

SUSTAINABILITY REPORT

Fiscal Year 2024



LANSING
BVL
Hometown People. Hometown Power.

A large water tower with a blue and green logo on its top section. The logo features the letters 'BVL' in a stylized font, with 'LANSING' written vertically to the left. Below the logo is the slogan 'Hometown People. Hometown Power.' The tower is set against a clear blue sky.



LANSING BOARD OF
WATER & LIGHT

A blue electric vehicle (EV) with a wrap featuring a landscape of solar panels and wind turbines. The BVL logo and slogan are visible on the side of the car. The car is parked in front of a utility substation with power lines and transformers. A sign on the fence reads 'BVL MOTORPOOL ELECTRIC VEHICLE PARKING ONLY'.

LANSING BOARD OF WATER & LIGHT SUSTAINABILITY REPORT FISCAL YEAR 2024

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2024



LansingBWL



- lbwl.com
- 517-702-6006

message

FROM THE **GENERAL
MANAGER**

I'm excited to share our third annual Corporate Sustainability Report, which highlights our commitment to sustainable growth and the positive impact we have on our community and stakeholders. To be a sustainable utility provider, it's important to balance environmental stewardship, economic growth and community development. To do that, we've continued developing our cleaner energy portfolio and began offering our customers the opportunity to reduce grid stress as a Peak Power Partner - our new demand response program to help customers manage their energy usage and save money on their utility bills.

Over the past fiscal year, we've worked hard to secure new resources provided through the federal government's Inflation Reduction Act, as well as other programs and grants. To meet our customers' current and future needs, we received assistance from federal, state and local entities to support our clean drinking water infrastructure, advance our carbon neutrality goals, and provide low-income assistance and affordability measures to our customers.

BWL has also increased the number of staff and programs to address the changing world around us. I'm proud of the direction we're headed while continuing to be a safe, reliable and affordable utility for our customers.



Richard R. Peffley
BWL General Manager

ABOUT

THIS REPORT

Utilities across the nation are facing great challenges, including aging infrastructure, effects of climate change, population growth or loss, and competing resource priorities within the communities they serve. The Lansing Board of Water & Light is meeting these challenges head-on.

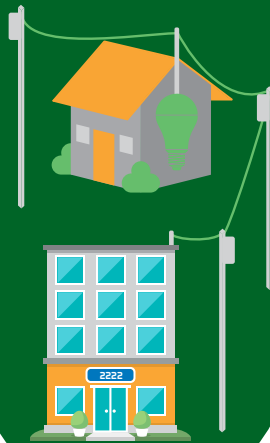
BWL's utility services are critical to providing Mid-Michigan with clean, safe water and affordable, reliable electricity. We're committed to being leaders in our community, sustainably leading the way in pollution prevention, economic development and excellent customer service while simultaneously focusing on long-term sustainability and bringing about meaningful change within BWL and our region.

Unless noted otherwise, the information shared within this report is from Fiscal Year 2024 which spans from July 1, 2023 to June 30, 2024. Some data is only available on a calendar year cycle and is documented as such.

800
Employees



100,000
Electric Customers



58,000
Water Customers



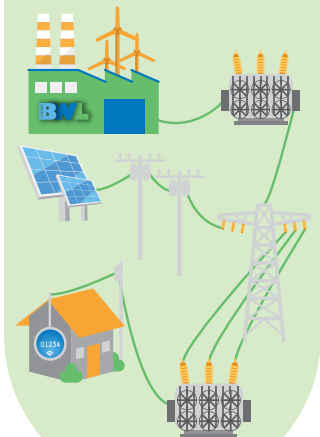
32,000
Streetlights



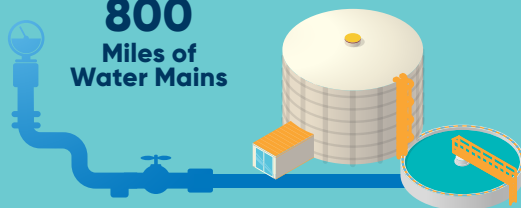
19.2
Million
Gallons
Average
Use Per
Day



3,000
Miles of
Power Lines



800
Miles of
Water Mains



446,000
MWh Total
Renewable
Portfolio



WORKFORCE

It's vital to have the right people in the right places to carry out our Mission to provide safe, affordable and reliable utilities. We trust our employees and value their opinions, which is shown by involving them in recruitment, taking feedback for safety on the job, DEI efforts and more.

Employee Recruitment & Retention



Beginning in July 2023, BWL offered an employee referral program for full-time employees. If the employee referral is offered a position and is successful in the first 12 months of their hire date, the referring employee receives a compensation award. This new incentive program helps in the recruitment and retention of talent at BWL as we continue to grow as an organization. This fiscal year, we started with a new hire retention rate target of 85% and finished the fiscal year exceeding the rate, 87.7%.

Safety



BWL's culture is grounded in safety and is maintained and executed by providing employees with proper tools, education and resources to promote and sustain a safe work environment. From FY23 to FY24, safety incidents decreased and were reported in a timely manner, increasing our ability to resolve issues quickly.

Diversity, Equity and Inclusion



The Diversity, Equity & Inclusion Department's purpose is to cultivate an inclusive work culture that drives employee engagement, supports professional development and positions BWL to best serve the diverse needs of its customers. Through learning opportunities and partnerships with other

departments, values of respect and understanding are embedded in what we do, guiding our interactions within the BWL and in the community.

BWL continues to expand employee learning opportunities, serving as a foundation for a culture of inclusion and respect where diverse perspectives drive success. We celebrate diversity through monthly topics that promote inclusion and encourage engagement, and events like our annual Veterans Day celebration in honor of employees who served in the U.S. Armed Forces and the employee Ethnic Taste Fest, where we celebrate cultural cuisine while raising funds for Pennies for Power - a BWL program that supports families who are struggling to pay their bills.

1st STEP



BWL celebrated the graduation of 14 students from the 1st STEP or School to Training and Employment Program. This program provides high school seniors a paid work-based learning experience and opportunity to gain valuable skills to enter the workforce prior to their graduation. Students who complete the program receive a \$2,000 scholarship to use at any Michigan college.



Internships & Fellowships



From May to August, BWL welcomed 28 interns in a variety of fields, including Engineering, Carbon Neutrality and more. In their first days as BWL employees, interns are paired up with a mentor and work through the summer gaining experience in their respective fields, while also developing their professional skills.

Similarly, BWL held two fellowships this year. The Department of Energy Fellowship provided a postgraduate employee to BWL's carbon neutrality team in partnership with a cohort of many different organizations across the United States. The MiHealthy Climate Fellowship was held in collaboration with the Community Economic Development Association of Michigan and the State Department of Environment, Great Lakes, and Energy. This position was hosted under Strategic Planning and Development and supported tasks related to general sustainability, climate risk and Environmental Justice.



Scan Here

The Lansing Board of Water & Light is a community employer of choice with a small company feel. Employees truly believe in the company mission and excellence in customer service – whether the customer is the public or coworkers serving in another department. If you or someone you know is interested in a career at BWL, visit lbwl.com/currentopenings.

COMMUNITY EVENTS

BWL staff are committed to serving their community as shown through thousands of hours of volunteering each year.



The 30th anniversary of Adopt A River was a tremendous success – with plenty of volunteers attending to clean up the waterways in the Greater Lansing area. We're so proud to keep the community we serve as clean and beautiful as possible.



This was our 14th year hosting the BWL Hometown Power 5K, and it was another successful race! We had over 300 participants run and walk, with over 20 volunteers. The 5K raised money and awareness for the McLaren Greater Lansing Foundation.



We celebrated the 13th annual BWL/IBEW Local 352 Golf 4 Charity Outing at Eagle Eye and Hawk Hollow golf courses. The event raised over \$40,000 donated to Heroes Haven, the Boys and Girls Club of Lansing and BWL's Pennies for Power.



BWL was the presenting sponsor again for the 39th annual Silver Bells in the City in downtown Lansing. The Electric Light Parade was followed by another epic drone show and tree lighting. Our line and tree trimming crews decorated the capital tree with over 6,000 lights.





An ice cream social was held this year to promote donating to the United Way campaign! The campaign raised over \$20,000 not including the pledges that were made throughout the BWL during the month of November.



BWL's Veterans Day Celebration Breakfast this year included the Military Makeover: Operation Career on the Lifetime cable network hosted by Montel Williams filming and interviewing two of BWL's veterans, Joen Turner, Lifecycle Administrator and Tom Bayle, Manager of Electric T&D. BWL takes great pride in remembering and celebrating all who have served.



BWL is committed to helping our customers, and why we've hosted ten Community Resource Fairs throughout Lansing since 2021 to connect customers with assistance from non-profits like the Greater Lansing Food Bank to the Michigan Department of Health and Human Services. We also made the decision to opt-in to Public Act 95 (PA 95) which allows our customers to receive access to more utility assistance funding throughout the crisis season. Customers will now see a small static charge of less than \$1 on their bill labeled Low-Income Energy Assistance Fund (LIEAF). For more information, visit lbwl.com/shutoffprotection.



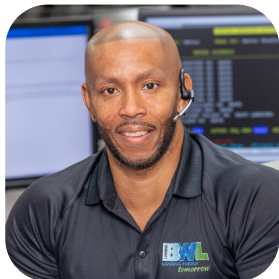
Giving Back



ORGANIZATIONAL DEVELOPMENT

We're always looking for ways to increase efficiency and improve processes.

Customer Operations



- Created and updated approximately 95 procedures, including both end-user and technical guidelines, to enhance work efficiency, save time and conserve resources.
- Implemented a portal system allowing third-party access to real-time data for energy assistance programs, which significantly reduces lag time (typically a 10-day process) and allows agencies to help reduce the number of service shut-offs.

Employee Retention



- Based on a 12-month rolling average, total employee retention for the year was 94% and includes 1.86% due to retirements.
- Added 100 full-time employees across BWL in 2023, which was important to building capacity across the organization.

Project Engineering



- Adopted the practice of standardizing capital project estimations using the Association for the Advancement of Cost Engineering (AACE) classification system for accurate and reliable financial forecasts to support decision-making and cost control.

Supply Chain



- Enhanced efficiency and created a safer work environment by instituting LEAN principles and implementing Gemba and 6S methodologies to achieve operational excellence. This creates a more orderly workplace, minimizes waste and standardizes inspections.

Accounting & Finance



- Completed a 20-year forecast to align financial resources with long-term goals and capital investments, and encouraged planning for sustainable growth. In addition, completed the FY25-30 budget, a 6-year forecast providing insights that are easier to translate into actionable, short-term goals.
- Completed a 2-year rate strategy that included balancing customer affordability, regulatory compliance, competitiveness and the need for the company to maintain financial sustainability while supporting long-term infrastructure and service investments.

Work Management



- Partnered with the IT data management team to make improvements that allow for greater resource forecasting by better determining available crew hours so staff are assigned at the right place and right time.

CUSTOMER SERVICE



BWL remains dedicated to customer convenience by offering many options to pay your bill and we can quickly help with your needs.

- We exceeded our goal to answer every call in under 90 seconds with an average of 54 seconds, a significant improvement over last year's 281 seconds.
- Haco Customer Service Center assisted 37,238 customers during fiscal year 2024, a 349% increase over the previous year of 8,285 customers.
- Kiosks located within six Quality Dairy locations increased revenue over the fiscal year by 119%.



Online



Phone



Mail



Dropbox



Drive-thru
Fee-Free
Kiosks



Quality Dairy
Fee-Free
Kiosks



In-Person

Ways to Pay Your Bill [lbwl.com/paybill](https://www.lbw.com/paybill)

AWARDS & RECOGNITIONS

The BWL strives to be a leader in the utility industry, and we celebrate those who have aided in accomplishments and awards from this past year.



American Public Power Association (APPA) "Smart Energy Provider"

The BWL was designated as a Smart Energy Provider by the American Public Power Association (APPA) for its commitment to smart energy practices. The award highlights how BWL provides its customers choices in their energy use, is mindful of the environment and considers sustainability in its energy choices, and providing top-notch customer service.



American Public Power Association (APPA) "Excellence in Public Power Communications"

The American Public Power Association gave BWL an award of merit in Public Power Communications for its 2022 Corporate Sustainability Report.



Central Michigan Public Relations Society of America (CMPRSA)

The CMPRSA gave BWL an Award of Excellence in the category of Crisis Communications on the August 2023 Storm: Turning the Lights Back On.



Telly Awards

BWL received a Silver Telly Awards in the Local TV General-Utilities category for the "Paid My Bill" commercial that aired in 2023.



ENERGY STAR®

BWL received an excellence award for implementing a multifaceted marketing campaign and an educational program to limited-income schools in its service territory, both emphasizing the benefits of ENERGY STAR® products and incentives.



Champion for Registered Apprenticeship Program

In partnership with the U.S. Department of Labor, the MI Department of Labor & Economic Opportunity and the State Apprenticeship Expansion Team recognized BWL as a Champion for leadership in developing a training model for its Registered Apprenticeship Program.

GRANT FUNDING

BWL actively collaborates with stakeholders to pursue grant funding to support programs and projects that further our mission, vision and values. During the last fiscal year, BWL was awarded five grants totaling \$33,925,000, contributing to the support of \$99,925,000 worth of projects.

TECHNOLOGY

Peak Power Partner Program

BWL launched Peak Power Partner - a smart thermostat demand response program. This program helps manage energy use during periods of high energy demand by reducing energy use for short periods, typically in the summer when temperatures are high. Residential electric customers who participate receive a \$50 gift card upon enrollment and a \$25 gift card at the end of each year if they opt-in to at least 50% of yearly energy events.



To become a partner, you must:

- Be a BWL residential electric customer in good standing.
- Have an eligible Wi-Fi-enabled smart thermostat.
- Have an always-ON and stable home Wi-Fi network.
- Have a central A/C connected to your smart thermostat(s).

Electrification Program

BWL also expanded on its goal of achieving carbon neutrality by offering customers rebates and educational resources for choosing electric options instead of fossil fuel-powered appliances. Residential customers can qualify by purchasing electric-powered equipment such as lawn tools, induction cooktops and e-bikes. BWL also offers rebates to commercial customers for electric forklifts and electric lawn equipment.



ENVIRONMENTAL JUSTICE

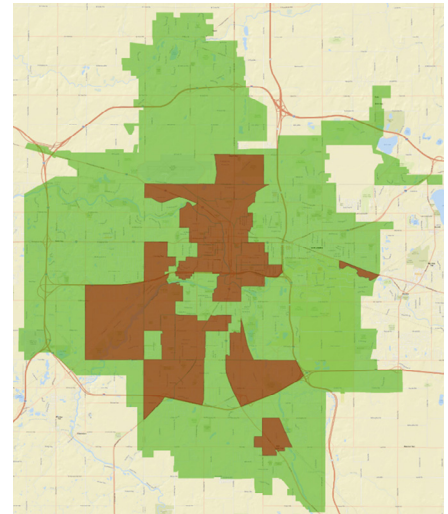
Environmental Justice is the equitable and fair treatment of individuals in environmental, social and economic factors, especially in regards to race, sexuality, income and disability. This past year, we took multiple steps to integrate Environmental Justice as a guide for decision-making.

The Greater Lansing region represents a broad and diverse group of people who have experienced significant differences in their lives, all of whom deserve equal access to reliable utilities.

BWL values equity and is committed to finding ways to address issues threatening those who are most vulnerable in our communities.

We're leveraging new tools offered by the federal and state government that use census data and mapping capabilities to show statistics related to environmental and wellness concerns. The information includes key issues such as homeownership, unemployment, health disparities and higher energy burdens.

The next step will be to assess how we can maximize federal infrastructure funding, especially within disadvantaged areas, to further our clean energy goals and address the needs of our community.



■ BWL Service Territory
■ Disadvantaged Area

LAND MANAGEMENT

One of Michigan's most important natural resources are our wetlands - transitional areas where land and water meet. These natural resources are not only important for local recreation, but also serve critical environmental purposes, including hosting unique habitats for endangered wildlife, helping to prevent flooding by storing excess rainwater and runoff, controlling water pollution and serving as natural filters for improving surface water quality. Due to their rarity and natural benefits for both people and the environment, wetlands are some of the most protected and important ecosystems.

Wetlands are found on some sites BWL owns and operates, including where multiple transmission and distribution lines are located throughout our service territory. As environmental stewards of Greater Lansing, the BWL is committed to preserving these important land resources. Some examples of steps BWL has taken to protect its onsite and nearby wetlands include:

- Identifying potential wetlands on new renewable energy development project sites.

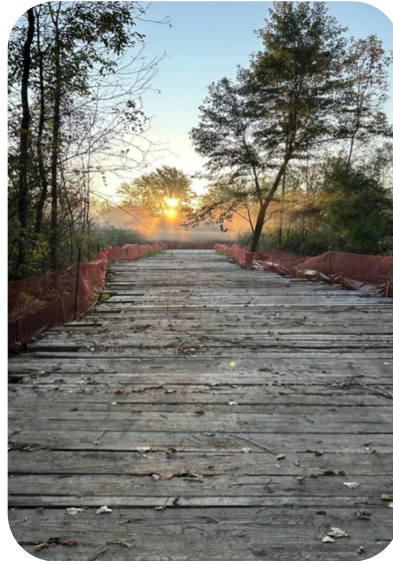


- Evaluating potential impacts to wetlands identified on BWL properties.
- Implementing a variety of mitigation measures during construction projects to reduce impacts on and protect nearby wetlands.
- Redesigning infrastructure to avoid and protect wetlands.
- Creating and maintaining community green spaces such as Lake Delta near Erickson Station.

BWL is committed to preserving and protecting these natural resources for their shared use and continued benefits.



Swamp shoes were installed on transmission poles through wetlands to provide power to McLaren Greater Lansing Hospital.



Temporary timber matting was installed to distribute the weight of heavy drill rigs to prevent damage to wetland soils during monitoring well installation at Erickson Station.



A wash station was installed for construction vehicles to remove invasive species before entering the wetland area.

CO2 EMISSIONS

The impact of closing BWL's coal-fired Erickson Power Station is clearly reflected in the significant reduction of greenhouse gas emissions. Carbon intensity, or how much carbon dioxide is emitted per MWh of energy produced, is used to track our carbon goals. From calendar year 2022 to 2023, the carbon intensity for electric customers fell from 1,474.2 CO2 lb/MWh to 1,032.16 lb/MWh, almost a 30% reduction.

Name	Fuel	Nameplate Capacity (MW)	Annual Energy (MWh)
REO Town	Gas	119.7	475,671
Delta Energy Park	Gas	260.3	856,039
Belle River*	Coal	154	633,049
Beebe 1b	Wind	19.2	48,574
Pegasus	Wind	68	193,033
Delta Solar I & II	Solar	24	38,758
Assembly Solar I & II	Solar	80	152,584
Calhoun Solar Energy Center	Solar	10	13,462
Totals		735.2	2,411,169

* Converting to Natural Gas 2028

WATER QUALITY

BWL's 26th Annual Water Quality Report was issued on April 1, 2024. The Customer Confidence Report is required by the federal and state Safe Drinking Water Acts (SDWA) and can be accessed online using the QR code. This report discusses the source of our tap water, results of tests regularly conducted to ensure water quality, and additional information customers may wish to know about their drinking water.



BWL Water Quality Report

Water Operations

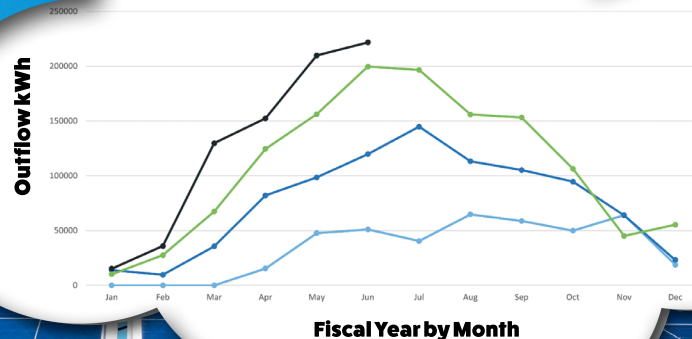
BWL continues to work hard to maintain and improve the systems required to deliver safe, reliable and affordable drinking water. We laid a total of 9,575 feet of water main in FY24, including 1,849 feet on Millwood/Hughes Road, 5,298 feet on Vernon/Glendale Road, 739 feet for the Wise Road substation, 949 feet on Kendon Road and 740 feet on Greenlawn Road. These projects, which were completed on time and on budget, were a priority to continue replacing aging infrastructure and ramping up to BWL's goal of eight miles of water main replacement per year.



SOLAR

BWL added 72 new solar customers this year, increasing the total from 300 to 372. These 72 customers added 494.43 kW of behind-the-meter distributed energy resources to our electric system. Throughout FY24, BWL received over 1,400 MWh from customers enrolled in either net metering or distributed generation, and even more renewable energy was created and consumed on-site by customers before reaching our grid. BWL also improved the Distributed Generation Rate for customer-owned solar. The new rate, which took effect on October 1, 2024, will be on average 30% higher than FY23, and will be leveled so customers have an easier time predicting the benefit they receive from their solar system.

kWh Returned to BWL (Outflow) by Month



ENERGY WASTE REDUCTION



BWL’s Hometown Energy Savers® program provides residential and business electric customers with services and rebates to help lower their energy use and save money. Specifically, Hometown Energy Savers® assists our customers through appliance recycling programs, by encouraging the purchase of energy efficient products through rebates, and programming geared to help income-qualified customers. Evaluated on a calendar year basis, BWL assisted customers in increasing kWh savings by over 20% in 2023 from the previous year.

Programs	2022 kWh Saved	2023 kWh Saved
Low Income	462,247	487,773
Residential	5,160,834	6,401,830
Business	18,237,832	23,670,804
Total Portfolio	23,860,913	30,560,407

HOME ENERGY VISIT

The Home Energy Visit program assists income-eligible households with improvements to the efficiency and comfort of their homes. At no cost to the customer, BWL energy experts provide an in-home energy assessment, install energy efficiency products and provide information on ways to save energy. In 2023, BWL began offering free in-home energy assessments, including the installation of high-efficiency products, to all residential electric customers, regardless of income.





BWL Office Waste Diversion Rates

The BWL is a large employer with many facilities across Mid-Michigan. As part of our commitment to be better stewards of our environment, and in partnership with other local businesses, we offer many opportunities for staff to divert landfill waste through our recycling and composting programs.

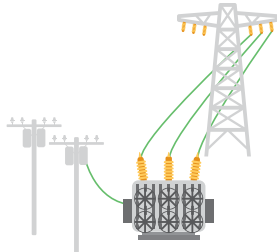


In 2023, BWL facilities recycled 112,629 pounds of materials, including cardboard, newspaper, mixed paper, plastic, glass and metal.

Together, we have contributed to:



957 trees saved



230,889 kWh of electricity conserved



3,379 pounds of air pollution eliminated



394,202 gallons of water preserved



188 cubic yards of landfill space preserved

LANSING **BWL**



Peregrine Falcon Project

Since 2004, the BWL has been home to Peregrine falcons, supporting nesting boxes located high above the ground at our Eckert and Erickson Power Stations.

In 2024 at the BWL Eckert Power Station nest, four eyasses were born to an unbanded male, Newman, and banded female, Millie. Millie and Newman had their first clutch at Eckert in 2023. At the BWL Erickson Power Station nest, four eyasses hatched to banded male, Eckert, and unbanded female, Ericka. Unnamed at his banding day in 2009, Eckert picked up his name when he landed in BWL's Eckert nest in 2012. In 2022, he returned to the Erickson nesting site with Ericka.

Active incubation for the falcons starts after the second egg is laid and takes 30-35 days to hatch. Every year, the Michigan Department of Natural Resources conducts a "banding day" where the chicks are banded and named. To date, the nests at BWL have had over 80 eggs laid and 60 have successfully fledged the nest.

The peregrine falcon was removed from critical on Michigan's endangered species list and are now classified as "threatened," and therefore 2024 marks BWL's final year of banding. We're proud to have contributed in one small way to helping its population thrive.

For more information about Peregrine falcons and to see our webcam, visit lbwl.com/falconcam.





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