

*From the Desk of J. Peter Lark  
General Manager  
Lansing Board of Water & Light*

Dear BWL Customer:

This 2013 Energy Report gives our annual assessment on the progress we're making on renewable energy, along with energy-efficient efforts through our Hometown Energy Savers® program.

The BWL is a statewide leader in energy efficiency and renewable energy. We were the first utility in Michigan to develop a renewable portfolio standard, and we're on track to meet the 10% renewable energy goal by 2015 as established by Michigan law.

The BWL's renewable energy portfolio includes the BWL Moores Park hydroelectric unit along the Grand River and the BWL Cedar Street Solar Array consisting of 432 solar panels. The BWL's REO Town complex has solar panels on the headquarters building roof and a regenerative hydrogen fuel cell. The BWL has agreements with Lansing's Granger Landfill Energy which operates two facilities that generates landfill gas into electricity, and Tower/Kleber Hydro which operates two northern Michigan hydroelectric units near Cheboygan. The BWL is also adding a wind component, which will begin production in the fall of 2014. And the BWL recently issued a Request for Proposals for companies that could supply customers with up to five megawatts of solar power.

If you have any questions about our Energy Optimization and Renewable Energy Plan programs, please visit [lbwl.com/EnergySavers](http://lbwl.com/EnergySavers) or call (517) 702-6585

Thank you.




## 2013 Annual Summary Report for the Energy Optimization and Renewable Energy Plan

Michigan law aims to help state residents reduce their energy needs. The "Clean, Renewable and Efficiency Energy Act" requires the Lansing Board of Water & Light to assist our customers in achieving energy efficiency by providing Energy Optimization programs.

This report summarizes the BWL's efforts for 2013. Copies of the complete 2013 annual reports for both the Energy Optimization and the Renewable Energy Plans are available at our Customer Service Department and on our website: [lbwl.com](http://lbwl.com).

### Energy Optimization

In 2013, the BWL continued its Energy Optimization program, Hometown Energy Savers®. It allows BWL residential customers to participate in several programs to save energy.

- **Home Energy Suite.** BWL offered customers a collection of free educational services through its online Home Energy Suite. The services included Kids Korner, Home Energy Library and newly added in 2013, EnergySmartHome, an online energy audit that provides a detailed report of a customer's energy usage including month-to-month comparisons and tips for improvements to reduce energy waste.

- **Home Energy Rebates.** By partnering with local retailers and contractors, BWL offered rebates to customers for installing energy efficient products such as lighting, central and/or room air conditioners, dehumidifiers, refrigerators, programmable thermostats and more. For details, visit [lbwl.com/EnergySavers](http://lbwl.com/EnergySavers).

- Our **Appliance Recycling** programs offered cash rebates for recycling older, inefficient refrigerators, freezers, room air-conditioners and dehumidifiers. For the fifth year, BWL joined community partners to host Recycle Rama, the Lansing area's biggest recycling event.

Additionally, **Hometown Energy Savers®** offered energy-efficiency assistance to other customers:

- For customers on limited incomes, BWL offered free energy kits and a home energy assessment program that included self-help education and the installation of a variety of high efficiency items.
- Business customers could apply for financial incentives for upgrading existing equipment for greater efficiency, which saves energy. Incentive examples include: lighting, air conditioners, occupancy controls and food service equipment. BWL also offered a free technical energy analyses for eligible non-profit organizations.

## Renewable Energy

In addition to helping Michigan residents become more energy-efficient, the Clean, Renewable and Efficient Energy Act also requires Michigan utilities to acquire more renewable energy – sometimes called “green” or “clean” energy.

The BWL’s efforts to date to meet state-mandated renewable energy goals include:

- A long-term agreement to buy electricity that is generated from landfill gas. This is enough energy to power more than 13,000 Lansing area homes.
- Owning and operating both hydroelectric and solar generation facilities. The BWL has one of Michigan’s largest solar panel arrays, with plans to nearly triple its size this summer.
- The BWL will add its first wind energy component in the fall of 2014. The eight wind turbines will be located east of Ithaca in Gratiot County approximately 45 miles north of Lansing.
- The BWL is on track to meet the 10% renewable energy goal by 2015. This renewable energy goal is established by Michigan law.

For the 2013 reporting period, the BWL generated or acquired 94,760 megawatt hours of renewable energy, including incentives. During that time frame, the BWL’s average renewable energy was approximately 4.33% of its total retail electric generation.

## Cost to Customers

- The 2013 itemized monthly charge for a residential customer for the renewable energy program requirements under Public Act 295 was \$2.50 per month for Residential Rate 1 and \$1.50 per month for Senior Citizen Rate 21.
- The 2013 itemized monthly charge for a residential customer for the Energy Optimization program as required under Public Act 295 was \$0.001853 per kilowatt hour.
- The average electric residential customer is expected to save \$3.21 each month of the Energy Optimization program’s life.
- For the average Michigan residential customer, renewable energy is estimated to avoid \$3.90 per month of new coal-fired generation costs.
- The Michigan Public Service Commission’s annual report on renewable energy can be viewed on their website: [michigan.gov/mpsc](http://michigan.gov/mpsc)



### **REO Green Roof Cited in LEED Gold Designation**

*The BWL received a gold certification from Leadership in Energy and Environmental Design (LEED) that was awarded to the REO Town Headquarters and Cogeneration Plant, making it the first utility in Michigan to receive such a high achievement. The sustainably-designed building has a green roof, solar panels, and a hydrogen fuel cell.*



### **BWL to Bring First Wind Energy-generated Electricity to Customers**

*The BWL will add its first wind energy component to its renewable energy portfolio through a power purchase agreement with Exelon Wind that will produce wind energy-generated electricity for BWL customers starting in the fall of 2014. The wind energy will come from eight Nordex N117 wind turbines – which are designed for moderate wind sites and will be on 300 foot towers. The turbines will be located east of Ithaca in Gratiot County approximately 45 miles north of Lansing.*

