



**LANSING BOARD OF WATER & LIGHT BOARD OF COMMISSIONERS
COMMITTEE OF THE WHOLE MEETING**

May 7, 2026– 5:30 P.M.

**REO Town Depot - Board of Water & Light Headquarters
1201 S. Washington Ave., Lansing, MI 48910**

BWL full meeting packets and public notices/agendas are located on the official website at <https://www.lbwl.com/about-bwl/governance>.

AGENDA-UPDATED

Call to Order

Roll Call

Public Comments on Agenda Items

- 1. Approval of the Committee of the Whole Meeting Minutes of March 10, 2026..... **TAB 1**
- 2. Retirement Plan Committee (RPC) Update..... **TAB 2**
- 3. Rate Strategy.....**TAB 3**
- 4. Return on Equity.....**TAB 4**
 - a. Return on Equity Resolution
- 5. Diversity, Equity & Inclusion Policy Update.....**TAB 5**
 - a. Corporate Diversity, Equity, and Inclusion Resolution

Other

Adjourn

COMMITTEE OF THE WHOLE
Meeting Minutes
March 10, 2026

The Committee of the Whole of the Lansing Board of Water and Light (BWL) met at the BWL Headquarters-REO Town Depot located at 1201 S Washington Ave., Lansing, MI, on Tuesday, March 10, 2026.

Chairperson Sandra Zerkle called the Committee of the Whole Meeting to order at 5:30 p.m. and asked the Corporate Secretary to call the roll.

Present: Commissioners Semone James, DeShon Leek, Tony Mullen, David Price, Beth Graham, Dale Schrader, and Sandra Zerkle
Absent: Commissioner Chris Harkins.

Corporate Secretary LaVella Todd declared a quorum.

Public Comments

There were no public comments.

Approval of Minutes

Motion by Commissioner Semone James, **Seconded** by Commissioner Beth Graham, to approve the Committee of the Whole Meeting minutes of January 13, 2026.

Action: Motion carried. The minutes were approved.

Retirement Plan Committee (RPC) Update

Chief Financial Officer Scott Taylor presented the Retirement Plan Committee (RPC) update. The RPC Committee added a second investment manager to the Voluntary Employee Benefit Administration Plan (VEBA) to diversify risk and manage assets within the small mid-cap group. The new asset manager will have a value focus, complementing the existing growth-focused manager, Atlanta Capital. ACG narrowed down the potential new asset managers and the committee reviewed and interviewed the final two before making a decision. The contractual stage is ongoing, with documentation being reviewed and prepared for execution.

The RPC Committee has reviewed an investment strategy change for the Defined Benefit Plan (DB) to a liability-driven investing strategy, which has been underway for six months. The DB plan is 116% funded and closed, making it suitable for this strategy to secure retirees' future

pensions. The recommendation came from ACG, and the committee voted to bring it before the Finance Committee Meeting with a resolution proposing the change.

CFO Taylor provided an Administrative Activity Update on the Defined Contribution 401(a) and Deferred Compensation 457(b) Plans and stated there was nothing new to report. He then provided an update on the Defined Benefit Plan (DB) and Voluntary Employee Benefit Administration Plan (VEBA). VEBA only- based on sufficiency of funding and investment performance, the RPC approved the FY26 Q2 reimbursement from the VEBA Plan to BWL of \$2,754,326. The amount was calculated consistent with the terms of the Administrative Services Agreement (ASA).

Consideration of Alternative Platform for Commissioners' Smartsheet Dashboard

Commissioner Tony Mullen introduced the consideration of replacing the Smartsheet Dashboard with a platform more suitable to the Board's needs. He expressed frustration over the functionality of the current platform and its inefficiency and suggested exploring other document management solutions. Commissioner Mullen suggested the use of Board Effect, which Assistant General Manager Heather Shawa uses on the Peckham Board. Commissioner Mullen stated that it is much easier to search for documentation, and it is much more user-friendly. He suggested involving the IT department to evaluate and, if necessary, replace Smartsheet with a more effective program.

Commissioner David Price supported the idea of finding a more user-friendly and affordable document management solution. Commissioner Sandra Zerkle asked the commissioners for input on who actually uses Smartsheet. Commissioner Semone James stated that she frequently uses Smartsheet. Commissioner Semone James commended Commissioner Mullen for bringing this to the committee and shared her concerns about the cumbersome nature of the current smart sheet application. Commissioner Zerkle requested that commissioners forward any questions on the potential new applications to Corporate Secretary LaVella Todd.

Asst GM Shawa suggested that her team use their Gartner membership to explore potential solutions and recommendations, starting with an RFI to identify available options before moving to a full RFP.

Discuss Next Review of BWL Board of Commissioners Rules of Procedure

Commissioner Sandra Zerkle brought to the Board's attention that the BWL Board of Commissioners Rules of Procedure were due for review and update, in accordance with the regular two-year cycle. She also mentioned the need for updates due to the new Lansing City Charter. Commissioner Sandra Zerkle suggested sending the current Rules of Procedure out in May, with an evaluation of the changes to be made at the July meeting.

Commissioner David Price supported Commissioner Zerkle's proposed review and evaluation period and suggested involving legal counsel for their input on any necessary changes. Commissioner James suggested the Rules of Procedure be reviewed by legal counsel first, then to allow the Commissioners to review and make the changes they propose. Corporate Secretary LaVella Todd stated that Deputy General Counsel Jason Hawkins has already provided some redlines for Board review. Commissioner Zerkle confirmed that legal will review the BWL Board of Commissioners Rules of Procedure, and then in May, the Commissioners will be sent the Rules of Procedure to add any updates they request.

Other

Motion by Commissioner Sandra Zerkle **Seconded** by Commissioner Beth Graham, for excused absences for Commissioner Chris Harkins.

Action: Motion Carried.

Adjourn

Chairperson Sandra Zerkle adjourned the meeting at 5:53 p.m.

Respectfully Submitted,
Sandra Zerkle, Chairperson
Committee of the Whole



RETIREMENT PLAN COMMITTEE (RPC)

Investment Activity Updates for Committee of the Whole: 5/7/2026

Investment Activity Update

- Defined Benefit Plan (DB) & Voluntary Employee Benefit Administration Plan (VEBA)
 - VEBA Only – US Small Cap Investment Manager
 - The onboarding process for the small/mid cap investment manager is progressing and remains ongoing.
 - VEBA Only – Updated Asset Allocation
 - The RPC has voted to accept ACG's updated asset allocation recommendation for the VEBA plan and has also voted to accept the proposed updates to the Investment Policy Statement (IPS). These items will be brought to the Board in July for approval.

Investment Activity Update

- Defined Benefit Plan (DB) & Voluntary Employee Benefit Administration Plan (VEBA)
 - DB Only – Liability Driven Investing (LDI)
 - After conducting a review and interview process, the RPC voted to select SAGE Advisory Services as the asset manager for the new LDI strategy. Onboarding will begin soon.

Investment Activity Update

- Defined Contribution 401(a) & Deferred Compensation 457(b) Plans
 - At the February Quarterly Investment Review, Captrust recommended several fund line-up changes:
 - Moving from MFS Value R3 to Putnam Large Cap
 - Moving from JPMorgan Mid Cap to John Hancock Mid Cap
 - Moving from T. Rowe Price Mid Cap to Touchstone Mid Cap
 - Moving from American Funds & Vanguard International Growth to Vanguard International Core Stock
 - The RPC reviewed and approved the recommended fund changes at the March 23, 2026, meeting.
 - Participation agreements for each new investment option have been received, and a business review has been completed. The documents are now undergoing legal review.



RETIREMENT PLAN COMMITTEE (RPC)

Administrative Activity Updates for Committee of the Whole: 5/7/2026

Administrative Activity Update

- Defined Benefit Plan (DB) & Voluntary Employee Benefit Administration Plan (VEBA)
 - Retirement Awareness
 - One of the three active participants has retired and elected a rollover.
 - The disbursement was made in April 2026.
 - This transfer of funds does not negatively impact the plan.

Administrative Activity Update

- Defined Contribution & Deferred Compensation Plans
 - Nationwide Loan Interest Rates
 - At the quarterly RPC meeting in February, Nationwide disclosed that it failed to implement the required 0.25% decrease to the loan prime rate on April 1, 2025.
 - As a result, 32 loans initiated between April 1, 2025, and September 15, 2025, were affected.
 - Nationwide's proposed correction: updating the interest rates on all impacted loans while maintaining existing payment amounts and repayment schedules, which may result in reduced or eliminated final loan payments.
 - Captrust confirmed this approach is appropriate and consistent with IRS-recognized correction methods for this type of operational error under ERISA (noting the plan is non-ERISA).
 - The RPC voted to approve the proposed correction plan.

Administrative Activity Update

- Defined Contribution & Deferred Compensation Plans
 - 401(a) Contributions and Deferrals for New Hires:
 - The 401(a) plan has a probationary period of six months before new hires receive contributions. A system issue impacted proper application of the probationary period resulting in new hires prematurely receiving contributions. The system issue has since been corrected, and no participants missed any contributions they were entitled to.
 - The total amount of early contributions was \$26,004.95. This was applied to reduce employer contributions in the March 26, 2026, payroll. This has been fully resolved and communicated to affected participants.

Glossary

- **DB** Defined Benefit Plan - The plan is a noncontributory single-employer defined benefit pension plan for employees of the BWL. The Defined Benefit Plan, by resolution of the Board of Commissioners, was closed to employees hired subsequent to December 31, 1996, and a defined contribution plan was established for employees hired after December 31, 1996. Effective December 1, 1997, all active participants in this plan were required to make an irrevocable choice to either remain in this plan (defined benefit) or move to the newly established defined contribution plan. Those participants who elected to move to the defined contribution plan received lump-sum distributions from this plan that were rolled into their accounts in the newly established defined contribution plan. Of the 760 employees who were required to make this election, 602 elected to convert their retirement benefits to the newly established defined contribution plan.
- **VEBA** Voluntary Employee Benefit Administration - The Post-Retirement Benefit Plan is a single-employer defined benefit healthcare plan. The Plan provides medical, dental, and life insurance benefits. Substantially all of the BWL's employees may become eligible for healthcare benefits and life insurance benefits if they reach normal retirement age while working for the BWL.
- **DC 401(a)** Defined Contribution Plan - The Defined Contribution Plan covers substantially all full-time employees hired after December 31, 1996. In addition, 602 employees hired before January 1, 1997 elected to convert their retirement benefits from the Defined Benefit Plan effective December 1, 1997. The Defined Contribution Plan operates as a money purchase pension plan and meets the requirements of Sections 401(a) and 501(a) of the IRC of 1986, as amended from time to time. For employees hired before January 1, 1997, the BWL is required to contribute 15.0% of the employees' compensation. For employees hired after January 1, 1997, the BWL is required to contribute 9.5% of the employees' compensation. In addition, the BWL is required to contribute 3.0% of the employees' compensation for all employees who are not eligible to receive overtime pay and 0.5% of the employees' compensation for all nonbargaining employees. No participant contributions are required.
- **DC 457(b)** Deferred Compensation Plan - The Deferred Compensation Plan covers substantially all full-time employees. The BWL contributes \$1,000 on behalf of each participant as of the first pay period of each year. Additionally, the BWL will provide a 100% match for each participant's contributions annually, up to \$1,500.
- **ASA** Administrative Services Agreement – The administrative services agreement is an agreement between the BWL and the VEBA trust regarding the payment of VEBA plan benefits. The agreement calls for the BWL to handle the processing of benefit payments and allows for the reimbursement for payment from the VEBA trust if certain conditions are satisfied. These conditions include both funding status and investment performance measures.



2026 Rate Strategy

Committee of the Whole
May 7, 2026



OPENING REMARKS

General Manager
Dick Peffley



The mission of the BWL is to provide a safe, reliable and affordable utility experience through public ownership, climate consciousness and innovative strategies



AGENDA

Industry Trends – Utility Financial Solutions (UFS)

Background & Overview

Rate Recommendations



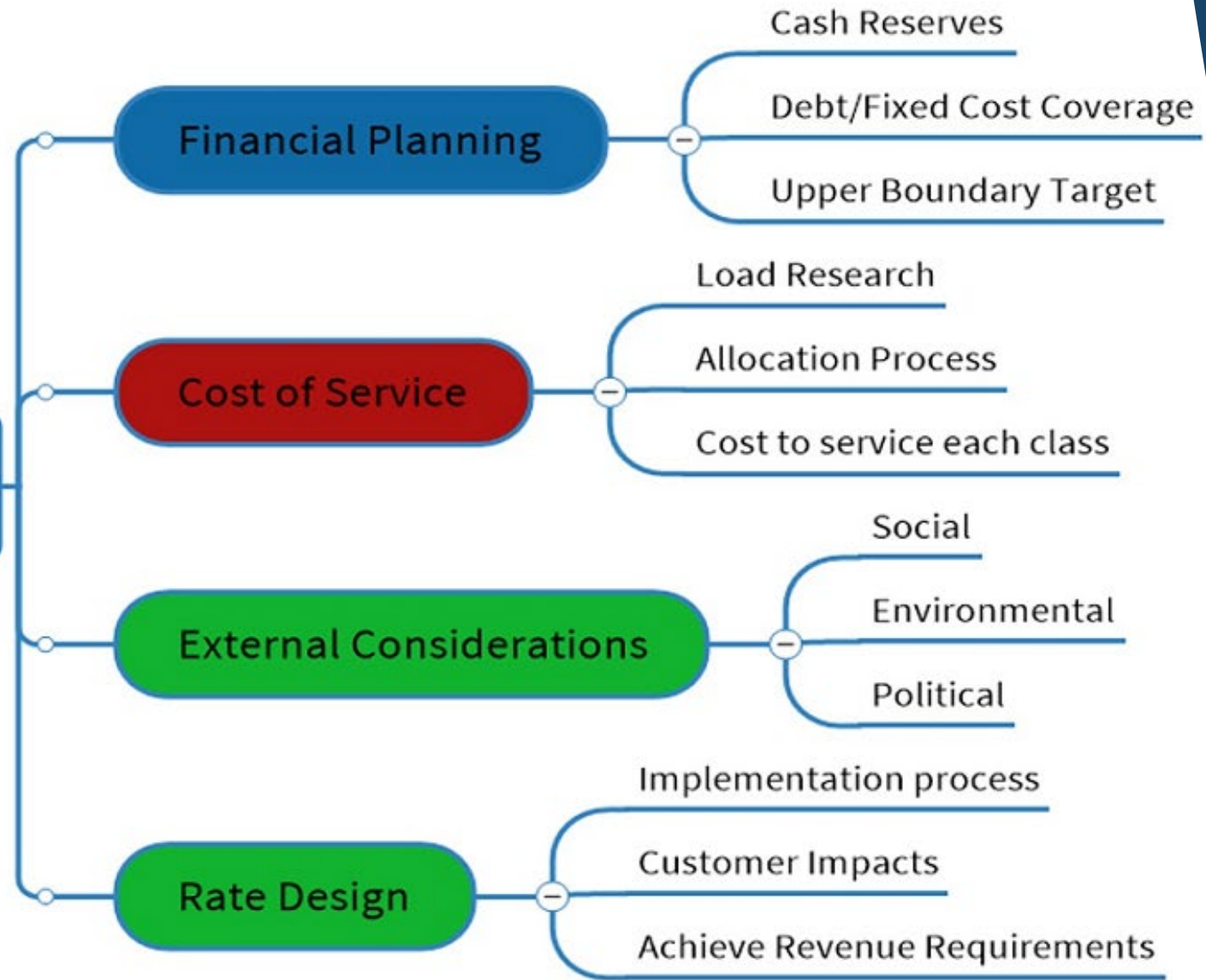
RATE DESIGN REFINEMENT & INDUSTRY TRENDS



UTILITY FINANCIAL SOLUTIONS, LLC

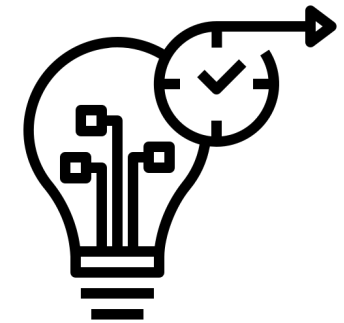
- International consulting firm providing cost-of-service and financial planning services to utilities across the United States, Canada, Guam, and the Caribbean
- Instructors for cost-of-service and financial planning for APPA, and speakers for organizations across the country, including AWWA
- *Hometown Connections* preferred vendor

Rate Study Process



FINANCIAL PLANNING IS IMPORTANT

- **Financial projection with budget process to monitor targets**
 - Know where you are today and where you need to be moving to the future
- **Cost of Service Study every 3-5 years or major change**
 - Change in gas or electric supply contract
 - Major plant investments
 - Major distribution upgrade or investment
- **Rate Design**
 - Art part of the whole process



OPPORTUNITIES AND CHALLENGES

How can utilities take advantage of these opportunities?

▪ Decarbonization of Energy

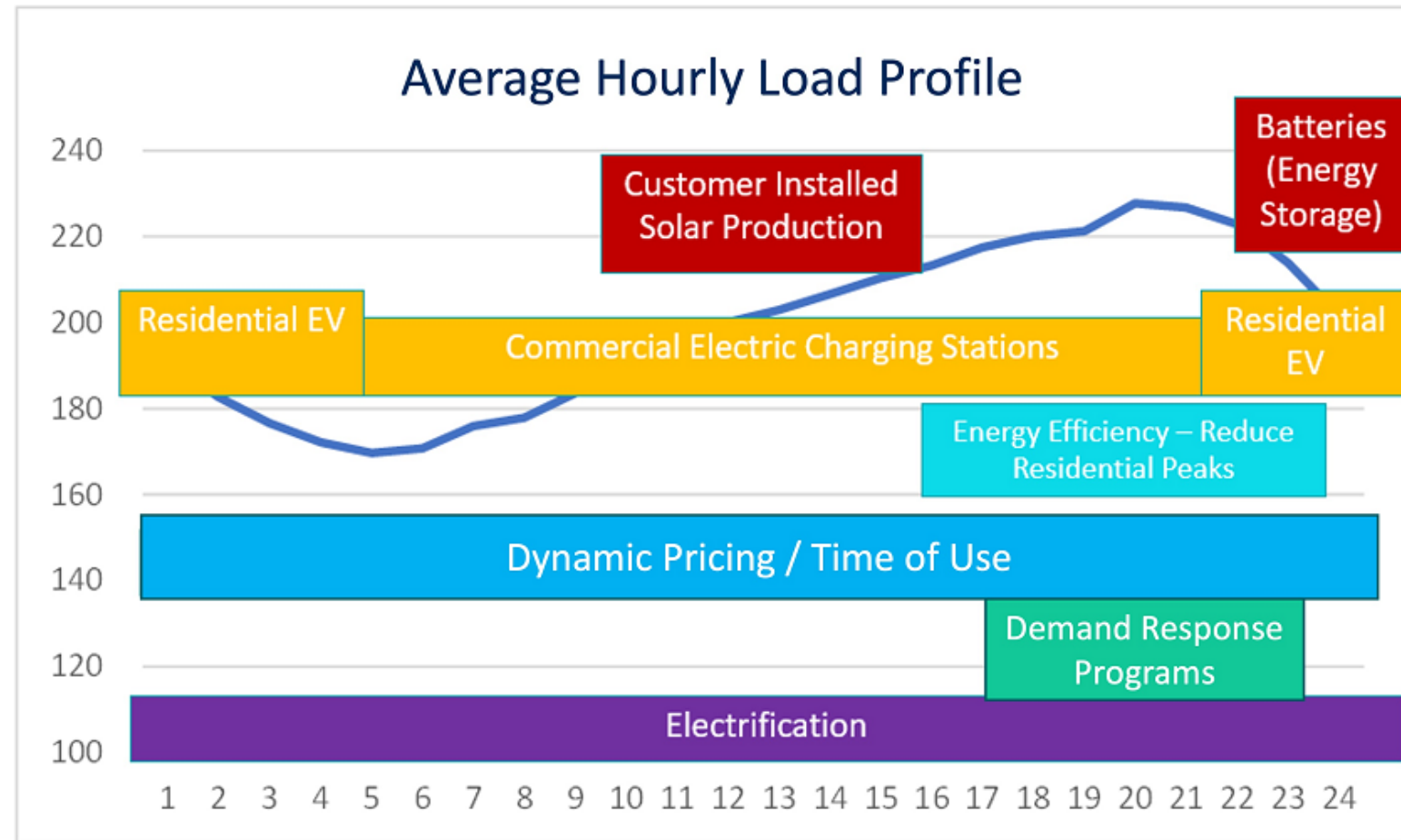
- **Energy Efficiency** – Objective: Help customers reduce energy waste and lower the future costs of utility services
- **Solar and Wind** – Objective: Provide carbon-free energy sources that support the reduction of utility greenhouse gas (GHG) emissions
- **Energy Storage** – Objective: Improve system resiliency
- **Clean Transportation** – Objective: Use electric or bio-fuels to reduce pollution and GHG emissions
- **Building Electrification** – Objective: Replace fossil fuels with clean electric sources to reduce GHG emissions
- **Large Load** – Objective: Ensure growth benefits all ratepayers and that the risk of stranded costs or assets from customers is minimized

Other Considerations:

- Grid Stability & Modernization

TECHNOLOGY IMPACTS ON HOURLY SYSTEM USAGES

MW



EV: Electric Vehicle

Hours

INDUSTRY TREND IN RATE DESIGNS

Standby Service

Time of Use
(Dynamic Pricing)
AMI required

Moving toward cost
based customer
charges

Commercial EV
Rates

Revisions to
traditional net
metering programs

BWL is keeping up with the electric industry rate trends and has implemented or offered each of these rates to customers

WHAT IS A CUSTOMER CHARGE?

A customer charge recovers cost for connection to grid regardless of energy consumption

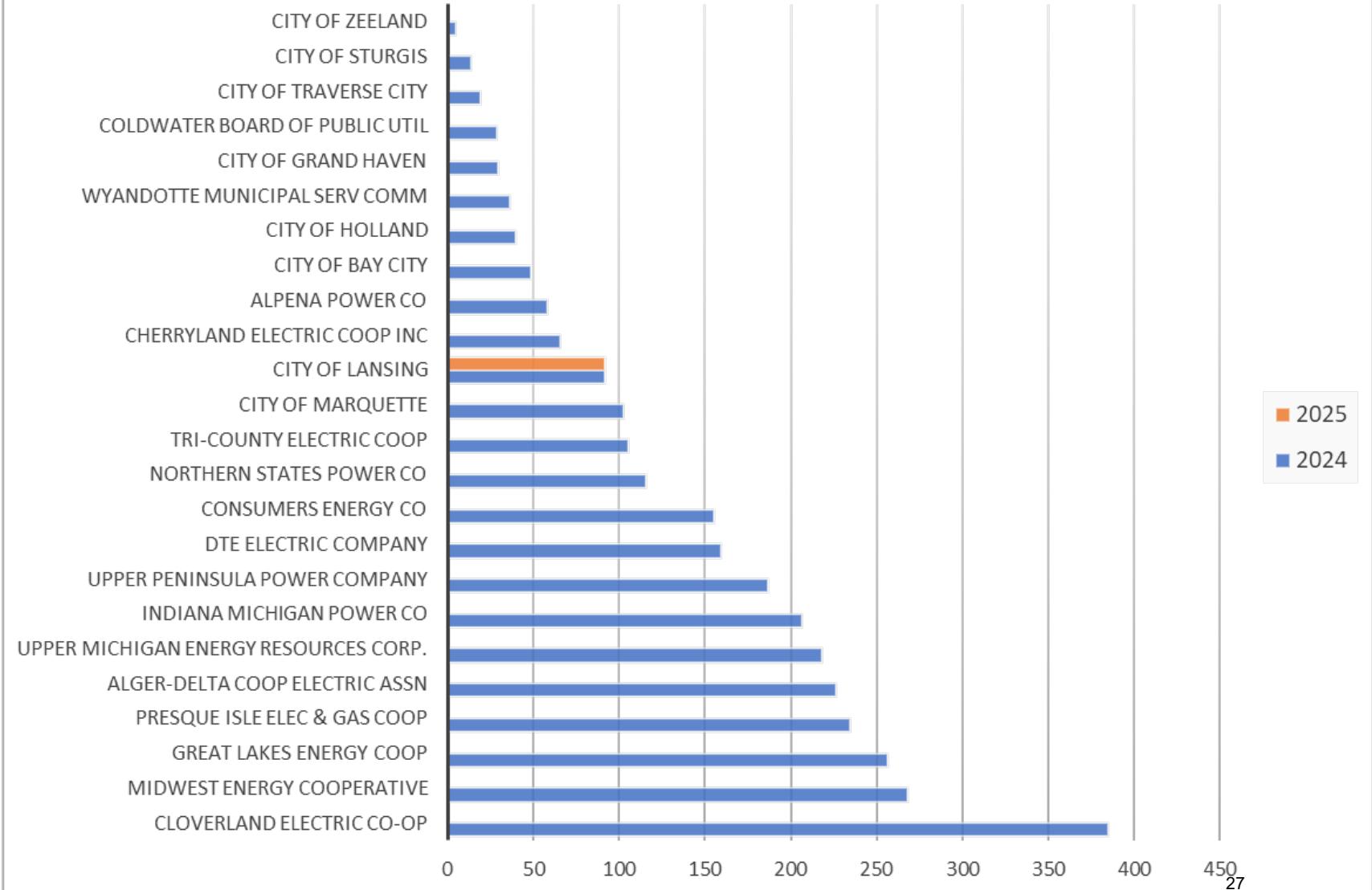
- Meter operation, AMI maintenance, and AMI replacement costs
- Billing costs
- Customer service department
- Service into customers facilities
- **Portion of distribution system**
 - Cost to get a wire from the sub-transmission system to customer
 - Based on minimum sizing (If all customers only used a single kWh)

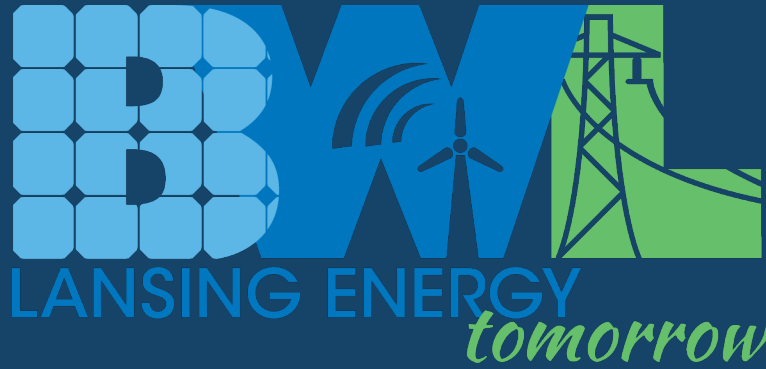


BACKGROUND & OVERVIEW

BWL SYSTEM RELIABILITY

System Average Interruption Index without Major Event Days





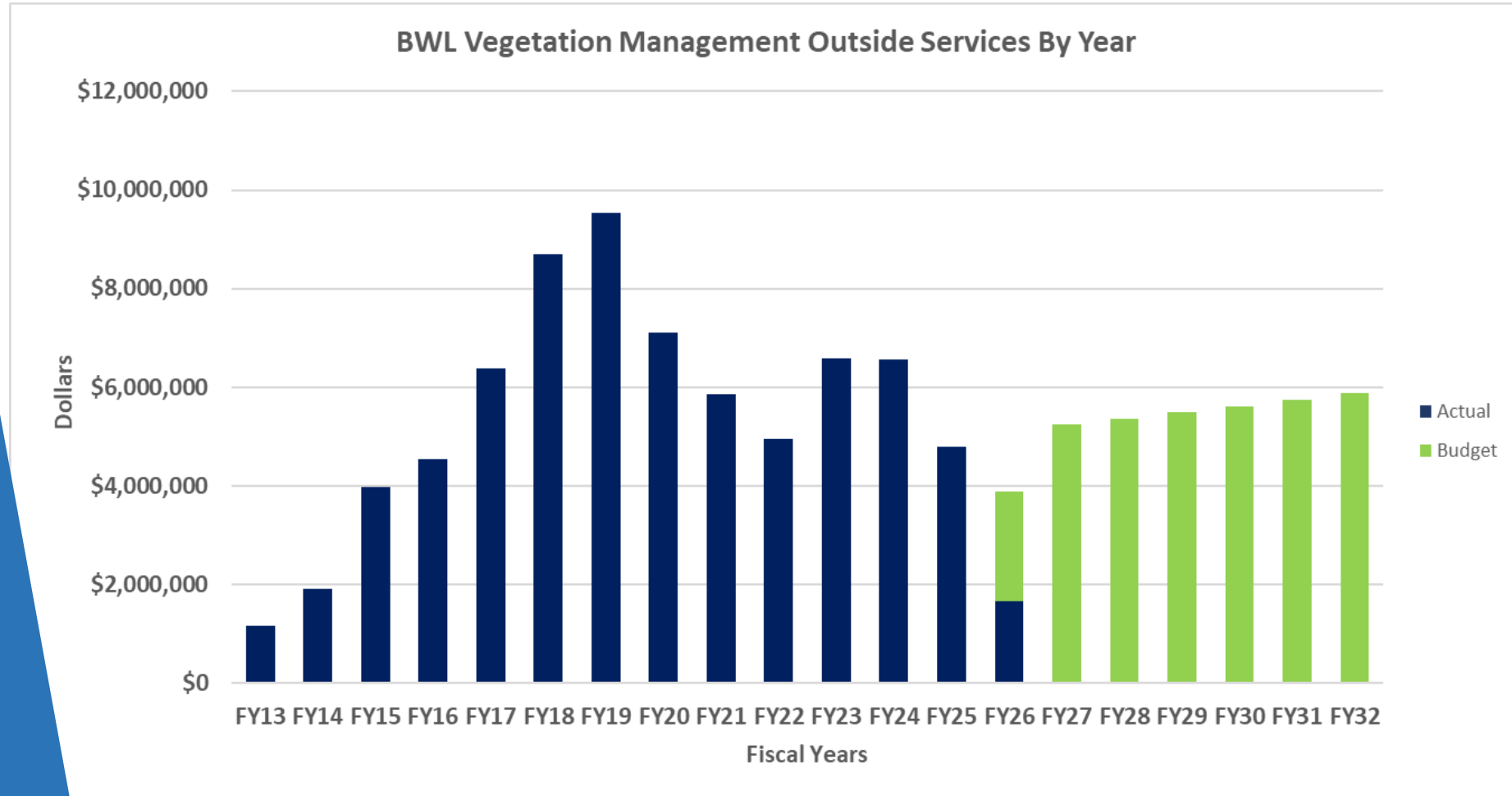
These projects will increase reliability for over 25,000 customers primarily served by our aging Eckert substation

Improvements on these systems will inherently benefit disadvantaged customers less able to absorb costs related to electric service interruptions

Lansing Energy Tomorrow Projects	Total Cost	Remaining Cost
South Reinforcement 138 kV Transmission Line	\$ 41,369,329	\$ 216,431
Wise Substation	\$ 32,192,557	\$ -
Wise Rd. Distribution	\$ 2,317,311	\$ -
Stanley Substation	\$ 36,907,091	\$ 36,548,200
Rundle Substation	\$ 35,242,410	\$ 23,824,665
LGR Substation	\$ 27,971,975	\$ 19,958,338
Total	\$ 176,000,673	\$ 80,547,634

BWL continues to diligently monitor and preemptively manage vegetation in the service territory to maintain infrastructure and reliability

VEGETATION MANAGEMENT



CYBER RESILIENCY AND TECHNOLOGY INVESTMENTS

- \$3,000,000 deployed towards operational cyber security and network hardening, compliance and outside service support
- \$360,000 of additional hardening to comply with NERC-CIP regulatory requirements
- \$2,000,000 deployed towards corporate cyber security, hardening, compliance and system modernization
- Human Resource Information System implementation deployed with improved integration with partners for efficiency



NERC-CIP: North American Electric Reliability,
Critical Infrastructure Protection

CYBER THREATS

Top Utilities Cyberattacks of 2025 and Their Devastating Impact on Critical Infrastructure

Iran-Linked Hackers Disrupt US Critical Infrastructure via PLC Attacks

Federal agencies warn attackers are manipulating PLC and SCADA systems across multiple sectors, triggering operational disruptions and raising concerns over broader OT targeting.

Department of Environment, Great Lakes, and Energy

Cybersecurity for the water sector



EGLE

Michigan State Police investigating potential cyber breach at Detroit water plant

Michigan State Police and the Great Lakes Water Authority are investigating a potential breach of a monitoring and reporting system at one of the agency's water treatment facilities in Detroit.

"At no time was water quality at the plant compromised," said GLWA in a statement issued Wednesday about the incident.

The affected equipment is at the Northeast Water Treatment Plant on Eight Mile Road, which was previously part of the Detroit water system. The facility can handle about 300 million gallons a day, the GWLA website says.

ESET attributes DynoWiper-powered attack on Poland's power grid to Russia-aligned Sandworm group



Researchers at ESET identified that the Sandworm hacking group was behind the cyberattack that disrupted parts of Poland's power grid in late December 2025. The attack involved data-wiping malware that the company has now analyzed and named DynoWiper. According to ESET, the Russia-aligned APT group operation bears the hallmarks of a notorious Russian military intelligence unit with a long track record of destructive cyber campaigns, making Sandworm the likely culprit **behind the strikes** on Polish energy targets.

Cyberattack on Water Infrastructure | A Wake-Up Call for Critical Sectors

Energy and utilities cyber threats escalate as ransomware and APT activity rise, Cyfirma reports

Advisories and alerts

- April 7, 2026 - [Iranian-Affiliated Cyber Actors Exploit Programmable Logic Controllers Across US Critical Infrastructure](#)
- April 1, 2026 - [EPA, FBI, CISA, NSA Issue Joint Cybersecurity Advisory to Water System Regarding Iranian-Affiliated Cyber Attacks](#)
- February 10, 2026 - [Poland Energy Sector Incident Highlights OT and ICS Security Gaps](#)
- January 15, 2026 - [Trio of Critical Bugs Spotted in Delta Industrial PLC](#)
- January 15, 2026 - [Secure Connectivity Principles for Operational Technology](#)
- September 26, 2025 - [MySonicWall Cloud Backup File Incident](#)
- August 12, 2025 - [Microsoft Releases Guidance on High-Severity Vulnerability in Hybrid Exchange Deployments](#)
- June 13, 2025 - [Ransomware Actors Exploit Unpatched SimpleHelp Remote Monitoring](#)
- May 22, 2025 - [LummaC2 Malware Targeting U.S. Critical Infrastructure Sectors](#)

Volt Typhoon Energy Grid Cyberattack Exposes US Infrastructure Vulnerabilities

The Volt Typhoon advanced persistent threat (APT) group maintained access to a Massachusetts power utility's OT network for almost a year, highlighting critical infrastructure vulnerabilities.

NATIONALLY RECOGNIZED WATER

Lead Free Since 2016

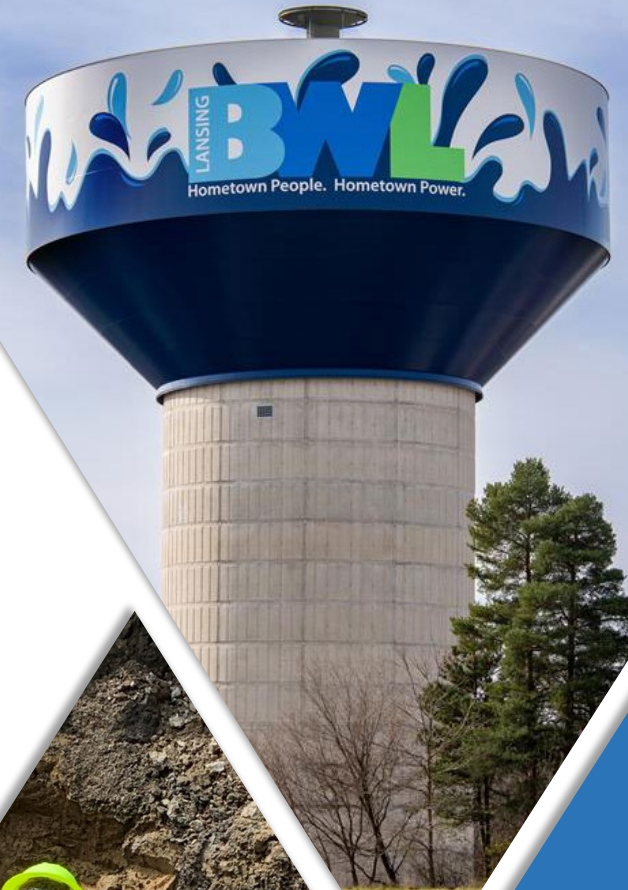
- BWL removed its last known active lead service line and became the second utility in the nation to remove all known lead service lines

Water Main Replacement

- BWL continues to ramp up water main replacement efforts, currently averaging 5-6 miles of main replacement annually

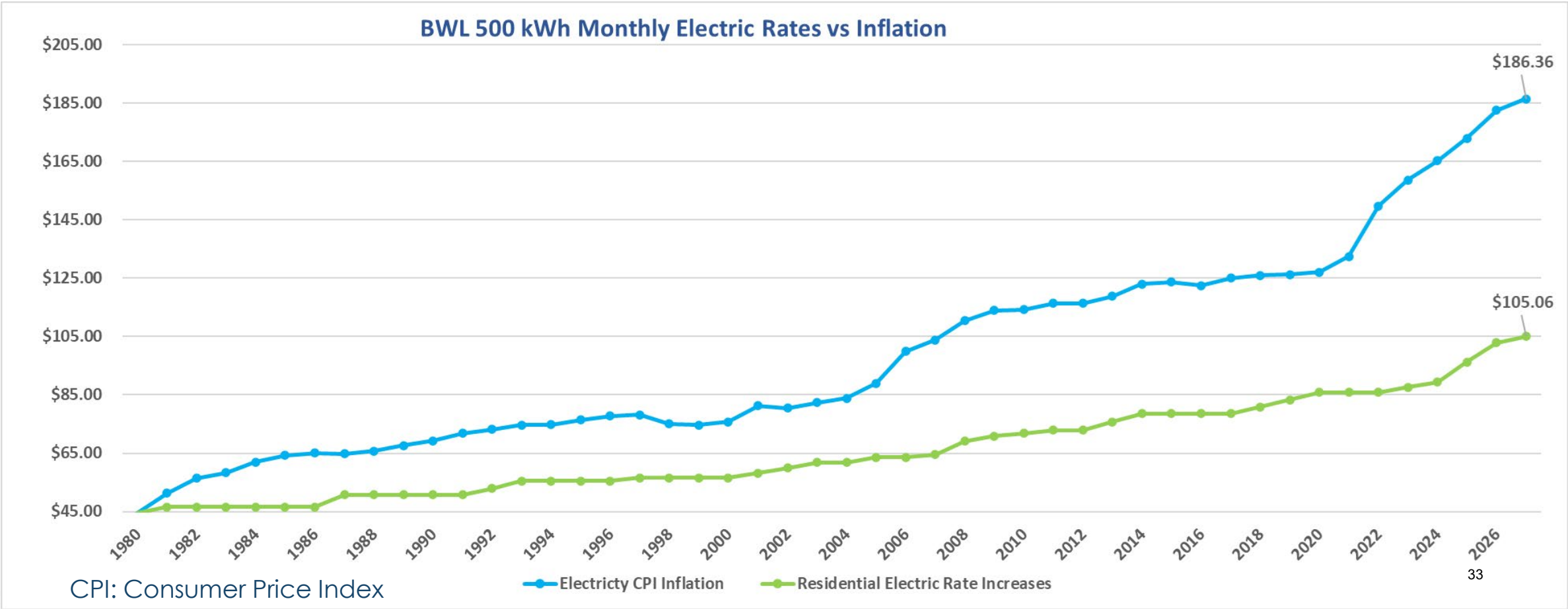
Elevated Water Storage

- Increase operational efficiency and reliability, the new water tank is expected to begin operation in 2026



ELECTRIC AFFORDABILITY

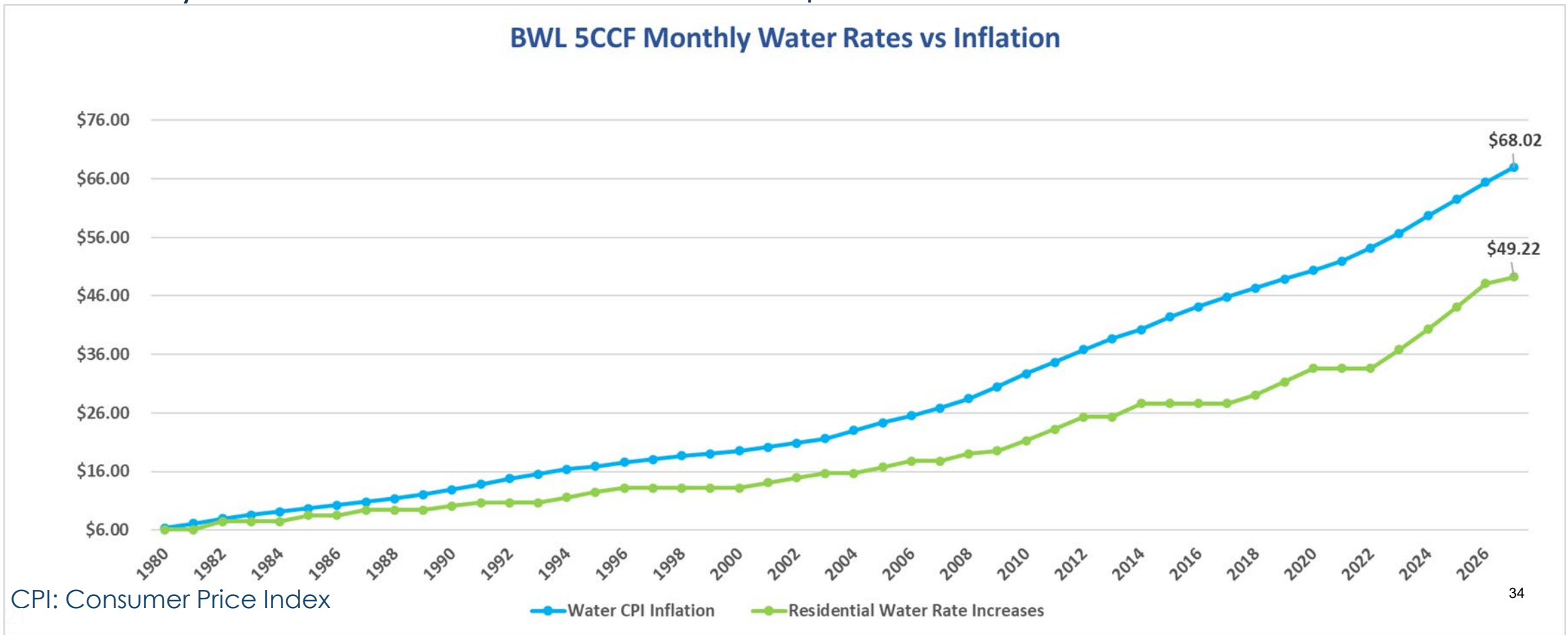
Monthly BWL electric rates are 44%, or \$81, below inflation



WATER AFFORDABILITY

Monthly BWL water rates are 28%, or \$19, below inflation

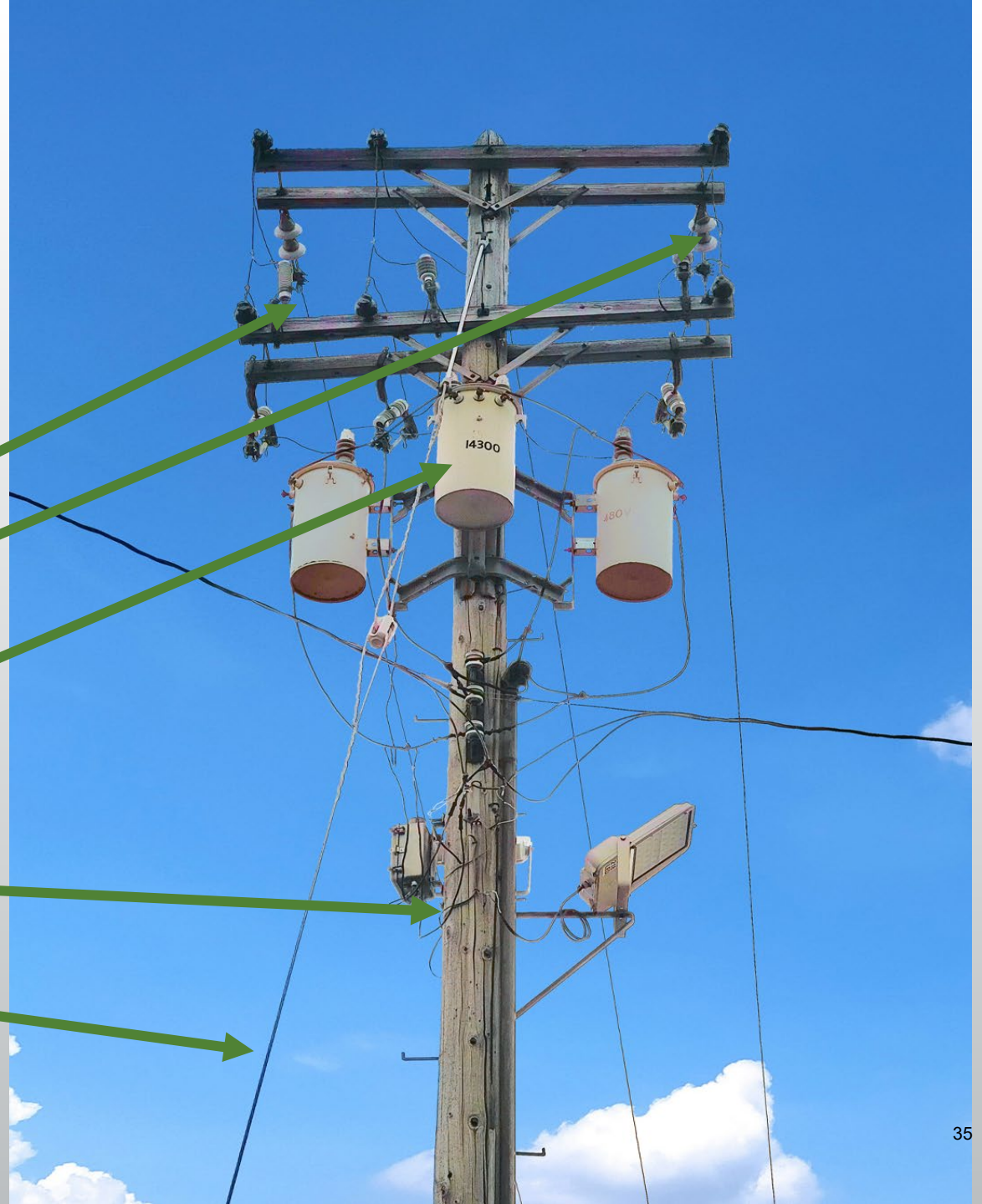
BWL 5CCF Monthly Water Rates vs Inflation



CPI: Consumer Price Index

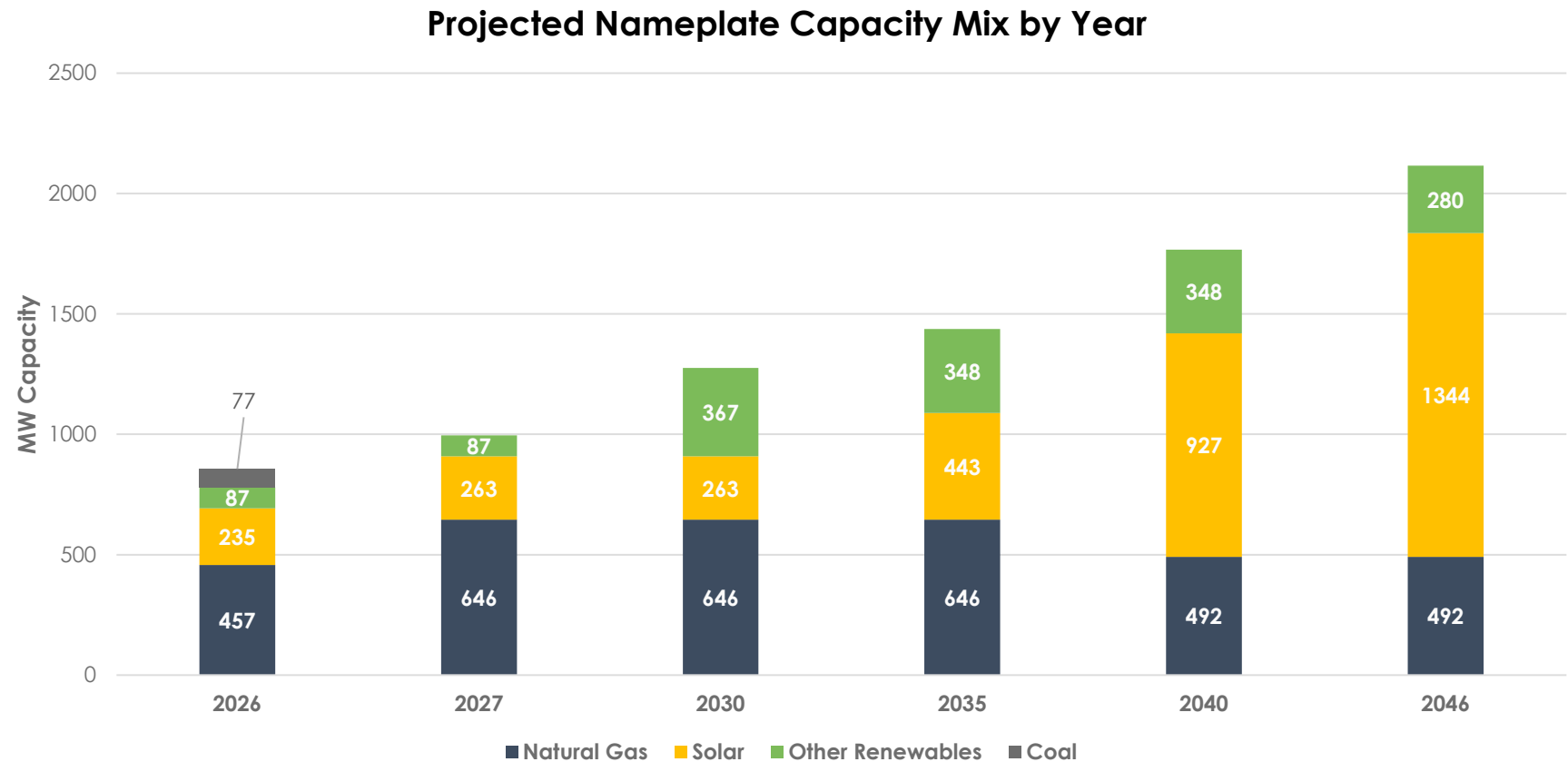
RISING INFLATION'S IMPACT ON UTILITY SYSTEM INFRASTRUCTURE SINCE 2019

- Wire Cable- 550%
- Insulator- 175%
- Transformer- 252%
- Wood Pole- 175%
- Guy Wire- 77%



RESOURCE PORTFOLIO – MOVING AWAY FROM COAL

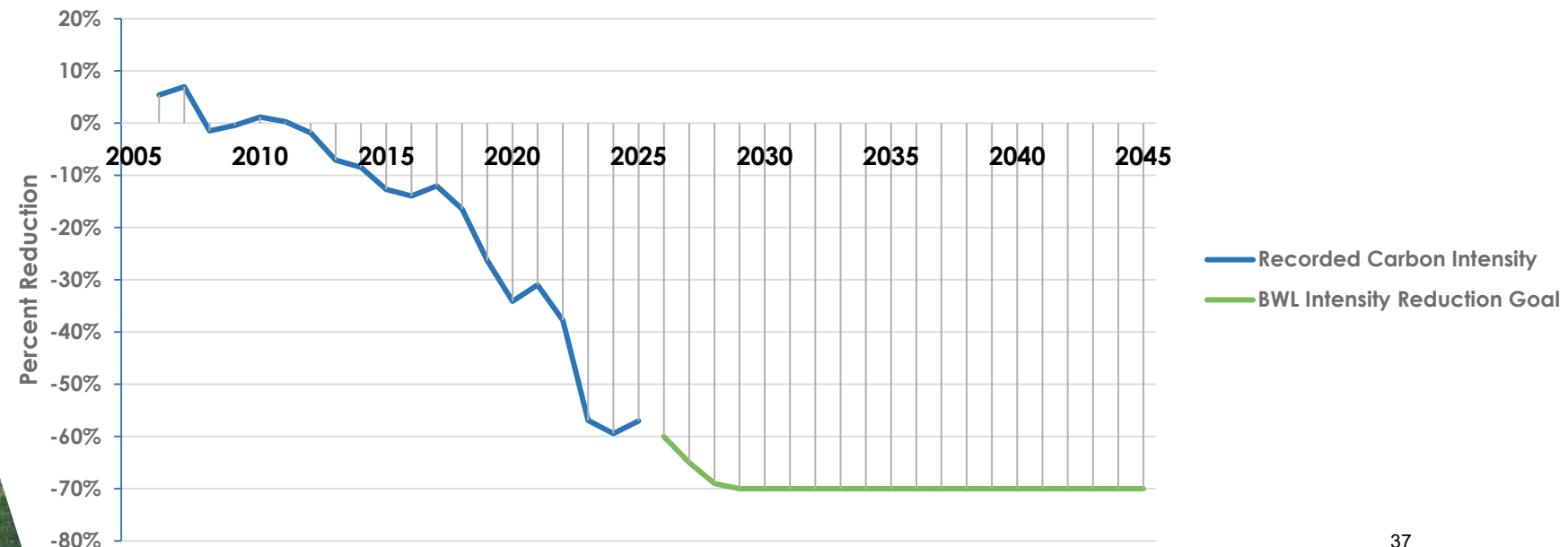
- The BWL no longer burns coal to produce electricity at its owned generation facilities
- Belle River has transitioned unit 1 to natural gas and will transition unit 2 by December 2026, eliminating coal from the BWL's portfolio entirely



CARBON REDUCTION IN-LINE WITH STATE LAW

- As of June 2025, BWL has reduced its carbon emissions by 57%* from 2005 levels
- BWL's success in reducing its carbon footprint is expected to exceed targets established by the MI Healthy Climate Plan, as well as additional targets announced by the federal government

**BWL Carbon Emissions Reduction
(Historical and Projected)**



* 57% reduction in carbon intensity, measured as emissions divided by total MWh

Resolution 2000-1-3

RATE MAKING PRINCIPLES

Rates shall be established at a level that will enable the Board of Water & Light (BWL) to meet its mission of serving the Greater Lansing area by **providing high quality utility services, reliably, at the lowest reasonable cost.**

The BWL shall **recover the costs of serving its customers through its rates.** Rates and charges should be sufficient to cover all O & M expenses, payment to the city, depreciation expense, and a reasonable return on the BWL's capital investment.

The return on the BWL's capital investment shall be sufficient to **provide cash flow for debt service, bond coverage, and capital improvements.**

Board of Water & Light rates should **reflect as closely as possible the goals and desires of its customers.**

Those who benefit from the BWL's services should pay for those services.

Rates for each class of customer should, as nearly as practicable, **reflect the cost of providing service** to that class.

Each utility managed by the BWL should be self-supporting. No utility should subsidize any other utility.

Rates should be **reviewed annually** and **adjusted as deemed necessary** to **maintain the financial integrity** of the BWL and **minimize the financial impact on our customers.**

Rates shall be established and implemented according to Lansing City Charter, Section 5-205, refers to the BWL authority to set just and reasonable rates and defines the public hearing process. 38



RATE RECOMMENDATIONS

COST-OF-SERVICE RESULTS

- Electric Cost-of-Service study is performed every 3-5 years
- Allocates costs of providing service to appropriate customer class

Customer Class	Cost-of-Service	Projected Revenues	Percentage Variance
Residential	\$ 121,158,559	\$ 107,067,023	13.2%
Small Commercial	\$ 16,118,262	\$ 17,433,265	-7.5%
Unmetered Devices	\$ 997,988	\$ 684,148	45.9%
Lighting	\$ 14,596,543	\$ 11,719,476	24.5%
Midsize Commercial	\$ 84,712,904	\$ 88,665,633	-4.5%
Large Commercial & Industrial	\$ 71,414,549	\$ 71,229,613	0.3%
Extra Large Industrial	\$ 30,723,884	\$ 29,425,663	4.4%
Total	\$ 339,722,689	\$ 326,224,821	4.1%

RATE DESIGN CUSTOMER CLASS SUMMARY

- Rate design aims to move each rate class closer to its respective cost-of-service allocation share
- Shifts are made gradually, year over year, for each rate class

	Current Year Projected Revenue	Year 1 Projected Revenue	Year 1 Percentage Increase
RES1- Standard Residential	\$ 104,749,888	\$ 107,025,733	2.2%
SC1- Standard Small Commercial	\$ 17,403,827	\$ 17,593,228	1.1%
SL1- Streetlights	\$ 10,483,964	\$ 10,798,483	3.0%
MC1- Standard Midsize Commercial	\$ 88,306,233	\$ 89,460,344	1.3%
LC1- Standard Large Commercial	\$ 65,935,682	\$ 67,325,419	2.1%
XL1- Standard Extra Large Commercial	\$ 29,425,663	\$ 30,325,577	3.1%
Other	\$ 9,919,564	\$ 10,351,123	4.4%
Total	\$ 326,224,821	\$ 332,879,906	2.0%

AVERAGE RATE INCREASE PERCENTAGE BY UTILITY

	Feb 2020	Mar 20' - Oct 22'	Nov 2022	Nov 2023	Oct 2024	Oct 2025	Oct 2026
Electric	3.00%	0.00%	2.05%	2.05%	6.95%	6.00%	2.04%
Water	7.50%	0.00%	9.50%	9.50%	9.23%	9.16%	2.30%
Steam	7.50%	0.00%	9.95%	9.95%	9.75%	9.75%	5.51%
Chilled Water	0.00%	0.00%	4.00%	4.00%	2.00%	1.50%	0.00%



**Deferred rate increases for 31 months (Feb 2020 To Nov 2022)
to help customers struggling financially due to COVID-19**

ELECTRIC: MONTHLY CUSTOMER IMPACT

Customer Class	Current Monthly Bill	Proposed Monthly Bill 10/01/26	FY 27 \$ Change	FY 27 % Change
Residential				
500 kWh	\$ 102.90	\$ 105.06	\$ 2.16	2.10%
Small Commercial				
750 kWh	\$ 160.83	\$ 162.55	\$ 1.72	1.07%
1,500 kWh	\$ 283.66	\$ 286.59	\$ 2.93	1.03%
Midsize Commercial				
2,500 kWh	\$ 516.38	\$ 521.60	\$ 5.22	1.01%
15,000 kWh	\$ 9,489.89	\$ 9,521.18	\$ 31.29	0.33%
Large Commercial				
400,000 kWh	\$ 54,941.43	\$ 56,002.47	\$ 1,061.04	1.93%
650,000 kWh	\$ 74,067.32	\$ 75,791.51	\$ 1,724.19	2.33%

kWh: Kilowatt Hours
FY: Fiscal Year

WATER: MONTHLY CUSTOMER IMPACT

Customer Class	Current Monthly Bill	Proposed Monthly Bill 10/01/26	FY 27 \$ Change	FY 27 % Change
Residential				
2 CCF (5/8" or 3/4" Meter)	\$ 26.32	\$ 27.20	\$ 0.88	3.34%
5 CCF (5/8" or 3/4" Meter)	\$ 48.07	\$ 49.22	\$ 1.15	2.39%
General Service				
365 CCF (4" Meter)	\$ 2,774.71	\$ 2,800.26	\$ 25.55	0.92%
Lawn Sprinkling Service				
15 CCF (5/8" or 3/4" Meter)	\$ 110.75	\$ 112.60	\$ 1.85	1.67%
15 CCF (2" Meter)	\$ 115.18	\$ 117.78	\$ 2.60	2.26%

STEAM: MONTHLY CUSTOMER IMPACT

Customer Class	Current Monthly Bill	Proposed Monthly Bill 10/01/26	FY 27 \$ Change	FY 27 \$ Change
General Steam Service				
20,000 lbs	\$ 599.62	\$ 633.19	\$ 33.57	5.60%
50,000 lbs	\$ 1,465.23	\$ 1,546.16	\$ 80.93	5.52%
200,000 lbs	\$ 5,793.29	\$ 6,111.02	\$ 317.73	5.48%
800,000 lbs	\$ 23,961.12	\$ 25,279.24	\$ 1,318.12	5.50%
1,000,000 lbs	\$ 30,017.07	\$ 31,668.65	\$ 1,651.58	5.50%

CHILLED WATER: MONTHLY CUSTOMER IMPACT

Customer Class	Current Monthly Bill	Proposed Monthly Bill 10/01/26	FY 27 \$ Change	FY 27 % Change
General Service				
Billing Demand (165)				
Ton-hr (27,500)	\$ 12,503.98	\$ 12,503.98	\$ -	0%

ELECTRIC RATE UPDATES & PROPOSALS



RATE STRUCTURE: ELECTRIC RESIDENTIAL



Time of Use (TOU)

- Standard Rate for Residential Customers
- Gradually Increasing On-Peak Off-Peak Differential
- 85,000 Customers



Off-Peak Savers

- **Optional**
- Higher Pricing On-Peak, Lower Pricing Off-Peak
- Larger Opportunity for Savings Off-Peak
- 160 Customers

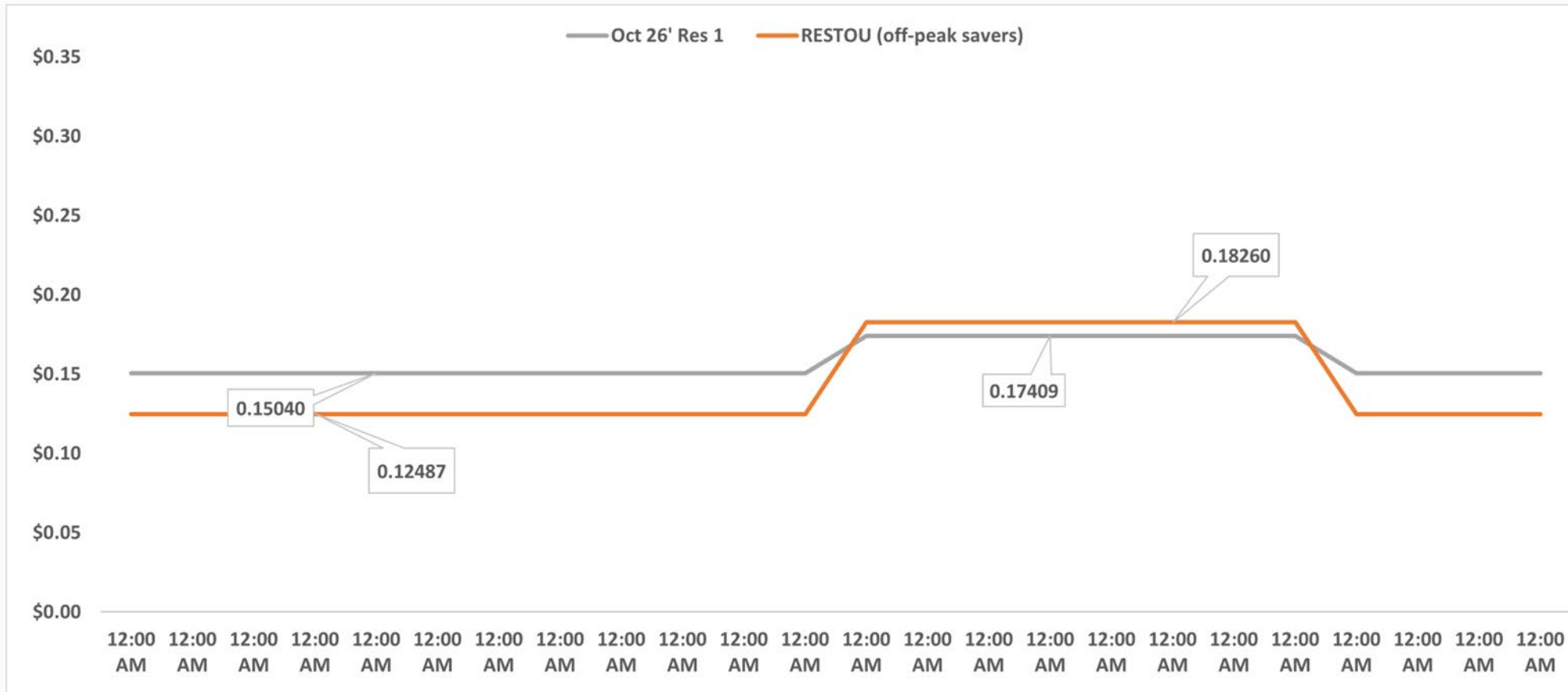


Electric Vehicle Time of Use Rate

- **Optional Second Meter**
- For instances when EV charger cannot be approved without whole-home electrical upgrades
- 140 Customers

GRADUAL TRANSITION OF TIME OF USE RESIDENTIAL RATES: WINTER (OCTOBER-MAY)

Price per kWh



CURRENT RATE STRUCTURE: ELECTRIC COMMERCIAL & INDUSTRIAL



RENEWABLE ENERGY RATE OPTIONS

Distributed Generation & Net Metering (Closed) Rates

- Customers Pay for Electricity Usage
- Customers Get Levelized Payments for Excess Production
- 277 Distributed Generation customers
- 210 Net Metering customers

GreenWise

- Purchase up to 100% of Electricity from Renewable Sources
- 88 customers





ELECTRIC VEHICLE RATE OPTIONS

Residential Rate
22

RESTOU

MCEV
Level 2
Community
Charging

LCEV
Level 3 Fast
Charging

ENERGY OPTIMIZATION (EO) SURCHARGE PROPOSAL

- Initiated by Legislation PA 229 (2023)- Order No. U-17008 (I), Clean and Renewable Energy and Energy Waste Reduction Act
 - Electric utilities are required to achieve annual energy savings of 1.5% of the previous year's total retail sales
- Benefits:
 - Customer awareness, surcharge directly funds energy reduction programs and rebates
 - Common surcharge at both IOU and municipal utilities in Michigan
 - Allows separate tracking of collections against expenses

	EO Surcharge	
	EO Surcharge 10/1/2026	EO Surcharge Self-Directed 10/1/2026
Residential	\$ 0.002930	NA /kWh
Commercial and Industrial	\$ 0.002086	\$ 0.000271 /kWh

Self-Directed: Certain customers may create and implement a customized energy optimization plan and thus be exempt from paying the full Energy Waste Reduction (EWR) surcharge to its utility provider

MODERNIZED LIGHTING RATE STRUCTURE

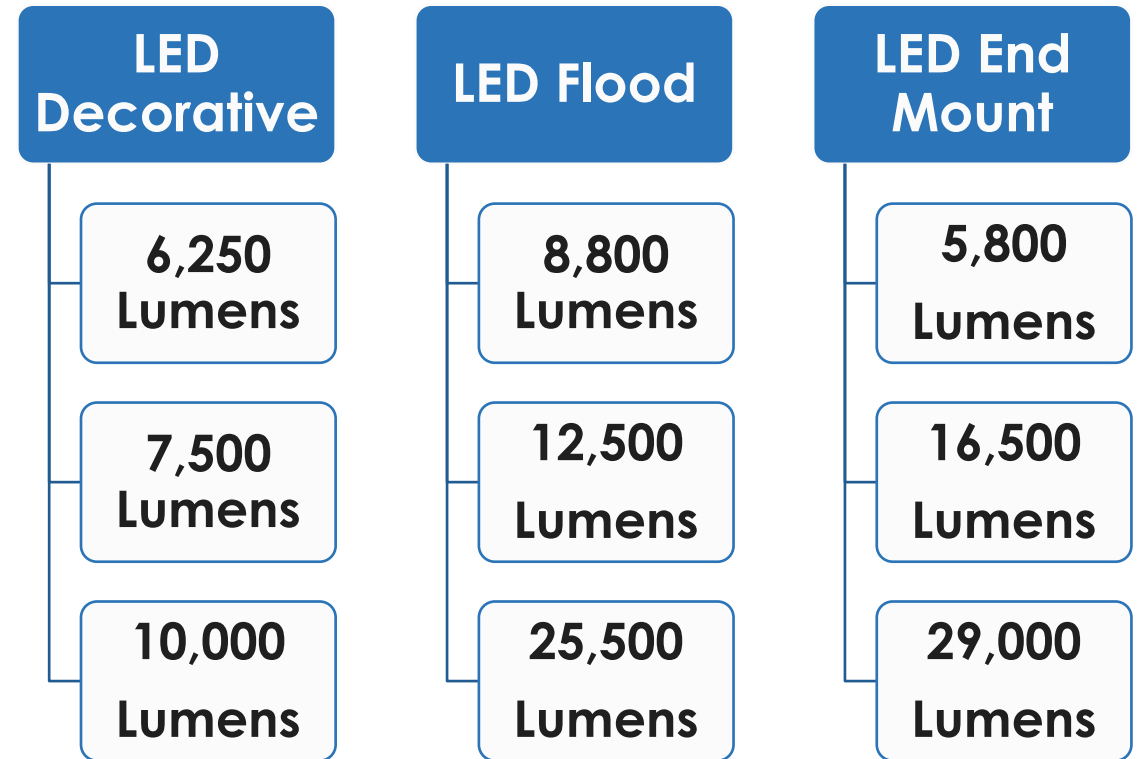
CURRENT STRUCTURE

- Current rate structure has over 125 streetlight and outdoor lighting rate combinations
- Many of these lamp types have been removed from BWL's lighting system

LED Decorative Luminaire	LED End Mount Luminaire	LED Flood Luminaire
1-19 W	1-19 W	1-19 W
20-39 W	20-39 W	20-39 W
40-59 W	40-59 W	40-59 W
60-79 W	60-79 W	60-79 W
80-99 W	80-99 W	80-99 W
100-119 W	100-119 W	100-119 W
120-139 W	120-139 W	120-139 W
140-159 W	140-159 W	140-159 W
160-179 W	160-179 W	160-179 W
180-199 W	180-199 W	180-199 W
200-219 W	200-219 W	200-219 W
220-239 W	220-239 W	220-239 W
240-259 W	240-259 W	240-259 W
260-279 W	260-279 W	260-279 W
280-299 W	280-299 W	280-299 W
300-319 W	300-319 W	300-319 W
320-339 W	320-339 W	320-339 W
340-359 W	340-359 W	340-359 W
360-379 W	360-379 W	360-379 W
380-399 W	380-399 W	380-399 W

NEW STRUCTURE

- New rates provide a modernized structure, easier interpretation, and improved alignment with LED light offerings

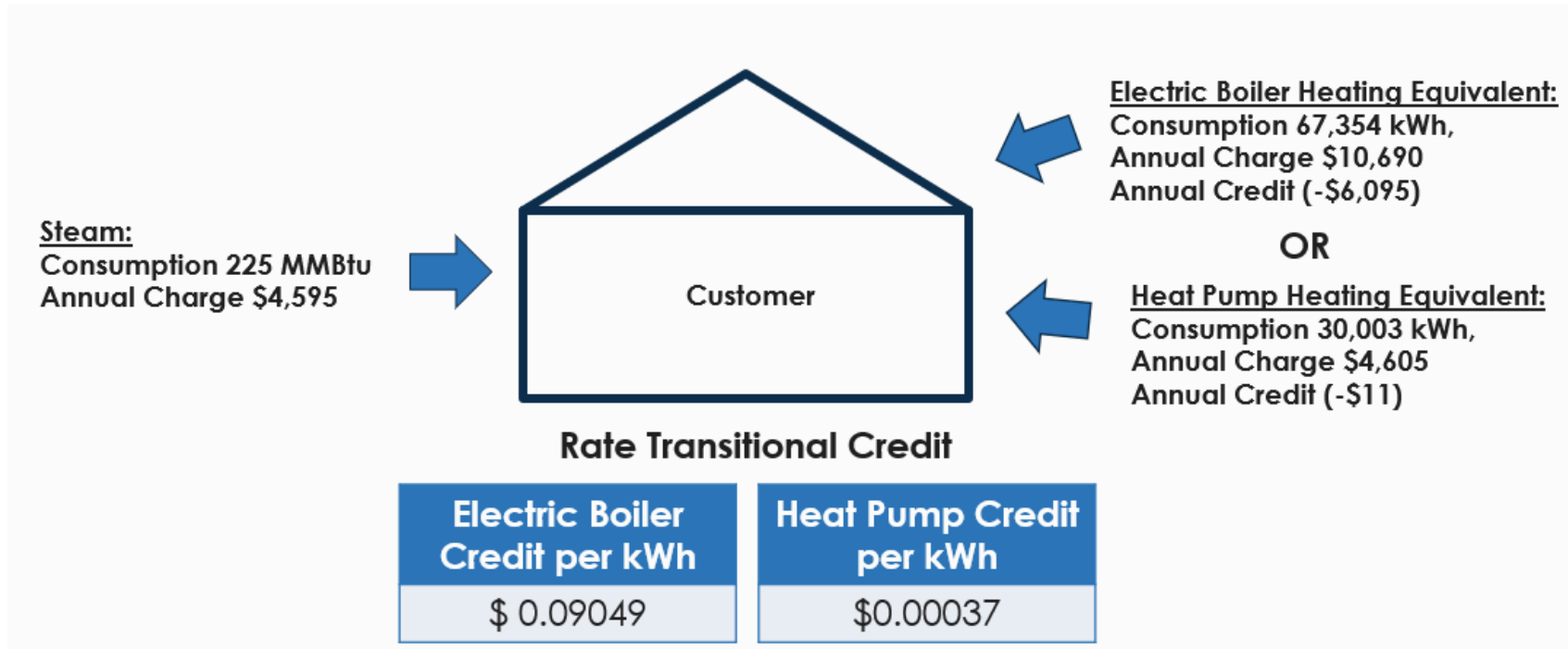


STEAM TO HOT WATER TRANSITION

- BWL is transitioning away from Steam to Hot Water to enhance system reliability, increase heating and water efficiency, and lower capital and maintenance costs
 - Currently 160 customers on steam system
 - 100+ customers have been identified as eligible to convert to the new Hot Water system
 - 58 customers have been identified for disconnection
- Customer disconnections are due to reduction of hot water service network size and/or building size or mechanical systems that prevent an economical conversion
- For these customers, the most cost-effective solution is likely the installation of a non-steam boiler in the building

STEAM TO ELECTRIC RATE TRANSITIONAL CREDIT

- Proposal: Provide transitional rate credit to customers disconnected from the Steam utility if they take on electric heating
- Based on customer building specifications to an appropriate credit will be calculated and implemented on a case-by-case basis
- Credit will be reevaluated every new rate design period with a 10-year sunset once credit goes into effect for a customer



OTHER ELECTRIC RATE PROPOSALS

- Updated language changes
 - Renewable Energy Plan (REP): Updating tariff language to reflect legislative changes
 - Market Based Pricing Economic Development Industrial Electric Service Rate (EDM): Updating tariff language to more clearly define rate components and customer cost responsibilities
 - Rate Transition Credit: Extend tariff for an additional year and update language regarding applicability
 - Low-Income Energy Assistance Fund (LIEAF) Surcharge: Update tariff to allow for changes to be implemented regarding timing and amount as directed by the state
 - Electric and Water Opt-Out Meter Fee: Moving fee from rules & regulations to tariff sheets to provide better visibility

WATER RATE UPDATES & PROPOSALS

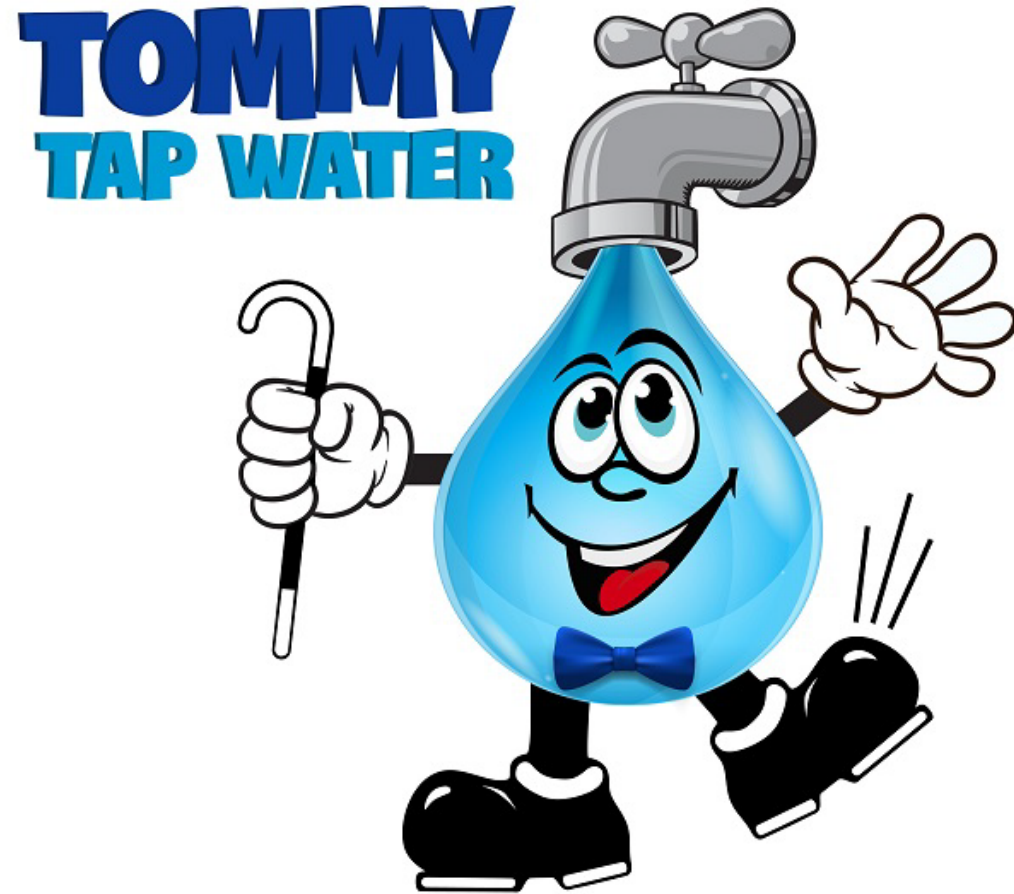


WATER RATE STRUCTURE

Affordable Water Rate

- All residential customers receive a reduced rate for first 2 CCFs (1,500 gallons) per month
- 26% of customers use 2 CCF or less on average

CCF: 100 Cubic Feet



BULK WATER RATE PROPOSAL

- A new, separate bulk water tariff will be added to better align with cost-of-service and seasonal usage
 - Previously bulk water customers were charged the general service rate
- Rate increase of 9.9% recommended for 10/1/2026
- Impacts approximately 150 hydrant permit and yard customers

STEAM AND HOT WATER UPDATES & PROPOSALS



HOT WATER RATE & TEMPERATURE ADJUSTMENT PROPOSALS

- Rates effective October 1st 2026
- All-In Rate
 - \$21.75 per MMBTU
- Contract Demand Charge
 - \$14.40 per MMBTU
- Commodity Charge
 - \$7.35 per MMBTU

Hot Water Temperature Adjustment

- *For the months of November through March, customers that return water to point of delivery either less than 50 degrees Fahrenheit lower than provided or above 155 degrees Fahrenheit, whichever is less, will see their commodity charge increased by 2% for that month*
- *Tariff will include language stating that: "The general manager is authorized to temporarily modify application of the Temperature Factor Adjustment"*
- *Chilled Water temperature adjustment language will be updated to match Hot Water's*

CUSTOMER FOCUSED SUPPORT



Community Resource Fairs

- \$4,000,000 was brought in to pay down past due utility bills from coalition partners since August 2021 inception
- BWL hosting next fair in October

Public Act 95

- BWL low-income customers became eligible for funds starting 11/1/2023
- BWL customers received over \$4,109,000 via utility payment assistance from November 2023-March 2026

Rate Designs

- Time-of-Use rates put customers in control of their bill
- Reduced rate for first 2 CCF of water helps keep the cost down for low use water customers

Flexible Payment Plans

- Levelized Payment Plan
- No-Fee Payment options include Kiosks and Boxes, Auto Pay, Pay-by-Phone, Online Customer Self-Service Portal, By-Mail, Haco Customer Service Center

Pennies for Power

- BWL sponsored programs, including Pennies for Power, have provided over \$3,000,000 in funding for utility bill assistance since 2014



CLOSING

CLOSING

- Reduced rate increases
- Rising system infrastructure costs
- Continued investment in reliability and efficiency to reduce resource interruptions for all customers, including those who are most vulnerable
- Modernizing utility system, infrastructure, and rate design
- Complying with state carbon reduction and energy transition laws

Current Strategic Plan Outcomes

Rate Initiative

FY2026- FY2030 STRATEGIC PLAN

<p><u>Operational Resiliency & Continuous Improvement</u> Improve system availability, functionality and support and technology assets and maintain cybersecurity resilience</p>	<p>Continued use of AMI & CIS technologies to refine time of use rate design</p>
<p><u>Climate & Environment</u> Increase customer participation in innovative decarbonization and energy waste reduction programs</p>	<p>Renewable energy rates & encouraging increased customer solar size</p>
<p><u>Climate & Environment</u> Increase customer participation in innovative decarbonization and energy waste reduction programs</p>	<p>Electric vehicle rates</p>
<p><u>Financial Stability</u> Refine rate structure to maintain rate competitiveness</p>	<p>Moved rate design towards industry best practice with time of use and tiered water rates</p>
<p><u>Financial Stability</u> Refine rate structure to maintain rate competitiveness</p>	<p>Modified streetlight and outdoor lighting rates to align with LED transition and widened on/off peak RES1</p>
<p><u>Customer & Community</u> Support the business community and economic development</p>	<p>Not only attracting new customers, but also includes diversifying revenue from variable rates to fixed prices to properly reflect BWL's fixed costs</p>

City Charter 2025 Update

■ Section 5-205 Rates

1 The Board may fix just and reasonable rates and other charges as it may deem advisable for services furnished by the Board of Water and Light.

2. The Board shall conduct at least two public hearings at **least forty-five (45) days** prior to the effective date of any changes in rate structure. The public hearings shall be held at different times of day to maximize the opportunity for public attendance. **At least sixty (60) days** before the first public hearing, the Board shall file with the City Clerk a statement explaining the new rates and charges together with a notice of the public hearings. Notice shall also be published by posting to the City's and the Board's website and by any means determined by the Board of Water and Light to achieve widespread dissemination to the general public within the Board's service area to inform on matters of municipal concern.

TIMELINE

Date	Event
Thursday, May 7, 2026	Finance Committee
Monday, June 1, 2026 ¹	City Clerk Filing
Saturday, August 1, 2026 ²	First Public Hearing (10:00 a.m.)
Tuesday, August 4, 2026 ²	Second Public Hearing (5:30 p.m.)
Tuesday, August 11, 2026	Special Board Meeting
Thursday, October 1, 2026	Effective Date

¹ At least 60 days before the first public hearing

² At least two hearings at least 45 days before effective date and at different times of day



QUESTIONS?

LANSING
BWL

HOMETOWN PEOPLE. HOMETOWN POWER.

**AMENDMENT NO. 9 TO AGREEMENT
BETWEEN THE CITY OF LANSING AND
THE BOARD OF WATER & LIGHT**

This Amendment No. 9 is entered as of this ____ day of ____, 2026, by and between the City of Lansing, 124 W. Michigan Ave., Lansing, MI 48933, hereinafter referred to as “City,” and the Board of Water & Light, 1201 South Washington Ave., Lansing, Michigan 48910, hereinafter referred to as “Board.” The City and the Board are each a “Party” and, collectively are the “Parties.”

STATEMENT OF PURPOSE

- A. The Parties entered into an Agreement dated June 30, 1992 (the “Agreement”), a copy of which is attached as **Exhibit A**;
- B. The Parties entered into Amendment No. 1 to the Agreement on December 17th, 2001, which expired June 30, 2012, a copy of which is attached as **Exhibit B**;
- C. The Parties entered into Amendment No. 2 to the Agreement on June 30, 2012, which expired June 30, 2017, a copy of which is attached as **Exhibit C**;
- D. The Parties entered into Amendment No. 3 to the Agreement on December 23, 2013, which increased the Board’s annual payment to the City to 6.1% of its revenue from retail and wholesale sales of chilled water, electric, steam, heat and water utilities for the preceding 12-month period ending May 31st of each year (the “Payment”). A copy of Amendment No. 3 is attached as **Exhibit D**;
- E. Amendment No. 3 also extended the term of the Agreement for an additional year beyond that provided for in Amendment No. 2, such that the Agreement expired June 30, 2018, unless extended in writing by the Board of Commissioners and the City Council of Lansing;
- F. The Parties entered into Amendment No. 4 to the Agreement on July 1, 2018. Amendment No. 4 extended the terms and provisions of the Agreement by an additional two years such that the Agreement expired June 20, 2020, unless extended in writing by the Commissioners of the Board and the City Council of Lansing. A copy of Amendment No. 4 is attached as **Exhibit E**; and
- G. The Parties entered into Amendment No. 5 to the Agreement on July 1, 2020. Amendment No. 5 extended the terms and provisions of the Agreement by an additional two (2) years. Further, the Parties agreed that the Board would pay to the City a fixed dollar amount for each of the Fiscal Years 2020, 2021, and 2022 as follows: FY2020 \$23,100,000: FY2021 \$25,000,000: and FY2022 \$25,000,000. It was also agreed that in addition to the amounts described in the preceding paragraph, for each of FY2021 and FY2022, the Board would pay to the City an amount determined as follows: (the Board’s revenue from retail and wholesale sales of chilled water, electric, steam, heat and water utilities for the preceding 12-month period ending May 31st minus

\$409,836,066) multiplied by 3%). A copy of Amendment No. 5 is attached as **Exhibit F**.

- H. The Parties entered into Amendment No. 6 to the Agreement on July 20, 2022. Amendment No. 6 extended the terms and provisions of the Agreement by an additional two (2) years. Further, the Parties agreed that the Board would pay to the City for the two fiscal years commencing on July 1, 2022, 6% of total Board operating revenues, excluding inter-utility sales, as reported in the Board’s audited financial statements. The Parties also agreed that payments by the Board would be made quarterly within 30 days after each quarter’s end and any changes to operating revenues or inter-utility sales after a quarterly payment has been made, would be adjusted for in the subsequent quarter’s payment. A copy of Amendment No. 6 is attached as **Exhibit G**.
- I. The Parties entered into Amendment No. 7 to the Agreement on August 16, 2024, which extended the term of the Agreement for an additional year. Further, the Parties agreed that the Board would pay to the City for the two fiscal years commencing on July 1, 2023 and July 1, 2024, 6% of total budgeted Board operating revenues, excluding inter-utility sales, as is in effect at the start of each respective fiscal year. The Parties also agreed that payments by the Board would “. . . be made quarterly by the end of the month following each quarter’s end. If this date falls on a weekend or holiday, payment may be made on the next business day. Q4 payment of FY2024 will incorporate the terms above including any difference between payments to date and the total fiscal year amount.” A copy of Amendment No. 7 is attached as **Exhibit H**.
- J. The Parties entered into Amendment No. 8 to the Agreement on May 22, 2025, which extended the term of the Agreement for an additional year. Further, the Parties agreed that the Board would pay to the City for the fiscal year commencing on July 1, 2025, 6% of total budgeted Board operating revenues, as is in effect at the start of fiscal year 2026. The Parties also agreed that if actual operating revenues are higher than budgeted operating revenues, the return on equity payments would be 6% of actual operating revenues. A copy of Amendment No. 8 is attached as **Exhibit I**.

Including as modified by this Amendment No. 9, and by the prior Amendments Nos. 1-8, the Parties desire to extend the term of the Agreement.

AGREEMENT

The Parties therefore agree as follows:

- 1) The term of the Agreement is extended by an additional two (2) years, such that the Agreement shall automatically terminate on June 30, 2028, unless extended further by the Commissioners of the Board and the City Council of Lansing.
- 2) The Agreement is amended to state that the Board shall make return on equity payments to the City for the fiscal years commencing on July 1, 2026 and July 1, 2027, in the amount of 6% of total budgeted Board operating revenues, excluding inter-utility sales, as is in effect at the start of each respective fiscal year. If actual operating revenues are higher than

budgeted operating revenues, the return on equity payments will be calculated in the amount of 6% of actual operating revenues.

- 3) Q1 to Q3 payments shall be made by the 20th of September, December, and March. Q4 payment of each fiscal year will incorporate the terms above including any difference between payments to date and the total fiscal year amount, and shall be made by July 31st after fiscal year end. If any date falls on a weekend or city holiday, payment may be made on the next business day.
- 4) This Agreement as amended contains the entire Agreement and any terms, conditions or provisions not contained in this Agreement as amended are not binding on either Party.
- 5) This Agreement shall inure to the benefit of the Parties to the Agreement.
- 6) This Agreement, or any of its terms or provisions, shall not be waived, modified or otherwise altered except as agreed in writing and executed by both Parties.
- 7) Except as modified in this Amendment No. 9, the Agreement shall remain in full force and effect. Nothing herein releases the Board from any payments it is obligated to make pursuant to the previous amendments to the Agreement.

IN WITNESS WHEREOF, the Parties have signed this Amendment No. 9, and it shall become effective on the date first above written.

CITY OF LANSING

By: _____
Andy Schor, Mayor

By: _____
Chris Swope, City Clerk

BOARD OF WATER & LIGHT

By: _____
Richard R. Peffley
General Manager

By: _____
Lavella J. Todd
Corporate Secretary

Approved as to form only:

City Attorney

Approved as to form:

Board of Water & Light
Legal Counsel

Approved as availability of funds:
Account No. 101-674100

Controller

RESOLUTION 2026-05-XX

Return on Equity (ROE) Renewal Amendment No. 9

WHEREAS, the City of Lansing has expressed a desire to continue the Agreement Between the City of Lansing and the Board of Water & Light dated June 30, 1992 (the Agreement), which has been subsequently extended by means of eight Amendments thereto in 2001, 2012, 2013, 2018, 2020, 2022, 2024, and 2025, respectively; and

WHEREAS, the City of Lansing and the Board of Water & Light agree that the recommended amendment to the Agreement and the payment provided for therein represents a mutual balancing of the financial burden of the payment on the Board of Water & Light's ratepayers, the financial burden of the use of services and property on the City of Lansing or its taxpayers, and of the shared services and infrastructure between the Board of Water & Light and the City of Lansing; and

WHEREAS, the Board of Commissioners Committee of the Whole (COW) considered the City of Lansing's request on May 7, 2026; and

WHEREAS, the General Manager recommended the Agreement be amended and extended for 2 years at a rate of 6% of total budgeted Board operating revenues, excluding inter-utility sales, as is in effect at the start of each respective fiscal year. If actual operating revenues are higher than budgeted operating revenues, the return on equity payments will be calculated in the amount of 6% of actual operating revenues, effective July 1, 2026, and will be memorialized as Amendment No. 9; and

WHEREAS, the COW has considered the proposed Amendment No. 9, agreed with the General Manager's recommendation and approved the Amendment, including authorization for the General Manager to execute the Amendment, and the Amendment shall be forwarded to the Board of Commissioners for approval at the May 19, 2026 Board meeting.

THEREFORE, be it:

RESOLVED, the proposed Amendment No. 9 to the Agreement Between the City of Lansing and The Board of Water & Light dated June 30, 1992 is approved, including authorization for the General Manager to execute the Amendment.

Motion by Commissioner _____, Seconded by Commissioner _____, to approve the Return on Equity (ROE) Renewal at a Board meeting held on May 19, 2026.

Action: _____.



Sec: H – 2-16

LANSING BOARD OF WATER & LIGHT

POLICY

CORPORATE DIVERSITY, EQUITY & INCLUSION

APPROVED: X/XX/XXXX

COMMISSION

POLICY TYPE: COMMISSION

SCOPE: This policy applies to all BWL employees and covers all diversity, equity, and inclusion practices and procedures.

PURPOSE: To ensure an inclusive workplace culture where all employees experience a sense of fairness, inclusion and belonging in alignment with BWL’s vision, values and strategic priorities.

POLICY: The Lansing Board of Water & Light (BWL) is committed to fostering a culture of inclusion and respect where diverse perspectives drive success across its workforce, supplier network, and the communities it serves.

The BWL acknowledges that its success in providing exceptional utility services and customer experience to its ratepayers depends on recruiting and retaining a diverse, highly skilled workforce where everyone is treated fairly and all voices are heard.

The BWL is committed to:

- Building and retaining a highly skilled, diverse workforce;
- Providing equal opportunities for career advancement, leadership, and professional development to all employees;
- Expanding opportunities for business partnerships and community engagement;
- Ensuring an inclusive workplace culture where individuals feel respected, valued, and empowered to contribute fully;
- Denouncing all forms of discrimination;
- Promoting inclusive policies, practices and processes that ensure fairness for all, regardless of race, color, national origin, age, sex, gender, gender identity or expression, sexual orientation, disability, religion, veteran status, genetic information, marital status, familial status, citizenship, height, weight, or other legally protected characteristic.

The General Manager, or a designated representative, shall maintain a comprehensive plan aligned with this policy.

REFERENCES: See H2-01 - Equal Employment Opportunity & Anti-Discrimination Policy; H2-06 - Anti-Harassment Policy

RESPONSIBLE AREA & DEPT NAME: 103; Inclusion and Equity

EXECUTIVE DIVISION: Corp Administration

EXECUTIVE RECORD OF APPROVAL DATE: Click or tap to enter a date.

POLICY REVIEW: (This Policy **MUST** be reviewed at least every 4 years by responsible area (RA), unless specified otherwise).

REVIEWED BY	DATE	DUE DATE NEXT REVIEW
REVIEWED BY - INTERNAL AUDITOR	DATE (*not to exceed 5 years)	COMMENTS



Sec: H – 2-16

LANSING BOARD OF WATER & LIGHT

POLICY

CORPORATE ~~INCLUSION, EQUITY AND DIVERSITY~~, EQUITY & INCLUSION
COMMISSION

APPROVED: ~~3/28/2008~~ X/XX/XXXX

POLICY **TYPE: COMMISSION**

SCOPE: This policy applies to all BWL employees and covers all diversity, equity, and inclusion practices and procedures.

PURPOSE: To ensure an inclusive workplace culture where all employees experience a sense of fairness, inclusion and belonging in alignment with BWL’s vision, values and strategic priorities.

POLICY: ~~As a public utility, the~~ Lansing Board of Water & Light (BWL) is committed to fostering a culture ~~recognizes the importance~~ of inclusion, ~~equity,~~ and respect where ~~diverse~~ diversity perspectives drive success across ~~among~~ its workforce, suppliers network, and ~~in~~ the communities ~~that~~ it serves.

~~The BWL acknowledges that its success in providing exceptional utility services and customer experience to generates its revenues from a broad cross-section of rate-payers depends on, representing a diverse community of people. In recognition of that fact, and in recognition of the importance of diversity to the BWL and its rate-payers, the BWL will aggressively support the growth and development of recruiting and retaining a diverse pool of suppliers, applicants, and highly skilled employees workforce where everyone is treated fairly and all voices are heard, with the intent of making opportunities available to all genders, ethnic groups, races, sexual orientations, socio-economic statuses, ages, physical abilities, religions, and localities.~~

The BWL is committed to:

- Building and retaining a highly skilled, diverse workforce;
- Providing equal opportunities for career advancement, leadership, and professional development to all employees;
- Expanding opportunities for business partnerships and community engagement;
- Ensuring an inclusive workplace culture where individuals feel respected, valued, and empowered to contribute fully;
- Denouncing all forms of discrimination;
- Promoting inclusive policies, practices and processes that ensure fairness for all, regardless of race, color, national origin, age, sex, gender, gender identity or expression, sexual orientation, disability, religion, veteran status, genetic information, marital status, familial status, citizenship, height, weight, or other legally protected characteristic. ~~goal, under corporate diversity, is to create an environment which values inclusion, equity, and diversity as enhancements to the products and services it offers to its ratepayers.~~

The General Manager, or a designated representative, shall ~~establish~~ maintain a comprehensive diversity program plan ~~consistent~~ aligned with this policy.

REFERENCES: [See H2-01 - Equal Employment Opportunity & Anti-Discrimination Policy](#); [H2-06 - Anti-Harassment Policy](#)

RESPONSIBLE AREA & DEPT NAME: [103; Inclusion and Equity](#)

EXECUTIVE DIVISION: [Corp Administration](#)

EXECUTIVE RECORD OF APPROVAL DATE: Click or tap to enter a date.

POLICY REVIEW: (This Policy **MUST** be reviewed at least every 4 years by responsible area (RA), unless specified otherwise).

REVIEWED BY	DATE	DUE DATE NEXT REVIEW
REVIEWED BY - INTERNAL AUDITOR	DATE (*not to exceed 5 years)	COMMENTS

RESOLUTION 2026-05-XX
Corporate Diversity, Equity & Inclusion Policy

WHEREAS, the Board of Commissioners (“Board”) adopted a Corporate Inclusion, Equity and Diversity Policy (“Policy”) on March 28, 2008, which superseded the previously adopted Corporate Diversity Policy effective April 23, 2002; and

WHEREAS, BWL staff has conducted a review of the Policy and determined revision to the Policy would enhance understanding and compliance with the policy, and strengthen alignment with BWL’s vision, values and strategic priorities; and

WHEREAS, the Policy title was changed to Corporate Diversity, Equity & Inclusion Policy to be consistent with current standards;

THEREFORE, it is:

RESOLVED, that the Board adopts and approves the revised Corporate Diversity, Equity & Inclusion Policy effective May 19, 2026, as presented.

FURTHER RESOLVED, that the Corporate Inclusion, Equity and Diversity Policy, effective March 28, 2008, is superseded as of May 19, 2026.

Motion by Commissioner _____, **Seconded** by Commissioner _____ to adopt the revised Corporate Diversity, Equity & Inclusion Policy at a Board meeting held on May 19, 2026.

Action: _____.