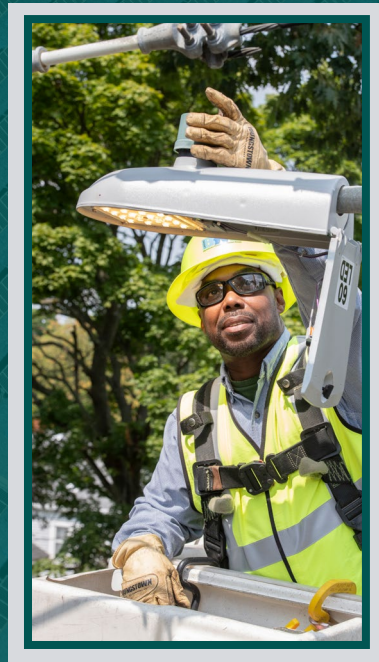


LANSING BWL

SUSTAINABILITY REPORT



Lansing Board of Water & Light
Fiscal Year 2025



LANSING BOARD OF WATER & LIGHT SUSTAINABILITY REPORT FISCAL YEAR 2025

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2025



LansingBWL



BWLComm

● lbwl.com

● 517-702-6006

message

FROM THE GENERAL MANAGER

This is the fourth edition of our annual Corporate Sustainability Report, which also marks the end of the Lansing Board of Water & Light's (BWL) latest Strategic Plan and Integrated Resource Plan (IRP), and starts the next chapter into sustainability. As we reflect on the 2020 IRP covering 2021 - 2025, we're proud to share some key takeaways while also reporting our activities that contribute to corporate sustainability in fiscal year 2025 - a healthy organization, community and environment.

Some major highlights from our 2020 IRP included increasing our community outreach efforts by hosting bi-annual Community Resource Fairs, where customers receive information on ways to help alleviate financial stress in their lives. The BWL also ended coal generation when our Erickson Power Station, our last coal plant, closed in 2022. Soon after the closure of Erickson, BWL launched an All-Source RFP in 2023, announcing our largest planned energy growth in nearly 140 years, including new energy-generating facilities that are now in design and permitting phases. We added more Energy Waste Reduction programs, including a demand response program, an electrification program, a multifamily program and enhanced our electric vehicle charging program for commercial and residential customers.

BWL has always remained committed to safety, and in 2025 we were recognized with a Diamond Safety Award from the American Public Power Association, recognizing seven years, or 1 million labor hours, of no lost time accidents at our REO Cogeneration Plant. With all of these accomplishments, BWL is committed to driving the importance of sustainability in the Lansing community.

I'm proud of the way we've advanced to meet existing needs while continuing to plan for the future. Through careful planning and partnerships, we're making immense progress on our sustainability journey - and that's what it means to be Hometown People, Hometown Power.

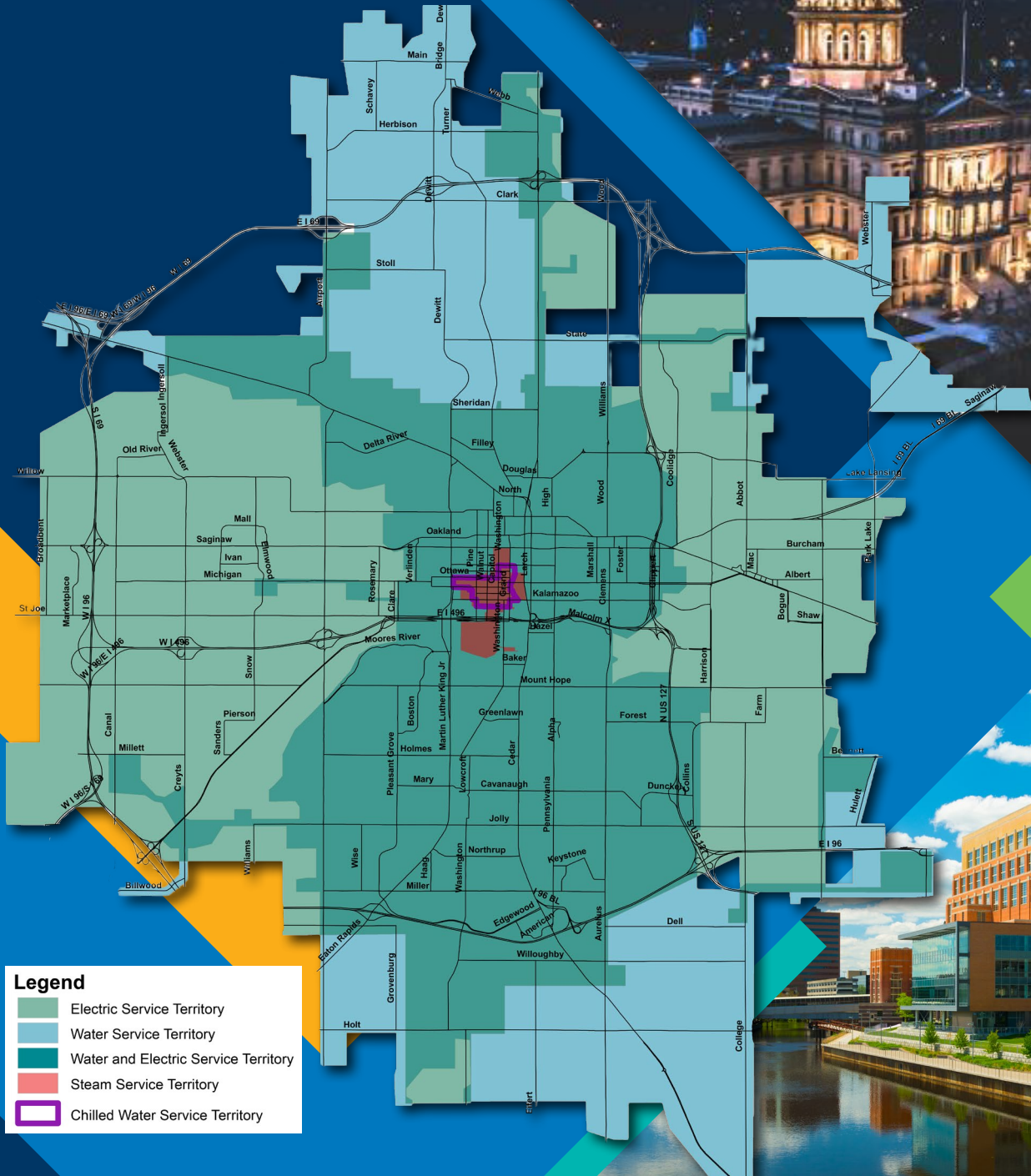
Thanks,

Richard R. Peffley
BWL General Manager



LANSING BWA

SERVICE TERRITORY



Legend

- Electric Service Territory
- Water Service Territory
- Water and Electric Service Territory
- Steam Service Territory
- Chilled Water Service Territory

ABOUT

Corporate Sustainability

Corporate sustainability refers to the collective actions a business or organization conducts to be responsible and respectful "for the impacts of its activities on society and the environment," according to the International Organization for Standardization (ISO). This refers to ethical behavior - including compliance with applicable laws - as well as consideration for the environmental, social and economic impacts integrated into the ongoing activities of an organization.

Unless noted otherwise, this publication spans from July 1, 2024 to June 30, 2025. Some data is only available on a calendar year cycle and is documented as such.

Lansing Board of Water & Light

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

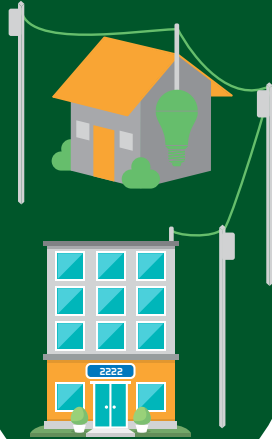
819

Employees



100,000

Electric Customers



58,000

Water Customers



32,000

Streetlights



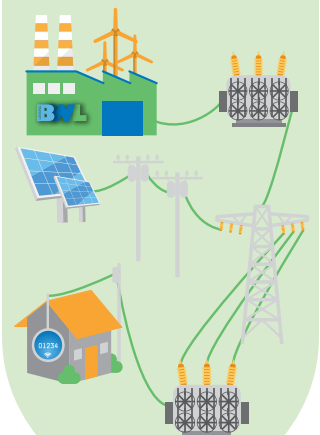
18.4

Million
Gallons
Average
Use Per
Day



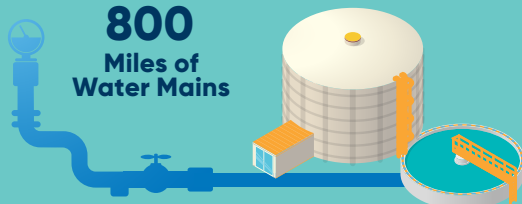
3,593

Miles of
Power Lines



800

Miles of
Water Mains



6 Miles Replaced Each Year

479,385

MWh Total
Renewable
Portfolio



WORKFORCE

BWL's mission includes the commitment to provide our customers with a safe, reliable and affordable utility experience. In addition, our Strategic Plan includes the goal to provide energy solutions that support a sustainable planet. Our customer programs support strategies to meet our goals and mission, which are driven in part by input from customers during our Integrated Resource Planning process.

A sustainable public organization reflects the community in which we work and serve, which is why it's vital we have capable and qualified people in place to deliver services that are climate conscious.

Employee Recruitment & Retention



In its second year, BWL's employee recruitment referral program rewards employees for helping bring in qualified candidates for open positions. If the candidate is offered a position and is successful in the first 12 months of their hire date, the referring employee receives a compensation award for successful recruitment. This new incentive program is to aid in the recruitment and retention of talent at BWL as we grow as an organization. BWL's new hire retention rate target is 85%, and we finished the fiscal year exceeding the target at 88.14%. Retaining employees is good for the BWL and its customers, as the estimated cost of employee turnover is one-half to twice the employee's annual salary, plus the knowledge lost when employees leave.

BWL continues to grow employee learning opportunities with targeted training for managers and new employees. In addition, efforts continue to empower a culture of inclusion and respect where diverse perspectives drive success. This was shown during our annual Veterans Day breakfast celebration in honor of BWL employees who served in the U.S. Armed Forces. In addition, we hosted our annual Cultural Taste Fest, where we celebrated cultural cuisine and traditions while also raising funds for Pennies for Power – a BWL program that supports families struggling to pay their electric bills.

Employee Engagement

BWL is focused on employee engagement as part of a healthy workplace and an effective organization. One such opportunity includes the annual water pipe tapping competition. In 2025, the BWL women's team finished in third place, edging out the Little Blue Tappers from Prince George's and Montgomery counties in Maryland. BWL's men's water tapping team finished in fourth place. When asked why they participate, team members shared comments that translate to feeling engaged and connected at work: "I focus on doing my part right and staying in sync with the team, especially when the pressure is on," said Kelly Gleason, Environmental Compliance Specialist. While key account manager, Stasi Kreiner, shared that the team is successful by "having people excited and willing to work together with the determination to win." Julie Maltby, environmental technician, shared that she joined the effort years ago, "to be part of a team and have fun with co-workers."



Safety



BWL's culture is grounded in safety and is maintained and upheld by providing employees with the proper tools, education and resources to promote and sustain a safe work environment. In FY25, BWL was awarded the APPA Diamond Safety Award, where utilities are recognized for their safety culture and ranked based on the most incident-free records regarding their number of worker-hours.



Diversity, Equity and Inclusion



The Diversity, Equity & Inclusion Department's purpose is to cultivate an inclusive work culture that drives employee engagement, supports professional development and positions BWL to best serve the diverse needs of its customers. Through learning opportunities and partnerships with other departments, values of respect and understanding are embedded in what we do, guiding our interactions within the BWL and in the community.

1st STEP



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

Internships & Co-Ops



BWL welcomed over 20 interns in a variety of fields, including Engineering, Carbon Neutrality and more. In their first days as BWL employees, interns are paired up with a mentor and work through the summer gaining experience in their respective fields, while also developing their professional skills.



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



Scan Here to Learn More

COMMUNITY EVENTS

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



lbwl.com/aar

Adopt a River celebrated 30 years of keeping the Grand and Red Cedar rivers clean and free of litter! Adopt a River volunteers have cleared thousands of pounds of litter from the rivers and banks and we're happy to do our part once again.



lbwl.com/5k

The 15th annual BWL Hometown Power 5K and benefited BWL's Pennies for Power. The accurate 3.1 mile run on paved streets kicked off at the BWL REO Town Headquarters and ran the streets throughout surrounding neighborhoods and along the Lansing River Trail.



lbwl.com/g4c

We celebrated the annual Golf 4 Charity Scramble at both Eagle Eye and Hawk Hollow benefiting BWL's Pennies for Power, Heroes Haven, the Boys & Girls Club of America and the Magic of Literacy. Last year, over 350 golfers raised approximately \$45,000.



lbwl.com/silverbells

The BWL was proud to be the presenting sponsor of the 40th annual Silver Bells in the City bringing together thousands to celebrate the holiday season. Immediately following the Electric Light Parade, the State Christmas tree was lit in front of the capitol building, followed by a spectacular light show over the capitol dome.





Our annual United Way luncheon this year was held in October in the Haco Lunchroom, and raised more than \$1,000 for the campaign, surpassing last year's total. Spaghetti and meatballs rolled by BWL employees and served at the lunch were a huge hit once again.



We honor our BWL veterans every year with a celebratory breakfast for Veterans Day. This year, we had a panel of BWL veterans to share their stories, as well as our very own BWL vocalist group to sing the national anthem. We're so thankful for our veterans and are honored to have so many who work at BWL.



lbwl.com/shutoffprotection

BWL hosts two community resource fairs every year that connect customers with assistance. We partner with over two dozen local non-profit partners to provide information on resources and financial assistance available to BWL customers and Greater Lansing residents. Approximately 300 customers participated this year, driving approximately \$4 million for customers behind on BWL bills to date.



In FY25, \$1.3 million in customer payment assistance was applied to BWL customer accounts and BWL partnered with the City of Lansing Financial Empowerment Coalition to offer a flexible payment plan that includes integrated financial counseling. FY25, 91 customers participated in energy and/or water shut-off protection programs.



AWARDS & RECOGNITIONS

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

Combined Cycle Journal LM600 Industry Best Practice Award

BWL received a best practice award for their work in reducing emissions at the REO Cogeneration Plant.

Professional Bronze Award – American Advertising Federation of Lansing

BWL received a 2025 Professional Bronze Award for their "Here to Help" commercial campaign.

American Public Power Association Diamond Safety Award

BWL received a Diamond Safety Award, the highest designation a utility can receive. Utilities are recognized for their safety culture and ranked based on the most incident-free records regarding their number of worker-hours.

Bronze Telly Awards

BWL received a Bronze Telly Award in the Local TV General-Corporate Image category for their "Community Matters."

2025 Professional Excellence Award – American Water Works Association Michigan Section (MI-AWWA)

The BWL Community Water Advisory Council was selected as the recipient of the 2025 Professional Excellence Award for the Drinking Water School Flushing Program for children as well as its ongoing innovative approaches to educating the public on minimizing lead exposure in drinking water.

Central Michigan Public Relations Society of America (CMPRSA) Recognizes BWL for Excellence

The CMPRSA gave BWL an award of Excellence in the category of Community Campaign for "Dialed In: Communicating New Outage Numbers."

Central Michigan Public Relations Society of America (CMPRSA) Recognizes BWL for Pinnacle

The CMPRSA gave BWL a Pinnacle award in the category of Tactics for their #TBT or Throwback Thursday posts on social media, which was also recognized with the People's Choice Award.

Central Michigan Public Relations Society of America (CMPRSA) Recognizes BWL for Achievement

The CMPRSA gave BWL an Achievement award in the category of Crisis Communications on the "May 2025 Tornado: Reconnecting Our Community."

Best and Brightest in Wellness

BWL was recognized by the National Association for Business Resources with a Best and Brightest in Wellness award. Companies who received this award, stand out for their exceptional commitment to prioritizing employee well-being and go above and beyond by offering comprehensive wellness programs that address various aspects of health and wellness.

2025 Tank of the Year Finalist

BWL was recognized by Tnemec as one of its finalists for Tank of the Year. This program highlights water storage tanks coated with Tnemec products across the United States and Canada, celebrating the innovation that make these structures community landmarks.

Visit lbwl.com/awards to learn more.



SOLAR AND WIND ENERGY

Modern electric systems include distributed generation and centralized power plants. In 2025, BWL connected 70 additional customer owned solar systems to the electric grid, bringing the total participants up to 442 – a 15% increase from the prior year. These 70 participants added 1.2 MW of behind-the-meter distributed energy resources to our electric system. BWL received over 1,726 MWh from customers enrolled in either net metering or distributed generation, though more was created and consumed on-site by those customers before reaching our grid.

BWL maintained its Distributed Generation Outflow Credit, which allows BWL to credit customers on their electric bill for the energy produced from their at-home solar energy systems. The credit became operational on October 1, 2024 and is consistent each month so customers can predict the benefit they receive from their solar system. Learn more, including how to participate, at: lbwl.com/solar.

BWL's own solar energy capacity within our overall electric production portfolio was maintained at 114 MW total, enough to power at least 35,000 homes. BWL's wind energy capacity within our overall electric production portfolio was maintained at nearly 90 MW, including energy purchased from sites in Gratiot County and Tuscola County.

Energy Resilient Mixed-Use Buildings: Allen Neighborhood Center

In FY25, the Allen Neighborhood Center (ANC) partnered with BWL to bring online an energy demonstration project powering a unique commercial building that houses office,



retail and apartments. The Allen Neighborhood Center has become a key resource for gathering, learning, food and health care access through both retail and a weekly farmer's market.

ANC's new energy design incorporates solar energy with battery energy storage as well as energy efficiency measures and appliances to support neighborhood clean energy use. Appliances, such as electric vehicle charging stations and solar-powered digital device chargers built into picnic tables, allow visitors and neighbors to engage directly with the clean energy options at the site.

How does it work?

During the daylight hours, the solar energy system captures energy and feeds the battery storage bank. When electricity demand exceeds the energy stored

or provided directly from the solar energy system, the BWL electricity grid provides energy to the building. The project offers additional understanding of the role of distributed energy generation and storage for BWL.

Allen Neighborhood Center anticipates saving nearly 50,000 kWh of energy that they would have otherwise relied on the electric grid to provide. The energy savings are estimated to translate to more than 60% lower electricity bills annually.



BWL OFFICE WASTE DIVERSION

BWL works for continuous improvement in waste reduction and sustainable disposal for materials and equipment at the end of their useful life. Currently, landfill diversion is measured by the size of the container and frequency of collection. In FY26, BWL will conduct waste audits and improve our monitoring process to report actual volumes of material sent for composting and for recycling, instead of going to a landfill. By diverting what we dispose of from the landfill, food scraps and natural materials become compost to support healthy soil in area farms and gardens, while recyclable items become new products and remain useful.



Food Waste Diversion

BWL diverted six tons of food waste to be used for compost that otherwise would have gone to a landfill in FY25.

Recycling

For every ton of material recycled, 60lbs of air pollution is avoided. In FY25, BWL diverted 69 tons of material to be recycled into new products, avoiding 2 tons of greenhouse gas emissions.

Collaboration Spotlight

Lansing 2030 District is a collaborator that conducts energy use benchmarking for buildings to support energy conservation improvements, reducing greenhouse gas emissions from building electricity and fuel use. Lansing 2030 District will be a key partner for our energy use benchmarking at BWL facilities in 2026.



CARBON NEUTRALITY INITIATIVES



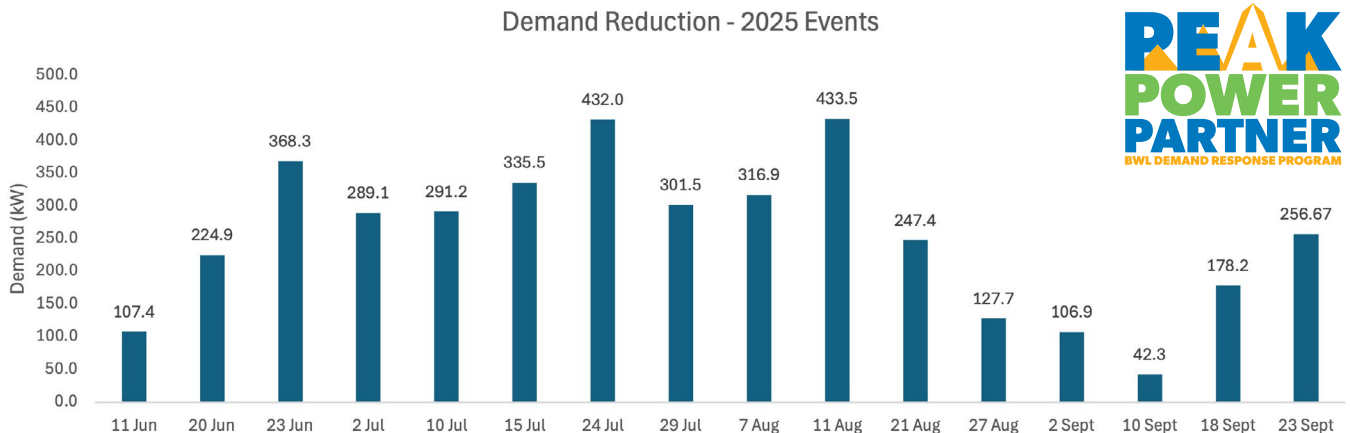
The cleanest and most affordable unit of energy is the energy you don't use. **Hometown Energy Savers®** provides electric residential and business customers with education and services designed to help reduce energy use and save money, plus offers rebates on the purchase of qualified energy saving appliances. When customers take advantage of these programs, they avoid using more electricity than they need. This helps keep electricity supply and demand balanced supporting a more stable, resilient electric system. These programs are evaluated each calendar year achieving approximately 10% improvement in energy conservation year-over-year. In 2025, BWL helped customers save 54 million kWh of electricity through these programs. BWL business customers saved 44,906,555 kWh or enough energy to power 4,000 homes.

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Addressing Energy Burden with Residential Customers

BWL supported nearly 400 customers in 2025 experiencing energy burden with home energy visits to help customers learn ways to use less energy while increasing the comfort of their homes. BWL energy experts provide a free, in-home energy assessment, install energy efficient products (light bulbs and appliances), and give information on ways to use the energy you need and cut waste. These energy efficiency installations saved 785,883 kWh – or enough electricity to power 75 homes.

The Peak Power Partner program, in its second year of operation, included 585 participants. Peak Power Partners voluntarily reduced their use of energy (primarily air conditioning) during high energy demand times of day in the hottest months of the year. In summer 2024, over 2,000 kWh of electricity were saved - enough to power nearly three homes for one month! In summer 2025 shown below, over 10,000 kWh of electricity were saved! Participation means less energy waste during otherwise high energy demand days and times, plus lower energy bills for customers.



Additional customer programs are available to support electrification – replacing fossil fuel powered appliances and equipment with electric versions. These programs provide a rebate to support customers in making the switch to low and zero-emission technologies. Learn more at lbwl.com/electrification.



HVAC - Residential		REBATE
Central Air-Source Heat Pump		\$4,000 - \$5,000
ENERGY STAR® Heat Pump Water Heater		\$1,000



E-Bikes - Residential		REBATE
Standard E-Bike		\$300
Standard E-Bike Income Eligible		\$500



Appliances - Residential		REBATE
Induction Cooktop		\$300
ENERGY STAR® Heat Pump Clothes Dryer		\$300



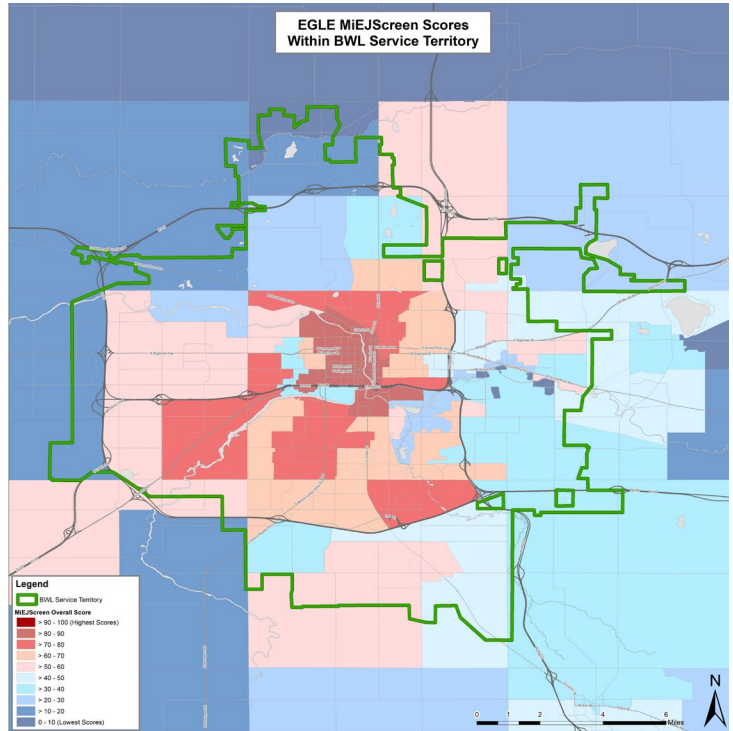
Electric Lawn Equipment - Residential		REBATE
Riding Lawn Mower		\$100
Push Lawn Mower		\$50
String Trimmer		\$20
Chainsaw		\$20
Leaf Blower		\$20
Snow Blower		\$25
Electric Lawn Equipment - Commercial		REBATE
Riding Lawn Mower		\$1,000
Push Lawn Mower		\$50
String Trimmer		\$20
Leaf Blower		\$20
Chainsaw		\$50
Electric Forklifts - Commercial		REBATE
Forklift		\$5,000



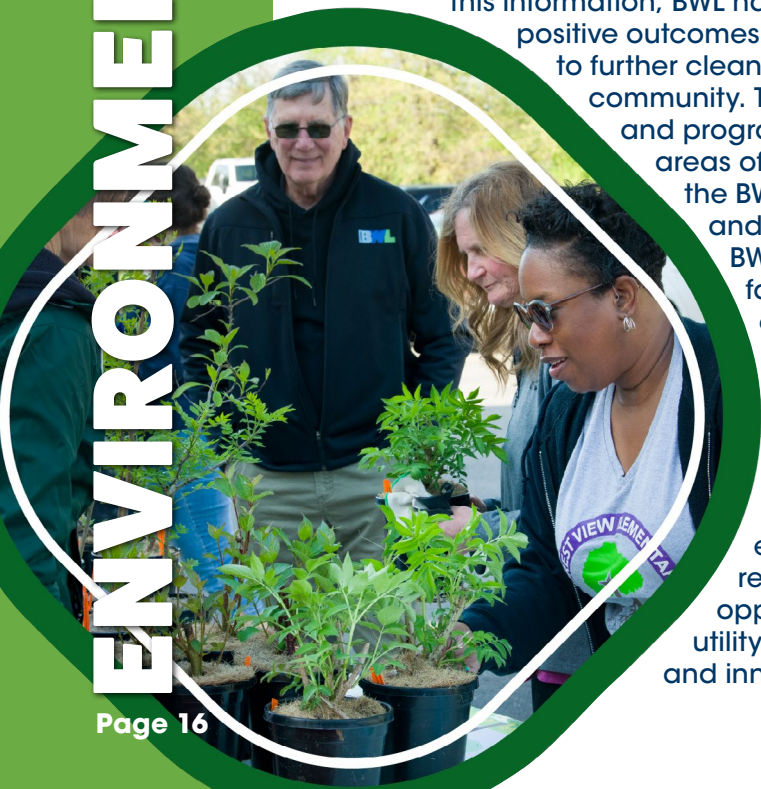
ENVIRONMENTAL JUSTICE

BWL continued to focus on environmental justice (EJ) principles as one guide for decision-making. Environmental Justice is the equitable and fair treatment of individuals in environmental, social and economic factors, especially in regard to race, sexuality, income and disability.

As a municipal utility, delivering safe, reliable and affordable utility services is our mission. Doing so in a way that does not negatively impact vulnerable populations and places is what EJ at BWL is about. The outcome is healthier and more stable communities, as well as efficient and clean energy and water resources.



We use U.S. Census data to map environmental and economic disadvantages and inform how a public utility can help reduce inequities by looking at factors like housing stability, employment, health disparities, pollution exposure and/or a higher energy burden. Energy burden is defined by 6% or more in household income going toward energy costs for home heating, cooling and appliances. With this information, BWL has secured grants and directed efforts to support positive outcomes with particular attention to disadvantaged areas to further clean energy goals and address the needs of our community. This includes additional outreach, engagement and programming delivered to customers in disadvantaged areas of our service territory. The map shown here displays the BWL service territory and the level of environmental and economic justice concern experienced by BWL customers. Areas in darkest red are those facing the most significant environmental and/or economic disadvantage, with areas of darkest blue experiencing the least disadvantage. This map uses data from the State of Michigan’s EJ screen mapping tool, which uses a variety of stressors and demographic information to assess environmental, economic and/or public health of residents. By understanding where need exists in our service territory, BWL can better direct resources to support all customers having equal opportunity to receive a safe, reliable, affordable utility experience focused on climate consciousness and innovative strategies.



AIR

Reducing Emissions

BWL tracks its impact on air quality using carbon intensity, which measures the amount of carbon dioxide equivalent (CO₂e) produced per unit of electricity generated.

As of FY25, BWL has reduced the carbon intensity of electricity produced by 57% compared to the 2005 baseline of 1.25 tons CO₂e per megawatt.

(Note: carbon intensity is measured per calendar year as opposed to on a fiscal year basis.)

Continued Improvement in Greenhouse Gas Accounting

BWL identified carbon intensity as a more meaningful measure of greenhouse emissions than absolute emission reductions alone. For example, cutting back on energy production reduces emissions, but doesn't necessarily demonstrate improved systems or increased use of cleaner energy sources. Both numbers must decrease in order to meet energy efficiency, climate consciousness and system modernization priorities. Entering FY26, BWL is developing a Corporate Sustainability Plan in alignment with its current Strategic Plan (FY25 – FY30) that will include carbon intensity and absolute emissions reduction targets.



LAND

BWL focused on green infrastructure in FY25 through management of native plant landscapes at BWL facilities to reduce stormwater run-off into the Grand River and the City of Lansing's wastewater treatment system. Founded in 2019, BWL's pollinator initiative supported planting native species at BWL-owned sites to create homes for all pollinators, including insects, birds, reptiles, amphibians and mammals to support a healthy environment for our community, too.

The Sunset Ave. and Kaplan St. site is BWL's first pollinator habitat and was developed to get more out of this BWL-owned space by giving back to nature and the neighborhood. Replacing turfgrass with native plant species at this site reduces BWL's cost for maintaining the site and provides ecosystem services by:

- Eliminating mowing on a portion of the site
- Absorbing more stormwater than turfgrass
- Reducing localized heat island effect which makes it cooler in the immediate vicinity on hot days than turfgrass or paved sites
- Supporting biodiversity of insect, bird and mammal species





Between 2019 and 2024, the natural landscape at Kaplan St. and Sunset Ave. in Lansing is estimated to have absorbed nearly 280,000 gallons of rainwater, avoiding runoff, flooding streets or going through the sewer system.

After six years at this pilot, BWL has learned more about maintaining pollinator habitats and is preparing to update this site and planning additional low-maintenance landscapes that co-benefit the community as well as BWL's operations.

Additionally, in 2026, BWL will install signage to support community awareness of the function and benefit of these working landscapes and gather neighbor input to support the planning for design, establishment and maintenance of additional pollinator habitats in our service territory.



Falcons

Since 2004, peregrine falcons have been protected in nesting sites on the roofs of our Eckert and Erickson Power Stations, where they've incubated over 100 eggs here at BWL. In 2025, we added eight more falcon eyases that hatched and fledged each nest. Our work has helped to successfully remove the peregrine falcon from "critical" on the Michigan Endangered Species list and move up to a threatened status. For more information about Peregrine falcons and to see our 24-7 live webcam inside of both nests, visit lbwl.com/falconcam.



WATER

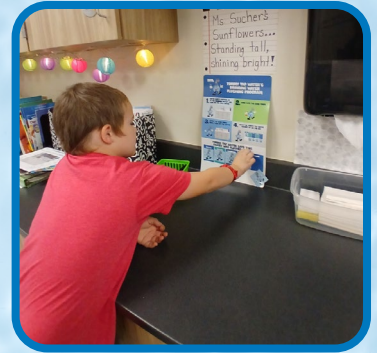
BWL completed a multi-year initiative with local schools to build their students' understanding of the drinking water system and the importance of flushing taps to ensure great water quality. Although BWL removed all known active lead service lines in December 2016, faucets, fittings and valves manufactured before 2014 may still contain up to 8% lead. When these fixtures sit unused for long periods, the potential for lead exposure can increase.

Through the Drinking Water School Flushing Program, students became "Water Safety Captains," responsible for flushing classroom faucets for 30 seconds each morning using a sand timer. After flushing, students moved Tommy Tap Water, the BWL's water mascot, to the correct day of the week on a weekly calendar as a visual reminder that the faucet had been cleared and was safe for drinking.

The initiative concluded in FY25 as participating schools completed the replacement of all remaining legacy fixtures, eliminating the need for the daily 30-second flush to maintain the best water quality and teaching students the importance of flushing unused taps.

The BWL performs over 240,000 operational water tests per year at the water conditioning plants and over 16,000 water quality tests for compliance in our certified drinking water laboratory to track more than 100 common constituents. We continue to meet or exceed all water quality standards established by the U.S. Environmental Protection Agency (EPA) and Michigan Department of Environment, Great Lakes, and Energy (EGLE).

BWL also recently finished construction on a new water tower on Lake Lansing Rd. in Lansing Township which will increase reliability for water customers, while also helping decrease operating costs for the water utility. The tower can hold up to 2.5 million gallons of water to support water availability in the unlikely event of a temporary disruption in service from a BWL Water Conditioning Plant. The project is expected to be operational in fiscal year 2026.



Water Quality

BWL's Annual Water Quality Report was issued on April 1, 2025. The Customer Confidence Report is required by the federal and state Safe Drinking Water Acts (SDWA) and can be accessed online using the QR code. This report discusses the source of our tap water, results of tests regularly conducted to ensure water quality, and additional information customers may wish to know about their drinking water.





LANSING
BWL

Hometown People. Hometown Power.