

**A REGULAR MEETING**

Of The

**TRAVERSE CITY LIGHT AND POWER BOARD**

Will Be Held On

**TUESDAY, June 14, 2011**

At

**5:15 p.m.**

In The

**COMMISSION CHAMBERS**  
(2<sup>nd</sup> floor, Governmental Center)  
400 Boardman Avenue

Traverse City Light and Power will provide necessary reasonable auxiliary aids and services, such as signers for the hearing impaired and audio tapes of printed materials being considered at the meeting, to individuals with disabilities at the meeting/hearing upon notice to Traverse City Light and Power. Individuals with disabilities requiring auxiliary aids or services should contact the Light and Power Department by writing or calling the following.

Stephanie Tvardek,  
Administrative Assistant  
1131 Hastings Street  
Traverse City, MI 49686  
(231) 932-4543

Traverse City Light and Power  
1131 Hastings Street  
Traverse City, MI 49686  
(231) 922-4940

Posting Date: 6-10-11  
4:00 p.m.

## AGENDA

### **Pledge of Allegiance**

#### **1. Roll Call**

Introduction of Tom Olney, Operations Manager. (Rice)

#### **2. Consent Calendar**

*The purpose of the consent calendar is to expedite business by grouping non-controversial items together to be dealt with by one Board motion without discussion. Any member of the Board, staff or the public may ask that any item on the consent calendar be removed therefrom and placed elsewhere on the agenda for full discussion. Such requests will be automatically respected. If an item is not removed from the consent calendar, the action noted in parentheses on the agenda is approved by a single Board action adopting the consent calendar.*

- a. Consideration of approving minutes of the Special Meeting and Closed Session of May 3, Study Session of May 5 and the Regular Meeting of May 10, 2011.
- b. Consideration of approving the 2011-12 Insurance Renewal. (Arends)

#### **3. Old Business**

- a. 2011- 2012 Operating Budget. (Rice)

#### **4. New Business**

- a. Consideration of approving a Rate Stabilization Resolution. (Rice)

#### **5. Appointments**

None.

#### **6. Reports and Communications**

- a. From Legal Counsel.
- b. From Staff.
  1. Update re: Renewable Energy Plan filing. (Feahr)
- c. From Board.

#### **7. Public Comment**

/st

**TRAVERSE CITY  
LIGHT AND POWER BOARD**

Minutes of Light and Power Board Special Meeting  
Held at 5:15 p.m., Committee Room, Governmental Center  
Tuesday, May 3, 2011

**LIGHT AND POWER BOARD MEMBERS -**

Present: Jim Carruthers, Michael Estes, Ralph Soffredine, John Taylor,  
Linda Johnson, Mike Coco

Absent: John Snodgrass

**EX OFFICIO MEMBER -**

Present: Ben Bifoss, City Manager

**OTHERS:** Ed Rice, Tim Arends, Stephanie Tvardek, Jim Cooper, Glen Dine,  
Karen Feahr

The meeting was called to order at 5:15 p.m. by Chairman Coco.

**1. Consideration of entering into closed session to discuss system operations.**

Moved by Johnson, seconded by Soffredine, that the Traverse City Light & Power Board go into closed session immediately after Public Comment to discuss system operations.

CARRIED unanimously. (Snodgrass absent)

**2. Public Comment**

No one from the public commented.

Meeting adjourned at 5:25 p.m.

/st

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Edward E. Rice, Secretary  
LIGHT AND POWER BOARD

**TRAVERSE CITY  
LIGHT AND POWER BOARD**

Minutes of Light and Power Board Study Session  
Held at 5:30 p.m., Light & Power Service Center  
Thursday, May 5, 2011

**LIGHT AND POWER BOARD MEMBERS -**

Present: Michael Estes, John Snodgrass (arrived 5:35 p.m.), Ralph Soffredine, John Taylor, Linda Johnson, Mike Coco

Absent: Jim Carruthers

**EX OFFICIO MEMBER -**

Absent: Ben Bifoss, City Manager

**OTHERS:** Ed Rice, Tim Arends, Stephanie Tvardek, Jim Cooper, Glen Dine, Karen Fehrer

The meeting was called to order at 5:30 p.m. by Chairman Coco.

Member Snodgrass arrived at 5:35 p.m.

**1. Discussion of the major Capital Improvement Plan projects.**

Staff presented a 10 year history of Capital Improvements as requested by the Board. It was the Board consensus to defer that conversation to a future regular meeting. After further discussion, the Board decided to not review the current Capital Improvement Plan in detail. There was general discussion regarding local generation.

**2. Board revenue and expense discussion.**

The Board discussed the increased cost of generation and its impact on customers through the cost of the Power Cost Recovery; and further discussed options of leveraging the utility's fund balance to off-set those impacts. Staff requested each Board Member submit their plan for accomplishing this off-set; staff will present the various options and its financial impact at a future Board meeting.

**3. Public Comment**

No one from the public commented.

Meeting adjourned at 8:01 p.m.

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Edward E. Rice, Secretary  
LIGHT AND POWER BOARD

/st

**TRAVERSE CITY  
LIGHT AND POWER BOARD**

Minutes of Regular Meeting  
Held at 5:15 p.m., Commission Chambers, Governmental Center  
Tuesday, May 10, 2011

**Board Members -**

Present: Jim Carruthers, John Snodgrass, Ralph Soffredine, John Taylor, Linda Johnson (arrived 5:53 p.m.), Mike Coco

Absent: Michael Estes

**Ex Officio Member -**

Present: R. Ben Bifoss

**Others:** Ed Rice, Tim Arends, Stephanie Tvardek, Jim Cooper, Jessica Wheaton

The meeting was called to order at 5:15 p.m. by Chairman Coco.

**Item 2 on the Agenda being Consent Calendar**

Moved by Taylor, seconded by Carruthers, that the following actions, as recommended on the Consent Calendar portion of the Agenda, be approved:

- a. Minutes of the Regular Meeting and Closed Session of April 26, 2011 be approved.

CARRIED unanimously. (Estes, Johnson absent)

Moved by Taylor, seconded by Snodgrass, that a staff report regarding the Bay Street Undergrounding Project be added to the agenda under Reports and Communications item 6(b)5 as recommended by Chairman Coco.

CARRIED unanimously. (Estes, Johnson absent)

**Item 3 on the Agenda being Old Business**

None.

**Item 4 on the Agenda being New Business**

None.

**Item 5 on the Agenda being Appointments**

- a. Consideration of appointment of an Ad Hoc Committee for the annual Executive Director Review.

Chairman Coco appointed himself, Member Johnson and Member Taylor to the Ad Hoc Committee for the annual Executive Director Review with the consensus of the Board.

**Item 5 on the Agenda being Reports and Communications**

A. From Legal Counsel.

None.

B. From Staff.

1. Jim Cooper spoke re: the 2010 Annual Report for Public Act 295.

Vice Chair Johnson arrived at 5:53 p.m.

2. Ed Rice spoke re: the piece on Power Cost Recovery in the next monthly bill insert.
3. Ed Rice gave a verbal update re: the South Substation real property purchase option.
4. Ed Rice spoke re: the 10 year history of Capital Expenditures.
5. Ed Rice gave a verbal update re: the Bay Street Undergrounding Project.

C. From Board.

1. John Taylor announced he would be speaking at the NMEAC Board Meeting scheduled for tonight re: the importance of communication and marketing to a utility company as it relates to energy efficiency.

**Item 6 on the Agenda being Public Comment**

No one from the public commented.

There being no objection, Chairman Coco declared the meeting adjourned at 6:23 p.m.

/st

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Edward E. Rice, Secretary  
LIGHT AND POWER BOARD



**TRAVERSE CITY  
LIGHT & POWER**

**To:** Light and Power Board  
**From:** Tim Arends, Controller *MA*  
**Date:** June 9, 2011  
**Subject:** 2011-12 Insurance Renewal

The Michigan Municipal League (MML) has submitted its proposal for liability and property insurance for fiscal year 2011-12 in the amount of \$61,214. Attached is an Executive Overview from MML describing their company, the insurance process, and a list of benefits of pooling with MML.

The insurance cost for L&P has decreased over each of the past five years.

2007-08 - \$120,698  
2008-09 - \$102,605  
2009-10 - \$ 75,564  
2010-11 - \$ 69,781  
2011-12 - \$ 61,214

As reported by MML, the main reason for the decrease is that Light & Power and the City are benefiting from a lower experience factor due to its favorable claim history.

This item is on the consent calendar as it is deemed non-controversial. Staff recommends that the Board accept this proposal and authorize payment to MML for the 2011-12 property & liability insurance premium. Approval of this item on the consent calendar means you agree with staff's recommendation.

If removed from the consent calendar it should be placed as a New Business item. If after Board discussion you agree with staff's recommendation the following motion would be appropriate:

**MOVED BY \_\_\_\_\_, SECONDED BY \_\_\_\_\_,**

**THAT THE LIGHT AND POWER BOARD APPROVE PAYMENT TO THE MICHIGAN MUNICIPAL LEAGUE LIABILITY AND PROPERTY POOL IN THE AMOUNT OF \$61,214 FOR FISCAL YEAR 2011-12 LIABILITY AND PROPERTY INSURANCE.**



# michigan municipal league

## liability and property pool

May 20, 2011

Mr. Timothy Arends, Controller  
**Traverse City Light & Power**

Re: Light and Power Renewal Premium for 2011-2012.

Your renewal premium represents a decrease of approximately 12.27%. Below is your premium breakdown by Line of Insurance Coverage.

Over all, Light & Power's premium decreased \$8,567 due to the Pool rates being reduced for the City of Traverse City and Traverse City Light & Power.

Line of Coverage	2010/2011 Premium	2011/2012 Premium	2010/2011 Deductible	2011/2012 Deductible
General Liability	\$8,508	\$8,977	\$0	\$0
Errors & Omissions	\$27,988	\$19,843	\$0	\$0
Property	\$20,487	\$19,795	\$5,000	\$5,000
Inland Marine – Mobile Station	\$316	\$301	\$1,000	\$1,000
Excess Liability 1 mm x 1 mm	\$6,155	\$5,932	N/A	N/A
Excess Liability 3 mm x 2 mm	\$6,327	\$6,366		
<b>Total</b>	<b>\$69,781</b>	<b>\$61,214</b>		

The Michigan Municipal League Liability and Property Pool appreciates your 26 years of membership and we are committed to providing you with the best comprehensive coverage and service.

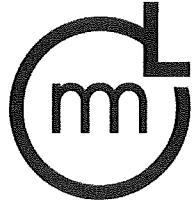
Sincerely,

Connie M. Monson  
MML Account Executive

Service Provider: Meadowbrook® Insurance Group

Loss Control & Member Services: P.O. Box 2054, Southfield, MI 48037; (248) 204-6123; (800) 482-0626; Fax (248) 358-1614  
Southfield Claims Service: P.O. Box 5174, Southfield, MI 48086-5174; (248) 204-6123; (800) 482-0626; Fax (248) 358-3251  
Grand Rapids Claims: 3501 Lake Eastbrook S.E., Suite 150, Grand Rapids, MI 49546-5939; (616) 942-0311; (800) 752-7477; Fax (616) 942-0390  
[www.mml.org](http://www.mml.org)





michigan municipal league

# Liability & Property Pool

Proposal

For

The

City of Traverse City

Presented By:

Connie M. Monson  
Meadowbrook® Insurance Group, Service Provider  
877-370-8892

May 20, 2011

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*This proposal is intended to be only a summary of coverages and services. For specific details on coverage terms and conditions, please refer to the Michigan Municipal League Liability and Property Pool coverage document.*

# Executive Overview

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The Michigan Municipal League Liability and Property Pool is administered by the Risk Management staff of the Michigan Municipal League, and serviced by Meadowbrook Insurance Group. Since 1982, the Pool has been a stable source of comprehensive municipal insurance and risk management services. It is financially secure and positioned for long-term stability.

The **City of Traverse City** has been a Pool member since **July 1, 1985**.

The League administrative staff and the dedicated Pool staff at Meadowbrook Insurance Group are municipal insurance experts. Municipal risk management is our only business, and we're proud of it!

The Pool provides insurance coverage designed specifically for Michigan municipal exposures, combined with a package of loss control programs, claims administration, legal defense and membership services that you won't find anywhere else in Michigan.

This quotation is based on the limits of coverage requested by the **City of Traverse City**. Higher limits may be available, subject to underwriting review by Pool Management. Please submit requests for higher limits in writing to your Account Executive. Your request will be considered by Pool Management.

The insurance and related services described more fully in this proposal are being offered to the **City of Traverse City** for an annual premium of **\$333,060**.  
**Traverse City Light & Power** for an annual premium of **\$61,214**.  
**Total combined annual premium \$394,274.**

**\* OPTIONAL QUOTE: Sewer & Drain Backup Liability**  
**\$34,401 additional premium for \$100,000 annual aggregate sublimit.**

We encourage you to compare the Pool with our competition. Compare us based on price, coverage, service, financial security, experience and commitment to municipal risk management. When you do, the advantages of Pool membership become clear.

Thank you for being a Pool member. We look forward to servicing your risk management program for many years to come.

## **Our Mission**

**To be a long-term, stable, cost-effective risk management alternative for members of the Michigan Municipal League Liability and Property Pool.**

# Introduction

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## ***What You Can Expect Of Us***

- ✓ A commitment to learn, understand and respond to your insurance needs;
- ✓ Continuous planning and innovation in product development and service delivery;
- ✓ Products that meet your needs in terms of price, coverage and service;
- ✓ Prompt, accurate, and courteous response to your questions, problems and claims; and
- ✓ Knowledgeable and professional staff serving your needs consistently and with integrity.

## ***Your Pool Insures More Than . . .***

- |                                |                                    |
|--------------------------------|------------------------------------|
| ✓ 400 Public Entity Members    | ✓ 197 Law Enforcement Agencies     |
| ✓ 17,685 Employees             | ✓ 22 Electric Utilities            |
| ✓ 2,550 Elected Officials      | ✓ 26 Municipal Marinas             |
| ✓ 110 Fire Departments         | ✓ 4,340 Miles of Streets/Roads     |
| ✓ 7,200 Vehicles               | ✓ \$3.1 Billion of Property Values |
| ✓ 200 Water Service Operations | ✓ 175 Sewer Operations             |



## Coverage and Cost Summary City Of Traverse City

Effective 07-01-2011 to 07-01-2012

Coverages	Limit of Liability	Aggregate Limit	Per Occurrence Deductible
Municipal General Liability (Coverage A)	\$5,000,000	N/A	\$0
Sewer Back-Up Sublimit	No Coverage	N/A	N/A
Personal Injury Liability (Coverage B)	\$5,000,000	N/A	\$0
Medical Payments (Coverage C)	\$10,000	N/A	N/A
Public Officials Liability (Coverage D)	\$5,000,000	N/A	\$0
Law Enforcement Liability (Coverages A, B, and D)	\$5,000,000	N/A	\$0
Employee Benefit Liability	\$1,000,000	\$1,000,000	\$0
Fire Legal Liability	\$100,000	N/A	N/A
Dam Liability	No Coverage	N/A	N/A
Marina Operator Liability	No Coverage	N/A	N/A
Additional Interest	\$5,000,000	N/A	\$0
Automobile Liability (Coverages A and B)	\$5,000,000	N/A	\$0

# Vehicles	Comp	Coll
133	\$500	\$1,000

Agreed Amount, if applicable 5 Vehicles for a total of \$2,555,693

*Coverages A, B, and D are provided with a combined single limit of liability. The most the Pool will pay for any one occurrence is \$5,000,000 regardless of the number of coverages involved in the occurrence.*

### Property

Property - Blanket Basis	\$132,168,180	N/A	\$5,000
Boiler and Machinery	Included	N/A	\$5,000
Building(s)	Included	N/A	\$5,000
Contents	Included	N/A	\$5,000
Property in the Open	Included	N/A	\$5,000
Protection & Preservation	Included	N/A	N/A
Property - Limited Replacement Cost, if applicable	\$0	N/A	\$0
Accounts Receivable	\$100,000	N/A	\$1,000
Channel 99 television broadcasting equipment	\$44,340	N/A	\$1,000
Commission Chambers presentation equipment	\$16,968	N/A	\$1,000
Consequential Damage	\$100,000	N/A	N/A
Contractor's Equipment	\$3,100,000	N/A	\$1,000
Debris Removal - the lesser of 25% of physical damage loss or	\$5,000,000	\$5,000,000	N/A
Demolition & Increased Costs of Construction Limit	\$100,000	N/A	N/A
Earthquake	\$2,000,000	\$2,000,000	\$5,000



## Coverage and Cost Summary City Of Traverse City

Effective 07-01-2011 to 07-01-2012

Coverages	Limit of Liability	Aggregate Limit	Per Occurrence Deductible
Electronic Data Processing Equip	\$557,916	N/A	\$1,000
Expediting Expense	\$100,000	N/A	N/A
Extra Expense	\$400,000	N/A	N/A
Fine Arts	\$1,050,000	N/A	\$1,000
Fire Equipment	\$1,632,000	N/A	\$1,000
Flood (Except for Members located in Flood Zone A, AO, AH, A1-A999, AE, or AR)	\$1,000,000	\$1,000,000	\$5,000
Loss of Income	\$100,000	N/A	N/A
Loss of Rents	\$100,000	N/A	N/A
Mobile Station (Light & Power)	\$375,708	N/A	\$1,000
Ornamental Trees, Shrubs, Plants or Lawn	\$5,000	\$10,000	\$1,000
Personal Effects & Property of Others	\$500	\$2,500	\$1,000
Valuable Papers	\$125,000	N/A	\$1,000
Voting Equipment	\$119,885	N/A	\$1,000
Zoo Train Floater	\$110,408	N/A	\$1,000
<b>Comprehensive Crime Coverage</b>			
Employee Dishonesty Blanket/Faithful Performance	\$100,000	N/A	N/A
Depositors Forgery	\$100,000	N/A	N/A
Money and Securities Inside	\$100,000	N/A	N/A
Money and Securities Outside	\$100,000	N/A	N/A
Money Orders and Counterfeit Paper	\$100,000	N/A	N/A
<b>Bonds</b>			
Bond #: A Treasurer	\$250,000	N/A	N/A
Bond #: B Deputy Treasurer	\$100,000	N/A	N/A
Bond #: C Cashier Clerk #1	\$100,000	N/A	N/A
Bond #: D Cashier Clerk #2	\$100,000	N/A	N/A

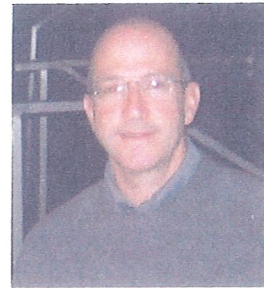
*Only one deductible applies to claims involving two or more property coverages.*

The Michigan Municipal League Liability and Property Pool is pleased to offer all coverages and services described in this proposal for an annual premium of \$394,274.

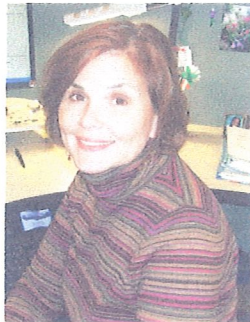
## ***Your Team of Experts***



**Connie Monson**  
Municipal Account Executive  
231- 276-6499



**Michael J. Forster**  
Pool Administrator  
(734) 669-6340



**Ellen Skender**  
248-204-8582

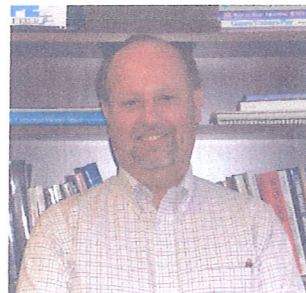


**Joan Opett**  
248-204-8579

### **Customer Service Representatives**



**Tom Weed**  
Claims Supervisor  
(616) 942-0311, ext. 4123



**Rod Pearson**  
Loss Control Supervisor  
(248) 204-8036

## ***Benefits of Pooling with the MML***

- ✓ Proven long-term availability and stability
- ✓ Broad coverage document written specifically for Michigan municipalities
- ✓ Services tailored to unique needs of Michigan municipalities
- ✓ Member assets controlled by an elected Board of municipal officials
- ✓ Equitable rating based on Pool experience in Michigan
- ✓ Aggressive defense strategy – positive impact on case law
- ✓ Professional, dedicated, and experienced local management, oversight and service
- ✓ Decisions made and problems resolved by a group of your peers
- ✓ Investment income and underwriting surplus used to benefit members
- ✓ Lower expenses through tax-exempt and non-profit status
- ✓ Special loss avoidance training sessions including:
  - ✓ Safety aspects of emergency vehicle operations
  - ✓ Accident investigation for supervisors
  - ✓ Confined spaces training

**The advantages of pooling can be summarized by:**

**Service + Control + Value**



### ***The City of Traverse City Has . . .***

- ✓ 132,168,180 total values for real and personal property (including TCLP)
- ✓ 30 Law Enforcement Officers
- ✓ 133 Vehicles
- ✓ 5 Fire/Rescue Vehicles with Agreed Values

### ***Increased Liability Limits***

We cannot guarantee the adequacy of any limit of liability. Due to the following factors, it may be prudent to consider higher limits:

- ✓ Increased jury awards in your jurisdiction
- ✓ Increased litigation trends
- ✓ Protection of tax base against judgments in excess of your policy limits

# Highlights of Coverages Provided

## Who Is Insured?

The Pool member entity, elected and appointed officials, employees and authorized volunteers, and any person officially appointed to a Board or Commission

## General Liability

In addition to standard liability coverages (bodily injury, property damage, products and completed operations) the Pool provides coverages that municipalities need on an **occurrence basis with no aggregate liability limits**:

- ✓ Liability resulting from mutual aid agreements
- ✓ Premises medical payments
- ✓ Host liquor liability
- ✓ Fire legal liability for real property
- ✓ Watercraft liability, owned less than 26' and non-owned less than 50'
- ✓ Ambulance and EMT malpractice
- ✓ Special events **excluding** -
  - Fireworks
  - Liquor Liability
  - Mechanical Amusement Rides
- ✓ Athletic participation liability
- ✓ Employee benefit liability
- ✓ Cemetery operations coverage
- ✓ Pollution coverage for Hazardous Response Teams
- ✓ Marina Operators coverage available
- ✓ Up to \$10 million in liability limits available

## General Liability Exclusions . . .

The following is a partial list of general liability coverage exclusions. Consult the coverage document for the complete listing:

- ✓ Pollution (except for Hazmat operations).
- ✓ Nuclear energy / nuclear material hazards
- ✓ Aircraft Liability
- ✓ Breach of contract
- ✓ Failure of dams
- ✓ Backup of Sewers and Drains (exception -- \$100,000 Annual Aggregate Sublimit for Sewer and Drain Liability)
- ✓ Criminal activity / Intentional acts with knowledge of wrongdoing
- ✓ Medical malpractice for doctors and physicians
- ✓ Contractual Liability
- ✓ Failure to supply utilities
- ✓ Expected or intended injury
- ✓ Electromagnetic radiation

## **Public Officials Liability Coverage**

"Wrongful Acts", including intentional acts, defined as any actual or alleged error, misstatement, act of omission, neglect or breach of duty including:

- ✓ Neglect of duty
- ✓ Zoning defense and land use litigation
- ✓ Malfeasance
- ✓ Violation of civil rights
- ✓ Discrimination
- ✓ Employment practices
- ✓ Misfeasance
- ✓ Cable TV broadcasting

## **Public Officials Liability Exclusions**

The following is a partial list of public officials' liability coverage exclusions. Consult the coverage document for the complete listing:

- ✓ Pollution and Nuclear Energy
- ✓ Fraud, dishonesty, intentional and criminal acts
- ✓ Failure to purchase coverage or adequate coverage
- ✓ Return of governmental grants or subsidies
- ✓ Intentional acts with knowledge of wrongdoing
- ✓ Eminent domain / takings
- ✓ Illegal profit
- ✓ Labor union actions
- ✓ ERISA violations
- ✓ Backup of Sewers and Drains

## **Personal Injury & Advertising / Broadcasters Liability Coverage**

- ✓ Mental anguish and stress
- ✓ Libel, slander or defamation of character; violation of an individual's right of privacy
- ✓ Proactive services for non-monetary damage claims

## **Police Professional Liability Coverage**

Police Professional Liability coverage is contained within the General Liability and Public Official Liability Coverage Parts

- ✓ Discrimination
- ✓ Violation of civil rights
- ✓ Jail operations
- ✓ False arrest, detention or imprisonment, or malicious prosecution
- ✓ Wrongful entry or eviction or other invasion of the right of private occupancy
- ✓ Assault or battery
- ✓ Improper service of suit
- ✓ Coverage assumes officers act with intent

## Property Coverage

In addition to covering buildings, contents and personal property, the Pool provides:

- ✓ Blanket coverage -- All member-owned property insured (unless specifically excluded)
- ✓ Coverage based on ownership rather than on a "schedule on file" avoids coverage gaps due to errors or oversight
- ✓ Property of others in custody of the Member for which the Member has an obligation to provide coverage
- ✓ Boiler & Machinery coverage, including Boiler certification inspections
- ✓ Replacement Cost or Actual Cash Value available
- ✓ Fungal Pathogens (Mold) Limited Coverage
- ✓ Demolition/increased cost of construction
- ✓ No coinsurance
- ✓ Valuable papers
- ✓ Loss of Rents
- ✓ Property in the open
- ✓ Extra expense
- ✓ Expediting expense

## Property Exclusions

The following is a partial list of property coverage exclusions. Consult the coverage document for the complete listing:

- ✓ Nuclear reaction/ contamination
- ✓ War
- ✓ Cyber Risk
- ✓ Fungal Pathogens (Mold) excess of sub-limit
- ✓ Failure to supply utilities
- ✓ Transmission Lines and Poles
- ✓ Dishonest acts
- ✓ Acts of Terrorism
- ✓ Wear and tear
- ✓ Computer failures/ viruses

**Only one deductible applies to claims involving two or more property coverages.**

## **Comprehensive Crime Coverage**

- ✓ Employee Dishonesty/ Faithful Performance of Duty coverage provided on a blanket basis
- ✓ Loss Inside the Premises
- ✓ Loss Outside the Premises
- ✓ Money Orders/ Counterfeit Currency
- ✓ Depositors Forgery
- ✓ Up to \$500,000 limits available
- ✓ Peak Season, Obligee, Official Bond and Oath, Position Fidelity Bond endorsements available

## **Automobile Coverage Highlights**

### **What Is Covered?**

Coverage is afforded while operating land motor vehicles, trailers or semi-trailers designed for travel on public roads.

### **Auto Coverages Provided**

- ✓ Michigan No-Fault Coverage, includes mini-tort coverage for no extra charge
- ✓ Excess protection for use of personal automobile for municipal business
- ✓ Uninsured motorist for municipally owned vehicles
- ✓ Underinsured motorists
- ✓ Non-owned and hired auto
- ✓ Comprehensive - actual cash value basis
- ✓ Collision - actual cash value basis
- ✓ Volunteer firefighter auto accident liability coverage
- ✓ Agreed value coverage for emergency vehicles is available

# Pool Risk Management Services

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- ✓ Review and service of all municipal insurance matters
- ✓ Public entity experts address various liability issues
- ✓ Aggressive, member-oriented defense strategy
- ✓ Former police officials address law enforcement risks
- ✓ Physical inspection by municipal loss control engineers
- ✓ Training video library available to members
- ✓ Law enforcement risk control programs (LEAF and LERC)
- ✓ Property appraisal services available

## **Member Education**

- ✓ Land use litigation awareness programs
- ✓ Sidewalk liability reduction programs
- ✓ Sexual harassment awareness training
- ✓ Hiring and employment practices
- ✓ Confined spaces entry training
- ✓ Barricading safety training
- ✓ Blood borne pathogens
- ✓ Liability issues for fire and EMS
- ✓ Occupational health concerns
- ✓ Back injury prevention

## **Online Services**

[www.mml.org](http://www.mml.org) (click on the *Insurance* button) – offers Pool members an outstanding resource for municipal risk management information and self-help tools in one attractive, simple-to-navigate location. File a claim on line. Download your renewal application. Request a loss control service visit. E-mail us a question. Other services available online include:

- ✓ Publications, including Risk Management Newsletter
- ✓ Loss Control Tools, including: Tip Sheets (PERC\$) & Law Enforcement Newsletter
- ✓ MML Pool Financial Statements
- ✓ Board of Director action items
- ✓ General Policies
- ✓ Coverage Document
- ✓ Frequently Asked Questions
- ✓ Staff and Director Profiles

In order to access the *Members Only* section of the Pool website, you need a Password and User ID, which you can get by calling Jennifer Orr (MML staff) at (734) 669-6341

## Membership Responsibilities

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Membership in the Michigan Municipal League Liability and Property Pool provides numerous benefits. Likewise, individual members have certain responsibilities to the other members, which are detailed in the Intergovernmental Contract. The following is a summary of the membership responsibilities. Please refer to the Intergovernmental Contract, Articles 5 and 6, for more information.

- ✓ If a Member intends to leave the Pool, the Member must send a written notice to the Pool at least 60 days prior to its next renewal date.
- ✓ A Member must pay its premium when due. The Pool must give each member 20 days written notice of intent to terminate membership for nonpayment of premium. Payment of premium before the 20 days notice is effective will entitle the Member to reinstatement.
- ✓ Members must maintain membership or associate membership status in the Michigan Municipal League.
- ✓ A Member will allow attorneys employed by the Pool to represent the Member in defense of any claim made against the Member within the scope of coverage provided by the Pool. A Member will cooperate with the assigned attorneys, claims adjusters, service company or other agents of the Pool relating to the defense of claims for which the Pool is providing coverage.
- ✓ A Member will follow loss reduction and prevention measures established by the Pool.
- ✓ A Member will report to the Pool as promptly as possible all incidents that the Member reasonably believes may result in a claim against the Member.

## **Your Peers are Members**

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*"Thank you for the time that you spent helping Grand Rapids Township with insurance issues in the past several years. It has been so easy to work with you and the other offices of the League. I look forward to working with you again. Thanks."*

**Janice K. Hulbert, Clerk**  
**Grand Rapids Charter Township**

*"I enjoy the relationship I have with you and the individuals that serve us and appreciate the education in risk management that you all continue to offer. I am a better manager with the MML Liability & Property Pool as part of my team..."*

**Denise M. Parisian, Village Manager**  
**Village of Dimondale**

*"...We have been a member of both programs (the Liability & Property Pool and the Workers' Compensation Fund) for a number of years and have always enjoyed excellent services and coverage.*

*Because of the poor economic conditions, we felt that it was necessary to at least look at alternative insurance products. After careful review, I found that the Pool and Fund products were superior, many times exceeding coverage provided by other traditional carriers. It would be easy to decide to be insured with a lower cost alternative. However, in the end, the cost of claims handling and uninsured coverage would far exceed any short-term savings.*

*...we have always received very quality services."*

**Kevin M. Welch, City Manager**  
**City of Tecumseh**

*"On behalf of the City of Ionia, I would like to thank you and the Pool for continuing to provide the City, and all Pool members, with quality insurance and risk management services. The City continues to be a proud member and subscriber of the Pool's services and programs.*

*During the course of my municipal career I have had the opportunity to be exposed to a full range of the services that the Pool offers. I have also been involved in major losses and found that the Pool was prompt and fair in responding to the community's needs.*

*... Again, thank you for the quality services that you and the Pool provide."*

**Jason Eppler, City Manager**  
**City of Ionia**





TRAVERSE CITY  
LIGHT & POWER

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**To:** Light and Power Board  
**From:** Ed Rice, Executive Director  
**Date:** June 9, 2011  
**Subject:** 2011-12 Operating Budget

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ERR

As you are aware by now, the City Commission failed to approve the Light & Power budget at its meeting of June 6, 2011 due to specific concerns. While the Commission does not have individual line item authority over the Light & Power budget they did exercise their authority to not approve the budget in its entirety.

Because it is required by City Charter that Light & Power have a budget approved by the city commission; and because Light & Power is barred from expending any funds except as in conformity with an approved budget, it is imperative that a budget be adopted by the City Commission before July 1<sup>st</sup>.

Based on the feedback of individual Commissioner's during the City Commission Meeting regarding the Light & Power budget I recommend not adding the additional staff positions for Community Relations and Energy Optimization as originally intended. I believe that elimination of these two staff positions will be required to gain support of the City Commission for the 2011-12 Light & Power operating budget.

City of Traverse City, Michigan  
**TRAVERSE CITY LIGHT & POWER**  
 2011-12 Budgeted Revenues and Expenses

	FY 09/10 Actual	FY 10/11 Budgeted	FY 10/11 Projected	FY 11/12 Recommended
<b><u>OPERATING REVENUES:</u></b>				
State Grants	\$ 21,176	\$ 15,000	\$ 27,650	\$ -
Residential Sales	4,799,781	5,212,000	5,720,000	6,207,000
Commercial Sales	12,490,638	13,375,000	13,835,000	15,085,000
Industrial Sales	7,467,368	7,922,000	8,245,000	8,985,000
Public Authority Sales	226,101	222,500	251,000	272,000
Street Lighting Sales	193,937	189,500	194,250	195,000
Yard Light Sales	82,614	85,000	84,900	86,600
Forfeited Discounts	47,627	50,000	52,350	53,400
Merchandise and Jobbing	110,665	64,000	174,400	177,900
Recovery of Bad Debts	0	500	100	500
Sale of Scrap	10,666	10,000	20,950	21,400
Miscellaneous Income	11,076	14,500	17,400	17,750
MISO Revenue	1,601,533	1,500,000	1,968,000	2,100,000
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 27,063,181</b>	<b>\$ 28,660,000</b>	<b>\$ 30,591,000</b>	<b>\$ 33,201,550</b>

**OPERATING EXPENSES:**

**GENERATION-OPERATING & MAINTENANCE:**

Wind Generation - Traverse City	\$ 38,318	\$ 37,500	\$ 15,500	\$ 16,000
Brown Bridge	4,363	4,000	600	0
Wind Generation Farm - Charlevoix	33,132	0	500	5,000
Trap and Transfer	22	1,000	1,000	1,000
Union Street Fish Ladder	162	350	250	250
Kalkaska Combustion Turbine	218,900	185,000	265,000	225,000
Sabin Dam	2,896	4,700	1,000	900
Boardman Dam	3,289	3,700	1,300	900
Operation Supplies	2,080	2,100	850	1,500
MPPA Purchased Power	6,446,442	2,850,000	2,733,100	0
MISO Purchased Power	0	0	716,900	1,200,000
Lansing Purchased Power	0	2,500,000	4,250,000	7,200,000
Stoney Corners - Wind Energy	0	1,250,000	1,550,000	1,595,000
Combustion Turbine Power Cost	3,657,141	3,680,000	3,275,000	3,750,000
Campbell #3 Power Cost	3,223,417	3,280,000	3,260,000	3,670,000
Belle River #1 Power Cost	2,732,687	2,883,000	2,650,000	3,500,000
Landfill Gas - Granger Project	15,319	250,000	140,000	90,000
<i>total purchased power</i>	<i>16,075,006</i>	<i>16,693,000</i>	<i>18,575,000</i>	<i>21,005,000</i>
Coal Dock	8,971	8,400	2,150	4,500
Communications	5,164	6,000	500	550
Safety	5,741	9,000	4,100	4,200
Tools	9,833	2,500	500	1,500
Professional and Contractual	328,101	150,000	200,000	210,000
Professional Development	1,075	10,000	500	750

City of Traverse City, Michigan  
**TRAVERSE CITY LIGHT & POWER**  
 2011-12 Budgeted Revenues and Expenses

	FY 09/10 Actual	FY 10/11 Budgeted	FY 10/11 Projected	FY 11/12 Recommended
TCLP Equipment Maintenance	648	1,000	700	750
Miscellaneous	<u>1</u>	<u>750</u>	<u>50</u>	<u>100</u>
<b>Total Generation O &amp; M</b>	<b><u>16,737,702</u></b>	<b><u>17,119,000</u></b>	<b><u>19,069,500</u></b>	<b><u>21,477,900</u></b>
<b><u>DISTRIBUTION OPERATION &amp; MAINTENANCE:</u></b>				
Office Supplies	8,918	7,100	8,000	8,200
Operation Supplies	36,258	32,000	38,650	39,450
Utilities	49,823	60,300	43,600	44,500
Communications	24,806	27,500	18,000	18,400
Supervision and Maintenance	613,505	555,000	710,500	725,000
Substation	192,349	130,000	232,650	237,350
Overhead Lines	425,093	315,000	515,500	525,850
Load and Dispatching	540,880	510,000	567,150	578,500
Underground Lines	230,710	295,000	160,450	163,700
Customer Installations	27,366	21,600	43,550	44,450
Electric Meters	38,343	35,000	69,800	71,200
Street Lighting	129,576	324,000	276,700	282,250
Traffic Signal Oper. & Maint.	69,973	180,600	153,000	156,100
Radio Equipment	256	0	1,850	1,900
Plant & Structures	280,603	235,000	207,700	211,900
Shop Labor	125,548	139,000	92,050	93,900
Safety	62,468	60,000	33,150	33,850
Tools	16,488	14,000	18,350	18,750
Professional and Contractual	19,395	33,000	33,300	34,000
Rent Expense	2,850	5,100	3,000	3,100
Professional Development	107,291	100,000	152,050	155,100
Printing and Publishing	597	1,800	1,500	1,550
Miscellaneous	2,022	2,900	200	250
Inventory Adjustments	<u>307</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Distribution O &amp; M</b>	<b><u>3,005,426</u></b>	<b><u>3,083,900</u></b>	<b><u>3,380,700</u></b>	<b><u>3,449,250</u></b>
<b><u>TRANSMISSION OPERATIONS &amp; MAINTENANCE:</u></b>				
Supervision & Maintenance	13,882	12,000	18,650	19,050
Substation	18,126	8,000	58,750	60,000
Overhead Lines	47,946	24,100	38,500	39,300
Load and Dispatching	54,057	93,500	56,500	57,650
Underground Lines	0	0	150	200
MISO Transmission	19,987	21,000	20,000	20,400
Professional and Contractual	3,500	0	0	0
Miscellaneous	<u>28,665</u>	<u>20,000</u>	<u>48,400</u>	<u>49,400</u>
<b>Total Transmission O &amp; M</b>	<b><u>186,162</u></b>	<b><u>178,600</u></b>	<b><u>240,950</u></b>	<b><u>246,000</u></b>

City of Traverse City, Michigan  
**TRAVERSE CITY LIGHT & POWER**  
 2011-12 Budgeted Revenues and Expenses

	FY 09/10 Actual	FY 10/11 Budgeted	FY 10/11 Projected	FY 11/12 Recommended
<b><u>METERING &amp; CUSTOMER ACCOUNTING:</u></b>				
Salaries and Wages	276,411	304,000	270,100	275,000
Fringe Benefits	124,634	158,100	148,700	158,500
Office Supplies	3,944	4,750	4,500	4,750
Operation Supplies	141	350	0	0
Communications	594	850	800	850
Meal Payments	212	350	150	200
Safety	8	100	0	100
Uniforms	2,124	1,750	2,500	2,550
Professional and Contractual	42,410	12,500	41,500	42,350
Postage	37,920	39,000	34,650	35,350
Uncollectable Accounts	50,979	50,000	65,000	66,300
Collection Costs	770	1,000	500	550
Data Processing	15,253	18,000	20,050	20,500
Transportation	149	400	4,950	5,050
Professional Development	2,878	3,750	2,450	2,500
Printing and Publishing	7,946	11,000	4,150	4,250
Vehicle Rentals	14,877	18,500	12,050	12,300
Miscellaneous	<u>1,926</u>	<u>3,000</u>	<u>900</u>	<u>950</u>
<b>Total Customer Accounting</b>	<b><u>583,173</u></b>	<b><u>627,400</u></b>	<b><u>612,950</u></b>	<b><u>632,050</u></b>
<b><u>CONSERVATION &amp; PUBLIC SERVICES:</u></b>				
Professional and Contractual	15,964	25,000	43,200	120,000
Public Service & Communications	29,823	30,000	62,500	203,500
Marketing & Public Services	6,063	7,500	0	0
In-Kind Community Services	75,016	120,000	68,700	70,100
Community Investment Fund	56,985	75,000	54,900	0
CFL Grant Expense	59,032	26,200	30,850	0
LED Street Lighting Grant Expense	6,031	0	125,000	0
Energy Audits	2,320	5,000	0	0
Community Relations Liaison	0	0	0	155,000
PA295 Energy Optimization Compliance	170,606	275,000	391,000	526,000
Increased Energy Optimization Efforts	<u>0</u>	<u>0</u>	<u>0</u>	<u>500,000</u>
<b>Total Conservation &amp; Public Services</b>	<b><u>421,841</u></b>	<b><u>563,700</u></b>	<b><u>776,150</u></b>	<b><u>1,574,600</u></b>
<b><u>ADMINISTRATIVE AND GENERAL:</u></b>				
Salaries and Wages	672,882	775,000	745,350	760,300
Fringe Benefits	188,585	203,000	256,650	261,800
Office Supplies	11,593	13,000	8,250	8,450
Communications	9,292	10,000	7,050	7,200
Fees and Per Diem	54,514	56,000	60,450	61,700
Board Related Expenses	11,348	10,500	7,600	7,750
Professional & Contractual	134,911	85,000	11,000	11,150

City of Traverse City, Michigan  
**TRAVERSE CITY LIGHT & POWER**  
 2011-12 Budgeted Revenues and Expenses

	FY 09/10 Actual	FY 10/11 Budgeted	FY 10/11 Projected	FY 11/12 Recommended
Legal Services	112,140	80,000	83,350	85,000
Employee Appreciation	8,053	7,000	12,800	13,100
Rent Expense	581	1,500	0	0
City Fee	1,374,844	1,450,000	1,556,900	1,687,850
Transportation	4,074	3,800	9,100	4,500
Professional Development	19,225	20,000	39,600	40,400
Printing & Publishing	8,225	8,500	3,450	3,550
Insurance and Bonds	80,809	90,000	71,350	72,800
Miscellaneous	6,392	8,500	11,750	12,000
Depreciation Expense	<u>1,624,621</u>	<u>1,665,000</u>	<u>1,695,000</u>	<u>1,715,000</u>
<b>Total Administrative and General</b>	<u>4,322,090</u>	<u>4,486,800</u>	<u>4,579,650</u>	<u>4,752,550</u>
<b>Total Operating Expenses</b>	<u>25,256,394</u>	<u>26,059,400</u>	<u>28,659,900</u>	<u>32,132,350</u>
<b>Operating Income / (Loss)</b>	<u>\$1,806,788</u>	<u>\$2,600,600</u>	<u>\$1,931,100</u>	<u>\$1,069,200</u>
<b><u>NON OPERATING REVENUES/(EXPENSES):</u></b>				
Rents and Royalties	\$31,976	\$56,050	\$44,150	\$45,400
Pole Rentals	35,662	35,650	31,750	31,750
Reimbursements	214,759	140,700	335,150	228,650
Interest & Dividend Earnings	557,209	250,000	491,850	500,000
Gain/(Loss) on Sale of Fixed Assets	(12,431)	0	0	0
<b>Total Non Operating Revenue/(Expenses)</b>	<u>827,175</u>	<u>482,400</u>	<u>902,900</u>	<u>805,800</u>
<b>NET INCOME/(LOSS)</b>	<u>\$2,633,962</u>	<u>\$3,083,000</u>	<u>\$2,834,000</u>	<u>\$1,875,000</u>

Traverse City Light & Power  
Fiber Optics Fund  
2011-12 Budgeted Revenues and Expenses

	FY 09/10 Audited	FY 10/11 Budgeted	FY 10/11 Projected	FY 11/12 Recommended
<b><u>Operating revenues:</u></b>				
Charges for services	\$ 167,692	\$ 192,800	\$ 183,600	\$ 216,850
Wifi sales & commissions	-	20,000	-	-
Miscellaneous	4,464	-	-	-
<b>Total operating revenues</b>	<b>\$ 172,156</b>	<b>\$ 212,800</b>	<b>\$ 183,600</b>	<b>\$ 216,850</b>
<b><u>Operating expenses:</u></b>				
Office & operating supplies	\$ 2,542	\$ 4,600	\$ 2,150	\$ 2,200
Supervision & maintenance	32,628	33,600	13,650	15,000
Overhead & Underground lines	5,753	1,500	6,800	7,000
Customer installations	12,279	18,700	2,500	2,750
Termination boxes	20,389	21,000	45,500	46,200
Wifi operations & maintenance	-	-	3,500	30,000
Tools	1,314	2,750	850	900
Professional services	-	82,200	750	20,000
Legal services	2,612	1,000	800	500
Rent expense	8,214	-	-	-
City fee	8,608	10,600	9,150	10,800
Professional development	100	1,500	-	500
Insurance	-	-	1,250	1,300
Repair and maintenance	544	5,000	150	450
Vehicle rental	-	1,000	-	-
Miscellaneous	-	350	100	150
Depreciation expense	84,745	99,500	85,400	86,500
<b>Total operating expenses</b>	<b>179,727</b>	<b>283,300</b>	<b>172,550</b>	<b>224,250</b>
<b>Operating income/(loss)</b>	<b>(7,571)</b>	<b>(70,500)</b>	<b>11,050</b>	<b>(7,400)</b>
<b><u>Non-operating revenues:</u></b>				
Reimbursements	53,486	86,500	24,250	37,400
<b>Net income</b>	<b>\$ 45,915</b>	<b>\$ 16,000</b>	<b>\$ 35,300</b>	<b>\$ 30,000</b>



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**To:** Light and Power Board  
**From:** Ed Rice, Executive Director *ERR*  
**Date:** June 8, 2011  
**Subject:** Rate Stabilization Resolution

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Along with City Commission concerns over specific budget expense line items that caused the Commission to not approve the Light & Power budget on June 6, 2011; at least one Commissioner requested a guarantee from Light & Power that customers see some type of rate relief during this period of economic recovery.

While neither utility staff nor the Board can give an “absolute” guarantee regarding this issue before a proposal receives a majority vote of the Board, there has been a verbal consensus of the Board at previous meetings to provide ratepayer relief in some form.

Because this guarantee from the utility has been tied to a Commissioner’s vote in adopting the Light & Power budget for 2011-12, and recognizing that no absolute guarantee can be given, the attached proposed resolution has been drafted for your consideration.

Staff believes that adoption of the attached resolution by the Board will demonstrate a commitment that the utility intends to consider a rate stabilization program as soon as practicable.

The following motion would be appropriate if you agree with staff’s recommendation:

**MOVED BY \_\_\_\_\_, SECONDED BY \_\_\_\_\_,**

**THAT THE LIGHT & POWER BOARD ADOPTS THE RESOLUTION IN SUPPORT OF A CUSTOMER RATE STABILIZATION PROGRAM AND DIRECTS STAFF TO FORWARD THE RESOLUTION TO THE CITY COMMISSION ALONG WITH ITS REQUIRED BUDGET FOR 2011-12.**



TRAVERSE CITY  
LIGHT & POWER

**RESOLUTION IN SUPPORT OF A  
CUSTOMER RATE STABILIZATION PROGRAM**

**WHEREAS**, Traverse City Light & Power is a municipal owned electric utility that shall be operated for the benefit of the City of Traverse City in accordance with Traverse City Charter §118; and

**WHEREAS**, The Traverse City Light & Power Board has the sole authority to fix rates to be charged for electricity to its customers pursuant to Traverse City Charter §179(h); and

**WHEREAS**, the Traverse City Light and Power Board shall fix such rates that are fair, reasonable and shall be uniform for all customers within the same class; but different schedules may be applied to different classes of customers as determined by the Board.

**WHEREAS**, The Traverse City Light & Power Board desires to implement a rate stabilization program that will insulate its customers from the increased costs of purchased power during this period of economic recovery,

**NOW, THEREFORE, BE IT RESOLVED that the Board of Traverse City Light and Power resolves to consider a rate stabilization program for its customers within 60 days of the beginning of Fiscal Year 2011-12.**





TRAVERSE CITY  
LIGHT & POWER

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**To:** Light and Power Board  
**From:** Karen Feahr, Energy Supply Manager KEF  
**Date:** June 14, 2011  
**Subject:** Renewable Energy Plan

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Public Act 295 requires municipal utilities to file an updated Renewable Energy Plan ("REP") with the Michigan Public Service Commission ("MPSC") by July 1, 2011. All utilities in Michigan are required to show that they will meet a 10% renewable energy standard by 2015. PA 295 states that two or more municipally owned electric utilities that serve fewer than 15,000 customers may file jointly. As a result, Light & Power is joining other municipalities in a joint filing. PA 295 requires the REP to explain how the electric provider intends to meet the renewable energy targets specified in the Act. The initial filing was made in April 2009. An updated filing is required every two years. The attached documents contain this year's filing for Light & Power.

Light & Power's REP shows that it will have more than the required Renewable Energy Credits ("RECs") for the 2012-2029 time periods. One REC equals one megawatt hour. Light & Power will meet and exceed the requirements by continuing the operation of its existing wind turbine, purchasing electric energy from Heritage Stoney Corners' Wind Project, Granger Electric Company's landfill gas project and North American Natural Resources' ("NANR") landfill gas project. According to the REP, Light & Power will supply 13.5% of its energy requirements from renewable energy by 2015 and have excess RECs to sell from 2012 through 2029. The selling of RECs represents a source of income to Light & Power which will reduce overall power supply costs.

FOR PRESENTATION PURPOSES ONLY

**TRAVERSE CITY**

**RENEWABLE ENERGY PLAN SUMMARY**

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>Sales Forecast - 3 yr running average</b>					
10% Compliance Factor	318,903	318,994 0.10	323,518 0.10	328,462 0.10	331,789 0.10
RPS Requirement	-	31,899	32,352	32,846	33,179
RPS Required REC's	-	31,899	32,352	32,846	33,179
(-) RECs from Existing Renew Energy Supply (Baseline)	778	778	778	778	778
<b>RECS - Incremental Difference</b>	(778)	31,121	31,574	32,068	32,401
<b>FACTOR</b>	-	0.20	0.33	0.50	1.00
<b>Required New RECS</b>	-	6,224	10,419	16,034	32,401
<b>RPS Renewable Energy Credit Compliance</b>					
Required New RECs	(778)	6,224	10,419	16,034	32,401
RECs Obtained from New Resources	31,895	35,342	40,757	42,739	43,848
RECs Over / (Short) without carryover	32,673	29,118	30,337	26,705	11,447
REC Purchases / (Sales)	-	(3,800)	(13,788)	(33,500)	(21,436)
Cumulative RECs Compliance Balance	44,272	69,590	86,139	79,344	69,356
Incremental Compliance with New RECs	NA	568%	391%	267%	135%
Compliance % with Cumulative REC Balance	NA	1218%	927%	595%	314%

## TRAVERSE CITY LIGHT & POWER

### RENEWABLE ENERGY PLAN

U-16635

July 1, 2011

- Based on this Renewable Energy Plan (REP) Traverse City Light & Power (City) will have the required Renewable Energy Credits (RECs) for the REP time period of 2012-2029 thereby complying with PA 295.
- The primary sources of RECs are participation in the Michigan Public Power Agency (MPPA) Granger and North American Natural Resources (NANR) Projects, the City's existing wind generation, and the City's wind farm power purchase agreement. The Granger and NANR Projects will utilize landfill gas for electric power generation from a variety of locations in Michigan and possibly in neighboring states. The current schedule calls for additional Granger and NANR projects to begin commercial operation between 2011 and 2014.
- The City will have excess RECs to sell from 2012 through 2029. Selling of RECs represents a source of income to the City which will reduce overall power supply costs. The cost per REC will be determined to a large extent by market forces once the Michigan REC market is designed and implemented. This REP assumes the sale of some of the excess RECs keeping the balance in reserve.
- The City had a pre-existing policy in place to develop and include renewable energy project costs with their power supply cost recovery, therefore, there are no incremental costs of compliance. If RECs were to be purchased at some point in the future then there would be an incremental cost of RECs for the additional RECs purchased and would be included in a surcharge accordingly.
- The City will comply with Section 45 of PA 295 which refers to methods of notification to customers charges, if any, for costs associated with its REP.

TRAVERSE CITY

ATTACHMENT C - RENEWABLE ENERGY PLAN SURCHARGE SUMMARY FOR MUNICIPAL UTILITIES

ITEM	Units	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Sales Forecast - 3 yr running average	MWH	328,416	323,605	318,903	318,994	323,518	328,462	331,789					
10% Compliance Factor					0.10	0.10	0.10	0.10					
RPS Requirement	MWH	-	-	-	31,899	32,352	32,846	33,179	33,179	33,179	33,179	33,179	33,179
RPS Required REC's	RECS	-	-	-	31,899	32,352	32,846	33,179	33,179	33,179	33,179	33,179	33,179
(-) REC's from Existing Renew. Energy Supply (Baseline)	RECS	778	778	778	778	778	778	778	778	778	778	778	778
RECS - Incremental Difference	RECS	(778)	(778)	(778)	31,121	31,574	32,068	32,401	32,401	32,401	32,401	32,401	32,401
FACTOR		-	-	-	0.20	0.33	0.50	1.00	1.00	1.00	1.00	1.00	1.00
Required New RECS	RECS	-	-	-	6,224	10,419	16,034	32,401	32,401	32,401	32,401	32,401	32,401
RPS Renewable Energy Credit Compliance													
Total RPS Required REC's	RECS	-	-	-	6,380	10,676	16,423	33,179	33,179	33,179	33,179	33,179	33,179
Required New RECS	RECS	-	(778)	(778)	6,224	10,419	16,034	32,401	32,401	32,401	32,401	32,401	32,401
RECS Obtained from New Resources	RECS	-	10,821	31,895	35,342	40,757	42,739	43,848	43,565	43,386	43,309	43,283	43,283
RECS Over / (Short) without carryover	RECS	-	11,599	32,673	29,118	30,337	26,705	11,447	11,164	10,985	10,908	10,882	10,882
REC Purchases / (Sales)	RECS	-	-	-	(3,800)	(13,788)	(33,500)	(21,436)	(16,964)	(14,785)	(14,708)	(14,682)	(14,682)
Cumulative RECs Compliance Balance	RECS	-	11,599	44,272	69,590	86,139	79,344	69,356	63,556	59,756	55,956	52,156	48,356
Incremental Compliance with New RECS	%	NA	NA	NA	568%	391%	267%	135%	134%	134%	134%	134%	134%
Compliance % with Cumulative REC Balance	%	NA	NA	NA	1218%	927%	595%	314%	296%	284%	273%	261%	249%
Revenue Requirements for New Renewables													
Build	\$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PPA	\$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
REC Purchases (Sales)	\$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New RECs Obtained													
Generation Based													
Build	MWH	-	-	-	-	-	-	-	-	-	-	-	-
PPA	MWH	-	10,728	31,623	34,507	38,999	40,332	41,614	41,871	41,871	41,871	41,871	41,871
Subtotal	MWH	-	10,728	31,623	34,507	38,999	40,332	41,614	41,871	41,871	41,871	41,871	41,871
Purchase (Sold) From New RECS	RECS	-	-	-	(3,800)	(13,788)	(33,500)	(21,436)	(16,964)	(14,785)	(14,708)	(14,682)	(14,682)
Incentive (SB 213 Sec 39 (2))	RECS	-	92	272	835	1,757	2,407	2,234	1,694	1,515	1,438	1,412	1,412
Total	RECS	-	10,821	31,895	31,542	26,969	9,239	22,413	26,601	28,601	28,601	28,601	28,601
Forecasted Transfer Price per MWH - SUGGESTED	\$/MWH	-	-	-	-	-	-	-	-	-	-	-	-
Amount recovered through PSCR													
Transfer price x volume of energy	\$	-	-	-	-	-	-	-	-	-	-	-	-
Incremental Cost of Compliance	\$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non-Volumetric Surcharge													
Meter (or customer) Forecast (Number)													
Residential	No.	8,733	8,670	8,760	8,804	8,848	8,892	8,937	8,981	9,026	9,071	9,117	9,162
Secondary (Commercial)	No.	3,001	2,983	3,020	3,050	3,059	3,069	3,078	3,087	3,096	3,106	3,115	3,124
Primary (Industrial)	No.	43	40	40	40	40	40	40	40	40	40	40	40
Total	No.	11,777	11,693	11,820	11,894	11,947	12,001	12,055	12,108	12,162	12,217	12,272	12,326
Maximum Surcharge (all rate classes at caps)													
Residential	\$/ MO	\$ 3.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commercial	\$/ MO	\$ 16.58	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Industrial	\$/ MO	\$ 187.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Streetlights	\$/ MO	\$ 16.58	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unmetered	\$/ MO	\$ 0.60	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$/ MO	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planned Surcharge													
Residential	\$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commercial	\$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Industrial	\$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Streetlights	\$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unmetered	\$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(a) Annual Energy Forecast used to calculate 3-yr Average 331,497 324,438 314,881 317,390 324,710 328,455 332,220 334,692 336,366

<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
33,179	33,179	33,179	33,179	33,179	33,179	33,179	33,179	33,179
33,179	33,179	33,179	33,179	33,179	33,179	33,179	33,179	33,179
<u>778</u>	<u>778</u>	<u>778</u>	<u>778</u>	<u>778</u>	<u>778</u>	<u>778</u>	<u>778</u>	<u>778</u>
32,401	32,401	32,401	32,401	32,401	32,401	32,401	32,401	32,401
1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
<u>32,401</u>	<u>32,401</u>	<u>32,401</u>	<u>32,401</u>	<u>32,401</u>	<u>32,401</u>	<u>32,401</u>	<u>32,401</u>	<u>32,401</u>

33,179	33,179	33,179	33,179	33,179	33,179	33,179	33,179	33,179
32,401	32,401	32,401	32,401	32,401	32,401	32,401	32,401	32,401
43,283	43,283	43,283	43,283	43,283	43,283	43,283	43,283	43,283
10,882	10,882	10,882	10,882	10,882	10,882	10,882	10,882	10,882
(14,682)	(14,682)	(14,682)	(14,682)	(14,682)	(14,682)	(14,682)	(14,682)	(14,682)
44,556	40,756	36,956	33,156	29,356	25,556	21,756	17,956	14,156
134%	134%	134%	134%	134%	134%	134%	134%	134%
238%	226%	214%	202%	191%	179%	167%	155%	144%

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<u>41,871</u>	<u>41,871</u>	<u>41,871</u>	<u>41,871</u>	<u>41,871</u>	<u>41,871</u>	<u>41,871</u>	<u>41,871</u>	<u>41,871</u>
41,871	41,871	41,871	41,871	41,871	41,871	41,871	41,871	41,871
(14,682)	(14,682)	(14,682)	(14,682)	(14,682)	(14,682)	(14,682)	(14,682)	(14,682)
<u>1,412</u>	<u>1,412</u>	<u>1,412</u>	<u>1,412</u>	<u>1,412</u>	<u>1,412</u>	<u>1,412</u>	<u>1,412</u>	<u>1,412</u>
28,601	28,601	28,601	28,601	28,601	28,601	28,601	28,601	28,601

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9,208	9,254	9,300	9,347	9,394	9,441	9,488	9,535	9,583
3,134	3,143	3,153	3,162	3,171	3,181	3,191	3,200	3,210
40	40	40	40	40	40	40	40	40
<u>12,382</u>	<u>12,437</u>	<u>12,493</u>	<u>12,549</u>	<u>12,605</u>	<u>12,662</u>	<u>12,719</u>	<u>12,775</u>	<u>12,833</u>

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TRAVERSE CITY  
GRANGER - ALL SITES

			2009	2010	2011	2012	2013	2014	2015	2016	2017
CAPACITY FACTOR			0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90
NETGENERATION	MWH	*	-	740	1,923	3,269	6,666	9,230	9,743	9,743	9,743
CAPACITY	MW	*	-	0.244	0.244	0.585	1.106	1.236	1.236	1.236	1.236
RENEWABLE ENERGY CREDITS											
BASE GENERATION	RECS		-	740	1,923	3,269	6,666	9,230	9,743	9,743	9,743
ON-PEAK & MICH INCENT	RECS	*	-	92	272	535	1,107	1,607	1,438	1,028	925
TOTAL	RECS		-	833	2,195	3,804	7,774	10,837	11,181	10,771	10,668
GRANGER UNIT COST	\$/ kWh	*	\$ -	\$ 0.07880	\$ 0.08077	\$ 0.08279	\$ 0.08486	\$ 0.08698	\$ 0.08916	\$ 0.09139	\$ 0.09367
O & M	\$/ kWh	*	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ADMIN	\$/ kWh	*	\$ -	\$ 0.00082	\$ 0.00549	\$ 0.00333	\$ 0.00163	\$ 0.00118	\$ 0.00112	\$ 0.00112	\$ 0.00112
WDS CHARGES	\$/ kWh	*	\$ -	\$ 0.00002	\$ 0.00001	\$ 0.00001	\$ 0.00001	\$ 0.00000	\$ 0.00000	\$ 0.00000	\$ 0.00000
INCREMENTAL UNIT COST	\$/ REC		\$ -	\$ 0.07965	\$ 0.08627	\$ 0.08612	\$ 0.08650	\$ 0.08816	\$ 0.09028	\$ 0.09250	\$ 0.09479
TOTAL INCREMENTAL COST	\$		\$ -	\$ 58,945	\$ 165,889	\$ 281,540	\$ 576,612	\$ 813,767	\$ 879,547	\$ 901,257	\$ 923,513
WITH PILT	\$	1.04	\$ -	\$ 61,303	\$ 172,525	\$ 292,802	\$ 599,677	\$ 846,317	\$ 914,729	\$ 937,308	\$ 960,453
INTERCONNECTION COSTS: AMMORTIZED SHARE											
GRANGER SITES											
SITE 1	\$	8.13%	\$ -	\$ -	\$ 2,439	\$ 2,439	\$ -	\$ -	\$ -	\$ -	\$ -
SITE 2	\$	8.13%	\$ -	\$ 3,374	\$ -	\$ 20,325	\$ -	\$ -	\$ -	\$ -	\$ -
SITE 3	\$	8.13%	\$ -	\$ 5,081	\$ -	\$ 4,878	\$ 4,878	\$ -	\$ -	\$ -	\$ -
SITE 4	\$	8.13%	\$ -	\$ -	\$ -	\$ -	\$ 2,033	\$ -	\$ -	\$ -	\$ -
SITE 5	\$	8.13%	\$ -	\$ -	\$ -	\$ -	\$ 10,163	\$ -	\$ -	\$ -	\$ -
SITE 6	\$	8.13%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SITE 7	\$	8.13%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SITE 8	\$	8.13%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SITE 9	\$	8.13%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$	8.13%	\$ -	\$ 8,455	\$ 2,439	\$ 27,642	\$ 17,073	\$ -	\$ -	\$ -	\$ -
WITH PILT	\$	1.04	\$ -	\$ 8,793	\$ 2,537	\$ 28,748	\$ 17,756	\$ -	\$ -	\$ -	\$ -
	\$/ MWH		\$ -	\$ 11.88	\$ 1.32	\$ 8.79	\$ 2.66	\$ -	\$ -	\$ -	\$ -
	\$/ KW-YR		\$ -	\$ 36,053	\$ 10,400	\$ 49,111	\$ 16,059	\$ -	\$ -	\$ -	\$ -
GRANGER ENERGY COST	\$		\$ -	\$ 61,303	\$ 172,525	\$ 292,802	\$ 599,677	\$ 846,317	\$ 914,729	\$ 937,308	\$ 960,453
GRANGER INTERCONN COST	\$		\$ -	\$ 8,793	\$ 2,537	\$ 28,748	\$ 17,756	\$ -	\$ -	\$ -	\$ -
GRANGER TOTAL COST	\$		\$ -	\$ 70,096	\$ 175,061	\$ 321,550	\$ 617,433	\$ 846,317	\$ 914,729	\$ 937,308	\$ 960,453
GRANGER TOTAL COST	\$/ MWH		\$ -	\$ 94.71	\$ 91.04	\$ 98.36	\$ 92.62	\$ 91.69	\$ 93.89	\$ 96.20	\$ 98.58

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90
	9,743	9,743	9,743	9,743	9,743	9,743	9,743	9,743	9,743	9,743	9,743	9,743
	1.236	1.236	1.236	1.236	1.236	1.236	1.236	1.236	1.236	1.236	1.236	1.236
	9,743	9,743	9,743	9,743	9,743	9,743	9,743	9,743	9,743	9,743	9,743	9,743
	925	925	925	925	925	925	925	925	925	925	925	925
	10,668	10,668	10,668	10,668	10,668	10,668	10,668	10,668	10,668	10,668	10,668	10,668
\$	0.09601	\$ 0.09841	\$ 0.10087	\$ 0.10340	\$ 0.10598	\$ 0.10863	\$ 0.11135	\$ 0.11413	\$ 0.11698	\$ 0.11991	\$ 0.12290	\$ 0.12598
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$	0.00112	\$ 0.00112	\$ 0.00112	\$ 0.00112	\$ 0.00112	\$ 0.00112	\$ 0.00112	\$ 0.00112	\$ 0.00112	\$ 0.00112	\$ 0.00112	\$ 0.00112
\$	0.00000	\$ 0.00000	\$ 0.00000	\$ 0.00000	\$ 0.00000	\$ 0.00000	\$ 0.00000	\$ 0.00000	\$ 0.00000	\$ 0.00000	\$ 0.00000	\$ 0.00000
\$	0.09713	\$ 0.09953	\$ 0.10199	\$ 0.10451	\$ 0.10710	\$ 0.10975	\$ 0.11246	\$ 0.11525	\$ 0.11810	\$ 0.12102	\$ 0.12402	\$ 0.12709
\$	946,326	\$ 969,710	\$ 993,679	\$ 1,018,248	\$ 1,043,431	\$ 1,069,244	\$ 1,095,702	\$ 1,122,822	\$ 1,150,620	\$ 1,179,113	\$ 1,208,319	\$ 1,238,255
\$	984,179	\$ 1,008,498	\$ 1,033,426	\$ 1,058,978	\$ 1,085,168	\$ 1,112,014	\$ 1,139,530	\$ 1,167,735	\$ 1,196,645	\$ 1,226,278	\$ 1,256,652	\$ 1,287,785
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\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$	984,179	\$ 1,008,498	\$ 1,033,426	\$ 1,058,978	\$ 1,085,168	\$ 1,112,014	\$ 1,139,530	\$ 1,167,735	\$ 1,196,645	\$ 1,226,278	\$ 1,256,652	\$ 1,287,785
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$	984,179	\$ 1,008,498	\$ 1,033,426	\$ 1,058,978	\$ 1,085,168	\$ 1,112,014	\$ 1,139,530	\$ 1,167,735	\$ 1,196,645	\$ 1,226,278	\$ 1,256,652	\$ 1,287,785
\$	101.02	\$ 103.51	\$ 106.07	\$ 108.69	\$ 111.38	\$ 114.14	\$ 116.96	\$ 119.86	\$ 122.82	\$ 125.86	\$ 128.98	\$ 132.18

TRAVERSE CITY  
North American Renewable Energy - ALL SITES

			2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
CAPACITY FACTOR			0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90
NETGENERATION	MWH *		-	-	-	1,538	3,333	4,102	4,871	5,128	5,128	5,128	5,128
CAPACITY	MW *		-	-	-	0.390	0.455	0.585	0.650	0.650	0.650	0.650	0.650
RENEWABLE ENERGY CREDITS													
BASE GENERATION	RECS		-	0	0	1,538	3,333	4,102	4,871	5,128	5,128	5,128	5,128
ON-PEAK & MICH INCENT	RECS *		-	-	-	300	650	800	796	666	590	513	487
TOTAL	RECS		-	0	0	1,838	3,983	4,902	5,667	5,794	5,717	5,640	5,615
NANR UNIT COST	\$/ kWh *	\$	-	0.07800	0.07995	0.08195	0.08400	0.08574	0.08775	0.08994	0.09230	0.09474	0.09727
O & M	\$/ kWh *	\$	-	-	-	-	-	-	-	-	-	-	-
ADMIN	\$/ kWh *	\$	-	0.00082	0.00085	0.00087	0.00090	0.00093	0.00096	0.00098	0.00101	0.00104	0.00108
WDS CHARGES	\$/ kWh *	\$	-	-	-	0.00002	0.00001	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
INCREMENTAL UNIT COST	\$/ REC	\$	-	0.07882	0.08080	0.08284	0.08490	0.08667	0.08871	0.09093	0.09332	0.09579	0.09834
TOTAL INCREMENTAL COST	\$	\$	-	-	-	127,436	282,992	355,540	432,128	466,277	478,518	491,176	504,293
WITH PILT	\$	\$	1.04	-	-	132,533	294,312	369,762	449,413	484,928	497,659	510,823	524,464
INTERCONNECTION COSTS: AMMORTIZED SHARE													
NANR SITES													
SITE 1	\$	8.13%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SITE 2	\$	8.13%	\$ -	\$ -	\$ -	\$ 1,520	\$ 1,520	\$ 1,520	\$ 1,520	\$ 1,520	\$ 1,520	\$ 1,520	\$ 1,520
SITE 3	\$	8.13%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SITE 4	\$	8.13%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SITE 5	\$	8.13%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SITE 6	\$	8.13%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SITE 7	\$	8.13%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SITE 8	\$	8.13%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SITE 9	\$	8.13%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$	8.13%	\$ -	\$ -	\$ -	\$ 1,520	\$ 1,520	\$ 1,520	\$ 1,520	\$ 1,520	\$ 1,520	\$ 1,520	\$ 1,520
WITH PILT	\$	1.04	\$ -	\$ -	\$ -	\$ 1,581	\$ 1,581	\$ 1,581	\$ 1,581	\$ 1,581	\$ 1,581	\$ 1,581	\$ 1,581
	\$/ MWH		\$ -	\$ -	\$ -	\$ 1.03	\$ 0.47	\$ 0.39	\$ 0.32	\$ 0.31	\$ 0.31	\$ 0.31	\$ 0.31
	\$/ KW-YR		\$ -	\$ -	\$ -	\$ 4,052	\$ 3,473	\$ 2,701	\$ 2,431	\$ 2,431	\$ 2,431	\$ 2,431	\$ 2,431
NANR ENERGY COST	\$		-	-	-	132,533	294,312	369,762	449,413	484,928	497,659	510,823	524,464
NANR INTERCONN COST	\$		-	-	-	1,581	1,581	1,581	1,581	1,581	1,581	1,581	1,581
NANR TOTAL COST	\$		-	-	-	134,114	295,893	371,343	450,994	486,510	499,240	512,405	526,045
NANR TOTAL COST	\$/ MWH		\$ -	\$ -	\$ -	\$ 87.18	\$ 88.77	\$ 90.52	\$ 92.58	\$ 94.88	\$ 97.36	\$ 99.93	\$ 102.59



	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	
	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	
	5,128	5,128	5,128	5,128	5,128	5,128	5,128	5,128	5,128	5,128	5127.805
	0.650	0.650	0.650	0.650	0.650	0.650	0.650	0.650	0.650	0.650	0.650407
	5,128	5,128	5,128	5,128	5,128	5,128	5,128	5,128	5,128	5,128	5127.805
	487	487	487	487	487	487	487	487	487	487	487.0244
	5,615	5,615	5,615	5,615	5,615	5,615	5,615	5,615	5,615	5,615	
\$	0.09988	\$ 0.10259	\$ 0.10542	\$ 0.10837	\$ 0.11143	\$ 0.11458	\$ 0.11780	\$ 0.12111	\$ 0.12451	\$ 0.12801	
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
\$	0.00111	\$ 0.00114	\$ 0.00117	\$ 0.00121	\$ 0.00125	\$ 0.00128	\$ 0.00132	\$ 0.00136	\$ 0.00140	\$ 0.00144	
\$	0.00000	\$ 0.00000	\$ 0.00000	\$ 0.00000	\$ 0.00000	\$ 0.00000	\$ 0.00000	\$ 0.00000	\$ 0.00000	\$ 0.00000	
\$	0.10099	\$ 0.10373	\$ 0.10659	\$ 0.10958	\$ 0.11268	\$ 0.11587	\$ 0.11913	\$ 0.12247	\$ 0.12591	\$ 0.12945	
\$	517,856	\$ 531,928	\$ 546,591	\$ 561,913	\$ 577,794	\$ 594,134	\$ 610,860	\$ 628,014	\$ 645,650	\$ 663,812	
\$	538,570	\$ 553,205	\$ 568,454	\$ 584,390	\$ 600,906	\$ 617,900	\$ 635,294	\$ 653,135	\$ 671,476	\$ 690,365	
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
\$	1,520	\$ 1,520	\$ 1,520	\$ 1,520	\$ 1,520	\$ 1,520	\$ 1,520	\$ 1,520	\$ 1,520	\$ 1,520	
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
\$	1,520	\$ 1,520	\$ 1,520	\$ 1,520	\$ 1,520	\$ 1,520	\$ 1,520	\$ 1,520	\$ 1,520	\$ 1,520	
\$	1,581	\$ 1,581	\$ 1,581	\$ 1,581	\$ 1,581	\$ 1,581	\$ 1,581	\$ 1,581	\$ 1,581	\$ 1,581	
\$	0.31	\$ 0.31	\$ 0.31	\$ 0.31	\$ 0.31	\$ 0.31	\$ 0.31	\$ 0.31	\$ 0.31	\$ 0.31	
\$	2,431	\$ 2,431	\$ 2,431	\$ 2,431	\$ 2,431	\$ 2,431	\$ 2,431	\$ 2,431	\$ 2,431	\$ 2,431	
	538,570	553,205	568,454	584,390	600,906	617,900	635,294	653,135	671,476	690,365	
\$	1,581	\$ 1,581	\$ 1,581	\$ 1,581	\$ 1,581	\$ 1,581	\$ 1,581	\$ 1,581	\$ 1,581	\$ 1,581	
\$	540,151	\$ 554,786	\$ 570,035	\$ 585,971	\$ 602,487	\$ 619,481	\$ 636,875	\$ 654,716	\$ 673,057	\$ 691,946	
\$	105.34	\$ 108.19	\$ 111.17	\$ 114.27	\$ 117.49	\$ 120.81	\$ 124.20	\$ 127.68	\$ 131.26	\$ 134.94	



	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z
98	OTHER RENEWABLES - 2010	RECS	-																							
99	OTHER RENEWABLES - 2011	RECS	-																							
100	OTHER RENEWABLES - 2012	RECS	12,064							12,064																
101	OTHER RENEWABLES - 2013	RECS	15,836								15,836															
102	OTHER RENEWABLES - 2014	RECS	16,015									16,015														
103	OTHER RENEWABLES - 2015	RECS	16,092										16,092													
104	OTHER RENEWABLES - 2016	RECS	16,118											16,118												
105	OTHER RENEWABLES - 2017	RECS	16,118												16,118											
106	OTHER RENEWABLES - 2018	RECS	16,118													16,118										
107	OTHER RENEWABLES - 2019	RECS	16,118														16,118									
108	OTHER RENEWABLES - 2020	RECS	16,118															16,118								
109	OTHER RENEWABLES - 2021	RECS	16,118																16,118							
110	OTHER RENEWABLES - 2022	RECS	16,118																	16,118						
111	OTHER RENEWABLES - 2023	RECS	16,118																		16,118					
112	OTHER RENEWABLES - 2024	RECS	16,118																			16,118				
113	OTHER RENEWABLES - 2025	RECS	16,118																				16,118			
114	OTHER RENEWABLES - 2026	RECS	16,118																					16,118		
115	OTHER RENEWABLES - 2027	RECS	-																							
116	OTHER RENEWABLES - 2028	RECS	-																							
117	OTHER RENEWABLES - 2029	RECS	-																							
118	TOTAL USES	RECS	237,305	-	-	-	-	-	-	12,064	15,836	16,015	16,092	16,118	16,118	16,118	16,118	16,118	16,118	16,118	16,118	16,118	16,118	16,118	16,118	
119																										
120																										
121																										
122																										
123	RECS - NEW REQUIRED						6,224	10,419	16,034	32,401	32,401	32,401	32,401	32,401	32,401	32,401	32,401	32,401	32,401	32,401	32,401	32,401	32,401	32,401	32,401	
124	RECS - NEW SOURCES						6,224	10,419	16,034	32,401	32,401	32,401	32,401	32,401	32,401	32,401	32,401	32,401	32,401	32,401	32,401	32,401	32,401	32,401	32,401	
125	DIFFERENCE						-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
126																										
127	EXPIRING		TOTAL	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029		
128	EXISTING	RECS	-																							
129	GRANGER SITES - 2010	RECS	-																							
130	GRANGER SITES - 2011	RECS	-																							
131	GRANGER SITES - 2012	RECS	-																							
132	GRANGER SITES - 2013	RECS	-																							
133	GRANGER SITES - 2014	RECS	-																							
134	GRANGER SITES - 2015	RECS	-																							
135	GRANGER SITES - 2016	RECS	-																							
136	GRANGER SITES - 2017	RECS	-																							
137	GRANGER SITES - 2018	RECS	-																							
138	GRANGER SITES - 2019	RECS	-																							
139	GRANGER SITES - 2020	RECS	-																							
140	GRANGER SITES - 2021	RECS	-																							
141	GRANGER SITES - 2022	RECS	-																							
142	GRANGER SITES - 2023	RECS	-																							
143	GRANGER SITES - 2024	RECS	-																							
144	GRANGER SITES - 2025	RECS	-																							
145	GRANGER SITES - 2026	RECS	-																							
146	GRANGER SITES - 2027	RECS	-																							
147	GRANGER SITES - 2028	RECS	-																							
148	GRANGER SITES - 2029	RECS	-																							
149	TOTAL EXPIRING	RECS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
150																										
151	NANR - 2010	RECS	-																							
152	NANR - 2011	RECS	-																							
153	NANR - 2012	RECS	-																							
154	NANR - 2013	RECS	-																							
155	NANR - 2014	RECS	-																							
156	NANR - 2015	RECS	-																							
157	NANR - 2016	RECS	-																							
158	NANR - 2017	RECS	-																							
159	NANR - 2018	RECS	-																							
160	NANR - 2019	RECS	-																							
161	NANR - 2020	RECS	-																							
162	NANR - 2021	RECS	-																							
163	NANR - 2022	RECS	-																							
164	NANR - 2023	RECS	-																							
165	NANR - 2024	RECS	-																							
166	NANR - 2025	RECS	-																							
167	NANR - 2026	RECS	-																							
168	NANR - 2027	RECS	-																							
169	NANR - 2028	RECS	-																							
170	NANR - 2029	RECS	-																							
171	TOTAL EXPIRING	RECS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
172																										
173	OTHER RENEWABLES - 2010	RECS	9,988				9,988																			
174	OTHER RENEWABLES - 2011	RECS	29,700					29,700																		
175	OTHER RENEWABLES - 2012	RECS	17,636						17,636																	
176	OTHER RENEWABLES - 2013	RECS	13,164							13,164																
177	OTHER RENEWABLES - 2014	RECS	10,985								10,985															
178	OTHER RENEWABLES - 2015	RECS	10,908									10,908														
179	OTHER RENEWABLES - 2016	RECS	10,882										10,882													
180	OTHER RENEWABLES - 2017	RECS	10,882											10,882												
181	OTHER RENEWABLES - 2018	RECS	10,882												10,882											
182	OTHER RENEWABLES - 2019	RECS	10,882													10,882										
183	OTHER RENEWABLES - 2020	RECS	10,882														10,882									
184	OTHER RENEWABLES - 2021	RECS	10,882															10,882								
185	OTHER RENEWABLES - 2022	RECS	10,882																10,882							
186	OTHER RENEWABLES - 2023	RE																								

