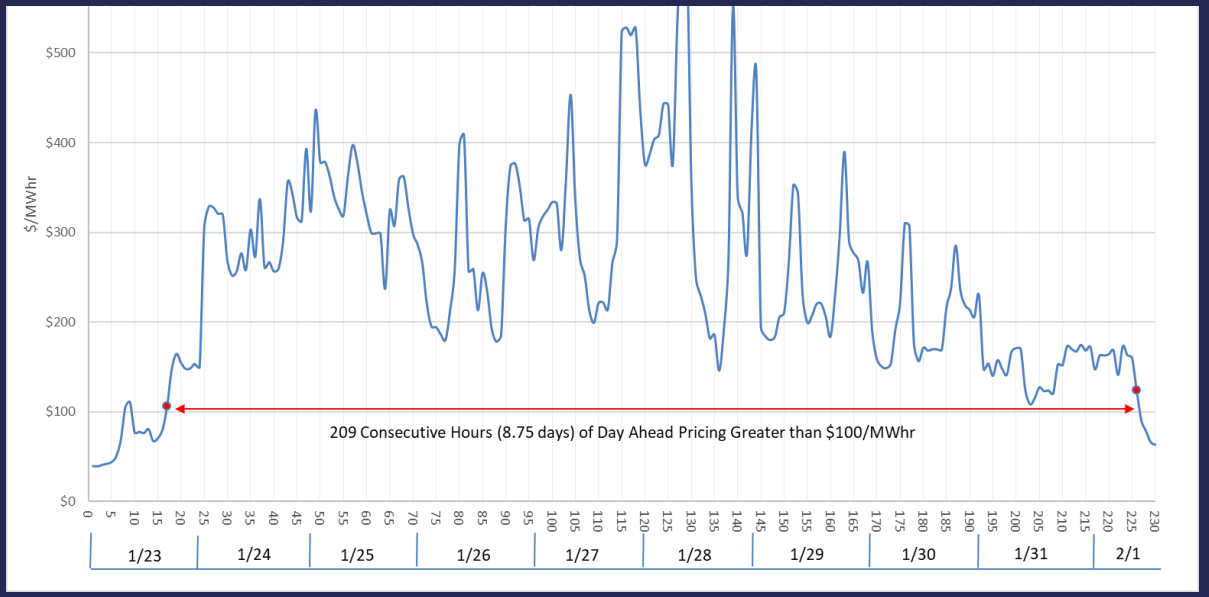

| | Historic | 2024 | 2025 | 2026E | 2026 -2030 Avg. | 2026+ | 2026+ |
|---|---|---|---|---|---|---|---|
| Capacity Price ($kw-mon) | ~$3.00 | ~$3.25 | ~$4.00 | ~$4.50 | ~$5.25 | ~$7.50 | ~$10.00 |
| Capacity Available | 0% | 0% | 0% | ~5% | ~20% | ~20% | ~20% |



Energy Emergency Alert 2 (EEA2)

- Advisories/Warnings
- Some risk that demand could exceed supply
- Emergency power and/or reduced demand necessary
- Power interruptions imminent or happening

View Notifications






- Coal - 36,195 MW
- Natural Gas - 36,219 MW
- Nuclear - 11,910 MW
- Wind - 2,722 MW
- Solar - 2,712 MW
- Other - -35 MW
- Imports - 3,842 MW

| | |
|---|---|
| Coal | 38.68% |
| Natural Gas | 38.71% |
| Nuclear | 12.73% |
| Wind | 2.91% |
| Solar | 2.90% |
| Other | -0.04% |
| Imports | 4.11% |

# Local Impact & Options

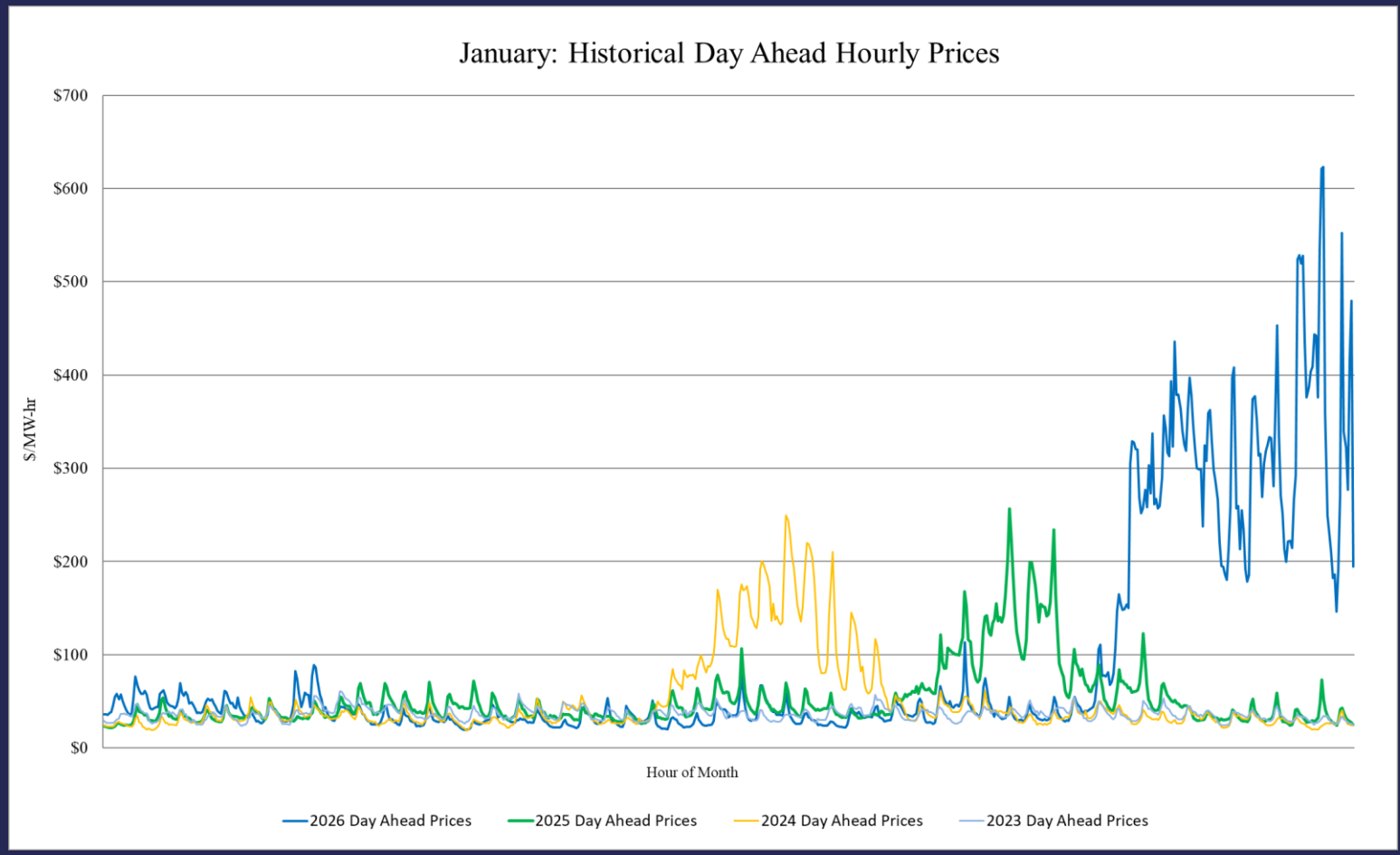






# January

- January is becoming one of the most expensive months of the year for energy.
  - ✓ 2023 – Highest month ($1.5 million)
  - ✓ 2024 – 3rd highest month ($1.4 million)
  - ✓ 2025 – 4th highest month ($1.4 million)
  - ✓ 2026 – To Be Determined ($1.9 million)
- Patterns are emerging with higher day ahead energy prices for longer durations in January.
- Renewable generation is lower in January.
- Average weekly costs for energy prior to storm was ~$316,000.
- Weekly costs for energy during storm was ~$763,000.

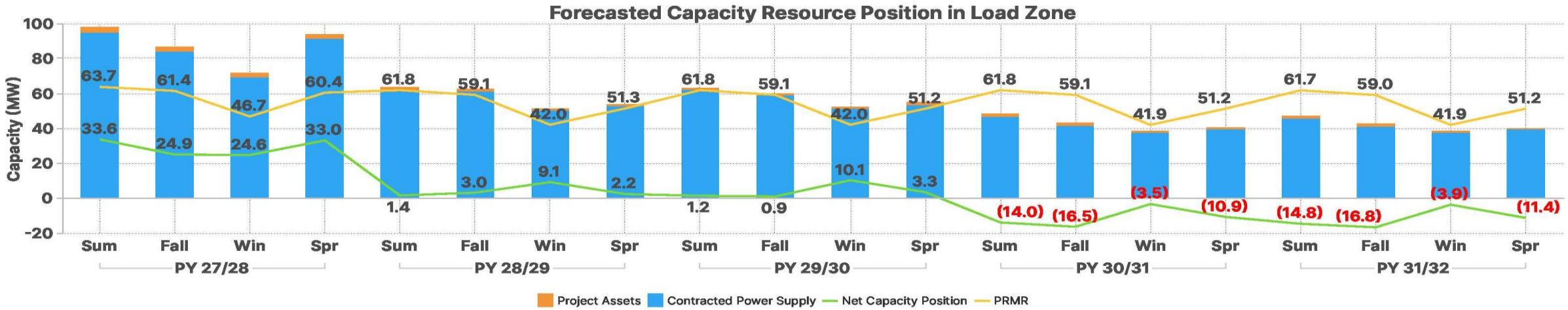


# Forecasted Outer Years Capacity Resource Position for GRAN

| Capacity Resources, MW | PY 27/28 | | | | PY 28/29 | | | | PY 29/30 | | | | PY 30/31 | | | | PY 31/32 | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Sum | Fall | Win | Spr | Sum | Fall | Win | Spr | Sum | Fall | Win | Spr | Sum | Fall | Win | Spr | Sum | Fall | Win | Spr |
| **Net Capacity Position** | **33.6** | **24.9** | **24.6** | **33.0** | **1.4** | **3.0** | **9.1** | **2.2** | **1.2** | **0.9** | **10.1** | **3.3** | **(14.0)** | **(16.5)** | **(3.5)** | **(10.9)** | **(14.8)** | **(16.8)** | **(3.9)** | **(11.4)** |
| **Zone 7** | **33.6** | **24.9** | **24.6** | **33.0** | **1.4** | **3.0** | **9.1** | **2.2** | **1.2** | **0.9** | **10.1** | **3.3** | **(14.0)** | **(16.5)** | **(3.5)** | **(10.9)** | **(14.8)** | **(16.8)** | **(3.9)** | **(11.4)** |
| **Contracted Power Supply** | **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** | **46.1** | **41.5** | **37.7** | **39.6** |
| Contracted Bilateral Capacity Transactions | 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 | 40.7 | 38.2 | 36.2 | 37.3 |
| Contracted ESP Renewable PPAs | 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 | 5.4 | 3.3 | 1.5 | 2.3 |
| **Planning Reserve Margin Requirement** | **(63.7)** | **(61.4)** | **(46.7)** | **(60.4)** | **(61.8)** | **(59.1)** | **(42.0)** | **(51.3)** | **(61.8)** | **(59.1)** | **(42.0)** | **(51.2)** | **(61.8)** | **(59.1)** | **(41.9)** | **(51.2)** | **(61.7)** | **(59.0)** | **(41.9)** | **(51.2)** |
| PRMR | (63.7) | (61.4) | (46.7) | (60.4) | (61.8) | (59.1) | (42.0) | (51.3) | (61.8) | (59.1) | (42.0) | (51.2) | (61.8) | (59.1) | (41.9) | (51.2) | (61.7) | (59.0) | (41.9) | (51.2) |
| **Project Assets** | **2.0** | **2.0** | **2.0** | **2.0** | **0.7** | **0.7** | **0.7** | **0.7** | **0.7** | **0.7** | **0.7** | **0.7** | **0.7** | **0.7** | **0.7** | **0.7** | **0.7** | **0.7** | **0.3** | **0.2** |
| Landfill Project | 2.0 | 2.0 | 2.0 | 2.0 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 | 0.3 | 0.2 |

| Net Contracted Bilateral Capacity | PY 27/28 | | | PY 28/29 | | | PY 29/30 | | | PY 30/31 | | | PY 31/32 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 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 Capactiy Bilats** | **(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** | **(38.1)** | **($2,139,296)** | **$4.68** |
| **Sum** | **(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** | **(40.7)** | **($572,457)** | **$4.69** |
| **Fall** | **(74.1)** | **($951,859)** | **$4.28** | **(54.3)** | **($776,036)** | **$4.77** | **(54.0)** | **($771,574)** | **$4.77** | **(38.4)** | **($537,810)** | **$4.67** | **(38.2)** | **($536,033)** | **$4.68** |
| **Win** | **(66.5)** | **($843,277)** | **$4.23** | **(48.7)** | **($695,997)** | **$4.77** | **(50.0)** | **($714,426)** | **$4.77** | **(36.2)** | **($506,379)** | **$4.66** | **(36.2)** | **($507,459)** | **$4.67** |
| **Spr** | **(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** | **(37.3)** | **($523,347)** | **$4.68** |

| Net Capacity Position | PY 27/28 | | | PY 28/29 | | | PY 29/30 | | | PY 30/31 | | | PY 31/32 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 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** | **24.6** | **$3,025,800** | **($805,499)** | **1.4** | **$179,088** | **($2,796,283)** | **0.9** | **$119,733** | **($2,894,783)** | **(16.5)** | **($2,282,911)** | **($4,426,523)** | **(16.8)** | **($2,417,396)** | **($4,556,692)** |
| **Sum** | **24.6** | **$756,450** | **($277,520)** | **1.4** | **$44,772** | **($742,285)** | **0.9** | **$29,933** | **($765,379)** | **(16.5)** | **($570,728)** | **($1,147,883)** | **(16.8)** | **($604,349)** | **($1,176,806)** |
| **Fall** | **24.6** | **$756,450** | **($195,409)** | **1.4** | **$44,772** | **($731,264)** | **0.9** | **$29,933** | **($741,641)** | **(16.5)** | **($570,728)** | **($1,108,538)** | **(16.8)** | **($604,349)** | **($1,140,382)** |
| **Win** | **24.6** | **$756,450** | **($86,827)** | **1.4** | **$44,772** | **($651,225)** | **0.9** | **$29,933** | **($684,493)** | **(16.5)** | **($570,728)** | **($1,077,107)** | **(16.8)** | **($604,349)** | **($1,111,808)** |
| **Spr** | **24.6** | **$756,450** | **($245,743)** | **1.4** | **$44,772** | **($671,509)** | **0.9** | **$29,933** | **($703,270)** | **(16.5)** | **($570,728)** | **($1,092,995)** | **(16.8)** | **($604,349)** | **($1,127,696)** |



# MISO – Changing Capacity Rules

| Capacity Resources, MW | PY 27/28 Sum | Fall | Win | Spr |
|---|---|---|---|---|
| **Net Capacity Position** | **33.6** | **24.9** | **24.6** | **33.0** |
| **Zone 7** | **33.6** | **24.9** | **24.6** | **33.0** |
| **Contracted Power Supply** | **95.2** | **84.3** | **69.3** | **91.4** |
| Contracted Bilateral Capacity Transactions | 79.7 | 74.1 | 66.5 | 77.5 |
| Contracted ESP Renewable PPAs | 15.5 | 10.2 | 2.8 | 13.9 |
| **Planning Reserve Margin Requirement** | **(63.7)** | **(61.4)** | **(46.7)** | **(60.4)** |
| PRMR | (63.7) | (61.4) | (46.7) | (60.4) |
| **Project Assets** | **2.0** | **2.0** | **2.0** | **2.0** |
| Landfill Project | 2.0 | 2.0 | 2.0 | 2.0 |

| PY 31/32 Sum | Fall | Win | Spr |
|---|---|---|---|
| **(14.8)** | **(16.8)** | **(3.9)** | **(11.4)** |
| **(14.8)** | **(16.8)** | **(3.9)** | **(11.4)** |
| **46.1** | **41.5** | **37.7** | **39.6** |
| 40.7 | 38.2 | 36.2 | 37.3 |
| 5.4 | 3.3 | 1.5 | 2.3 |
| **(61.7)** | **(59.0)** | **(41.9)** | **(51.2)** |
| (61.7) | (59.0) | (41.9) | (51.2) |
| **0.7** | **0.7** | **0.3** | **0.2** |
| 0.7 | 0.7 | 0.3 | 0.2 |

- Changing MISO Rules are Lowering Capacity for Renewables
- GHBLP is Facing a 16.8MW Deficit Starting in 2030
- Forecasts Project a $2.4M Annual Cost for Capacity Deficit
- Building Cost Approx. 30% Less (Preliminary Estimates)

| PY 31/32 Market Cap MW | Market Cap $'s | Total Cap $'s |
|---|---|---|
| **(16.8)** | **($2,417,396)** | **($4,556,692)** |
| **(16.8)** | **($604,349)** | **($1,176,806)** |
| **(16.8)** | **($604,349)** | **($1,140,382)** |
| **(16.8)** | **($604,349)** | **($1,111,808)** |
| **(16.8)** | **($604,349)** | **($1,127,696)** |

$2.4M = $12 kW/mo

# Community Engagement - Feedback



Surveys



Open Houses



Community Forums



Social Media



Business Meetings



Newsletters



Press Releases

What We Heard:

- 79% of Residents & 90% of Businesses Support a Local Small Natural Gas Plant to Ease Grid Stress and Stabilize Costs
- 84% Rank Reliability as Top Priority Followed by Affordability
- Local Generation was #1 Customer Request During Strategic Planning
- More Renewables was Another Request and This Plant Supplements Renewables

# Strategic Plan Community Engagement

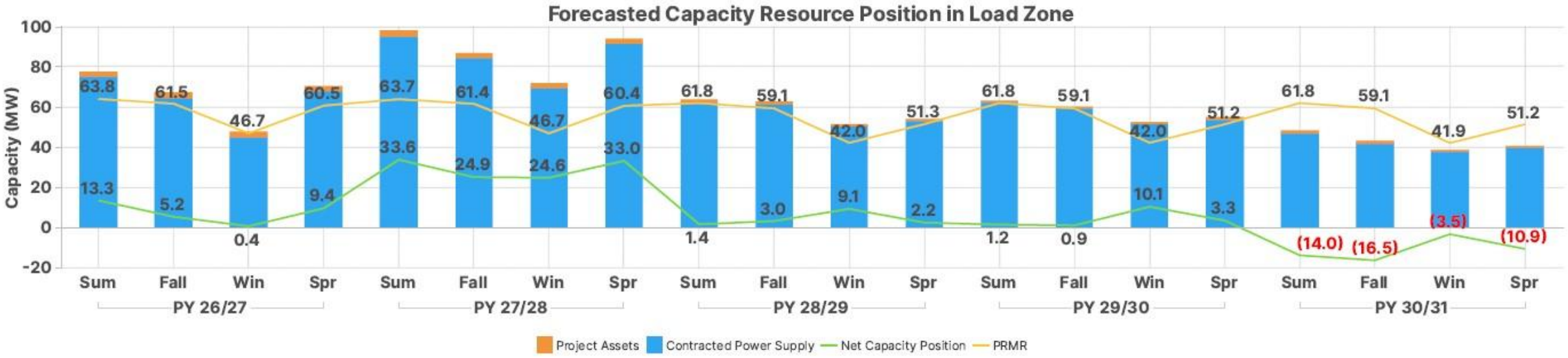
- 10/13/25: Open House, Survey Card Gathering
- 10/19/25 – 2/28/26: Online Strategic Plan Survey
- 01/23/26: Coffee with the General Manager
- 02/05/26: Strategic Planning Community Forum
- 02/10/26: Strategic Planning Community Forum
- 02/27/26: Coffee with the General Manager
- 03/18/26: Business Lunch for key accounts
- 05/07/26: Joint Work Session-BLP & City Council
- 05/18/26: BLP Board Strategic Planning Workshop
- 06/18/26: Draft Strategic Plan Update Presentation
- 07/16/26: Strategic Plan Approval
- Fall 2026: Plugged In – 2027-2031 Strategic Plan







# Capacity Needs




Vendor & Technology Assessment

Economic & Dispatch Modeling

Power Supply Portfolio Analysis

Environmental Studies

Electric System Modeling

Equipment Bidding

Permitting

Construction

# Resource Adequacy Strategic Objective Workplan Overview

- **Phase I (2025): Member Interest & Capability in Projects**
  - Identified **numerous sites** across Member communities with a potential capability to install **over 200 MWs.**

- **Phase 2 (2026): BTMG Projects & Power Supply Portfolio Analysis; BTMG Project Ownership Structure; Member Engagement, Feedback & Direction**

- **Phase 3 (2027): BTMG Projects Approval and Development Implementation**

- **Phase 4 (2028-2030): BTMG Project Development and Commercialization**


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# Battery Due Diligence: Pause, Not a Pass

**Battery Storage Recommendation**

**Temporarily park Battery Storage until the gas genset path is resolved — then relaunch BESS through a separate strategic review that is designed to answer the right questions.**

## Why gas gensets first

*Execution discipline, not technology bias*

- The 30/31 reliability clock makes delivery certainty the immediate priority.
- Gensets have longer-lead delivery and more complex development risks that need attention now.
- First test how much of the ~126 MW accredited capacity target can be served by gas gensets.

## Why BESS needs its own review

*Right structure before right project*

- Compare Build Transfer Agreements, PPAs and tolling/commercial structures.
- Evaluate economies of scale: developers identified 2–3 projects / 25–40 MW aggregate as the sweet spot.
- Further analyze accreditation risk, participant risk allocation, and step-up implications.

## What Members should hear

*BESS remains part of the portfolio*

- MPPA values BESS for portfolio diversification and long-term market operations learning.
- The current pause allows a more thoughtful BESS strategy—not a conclusion that BESS lacks value.
- Pick BESS back up after OEM direction and the MPPA Project framework are clearer.

**DECISION:**

Prioritize the resource with the highest delivery timing risk and accredited capacity now (natural gas).
Preserve BESS as a strategic option for a dedicated procurement and portfolio-design cycle.


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# Grand Haven – Host Community

**Grand Haven's Recommended Next Steps:**

- Further due diligence of a **25 MW facility** located in Grand Haven.
- Included as part of the 150 MW MPPA portfolio.

**Grand Haven's Recommended Off-take of MPPA project:**

- ~22.4 MW off-take from the MPPA Asset Project (~15% entitlement of total MPPA Project)
  - Equivalent to ~18.9 MW of accredited capacity
- Forecasted to meet ~30.6% of Grand Haven's PY 34/35 resource adequacy need.

***Important to Note:***

*This recommendation is **contingent** on the identified **participating Members' acceptance of the overall portfolio of MPPA-Owned resources in all proposed Member communities** and completing final due diligence items (best-and-final project pricing, fuel, distribution, environmental, etc.).*


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# There is no silver bullet to the energy transition.

# It will take an "all of the above" Balanced Approach.

## A Balanced Approach for Effective Utility Management

The BLP is committed to delivering exceptional service to our community through a balanced approach to electric utility management and strategic planning. This approach prioritizes the three pillars of the BLP's mission - like a three-legged stool with the legs representing **Reliability**, **Affordability**, and **Sustainability**.




RESOURCE ADEQUACY IS AN INCREASING CONCERN AND WILL BECOME EVEN MORE CRITICAL OVER TIME.

MAINTAINING A DEGREE OF LOCAL CONTROL CAN HELP PRESERVE AFFORDABILITY IN THE FUTURE.

ENERGY PRICE VOLATILITY MAY PERSIST AS TRADITIONAL BASELOAD GENERATING ASSETS ARE RETIRED.

WHILE INTERMITTENT & EMERGING GENERATION TECHNOLOGIES (SUCH AS STORAGE) ARE IMPORTANT, THERE WILL CONTINUE TO BE A NEED FOR DISPATCHABLE, ON-DEMAND RESOURCES THAT CAN OPERATE RELIABLY THROUGH SEASONAL CONSTRAINTS.

PROACTIVE PLANNING & PRUDENT DECISION-MAKING TODAY ARE ESSENTIAL TO ENSURING OUR COMMUNITY-OWNED UTILITY REMAINS STRONG AND SUSTAINABLE FOR FUTURE GENERATIONS.







# 14600 168th Ave All About Options

- Operations
  - Training Yard / Classroom
  - Project Laydown Area
  - Warehouse Storage
- Resiliency
  - Backup Control Center / Customer Service / IT Functions
- Resource Adequacy / Generation
  - Natural Gas Engines
  - BESS / Solar
  - Future Technologies








## Exterior

- Approx. 200’ x 75’ Footprint
- Single Story Building
- Below FAA Hight Limits
- Sound Deadening Building

# Interior

- 25MW of RICE Units
- 10 – 2.5MW Engines
- Tuned w/ Emission Controls






# BTMG – Approval Roadmap

| Month | Goal | MPPA Action | BLP Action | Council Action | Communication |
|---|---|---|---|---|---|
| August | • Determination of Need | • Presented Power Supply Recommendation | • | • | • Public Meeting - Invite interested parties and local decision makers |
| September | • Project Due Diligence | • Contractor Site Visits<br>• Air Modeling | • Approve Advancement into Due Diligence | • | • Plugged In |
| October | • Project Due Diligence | • Elec System Modeling<br>• Develop Final Project Economics and Project Structure | • Review Approval Roadmap | • | • SEC Meeting<br>• Airport Board Meeting |
| November | • Project Economics and Structure<br>• Project Evaluation | • Compile Final Project Economics and Structure Options | • | • | • |
| December | • Project Agreements | • Present Final Asset Project Recommendation<br>• Develop Project Documents | • Legal Review of Documents<br>• Evaluate Project Economics<br>• Evaluate Ownership/Off Take Structure | • | • Website Page<br>• Plugged In<br>• MailChimp Email |
| January 27 | • Project Review | • Seek Member authorization of non-binding Letter of Intent (LOI) | • Staff, Engineering, Legal, Finance Review<br>• Approve LOI | • | • Press Release on MPPA Recommendation<br>• Community Forum |
| February 27 | • Project Approvals | • Present Project to MPPA Board for Approval | • **Approve Project Documents** | • | • Press Release |
| March 27 | • PA 341 Compliance | • Submit 4 Year Resource Adequacy Plan | • | • | • Plugged In |
| Spring 27 | • Financing<br>• Detailed Design | • Execute EPC Contracts | • **Approve Bonds** | • **Approve Bonds** | • Direct Mailer |
| Summer 27 | • Permitting | • | • | • | • Plugged In |
| Fall 27-29 | • Construction | • | • | • | • Project Updates |
| Fall 29 | • Commissioning | • Begin Asset Operation | • Begin Asset Operation | • | • Ribbon Cutting/Tours |

# Community Solar - Project Overview




Lease Area of Approx. 2 acres (300'x300')

Outside of the Runway Protection Zone (RPZ)

Requires Special Land Use & Wetland Delineation

Require Federal Aviation Administration Review

BLP to clear trees on parcel as cost of lease

Allows for future expansion

Phase I size of 0.3MW

Require 33% subscription rate to move forward




- North-Western Most 300’x300’ is Lease Area
- Includes Wetland or Sensitive Overlay Area
- FAA/MDOT Permit has been Filed
- Project Broken into 1,000 Shares or 300W
- Cost $570 per Share
- Participation Documents are Available
- Sign Up Window June 1 – December 23, 2026
- Construction Early 2027*

# Community Solar Project



# Project Schedule

**Schedule**

- February 2026:
  - ✓ City Council concept approval.
- Spring 2026 – Submit Request for proposals for:
  - ✓ Land clearing
  - ✓ Project development
  - ✓ With costs to construct in 2027.
- Summer 2026:
  - ✓ Develop program documents
  - Solicit panel lease agreements with customers.
- Winter 2026:
  - Final project go/no-go decision December 15, 2026.
- 2027
  - Land Clearing
  - Start Construction
  - Must be online by December 31, 2027 for tax credits

Questions?

