



**MINUTES**  
**Committee of the Whole & BWL Commission**  
**Monday, March 20, 2023 @ 5:30 p.m.**  
**Tony Benavides Lansing City Council Chambers**

**CALL TO ORDER**

Council President Wood and Commission Member James called the meeting to order at 5:30 p.m.

**PRESENT**

Council Member Carol Wood  
Council Member Jeremy Garza  
Councilmember Adam Hussain  
Councilmember Peter Spadafore – left at  
Councilmember Patricia Spitzley -excused  
Councilmember Brian T. Jackson  
Councilmember Jeffrey Brown  
Councilmember Ryan Kost  
Commission Member Semone James  
Commission Member Sandra Zerkle  
Commission Member Tony Mullen  
Commission Member Dusty Horwitt  
Commission Member Beth Graham  
Commission Member David Price  
Commission Member DeShon Leek  
Commission Member Maggie Sanders  
Commission Member Doug Jester- absent  
Commission Member Larry Merrill  
Commissioner Thomas - absent

**OTHERS PRESENT**

Sherrie Boak, Council Office Manager  
Lisa Hagen- Lawrence, OCA  
Jim Smiertka, OCA  
Jane DiSessa, Deputy Mayor  
Andy Kilpatrick, Public Service Director  
Dick Peffley, BWL  
Dave Bolan, BWL  
Heather Shawa, BWL  
Michael Flowers, BWL  
Mark Matus, BWL  
Steve Serkaian, BWL  
Calvin Jones, BWL  
Smiljana Williams, BWL  
LaVella Todd, BWL  
Maria Koutsoukos, BWL

### **Public Comment**

No public comment at this time.

### **Discussion:**

Mr. Peffley addressed the agenda items.

#### **Return on Equity**

Mr. Peffley stated there was a payment of \$14 million for the first quarter. The BWL has no concerns with meeting the budget. There are quarterly payments, and has worked out great for the Board.

Council Member Spadafore asked if this is a solid amount or percentage, and Mr. Peffley confirmed it is a solid dollar amount.

#### **Demolition of the Eckert Plant**

Mr. Peffley stated the cooling towers have been removed, the coal conveyors have been removed, silos on Washington Avenue, but this is not a complete demolition but a clean up project. This is a large substation, and will be put on the market, but not until there are four (4) new substations. Council President Wood asked for the four (4) locations. Mr. Peffley stated the four locations include one on the Grand River assembly property, one near old Schafer bakery on MLK, Wise Road, and the last one will be on Stanley Street. Council Member Jackson noted the presentation of this will be for 10 years, and aesthetically pleasing, so he asked for plans for that. Mr. Peffley stated engineering has put together designs, and it will be more of a green presence.

Council Member Brown asked about assistance to marijuana businesses and Mr. Peffley stated there is a percentage that are behind on their utility bills, but BWL monitors the industry and works with them.

Council Member Brown asked about steam structure update in downtown. Mr. Peffley stated all the steam structures will be updated this summer, and they have applied for a grant to convert steam in downtown to hot water.

#### **Bell River Closure in 2030**

Mr. Peffley provided a quick background, not the Board does not have any ownership in the Bell River, BWL contracts for 11% of Bell River energy, and that runs through life of plant. The plant will be converted from natural gas to coal, and then the life would extend. BWL cannot contract stated if they abandon coal.

#### **Erickson Groundwater Investigation**

Mr. Peffley clarified these investigations take years, intensive driven, starting 2 years ago. They have installed 20+ wells to investigate and could take up to a year longer. They work with the neighbors and assisting them with bottled water. BWL is following EGLE recommendations and guidelines, and as soon as BWL gets a recommendation they update. All materials have been removed to an approved landfill, and by October that will all be cleaned up.

#### **Update on Scheduled Brownouts**

Mr. Peffley provided a definition of brownout when there is an issue on power. The BWL proposed in 2022 was a rolling blackout, informing the customers there was a chance of this. BWL has been informed there is a potential shortage, and if there is a rolling blackout, the regulatory agencies has informed BWL that is required. If there is improper planning, Mr. Peffley stated he will fight for the City because they have had proper planning. BWL has been proactive. BWL has surplus energy, and that was proven when Ultium Battery came to town, BWL could commit to the surplus of energy or they would not have come to Lansing.

Council Member Spadafore complimented BWL on handling of snow and ice effects this pass winter. He supported the proactive activities the BWL did. Mr. Peffley confirmed they did not lose a single circuit on the primary lines where trees have been addressed. The BWL is at 50 minutes and 30 seconds as an average time to restore an outage.

Council Member Jackson acknowledged the vegetation management, and that Council hears complaints on the removal, but asked for BWL to be conservative. Mr. Peffley stated they have a five (5) year plan to trim the whole area, and it took (6) years, and now BWL is wrapping up the 2<sup>nd</sup> year of the 2<sup>nd</sup> cycle. They are working on (5) year growth.

Council Member Jackson asked for progressive action on replacement of trees. Mr. Peffley noted they work with the residents on that.

Commission Member James acknowledged BWL for their work during the service outage.

Commissioner Member Zerkle spoke briefly on the tree trimming process in the first cycle. She added that Mr. Peffley has reevaluated and has adjusted the process.

Council Member Kost acknowledged Mr. Peffley for attending a Ward 1 meeting to speak to the residents on tree trimming and the process. Council Member Kost acknowledged the BWL staff for light replacement and repairs on the 400 light requests in the neighborhoods. Mr. Peffley stated they are at 90% in the conversion to LED.

#### 2023 All Source RFP for Capacity & Energy

Mr. Peffley stated this in conjunction with Agenda J. and explained that an RFP was sent in 2022 to see what capacity of energy sources were out there. How to move forward with renewable energy, and with the RFP they got back over 100, and 93 were complaint with the request. Out of those there were 44 renewal, 29 combination, 5 on gas, 2 on open ended, and one energy efficiency. The RFP was for 450 watts, and once the executive staff and finalized their review, Mr. Peffley will bring to the BWL Commission. The BWL has created an entire department to find out how to move forward to meet their goal by 2040.

Council Member Jackson commended the formation of the department, and noted there is a goal of 50% by 2030 and asked if the RFP options going to be the solution, or part of the major part of meeting the goal. Mr. Peffley stated the 50% by 2030 is possible, but the technology does not exist yet, that is the one issue. The way technology develops it will be viable.

#### Community Resource Fairs in 2023

Mr. Peffley noted the next one is Tuesday, March 21<sup>st</sup> at Alfreda Schmidt. At previous fairs they have been able to bring in \$264 millions of dollars to help the customers with utilities, food, rent, etc. They hope to help customers that are struggling to pay their bills.

Commission Member Zerkle complimented BWL staff on initiating this program. Mr. Peffley stated they also have counseling at these fairs to help people on how to save money,

#### Solar Panels at the GM Battery Plant Site

Mr. Peffley acknowledged BWL has been working with GM to put these at their sites, and regarding the new battery plant, they are focused on building the plant but BWL has told them when they are ready to talk, they are interested. BWL does encourage customers for any interest they have in their Greenwise program.

#### BWL Diversity Equity and Inclusion Employee Trainings

Mr. Peffley stated BWL is a leader, and they have run it for years. They have taken it to another level and hired a DEI coordinator and embarked on making sure every employee at BWL is trained.

Council Member Jackson asked if an employee would self report if they left for a diversity equity and inclusion issue. Mr. Peffley stated HR does do the reporting on that, but they do have a third party also, and that goes to corporate counsel.

#### 2020 Integrated Resource Plan

This was covered in conjunction with Agenda F.

#### Potential Future Property Sales and Capital Improvements on Sites

Mr. Peffley stated their budget is up to \$750 million on sites, and when companies look to come to Lansing, they vet the facilities of BWL before they consider coming. Regarding future sales, they are evaluating leaving the Hazel property site to see what the cost would be. The expectation would be to know more later this year.

Commission Member Zerkle stated that the Commission has either been voted on all agenda items, or fully informed on these over the last year. She asked him to speak about the Super Bowl Ad.

Mr. Peffley stated the BWL has been able to track employees for job openings. There are utilities in the state that have 0 line workers left. BWL were down 10-11 due to retirements, and there were apprentices, but they need to have journey workers to an apprentice. So BWL with marketing and line workers division, and came in with an advertising plan. They went with social media, and bill boards, and ran a super bowl ad. There were 20 applicants and were able to bring on 4-5 line workers already.

#### Other

No other topics of discussion.

Council President Wood asked about mercury exposure. Mr. Peffley stated they have not had any of those concerns brought to their attention.

Council President Wood acknowledged everyone for attending including BWL staff, Deputy Mayor, Public Service Director, and OCA.

#### Adjourn

The meeting adjourned at 6:20 p.m.

Respectfully Submitted by,  
Sherrie Boak, Recording Secretary,  
Lansing City Council

Approved by the Committee March 27, 2023