

A REGULAR MEETING

Of The

TRAVERSE CITY LIGHT AND POWER BOARD

Will Be Held On

TUESDAY, September 13, 2011

At

5:15 p.m.

In The

COMMISSION CHAMBERS
(2nd 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: 9-9-11
4:00 p.m.

AGENDA

Pledge of Allegiance

1. Roll Call

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 Regular Meeting of August 23, 2011.

3. Old Business

None.

4. New Business

- a. Consideration of a Resolution pertaining to the CT Bonding. (Rice/Dave Walters, MPPA)
- b. Discussion of Energy Optimization Plan for years 2012-2015. (Cooper)
- c. Public Comments on Energy Optimization Plan for years 2012-2015. (Cooper)

5. Appointments

None.

6. Reports and Communications

- a. From Legal Counsel.
- b. From Staff.
 1. Announcement of 3rd Annual TCL&P Open House. (Wheaton)
 2. Verbal update re: Bay Street Undergrounding Project. (Rice)
- c. From Board.

7. Public Comment

/st

**TRAVERSE CITY
LIGHT AND POWER BOARD**

Minutes of Regular Meeting
Held at 5:15 p.m., Commission Chambers, Governmental Center
Tuesday, August 23, 2011

Board Members -

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

Absent: Michael Estes

Ex Officio Member -

Absent: R. Ben Bifoss

Others: Ed Rice, W. Peter Doren, Tim Arends, Stephanie Tvardek, Jim Cooper, Denise Kuschell

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

Item 2 on the Agenda being Consent Calendar

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

- a. Minutes of the Regular Meeting of August 9, 2011.
- b. Certification of the Officer Delegate and Officer Alternate to represent the Light & Power Department at the Municipal Employees Retirement System (MERS) Annual Conference.

CARRIED unanimously. (Estes absent)

Item 3 on the Agenda being Old Business

3(a). Consideration of commercial and industrial customer rate stabilization.

Moved by Soffredine, seconded by Snodgrass, that the Board approves capping the customer Fuel Power Cost Adjustment (PCR Rate) for all L&P commercial and industrial customers at \$0.012/kWh through August 31, 2012.

The following individuals addressed the Board:

- Phil Franzo, Chamber of Commerce

Roll Call:

Yes – Snodgrass, Soffredine, Taylor, Johnson

No – Carruthers, Coco

CARRIED.

Item 4 on the Agenda being New Business

None.

Item 5 on the Agenda being Appointments

None.

Item 6 on the Agenda being Reports and Communications

A. From Legal Counsel.

None.

B. From Staff.

1. Ed Rice spoke re: the recent MPPA meeting.
2. Jim Cooper spoke re: the Better Buildings Block Grant.
 - Mike Powers, 604 Grant St., SEEDS, Ratepayer, and Brian Beauchamp, 535 Woodland, MLUI, Ratepayer, addressed the Board
3. Ed Rice spoke re: the Bay Street Undergrounding Project.

C. From Board.

1. Jim Carruthers raised questions re: the Cherry Republic Project and L&P's underground conduit installation for Front Street Lighting. Board discussion followed.
2. Jim Carruthers spoke re: donating leftover food from board meetings.

Item 7 on the Agenda being Public Comment

No one from the public commented.


There being no objection, Chairman Coco declared the meeting adjourned at 6:28 p.m.

/st

Edward E. Rice, Secretary
LIGHT AND POWER BOARD



TRAVERSE CITY
LIGHT & POWER

To: Light and Power Board
From: Ed Rice, Executive Director 
Date: September 9, 2011
Subject: Combustion Turbine Revenue Bond Resolution

Enclosed in your packet is a proposed resolution that approves and authorizes the execution and delivery of a continuing disclosure certificate related to the Kalkaska Combustion Turbine No. 1 Refunding Revenue Bonds. Also attached for your review is the Continuing Disclosure Certificate that the Resolution is approving.

The Continuing Disclosure Certificate provides assurances that Light & Power, as a Major Participant of the Project (75.9% entitlement share), submits required information about the utility's financial standing, customer statistics, or reports significant events for the benefit of Bondholders in order to assist Underwriters in complying with Securities and Exchange Act of 1934, as amended. Underwriters are required by law to reasonably determine that Major Participants will comply with legal reporting/notice requirements to bondholders.

As announced at the last board meeting, the MPPA Board has approved the refunding of the outstanding revenue bonds relating to the CT Project to take advantage of lower interest rates that will save approximately \$1.8 million in bond payments over the life of the bonds. This equates to approximately \$110,000/year for Light & Power. Mr. Dave Walters, General Manager at MPPA will be in attendance to address any questions you may have regarding the Resolution and the decision to refund the bonds. Also, I have asked Warren Creamer of Robert W. Baird & Co. of Traverse City, a Light & Power ratepayer and expert in municipal bonding to review the bond documents/bids and attend your meeting to answer any questions regarding the refunding of the bonds.

Staff and I have thoroughly reviewed and analyzed the refunding process and support MPPA's decision to refund the Combustion Turbine No. 1 Project Revenue Bonds as being in the best interest of Light & Power ratepayers and recommends that the Board adopts the Resolution as presented.

FOR THE LIGHT & POWER BOARD MEETING OF SEPTEMBER 13, 2011

If the Board is in agreement with Staff's recommendation the following motion would be appropriate:

MOVED BY _____, SECONDED BY _____,

THAT THE LIGHT & POWER BOARD ADOPTS A RESOLUTION TO APPROVE AND AUTHORIZE THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE CERTIFICATE IN CONNECTION WITH THE ISSUANCE OF THE COMBUSTION TURBINE NO. 1 PROJECT REFUNDING REVENUE BONDS, 2011 SERIES A.

A RESOLUTION TO APPROVE AND AUTHORIZE THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE CERTIFICATE IN CONNECTION WITH THE ISSUANCE OF CERTAIN BONDS BY THE MICHIGAN PUBLIC POWER AGENCY

At a _____ meeting of the Light & Power Board of the City of Traverse City (the "Board"), held at _____, Michigan, at _____ .m., on _____, 2011.

PRESENT: _____

ABSENT: _____

The following Resolution and Preambles were offered by _____ and seconded by _____:

WHEREAS, the Michigan Public Power Agency ("MPPA") and five municipalities, including the Board (collectively, the "Participants"), have entered into power sales contracts and project support contracts (collectively, the "Contracts"), pursuant to which the Participants acquired the entire capability of the Combustion Turbine No. 1 Project, which consists of the combustion gas turbine and associated facilities to be acquired, constructed and equipped by MPPA in Kalkaska County ("Project"); and

WHEREAS, pursuant to Act No. 448, Public Acts of Michigan, 1976, as amended (the "Act"), and the Combustion Turbine No. 1 Project Revenue Bond Resolution adopted by MPPA on November 14, 2001, as supplemented and amended (the "Resolution"), MPPA issued its Combustion Turbine No. 1 Project Revenue Bonds, 2001 Series A, the proceeds of which were used to pay for the acquisition, construction, installing and equipping of the Project; and

WHEREAS, MPPA intends to refund the 2001 Series A Bonds through the issuance of its Combustion Turbine No. 1 Project Refunding Revenue Bonds, 2011 Series A (the "Bonds"); and

WHEREAS, the payment of the principal of, premium, if any, and interest on the 2011 Series A Bonds, if issued, and any additional bonds which may be hereafter issued by MPPA, pursuant to the Act and the Resolution (collectively, the "Bonds"), are secured on a parity basis, in part, by the Contracts; and

WHEREAS, in connection with the issuance of the Bonds, MPPA may include in the final official statement for the Bonds (the "Final Official Statement") financial or operating data regarding any or all of the Participants, including the Board; and

WHEREAS, pursuant to the Securities Exchange Act of 1934, as amended, the United States Securities and Exchange Commission recently adopted amendments to Rule 15c2-12 which became effective on July 3, 1995 (the "Rule"); and

WHEREAS, the Rule prohibits the underwriters of the Bonds from purchasing or selling the Bonds in connection with the proposed public offering of the Bonds, unless the underwriters have reasonably determined that MPPA and each Participant for which financial or operating data will be presented in the Final Official Statement (the "Major Participants"), have undertaken, either individually or in combination with each other, in a written agreement or contract for the benefit of the holders of the Bonds, to provide to certain specified entities: (i) each year, their audited financial statements and updates of the financial information or operating data regarding MPPA and the Major Participants which is included in the Final Official Statement; and (ii) timely notices of the occurrence of certain enumerated events, if material, with respect to the Bonds; and

WHEREAS, MPPA has requested each Participant, including the Board, to authorize one or more of its officers, in the event such Participant is a Major Participant, to enter into a continuing disclosure undertaking for the benefit of the holders of the Bonds as described above, so that the underwriters can comply with the Rule and thereby purchase and sell the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE LIGHT & POWER BOARD OF THE CITY OF TRAVERSE CITY, as follows:

1. In order to assist MPPA in its issuance of the Bonds, the Executive Director and Secretary of the Board are hereby authorized, in the event the Board is a Major Participant as defined above, to execute and deliver in the name and on behalf of the Board (i) a certificate of the Board to comply with the requirements for a continuing disclosure undertaking of the Board pursuant to subsection (b) (5) of the Rule and (ii) amendments to such certificate from time to time in accordance with the terms of such certificate (the certificate and any amendments thereto are collectively referred to herein as the "Continuing Disclosure Certificate"). The Continuing Disclosure Certificate shall be in a form satisfactory to Sondee, Racine & Doren P.L.C., as counsel to the Board, and Dickinson Wright PLLC, as counsel to MPPA. The Board hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. The remedies for any failure of the Board to comply with and carry out the provisions of the Continuing Disclosure Certificate shall be as set forth therein.

2. All prior resolutions and parts of resolutions insofar as they may be in conflict with this Resolution are rescinded.

3. This Resolution shall be effective immediately upon its adoption.

YEAS: _____

NAYS: _____

ABSTENTIONS: _____

RESOLUTION ADOPTED

LIGHT & POWER BOARD OF THE CITY OF TRAVERSE CITY

CONTINUING DISCLOSURE CERTIFICATE

WITH RESPECT TO
MICHIGAN PUBLIC POWER AGENCY
COMBUSTION TURBINE NO. 1 PROJECT
REFUNDING REVENUE BONDS, 2011 SERIES A ("BONDS")

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the Light & Power Board of the City of Traverse City (the "Board") an obligated person with respect to the bonds in connection with the issuance by the Michigan Public Power Agency (the "Issuer") of the captioned bonds (the "Bonds") in the aggregate principal amount of \$26,315,000. The Board covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate.

(a) This Disclosure Certificate is being executed and delivered by the Board for the benefit of the Bondholders and the Beneficial Owners and in order to assist the Participating Underwriters in complying with subsection (b)(5) of the Rule.

(b) In consideration of the purchase and acceptance of any and all of the Bonds by those who shall hold the same or shall own beneficial ownership interests therein from time to time, this Disclosure Certificate shall be deemed to be and shall constitute a contract between the Board and the Bondholders and Beneficial Owners from time to time of the Bonds, and the covenants and agreements herein set forth to be performed on behalf of the Board shall be for the benefit of the Bondholders and Beneficial Owners of any and all of the Bonds.

SECTION 2. Definitions.

In addition to the definitions set forth in the Combustion Turbine No. 1 Project Revenue Bond Resolution adopted by the Michigan Public Power Agency, as amended and supplemented, authorizing the issuance of the Bonds, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"1934 Act" shall mean the Securities Exchange Act of 1934, as amended.

"Annual Report" shall mean any Annual Report of the Board provided by the Board pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Beneficial Owner" shall mean any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Bonds (including any person holding Bonds through nominees, depositories or other intermediaries).

"Bondholder" shall mean the registered owner of any Bonds.

"Dissemination Agent" shall mean the Board or any successor Dissemination Agent appointed in writing by the Board and which has filed with the Board a written acceptance of such appointment.

"EMMA" shall mean the Electronic Municipal Market Access system of the MSRB. As of the date of this Disclosure Certificate, the EMMA Internet Web site address is <http://www.emma.msrb.org>.

"GAAP" shall mean generally accepted accounting principles, as such principles are prescribed, in part, by the Financial Accounting Standards Board and modified by the Governmental Accounting Standards Board and in effect from time to time.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

"MSRB" shall mean the Municipal Securities Rulemaking Board established in accordance with the provisions of Section 15B(b)(1) of the 1934 Act. As of the date of this Disclosure Certificate, the address and telephone and telecopy numbers of the MSRB are as follows:

Municipal Securities Rulemaking Board
1900 Duke Street, Suite 600
Alexandria, Virginia 22314
Tel: (703) 797-6600
Fax: (703) 797-6700

"Official Statement" shall mean the final Official Statement for the Bonds dated July 27, 2011, as supplemented by an Addendum dated August 10, 2011.

"Participating Underwriter" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with the primary offering of the Bonds.

"Rule" shall mean Rule 15c2-12 (17 CFR Part 240, § 240.15c2-12) promulgated by the SEC pursuant to the 1934 Act, as the same may be amended from time to time, together with all interpretive guidances or other official interpretations or explanations thereof that are promulgated by the SEC.

"SEC" shall mean the United States Securities and Exchange Commission.

"Securities Counsel" shall mean legal counsel expert in federal securities law.

"State" shall mean the State of Michigan.

SECTION 3. Provision of Annual Reports.

(a) Each year, the Board shall provide, or shall cause the Dissemination Agent to provide, not later than the date seven months after the first day of the Board's fiscal year, commencing with the Board's Annual Report for its fiscal year ending June 30, 2011, to the MSRB an Annual Report for the preceding fiscal year which is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than 15 business days (or such lesser number of

days as is acceptable to the Dissemination Agent) prior to said date, the Board shall provide the Annual Report to the Dissemination Agent (if other than the Board). Currently, the Board's fiscal year commences on July 1. In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by specific reference other information as provided in Section 4 of this Disclosure Certificate; provided, however, that if the audited financial statements of the Board are not available by the deadline for filing the Annual Report, they shall be provided when and if available, and unaudited financial statements in a format similar to the audited financial statements then most recently prepared for the Board shall be included in the Annual Report.

(b) If the Board is unable to provide to the MSRB an Annual Report of the Board by the date required in subsection (a), the Board shall file a notice, in a timely fashion, with the MSRB, in substantially the form attached as Exhibit A.

(c) If the Board's fiscal year changes, the Board shall file written notice of such change with the MSRB, in substantially the form attached as Exhibit B.

(d) Whenever any Annual Report or portion thereof is filed as described above, it shall be attached to a cover sheet in substantially the form attached as Exhibit C.

(e) If the Dissemination Agent is other than the Board, the Dissemination Agent shall file a report with the Board certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided.

(f) In connection with providing the Annual Report, the Dissemination Agent (if other than the Board) is not obligated or responsible under this Disclosure Certificate to determine the sufficiency of the content of the Annual Report for purposes of the Rule or any other state or federal securities law, rule, regulation or administrative order.

SECTION 4. Content of Annual Reports. The Board's Annual Report shall contain or include by reference the following:

(a) The audited financial statements of the Board for its fiscal year immediately preceding the due date of the Annual Report.

(b) An update of the financial information and operating data relating to the Board of the same nature as that contained in the Official Statement under "Service Area and Customers," "Electric Sales," and "Existing Power Resources," (including the System Requirements and Power Source table thereunder), which are included in Appendix A.

The Board's financial statements shall be audited and prepared in accordance with GAAP with such changes as may be required from time to time in accordance with State law.

Any or all of the items listed above may be included by specific reference to other documents available to the public on the MSRB's Internet Web site or filed with the SEC. The Board shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) The Board covenants to provide, or cause to be provided, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not in excess of ten (10) business days after the occurrence of the event and in accordance with the Rule:

- (1) Modifications to rights of security holders, if material;
- (2) Release, substitution, or sale of property securing repayment of the securities, if material;
- (3) Rating changes;
- (4) Bankruptcy, insolvency, receivership or similar event of the obligated person;
- (5) The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (6) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(b) Whenever the Board obtains knowledge of the occurrence of a Listed Event described in subsection (a)(1), (2), (5) or (6), the Board shall as soon as possible determine if such Listed Event would be material under applicable federal securities laws. The Board covenants that its determination of materiality will be made in conformance with federal securities laws.

(c) If the Board determines that (i) a Listed Event described in subsection (a)(3) or (4) has occurred or (ii) the occurrence of a Listed Event described in subsection (a)(1), (2), (5) or (6) would be material under applicable federal securities laws, the Board shall cause a notice of such occurrence to be filed with the MSRB within ten (10) business days of the occurrence of the Listed Event, together with a cover sheet in substantially the form attached as Exhibit D.

(d) In connection with providing a notice of the occurrence of a Listed Event, the Dissemination Agent (if other than the Board), solely in its capacity as such, is not obligated or responsible under this Disclosure Certificate to determine the sufficiency of the content of the notice for purposes of the Rule or any other state or federal securities law, rule, regulation or administrative order.

(e) The Board acknowledges that the "rating changes" referred to in subsection (a)(3) above may include, without limitation, any change in any rating on the Bonds or other indebtedness for which the Board is liable.

(f) The Board acknowledges that it is not required to provide a notice of a Listed Event with respect to credit enhancement when the credit enhancement is added after the primary offering of the Bonds, the Board does not apply for or participate in obtaining such credit enhancement, and such credit enhancement is not described in the Official Statement.

SECTION 6. Mandatory Electronic Filing with EMMA.

All filings with the MSRB under this Disclosure Certificate shall be made by electronically transmitting such filings through the EMMA Dataport at <http://www.emma.msrb.org> as provided by the amendments to the Rule adopted by the SEC in Securities Exchange Act Release No. 59062 on December 5, 2008.

SECTION 7. Termination of Reporting Obligation.

(a) The Board's obligations under this Disclosure Certificate shall terminate upon the legal defeasance of the Resolution or the prior redemption or payment in full of all of the Bonds. If the Board's obligation to pay a portion of the principal of and interest on the Bonds is assumed in full by some other entity, such entity shall be responsible for compliance with this Disclosure Certificate in the same manner as if it were the Board, and the Board shall have no further responsibility hereunder.

(b) This Disclosure Certificate, or any provision hereof, shall be null and void in the event that the Board (i) receives an opinion of Securities Counsel, addressed to the Board, to the effect that those portions of the Rule, which require such provisions of this Disclosure Certificate, do not or no longer apply to the Bonds, whether because such portions of the Rule are invalid, have been repealed, amended or modified, or are otherwise deemed to be inapplicable to the Bonds, as shall be specified in such opinion, and (ii) files notice to such effect with the MSRB.

SECTION 8. Dissemination Agent. The Board, from time to time, may appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. Except as otherwise provided in this Disclosure Certificate, the Dissemination Agent (if other than the Board) shall not be responsible in any manner for the content of any notice or report prepared by the Board pursuant to this Disclosure Certificate.

SECTION 9. Amendment; Waiver.

(a) Notwithstanding any other provision of this Disclosure Certificate, this Disclosure Certificate may be amended, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(i) if the amendment or waiver relates to the provisions of Section 3(a), (b), (c), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, a change in law or a change in the identity, nature or status of the Board, or type of business conducted by the Board (including any such change related to the Board's participation in the Project);

(ii) this Disclosure Certificate, as so amended or taking into account such waiver, would, in the opinion of Securities Counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(iii) the amendment or waiver does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Bondholders.

(b) In the event of any amendment to, or waiver of a provision of, this Disclosure Certificate, the Board shall describe such amendment or waiver in the next Annual Report and shall include an explanation of the reason for such amendment or waiver. In particular, if the amendment results in a change to the annual financial information required to be included in the Annual Report pursuant to Section 4 of this Disclosure Certificate, the first Annual Report that contains the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of such change in the type of operating data or financial information being provided. Further, if the annual financial information required to be provided in the Annual Report can no longer be generated because the operations to which it related have been materially changed or discontinued, a statement to that effect shall be included in the first Annual Report that does not include such information.

(c) If the amendment results in a change to the accounting principles to be followed in preparing financial statements as set forth in Section 4 of this Disclosure Certificate, the Annual Report for the year in which the change is made shall include a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of such differences and the impact of the changes on the presentation of the financial information. To the extent reasonably feasible, the comparison shall also be quantitative. A notice of the change in accounting principles shall be filed by the Board or the Dissemination Agent (if other than the Board) at the written direction of the Board with the MSRB.

SECTION 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Board from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Board chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Board shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 11. Failure to Comply. In the event of a failure of the Board or the Dissemination Agent (if other than the Board) to comply with any provision of this Disclosure Certificate, any Bondholder or Beneficial Owner may bring an action to obtain specific performance of the obligations of the Board or the Dissemination Agent (if other than the Board) under this Disclosure Certificate, but no person or entity shall be entitled to recover monetary damages hereunder under any circumstances, and any failure to comply with the obligations under this Disclosure Certificate shall not constitute a default with respect to the Bonds or under the Resolution. Notwithstanding the foregoing, if the alleged failure of the Board to comply with this Disclosure Certificate is the inadequacy of the information disclosed pursuant hereto, then the Bondholders and the Beneficial Owners (on whose behalf a Bondholder has not acted with respect to this alleged failure) of not less than a majority of the aggregate principal amount of the then outstanding Bonds must take the actions described above before the Board shall be compelled to perform with respect to the adequacy of such information disclosed pursuant to this Disclosure Certificate.

SECTION 12. Duties of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate.

SECTION 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Board, the Dissemination Agent, the Participating Underwriter, the Bondholders and the Beneficial Owners, and shall create no rights in any other person or entity.

SECTION 14. Transmission of Information and Notices. Unless otherwise required by law or this Disclosure Certificate, and, in the sole determination of the Board or the Dissemination Agent, as applicable, subject to technical and economic feasibility, the Board or the Dissemination Agent, as applicable, shall employ such methods of information and notice transmission as shall be requested or recommended by the herein-designated recipients of such information and notices.

SECTION 15. Additional Disclosure Obligations. The Board acknowledges and understands that other State and federal laws, including, without limitation, the Securities Act of 1933, as amended, and Rule 10b-5 promulgated by the SEC pursuant to the 1934 Act, may apply to the Board, and that under some circumstances, compliance with this Disclosure Certificate, without additional disclosures or other action, may not fully discharge all duties and obligations of the Board under such laws.

SECTION 16. Governing Law. This Disclosure Certificate shall be construed and interpreted in accordance with the laws of the State, and any suits and actions arising out of this Disclosure Certificate shall be instituted in a court of competent jurisdiction in the State. Notwithstanding the foregoing, to the extent this Disclosure Certificate addresses matters of federal securities laws, including the Rule, this Disclosure Certificate shall be construed and interpreted in accordance with such federal securities laws and official interpretations thereof.

[SIGNATURE PAGE FOLLOWS]

**LIGHT & POWER BOARD OF THE CITY OF
TRAVERSE CITY**

By: _____

Its: Executive Director

And By: _____

Its: Secretary

Dated: October 4, 2011

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Major Participant: Light & Power Board of the City of Traverse City

Name of Bond Issue: Michigan Public Power Agency Combustion Turbine No. 1 Project
Refunding Revenue Bonds, 2011 Series A

Date of Bonds: October 4, 2011

NOTICE IS HEREBY GIVEN that the Light & Power Board of the City of Traverse City has not provided an Annual Report with respect to the above-named Bonds as required by Section 3 of its Continuing Disclosure Certificate with respect to the Bonds. The Light & Power Board of the City of Traverse City anticipates that the Annual Report will be filed by _____.

LIGHT & POWER BOARD OF THE CITY OF
TRAVERSE CITY

By: _____
Its: _____

Dated: _____

EXHIBIT B

**NOTICE OF CHANGE IN LIGHT & POWER BOARD
OF THE CITY OF TRAVERSE CITY'S FISCAL YEAR**

Name of Major Participant: Light & Power Board of the City of Traverse City

Name of Bond Issue: Michigan Public Power Agency Combustion Turbine No. 1 Project
Refunding Revenue Bonds, 2011 Series A

Date of Bonds: October 4, 2011

NOTICE IS HEREBY GIVEN that the Light & Power Board of the City of Traverse City 's fiscal year has changed. Previously, the Light & Power Board of the City of Traverse City 's fiscal year ended on _____. It now ends on _____.

**LIGHT & POWER BOARD
OF THE CITY OF TRAVERSE CITY**

By: _____
Its: _____

Dated: _____

EXHIBIT C

ANNUAL REPORT COVER SHEET

This cover sheet and the attached Annual Report or portion thereof should be filed electronically with the Municipal Securities Rulemaking Board through the EMMA Dataport at <http://www.emma.msrb.org> pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(A) and (B).

Major Participant's Name: _____

Issuer's Six-Digit CUSIP Number(s): _____

or Nine-Digit CUSIP Number(s) to which the attached Annual Report relates: _____

Number of pages of the attached Annual Report or portion thereof: _____

Name of Bond Issue to which the attached Annual Report relates: _____

Date of such Bonds: _____

I hereby represent that I am authorized by the Light & Power Board of the City of Traverse City or its agent to distribute this information publicly:

Signature: _____

Name: _____

Title: _____

Employer: _____

Address: _____

City, State, Zip Code: _____

Voice Telephone Number: _____

EXHIBIT D

EVENT NOTICE COVER SHEET

This cover sheet and the attached Event Notice should be filed electronically with the Municipal Securities Rulemaking Board through the EMMA Dataport at <http://www.emma.msrb.org> pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C) and (D).

Issuer's and/or Other Obligated Person's Name: _____

Issuer's Six-Digit CUSIP Number(s): _____

or Nine-Digit CUSIP Number(s) to which the attached Event Notice relates: _____

Number of pages of the attached Event Notice: _____

Description of the attached Event Notice (Check One):

- 1. _____ Principal and interest payment delinquencies
- 2. _____ Non-Payment related defaults
- 3. _____ Unscheduled draws on debt service reserves reflecting financial difficulties
- 4. _____ Unscheduled draws on credit enhancements reflecting financial difficulties
- 5. _____ Substitution of credit or liquidity providers, or their failure to perform
- 6. _____ Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security
- 7. _____ Modifications to rights of securities holders
- 8. _____ Bond calls
- 9. _____ Defeasances
- 10. _____ Release, substitution, or sale of property securing repayment of the securities
- 11. _____ Rating changes
- 12. _____ Tender offers
- 13. _____ Bankruptcy, insolvency, receivership or similar event of an obligated person
- 14. _____ The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of an obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms
- 15. _____ Appointment of a successor or additional trustee, or the change of name of a trustee
- 16. _____ Failure to provide annual financial information as required
- 17. _____ Other material event notice (specify) _____

I hereby represent that I am authorized by the Light & Power Board of the City of Traverse City or its agent to distribute this information publicly:

Signature: _____

Name: _____ Title: _____

Employer: _____

Address: _____

City, State, Zip Code: _____

Voice Telephone Number: _____

Please format the Event Notice attached to this cover sheet in 10 point type or larger. Contact the MSRB at (202) 223-9503 with questions regarding this form or the dissemination of this notice.

LANSING 31402-75 457004v2



To: Light & Power Board
From: Jim Cooper *JC*
Date: September 7, 2012
Subject: Energy Optimization Filing for 2012-2015

These materials represent the required Michigan Public Service Commission (MPSC) Energy Optimization filing for 2012 to 2015. The utility programs and incentives are quite similar to the previous 2009-2011 filing and follow the Public Act 295 requirements (also known as the Michigan Clean, Renewable, and Efficient Energy Act). The forms and format are templates that have been approved by the MPSC. Light and Power worked with over 20 other Michigan Municipal Electric Associations over the past several months to develop these programs. The basic PA 295 rules require that each utility, through the energy optimization programs, save a 3 year average of 1% of their kWhr sales each year and also use up to 2% of revenue each year to accomplish that goal. All of the computations are based on L&P actual data and forecasts and almost all of the text and programs are pre-approved and agreed to by the MPSC. A summary of the program kWhr savings and costs are below.

<i>Savings is reported in Megawatt hours</i>			Total Savings Required MWH
Program Year	% Saving	Sales Year	
2012	1.00%	2011	3,189
2013	1.00%	2012	3,235
2014	1.00%	2013	3,284
2015	1.00%	2014	3,317

<i>Expenditures Percentage of Retail Sales</i>			Total Spending \$
Program Year	% Spending	Sales Year	
2012	2.0%	2010	\$484,317
2013	2.0%	2011	\$501,745
2014	2.0%	2012	\$536,276
2015	2.0%	2013	\$541,710

MPSC requirements include matching kWhr savings in each category to the revenues received from that program category. For example, if residential revenues are about 18-20% of total revenues then 18-20% of total kWhr savings each year must be derived from the residential savings programs.

All program categories are the same as the original filing and as reported to the board for the annual updates.

PORTFOLIO CATEGORY: RESIDENTIAL

- Low Income Services
- Residential Services
- Educational Services
- Pilot Programs

PORTFOLIO CATEGORY: COMMERCIAL AND INDUSTRIAL

- Prescriptive Business Services
- Custom Business Services
- Educational Services
- Pilot Programs

PORTFOLIO CATEGORY: LEVEL COSTS

- Utility Administration
- Evaluation

All statewide utility programs have now been filed with the MPSC and can be accessed at: <http://efile.mpsc.state.mi.us/efile/> . The L&P case number or "U" is 16724. This filing is also on the L&P website.

**Traverse City Light and Power
2011 Biennial Energy Optimization Plan
MPSC Case No. U-16724**

Introduction

This Biennial Energy Optimization Plan Review filing by Traverse City Light and Power (TCL&P) complies with Public Act 295 of 2008 (the Act) and the related March 17, 2011 Michigan Public Service Commission Order (MPSC Case No. U-16724). This filing serves as an application for review and revision of the 2012 program and a new plan review for the years 2013, 2014 and 2015. This Energy Optimization (EO) Plan was developed in three sections consistent with the TCL&P 2009 EO Plan filing:

- Section 1 will address each requirement under PA 295 Section 71, Subsection 3 (a-i).
- Section 2 will address the requirements under Attachment E of the MPSC Temporary Order U-15800
- Section 3 has additional information under MPSC Temporary Order U-15800

The 2012-15 programs were developed utilizing the same methodology that the MPSC approved on July 1, 2009 for the TCL&P 2009-12 EO plan.

SECTION 1: PA 295 SECTION 71 SUBSECTION 3 REQUIRMENTS

Section 71 (3) (a) The EO plan shall offer programs to each customer class including low-income customers;

The table below shows the total incremental megawatt hour savings required by PA 295 for the TCL&P Energy Optimization programs for years 2012-2015.

<i>Savings is reported in Megawatt hours</i>			Total Savings Required
Program Year	% Saving	Sales Year	MWH
2012	1.00%	2011	3,189
2013	1.00%	2012	3,235
2014	1.00%	2013	3,284
2015	1.00%	2014	3,317

TCL&P developed its Energy Optimization programs to serve all customer classes, including residential low-income. The TCL&P Plan for 2012-2015 is based on allocating approximately 1% of its EO budget to low-income program, 20% to

residential, 73% to commercial and industrial, and 6% to evaluation and administration. Program allocations will be revised on an annual basis in order to continue meeting the goals under PA 295.

Programs that will be offered to each rate class are listed below and are categorized into Low-Income Services, Residential Solutions and Business Solutions. A detailed list of budget amounts and the associated kilowatt savings for each customer class can be found in Attachment A. Program descriptions with budgets and estimated participation levels of the programs that will be offered are included in Attachment B.

Residential Low-income Services

TCL&P will spend 4% of the residential program budget on low-income programs. Target market for this program continues to be residential customers whose income is estimated to be below 200% of poverty level as defined by the U.S. Department of Health and Human Services. Services will be targeted to diverse segments of the population including those living in single family and multi-family buildings, home owners and renters, and to the extent possible – age and geographic diversity. This program provides funding to upgrade the electric energy efficiency of customers living on limited incomes, thereby lowering their energy bills.

Residential Solutions

The programs below will be available for all TCL&P Residential Electric Service Rate classes.

- *Residential Services (appliance recycling, lighting, HVAC, etc)*
- *Residential Education Services*
- *Pilot/Emerging Technology Programs*

Business Solutions

The programs below will be available for all TCL&P commercial and industrial rate classes.

- *Business Services (prescriptive and custom)*
- *Business Education Services*
- *Pilot/Emerging Technology Programs*

Section 71 (3) (b) The EO plan shall specify the necessary funding level;

In order to achieve the mandatory energy savings targets, the TCL&P Energy Optimization Plan may require the estimated funding levels shown in the table below.

<i>Expenditures Percentage of Retail Sales</i>			Total Spending \$
Program Year	% Spending	Sales Year	
2012	2.0%	2010	\$484,317
2013	2.0%	2011	\$501,745
2014	2.0%	2012	\$536,276
2015	2.0%	2013	\$541,710

Note: Expenditures for 2013, 2014 & 2015 are estimates and may be revised as actual data becomes available.

Section 71 (3) (c) Describe how EO program costs will be recovered from customers;

At this time all costs associated with the implementation of the TCL&P Energy Optimization Plan are anticipated to be recovered through the existing rate structure. An annual budget review will be conducted to determine whether existing revenues are adequate to meet targets. If necessary implementation costs may be recovered consistent with Section 89 (2) of Public Act 295. Residential customers may be charged on a volumetric basis; primary and secondary customers may be charged on a per meter basis.

The costs for primary customers will not exceed 1.7% of total retail revenues for that customer class and for residential and secondary will not exceed 2.2% of total retail revenues for those customer classes. [PA 295 Section 89 (3)]

Anticipated TCL&P surcharges for the EO programs are listed in the table below. These surcharges will be evaluated on a periodic basis and revised as needed to ensure adequate funding of the proposed programs.

The estimated monthly charges are shown in the table below.

Levelized Surcharges		2012-15
Residential	Per kWh	0
Secondary 1	Per meter	0
Secondary 2	Per meter	0
Primary	Per meter	0

Section 71 (3)(d) Ensure, to the extent feasible, that charges collected from a particular customer rate class are spent on EO programs for that rate class;

Charges for each customer class were developed based on the approximate percentage of programs budget allocations that will be offered for that customer class to the extent feasible.

Section 71 (3) (e) Demonstrate that proposed EO funding is sufficient to ensure achievement of EO savings standards;

The TCL&P Program Portfolio was prepared by Janet Brandt from Morgan Marketing Partners to outline goals, budgets, and programs that have the potential to achieve the targets identified in PA 295. The programs described in this plan were modeled based on typical measure characteristics used in similar “best practice” programs across the country, along with specific savings estimates from the new Michigan Deemed Savings Database.

Section 71 (3)(f) Specify whether electric energy savings will be based on weather normalized sales or the average megawatt hours of electricity sold by the provider annually during the previous 3 years to retail customers;

The incremental energy savings for the TCL&P Energy Optimization Plan will continue to be calculated utilizing the average number of megawatt hours of electricity sold annually during the previous three years to retail customers.

Section 71 (3) (g) Demonstrate that the providers EO programs, excluding low-income programs, are collectively cost-effective;

The TCL&P programs were designed to meet the cost-effective tests as required under PA 295 Sec. 73 (2). The two primary tests that were used to determine if the programs are reasonable and prudent are the Utility System Resource Cost Test and the Cost of Conserved Energy. The definitions according to the California Standard Practices Manual for each of these tests are as follows:

Utility System Resource Cost Test

The Utility System Resource Cost Test measures the net costs of an energy efficiency program as a resource option based on the costs incurred by the utility (including incentive costs) and excluding any net costs incurred by the participant.

Cost of Conserved Energy

The Cost of Conserved Energy is the average lifecycle cost of an efficiency measure or program expressed in cents per kWh saved over the life of the installed measures.

A table of each program with the Utility Cost Test results and the estimated Cost of Conserved Energy is shown below.

Portfolio Category	Program	UCT Results	CCE Results*
	Low-income	N/A	N/A
Residential	Residential Services	2.6	\$.02
	Education Services	4.3	\$.01
	Pilot/Emerging Technologies	4.3	\$.01
Business	Business Services	4.3	\$.01
	Education Services	4.3	\$.01
	Pilot/Emerging Technologies	4.3	\$.01
	Projected Annual Totals	3.9	\$.01

*The CCE is the present value of the program costs divided by the lifetime savings (\$/kWh).

Section 71 (3) (h) Provide for practical and effective administration of the EO programs;

The overall administration of the TCL&P Energy Optimization Plan will continue to be the responsibility of TCL&P personnel with implementation contractors selected in 2012-2015 as needed. TCL&P will make use of experienced in-house personnel who will assure quality and compliance by providing oversight, guidance and direction to the outside implementation contractors. TCL&P personnel will also work with the implementation contractors who have qualified and experienced staff with the technical capabilities and data tracking systems necessary to deliver the programs effectively. This combination will assure effective and efficient program administration.

Section 71 (3) (i) include a process for obtaining independent expert evaluation of the actual EO savings;

TCL&P contracted with KEMA Inc. as the independent third-party for the expert evaluation of the EO programs for 2009 through 2011. This contractor was responsible for verifying the incremental gross energy savings from each EO program and providing an annual report of such findings. An evaluation contractor will be selected to provide these same services for the 2012-2015 programs.

SECTION 2: REQUIREMENTS UNDER ATTACHMENT E of MPSC Temporary Order U-15800

MPSC Attachment E Section 3 (a) Plan Elements;

Energy Optimization Plan Development Methodology

The TCL&P 2012–2015 Energy Optimization Program Portfolio outlines goals, budgets and programs that are designed to achieve the energy conservation targets identified in Michigan legislation Public Act 295 (PA 295). The programs in this plan were based on typical measure characteristics used in similar “best practice” programs across the country, along with specific savings estimates from the new Michigan Deemed Savings Database.

The programs were developed utilizing the same methodology that was used in the 2009-2012 TCL&P plan that were approved by the MPSC on July 1, 2009. Specifically, the programs were selected based on the following objectives:

- To provide electric energy savings for residential and commercial/industrial customers through a portfolio of proven “best practice” energy efficiency programs that are cost-effective from a Utility System Resource Cost perspective;
- To develop program designs that can achieve the required energy savings goals within the specified budget caps identified in PA 295;
- To recommend potential opportunities to leverage program funding with other state, regional, and national efforts.
- Incentives are only offered on measures that exceed current codes and standards and are often “tiered” to encourage customers to implement the highest level of efficiency available.

The DSMore model was used to conduct the benefit-cost analysis, using TCL&P projected avoided costs. The model calculates benefit-cost results for each of the major and nationally-defined perspectives: Participant Test, Rate Impact Test, Total Resource Cost Test, and the Utility System Resource Cost Test, as well as the Cost of Conserved Energy.

MPSC Attachment E Section 1 (e) Plan Requirements;

Other cost-effective tests were utilized to determine cost effectiveness of the TCL&P programs. Brief definitions of those tests according to the California Standard Practices Manual are:

Utility System Resource Cost Test (UCT)- The Utility System Resource Cost Test measures the net costs of an energy efficiency program as a resource option based on the costs incurred by the utility (including incentive costs) and excluding any net costs incurred by the participant.

Total Resource Cost Test (TRC)-The Total Resource Cost Test measures the net costs of an energy efficiency program as a resource option based on the total costs of the program, including both the participants' and the utility's costs. This test incorporates both the utility's costs and the customers costs associated with purchasing and installing an energy efficiency measure. For DSM programs, those that pass the TRC test with a ratio of greater than 1 is viewed as beneficial to the utility and its customers because the savings in electric costs outweigh the DSM costs.

Participant Test (PCT)-The Participants Test is the measure of the quantifiable benefits and costs to the customer due to participation in a program.

The Ratepayer Impact Measure Test (RIM)-The Ratepayer Impact Measure (RIM) test measures what happens to customer rates due to changes in utility revenues and operating costs caused by the program. This test indicates the direction and magnitude of the expected change in customer rate level for both participating and non-participating customers.

A table with the multiple cost-effectiveness tests required for each program is shown below.

Portfolio Category	Program	Utility System Resource Cost Test	Total Resource Cost Test	Participant Test	Rate Impact Measure
Residential	Low-income	N/A	N/A	N/A	N/A
	Residential Services	2.6	1.6	2.4	0.7
	Educational Services	4.3	4.3	No Cost	0.7
	Pilot Programs	4.3	4.3	No Cost	0.7
	Residential Portfolio	3.0	2.0	3.1	0.7
	Business	Business Services	4.3	1.9	2.2
	Educational Services	4.3	4.3	No Cost	0.6
	Pilot/Emerging Technology	4.3	4.3	No Cost	0.6
	Business Portfolio	4.3	1.9	2.4	0.7
Total Portfolio (with administrative \$)		3.9	1.9	2.4	0.7

MPSC Attachment E Section 3 (b-f) Plan Elements;

b) The EO portfolio summary (MPSC Table 2) can be found in Attachment A and a summary of each program (MPSC Table 1) is shown in Attachment B. Savings estimates for all measures are based on the Michigan Deemed Savings Database. To ensure program flexibility, diversity, and maximum customer participation TCL&P will reallocate funding to other programs that are more cost-effective or where technology or market participation impacts require additional resources, but will respect spending criteria among customer classes. Throughout this filing period programs may be added, deleted or changed as necessary in meet the established goals. Any program changes will meet the requirements of PA 295.

c) Five percent of budget will be utilized for pilot programs, future energy optimization program development, special projects or to assess emerging technologies. The budgets for pilot programs will also be deemed to generate a proportional amount of required energy savings for each program year where the money is spent.

d) Three percent of the EO budget will be used on education programs. These budget expenditures will communicate and educate customers on the benefits of energy efficiency, conservation and load management. Budget funds for education will be deemed to generate a proportional amount of the required energy savings for each program year in which the money is spent. TCL&P programs are designed to include an education component for both the Residential and Business customers.

e) The TCL&P Plan includes a residential low-income program and costs for this program will be recovered from each customer rate class in proportion to that rate class' funding of all programs.

f) TCL&P has set aside no more than 6% of program budget for program evaluation, measurement and verification activities to determine actual program energy savings.

SECTION 3: ADDITIONAL INFORMATION

Comment Proceedings;

An opportunity to convey public comments for the TCL&P 2011 Biennial Energy Optimization Plan for 2012-2015 will be communicated to all customers through the TCL&P website, legally posted notices, and regularly scheduled board meetings. All public comments received on the Biennial Energy Optimization Plan will be submitted to the MPSC prior to September 30, 2011.

Michigan Saves Program;

TCL&P supports the financing programs that are offered under the Michigan Saves Program that help customers invest in high-efficiency equipment and improvements to their homes and businesses.

Recovery of Costs from Customers;

TCL&P does recognize the difference in usage patterns and load characteristics of the secondary customer base and if necessary, will develop two separate charges in response to those differences.

Coordination of Energy Optimization Programs;

TCL&P has been and will continue to participate in the EO Collaborative monthly meetings organized by the MPSC through its membership with MMEA. These meetings allow for the evaluation of program development and delivery options that may improve program administration and delivery efficiencies.

Attachment A: Traverse City's Energy Optimization Program Portfolio

Portfolio Category	Program Portfolio	2012		2013		2014		2015	
		USRCT Results	CCE Results	Gross First Year kWh Savings	Program Budget	Gross First Year kWh Savings	Program Budget	Gross First Year kWh Savings	Program Budget
Residential	Low Income Services	N/A	N/A	21,947 \$	4,469 \$	22,258 \$	4,533 \$	22,598 \$	4,602 \$
	Residential Services	2.6	0.02	399,125 \$	70,465 \$	404,786 \$	76,086 \$	410,971 \$	90,346 \$
	Educational Services	4.3	0.01	47,849 \$	7,265 \$	48,528 \$	7,526 \$	49,269 \$	8,044 \$
	Pilot Programs	4.3	0.01	79,748 \$	12,108 \$	80,880 \$	12,544 \$	82,115 \$	13,407 \$
	Subtotal - Residential Solutions	3.0	0.02	548,669 \$	94,307 \$	556,452 \$	100,689 \$	564,954 \$	116,398 \$
Commercial & Industrial	Self-Direct Customers								
	Business Services	4.3	0.01	2,513,671 \$	341,578 \$	2,549,325 \$	350,881 \$	2,588,277 \$	366,250 \$
	Educational Services	4.3	0.01	47,849 \$	7,265 \$	48,528 \$	7,526 \$	49,269 \$	8,044 \$
	Pilot/Emerging Technology Programs	4.3	0.01	79,748 \$	12,108 \$	80,880 \$	12,544 \$	82,115 \$	13,407 \$
	Subtotal - Business Solutions	4.3	0.01	2,641,269 \$	360,951 \$	2,678,732 \$	370,951 \$	2,719,662 \$	387,701 \$
	Total Program Portfolio			3,189,938 \$	455,258 \$	3,235,183 \$	471,640 \$	3,284,616 \$	504,100 \$
Portfolio-Level Costs	Utility Administration								
	Evaluation								
	Subtotal - Portfolio Level Costs								
	Projected Annual Totals	3.9	0.01	3,189,938 \$	484,317 \$	3,235,183 \$	501,745 \$	3,284,616 \$	536,276 \$
								3,317,892 \$	541,710 \$

Sector	Program	Utility System Resource Cost Test	Total Resource Cost Test	Participant Test	Rate Impact Measure	CCE (Cost of Conserved Energy)
Residential	Low Income	N/A	N/A	N/A	N/A	N/A
	Residential Services	2.6	1.6	2.4	0.7	\$ 0.02
	Educational Services	4.3	4.3	No Cost	0.7	\$ 0.01
	Pilot Programs	4.3	4.3	No Cost	0.7	\$ 0.01
	Residential Portfolio	3.0	2.0	3.1	0.7	\$ 0.02
Business	Business Services	4.3	1.9	2.2	0.7	\$ 0.01
	Educational Services	4.3	4.3	No Cost	0.6	\$ 0.01
	Pilot Programs	4.3	4.3	No Cost	0.6	\$ 0.01
	Business Portfolio	4.3	1.9	2.4	0.7	\$ 0.01
Total Portfolio (with administrative \$)		3.9	1.9	2.4	0.7	\$ 0.01

Traverse City's

Energy Optimization Plan

2012-2015

Program Descriptions



Traverse City's Proposed Energy Optimization Programs - Table 1

Program Element	Services for Residential Customers with Limited Incomes												
Objective	<ul style="list-style-type: none"> • Provide recommendations, financial assistance and education to customers with limited income to assist them in reducing their electric energy use and managing their utility costs. • Coordinate low-income services with local weatherization providers and other agencies in order to provide comprehensive assistance at lower administrative costs. 												
Target Market	<ul style="list-style-type: none"> • Residential customers whose income is estimated to be below 200% of poverty level. Services will be targeted to diverse segments of the population including those living in single family and multi-family buildings, homeowners and renters, and to the extent possible – age and geographic diversity. 												
Program Duration	Services for customers with limited income will be an ongoing element of the program portfolio.												
Program Description	Services for customers with limited income will be closely coordinated with local weatherization agencies and other applicable State and municipal programs. In an ongoing effort, the utility intends to work with the agencies responsible for implementing the Federal LIHEAP program to leverage their funding by subsidizing the installation of all cost-effective electric measures, thereby increasing the number of homes served through the program.												
Eligible Measures	Cost effective electric measures that will be permissible for this program include replacement of inefficient lighting/equipment with ENERGY STAR labeled products including CFL's, refrigerators, dehumidifiers, room air conditioners, and furnaces with high-efficiency motors. Other eligible measures include smart power strips to reduce the energy use of computers, printers, TVs, and other electronic equipment.												
Implementation Strategy	This program will be coordinated with the local weatherization agencies to subsidize the installation of all cost-effective electric measures.												
Marketing Strategy	Marketing will be closely coordinated with the local weatherization agencies. Key elements of the marketing strategy include: <ul style="list-style-type: none"> • Targeted outreach through local agencies • Municipal website and newsletter • Press release 												
EM&V Requirements	Evaluation activities for the residential low-income program will focus on verification and assessment of electric energy impacts for the installed measures.												
Estimated Participation	<table border="1" style="width: 100%; text-align: center;"> <thead> <tr> <th colspan="4">Participation (in Units of Installed Measures)</th> </tr> <tr> <th>2012</th> <th>2013</th> <th>2014</th> <th>2015</th> </tr> </thead> <tbody> <tr> <td>427</td> <td>433</td> <td>439</td> <td>444</td> </tr> </tbody> </table>	Participation (in Units of Installed Measures)				2012	2013	2014	2015	427	433	439	444
Participation (in Units of Installed Measures)													
2012	2013	2014	2015										
427	433	439	444										

<i>Estimated Budget</i>	Annual Budgets			
	2012	2013	2014	2015
	\$4,469	\$4,533	\$4,602	\$4,648
<i>Savings Targets</i>	Energy Savings (Gross Annual kWh)			
	2012	2013	2014	2015
	21,947	22,258	22,598	22,827

Program Element	Residential High Efficiency Products Program
Objective	Produce long-term coincident peak demand reduction and annual energy savings in the residential sector by promoting high-efficiency lighting, appliances, and HVAC equipment.
Target Market	Residential customers seeking to purchase and install new central air conditioning units, furnaces, heat pumps, setback thermostats, refrigerators, freezers, dishwashers, room air-conditioners, dehumidifiers, clothes washers and dryers, water heaters, and/or lighting products.
Program Duration	Ongoing element of the program portfolio.
Program Description	<p>The High-Efficiency Products program will leverage the nationally-recognized ENERGY STAR brand, when applicable, to promote products that can reduce electric energy use. Energy efficient choices can save families about a third on their energy bill, without sacrificing features, style or comfort. The ENERGY STAR brand helps consumers make the most energy efficient choice.</p> <p>The program will focus on three major markets:</p> <ul style="list-style-type: none"> • contractor-installed heating, cooling, and water-heating equipment • retail sales of appliances • retail sales and direct marketing of lighting products <p>The High-Efficiency Products Program will promote premium efficiency furnaces that have high-efficiency motors (electrically commutated motors – ECMs). ECM motors save electric energy during the heating and cooling seasons. Since the primary type of heating system in the utility’s service area is natural gas forced air, this program will closely coordinate with the local natural gas provider so that incentives can be coordinated on units that have the high-efficiency motors. Incentives for the installation of setback thermostats will also be available.</p> <p>Although federal efficiency standards for central air-conditioning have recently increased, there are still opportunities to promote units that exceed the current standards and thus achieve additional energy savings. The program will provide incentives for high-efficiency central air-conditioners with an SEER rating > 14.</p> <p>The program will also offer incentives for high-efficiency electric water heaters and heat pump water heaters..</p> <p>The High-Efficiency Products Program will also provide incentives to customers to encourage them to replace their older, inefficient appliances with high-efficiency units.</p> <p>The High-Efficiency Products Program will also provide opportunities for customers to use efficient lighting by receiving the products directly and/or by providing market incentives and</p>

	<p>market support through retailers to build market share and usage of ENERGY STAR lighting products. The program targets the purchase of lighting products through in-store promotion as well as special sales events. The program will also provide convenient recycling for CFL's at local retailers and customer service outlets.</p> <p>Finally, the program will also educate customers on the energy use of electronic entertainment and office equipment in the home and encourage customers to utilize an advanced power strip to turn off equipment when not in use.</p>
<p>Eligible Measures</p>	<p>Eligible measures include:</p> <ul style="list-style-type: none"> • Central Air Conditioners (SEER > 14) • Furnaces with ECM Motors • Air-Source, Dual-Fuel, and Ground Source Heat Pumps (SEER > 14) • Electric Water Heaters (EF >=.95) • Heat Pump Water Heaters (EF >= 2.0) • Setback Thermostats • High-Efficiency Pool Pumps • ENERGY STAR Room Air Conditioners, Dehumidifiers, Refrigerators, Freezers • Clothes Dryers (with moisture sensor) • ENERGY STAR lighting products (CFLs, CFL Specialty Bulbs, Fixtures, LED Holiday Lights and bulbs, and Ceiling Fans.) • Advanced Power Strips
<p>Implementation Strategy</p>	<ul style="list-style-type: none"> • Contractor/retailer recruitment, education and outreach. The utility's implementation contractor will utilize a field representative to facilitate the recruitment of local HVAC/plumbing contractors and appliance/lighting retailers to participate in the program. • Planning coordination with local natural gas provider. The utility's implementation contractor will work closely with the natural gas utility to coordinate incentive levels, eligibility requirements, marketing materials, and contractor outreach. • Lighting Product distribution. The utility will distribute lighting products through special mailings and/or community groups and events. • Application processing. The utility or utility's implementation contractor will coordinate processing of all rebate applications.
<p>Marketing Strategy</p>	<p>The HVAC and water heater components of the program will be primarily marketed through local contractors, the most direct influencers of customer purchase decisions. Contractors will receive educational materials to share with their customers as well as access to cooperative advertising dollars.</p>

	<p>The appliance and lighting components of the program will be marketed through local retailers. All marketing materials will carry a strong consumer education message emphasizing the cost of operating older, inefficient appliances and the benefits of early replacement with ENERGY STAR qualified models (lifetime dollar savings, energy savings, lower noise, etc.). Marketing materials will leverage the ENERGY STAR brand, which enjoys a high level of consumer recognition and favorable associations.</p> <p>Key elements of the marketing strategy include:</p> <ul style="list-style-type: none"> • Direct consumer marketing through website and newsletter • Press release • Point-of-purchase displays • Cooperative advertising with contractors/retailers 												
EM&V Requirements	Savings values were based on documented values from the Michigan Energy Measures Database. Evaluation activity will focus on verification of installation and estimates of deemed savings.												
Estimated Participation	<table border="1" data-bbox="467 772 1230 966"> <thead> <tr> <th colspan="4">Participation (in Units of Installed Measures)</th> </tr> <tr> <th>2012</th> <th>2013</th> <th>2014</th> <th>2015</th> </tr> </thead> <tbody> <tr> <td>6,163</td> <td>6,251</td> <td>6,346</td> <td>6,411</td> </tr> </tbody> </table>	Participation (in Units of Installed Measures)				2012	2013	2014	2015	6,163	6,251	6,346	6,411
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2012	2013	2014	2015										
6,163	6,251	6,346	6,411										
Estimated Budget	<table border="1" data-bbox="467 982 1230 1176"> <thead> <tr> <th colspan="4">Annual Budgets</th> </tr> <tr> <th>2012</th> <th>2013</th> <th>2014</th> <th>2015</th> </tr> </thead> <tbody> <tr> <td>\$42,375</td> <td>\$47,597</td> <td>\$61,421</td> <td>\$62,044</td> </tr> </tbody> </table>	Annual Budgets				2012	2013	2014	2015	\$42,375	\$47,597	\$61,421	\$62,044
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Energy Savings (Gross Annual kWh)													
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278,418	282,367	286,681	289,586										

Program Element	Appliance Turn-In and Recycling Program
Objective	Produce long-term coincident peak demand reduction and annual energy savings in the residential sector by removing operable, inefficient refrigerators, freezers, dehumidifiers, and room air conditioners from the power grid and recycling them in an environmentally safe manner.
Target Market	Residential customers who are currently operating older, inefficient refrigerators, freezers, dehumidifiers, and/or room air conditioners either as primary or secondary units.
Program Duration	Ongoing element of the program portfolio.
Program Description	The average household replaces a refrigerator every ten years. However, many of the refrigerators being replaced are still functioning, so they often become backup appliances – energy guzzlers in basements and garages – or sold in a used-market. The Turn-In Program targets those “second” refrigerators and freezers, as well as encouraging the early retirement of older inefficient appliances that are still operable. The program provides the dual benefit of cutting energy consumption and keeping the appliances out of the used-market.
Eligible Measures	Eligible measures include refrigerators, freezers, dehumidifiers, and room air conditioners. Units must be operable at the time of disposal.
Implementation Strategy	<ul style="list-style-type: none"> • Turn-key appliance pick-up/recycling: The utility will select a qualified recycling service subcontractor to provide comprehensive, turn-key implementation services from eligibility verification and scheduling of pick-ups to proper disposal and recycling of turned-in appliances. • Drop-off events for dehumidifiers and room air conditioners to be coordinated and managed by local recycling specialists. • Incentive coordination and processing: The utility will coordinate prompt processing of incentive payments.
Marketing Strategy	<p>All marketing materials will carry a strong consumer education message emphasizing the cost of operating older, inefficient appliances, the benefits of early replacement with ENERGY STAR qualified models, and the importance of proper disposal and recycling of older units. Key elements of the marketing strategy include:</p> <ul style="list-style-type: none"> • Direct consumer marketing through website and newsletter • Press release • Website links to EPA’s new “ENERGY STAR Recycle My Old Fridge Campaign” at www.recyclemyoldfridge.com. Includes calculators to estimate savings. • Point-of-purchase displays • Cooperative advertising with retailers • Posters in area businesses

EM&V Requirements	Deemed savings values were based on documented values from the Michigan Energy Measures Database (MEMD). Evaluation activity will focus on verification of recycled units and estimates of deemed savings.															
Estimated Participation	<table border="1"> <thead> <tr> <th colspan="4" data-bbox="513 312 1243 373">Participation (in Units of Installed Measures)</th> </tr> <tr> <th data-bbox="513 373 704 434">2012</th> <th data-bbox="704 373 886 434">2013</th> <th data-bbox="886 373 1073 434">2014</th> <th data-bbox="1073 373 1243 434">2015</th> </tr> </thead> <tbody> <tr> <td data-bbox="513 434 704 495">114</td> <td data-bbox="704 434 886 495">116</td> <td data-bbox="886 434 1073 495">118</td> <td data-bbox="1073 434 1243 495">119</td> </tr> </tbody> </table>				Participation (in Units of Installed Measures)				2012	2013	2014	2015	114	116	118	119
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Program Element	Residential Education Services															
Objective	<ul style="list-style-type: none"> To develop broad consumer awareness of the benefits of energy efficiency. To provide educational materials and services that motivate customers to participate in the utility's energy optimization programs and to motivate behavior change that can further reduce energy consumption. 															
Target Market	All residential customers															
Program Duration	Ongoing element of the program portfolio.															
Program Description	The municipal utility will implement educational outreach initiatives to build and expand consumer awareness of energy efficiency and energy conservation opportunities. Traverse City will allocate 1.5% of the total energy optimization budget for residential educational activities, with a 1.5% contribution to the residential energy savings goal.															
Eligible Measures	Not applicable for this program.															
Implementation Strategy	<p>The following types of initiatives will be considered for implementation:</p> <ul style="list-style-type: none"> Develop, produce, and distribute energy efficiency tips and information about the energy efficiency portfolio through bill inserts, newsletters, and other media. Enhance the website to facilitate easy access to educational materials/programs. Provide energy education/awareness booths at scheduled community fairs. Promote and deliver special energy workshops for targeted groups of participants, including distribution of free energy-saving products. 															
Marketing Strategy	See implementation strategy for a list of marketing activities.															
EM&V Requirements	Educational activities will be documented and number of customers reached recorded.															
Estimated Participation	To be determined.															
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Program Element	Residential Pilot/Emerging Technology Programs															
Objective	To identify and learn more about new energy efficient technologies and program strategies with potential to capture additional electric energy savings.															
Target Market	Dependent on specific technology/program.															
Program Duration	The utility continues to initiate research and analysis of other innovative technologies and strategies to reduce residential energy consumption. These efforts will be ongoing and pilot programs rolled out as appropriate.															
Program Description	<p>Several potential initiatives will be researched and potentially piloted including:</p> <ul style="list-style-type: none"> • Home Performance with ENERGY STAR as an efficient and integrated home retrofit program in cooperation with the local natural gas utility. • Residential-sized HVAC equipment optimized for performance in cold-climate (may include new developments in heat-pump technology). • Promotion of LED and induction lighting technology in residential applications. • Neighborhood initiatives that motivate energy conservation through better information and normalized comparative energy use-data. <p>Traverse City will allocate 2.5% of the total energy optimization budget for residential pilot activities, with a 2.5% contribution to the total energy savings goal.</p>															
Eligible Measures	To be determined based on programs selected.															
Implementation Strategy	To be determined based on programs selected.															
Marketing Strategy	To be determined based on programs selected.															
EM&V Requirements	Evaluation requirements will be determined as pilot initiatives are developed.															
Estimated Participation	To be determined based on programs selected.															
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Program Element	Comprehensive Business Solutions
Objective	<p>There are three primary objectives for the Comprehensive Business Solutions Program:</p> <ol style="list-style-type: none"> 1) Increase the market share of a targeted group of commercial high-efficiency electric technologies sold through market channels. 2) Increase the installation rate of a targeted group of high-efficiency electric technologies in commercial facilities by businesses that would not have done so in the absence of the program. 3) Affect the installation of site-specific and unique energy efficiency technologies and process improvements (that do not fit the parameters of the targeted incentive offerings) by business customers that would not have done so in the absence of the program.
Target Market	<p>All business customers are eligible to participate in the Comprehensive Business Solutions Program when they purchase qualifying equipment. However, the program will utilize a targeted outreach strategy to influence specific markets.</p> <ol style="list-style-type: none"> 1) Market Providers (wholesalers, distributors, engineering and architectural firms, developers, and builders) that will promote the qualifying technologies 2) High-impact/high-need customer sectors (such as schools, municipal buildings, hospitals, food service, and hospitality)
Program Duration	Ongoing element of the program portfolio.
Program Description	<p>The utility is interested in providing a seamless set of energy efficiency services to its business customers. Therefore, the Comprehensive Business Solutions Program will provide both a prescriptive and a custom approach, depending on the business' needs.</p> <p>The program will affect the purchase and installation of high-efficiency technologies through a combination of market push and pull strategies that stimulate market demand while simultaneously increasing market provider investment in stocking and promoting them.</p> <p>The program will increase demand by educating business customers about the energy and money saving benefits associated with efficient products and equipping market providers to communicate those benefits directly to their customers. To address the first-cost barrier for customers, the program will utilize financial incentives (i.e. cash-back mail-in rebates) averaging 20% to 40% of the incremental cost of purchasing qualifying technologies.</p> <p>The program will stimulate market provider investment in stocking and promoting efficient products through a targeted outreach effort. The implementation contractor will employ field sales representatives to proactively train and equip market providers to convey the energy and money saving benefits to consumers. Further, the existence of cash-back incentives will elevate efficiency to a competitive issue that will naturally motivate market providers to stock and promote targeted products.</p> <p>The custom component of the program helps customers and market providers identify more complex energy savings projects, analyze the economics of each project, and complete a customized incentive grant application. Over the long term, the custom solutions approach will allow the utility to develop and enhance the assistance they can provide to businesses with unique opportunities – including industrial process improvements, emerging</p>

	<p>technologies, and new facility design and/or modernization.</p> <p>The Business Services program will also include a new construction/renovation component that will assist customers in specifying and installing high efficiency measures and establishing effective commissioning on the long term performance of the building.</p> <p>Finally, the program will also offer a “direct-install” component to a targeted group of small businesses, offering free or subsidized installation of lighting upgrades and setback thermostats.</p>
Eligible Measures	Eligible measures are listed in Table 2.
Implementation Strategy	<ul style="list-style-type: none"> • Outreach to market providers. The implementation contractor will inform and recruit participating market providers. Outreach will include orientation meetings and conducting in-person visits aimed at training and equipping market providers to communicate program information to customers. The Contractor will ensure that providers have an updated stock of program materials. Key market providers that will be targeted include: <ul style="list-style-type: none"> • Lighting distributors, wholesalers, • HVAC distributors and retail contractors • Motors/compressed air vendors • Food service equipment distributors and retailers • Engineering and Architectural firms • Developers and Builders in the commercial market • Outreach to targeted customers. The implementation contractor will personally contact energy managers and decision makers within the targeted customer sectors. The Contractor will assist business customers in determining whether the prescriptive incentives or the custom approach would be most appropriate for their operations. The utility’s business account representatives will assist with outreach within the course of their regular contacts with business customers.
Marketing Strategy	<p>The Comprehensive Business Solutions Program will employ the following marketing strategies:</p> <ul style="list-style-type: none"> • Engage market providers. Outreach and training will be provided to a targeted group of providers that have business motivations for promoting incentives to their customers. • Outreach to targeted customers. The utility’s implementation contractor will work closely with the utility to identify and conduct face-to-face meetings with key end-use customers to recruit their participation. The contractor will target decision makers within the customer’s organization including: energy managers, facility managers, financial and operations managers, chief engineer and facility/property managers, maintenance supervisors, and building operators. • Outreach to key influencers. The implementation contractor’s energy advisor(s) will work to generate awareness of the program through presentations and seminars with appropriate trade associations (ASHRAE, BOMA, school administrators, etc.). • Provide complete website presence. The program will be comprehensively outlined on the utility website. Customers and market providers will be able to review qualifying measures and download incentive applications.
EM&V Requirements	The utility’s implementation contractor will be responsible for implementing the following types of measurement and verification activities to facilitate the utility’s third-party evaluation work:

	<ul style="list-style-type: none"> • Collect and track all customer, measure installation, and incentive data. • Verify that each product on which incentives are paid meets the prescribed efficiency standards using third party databases (e.g. ENERGY STAR, GAMA, ARI). Products that cannot be verified using a credible third party database will be considered on a case-by-case basis; product performance information will be requested from the contractor or manufacturer and efficiency will be verified by a qualified engineer. • Provide engineering support to identify and analyze the cost-effectiveness of energy saving opportunities. The energy advisor will work with the customer and/or market provider to complete custom engineering calculations that assess the energy savings potential, payback horizon, project eligibility, and incentive amount. If the project is deemed eligible, the advisor will assist the customer or market provide in completing a custom incentive grant application. • Conduct on-site inspections of 2% to 5% of equipment for which customers receive incentives to verify that products were installed and that the model and serial numbers match those provided on the incentive claim. Any inconsistencies will be researched and the resolution recorded. Market providers associated with inconsistencies will receive follow up inspections on projects that they are associated with. 												
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Program Element	Commercial & Industrial Educational Services															
Objective	<ul style="list-style-type: none"> To develop broad business awareness of the benefits of energy conservation and efficiency. To provide educational materials and services that motivate business customers to participate in the utility's energy optimization programs and to motivate energy management practices that can further reduce energy consumption. 															
Target Market	All commercial and industrial customers.															
Program Duration	Ongoing element of the program portfolio.															
Program Description	In addition to the Comprehensive Business Solutions programs, the utility plans to implement educational outreach initiatives to build and expand the business customer's awareness of the benefits of efficient energy management. Traverse City will allocate 1.5% of the total energy optimization budget for business customer educational activities, with a 1.5% contribution to the total energy savings goal.															
Eligible Measures	Not applicable for this program.															
Implementation Strategy	<p>The following types of initiatives will be considered for implementation:</p> <ul style="list-style-type: none"> Develop, produce, and utilize all media to distribute energy efficiency tips, fact sheets and case studies that promote the benefits of energy efficiency. Enhance the utility website to facilitate easy access to educational materials and program offerings. 															
Marketing Strategy	See implementation strategy for a list of marketing activities.															
EM&V Requirements	Education activities will be documented and number of customers reached recorded.															
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Program Element	Commercial & Industrial Pilot/Emerging Technology Programs
Objective	To identify and learn more about new energy efficient technologies and program strategies with potential to capture additional electric energy savings in the business sector.
Target Market	Dependent on specific technology/program.
Program Duration	The utility will initiate research and analysis of innovative technologies and strategies that hold potential for further electric energy reduction in the business sector. These efforts will be ongoing
Program Description	<p>Commercial and Industrial pilot programs could pursue the following types of new initiatives:</p> <ul style="list-style-type: none"> • Design strategies from some of the most highly efficient new buildings that are achieving significant savings from technologies that are under-adopted or “emerging” in today’s market. • New and emerging technologies for daylighting applications including communications and controls. • Promotion of LED and induction lighting technology in commercial applications. • Retrocommissioning and the role advanced controls and diagnostic systems can play in reducing energy use. • Emerging electric technologies specific to the utility’s commercial/industry base. • Technological advances in Data Center systems including DC power distribution, more efficient servers, etc. • Benchmarking energy consumption in schools to better inform projects. • Electric storage systems for commercial, industrial, or utility applications. • Recent advances in equipment, controls, and design techniques for large and small commercial HVAC systems, including new chiller designs and variable air volume box controls. • New water and energy saving technologies for the municipality’s water handling system. • Load management technologies that will reduce electric loads in businesses. <p>Traverse City will allocate 2.5% of the total energy optimization budget for business pilot activities, with a 2.5% contribution to the total energy savings goal.</p>
Eligible Measures	To be determined based on programs selected.
Implementation Strategy	To be determined based on programs selected.
Marketing Strategy	To be determined based on programs selected.
EM&V Requirements	Evaluation requirements will be determined as pilot initiatives are developed.
Estimated Participation	To be determined based on programs selected.

Estimated Budget	Annual Budgets			
	2012	2013	2014	
	\$12,108	\$12,544	\$13,407	\$13,543
Savings Targets	Energy Savings (Gross Annual kWh)			
	2012	2013	2014	
	79,748	80,880	82,115	82,947

TABLE 2 – ELIGIBLE MEASURES

<i>Residential Measures</i>	<i>Proposed Incentive</i>	<i>Unit</i>
CFL bulbs (or other new high efficiency lighting technology)	\$1.50-\$3.00	Lamp
CFL bulbs specialty	\$2.50	Lamp
CFL bulbs high wattage	\$5.00	Lamp
CFL fixtures	\$15.00	Fixture
LED task light	\$5.00	Fixture
LED holiday lights	\$3.50	25 string
ENERGY STAR ceiling fan with light	\$15.00	Unit
Advanced power strip plug outlet	\$10.00	Unit
High efficiency electric clothes dryer (w moisture sensor)	\$25.00	Unit
ENERGY STAR clothes washers	\$50.00	Unit
ENERGY STAR dehumidifier	\$25.00	Unit
ENERGY STAR room AC	\$30.00	Unit
ENERGY STAR refrigerator/freezer	\$25.00	Unit
Refrigerator and/or freezer turn-in and recycling	\$60.00	Unit
Room AC turn-in and recycling	\$15.00	Unit
Dehumidifier turn-in and recycling	\$15.00	Unit
High efficiency electric water heater (EF \geq .95)	\$25.00	Unit
High efficiency heat pump water heater (EF \geq 2.0)	\$150.00	Unit
Low flow showerheads/aerators (electric water heaters)	Free	Unit
Furnace with ECM blower	\$150.00	Unit
Central air-conditioning tune-up	\$50.00	Unit
CAC - SEER 15	\$150.00	Unit
CAC - SEER 16	\$250.00	Unit
CAC - SEER 17/18	\$250.00	Unit

<i>Residential Measures</i>	<i>Proposed Incentive</i>	<i>Unit</i>
High Efficiency Heat Pumps (air source, dual-fuel, ground source)	\$150-\$250	Unit
Setback thermostat	\$15.00	Unit
Weatherization measures (central air conditioning savings)	\$50-\$150	Per measure
Multifamily in-unit measures	Free	Unit
ENERGY STAR new home construction	\$250.00	Home
High-efficiency pool pump	\$30-\$50	Unit
Solar attic fan	\$125.00	Unit

<i>C&I Measures - Lighting</i>	<i>Proposed Incentive</i>	<i>Unit</i>
Central Lighting Control	\$600	10,000 sq. ft.
CFLs (or other new high efficiency lighting technology)	\$1.50	Lamp
CFL High Wattage	\$8.00	Lamp
CFL Specialty Lamp	\$4.00	Lamp
CFL Fixture	\$20.00	Lamp
CFL Reflector Flood	\$8.00	Lamp
Cold Cathode	\$3.00	Lamp
LED Recessed Downlight – Energy Star Qualified	\$20.00	Fixture
Daylight Sensor controls	\$900.00	10,000 sq ft
De-lamping	\$3.00-\$10.00	Lamp
Exterior Lighting Bi-level Cont with override 150 to 1000 HID	\$50.00	Fixture
Exterior HID replacement to 175W HID retrofit	\$45.00	Fixture
Exterior HID replacement above 175W to 250W HID retrofit	\$65.00	Fixture
Exterior HID replacement above 250W to 400W HID retrofit	\$120.00	Fixture
Garage HID replacement to 175W HID retrofit	\$100.00	Fixture
Garage HID replacement above 175W to 250W HID retrofit	\$150.00	Fixture
Garage HID replacement above 250W to 400W HID retrofit	\$180.00	Fixture
High Bay 3L T5HO Replacing 250W HID	\$35.00	Fixture
High Bay 4LT5HO Replacing 400W HID	\$70.00	Fixture
High Bay 6L T5HO Double fixture replace 1000W HID	\$120.00	Fixture
High Bay 6L T5HO replacing 400W HID	\$30.00	Fixture
High Bay Fluorescent 4ft Replacing 400W HID	\$50.00	Fixture
High Bay Fluorescent 6ft Replacing 400W HID	\$75.00	Fixture
High Bay Fluorescent 8ft Replacing 400W HID	\$50.00	Fixture
High Bay Fluorescent 8ft Replacing 1000W HID	\$160.00	Fixture

<i>C&I Measures - Lighting</i>	<i>Proposed Incentive</i>	<i>Unit</i>
42W 8 Lamp Hi Bay CFL	\$35.00	Fixture
HPT8 4ft 1 lamp, replace T8	\$2.00	Fixture
HPT8 4ft 2 lamp, replace T8	\$3.00	Fixture
HPT8 4ft 3 lamp, replace T8	\$4.00	Fixture
HPT8 4ft 4 lamp, replace T8	\$5.00	Fixture
LED Exit Signs Electronic Fixtures -Retrofit Only	\$12.50	Fixture
Low Watt T8 lamps	\$.75	Lamp
LW HPT8 4ft 1 lamp, replace T8	\$5.00	Fixture
LW HPT8 4ft 2 lamp, replace T8	\$10.00	Fixture
LW HPT8 4ft 3 lamp, replace T8	\$15.00	Fixture
LW HPT8 4ft 4 lamp, replace T8	\$20.00	Fixture
Occupancy Sensors over 500 W	\$30.00	per sensor
Occupancy Sensors under 500 W	\$50.00	per sensor
Pulse Start Metal Halide retrofit only	\$30.00	Fixture
T8 2ft 1 lamp	\$3.00	Fixture
T8 2ft 2 lamp	\$4.00	Fixture
T8 2ft 3 lamp	\$6.00	Fixture
T8 2ft 4 lamp	\$8.00	Fixture
T8 3ft 1 lamp	\$3.00	Fixture
T8 3ft 2 lamp	\$4.00	Fixture
T8 3ft 3 lamp	\$5.00	Fixture
T8 3ft 4 lamp	\$7.00	Fixture
T8 4ft 1 lamp	\$4.00	Fixture
T8 4ft 2 lamp	\$7.00	Fixture

<i>C&I Measures - Lighting</i>	<i>Proposed Incentive</i>	<i>Unit</i>
T8 4ft 3 lamp	\$10.00	Fixture
T8 4ft 4 lamp	\$13.00	Fixture
T8 8ft 1 lamp	\$4.00	Fixture
T8 8ft 2 lamp	\$7.00	Fixture
Switching Controls for Multilevel Lighting	\$600.00	10,000 sq. ft.

<i>C&I Prescriptive Measures - HVAC</i>	<i>Proposed Initial Incentive</i>	<i>Unit</i>
AC < 65,000 (1ph 14 SEER Min; 3ph 11.6 EER Min)	\$6.00	Ton
AC 65,000 – 134,000, 11 EER	\$15.00	Ton
AC 135,000-239,000, 11 EER	\$15.00	Ton
AC 240,000-759,000, 10 EER	\$10.00	Ton
Air Cooled Chiller	\$30.00	Ton
ASHP < 65,000 (1ph 14 SEER Min; 3ph 11.6 EER Min)	\$20.00	Ton
ASHP 65,000 – 134,000, 11 EER	\$20.00	Ton
ASHP 135,000-239,000, 11 EER	\$25.00	Ton
ASHP 240,000-759,000, 10 EER	\$30.00	Ton
Anti Sweat Heater Control	\$80.00	door
Economizer	\$8.00	Ton
GSHP < 135,000, 17 EER	\$50.00	Ton
GSHP < 135,000, 19 EER	\$50.00	Ton
Water Cooled Chiller < 150 Ton	\$25.00	Ton
Water Cooled Chiller 150-300 Ton	\$40.00	Ton
Water Cooled Chiller > 300 Ton	\$40.00	Ton
Efficient Condenser	\$100.00	Ton
Energy Management System	\$5.00	1,000 sq ft
High Performance Glazing	\$30.00	100 sq ft glazing
PTAC – 10% Improvement	\$5.00	Ton
PTAC-HP – 10% Improvement	\$10.00	Ton
Window Film	\$.30	100 sq ft glazing
ENERGY STAR Room AC > 14,000 BTU/hr	\$25.00	Unit
Setback Thermostat	\$20.00	Unit

<i>C&I Prescriptive Measures – Other</i>	<i>Proposed Initial Incentive</i>	<i>Unit</i>
Variable Frequency Drives	\$60.00	HP
Vending Equipment Controller	\$50.00	Unit
ENERGY STAR Commercial Solid Door Freezers less than 20ft3	\$75.00	Unit
ENERGY STAR Commercial Solid Door Freezers 20 to 48 ft3	\$100.00	Unit
ENERGY STAR Commercial Solid Door Freezers more than 48ft3	\$150.00	Unit
ENERGY STAR Commercial Solid Door Refrigerators less than 20ft3	\$75.00	Unit
ENERGY STAR Commercial Solid Door Refrigerators 20 to 48 ft3	\$100.00	Unit
ENERGY STAR Commercial Solid Door Refrigerators more than 48ft3	\$150.00	Unit
ENERGY STAR Hot Holding Cabinets Full Size	\$600.00	Unit
ENERGY STAR Hot Holding Cabinets Half Size	\$300.00	Unit
ENERGY STAR Hot Holding Cabinets Three Quarter Size	\$400.00	Unit
ENERGY STAR Ice Machines less than 500 lbs per 24 hrs	\$300.00	Unit
ENERGY STAR Ice Machines 500 to 1000 lbs	\$450.00	Unit
ENERGY STAR Ice Machines more than 1000 lbs	\$1,000.00	Unit
ENERGY STAR Steam Cookers 3 Pan	\$450.00	Unit
ENERGY STAR Steam Cookers 4 Pan	\$600.00	Unit
ENERGY STAR Steam Cookers 5 Pan	\$750.00	Unit
ENERGY STAR Steam Cookers 6 Pan	\$900.00	Unit
Pre Rinse Sprayers	\$25.00	Unit
Guestroom Energy Management Control	\$65.00	Room
Engineered Nozzles – Compressed Air	\$100.00	Unit
Barrel Wraps Injection Mold and Extruders	\$1.00	Unit
ECM Cooler and Freezer Motors	\$60.00	Unit
ECM Case Motors	\$30.00	Unit

ENERGY STAR Clothes Washer	\$50.00	Unit
<i>C&I Prescriptive Measures – Other</i>	<i>Proposed Initial Incentive</i>	<i>Unit</i>
Smart Strip plug outlet	\$10.00	Unit
Heat Pump Water Heater 10-50 MBH	\$1,500.00	Unit
Heat Pump Water Heater 50-100 MBH	\$3,000.00	Unit
Heat Pump Water Heater 100-300 MBH	\$5,000.00	Unit



To: Light & Power Board
From: Jessica Wheaton
Date: September 8, 2011
Subject: 3rd Annual Energy Smart Open House

Traverse City Light & Power (L&P) will hold its 3rd Annual Energy Smart Open House on Saturday, October 8 from 11:00-3:00 p.m. at the Hastings Street Service Center. The annual event is held during Public Power Week, which is a country-wide program that celebrates the benefits of having a public power provider in the community. L&P is one of more than 2,000 municipal electric utilities that collectively provide electricity on a not-for-profit basis to 46 million Americans.

L&P customers are invited to attend and observe the utilities operations and participate in fun, family friendly activities. Activities include free food and beverages, free hardhats to the first 200 children, free prize drawings, free compact fluorescent light bulbs and live demonstrations, which include bucket truck operation, pole climbing and electricity safety.

Last year's open house drew a crowd of over 900 customers and guests and L&P is planning to have the same enthusiastic response from the community again this year.