

Agenda for the Board of Lowell Light & Power
Regular Board Meeting on
October 13, 2026 @ 6:00 p.m. at the LL&P Energy Center (625 Chatham St.)

- I. CALL TO ORDER AND ROLL CALL**
- II. APPROVAL OF AGENDA**
- III. APPROVAL OF MINUTES**
 - a. September 15, 2026 - Regular Board Meeting
- IV. SAFETY MOMENT**
- V. PUBLIC COMMENT (for items not on the agenda)**
- VI. ACTION ITEM(S)**
 - a. Fiscal Year 2026 Audit Presentation and Acceptance
 - b. MPPA Behind the Meter Generation Expansion Discussion (No Action Required)
 - c. MPPA C&I Demand Response Project Enabling Documentation Consideration
 - d. Ancillary Employee Benefit Insurance Approval
- VII. INFORMATIONAL ITEMS**
 - a. Performance Data
 - b. Monthly Outage Report
 - c. Income Statement
 - d. Capital Projects Report
 - e. Distribution Report
 - f. Generation & Engineering Report
 - g. Office Report
 - h. Manager's Report
 - i. Monthly Pictures
 - j. Schedule of Meetings
 - k. Supplemental Information
 - i. Sales and Cash & Investments Performance Data Charts
 - ii. Benevolence Report
 - iii. Full Income Statement
 - iv. September Payables
- VIII. NEXT REGULAR LL&P BOARD MEETING: November 10, 2026**
- IX. BOARD COMMENT**
- X. ADJOURNMENT**

NOTE: Any person who wishes to speak on an item included on the printed meeting agenda may do so. Speakers will be recognized by the Chair, at which time they will be required to state their name and will be allowed five (5) minutes maximum to address the Board.

**Minutes for the
Board of Lowell Light & Power's
Regular Meeting – September 15, 2026**

I. CALL TO ORDER AND ROLL CALL:

The meeting was called to order by Chairperson Beachum at 6:02 p.m., and General Manager West called the roll.

Present: Perry Beachum, Craig Fonger, Daniel Crawford, and Andrew Schrauben

Absent: Tina Cadwallader

Also Present: General Manager Charlie West, City Council Liaison Jim Salzwedel, Generation Superintendent Casey Mier, and Financial Analyst Megan Mora

It was MOVED BY CRAWFORD, SUPPORTED BY FONGER, to excuse Tina Cadwallader's absence.

Yea: 4 Nay: 0 Absent: 1 Motion Carried

II. APPROVAL OF AGENDA:

It was MOVED BY CRAWFORD, SUPPORTED BY SCHRAUBEN, to approve the agenda as presented.

Yea: 4 Nay: 0 Absent: 1 Motion Carried

III. APPROVAL OF MINUTES:

It was MOVED BY SCHRAUBEN, SUPPORTED BY FONGER, to approve the August 18, 2026 Regular Board Meeting Minutes.

Yea: 4 Nay: 0 Absent: 1 Motion Carried

IV. SAFETY MOMENT:

Mora presented a safety moment regarding emergency preparedness.

V. PUBLIC COMMENTS (for items not on the agenda):

There was no public comment.

VI. ACTION ITEMS:

A. MPPA Demand Response Program:

General Manager West presented an overview of MPPA's Demand Response Program to the board. The board directed staff to bring the necessary

documents to the October board meeting for formal board consideration. No action was taken.

B. Meter Order Approval:

Staff requested approval from the board to proceed with the purchase of meters totaling \$53,352, as presented in the Eaton quote provided. The meters are to service the new 75 unit apartments and to replace incorrect meters at existing customer services.

It was MOVED BY CRAWFORD, SUPPORTED BY SCHRAUBEN, to approve the Eaton meters purchase as presented totaling \$53,352.

Yea: 4 Nay: 0 Absent: 1 Motion Carried

C. Boring Quote Consideration:

General Manager West requested direction from the board regarding boring of three conduits instead of one that is needed to service a new home that is going in along the J&K route down Godfrey, positioning LL&P to compete for future new industrial services in that corridor. Staff provided a boring quote from Mid-Michigan Underground totaling \$40,000 and recommended that the board approve the quote.

It was MOVED BY FONGER, SUPPORTED BY CRAWFORD, to approve the Mid-Michigan Underground quote totaling \$40,000.

Yea: 4 Nay: 0 Absent: 1 Motion Carried

VII. INFORMATIONAL ITEMS:

- A. Performance Data:** West reported on the August 2026 data.
- B. Monthly Outage Report:** West reported on the 5 outages in August 2026.
- C. Income Statement:** West reported on the August 2026 Income Statement.
- D. Capital Projects Report:** West reported on the August 2026 Capital Projects Report.
- E. Distribution Report:** Walker provided written updates to the board on Distribution department progress.
- F. Generation & Engineering Report:** Mier provided written updates to the board on Generation department progress.
- G. Office Report:** Mora provided written updates to the board on Office department progress.
- H. Manager's Report:** West provided written updates to the Board on the following items:
 - MPPA/MMEA/APPA Update
 - Safety Update
 - APPA Cybersecurity Accelerator Program (CAP)

- Generation Expansion
- NISC
- RP3
- Customer Survey
- Mural
- Work Anniversaries

I. **Monthly Pictures:** Staff provided photos to the board of events over the last month.

J. **Schedule of Meetings:** September/October was presented.

K. **Supplemental Information:** West provided supplemental information to the Board on the following items:

- Sales and Cash & Investments Performance Data Charts
- Benevolence Report
- Full Income Statement
- August Payables

VIII. **NEXT REGULAR LL&P BOARD MEETING:** Scheduled for Tuesday, October 13, 2026, at the Energy Center.

IX. **BOARD COMMENT:**

Salzwedel relayed that the Creekside Park mural was recently vandalized. Fonger congratulated Jaramie on his work anniversary. Crawford congratulated staff on a successful audit. Beachum recognized the improved space for the robotics team, highlighted the upcoming Pink Arrow events, mentioned the recent developments with Campbell Unit 3, emphasized the need for cable companies to move their lines to new LL&P poles so residents do not need to have two poles on their property, and requested that the city work with LL&P on Riverside Drive.

X. **ADJOURNMENT**

It was MOVED BY CRAWFORD, SUPPORTED BY SCHRAUBEN, to adjourn the Regular Board Meeting at 7:53 p.m.

Yea: 4

Nay: 0

Absent: 1

Motion Carried

Chairperson Beachum

Date

Memorandum



To: Lowell Light & Power Board
From: Megan Mora & Julie Stewart
Date: October 9, 2026
Re: LL&P Fiscal Year 2026 Audit

Included in your packet is a copy of the LL&P Fiscal Year 2026 Audit, completed by Vredeveld Haefner. Also included is the traditional letter from the auditors to Board Members regarding any audit findings and comments. LL&P has received a clean audit this year – the highest opinion that can be received. Representatives from Vredeveld Haefner will attend the Board Meeting and will present a summary of the audit. They will also be available for any questions you may have.

Staff recommends the Board approve the audited financial statements for Fiscal Year 2026.



Vredeveld Haefner LLC

CPAs and Consultants
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Grand Rapids, MI 49534
Fax (616) 828-0307

Douglas J. Vredeveld, CPA
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September 30, 2026

To the management and Board Members
Lowell Light and Power
City of Lowell, Michigan

We have audited the financial statements of Lowell Light and Power (an enterprise fund of the City of Lowell, Michigan) for the year ended June 30, 2026. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 13, 2026. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Lowell Light and Power are described in Note 1 to the financial statements. Lowell Light and Power adopted GASB Statement No. 103 Financial reporting model improvements during the fiscal year, which resulted in changes in the presentation of the management's discussion and analysis and proprietary statements. We noted no transactions entered into by Lowell Light and Power during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the Lowell Light and Power's financial statements were:

Management's estimate of the useful lives of capital assets are based on asset inventories, asset condition, and past experience with current and similar assets. The pension and OPEB plan assets and obligations are based on various assumptions which are identified by the annual valuation of the plans. We evaluated the methods, key factors, assumptions, and data used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 30, 2026.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Lowell Light and Power's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Lowell Light and Power's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis and the other required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the Schedule of Operating Revenues and Expenses, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of the Board and management of Lowell Light and Power and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

Bradford Haefner LLC



LOWELL, MICHIGAN

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026



Vredeveld Haefner LLC
CPAs and Consultants

LOWELL LIGHT & POWER

TABLE OF CONTENTS

FINANCIAL SECTION	<u>PAGE</u>
Independent Auditors' Report	1-3
Management's Discussion and Analysis	5-8
Basic Financial Statements	
Statement of Net Position	9
Statement of Revenues, Expenses, and Changes in Net Position	10
Statement of Cash Flows	11-12
Notes to Financial Statements	13-27
Required Supplementary Information	
Defined Benefit Pension Plan	
Schedule of Changes in Employer's Net Pension Liability and Related Ratios	29
Schedule of Employer Contributions	30
Retire Health – Other Post-Employment Benefit Plan	
Schedule of Changes in Employer's Net OPEB Liability and Related Ratios	31
Schedule of Employer Contributions	32
Supplementary Information	
Schedule of Operating Revenues and Expenses	33-34
INTERNAL CONTROL AND COMPLIANCE SECTION	
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	35-36



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INDEPENDENT AUDITORS' REPORT

September 30, 2026

Members of the Board
Lowell Light & Power
Lowell, Michigan

Opinions

We have audited the accompanying financial statements of Lowell Light & Power, (an enterprise fund of the City of Lowell, Michigan), as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the Lowell Light & Power's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lowell Light & Power, (an enterprise fund of the City of Lowell, Michigan), as of June 30, 2026, and the changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Lowell Light & Power enterprise fund and the City of Lowell, Michigan, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in note 1, the financial statements present only the Lowell Light & Power enterprise fund and do not purport to, and do not present fairly the financial position of the City of Lowell, Michigan, or the changes in its financial position or, where applicable, its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Lowell Light & Power's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Lowell Light & Power's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Lowell Light & Power's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 8 and the pension and OPEB schedules on pages 29 through 32 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lowell Light & Power enterprise fund financial statements as a whole. The schedule of operating revenues and expenses is presented for purposes of additional analysis and is not a required part of the fund financial statements. Such information is the responsibility of management and was derived

from and relates directly to the underlying accounting and other records used to prepare the fund financial statements. The information has been subjected to the auditing procedures applied in the audit of the fund financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the fund financial statements or to the fund financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of operating revenues and expenses is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2026, on our consideration of the Lowell Light & Powers's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Lowell Light & Power's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Lowell Light & Power's internal control over financial reporting and compliance.

Ordevelo Haefner LLC

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MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis

As management of Lowell Light and Power (the "LLP"), we offer readers of LLP's financial statements this narrative overview and analysis of the financial activities of LLP for the fiscal year ended June 30, 2026. We encourage readers to consider the information presented here in conjunction with additional information that is furnished in the financial statements and notes to the financial statements.

Financial Highlights

- LL&P sold approximately 700,000 kWhs more than it did in FY 2025. This represents approximately a 0.8% increase in kWh sales. While the volume of sales was relatively flat, LL&P's sales revenue increased by approximately \$730,000, or 7% over FY 2025.
- Purchased power expenses increased by \$591,125, or 11.5% in FY 2026 compared to FY 2025.
- Distribution expenses remained relatively stable with a decrease of approximately \$10,000, or 1.4%.
- Generation Expenses decreased by approximately \$7,000, or a 1.5% reduction from FY 2025.
- Net Income for the year was \$1,198,668
- Year-end write-offs totaled \$465.66, which represents 0.00418% of FY 2025's total electric sales and late fees.
- LL&P's total deposits and investments increased by \$107,279 or approximately 3.5%.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to LLP's financial statements. LLP's basic financial statements comprise two components: 1) financial statements, and 2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

The *statement of net position* presents information on all of LLP's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of LLP is improving or deteriorating.

The *statement of revenues, expenses and changes in net position* presents information showing how LLP's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused compensated absences, accrued interest, etc.).

Notes to the financial statements. The notes provide additional information that is essential for a full understanding of the data provided in the fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information, which includes this management's discussion and analysis and benefit plan trend information. This report also includes other supplementary information made up of the schedule of operating revenues and expenses.

Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of LLP, assets exceeded liabilities by \$14,434,466 at the close of the most recent fiscal year.

A portion of LLP's net position reflects unrestricted net position which is available for future operations while a more significant portion of net position is invested in capital assets (e.g., land, buildings, vehicles, equipment and infrastructure), less any related debt used to acquire those assets that is still outstanding. LLP uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although LLP's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The total net position of LLP at June 30, 2026 is \$14,434,466, however, \$11,689,507 represents net investment in capital assets including infrastructure. Total net position increased by \$1,198,668 for the year ended June 30, 2026.

Net Position		
	<u>2026</u>	<u>2025</u>
Current and other assets	\$ 7,302,302	\$ 7,019,240
Capital assets	12,600,655	12,332,599
Total assets	<u>19,902,957</u>	<u>19,351,839</u>
Deferred outflows	298,674	500,558
Other liabilities	1,395,499	1,399,155
Long-term liabilities outstanding	3,563,638	4,567,581
Total liabilities	<u>4,959,137</u>	<u>5,966,736</u>
Deferred inflows	808,028	649,863
Net position		
Net investment in capital assets	11,689,507	10,982,142
Restricted	121,094	116,445
Unrestricted	2,623,865	2,137,211
Total net position	<u>\$14,434,466</u>	<u>\$13,235,798</u>

Changes in Net Position		
	<u>2026</u>	<u>2025</u>
Operating revenue	\$12,027,283	\$11,238,069
Operating expenses	10,433,673	9,500,433
Operating income (loss)	1,593,610	1,737,636
Nonoperating revenue (expense)	120,078	134,145
Income (loss) before transfers	1,713,688	1,871,781
Transfers out to City of Lowell	(515,020)	(483,906)
Change in net position	1,198,668	1,387,875
Net position-beginning of year	13,235,798	11,847,923
Net position-end of year	<u>\$14,434,466</u>	<u>\$13,235,798</u>

Capital Asset and Debt Administration

Capital assets. LLP's investment in capital assets as of June 30, 2026, amounted to \$12,600,655 (net of accumulated depreciation).

LLP's capital assets (net of depreciation) are summarized as follows:

Capital Assets	
	<u>Total</u>
Land	\$ 259,157
Construction in progress	286,734
Vehicles, plant and equipment, net	12,043,615
Subscriptions, net	<u>11,149</u>
Total	<u>\$12,600,655</u>

Capital asset highlights for the year include the following:

Capital Asset Highlights

- During FY 2026, LL&P continued its strategic focus on voltage conversion projects. LL&P capitalized \$209,000 in voltage conversion projects located along West Main St.
- During FY 2026, LL&P completed the installation of electric infrastructure to serve the 6th phase of Stony Bluff, a residential development. The final cost to LL&P, net of aid-to-construction payments, was \$13,662. The project will add approximately 25 residential services.
- During FY 2026, LL&P started a security project at the substation that will continue into FY 2027. The project finished the fiscal year with a balance of \$9,838.
- During FY 2026, LL&P completed a project to install electric infrastructure to serve a new low-income housing complex. The project included voltage conversion in the immediate vicinity to connect the new customers to LL&P's 12.47kV system. The total project cost was \$60,223.
- During FY 2026, LL&P installed three-phase infrastructure to serve a new commercial car wash. The project included voltage conversion in the immediate vicinity to connect the new customer to LL&P's 12.47kV system. The project's total cost was \$41,016.
- In FY 2026, LL&P installed three-phase infrastructure to serve a new grocery store. The total project cost was \$17,797.
- In FY 2026, LL&P spent \$36,718 completed a server replacement project to replace critical IT infrastructure that was approaching end of support.
- In FY 2026 LL&P completed multiple facility projects totaling \$28,718.
- During FY 2026, LL&P upgraded and overhauled its SCADA system. The total project cost was \$16,078.
- In FY 2026, LL&P replaced its aging skid steer with a new Kubota SVL75-3HFWVRCC with a compatible skid cutter attachment. The new equipment will also be utilized for right-of-way maintenance. The total cost for equipment was \$89,650.
- In FY 2026, LL&P received its 2026 Altec MV607 Forestry Truck. The total purchase price for the truck was \$211,413.
- During FY 2026, LL&P spent \$233,123 on various three-phase and single-phase transformers. These were purchased to replenish stock, serve new electric customers, or serve expanded electric loads.

Additional information on LLP's capital assets can be found in Note 3 of these financial statements.

Debt. At the end of the current fiscal year, LLP had total long-term obligations outstanding as follows:

Debt	
	Total
Compensated absences	\$ 46,233
Long-term debt payable	911,148
Total	\$957,381

Debt highlights for the year include the following:

- LL&P made its fifth principal payment on the draw down revenue bond that was issued in FY 2021. The principal payment was made in the amount of \$145,000, leaving an outstanding principal balance of \$300,000. The final payment will occur during FY 2028.
- LL&P's annual bond payment for the Series 2012 Refunding Bond was made in the amount of \$285,000, lowering the total principal outstanding to \$600,000. The final payment will be in July of 2027.
- All other capital project costs were paid for through operating revenues and existing cash on hand.

Additional information on LLP's long-term debt can be found in Note 5 of these financial statements.

Currently Known Facts, Decisions, and Conditions

The following items are expected to have an effect on operations in future fiscal years:

- During FY 2026, one of LL&P's ten largest customers ceased operations. The FY 2027 budget has been adjusted to reflect the resulting decrease in retail revenue, with a corresponding reduction in purchased power expenses.
- The J.H. Campbell Power Plant continues to operate under successive 90-day emergency orders issued by the U.S. Department of Energy. LL&P's power supply budget reflects continued operations, and LL&P is monitoring the status of the orders through its participation in the Michigan Public Power Agency.
- LL&P's FY 2027 budget includes an additional position in the line department, added in anticipation of a planned retirement.
- LL&P is converting its customer information and billing systems to a platform provided by the National Information Solutions Cooperative (NISC) under a subscription-based arrangement, which has been disclosed as a commitment in the FY 2026 financial statements. Significant implementation expenses are expected in FY 2027.
- The Belle River Energy Center, in which LL&P holds an interest through MPPA, is being converted from coal to natural gas, with the second unit scheduled for conversion during FY 2027. The reduction in anticipated capacity factor will impact transactions under LL&P's stability hedge plan but is not expected to materially impact LL&P's overall power supply budget.
- The White Tail Solar project achieved commercial operation in FY 2026, and the Hart solar project is expected to reach commercial operation in FY 2027. While these projects will not materially change LL&P's renewable portfolio percentage, they are important components of a diversified renewable portfolio that positions LL&P to meet the renewable and clean energy standards established under Michigan law.

Requests for Information

This financial report is designed to provide interested individuals including citizens, property owners, customers, investors and creditors with a general overview of LLP's finances and to show LLP's accountability for the money it receives. If you have questions or need additional financial information, please contact Charlie West, General Manager at 616-897-8402.

BASIC FINANCIAL STATEMENTS

LOWELL LIGHT & POWER

PROPRIETARY FUNDS STATEMENT OF NET POSITION

JUNE 30, 2026

Assets

Current assets	
Cash and cash equivalents	\$ 1,871,472
Investments	1,650,528
Restricted cash and cash equivalents	219,703
Accounts receivable	1,433,968
Inventory	553,761
Prepaid expenses	73,306
Total current assets	<u>5,802,738</u>
Non-current assets	
Restricted investments	121,094
Advance receivable from MPPA	784,080
Lease receivable	594,390
Capital assets	
Land	259,157
Construction in progress	286,734
Vehicles, plant and equipment	26,433,810
Accumulated depreciation	<u>(14,379,046)</u>
Total non-current assets	<u>14,100,219</u>

Total assets 19,902,957

Deferred outflow - pension related 298,674

Liabilities

Current liabilities	
Accounts payable	634,701
Accrued liabilities	54,272
Due to City of Lowell	45,937
Current portion of long-term debt	454,550
Customer deposits	206,039
Total current liabilities	<u>1,395,499</u>
Non-current liabilities	
Compensated absences	46,233
OPEB obligation payable	1,088,081
Net pension liability	1,972,726
Long-term debt	<u>456,598</u>
Total non-current liabilities	<u>3,563,638</u>

Total liabilities 4,959,137

Deferred inflows

Deferred inflow - pension related	213,638
Deferred inflow - lease	<u>594,390</u>

Total deferred inflows 808,028

Net position

Net investment in capital assets	11,689,507
Restricted for debt service	121,094
Unrestricted	<u>2,623,865</u>

Total net position \$ 14,434,466

The accompanying notes are an integral part of these financial statements.

LOWELL LIGHT & POWER

PROPRIETARY FUNDS

STATEMENT OF REVENUES, EXPENSES

AND CHANGES IN NET POSITION

FOR THE YEAR ENDED JUNE 30, 2026

Operating revenue	
Sales	\$ 11,865,940
Late fees	55,448
Other	<u>105,895</u>
Total operating revenue	<u>12,027,283</u>
Operating expense	
Operations and maintenance	9,554,248
Depreciation	<u>879,425</u>
Total operating expense	<u>10,433,673</u>
Operating income (loss)	1,593,610
Noncapital subsidies	
Transfers out to the City of Lowell	<u>(515,020)</u>
Operating income (loss) and noncapital subsidies	<u>1,078,590</u>
Non-operating revenue (expense)	
Interest income	50,854
Gain (loss) on asset disposal	42,058
Interest expense	(25,639)
Mutual aid revenue	122,887
Direct mutual aid expense	<u>(70,082)</u>
Total non-operating revenue (expense)	<u>120,078</u>
Changes in net position	<u>1,198,668</u>
Net position, beginning of year	13,235,798
Net position, end of year	<u>\$ 14,434,466</u>

The accompanying notes are an integral part of these financial statements.

LOWELL LIGHT & POWER

PROPRIETARY FUNDS STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2026

Cash flows from operating activities

Receipts from customers and users	\$ 11,902,324
Receipts from mutual aid	122,887
Payments to mutual aid	(70,082)
Payments to employees	(2,247,159)
Payments to suppliers	<u>(7,556,411)</u>

Net cash provided by (used in) operating activities

2,151,559

Cash flows from non-capital financing activities

Transfers out to City of Lowell	<u>(512,378)</u>
---------------------------------	------------------

Cash flows from capital and related financing activities

Interest payments	(25,639)
Payments on long-term debt	(430,000)
Proceeds from sale of capital assets	45,757
Acquisitions of capital assets	<u>(1,160,489)</u>

Net cash provided by (used in) capital and related financing activities

(1,570,371)

Cash flows from investing activities

Proceeds from sale of investments	910,045
Purchase of investments	(900,000)
Interest income	<u>50,854</u>

Net cash provided by (used in) investing activities

60,899

Net increase (decrease) in cash and cash equivalents

129,709

Cash and cash equivalents, beginning of year

1,961,466

Cash and cash equivalents, end of year

\$ 2,091,175

Cash and cash equivalents consists of the following captions on the statement of net assets:

Cash and cash equivalents	\$ 1,871,472
Restricted cash and cash equivalents - current	<u>219,703</u>

\$ 2,091,175

(continued)

The accompanying notes are an integral part of these financial statements.

LOWELL LIGHT & POWER

PROPRIETARY FUNDS STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2026

Cash flows from operating activities

Operating income (loss)	\$ 1,593,610
Adjustments to reconcile operating income to net cash provided by (used in) operating activities	
Depreciation	879,425
Net mutual aid activity	52,805
Change in OPEB obligation	(43,025)
Change in net pension liability	(502,707)
Change in pension related deferred inflows	205,090
Change in pension related deferred outflows	201,884
Change in operating assets and liabilities which provided (used) cash	
Accounts receivable	(129,264)
Advances	(160,150)
Prepaid expenses	1,824
Inventory	77,267
Accounts payable	(29,342)
Accrued liabilities	3,497
Compensated absences	(3,660)
Customer deposits	4,305

Net cash provided by (used in) operating activities

\$ 2,151,559

(concluded)

The accompanying notes are an integral part of these financial statements.

LOWELL LIGHT & POWER

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Lowell Light & Power, Lowell, Michigan ("LLP") conform to generally accepted accounting principles as applicable to governments. The following is a summary of the significant policies.

Reporting Entity

Lowell Light & Power is an enterprise fund of the City of Lowell (the City). It operates under direction of the City Charter and City Council resolution. The LLP provides electric services to users in the City of Lowell and portions of the surrounding area.

As provided by generally accepted accounting principles, the financial statements of the Lowell Light & Power enterprise fund exclude the funds of the City of Lowell and applicable component units of the City of Lowell. There are no component units of the City of Lowell Light & Power enterprise fund. The criteria for including a component unit include significant operational or financial relationships with the LLP.

Fund Financial Statements

The LLP reports the following enterprise fund:

Light & Power Fund - This fund is used to account for the electric utility which includes fees and costs associated with the generation, purchase, transmission, distribution and sale of electricity.

Measurement Focus and Basis of Accounting

The financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses are revenues and expenses other than nonoperating revenues and expenses. Nonoperating revenues and expenses are (a) subsidies received and provided, (b) contributions to permanent and term endowments, (c) revenues and expenses related to financing, (d) resources from the disposal of capital assets and inventory, and (e) investment income and expenses. Revenues or expenses that otherwise would be classified as nonoperating in most proprietary fund financial statements should be classified as operating revenues or operating expenses if those transactions constitute the proprietary fund's principal ongoing operations.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, the LLP considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

LOWELL LIGHT & POWER

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

Investments

Investments are recorded at fair value.

State statutes and LLP Policy authorize the LLP to invest in:

- a. Bond, securities, other obligations and repurchase agreements of the United States, or an agency or instrumentality of the United States.
- b. Certificates of deposit, savings accounts, deposit accounts or depository receipts of a qualified financial institution.
- c. Commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and that matures not more than 270 days after the date of purchase.
- d. Banker's acceptances of United States banks.
- e. Obligations of the State of Michigan and its political subdivisions that, at the time of purchase are rated as investment grade by at least one standard rating service.
- f. Mutual funds registered under the Investment Company Act of 1940 with the authority to purchase only investment vehicles that are legal for direct investment by a public corporation.
- g. External investment pools as authorized by Public Act 20 as amended.

Receivables

All receivables are reported at their net value. The allowance for uncollectible receivables was \$500 at year end.

Inventories

Inventories consist principally of materials and supplies which are generally used for system improvement and replacement. Inventories are stated at cost using the first-in first-out (FIFO) method.

Capital Assets

Capital assets are stated at cost and include items defined by the LLP as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at acquisition value (the price that would be paid to acquire an asset with an equivalent service potential in an orderly market transaction) on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Depreciation on capital assets is computed using the straight-line method over the following estimated useful lives:

	Years
Vehicles	5-15
Plant and equipment	5-50

LOWELL LIGHT & POWER

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

Subscription-Based Information Technology Arrangements (SBITAs)

Significant subscription-based information technology arrangements are recorded as an intangible right to use subscription, SBITAs asset. These assets are amortized over the shorter of the subscription term or the useful life of the underlying IT assets. The assets are disclosed with other capital assets in note 3. The associated liability for the arrangement is recorded as long-term debt. Both the asset and the liability are recorded at the present value of the contract. Details regarding the SBITAs and the long-term debt are discussed in note 5.

Compensated Absences

Substantially all LLP employees are granted paid time off, which accumulates subject to per employee maximums. The LLP recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled during or upon separation from employment.. The related liability for accumulated paid time off has been recorded as a long-term liability on the financial statements. The liability for compensated absences includes salary-related benefits, where applicable.

Risk Management

The LLP is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the year ended June 30, 2026, the LLP carried commercial insurance to cover risks of losses. The LLP has had no settled claims resulting from these risks that exceeded their commercial coverage in any of the past three fiscal years.

Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The LLP has items that qualify for reporting in this category related to the net pension liability which is discussed in note 6.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The LLP has items that qualify for reporting in this category related to a lease which is discussed in note 10. The LLP also has items that qualify for reporting in this category related to the net pension liability which is discussed in note 6.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense; information about the fiduciary net position of the Municipal Employees Retirement System (MERS) of Michigan and additions to/deductions from MERS' fiduciary net position have been determined on the same basis as they are reported by MERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

LOWELL LIGHT & POWER

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

In preparing these financial statements, management has evaluated significant events and transactions for potential recognition or disclosure subsequent to June 30, 2026 and through the auditors' report date, the date the financial statements were available to be issued.

2. DEPOSITS AND INVESTMENTS

The captions on the financial statements relating to cash and cash equivalents and investments are as follows:

	<u>Total</u>
Cash and cash equivalents	\$1,871,472
Investments	1,650,528
Restricted cash and cash equivalents - current	219,703
Restricted Investments - long-term	<u>121,094</u>
	<u>\$3,862,797</u>

Cash and cash equivalents and investments consist of the following at June 30, 2026:

Deposits	\$2,112,595
Investments	<u>1,750,202</u>
Total	<u>\$3,862,797</u>

The deposits are in financial institutions located in Michigan in varying amounts. State policy limits the LLP's investing options almost exclusively to financial institutions located in Michigan. All accounts are in the name of the LLP and a specific fund or common account. They are recorded in the LLP's records at fair value. Interest is recorded when earned.

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of a bank failure, the LLP's deposits may not be returned. State law does not require, and the LLP does not have, a policy for deposit custodial credit risk. As of year-end, \$1,782,996 of the LLP's bank balance of \$2,099,375 was exposed to custodial credit risk because it was uninsured and uncollateralized.

Investments

The LLP has the following recurring fair value measurements as of year-end.

- The LLP does not have any investments that are valued using quoted market prices (Level 1 inputs).
- All investments held at year end are valued using a pricing model utilizing observable fair value measures and other observable inputs (Level 2 inputs).
- The LLP does not have any investments that report fair value based on significant unobservable inputs (Level 3 inputs).

LOWELL LIGHT & POWER

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

The LLP chooses to disclose each investment. As of year-end, the LLP had the following investments:

	<u>Maturity</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Source</u>
BANK AMER CHARLOTTE	2/12/27	\$ 249,427	Unrated	N/A
U.S. Treasury Bill	08/06/26	99,639	N/A	N/A
Morgan Stanely Ctf Dep	06/03/27	149,846	N/A	N/A
Old National Bank Evansville	05/13/27	149,680	N/A	N/A
Wells Fargo Bank Sioux Falls	10/15/26	249,738	N/A	N/A
GNMA pool 2%	05/20/51	128,489	Unrated	N/A
GNMA pool 2%	06/20/51	28,183	Unrated	N/A
GNMA pool 4%	05/20/52	79,308	Unrated	N/A
GNMA pool 3.75%	07/20/52	257,869	Unrated	N/A
Federated Govt Obligations	N/A	358,023	Unrated	N/A
		<u>\$1,750,202</u>		

The LLP categorizes its fair value measurements of investments within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Investment and deposit risk

Interest Rate Risk. State law limits the allowable investments and the maturities of some of the allowable investments as identified in Note 1, the summary of significant accounting policies. The LLP's investment policy does not have specific limits in excess of state law on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The maturity date for each type of investment is identified above for investments held at year-end.

Credit Risk. State law limits investments to specific government securities, certificates of deposit and bank accounts with qualified financial institutions, commercial paper with specific maximum maturities and ratings when purchased, bankers acceptances of specific financial institutions, qualified mutual funds and qualified external investment pools as identified in Note 1, the summary of significant accounting policies. The investment policy does not have specific limits in excess of state law on investment credit risk. The rating for each investment is identified above for investments held at year end.

Custodial Credit Risk - Investments. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the LLP will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State law does not require, and the LLP does not have, a policy for investment custodial credit risk. Of the above \$1,750,202 of investments, the LLP has a custodial credit risk of \$1,392,179 because the related securities are uninsured, unregistered and held by the government's brokerage firm which is also the counterparty for these particular securities. Custodial credit risk for the Federated Government Obligations fund cannot be determined as the investment does not consist of specifically identifiable securities.

Concentration of Credit Risk. State law limits allowable investments but does not limit concentration of credit risk as identified in Note 1, the summary of significant accounting policies. The LLP's investment policy does not have specific limits in excess of state law on concentration of credit risk. All investments held at year-end are reported above.

LOWELL LIGHT & POWER

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

3. CAPITAL ASSETS

Capital asset activity for the year was as follows:

	Balance July 1, 2025	Additions	Deletions	Balance June 30, 2026
Capital assets, not being depreciated				
Land	\$ 259,157	\$ -	\$ -	\$ 259,157
Construction in progress	273,871	559,045	546,182	286,734
Total capital assets, not being depreciated	533,028	559,045	546,182	545,891
Capital assets, being depreciated or amortized				
Vehicles	893,724	225,143	55,000	1,063,867
Plant and equipment	24,489,423	922,482	53,111	25,358,794
Intangible right-of-use subscription	20,457	-	9,308	11,149
Total capital assets, depreciated or amortized	25,403,604	1,147,625	117,419	26,433,810
Less accumulated depreciation or amortization for:				
Vehicles	550,853	105,723	55,000	601,576
Plant and equipment	13,035,266	764,391	49,409	13,750,248
Intangible right-of-use subscription	17,914	9,308	-	27,222
Total accumulated depreciation	13,604,033	879,422	104,409	14,379,046
Net capital assets, being depreciated or amortized	11,799,571	268,203	13,010	12,054,764
Capital assets, net	\$12,332,599	\$827,248	\$559,192	\$12,600,655

4. OTHER POST-EMPLOYMENT BENEFITS

Plan Description

The LLP administers a single-employer defined benefit healthcare plan (the Retiree Health Plan). In addition to the retirement benefits described in Note 6, the plan provides health insurance premiums for full time employees that retire and their spouses. The Retiree Health Plan does not issue a publicly available financial report and a legal trust has not been established for the plan. The LLP prepares the actuarial valuation utilizing the alternative method as provided for by accounting standards.

Benefits provided

In accordance with LLP policy and collective bargaining agreements, retirees receive an employer-paid benefit of 80 to 90% of health insurance premiums for the retiree and spouse. For employees hired after September 1, 2012 the employer's contributions cease 5 years after retirement or when the employee becomes eligible for Medicare benefits whichever occurs first. For employees hired before September 1, 2012 the employer contributions cease 5 to 10 years after retirement, depending on years of service, or when the employee becomes eligible for Medicare benefits whichever occurs first. Benefit provisions are established by the Board.

Membership of the Plan consisted of the following at the date of the latest actuarial valuation (June 30, 2026):

Retirees and beneficiaries receiving benefits	13
Active plan members	<u>27</u>
Total	<u>40</u>

LOWELL LIGHT & POWER

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

Contributions

The contribution requirements of Plan members and LLP are established and may be amended by the Board of LLP. LLP's contributions are based on pay-as-you-go financing requirements.

Net OPEB Liability

The employer's net OPEB liability was measured as of June 30, 2026, and the total OPEB liability used to calculate the net OPEB liability was determined by an annual actuarial valuation as of that date.

The total OPEB liability in the June 30, 2026 valuation was determined using the alternative method and the following actuarial assumptions that are applied to all periods included in the measurement:

- Inflation: implicit in expected payroll increases
- Salary Increases: 3.0%
- Discount rate: 2.7%
- Healthcare cost trend rates: 3%
- Mortality rates were based on the 2020 life tables for males or females, as appropriate, from the Centers for Disease Control.

The assumptions used in the valuation were based on the results of the most recent experience study.

Discount rate. The discount rate used to measure the total OPEB liability is 2.7% which did not change from the prior year. Because the plan does not have a dedicated OPEB trust, there are not assets projected to be sufficient to make projected future benefit payments of current plan members. For projected benefits that are covered by projected assets (\$0), the long-term expected rate would be used to discount the projected benefits. From the year projected benefits are not projected to be covered by the projected assets (the "depletion date"), projected benefits would be discounted at a discount rate reflecting a 20 year AA/Aa tax exempt municipal bond yield (2.7%). A single equivalent discount rate that yields the same present value of benefits is calculated (2.7%). This discount rate is used to determine the total OPEB liability.

Changes in the Net OPEB Liability

	Increase (Decrease)
	Total OPEB Liability
Balance at June 30, 2025	\$1,131,106
Changes for the year:	
Service cost	31,858
Interest	29,911
Change in benefits	-
Differences between expected and actual experience	(26,388)
Change in assumptions	-
Contributions: employer	-
Contributions: employee	-
Net investment income	-
Benefit payments, including refunds	(78,406)
Administrative expense	-
Other changes	-
Net changes	(43,025)
Balance at June 30, 2026	\$1,088,081

LOWELL LIGHT & POWER

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

Sensitivity of the Net OPEB Liability to changes in the discount rate.

The following presents the net OPEB liability of the employer, calculated using the discount rate of 2.7%, as well as what the employer's net OPEB liability would be using a discount rate that is 1 percentage point lower (1.7%) or higher (3.7%) than the current rate.

	1% Decrease	Current Discount rate	1% Increase
Total OPEB liability	\$1,199,440	\$1,088,081	\$987,042

Sensitivity of the Net OPEB Liability to changes in the healthcare cost trend rates.

The following presents the net OPEB liability of the employer, calculated using the healthcare cost trend rate of 3%, as well as what the employer's net OPEB liability would be using a trend rate that is 1 percentage point lower (2%) or higher (4%) than the current rate.

	1% Decrease	Current Discount rate	1% Increase
Total OPEB liability	\$977,579	\$1,088,081	\$1,216,908

Pension Expense Related to OPEB

For the year ended June 30, 2026 the employer recognized OPEB expense of \$35,381.

5. LONG-TERM DEBT

The following is a summary of the debt transactions of the LLP for the year ended June 30, 2026.

	Balance July 1, 2025	Additions	Deletions	Balance June 30, 2026	Due Within One Year
Public Offering:					
Electric Supply System Refunding Bonds, Series 2012; payable in annual amounts of \$215,000 to \$305,000 through August 2027, with interest ranging from 2% to 3%	\$885,000	\$ -	\$285,000	\$600,000	\$295,000
Private Placement:					
2020 Revenue Bonds with annual payments ranging from \$135,000 to \$150,000 through June 2028, including interest at 2.2%	445,000	-	145,000	300,000	150,000
SBITAs	20,457	-	9,309	11,148	9,550
Total debt	1,350,457	-	439,309	911,148	454,550
Compensated absences*	49,893	-	3,660	46,233	-
Grand Total	\$1,400,350	\$ -	\$442,969	\$957,381	\$454,550

* The change in accrued compensated absences is presented as a net change

LOWELL LIGHT & POWER

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

The annual requirements to amortize all debt outstanding (excluding accrued employee benefits) as of June 30, 2026 are as follows:

Year Ending June 30	<u>Public Offerings</u>		<u>Private Placement</u>		<u>SBITAs</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2027	\$295,000	\$13,575	\$150,000	\$ 6,600	\$ 9,550	\$290
2028	305,000	4,575	150,000	3,300	1,598	42
Total	\$600,000	\$18,150	\$300,000	\$9,900	\$11,148	\$332

The outstanding bond agreement contains a provision that the LLP will establish rates sufficient to service the bonds.

The LLP has pledged future revenues, net of specified operating expenses, to repay the above revenue bonds outstanding. Proceeds from these bonds provided financing for improvements to the electric system. These particular bonds are payable solely from electric system net revenues and are payable through 2028. Annual principal and interest payments on these bonds are expected to require less than 15 percent of gross revenues.

The LLP has entered into a subscription-based information technology arrangement (SBITA) for software. The agreement commenced in September 2022 for a five year term with annual payments of \$9,840.

6. PENSION PLANS

Defined Benefit Traditional and Hybrid Plan

Plan Description

The LLP participates with the City of Lowell in a defined benefit and hybrid plan providing certain retirement, disability and death benefits to plan members and beneficiaries. The plan information for the LLP is not separately available from information provided for the City of Lowell as a whole. The following information is for the City as a whole unless otherwise noted.

The City participates in the Municipal Employees Retirement System (MERS) of Michigan. MERS is an agent multiple employer, statewide public employee pension plan established by the Michigan Legislature under Public Act 135 of 1945 and administered by a nine member Retirement Board. MERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained accessing the MERS website at www.mersofmich.com.

Benefits Provided

Pension benefits approved by the City Council are provided to all full-time employees based on division/bargaining unit and hire date. Eligible employees hired before 10/1/12 participate in a defined benefit plan which includes a multiplier of 2.5 times final average compensation, vesting period of 10 years, normal retirement age is 60, early retirement at 55 with 15 or 25 years of service, benefits are calculated using final 3 years of average compensation. Eligible employees hired on or after 10/1/12 and before 1/9/20 participate in a hybrid defined benefit/contribution plan which includes a multiplier of 1.5 times final average compensation, vesting period of 6 years, normal retirement age is 60, early retirement at 55 and 25 years of service, benefits are calculated using final 3 years of average compensation.

LOWELL LIGHT & POWER

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

Membership of the City defined benefit plans consisted of the following at the date of the latest actuarial valuation (December 31, 2025):

Active plan members	16
Inactive employees entitled but not yet receiving benefits	15
Inactive employees or beneficiaries currently receiving benefits	<u>43</u>
Total	<u>74</u>

Contributions

The City is required to contribute at an actuarially determined rate, which for the current year was \$696,588. Participating employees are required to contribute at a rate of 0 to 6% of covered payroll. The contribution requirements of the City are established and may be amended by the MERS Retirement Board. The contribution requirements of employees are established and may be amended by labor agreements.

Net Pension Liability

The City's net pension liability was measured as of December 31, 2025, and the total pension liability used to calculate the net pension liability was determined by an annual actuarial valuation as of that date.

The total pension liability in the December 31, 2025 annual actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation: 2.5%

Salary Increases: base wage inflation of 3.00% annually

Investment rate of return: 7.00%, net of investment expense, including inflation

Mortality rates used for non-disabled plan member were based on 106% of PubG-2010 tables with future mortality improvements using MP-2019 scale applied fully generationally from the Pub-2010 base year of 2010. Mortality rates used for disabled plan member were based on PubNS-2010 Disabled Retiree Tables.

The assumptions used in the valuation were based on the results of the most recent experience study.

The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment and administrative expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

LOWELL LIGHT & POWER

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Expected Money Weighted Rate of Return*</u>
Global equity	60.0%	4.50%	2.70%
Global fixed income	20.0%	2.15%	0.43%
Private investments	20.0%	6.50%	1.30%
MERS dedicated gains policy			(0.14)%
Inflation			2.50%
Administrative fee			0.25%
Discount rate			7.04%

Discount rate. The discount rate used to measure the total pension liability is 7.04%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>
	<u>(a)</u>	<u>(b)</u>	<u>(a)-(b)</u>
Balance at December 31, 2024	\$18,840,125	\$12,385,974	\$6,454,151
Changes for the year:			
Service cost	165,291	-	165,291
Interest	1,316,201	-	1,316,203
Change in benefits	-	-	-
Differences between expected and actual experience	102,173	-	102,173
Change in assumptions	270,548	-	270,548
Contributions: employer	-	994,798	(994,798)
Contributions: employee	-	62,718	(62,718)
Net investment income	-	1,908,530	(1,908,530)
Benefit payments, including refunds	(1,182,515)	(1,182,515)	-
Administrative expense	-	(25,054)	25,054
Other changes	-	-	-
Net changes	671,698	1,758,477	(1,086,779)
Balance at December 31, 2025	\$19,511,823	\$14,144,451	\$5,367,372

The LLP's share of the net pension liability at year-end was \$1,972,726.

LOWELL LIGHT & POWER

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the employer, calculated using the discount rate of 7.04%, as well as what the employer's net pension liability would be using a discount rate that is 1 percentage point lower (6.04%) or 1% higher (8.04%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
Total pension liability	\$21,641,811	\$19,511,823	\$17,718,898
Fiduciary net position	14,144,451	14,144,451	14,144,451
Net pension liability	\$ 7,497,360	\$ 5,367,372	\$ 3,574,447

Pension Expense and Deferred Outflows of Resources Related to Pensions

For the year ended June 30, 2026 the City recognized pension expense of \$744,246. The City reported deferred outflows and inflows of resources related to pensions from the following sources (excluding contributions subsequent to the measurement date):

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Differences in experience	\$ 51,087	\$ -
Differences in assumptions	135,274	-
(Excess) deficit investment returns	-	581,263
Contributions subsequent to the measurement date*	230,178	-
Total	\$416,539	\$581,263

* The amount reported as deferred outflows of resources resulting from the contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability for the year ending 2027.

The LLP's share of net deferred outflows for differences in experience, assumptions and investment returns was \$68,496, net deferred inflows for differences in experience, assumptions and investment returns was \$(213,638) and contributions subsequent to the measurement date were \$230,178.

Amounts reported as deferred outflows and inflows of resources related to City pensions (excluding contributions subsequent to the measurement date) will be recognized in pension expense as follows:

2027	\$ 319,173
2028	(296,405)
2029	(212,750)
2030	(204,920)
Thereafter	-
Total	<u>\$(394,902)</u>

LOWELL LIGHT & POWER

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

Defined Contribution Plan

The LLP defined contribution pension plan (the Plan) provides pension benefits for all full-time employees exclusive of those participating in the defined benefit plans. The Plan is administered by Municipal Employees Retirement System (MERS) of Michigan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings.

Employees are eligible to participate immediately upon employment. LLP contributes 9 – 12% of each participant's compensation to the Plan. LLP's contributions are completely vested with the employee after a five-year period of employment. The Plan provisions and contribution amounts were established by the LLP Board, and may be amended by the LLP Board. During the year, the LLP contributed \$170,078 to the plan.

7. JOINT VENTURE AND RELATED COMMITMENTS

The LLP is a member of a joint venture, the Michigan Public Power Agency (MPPA), with other municipal electric systems. The MPPA was formed to undertake the planning, financing, development, acquisition, construction, improvement, operation and maintenance of projects to supply electric power and energy for present or future needs of its members. Each MPPA member is a municipal corporation organized under the laws of the State of Michigan and owns and operates a municipal electric system. Effective April 2009 the LLP along with other MPPA members entered into an Energy Services Agreement for the sale and purchase of power with the MPPA. The MPPA has entered into power purchase agreement on the behalf of participants. Complete financial statements for the Michigan Public Power Agency can be obtained from the administrative offices at 809 Centennial Way, Lansing, Michigan 48917.

Under the joint venture, the LLP has entered into Power Sales Contracts and Project Support Contracts. These contracts provide for the LLP to purchase from MPPA 1.24% of the energy generated by MPPA's 37.22% ownership in Detroit Edison's Belle River Unit No.1, which became operational in August 1984; 11.86% of MPPA's 4.80% ownership in Consumers Energy's Campbell Unit No. 3, which became operational in September 1980; 5.63% of the energy generated by MPPA's 100% ownership in Combustion Turbine Project No. 1 (50 MW rated simple cycle combustion turbine generating unit and ancillary support facilities located in Kalkaska, Michigan) which became operational in 2004, and 0.88% of MPPA's 5.16% ownership of the AFEC Project (675 MW facility located in Fremont, Ohio) . These contracts require the LLP to purchase approximately 3, 4.5, 2.8, and .2 megawatts of power annually, respectively.

Under the terms of its contracts, the LLP must make minimum annual payments equal to its share of debt service and its share of the operating costs of Detroit Edison's Belle River No. 1, Consumers Energy's Campbell Unit No. 3, Combustion Turbine Project No. 1. and the AFEC project. Future debt service costs are estimated based on MPPA 2022 calendar year audited financial statements.

Debt Service requirements expire in the MPPA fiscal years 2027 and 2032 for the Belle River, Combustion Turbine, and AFEC Project, respectively. The following amounts include estimated debt service requirements for the same period. The contracts for the LLP's commitments for operating costs to extend beyond these dates are dependent upon the use or remediation of the facilities.

LOWELL LIGHT & POWER

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

A summary of projected future debt service payments with the MPPA are as follows for the combustion turbine and AFEC project:

Debt Service Costs			
Year	Belle River	Combustion Turbine No.1	AFEC Project
2026	\$ 55,827	\$121,108	\$ 23,571
2027	55,831	121,229	23,589
2028	55,794	-	23,558
2029	55,840	-	23,610
2030	55,834	-	23,611
2031-2032	111,634	-	47,118
Total	\$390,763	\$242,337	\$165,057

The joint venture is a result of an ongoing financial responsibility. The LLP did not have an initial equity interest and does not participate in net income or losses.

The LLP has agreements with the MPPA committing it to the purchase up to .854 MW of renewable energy from Granger Electric of Michigan, LLC, .273 MW of renewable energy from North American Natural Resources, Inc, 1.08 MW of renewable energy from Assembly Solar 1, 1.4 MW of renewable energy from Assembly Solar 2, 3.8 MW of renewable energy from Pegasus Wind, .4 MW of renewable energy from Calhoun County Solar Project, LLC and .9MW of renewable energy from Hart Solar Partners, LLC. The LLP also has an agreement with the MPPA committing to the purchase of additional capacity to meet planning reserve requirements of the Midcontinent Independent System Operator (MISO) for planning years 2025-2028. The LLP also entered into a 10-year agreement to purchase up to 2.8 MW of capacity from White Ox LLC during yeas 1-3 and .6 MW during years 4-10 which is expected to begin between June 2025 and September 2026.

The MPPA Transmission Project was financed with initial capital contributions of MPPA participants which were utilized to purchase an undivided interest in the transmission grid by the MPPA. The LLP participate in multiple MPPA renewable energy projects to meet Michigan requirements. The Energy Services Project (ESP) provides MPPA participants with capacity and energy provided by third parties through the MPPA.

The LLP participates in MPPA projects for generation, purchase, storage and transmission of electricity. The amounts in the following table reflect anticipated future expenses associated with the various commitments made through the MPPA. The amounts shown below reflect anticipated costs, including outstanding debt for the Combustion Turbine Project and the AFEC Project. The following table does not reflect maximum commitments for the term of the agreements.

Fuel	Resource	Equity/PPA	MW	Anticipated expense			
				2027	2028	2029	2030
Coal	Bell River #1 *1	Equity	1.40	\$ 330,939	\$ 342,054	\$ 357,975	\$ 470,178
Coal	Campbell #3 *2	Equity	4.80	417,190	229,167	240,007	249,122
Natural gas	Combustion turbine #1	Equity	2.85	557,828	601,508	635,194	670,546
Natural gas	AFEC	Equity	.20	75,793	83,881	83,289	83,708
Landfill gas	Landfill gas project	PPA	1.13	530,307	302,467	310,587	318,902
Bilateral agreement	Bilateral	PPA	Various	3,006,445	2,261,765	1,632,834	935,368
Solar/wind	ESP Renewables	PPA	Various	837,344	846,198	855,069	864,26
Bilateral	Replacement ZRC Confirmation year 1-3	RZRCC	2.8	142,800	146,496	150,192	-
	Replacement ZRC Confirmation year 4-10		0.6	-	-	-	57,120
Forecasted market balancing commitments *3				702,118	1,810,293	2,847,003	3,833,740

LOWELL LIGHT & POWER

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

*1 - Bell River #1 is scheduled to be repowered with natural gas in 2026

*2 - Cambell #3 is scheduled to be decommissioned in 2025

*3 - Forecasted market balancing is based on LLP's current open energy position and forward market curves. LLP participates in MPPA's Stability Hedge Plan and will enter into additional agreements on an annual basis to fill open market positions with firm price certainty commitments per MPPA's Stability Hedge Plan.

Equity - MPPA ownership in project

PPA - power purchase agreement

The following table provides additional information on ESP renewable energy.

Fuel	Project	MW	Initial price per MW	Annual escalator	Term	Notes
Wind	Pegasus	3.80	\$41.54	1.5%	20 years through 2039	
Solar	Assembly 1	1.08	43.75	2.0%	25 years through 2045	
Solar	Assembly 2	1.4	36.95	2.0%	25 years through 2046	
Solar	Invenergy Calhoun	1.35	42.45	2.0%	25 years through 2048	
Solar	Hart	.90	48.50	None	20 years through 2046	COD no later than 12/01/25
Solar	Brandt Woods	.4	62.00	None	20 years through 2045	
Solar	White Tail	.45	63.85	None	20 years through 2045	COD no later than 6/01/25

During the current year the LLP incurred the following expenses for MPPA projects and other purchases through the MPPA:

Belle River Unit No.1	\$ 751,141
Campbell Unit No. 3	1,345,822
Kaskaska Combustion Turbine Project No. 1	653,503
AFEC	65,856
Renewable Energy	1,520,588
Other purchased power	1,644,464
MPPA transmission	70,828
Other transmission	203,695
Other and adjustments	80,966
Total	<u>\$6,336,863</u>

8. COMMITMENT

The LLP had outstanding commitments of approximately \$800,000 for the purchase of a hydraulic derrick truck, transformers, and software conversion.

9. CONCENTRATIONS

Current year sales to three industrial customers made up 31% of total sales revenues.

10. LEASES

Lowell Light & Power has entered into a lease arrangement with a company to lease a portion of the LLP building at 625 Chatham Street, S.E. for the purpose of water treatment operations. The initial ten-year term ends February 28, 2029, with options to extend it for two additional consecutive five-year terms; current monthly payment amounts to \$4,941 and is increased annually by CPI. The lessee can terminate this lease upon three hundred sixty-five (365) day notice to LLP.

LLP recognized a total of \$59,693 in lease revenue for the current fiscal year.

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REQUIRED SUPPLEMENTARY INFORMATION

LOWELL LIGHT & POWER

DEFINED BENEFIT PENSION PLAN SCHEDULE OF CHANGES IN EMPLOYERS NET PENSION LIABILITY AND RELATED RATIOS

FOR THE YEAR ENDED JUNE 30, 2026

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total pension liability										
Service cost	\$ 165,291	\$ 178,505	\$ 184,622	\$ 198,272	\$ 197,725	\$ 213,566	\$ 253,182	\$ 241,911	\$ 226,646	\$ 221,995
Interest	1,316,201	1,294,111	1,263,124	1,256,608	1,228,756	1,210,106	1,193,992	1,146,666	1,111,041	1,084,670
Changes in benefit terms	-	-	-	-	-	(170,309)	-	(10,024)	-	-
Difference between expected and actual experience	102,173	54,158	168,687	(279,650)	134,235	(473,346)	60,445	131,060	7,653	(76,607)
Changes in assumptions	270,548	(44,573)	130,963	-	620,856	458,927	455,772	-	-	-
Benefit payments including employee refunds	(1,182,515)	(1,153,312)	(1,132,494)	(1,024,567)	(1,009,776)	(961,458)	(930,631)	(916,716)	(898,605)	(906,870)
Other	-	-	-	-	-	-	-	-	-	1
Net change in total pension liability	671,698	328,889	614,902	150,663	1,171,796	277,486	1,032,760	592,897	446,735	323,189
Total pension liability, beginning of year	18,840,125	18,511,236	17,896,334	17,745,671	16,573,875	16,296,389	15,263,629	14,670,732	14,223,997	13,900,808
Total pension liability, ending of year	\$ 19,511,823	\$ 18,840,125	\$ 18,511,236	\$ 17,896,334	\$ 17,745,671	\$ 16,573,875	\$ 16,296,389	\$ 15,263,629	\$ 14,670,732	\$ 14,223,997
Plan Fiduciary Net Position										
Contributions-employer	\$ 994,798	\$ 924,684	\$ 833,878	\$ 747,335	\$ 769,393	\$ 688,751	\$ 532,507	\$ 482,925	\$ 478,711	\$ 339,082
Contributions-employee	62,718	64,634	65,886	74,018	79,106	121,227	118,205	239,360	88,435	86,729
Net investment income	1,908,530	872,625	1,189,848	(1,265,247)	1,521,231	1,241,897	1,201,925	(371,069)	1,135,449	924,514
Benefit payments including employee refunds	(1,182,515)	(1,153,312)	(1,132,494)	(1,024,567)	(1,009,776)	(961,458)	(930,631)	(916,716)	(898,605)	(906,870)
Administrative expense	(25,054)	(25,947)	(25,250)	(22,489)	(17,463)	(19,673)	(20,699)	(18,454)	(18,000)	(18,271)
Net change in plan fiduciary net position	1,758,477	682,684	931,868	(1,490,950)	1,342,491	1,070,744	901,307	(583,954)	785,990	425,184
Plan fiduciary net position, beginning of year	12,385,974	11,703,290	10,771,422	12,262,372	10,919,881	9,849,137	8,947,830	9,531,784	8,745,794	8,320,610
Plan fiduciary net position, ending of year	\$ 14,144,451	\$ 12,385,974	\$ 11,703,290	\$ 10,771,422	\$ 12,262,372	\$ 10,919,881	\$ 9,849,137	\$ 8,947,830	\$ 9,531,784	\$ 8,745,794
Employer net pension liability	\$ 5,367,372	\$ 6,454,151	\$ 6,807,946	\$ 7,124,912	\$ 5,483,299	\$ 5,653,994	\$ 6,447,252	\$ 6,315,799	\$ 5,138,948	\$ 5,478,203
Employer net pension liability reported by Lowell Light and Power **	\$ 1,972,726	\$ 2,475,433	\$ 2,842,478	\$ 3,085,413	\$ 2,235,317	\$ 2,287,828	\$ 2,299,637	\$ 2,178,042	\$ 1,882,040	\$ 1,991,233
Plan fiduciary net position as a percentage of the total pension liability	72%	66%	63%	60%	69%	66%	60%	59%	65%	61%
Covered employee payroll (entire City)	\$ 1,631,961	\$ 1,684,280	\$ 1,761,351	\$ 1,879,985	\$ 1,982,057	\$ 2,008,617	\$ 2,380,001	\$ 2,277,076	\$ 2,164,938	\$ 2,050,553
Employer's net pension liability as a percentage of covered employee payroll	121%	147%	161%	164%	113%	114%	97%	96%	87%	97%

Notes to schedule:

**The above schedule provides information for the City of Lowell plan as a whole with the exception of this item.
Above dates are based on a measurement date of December 31.

LOWELL LIGHT & POWER
DEFINED BENEFIT PENSION PLAN
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2026

Fiscal Year end	Contributions			Contributions	
	Actuarially determined contributions **	in relation to the actuarially determined contribution **	Contribution deficiency (excess) **	Covered employee payroll **	as a percentage of covered employee payroll **
6/30/2017	\$ 148,874	\$ 148,874	\$ -	\$ 809,109	18%
6/30/2018	162,892	162,892	-	987,878	16%
6/30/2019	203,682	203,682	-	1,100,128	19%
6/30/2020	204,402	204,402	-	1,104,809	19%
6/30/2021	127,393	127,393	-	783,040	16%
6/30/2022	158,886	158,886	-	823,887	19%
6/30/2023	273,469	273,469	-	825,568	33%
6/30/2024	257,532	482,532	(225,000)	796,733	61%
6/30/2025	295,548	545,548	(250,000)	758,184	72%
6/30/2026	310,356	460,356	(150,000)	733,707	63%

Notes to schedule

Actuarial cost method	Entry Age
Amortization method	Level percentage of payroll, closed
Remaining amortization period	16 years
Asset valuation method	5 year smoothed (10 year smoothing 2014)
Inflation	2.5% (3.5% 2014)
Salary increases	3.00% (3.75% for 2015 through 2019)
Investment rate of return	7.00% (7.35% for 2020-2022; 7.75% for 2015 through 2019)
Retirement age	Varies depending on plan adoption
Mortality	Mortality rates used for non-disabled plan member were based on 106% of PubG-2010 tables with future mortality improvements using MP-2019 scale applied fully generationally from the Pub-2010 base year of 2010. Mortality rates used for disabled plan members were based on PubNS-2010 Disabled Retiree Tables.

Notes to schedule:

**The above schedule provides information for the City of Lowell plan as a whole with the exception of this item.
Above balances are based on a measurement date of June 30.

LOWELL LIGHT & POWER

DEFINED BENEFIT OPEB PLAN SCHEDULE OF CHANGES IN EMPLOYERS NET OPEB LIABILITY AND RELATED RATIOS

FOR THE YEAR ENDED JUNE 30, 2026

	2026	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability									
Service cost	\$ 31,858	\$ 34,466	\$ 32,146	\$ 30,688	\$ 34,800	\$ 47,902	\$ 53,669	\$ 63,075	\$ 60,317
Interest	29,911	28,969	30,583	33,276	31,233	30,537	36,111	34,355	37,328
Changes in benefit terms	-	-	-	-	-	-	-	-	-
Difference between expected and actual experience	(26,388)	48,111	(53,308)	(92,111)	63,212	(3,561)	(240,948)	27,409	(126,352)
Changes in assumptions	-	-	-	-	-	-	-	-	-
Benefit payments including employee refunds	(78,406)	(72,264)	(68,435)	(53,460)	(53,576)	(50,274)	(54,558)	(55,586)	(55,025)
Other	-	-	-	-	-	-	-	-	-
Net change in total OPEB liability	(43,025)	39,282	(59,014)	(81,607)	75,669	24,604	(205,726)	69,253	(83,732)
Total OPEB liability, beginning of year	1,131,106	1,091,824	1,150,838	1,232,445	1,156,776	1,132,172	1,337,898	1,268,645	1,352,377
Total OPEB liability, end of year	\$ 1,088,081	\$ 1,131,106	\$ 1,091,824	\$ 1,150,838	\$ 1,232,445	\$ 1,156,776	\$ 1,132,172	\$ 1,337,898	\$ 1,268,645
Plan Fiduciary Net Position									
Contributions-employer	\$ -	\$ 72,264	\$ 68,435	\$ 53,460	\$ 53,576	\$ 50,247	\$ 54,558	\$ 55,586	\$ 55,025
Contributions/benefit payments made from general operating funds	-	-	-	-	-	-	-	-	-
Net investment income	-	-	-	-	-	-	-	-	-
Benefit payments including employee refunds	-	(72,264)	(68,435)	(53,460)	(53,576)	(50,247)	(54,558)	(55,586)	(55,025)
Administrative expense	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Net change in plan fiduciary net position	-	-	-	-	-	-	-	-	-
Plan fiduciary net position, beginning of year	-	-	-	-	-	-	-	-	-
Plan fiduciary net position, end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employer net OPEB liability	\$ 1,088,081	\$ 1,131,106	\$ 1,091,824	\$ 1,150,838	\$ 1,232,445	\$ 1,156,776	\$ 1,132,172	\$ 1,337,898	\$ 1,268,645
Plan fiduciary net position as a percentage of the total OPEB liability	0%	0%	0%	0%	0%	0%	0%	0%	0%
Covered employee payroll	\$ 1,378,436	\$ 1,398,123	\$ 1,302,380	\$ 1,278,093	\$ 1,292,619	\$ 1,004,292	\$ 1,116,306	\$ 996,957	\$ 960,003
Employer's net OPEB liability as a percentage of covered employee payroll	79%	81%	84%	90%	95%	115%	101%	134%	132%

Notes to schedule:

The above schedule provides information for Lowell Light and Power and exclude the City of Lowell

The above data is being accumulated prospectively until ten years of data is presented.

Above data is based on a June 30 measurement date.

LOWELL LIGHT & POWER
DEFINED BENEFIT OPEB PLAN
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2026

Fiscal Year end					Contributions as a percentage of	
	Actuarially determined contributions	Contributions in relation to the actuarially determined contribution	Contribution deficiency (excess)	Covered employee payroll	covered employee payroll	
6/30/2018	\$ 101,935	\$ 55,025	\$ 46,910	\$ 960,003	6%	
6/30/2019	106,965	55,586	51,379	996,957	6%	
6/30/2020	92,259	54,558	37,701	1,116,306	5%	
6/30/2021	85,851	50,247	35,604	1,004,292	5%	
6/30/2022	76,171	53,576	22,595	1,292,619	4%	
6/30/2023	69,271	53,460	15,811	1,278,093	4%	
6/30/2024	67,964	68,435	(471)	1,302,380	5%	
6/30/2025	71,573	72,264	(691)	1,398,123	5%	
6/30/2026	67,552	78,406	(10,854)	1,378,436	6%	

Notes to schedule

Actuarial cost method	Entry Age
Amortization method	Level percent, open
Remaining amortization period	30 years
Asset valuation method	Market value
Inflation	3.00%
Healthcare cost trend rates	3.00%
Salary increases	3.00%
Investment rate of return	2.70%
Retirement age	MERS
Mortality	2020 CDC United States Life Tables

2026 normal costs for employees hired after June 30, 2018 were \$11,829

Notes to schedule:

The above schedule provides information for Lowell Light and Power and excluded the City of Lowell
The above data is being accumulated prospectively until ten years of data is presented.
Above returns are based on a measurement date of June 30.

SUPPLEMENTARY INFORMATION

LOWELL LIGHT & POWER

SCHEDULE OF OPERATING REVENUES AND EXPENSES

FOR THE YEAR ENDED JUNE 30, 2026

Operating revenue

Sales

Residential	\$ 3,437,650
Commercial	8,428,290
Standby power and security lights	6,170
Late fees	55,448
Other charges	<u>99,725</u>

Total operating revenue

12,027,283

Operating expense

Operations and maintenance

Generation

Fuel	9,937
Maintenance	32,965
Supervision/engineering	28,732
Generation	63,581
Training	522
Other	<u>13,887</u>

Total generation

149,624

Purchased power

Campbell	1,345,822
Belle River	751,141
Kalkaska C.T.	653,503
Landfill Gas	667,395
Solar and Wind	795,533
Other	<u>2,123,469</u>

Total purchased power

6,336,863

Transmission

280

Distribution

Customer installation	36,536
Transformers	14,041
Meters	10,653
Overhead lines	127,780
Street lighting	3,941
Structures	12,864
Substation	28,312
Underground lines	51,613
Miscellaneous	72,494
Supervision/engineering	145,900
Substation	166
Training	101,487
Tools	6,672
Trucks	62,608
Tree trimming	44,389
Underground lines	<u>2,800</u>

Total distribution

722,256

(Continued)

LOWELL LIGHT & POWER

SCHEDULE OF OPERATING REVENUES AND EXPENSES

FOR THE YEAR ENDED JUNE 30, 2026

Operating expense

Operations and maintenance

Customer accounting

Supervision	\$ 18,373
Customer assistance	53,925
Customer records and collections	84,914
Uncollectible accounts expense	266
Meter reading	20,270
Miscellaneous	59,154

Total customer accounting	<u>236,902</u>
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Energy optimization

Residential program portfolio	53,526
Commercial program portfolio	19,638
Administration and evaluation of program portfolio	18,989

Total energy optimization	<u>92,153</u>
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Marketing & advertising

Advertising	32,342
Miscellaneous	22,251

Total marketing & advertising	<u>54,593</u>
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Unallocated

Salary	255,313
Board	20,054
Outside services	145,008
Injuries, damage, and safety	31,384
Office building	12,758
Supplies	213,580
Insurance	68,032
Compensated absences	216,283
Pension and benefits	728,265
Other post employment benefits	35,381
Other compensation	87,626
Payroll tax - unallocated	122,472
Conferences, meetings and training	25,421

Total general and administrative	<u>1,961,577</u>
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Total operations and maintenance	9,554,248
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Depreciation	<u>879,425</u>
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Total operating expense	<u>10,433,673</u>
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Operating income (loss)	<u>\$ 1,593,610</u>
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(Concluded)

INTERNAL CONTROL AND COMPLIANCE



Vredeveld Haefner LLC

CPAs and Consultants
10302 20th Avenue
Grand Rapids, MI 49534
Fax (616) 828-0307

Douglas J. Vredeveld, CPA
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Michael J. Vredeveld, CPA
(616) 648-8447

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

September 30, 2026

Members of the Board
Lowell Light & Power
Lowell, Michigan

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying financial statements of Lowell Light & Power, (an enterprise fund of the City of Lowell, Michigan), as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise Lowell Light & Power's basic financial statements, and have issued our report thereon dated September 30, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Lowell Light & Power's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Lowell Light & Power's internal control. Accordingly, we do not express an opinion on the effectiveness of Lowell Light & Power's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Lowell Light & Power's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Oradexld Haefner LLC

Memorandum



To: Lowell Light & Power Board
From: Charlie West
Date: October 6, 2026
Re: Demand Response Project Documentation Approval

Background:

In September, staff presented the details of the MPPA Commercial and Industrial Demand Response Project. During the presentation, staff explained demand response, how the MPPA project functions, the value of the program offering, and the board actions required to join the MPPA project. Following the presentation and discussion, the LL&P Board directed staff to compile the appropriate documents for board consideration.

To join the MPPA C&I Demand Response Project, the board must approve the Relevant Electric Retail Regulatory (RERRA) Resolution and the Master Participation Agreement for the C&I Demand Response Project. Drafts of both documents are included in the board packet.

The RERRA authorizes LL&P to execute the Master Participation Agreement, permits C&I customers to contact designated Aggregation Resource Coordinators (ARCs), and establishes that the program aligns with a MISO planning year. The Master Participation Agreement outlines the relationship between LL&P and MPPA as it relates to the project.

Recommendation: Staff recommends approving the RERRA Resolution and authorizing and directing the GM to execute the Commercial and Industrial Demand Response Project Master Participation Agreement.

RESOLUTION NO. 26-01

LOWELL LIGHT AND POWER

A RESOLUTION TO AUTHORIZE LOWELL LIGHT AND POWER TO PARTICIPATE IN
THE MICHIGAN PUBLIC POWER AGENCY COMMERCIAL AND INDUSTRIAL
DEMAND RESPONSE PROJECT

Minutes of a regular meeting of LOWELL LIGHT AND POWER (the “Municipality”),
held on [MONTH, DAY, YEAR] at [TIME] p.m., prevailing Eastern Time.

PRESENT: _____

ABSENT: _____

The following resolution was offered by [TITLE, NAME] and supported by [TITLE, NAME]:

WHEREAS, the Municipality owns and operates an electric utility system for the sale and distribution of electric power and energy to its retail customers in an annual quantity less than four million megawatt hours;

WHEREAS, the Municipality’s electric system is managed by LOWELL LIGHT AND POWER Utility Board with the Utility Board of Lowell Light and Power being responsible for setting the rates and terms under which retail customers take electric service therefrom;

WHEREAS, the Municipality is a member of Michigan Public Power Agency (“MPPA”) a joint agency of the State of Michigan created pursuant to the Michigan Energy Employment Act, 1976 PA 448, MCL 460.801 *et seq.*, and comprised of municipal electric utilities (“Members”) each furnishing power, energy, and related services to their respective customers;

WHEREAS, MPPA is governed by a Board of Commissioners and each Commissioner is appointed by the respective Member’s governing body (“Commissioner”);

WHEREAS, the purpose of MPPA is to undertake a broad range of administrative, asset, planning, and service projects in furtherance of its Members’ provision of electric service to their customers;

WHEREAS, Federal Energy Regulatory Commission (“FERC”), pursuant to Order No. 719, provided that each FERC-approved independent system operator (“ISO”) and regional transmission organization (“RTO”) must permit qualified aggregators of retail customers (“ARCs”) to bid demand response resources on behalf of such customers directly into the organized markets of the FERC-approved ISO/RTO, unless the laws and regulations of the “relevant electric retail regulatory authority” (“RERRA”) expressly do not permit a retail customer to participate;

WHEREAS, as set forth by FERC in Order 719, the term “RERRA” means the entity that establishes the retail electric prices and any retail competition policies for customers taking service from the electric system;

WHEREAS, FERC, by way of Order No. 2222, subsequently clarified that that FERC-approved ISOs/RTOs may not accept bids from ARCs aggregating customers of small utilities (*i.e.*, those with a total electric output for the preceding fiscal year not exceeding four million megawatt hours) unless the RERRA allows such customers of small utilities to participate in demand response resource aggregations;

WHEREAS, the Utility Board is the RERRA for the Municipality's electric system;

WHEREAS, on October 15, 2025, MPPA's Board of Commissioners adopted a resolution approving the Commercial and Industrial Demand Response Project ("Project"); an MPPA project designed to provide commercial and industrial customers of Participating MPPA Members ("C&I Customers") with the opportunity to receive compensation for their creation of demand response resources capable of being monetized in the organized markets of their RTO while also providing MPPA Members (through MPPA) an option to purchase, at or below the prevailing fair market rate, any Monetizable Benefits (which term includes various capacity products and related quantifiable cost avoidance) produced by the demand response activity of the participating C&I Customers;

WHEREAS, MPPA's Board of Commissioners further resolved that

- (i) A committee for the Project ("Project Committee") be formed;
- (ii) The membership of the Project Committee shall be comprised of persons designated in writing by each Member authorized and electing to participate in the Project through executing the Project's Master Participation Agreement;
- (iii) The Project Committee be organized and governed in accordance with Article 5 of the MPPA By-Laws;
- (iv) All expenses of the Project be borne by all of the Participating Members in the Project; and
- (v) The CEO & General Manager of MPPA, under the direction of the Project Committee and MPPA Board of Commissioners, shall take such actions and make such expenditures necessary and prudent to establish, effectuate, and administer the Project in the best interests of MPPA and its Members.

WHEREAS, the Project directs MPPA to engage and designate one or more ARC(s) ("Designated ARC(s)") that will: (i) enroll and compensate C&I Customers who engage in certain organized demand response activities; and (ii) convert the resulting demand response resources to Monetizable Benefits in the RTO(s) of the C&I Customers;

WHEREAS, as part of the Project, MPPA is responsible for managing the contractual relationship with the Designated ARC(s) and will specifically oversee the following activities of the Designated ARC(s):

- (i) Identification of, outreach to, and enrollment of C&I Customers in the aggregated demand response programs of the Designated ARC(s);
- (ii) Installation of necessary customer metering equipment and related technological solutions;

- (iii) Registration of each participating C&I Customer's demand response resources in the wholesale electric market as necessary;
- (iv) Monitoring of market conditions, identification of revenue optimization opportunities, and management of market volatility and other risks;
- (v) Data management and reporting of C&I Customer demand response resource performance and revenues; and
- (vi) Provision of ongoing education and support to Participating Members and their C&I Customers.

WHEREAS, MPPA has or will execute a Master Services Agreement with one or more Designated ARC(s) ("Master Services Agreement(s)") which Designated ARCs are obligated to contract with and provide various demand response services to C&I Customers of Members participating in the Project;

WHEREAS, in order to participate in the Project, MPPA Members must execute and abide by a Commercial and Industrial Demand Response Project Master Participation Agreement ("Master Participation Agreement"), whereby they may choose to opt into one or more programmatic addendums thereunder which may be added or amended from time to time;

WHEREAS, the Utility Board of the Municipality has determined that the demand response resources of its C&I Customers may provide a valuable new source of local capacity, be an important new tool for longer-term resource adequacy planning and capacity procurement, assist the Municipality in complying with its resource adequacy requirements and capacity obligations, and/or serve the best interests of the Municipality's C&I Customers by enabling their access to the wholesale market to supply demand response products in exchange for local economic benefits;

WHEREAS, the Utility Board of the Municipality has determined that it will be beneficial to enable the Municipality's C&I Customers to aggregate their demand response resources by contracting with the Designated ARC(s) as part of MPPA's Commercial and Industrial Demand Response Project; and

WHEREAS, the exclusive purpose of this resolution is to enable the Municipality to join in MPPA's Commercial and Industrial Demand Response Project so that the Municipality and its C&I Customers may enjoy the benefits of participating in the demand response program(s) provided by the Designated ARC(s) and overseen by MPPA.

NOW, THEREFORE, BE IT RESOLVED by the Utility Board of the Municipality:

SECTION 1. The Municipality is authorized to execute the Master Participation Agreement permitting the Municipality to participate in MPPA's Commercial and Industrial Demand Response Project along with any current or future programmatic addendums the Municipality's Commissioner deems are in the best interest of the Municipality.

SECTION 2. After the Municipality executes the Master Participation Agreement and until either the termination of the active addendum(s) to the Master Participation Agreement or rescission of this Resolution, whichever occurs first, the Municipality's C&I Customers are

authorized to contract with the Designated ARC(s) to aggregate their demand response resources in accordance with the terms of the Commercial and Industrial Demand Response Project, Master Participation Agreement (as well as any applicable addendums thereto), and Master Services Agreement(s) (as may be amended from time to time). However, in the event of suspension, termination, or rescission without cause of an active addendum to the Master Participation Agreement, of a Designated ARC's Master Services Agreement(s) with MPPA, or of this Resolution, the Designated ARC(s) may continue to serve the existing C&I Customers of the Municipality for the longer of the applicable suspension/termination/rescission or the C&I Customer's contractual commitment allows the Designated ARC to do so after being notified of a suspension/termination/rescission. If, at any time after its adoption, this Resolution is withdrawn without adoption of superseding procedures, the Municipality's C&I Customers shall be prohibited from either entering into new contracts or extending existing contracts with the Designated ARC(s) to aggregate demand response resources.

SECTION 3. The Municipality's authorization of its C&I Customers to contract with the Designated ARC(s) to aggregate their demand response resources as provided herein does not constitute or confer a franchise, grant, exclusive license, or other property right. Rather, the right created by this authorization is in the nature of a revocable non-exclusive license.

SECTION 4. Notwithstanding Section 2 of this Resolution, in the event a Designated ARC's Master Services Agreement(s) with MPPA, an Addendum to the Designated ARC's Master Services Agreement(s) with MPPA, an Addendum to the Master Participation Agreement, or the Master Participation Agreement is suspended, terminated, or rescinded for cause, each C&I Customer's participation in the Designated ARC's demand response Program(s) shall continue through the end of the last MISO Planning Year, June 1st of one year to May 31st of the following year, in which the C&I Customer is already registered. For the avoidance of doubt, existing contractual commitments between the Designated ARC(s) and the C&I Customers may not be extended and new contracts may not be executed upon a suspension/termination/recession notification unless this Resolution permits the Designated ARC(s) to do so.

SECTION 5. If any section, subsection, paragraph, clause or provision or any part thereof of this Resolution shall be finally adjudicated by a court of competent jurisdiction to be invalid, the remainder of this Resolution shall be unaffected by such adjudication and all the remaining provisions of this Resolution shall remain in full force and effect as though such section, subsection, paragraph, clause or provision or any part thereof so adjudicated to be invalid had not, to the extent of such invalidity, been included herein.

SECTION 6. This Resolution shall take effect at the earliest date allowed by law.

FURTHER, BE IT RESOLVED, that any resolution(s) and parts of resolution(s) are, to the extent of any conflict with this resolution, rescinded.

AYES: _____

NAYS: _____

ABSENT: _____

RESOLUTION DECLARED ADOPTED.

PERRY BEACHUM, BOARD CHAIRPERSON

I hereby certify that the foregoing is a true and complete text of the Resolution of the utility board of the Municipality, which was duly adopted and approved by the Utility Board of the Municipality on [MONTH, DAY, YEAR], and remains in full force and effect as of this date.

Date: _____

CHARLIE WEST, GENERAL MANAGER



COMMERCIAL & INDUSTRIAL DEMAND RESPONSE PROJECT MASTER PARTICIPATION AGREEMENT

This Commercial & Industrial Demand Response Project Master Participation Agreement (“Master Participation Agreement” or “Agreement”) is to be effective as of the ___ day of _____ 202__ (the “Effective Date”) and is entered into by and among Michigan Public Power Agency (“MPPA”) and Lowell Light and Power, a Member of MPPA (a “Participating Member”).

RECITALS

WHEREAS, MPPA is a joint agency of the State of Michigan created pursuant to the Michigan Energy Employment Act, 1976 PA 448, MCL 460.801 *et seq.* (the “Act”) and comprised of municipal electric utilities each furnishing power, energy, and related services to their respective customers (each a “Member” and, collectively, the “Members”);

WHEREAS, MPPA is governed by a Board comprised of Commissioners (“MPPA Board”) who are appointed by the respective governing bodies of its Members;

WHEREAS, the Act authorizes MPPA to, *inter alia*, undertake administrative, asset, planning, and service projects either related to its Members’ electric generation and distribution systems or otherwise in furtherance of its Members’ provision of electric service;

WHEREAS, on October 15, 2025, the MPPA Board passed a resolution creating the Commercial & Industrial Demand Response Project (“Project”) for the dual purpose of (i) providing commercial and industrial customers of Participating Members in the Project (“C&I Customers”) with access to certain demand response programs provided by one or more aggregators of retail customers engaged by MPPA (“Designated ARC(s)”), and (ii) supplying Members with additional sources of capacity, quantifiable cost avoidance, and other monetizable benefits derived from the demand response resources of participating C&I Customers (“Monetizable Benefits”);

WHEREAS, through participation in the Project, Members will (i) afford their C&I Customers with the opportunity to receive compensation from the Designated ARC(s) for creating demand response resources capable of being monetized in the wholesale markets of the C&I Customer’s regional transmission organization (“RTO”), and (ii) obtain an option to purchase from the Designated ARC(s) through MPPA any Monetizable Benefit produced by the demand response resources of participating C&I Customers at or below the prevailing fair market rate;

WHEREAS, the Board further resolved that

- (i) A committee for the Project (“Project Committee”) be formed;
- (ii) The membership of the Project Committee shall be comprised of persons designated in writing by each Member authorized and electing to participate in the Project through executing the Project’s Master Participation Agreement; and
- (iii) The Project Committee be organized and governed in accordance with Article 5 of the MPPA By-Laws;
- (iv) All expenses of the C&I Demand Response Project be borne by all of the Participating Members in the Project; and
- (v) The CEO & General Manager of MPPA, under the direction of the Project Committee and MPPA Board of Commissioners, shall take such actions and make such expenditures necessary and prudent to establish, effectuate, and administer the Project in the best interests of MPPA and its Members.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

AGREEMENT

Section 1. RERRA Authorization.

In order for this Master Participation Agreement to be effective, the governing body of the Participating Member shall, as the relevant electric retail regulatory authority (“RERRA”), pass a resolution (“RERRA Authorization Resolution”), in substantially the form attached as **Exhibit A**, authorizing: (i) the Designated ARC(s) to commercially approach and contract with C&I Customers of the Participating Member for the purpose of aggregating and entering those customers’ demand response resources into the wholesale market consistent with the Project; and (ii) the Participating Member’s C&I Customers to offer their demand response resources into the wholesale market exclusively through the Designated ARC(s).

Section 2. Covenants.

(a) MPPA Covenants. MPPA shall implement the Project as directed by the Project Committee which implementation shall include but not necessarily be limited to the services needed to support the demand response program(s) (each a “Program”) described in the Addendum(s) to this Agreement (“C&I DR Services”), as may be amended from time to time.

(b) Participating Member Covenants. The Participating Member shall provide reasonable assistance in furthering MPPA’s implementation of the Project in the Participating Member’s service territory. Further, the Participating Member agrees to collect rates, rents, fees, and charges for electric power and energy and other services, facilities, and commodities sold, furnished, or supplied through its electric system sufficient to provide revenues adequate to meet its obligations under this Master Participation Agreement.

(c) Cooperation and Exchange of Information. MPPA and the Participating Member recognize that successful implementation of the Project will require cooperation and frequent exchanges of information (including, but not limited to, C&I Customer usage and metering information) among MPPA, the Participating Member, the appropriate RTO, and the Designated ARC(s). MPPA and the Participating Member agree to make all reasonable efforts to timely provide to each other, the appropriate RTO, and/or the Designated ARC(s) such information as may be required under this Agreement, as may be required under any agreement between MPPA and the Designated ARC(s), or as otherwise necessary to implement the Project.

Section 3. Demand Response Programs.

(a) Selection. The demand response Programs available to the Participating Member and their C&I Customers are described in the Addendum(s) to this Agreement and may be amended from time to time. After the Participating Member's approval of the RERRA Authorization Resolution, they may select one or more demand response Program(s) in which to participate by having a Commissioner sign the signature page of the applicable Addendum(s).

(b) Participation. Participating Members may choose, at their sole discretion, when to participate and when to terminate said participation in each Program in accordance with this Master Participation Agreement and the participation terms of the applicable Addendum. In the event of suspension, termination, or rescission without cause of this Agreement, an Addendum to this Master Participation Agreement, an Addendum to a Designated ARC's Master Services Agreement(s) with MPPA, a Designated ARC's Master Services Agreement(s) with MPPA, or the Participating Member's RERRA Authorization Resolution, the Designated ARC(s) may continue to serve the existing C&I Customers of the Participating Member for the longer of the applicable suspension/termination/rescission or the C&I Customer's contractual commitment allows the Designated ARC(s) to do so after being notified of a suspension/termination/rescission. In the event a Designated ARC's Master Services Agreement(s) with MPPA, an Addendum to the Designated ARC's Master Services Agreement(s) with MPPA, an Addendum to this Master Participation Agreement, or this Master Participation Agreement is suspended, terminated, or rescinded for cause, each C&I Customers' participation in the demand response Program(s) shall be allowed to continue through the end of the last MISO Planning Year or PJM Delivery Year, as defined herein, in which the C&I Customer is already registered with the applicable RTO. For the avoidance of doubt, existing contractual commitments with C&I Customers may not be extended and new contracts may not be executed upon a suspension/termination/recession notification unless a C&I Demand Response Project Member's RERRA Authorization Resolution permits Voltus to do so.

Section 4. Governance.

This Agreement shall be administered by a Project Committee as established by the MPPA Board in accordance with Article 5 of the MPPA By-Laws.

Section 5. Accounting.

MPPA Accounting Obligations. MPPA shall keep accurate records and accounts relating to the Project in accordance with the Uniform System of Accounts, separate and distinct from its

other records and accounts. The accounts shall be audited annually by a firm of certified public accountants, experienced in electric utility accounting, to be employed by MPPA. A copy of each annual audit, including all written comments and recommendations of such accountants, shall be furnished by MPPA to the Participating Member not later than one hundred eighty (180) calendar days after the end of each calendar year.

Section 6. Expenses, Billing, and Payment.

(a) Expenses. MPPA will maintain a record of all costs and expenses of the Project in accordance with generally accepted accounting practices. Each demand response Program will have an account to record costs and expenses incurred with respect to the specific activities for the Program (“Program Costs and Expenses”). The Project will have a general account to record any Project costs and expenses that cannot be attributed to a specific Program (“Administrative Costs and Expenses”). The Participating Members that are in a Program will be responsible for those Program Costs and Expenses, which expenses shall be allocated per the methodology in the Program’s addendum to this Master Participation Agreement. All Administrative Costs and Expenses in the general account shall be allocated to the Participating Members in the Project as follows: Fifty percent (50.00%) democratic and fifty percent (50.00%) based on the load ratio share of a Participating Member’s MWh sales compared to the total of all MWh sales of all Participating Members as reported by the most recent Energy Information Administration (“EIA”) reports / data.

(b) Billing. MPPA shall provide each Participating Member monthly invoices for any cost and expense attributable to the Participating Member’s Program(s) on or around the 10th calendar day of each month for the Member’s participation in the Project during the preceding month.

(c) Payment. Monthly payments required to be paid to MPPA for Project costs and expenses, as invoiced, pursuant to this Section 6 shall be due and payable to MPPA at the principal office of MPPA or bank account of MPPA, or such other address or bank account as MPPA shall communicate in written or electronic form to the Participating Member, on the 25th day of the Month following receipt of the invoice for such costs and expenses, or in the event the 25th day of the Month falls on a weekend or a bank holiday, the next following business day (“Due Date”) within ten (10) business days after the Participating Member’s receipt of the invoice, whichever is later.

(d) Delay-Payment Penalty and Interest. If payment in full is not made on or before the close of business on the Due Date, a delayed-payment charge on the unpaid amount due for each day overdue will be imposed at a rate equal to the prime lending rate as may from time to time be published in The Wall Street Journal under “Money Rate” on such day (or if not published on such day the most recent preceding day on which published), plus two percent (2%), or the maximum rate lawfully payable by the Participant, whichever is less. If the due date falls on a Saturday, Sunday, or a bank holiday, the next following business day shall be the last day on which payment may be made without the addition of the delay-payment charge.

(e) Dispute Process. In the event of any dispute as to any portion of any invoice, the Participating Member shall nevertheless pay the full amount of the disputed amounts when due

and shall give written notice of the dispute to MPPA not later than the date such payment is due, if the Participating Member is already aware of the dispute, or within thirty (30) calendar days of discovering the grounds for the disputed amounts, but only if the Participating Member could not have reasonably been expected to have discovered the grounds for dispute by the original due date. Such notice shall identify the disputed invoice, state the amount in dispute and set forth a full statement of the grounds upon which such a dispute is based. No adjustment shall be considered or made for disputed amounts unless notice is given as required above. MPPA shall give consideration to such dispute and shall advise the Participating Member in writing of its position within thirty (30) calendar days following receipt of such written notice. Upon final determination (whether by agreement, arbitration, adjudication or otherwise) of the correct amount, any difference between such corrected amount and the invoiced amount shall be subtracted from the next statement submitted to the Participating Member after such determination or, if this Master Participation Agreement has terminated, shall be paid to Participating Member within thirty (30) calendar days of such determination. The Participating Member shall continue to be responsible after the termination of this Agreement for its share of financial obligations associated with this Agreement that accrued during the Initial Term and any subsequent Extension Term of this Agreement.

Section 7. Term.

This Agreement shall become effective as of the date upon which it is fully executed by the parties hereto and shall survive for an initial term of two (2) years (“Initial Term”). Thereafter, this Agreement shall automatically extend until May 31st of the subsequent year and each May 31st of the subsequent year thereafter (“Extension Term”) unless terminated by the Participating Member or MPPA prior to any such automatic extension pursuant to Sections 8, 9, or 13.

Section 8. Default of Participating Member.

(a) Payment Default. Failure of the Participating Member to timely make any payments to MPPA required under this Master Participation Agreement shall constitute an immediate default on the part of the Participating Member. In the event of such a default, the Participating Member shall not be relieved of its liability for payment of the amounts in default and MPPA shall have the right to recover from the Participating Member any amount in default. In enforcement of any such right of recovery, MPPA may bring any suit, action, or proceeding in law or in equity, including mandamus and action for specific performance, as may be necessary or appropriate to enforce any covenant, agreement or obligation to make any payment for which provision is made in this Master Participation Agreement against the Participating Member, and if the default is not cured within five (5) business days following a written declaration of default by MPPA to the Participating Member, MPPA may, upon twenty (20) calendar days’ written notice to the Participating Member, terminate this Master Participation Agreement and cease and discontinue providing all or any portion of the MPPA C&I DR Services.

(b) Covenant Default. Material failure of the Participating Member to timely and satisfactorily meet the Covenants as required in Section 2 of this Master Participation Agreement shall constitute a default on the part of the Participating Member. In the event of such default, MPPA shall provide the Participating Member with a written description of the covenants required

under this Agreement which the Participating Member has failed to satisfactorily meet. If the default is not cured within thirty (30) calendar days following receipt of such declaration of default by the Participating Member, MPPA may, upon sixty (60) calendar days' written notice to the Participating Member, terminate this Master Participation Agreement and cease and discontinue providing all or any portion of the MPPA C&I DR Services.

Section 9. Default of MPPA.

In the event of any default by MPPA under any covenant, obligation, or term of this Master Participation Agreement, the Participating Member's remedy for such default shall be limited to mandamus, injunction, action for specific performance, or any other available equitable remedy as may be necessary or appropriate, and/or termination of this Agreement upon at least sixty (60) calendar days' written notice to MPPA; provided, however, the date of termination shall be the date which is the latest of (i) sixty (60) calendar days after the date written notification of termination is given, and (ii) the expiration or satisfaction of the Participating Member's obligations with respect to any Power Purchase Commitment, as defined in the Addendum(s) to this Master Participation Agreement. The Participating Member shall continue to be responsible after the termination of this Agreement for its share of financial obligations associated with the services provided by MPPA under this Agreement, including, but not limited to, any obligations and expenses owing to MPPA related to the Participating Member's PPC for which MPPA is not entitled to receive payment from others, that accrued prior to the termination of this Agreement.

Section 10. Abandonment of Remedy.

In case any proceeding or action taken on account of any default shall have been discontinued or abandoned for any reason, the parties shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of MPPA and the Participating Member shall continue as though no such proceedings had been taken.

Section 11. Waiver of Default.

Any waiver at any time by either MPPA or the Participating Member of its rights with respect to any default of the other party hereto, or with respect to any other matter arising in connection with this Master Participation Agreement, shall not be a waiver with respect to any subsequent default, right, or matter.

Section 12. Liability of Parties.

MPPA and the Participating Member agree that the Project constitutes a separate project of MPPA. The Participating Member shall assert no monetary claims or money damage claims against MPPA for any default or breach of this Master Participation Agreement, and the Participating Member is limited to equitable relief only as provided herein. In addition, the parties agree that under no circumstances shall the financial assets, funds, and accounts and physical assets of any other MPPA project be available to satisfy any of MPPA's obligations to the Participating Member under this Agreement. The sole available recourse for the Participating Member or MPPA for any acts, errors or omissions by the other party, other than the recourse provided under Sections

6, 8, and 9 of this Agreement, shall be the withholding of currently owed amounts or suspension of the provision of services, followed by the termination of this Agreement.

Section 13. Termination.

This Master Participation Agreement may be terminated by either party for any reason after completion of the Initial Term, provided, however, the terminating party provides written notice to the other party of its desire to terminate the Agreement at least one hundred fifty (150) calendar days in advance of the beginning of the first Extension Term. Thereafter, this Master Participation Agreement may be terminated by either party for any reason after completion of the pending Extension Term provided the terminating party provides written notice to the other party of its desire to terminate the Agreement at least one hundred fifty (150) calendar days in advance of the beginning of the next Extension Term. Notwithstanding the foregoing, this Master Participation Agreement may also be terminated pursuant to Sections 8 and 9 of this Agreement.

The Participating Member and MPPA both recognize that charges, fees, expenses, and settlements may survive the term of this Master Participation Agreement. Notwithstanding anything in this Agreement to the contrary, in the event such charges, fees, expenses, and settlements are incurred as the result of services provided under this Agreement, the Participating Member shall continue to remain liable and financially responsible for all costs associated with the charges, fees, expenses, and settlements until they are recovered in full.

Section 14. Amendment.

Except for changes to the Exhibit(s) and/or Addendum(s), included as part of this Agreement, which the MPPA Board of Commissioners approval shall be required to make any changes, any amendments to this Agreement shall be approved by the governing board of each party hereto and executed by a Commissioner of the Participating Member before any such amendment shall be effective.

Section 15. Applicable Law.

This Agreement and all questions relating to its validity, interpretation, performance, and enforcement will be governed by and construed, interpreted and enforced in accordance with the laws of the State of Michigan.

Section 17. Severability.

If any section, paragraph, clause, or provision of this Agreement shall be finally adjudicated by a court of competent jurisdiction to be invalid, the remainder of this Agreement shall remain in full force and effect as though such section, paragraph, clause or provision or any part thereof so adjudicated to be invalid had not been included herein.

Section 18. Counterparts.

This Agreement may be executed in counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

[Signatures appear on the next page]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their proper officers respectively, being thereunto duly authorized, as of the day and year first above written.

MICHIGAN PUBLIC POWER AGENCY

By _____

Its _____

Attest:

PARTICIPATING MEMBER

By _____

Its _____

Attest:

ADDENDUM 1 – MISO RESOURCE ADEQUACY DEMAND RESPONSE PROGRAM

1. Program Description.

The MISO Resource Adequacy Demand Response Program centers around the engagement, enrollment, and participation of MPPA's Member C&I Customers in the MISO wholesale markets as a Load Modifying Resource ("LMR") or the successors to these instruments, to provide demand response during emergency operating conditions through contracts with one or more Designated ARC(s) (in this Addendum 1, the "Program").

2. Objectives.

Through participation in this Program, Participating Members will (a) incentivize their C&I Customers to participate in demand response activities by being able to earn compensation from the Designated ARC(s) for creating demand response resources capable of being monetized in the MISO wholesale markets, and (b) obtain an option to purchase Zonal Resource Credits ("ZRCs") from the Designated ARC(s) through MPPA as produced by the demand response resources of participating C&I Customers at the prevailing fair market rate or a rate below the prevailing fair market rate. To facilitate the objectives of this Program, the parties anticipate, and acknowledge the benefit of, building up to a rolling forward 5-year ZRC product pipeline that originates from the C&I Customers of Participating Members, where each year this Program rolls forward another year so that it is always at least five (5) Planning Years into the future. Planning Year ("PY") means the period of time from June 1st of one year to May 31st of the following year.

3. Participation.

Upon electing to participate in the Program, Participating Members acknowledge that this Program requires participation by their C&I Customers. Participating Members may discontinue their participation in the Program after two (2) years, without terminating the Master Participation Agreement, upon giving at least one hundred fifty (150) calendar days' written notice to MPPA of their intent to discontinue participation in the Program. The Participating Member's discontinuation notice shall include an effective date of discontinuation, the reasons, if any, for discontinuing in the Program, and an approved written notice to be used by the parties and the Designated ARC(s) in communicating the Participating Member's discontinuation in the Program. At least sixty (60) calendar days prior to the effective date in the notice of discontinuation, the Participating Member shall notify its C&I Customers and MPPA shall notify the Designated ARC(s). After being notified of a discontinuation, the Designated ARC(s) may continue to serve the existing C&I Customers and the C&I Customers may continue to participate in the Program until the later of: (a) the termination date of the related Member's Program RERRA Authorization Resolution or (b) the then current end date of the C&I Customer's contract with the Designated ARC(s). For the avoidance of doubt, existing contractual commitments between the Designated ARC(s) and C&I Customers may not be extended, and new contracts may not be executed upon receipt of a discontinuation notification. Further, the parties acknowledge that MPPA will continue

to work with the Designated ARC(s) on behalf of other Participating Members unless the Program is terminated in the Designated ARC's Master Services Agreement(s) with MPPA.

4. Capacity Option.

(a) Capacity Option Determination. In consultation with the Project Committee, MPPA shall determine whether, in what amounts, and at what price(s) to exercise its annual option with the Designated ARC(s) to purchase any available ZRCs created through the Program. MPPA shall document any determination to exercise the annual option with the Designated ARC(s) by way of an annual written capacity supply analysis and recommendation which shall evaluate the needs of all Participating Members.

(b) Capacity Option Order of Priority. Any ZRCs to be purchased from the Designated ARC(s) pursuant to MPPA's capacity supply analysis and recommendation will be offered for purchase to Members based on the following order of priority: (i) any Participating Member whose C&I Customer(s) originated the ZRCs (the "Originating Member") may, at its discretion, purchase all, some, or none of the ZRCs created by that Originating Member's C&I Customer(s); (ii) any Participating Member may purchase all, some, or none of its proportional share of the remaining ZRCs which proportionate share will be determined by MPPA's capacity supply analysis and recommendation; and (iii) any non-participating Member may purchase all, some, or none of its proportional share of the remaining ZRCs which proportionate share will be determined by MPPA's capacity supply analysis and recommendation.

(c) Capacity Option Purchases. If MPPA exercises its annual option to purchase ZRCs from the Designated ARC(s) on behalf of one or more Member, MPPA shall negotiate and enter into a ZRC transaction confirmation with the Designated ARC(s) under an EEI Master Power Purchase and Sale Agreement. When a Member agrees to purchase ZRCs from MPPA, the transaction shall be treated as a Power Purchase Commitment ("PPC") to MPPA. All such PPCs shall be transacted within the Energy Services Project, as revised from time to time, or such other successor project(s) pursuant to and governed by the terms and procedures of the Energy Services Agreement and Power Supply Risk Management Policy, as may be amended from time to time, or such other successor agreements and policies. For the avoidance of doubt, any obligation or responsibility of MPPA to provide ZRCs purchased from the Designated ARC(s) pursuant to any PPC shall be limited solely to the ZRCs actually delivered to MPPA by the Designated ARC(s). MPPA shall not be liable or obligated for direct or indirect damages, charges, or expenses incurred or suffered by a Participating Member in the event the Designated ARC(s) is unable for any reason to deliver any or all of the ZRCs required by such PPC. MPPA will, however, use its best efforts to (i) resolve any situation or circumstance where the Designated ARC(s) has not delivered the ZRCs as required by the PPC, and (ii) arrange for alternative sources of capacity as may be necessary, if requested by the Participating Member.

5. Participating Member Responsibilities.

Participating Member agrees to recommend the Designated ARC(s) to provide demand response services within its service territory, and will be responsible for certain Program development and ongoing activities with its C&I Customers, including: (a) building C&I Customer interest in the Program, (b) communicating to MPPA C&I Customer prioritization, if any, (c) acting

as a C&I Customer liaison with MPPA on monitoring and measuring Program compliance, (d) liaison with C&I Customers to facilitate processes for installation of the Designated ARC(s) metering technology and/or other equipment that enable efficient enrollment in the Program, and (e) liaison with MPPA and/or the Designated ARC(s) to assist with fulfilling MISO requirements for the registration of C&I Customers in the Program.

6. MPPA Services.

(a) Demand Response Implementation and Related Services. MPPA will oversee the following activity of the Designated ARC(s): (i) identification of, outreach to, and enrollment of C&I Customers in the demand response programs of the Designated ARCs; (ii) installation of necessary customer metering equipment and related technological solutions; (iii) registration of each participating C&I Customer's demand response resources in the wholesale electric market as necessary; (iv) monitoring of market conditions, identification of revenue optimization opportunities, and management of market volatility and other risks; (v) data management and reporting of C&I Customer demand response resource performance and revenues; and (vi) provision of ongoing education and support to Participating Members and their C&I Customers.

(b) Administrative Requirements.

- i. Accounting. MPPA will maintain a record of all costs and expenses of the Program in accordance with generally accepted accounting practices. The Program will have an account to record costs and expenses incurred with respect to the specific activities for the Program ("Program Costs and Expenses"). The Participating Members of the Program will be allocated the Program Costs and Expenses as follows: Fifty percent (50.00%) democratic and fifty percent (50.00%) based on the load ratio share of a Participating Member's MWh sales compared to the total of all MWh sales of all Participating Members as reported by the most recent Energy Information Administration ("EIA") reports / data. Costs and expenses shall be invoiced by MPPA monthly.
- ii. Meetings. MPPA reserves the right to be present at all Participating Member and all C&I Customer meetings with the Designated ARC(s), whether in person or virtual, before, during, and after the C&I Customer's enrollment; provided however, that the aforementioned right does not cause undue delay or unnecessary interference with the C&I Customer's participation.

[Signatures appear on the next page]

PARTICIPATING MEMBER

By _____

Its _____

Attest:

RESOLUTION NO. 26-01

LOWELL LIGHT AND POWER

A RESOLUTION TO AUTHORIZE LOWELL LIGHT AND POWER TO PARTICIPATE IN
THE MICHIGAN PUBLIC POWER AGENCY COMMERCIAL AND INDUSTRIAL
DEMAND RESPONSE PROJECT

Minutes of a regular meeting of LOWELL LIGHT AND POWER (the “Municipality”),
held on [MONTH, DAY, YEAR] at [TIME] p.m., prevailing Eastern Time.

PRESENT: _____

ABSENT: _____

The following resolution was offered by [TITLE, NAME] and supported by [TITLE, NAME]:

WHEREAS, the Municipality owns and operates an electric utility system for the sale and distribution of electric power and energy to its retail customers in an annual quantity less than four million megawatt hours;

WHEREAS, the Municipality’s electric system is managed by LOWELL LIGHT AND POWER Utility Board with the Utility Board of Lowell Light and Power being responsible for setting the rates and terms under which retail customers take electric service therefrom;

WHEREAS, the Municipality is a member of Michigan Public Power Agency (“MPPA”) a joint agency of the State of Michigan created pursuant to the Michigan Energy Employment Act, 1976 PA 448, MCL 460.801 *et seq.*, and comprised of municipal electric utilities (“Members”) each furnishing power, energy, and related services to their respective customers;

WHEREAS, MPPA is governed by a Board of Commissioners and each Commissioner is appointed by the respective Member’s governing body (“Commissioner”);

WHEREAS, the purpose of MPPA is to undertake a broad range of administrative, asset, planning, and service projects in furtherance of its Members’ provision of electric service to their customers;

WHEREAS, Federal Energy Regulatory Commission (“FERC”), pursuant to Order No. 719, provided that each FERC-approved independent system operator (“ISO”) and regional transmission organization (“RTO”) must permit qualified aggregators of retail customers (“ARCs”) to bid demand response resources on behalf of such customers directly into the organized markets of the FERC-approved ISO/RTO, unless the laws and regulations of the “relevant electric retail regulatory authority” (“RERRA”) expressly do not permit a retail customer to participate;

WHEREAS, as set forth by FERC in Order 719, the term “RERRA” means the entity that establishes the retail electric prices and any retail competition policies for customers taking service from the electric system;

WHEREAS, FERC, by way of Order No. 2222, subsequently clarified that that FERC-approved ISOs/RTOs may not accept bids from ARCs aggregating customers of small utilities (*i.e.*, those with a total electric output for the preceding fiscal year not exceeding four million megawatt hours) unless the RERRA allows such customers of small utilities to participate in demand response resource aggregations;

WHEREAS, the Utility Board is the RERRA for the Municipality's electric system;

WHEREAS, on October 15, 2025, MPPA's Board of Commissioners adopted a resolution approving the Commercial and Industrial Demand Response Project ("Project"); an MPPA project designed to provide commercial and industrial customers of Participating MPPA Members ("C&I Customers") with the opportunity to receive compensation for their creation of demand response resources capable of being monetized in the organized markets of their RTO while also providing MPPA Members (through MPPA) an option to purchase, at or below the prevailing fair market rate, any Monetizable Benefits (which term includes various capacity products and related quantifiable cost avoidance) produced by the demand response activity of the participating C&I Customers;

WHEREAS, MPPA's Board of Commissioners further resolved that

- (i) A committee for the Project ("Project Committee") be formed;
- (ii) The membership of the Project Committee shall be comprised of persons designated in writing by each Member authorized and electing to participate in the Project through executing the Project's Master Participation Agreement;
- (iii) The Project Committee be organized and governed in accordance with Article 5 of the MPPA By-Laws;
- (iv) All expenses of the Project be borne by all of the Participating Members in the Project; and
- (v) The CEO & General Manager of MPPA, under the direction of the Project Committee and MPPA Board of Commissioners, shall take such actions and make such expenditures necessary and prudent to establish, effectuate, and administer the Project in the best interests of MPPA and its Members.

WHEREAS, the Project directs MPPA to engage and designate one or more ARC(s) ("Designated ARC(s)") that will: (i) enroll and compensate C&I Customers who engage in certain organized demand response activities; and (ii) convert the resulting demand response resources to Monetizable Benefits in the RTO(s) of the C&I Customers;

WHEREAS, as part of the Project, MPPA is responsible for managing the contractual relationship with the Designated ARC(s) and will specifically oversee the following activities of the Designated ARC(s):

- (i) Identification of, outreach to, and enrollment of C&I Customers in the aggregated demand response programs of the Designated ARC(s);
- (ii) Installation of necessary customer metering equipment and related technological solutions;

- (iii) Registration of each participating C&I Customer's demand response resources in the wholesale electric market as necessary;
- (iv) Monitoring of market conditions, identification of revenue optimization opportunities, and management of market volatility and other risks;
- (v) Data management and reporting of C&I Customer demand response resource performance and revenues; and
- (vi) Provision of ongoing education and support to Participating Members and their C&I Customers.

WHEREAS, MPPA has or will execute a Master Services Agreement with one or more Designated ARC(s) ("Master Services Agreement(s)") which Designated ARCs are obligated to contract with and provide various demand response services to C&I Customers of Members participating in the Project;

WHEREAS, in order to participate in the Project, MPPA Members must execute and abide by a Commercial and Industrial Demand Response Project Master Participation Agreement ("Master Participation Agreement"), whereby they may choose to opt into one or more programmatic addendums thereunder which may be added or amended from time to time;

WHEREAS, the Utility Board of the Municipality has determined that the demand response resources of its C&I Customers may provide a valuable new source of local capacity, be an important new tool for longer-term resource adequacy planning and capacity procurement, assist the Municipality in complying with its resource adequacy requirements and capacity obligations, and/or serve the best interests of the Municipality's C&I Customers by enabling their access to the wholesale market to supply demand response products in exchange for local economic benefits;

WHEREAS, the Utility Board of the Municipality has determined that it will be beneficial to enable the Municipality's C&I Customers to aggregate their demand response resources by contracting with the Designated ARC(s) as part of MPPA's Commercial and Industrial Demand Response Project; and

WHEREAS, the exclusive purpose of this resolution is to enable the Municipality to join in MPPA's Commercial and Industrial Demand Response Project so that the Municipality and its C&I Customers may enjoy the benefits of participating in the demand response program(s) provided by the Designated ARC(s) and overseen by MPPA.

NOW, THEREFORE, BE IT RESOLVED by the Utility Board of the Municipality:

SECTION 1. The Municipality is authorized to execute the Master Participation Agreement permitting the Municipality to participate in MPPA's Commercial and Industrial Demand Response Project along with any current or future programmatic addendums the Municipality's Commissioner deems are in the best interest of the Municipality.

SECTION 2. After the Municipality executes the Master Participation Agreement and until either the termination of the active addendum(s) to the Master Participation Agreement or rescission of this Resolution, whichever occurs first, the Municipality's C&I Customers are

authorized to contract with the Designated ARC(s) to aggregate their demand response resources in accordance with the terms of the Commercial and Industrial Demand Response Project, Master Participation Agreement (as well as any applicable addendums thereto), and Master Services Agreement(s) (as may be amended from time to time). However, in the event of suspension, termination, or rescission without cause of an active addendum to the Master Participation Agreement, of a Designated ARC's Master Services Agreement(s) with MPPA, or of this Resolution, the Designated ARC(s) may continue to serve the existing C&I Customers of the Municipality for the longer of the applicable suspension/termination/rescission or the C&I Customer's contractual commitment allows the Designated ARC to do so after being notified of a suspension/termination/rescission. If, at any time after its adoption, this Resolution is withdrawn without adoption of superseding procedures, the Municipality's C&I Customers shall be prohibited from either entering into new contracts or extending existing contracts with the Designated ARC(s) to aggregate demand response resources.

SECTION 3. The Municipality's authorization of its C&I Customers to contract with the Designated ARC(s) to aggregate their demand response resources as provided herein does not constitute or confer a franchise, grant, exclusive license, or other property right. Rather, the right created by this authorization is in the nature of a revocable non-exclusive license.

SECTION 4. Notwithstanding Section 2 of this Resolution, in the event a Designated ARC's Master Services Agreement(s) with MPPA, an Addendum to the Designated ARC's Master Services Agreement(s) with MPPA, an Addendum to the Master Participation Agreement, or the Master Participation Agreement is suspended, terminated, or rescinded for cause, each C&I Customer's participation in the Designated ARC's demand response Program(s) shall continue through the end of the last MISO Planning Year, June 1st of one year to May 31st of the following year, in which the C&I Customer is already registered. For the avoidance of doubt, existing contractual commitments between the Designated ARC(s) and the C&I Customers may not be extended and new contracts may not be executed upon a suspension/termination/recession notification unless this Resolution permits the Designated ARC(s) to do so.

SECTION 5. If any section, subsection, paragraph, clause or provision or any part thereof of this Resolution shall be finally adjudicated by a court of competent jurisdiction to be invalid, the remainder of this Resolution shall be unaffected by such adjudication and all the remaining provisions of this Resolution shall remain in full force and effect as though such section, subsection, paragraph, clause or provision or any part thereof so adjudicated to be invalid had not, to the extent of such invalidity, been included herein.

SECTION 6. This Resolution shall take effect at the earliest date allowed by law.

FURTHER, BE IT RESOLVED, that any resolution(s) and parts of resolution(s) are, to the extent of any conflict with this resolution, rescinded.

AYES: _____

NAYS: _____

ABSENT: _____

RESOLUTION DECLARED ADOPTED.

PERRY BEACHUM, BOARD CHAIRPERSON

I hereby certify that the foregoing is a true and complete text of the Resolution of the utility board of the Municipality, which was duly adopted and approved by the Utility Board of the Municipality on [MONTH, DAY, YEAR], and remains in full force and effect as of this date.

Date: _____

CHARLIE WEST, GENERAL MANAGER

Memorandum



To: Lowell Light & Power Board
From: Charlie West
Date: October 11, 2026
Re: Ancillary Employee Benefit Insurance Renewal

Background:

Following our transition to the West Michigan Health Insurance Pool, our health insurance plan year now follows the calendar year. In connection with that transition, we also updated our agent of record for ancillary employee benefits to Gallagher. To align all ancillary benefits with the calendar-year plan structure, staff are presenting the following renewals for the Board's review and approval.

Dental: Your board packet includes an updated Delta Dental proposal. Staff recommend no changes to dental coverage. The renewal reflects a 2.9% rate increase (approximately \$395/year) for calendar year 2027:

	2027	2026	% Change
Employee Only	37.88	36.81	2.9%
Employee + Spouse	71.13	69.13	2.9%
Employee + Child(ren):	104.65	101.7	2.9%
Employee + Spouse + Child(ren):	154.46	150.11	2.9%

Vision: Delta has confirmed that vision rates will remain unchanged for 2027.

AD&D, Long-Term Disability, & Short-Term Disability: OneAmerica has confirmed that current rates can be extended through December 31, 2027, with no rate impact. The next renewal would then occur on January 1, 2028.

Staff Recommendations:

1. **Approve the Delta Dental renewal for calendar year 2027, reflecting a 2.9% rate increase, and authorize the General Manager to execute the necessary agreements.**
2. **Approve the Delta Vision renewal for calendar year 2027, with no rate increase, and authorize the General Manager to execute the necessary agreements.**
3. **Approve the OneAmerica AD&D/STD/LTD renewal for calendar year 2027, with no rate increase, and authorize the General Manager to execute the necessary agreements.**

Additional Information

- Dental – 10% Employee paid/90% Employer paid
- Vision – 100% Employee paid
- AD&D/STD/LTD – 100% Employer paid

Delta Dental of Michigan
Proposal for Lowell Light & Power
Client Number: #9291-0001,0099



Current Plan

Delta Dental PPO (Point-of-Service)

DENTAL BENEFIT HIGHLIGHTS

Coverage effective January 1, 2027

Plan Pays

	Delta Dental PPO™ Dentist	Delta Dental Premier® Dentist	Non-participating Dentist*
Diagnostic & Preventive			
Diagnostic and Preventive Services - exams, cleanings, fluoride, and space maintainers	100%	100%	100%
Brush Biopsy - to detect oral cancer	100%	100%	100%
Bitewing Radiographs - bitewing X-rays	100%	100%	100%
Basic Services			
Palliative Treatment - to temporarily relieve pain	80%	80%	80%
All Other Radiographs - other X-rays	80%	80%	80%
Minor Restorative Services - fillings and crown repair	80%	80%	80%
Endodontic Services - root canals	80%	80%	80%
Periodontic Services - to treat gum disease	80%	80%	80%
Oral Surgery Services - extractions and dental surgery	80%	80%	80%
Relines and Repairs - to prosthetic appliances	80%	80%	80%
Major Services			
Major Restorative Services - crowns	50%	50%	50%
Other Basic Services - misc. services	50%	50%	50%
Prosthodontic Services - bridges, implants, and dentures	50%	50%	50%
Orthodontic Services			
Orthodontic Services - braces	50%	50%	50%
Orthodontic Age Limit	Up to age 19		

** When you receive services from a Nonparticipating Dentist, the percentages in this column indicate the portion of Delta Dental's Nonparticipating Dentist Fee that will be paid for those services. This amount may be less than what the Dentist charges and you are responsible for that difference.*

Maximum Payment - \$1,000 per person total per calendar year on diagnostic & preventive, basic services, and major services. \$1,500 per person total per lifetime on orthodontics.

Deductible - \$25 deductible per person total per calendar year limited to a maximum deductible of \$75 per family per calendar year on all services except diagnostic and preventive services, brush biopsy, bitewing X-rays, and orthodontic services.

Join Michigan's largest dental benefits family!

As a client of Delta Dental of Michigan, your employees will have access to the nation's largest dental networks: Delta Dental PPO and Delta Dental Premier. With 4 out of 5 dentists participating nationwide, these two networks provide superior access to care as well as reduced fees through our agreements with participating dentists. Lower claims costs mean lower rates! Plus, your employees cannot be balance billed - giving them added savings. Enrollees can visit nonparticipating dentists, but they can be balance billed and may have to pay more.

Online Access

Our HIPAA compliant e-commerce capabilities let benefit managers and enrollees conduct business securely over the Internet. Benefit managers can update eligibility in real time, even while your employee is at the dentist. Your members can find a participating dentist, check benefits, select paperless notices, review claims and amounts used toward maximums or deductibles, print ID cards, and more at their convenience using our Consumer Toolkit.

Quick and Accurate

We process and pay 90% of claims within 10 days with 99% accuracy - just another reason why we retain nearly 99% of our subscribers each year and 96% of our client groups renew their dental benefits with Delta Dental.

Questions?

If you have questions, call your Account Manager, West MI Small Mkt. Admin, at (877) 335-8264.

RATES (Non-Retention)

Rates Per Subscriber Per Month	Guaranteed for 1 Year
Employee only	\$37.88
Employee and spouse	\$71.13
Employee and child(ren)	\$104.65
Employee, spouse and child(ren)	\$154.46

Rating Requirements

Mandatory enrollment: 70 percent or 13 subscribers

Minimum client contributions: 90 percent for employees and 90 percent for dependents

Tied to medical: No

Maximum number of subclients: 4

Rates are valid for 90 days from October 7, 2026

Subscribers and eligible dependents must enroll for a minimum of 12 months. If coverage is terminated after 12 months, they may not re-enroll prior to the open enrollment that occurs at least 12 months from the date of termination.

Rating Assumptions

The rates are based on the census data that you provided to us. If the census data changes by more than 15%, these rates are not valid.

Rates do not include any applicable claims taxes. The rates are valid only for the effective date noted above and are guaranteed for a 1-year contract.

Self-billing is not allowed and you agree to pay as invoiced each month.

Standard subscriber materials will be provided to you to distribute to your members. These include the Summary of Dental Plan Benefits, Certificate, and ID cards.

These rates include 10.00% commissions.

The plan specifications are subject to Delta Dental's standard exclusions and limitations, Including:

- No pre-existing condition exclusions or limitations.
- Oral exams (including evaluations by a specialist) are payable twice per calendar year.
- Prophylaxes (cleanings) are payable twice per calendar year.
- Fluoride treatments are payable twice per calendar year for people up to age 19.
- Bitewing X-rays are payable once per calendar year and full mouth X-rays (which include bitewing X-rays) are payable once in any five-year period.
- Posterior composite resin restorations are covered services.

Non-standard exclusions and limitations include:

- Crowns, bridges, dentures and implants are payable once per tooth per ten-year period.

Children under age 26 are eligible for benefits, including children who are married, who do not live with the Subscriber, who are not dependents for Federal income tax purposes, and/or who are not permanently disabled.

Quality Dental Program

Delta Dental offers world-class customer service from our certified Center of Excellence call center, as awarded by Benchmark Portal. Delta Dental's customer service operation is recognized for superior performance on both cost and quality-related metrics as compared to our industry peers. The award is one of the most highly sought after prizes in the customer service and support industry.

Passport DentalSM

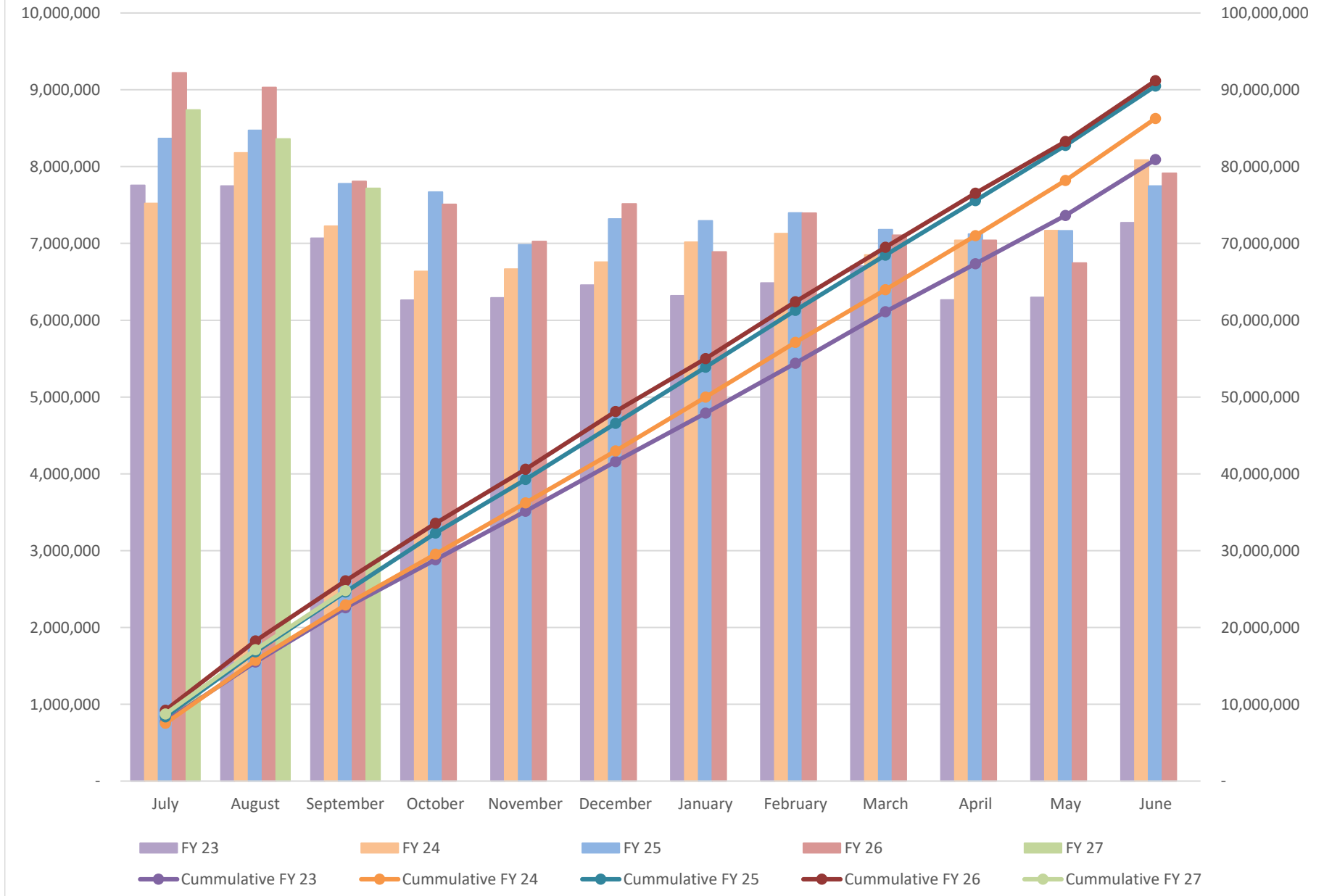
Your members can receive expert dental care when they are outside of the United States through our Passport Dental program. Passport Dental gives Delta Dental's enrollees access to a worldwide network of dentists and dental clinics. English-speaking operators are available around the clock to answer questions and help them schedule care. Delta Dental coverage outside of the United States is the same as Delta Dental coverage within the United States.

THANK YOU!

Thank you for giving Delta Dental the opportunity to provide you with a proposal. We encourage you to call us so that Lowell Light & Power can join the more than 5,700 client groups who enjoy the advantages of a dental program administered by Delta Dental of Michigan, Ohio, North Carolina and Indiana. We look forward to doing business with you!

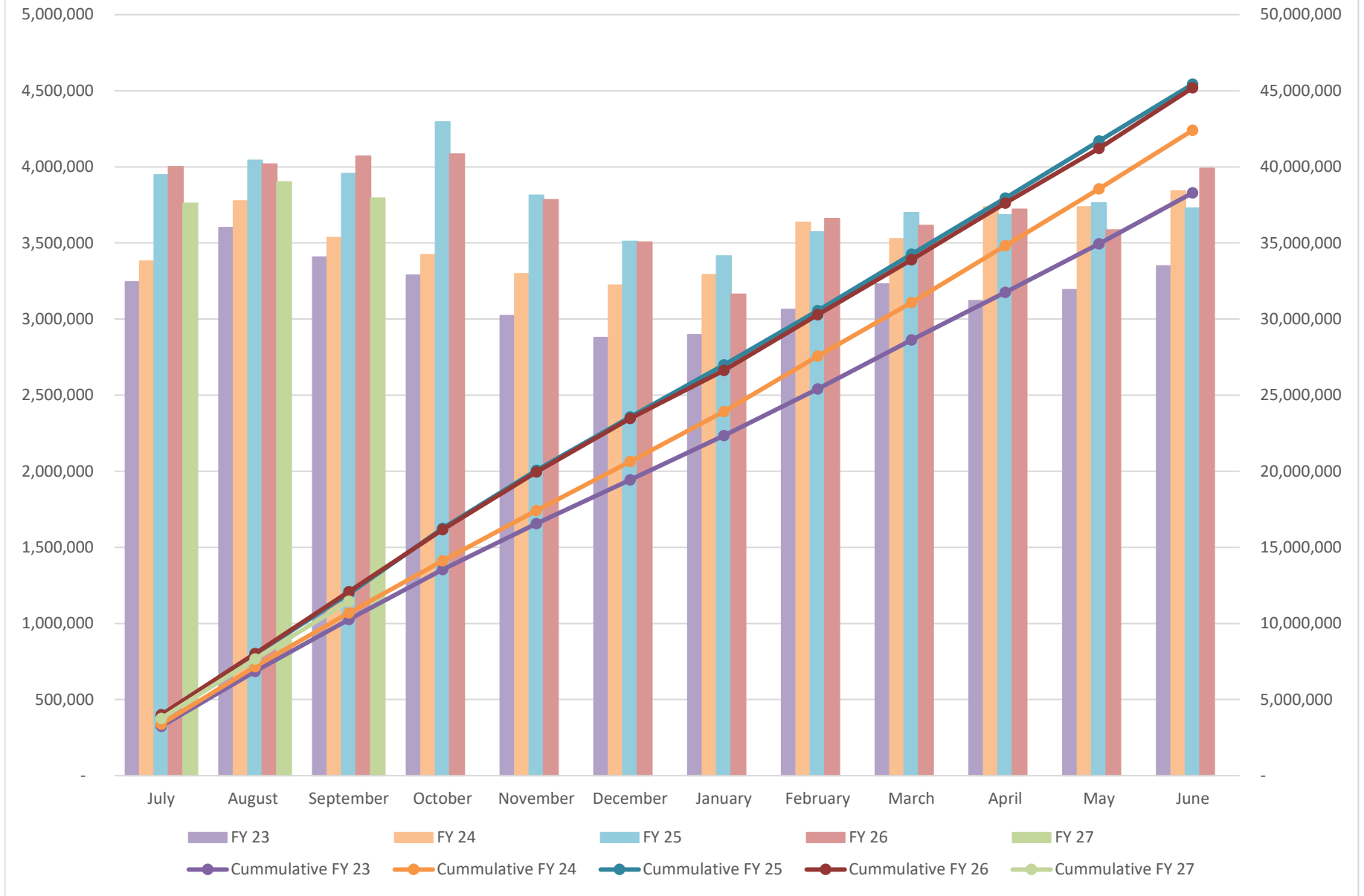
NOTE – The information contained in this proposal is not intended to be contractually binding without a written agreement executed by both parties memorializing the terms and conditions of dental benefit underwriting and/or administration anticipated to be provided by Delta Dental. We reserve the right to withdraw this proposal at any time.

Total kWh Sales FY 2023 - FY 2027



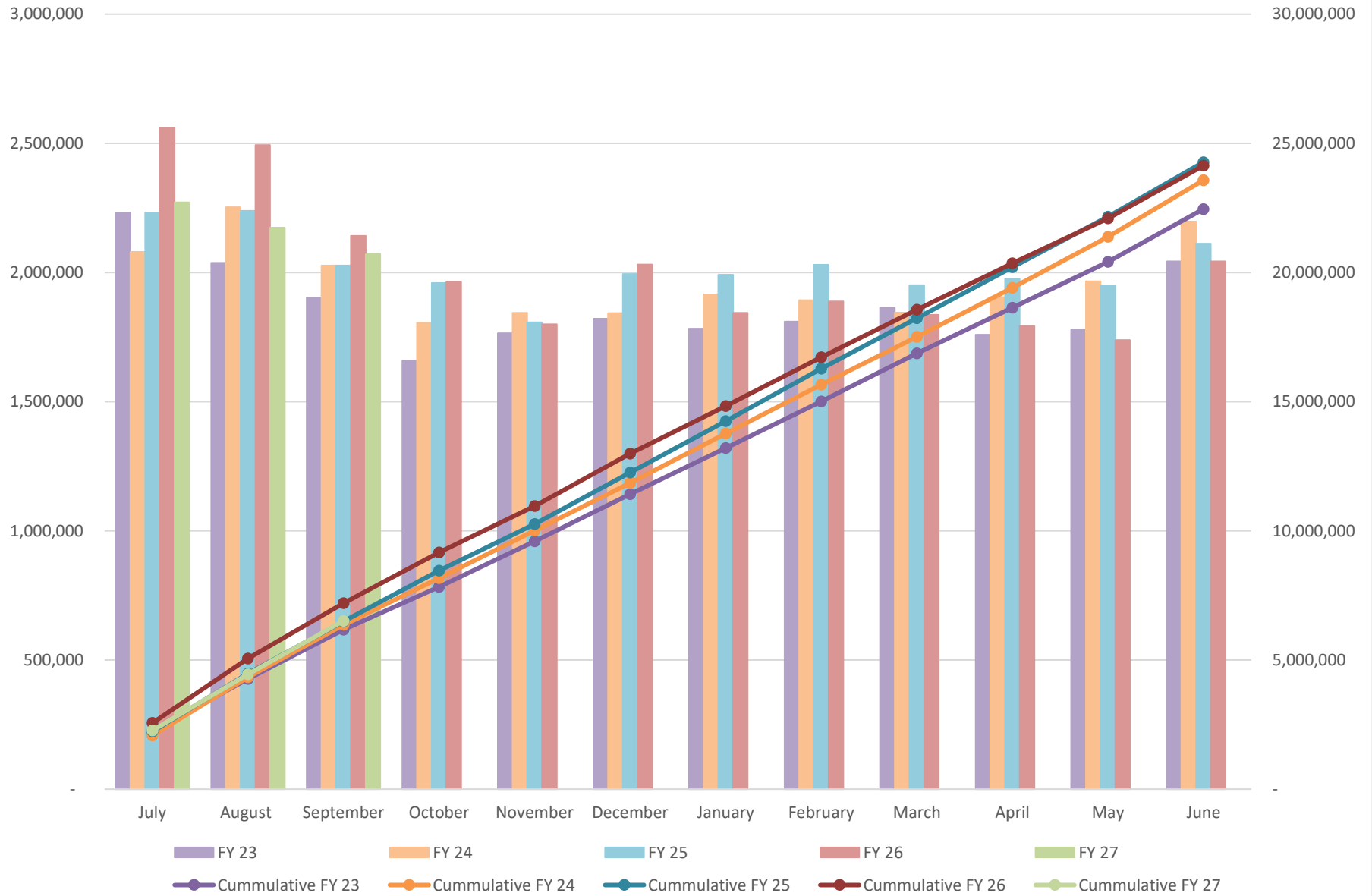
Industrial kWh Sales FY 2023 - FY 2027

Primary Metered

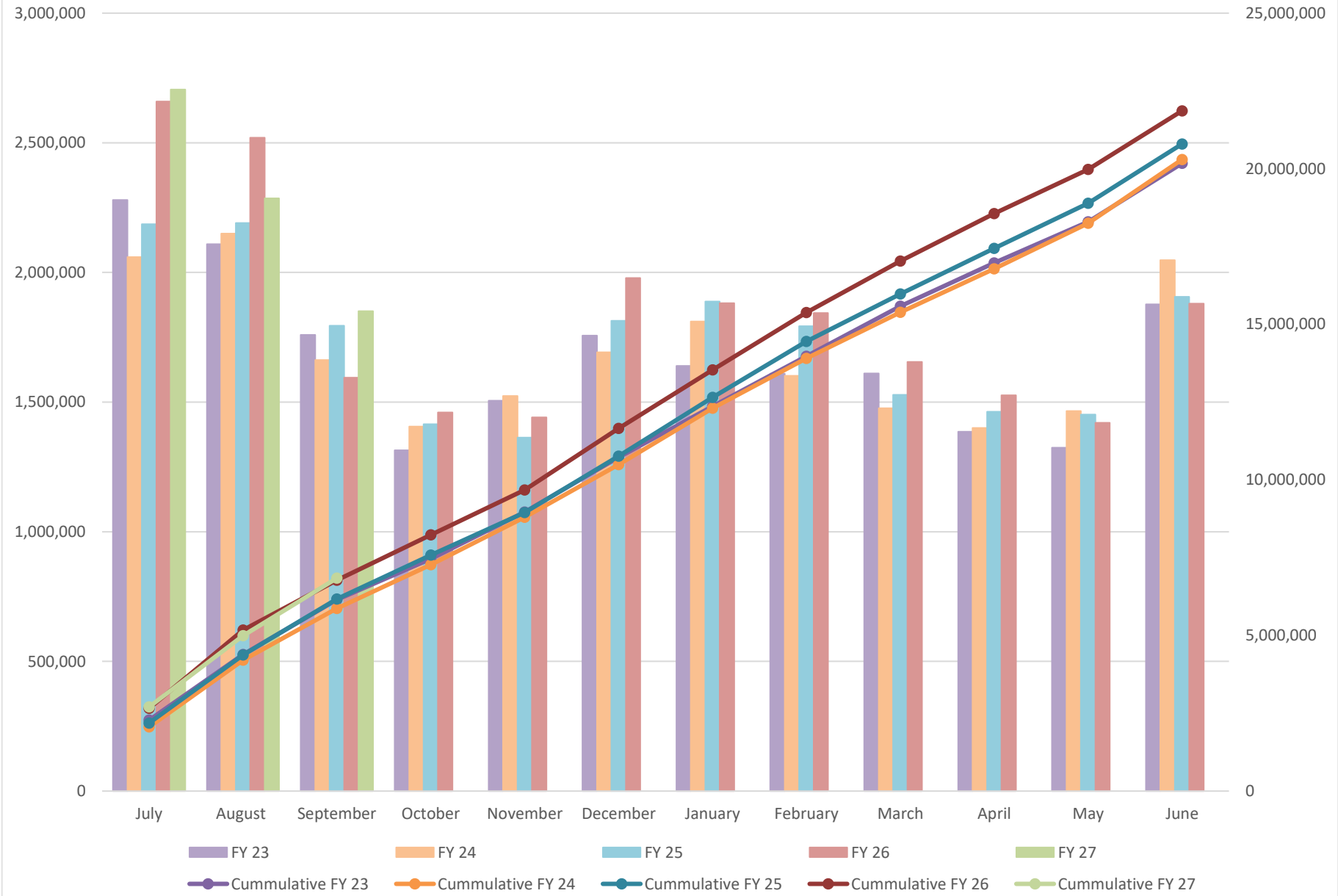


Commercial kWh Sales FY 2023 - FY 2027

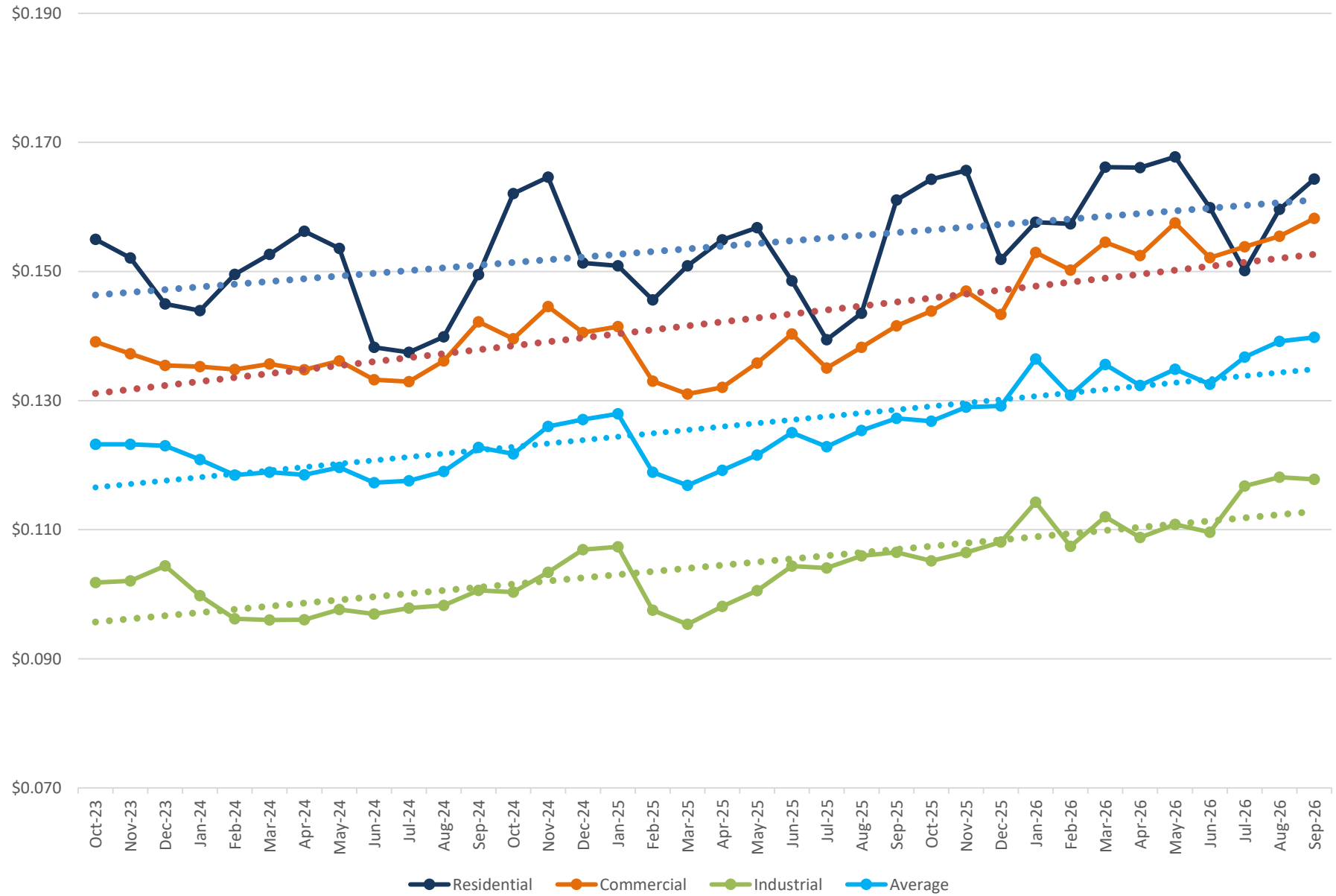
General Service, General Service Demand



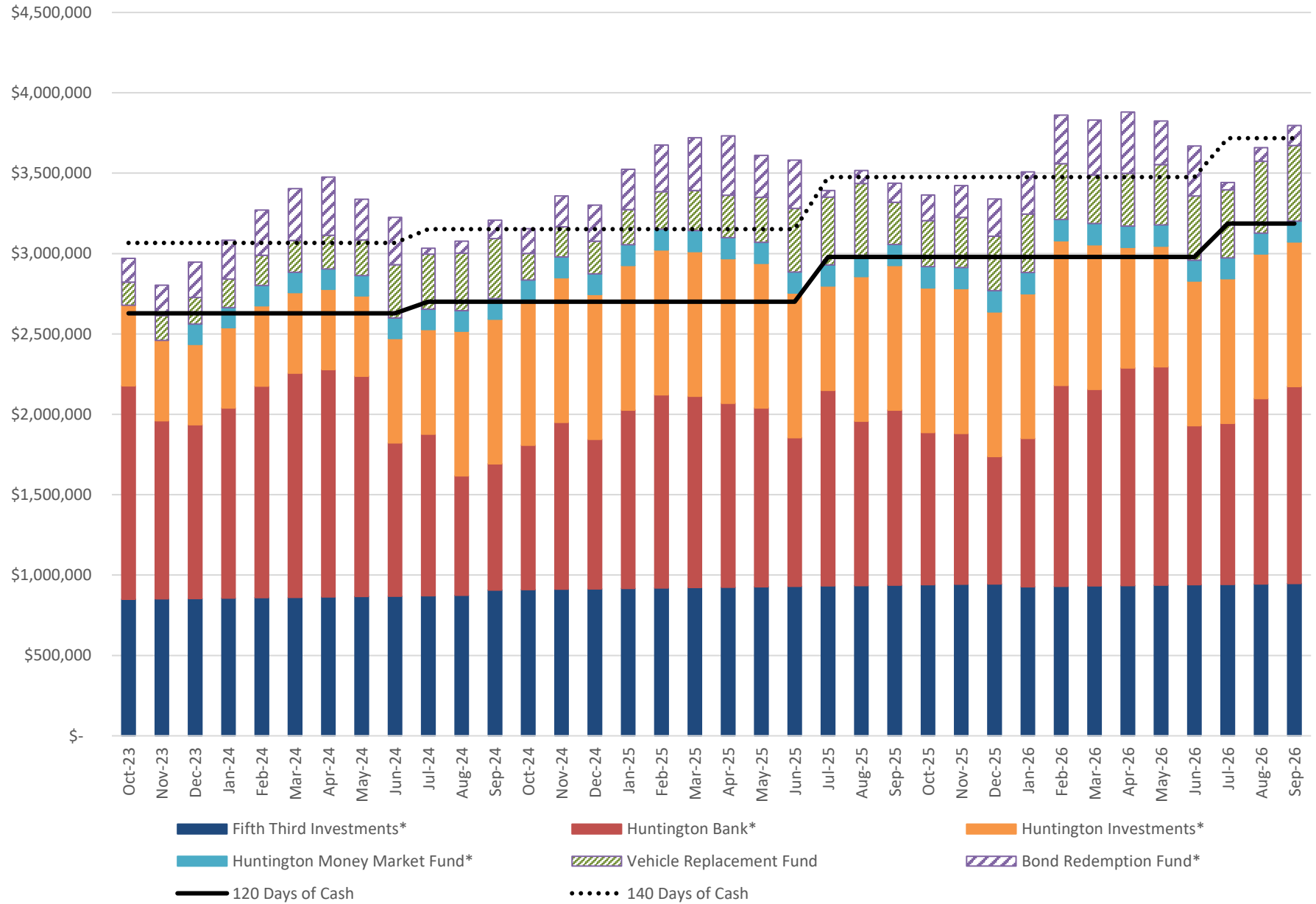
Residential kWh Sales FY 2023 - FY 2027



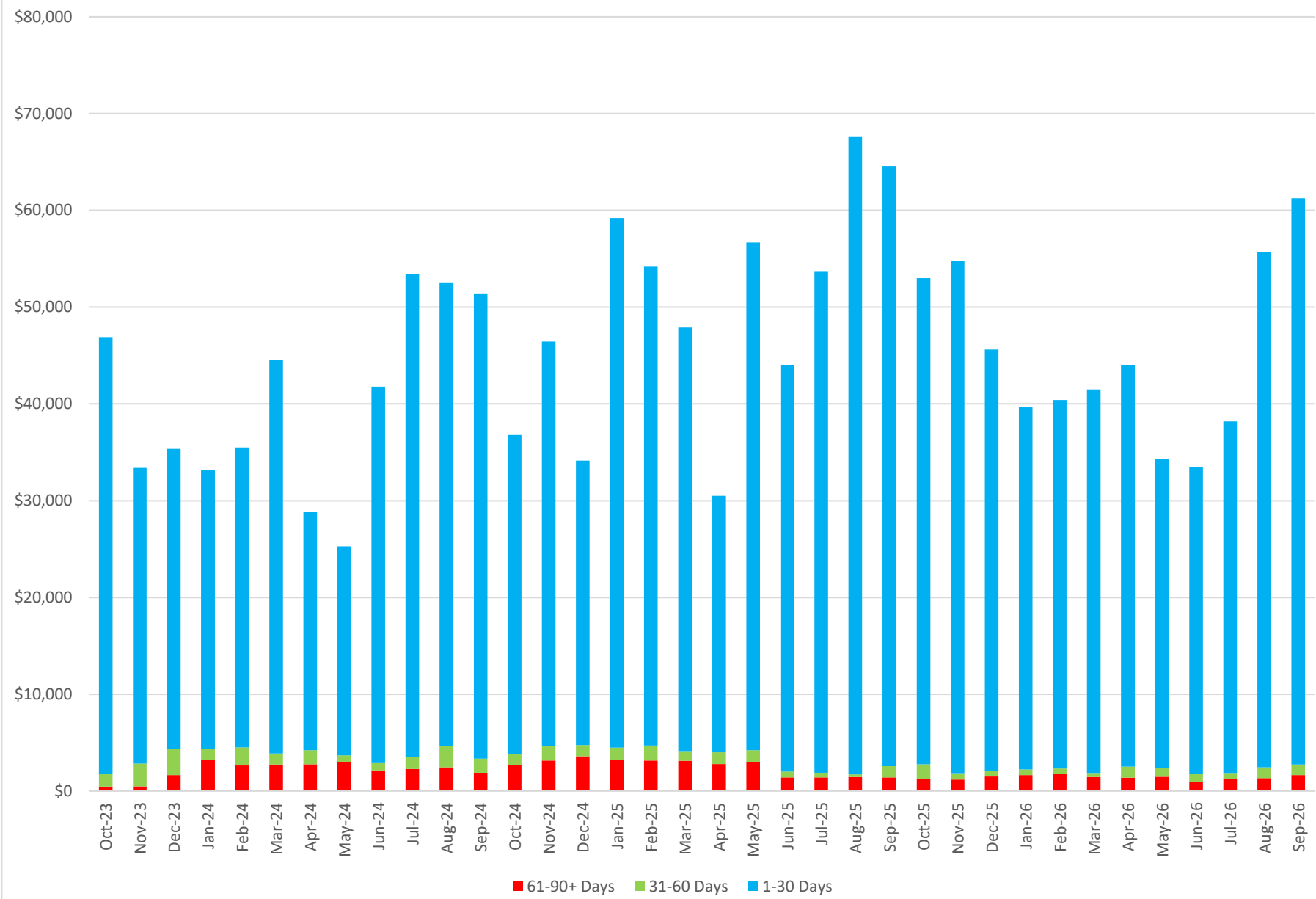
Cost Per kWh



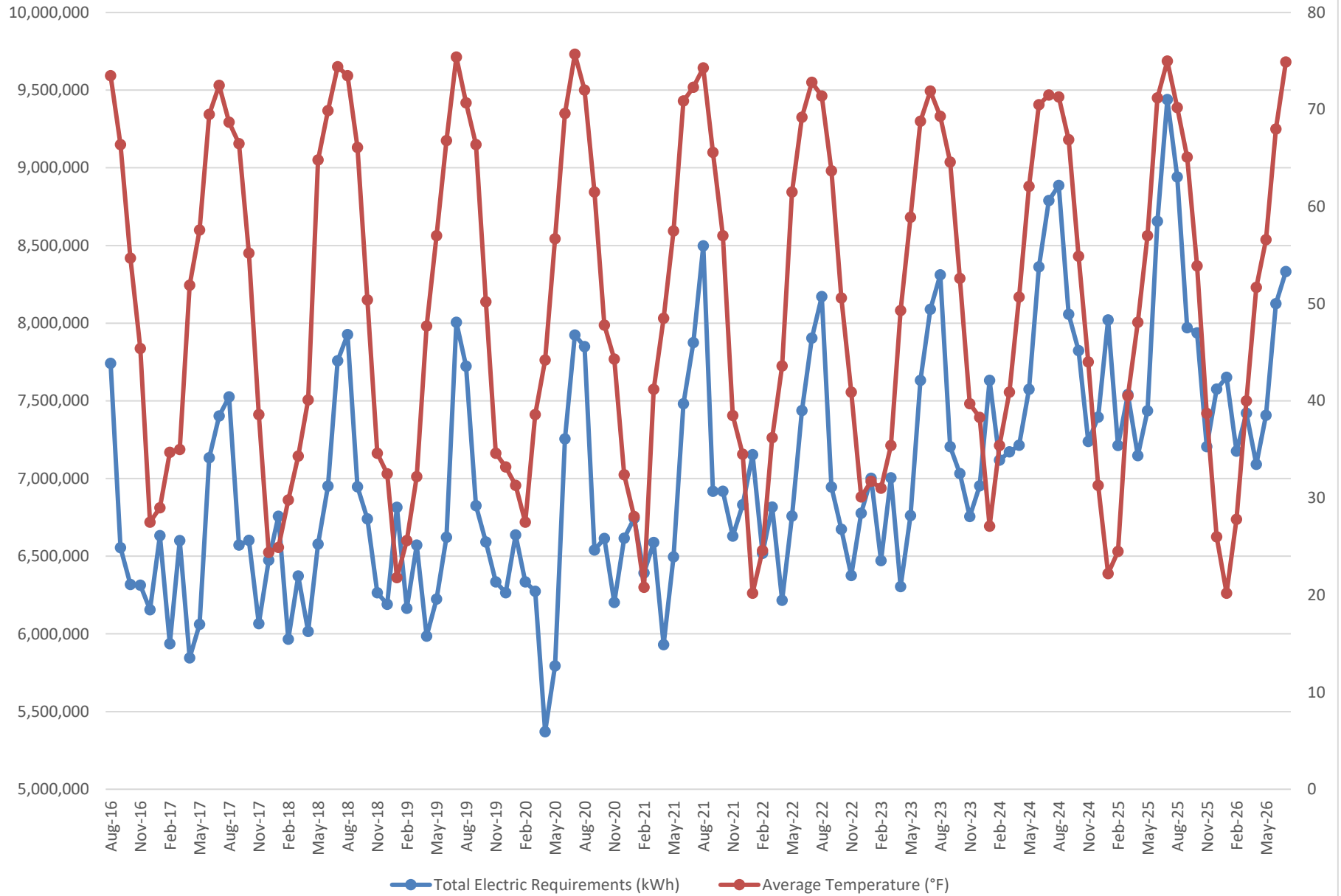
Unrestricted Investments and Cash



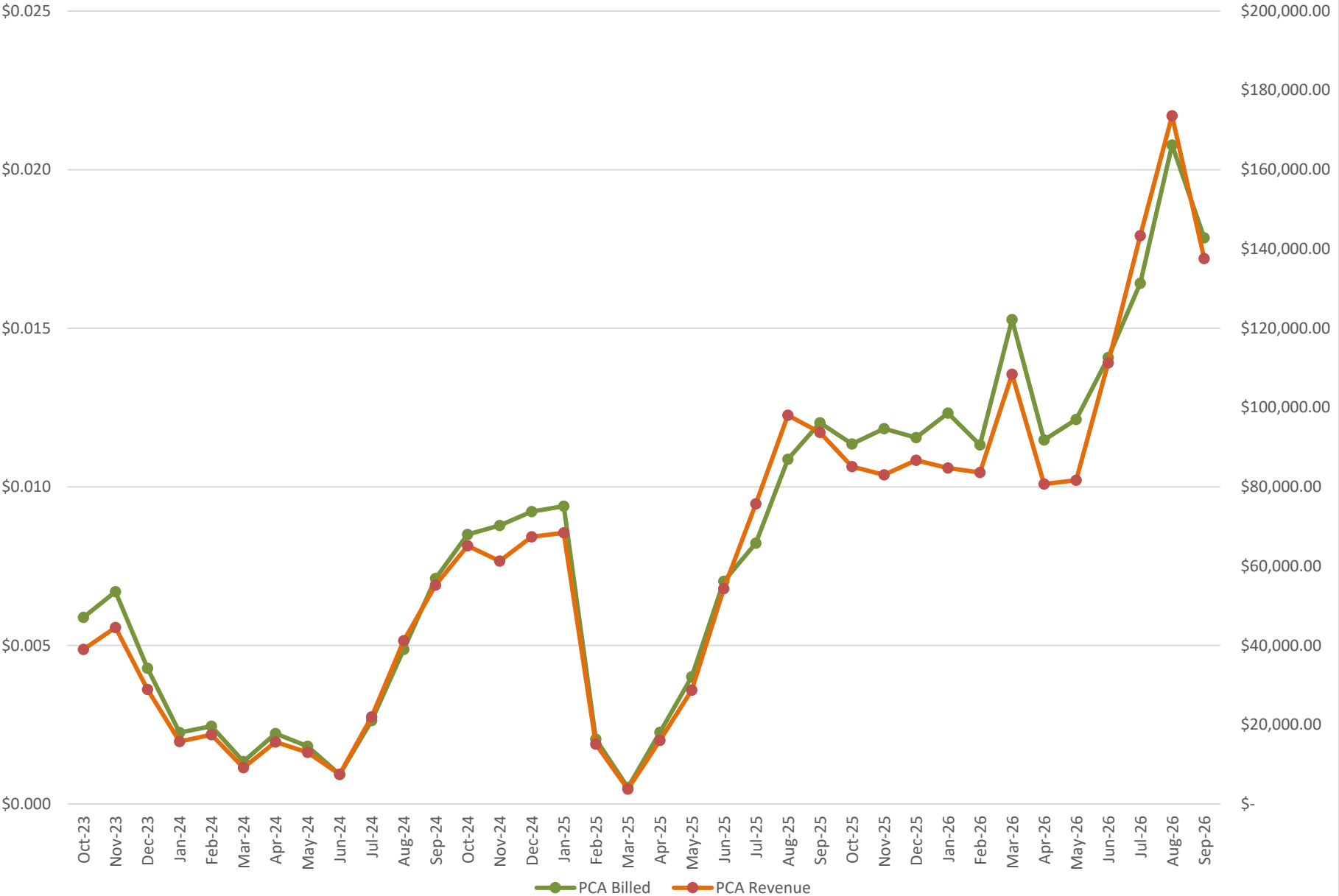
Aging Analysis



Electric Requirements



PCA and PCA Revenue



Monthly Statistics Report

Search Criteria Used

Year: 2026; **Starting Month:** September;
Organization: Lowell Light & Power;
Is an Annual Report: Unchecked;

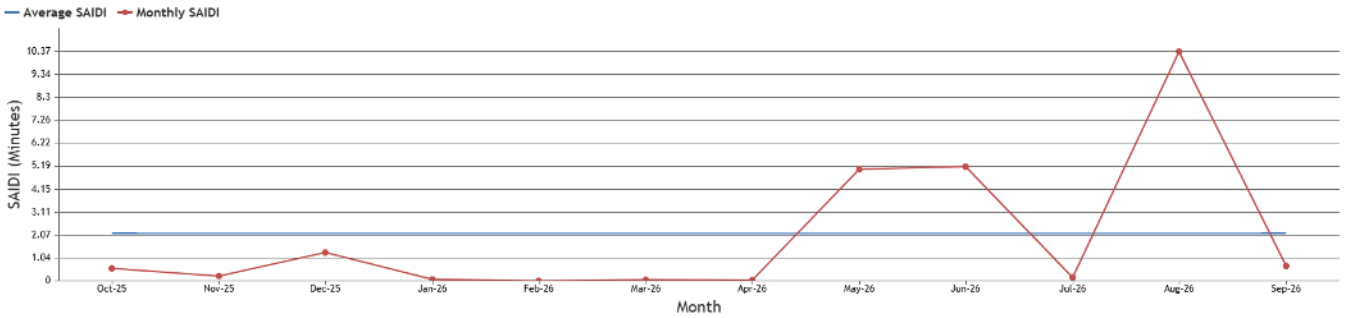
IEEE 1366 STATISTICS

+/-

	2025 (09/01/2025 - 09/30/2025)	2026 (09/01/2026 - 09/30/2026)
SAIDI	3.977835	0.6678445
SAIFI	0.1930614	0.01124317
CAIDI	20.60399	59.4
ASAI	99.99079	99.99845
Momentary Interruptions	0	0
Sustained Interruptions	7	3

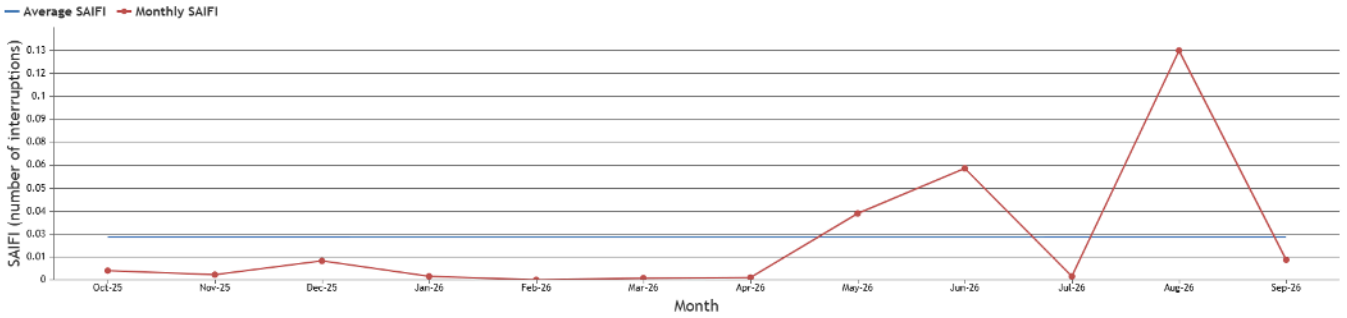
MONTHLY SAIDI CHART

+/-



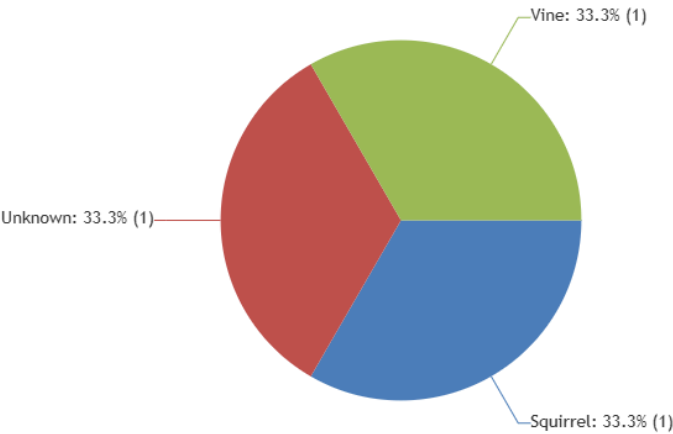
MONTHLY SAIFI CHART

+/-



PRIMARY OUTAGE CAUSES (COUNT)

+/-

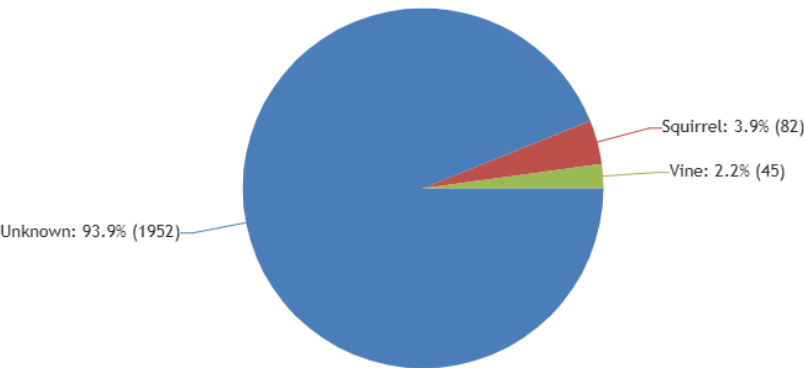


Primary Outage Causes (Count)

Squirrel	1
Unknown	1
Vine	1

PRIMARY OUTAGE CAUSES (DURATION)

+/-



Primary Outage Causes (Duration)

Unknown	1952
Squirrel	82
Vine	45

Ranked by Outage Count

Circuit	Substation	Number of Outages
Circuit 204	138 Sub	2
201	North Sub	1

Ranked by Customer Interruptions

Circuit	Substation	Customer Interruptions
Circuit 204	138 Sub	34
201	North Sub	1

Ranked by Customer Minutes of Duration

Circuit	Substation	Customer Minutes of Duration
Circuit 204	138 Sub	2,034
201	North Sub	45

TOP 10 OUTAGES FOR THE MONTH

+/-

Address	Customers Interrupted	Duration	Customer Minutes of Interruption	Start Date
Oberley (unknown) (/n/esams/reliability-tracker/dashboard/outages/1094385/details)	32	61	1952	9/27/2026 9:14:00 AM
12620-12618 Grand River (squirrel) (/n/esams/reliability-tracker/dashboard/outages/1092686/details)	2	41	82	9/14/2026 6:47:00 PM
1070 Beech St. (vines) (/n/esams/reliability-tracker/dashboard/outages/1094937/details)	1	45	45	9/30/2026 6:00:00 AM

Total Customers Affected for the Month: 35
Average Customers Affected per Outage: 11

September 2026 Income Statement

Line Item	Current Month Actual	Current Month Budget	Variance %	Prior YTD Actual	Current YTD Actual	Current YTD Budget	Current YTD Variance	Variance %	Yearly Budget Total	% of Budget Used	Amount Until Yearly Budget Total is Reached
OPERATING REVENUE											
Sales Revenue	1,078,766.24	969,409.52	11.28%	3,031,083.28	3,437,392.19	3,227,601.34	209,790.85	6.50%	12,014,270.00	28.61%	8,576,877.81
Service Revenue	6,631.22	6,111.36	8.51%	20,380.79	19,625.95	18,204.44	1,421.51	7.81%	77,700.00	25.26%	58,074.05
Miscellaneous Revenue	10,677.93	4,959.06	115.32%	15,122.38	21,003.79	15,002.27	6,001.52	40.00%	61,000.00	34.43%	39,996.21
TOTAL OPERATING REVENUE	\$ 1,096,075.39	\$ 980,479.93	11.79%	\$ 3,066,586.45	\$ 3,478,021.93	\$ 3,260,808.05	\$ 217,213.88	6.66%	\$ 12,152,970.00	28.62%	\$ 8,674,948.07
OPERATING EXPENSES											
Generation Expenses	19,307.06	13,322.07	44.93%	32,657.91	45,203.28	40,616.98	4,586.30	11.29%	159,000.00	28.43%	113,796.72
Purchased Power Expenses	535,963.07	512,511.43	4.58%	1,238,099.01	1,678,112.48	1,683,680.99	(5,568.51)	-0.33%	6,268,139.00	26.77%	4,590,026.52
Distribution Expenses	79,228.33	68,311.99	15.98%	165,921.85	172,779.33	201,087.06	(28,307.73)	-14.08%	798,500.00	21.64%	625,720.67
Customer Accounting Expense	45,773.87	36,485.26	25.46%	62,364.83	129,744.26	98,417.46	31,326.80	31.83%	492,000.00	26.37%	362,255.74
Marketing and Advertising Expense	7,154.83	7,522.82	-4.89%	7,279.98	12,886.59	12,798.36	88.23	0.69%	50,000.00	25.77%	37,113.41
Admin/General/Outside Services Expense	46,669.16	31,419.56	48.54%	62,460.51	121,958.40	83,590.88	38,367.52	45.90%	387,100.00	31.51%	265,141.60
Office, Insurance, & Maintenance	25,961.99	27,875.72	-6.87%	76,038.58	76,872.13	82,901.92	(6,029.79)	-7.27%	346,500.00	22.19%	269,627.87
Employee Benefits & Other Compensation	138,081.96	116,986.89	18.03%	284,752.94	384,435.50	349,737.44	34,698.06	9.92%	1,487,393.32	25.85%	1,102,957.82
Miscellaneous Expenses	5,174.02	5,942.58	-12.93%	20,824.78	19,139.60	23,962.05	(4,822.45)	-20.13%	97,500.00	19.63%	78,360.40
Depreciation Expenses	77,691.56	74,250.00	4.64%	207,985.65	233,644.86	222,750.00	10,894.86	4.89%	900,000.00	25.96%	666,355.14
TOTAL OPERATING EXPENSES	\$ 981,005.85	\$ 894,628.31	9.66%	\$ 2,158,386.04	\$ 2,874,776.43	\$ 2,799,543.15	\$ 75,233.28	2.69%	\$ 10,986,132.32	26.17%	\$ 8,111,355.89
OPERATING INCOME (LOSS)	115,069.54	85,851.62	34.03%	908,200.41	603,245.50	461,264.90	141,980.60	30.78%	1,166,837.68	51.70%	563,592.18
NON-OPERATING REVENUE (EXPENSE)											
Interest Income	3,901.39	3,638.91	7.21%	19,284.37	11,829.83	15,829.94	(4,000.11)	-25.27%	65,000.00	18.20%	53,170.17
Interest Expense	1,312.50	1,329.43	-1.27%	7,648.21	4,458.83	4,231.46	227.37	5.37%	16,212.50	27.50%	11,753.67
Gain/Loss on Sale of Property/Investments	0.00	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!	0.00
Transfers	50,651.52	49,333.14	2.67%	99,466.36	148,255.47	143,363.94	4,891.53	3.41%	529,302.15	28.01%	381,046.68
TOTAL NON-OPERATING REVENUE (EXPENSE)	\$ (48,062.63)	\$ (47,023.65)	2.21%	\$ (87,830.20)	\$ (104,616.97)	\$ (131,765.46)	\$ 27,148.49	-20.60%	\$ (480,514.65)	21.77%	\$ (375,897.68)
NET INCOME (LOSS)	\$ 67,006.91	\$ 38,827.97	72.57%	\$ 820,370.21	\$ 498,628.53	\$ 329,499.44	\$ 169,129.09	51.33%	\$ 686,323.03	72.65%	\$ 187,694.50

Capital Expenses Fiscal Year July 1, 2026 - June 30, 2027

Updated: September 2026

Capital Budget For Fiscal Year FY 2027

\$1,148,000

Amount Remaining from FY 2026 Capital Budget

\$0

Total Available Capital Budget in FY 2027

\$1,148,000

Work in Process

G/L #	Description	YTD Amt
107.630.20	Substation Access Control	\$901
107.670.20	Voltage Conversion Projects	\$55,584
107.700.20	Undergrounding Projects	\$121,746
107.700.20	Upgrade Service at 1155 E Main St	\$6,392
130.100.20	Vehicle Equipment Replacement Fund	\$68,000

Total WIP Capital Expense

\$252,623

Work in Process Transferred to Property, Plant, and Equipment (PPE)

G/L #	Description	YTD Amt
-------	-------------	---------

Total PPE Expenses

\$0

Capital Assets Purchased

391.100.20	Computer	\$1,862
398.000.20	Drone	\$8,523

Total Capital Assets Purchased

\$10,386

Capital Asset Sales/Invoicing for Capital Projects

Net Capital Sales

\$0

Total Capital Expenses

\$263,009

Remaining Capital Expense Balance

\$884,991

Capital Budget and Expenses Incurred for Fiscal Year 2027
Updated: September 2026

Project	FY 2027 Budget Amt	Midyear Reallocation(s)	Total Budget	Current Month Spent	YTD Spent	Amount Remaining
IT Related Projects	\$ 15,000		\$ 15,000		\$ 2,763	\$ 12,237
Capital Equipment	\$ 288,000		\$ 288,000		\$ 8,523	\$ 279,477
Voltage Conversion Projects	\$ 135,000		\$ 135,000	\$ 9,345	\$ 55,584	\$ 79,416
Undergrounding Projects	\$ 255,000		\$ 255,000	\$ 105,313	\$ 121,746	\$ 133,254
Equipment Replacement Fund	\$ 275,000		\$ 275,000	\$ 23,000	\$ 68,000	\$ 207,000
Generation Projects	\$ 80,000		\$ 80,000		\$ -	\$ 80,000
System Expansion Budget	\$ 50,000		\$ 50,000		\$ -	\$ 50,000
Minor Capital Projects	\$ 50,000		\$ 50,000	\$ 6,392	\$ 6,392	\$ 43,608
Total	\$ 1,148,000	\$ -	\$ 1,148,000	\$ 144,050	\$ 263,009	\$ 884,991

Memorandum



To: Charlie West
From: Zac Walker
Date: 10/7/2026
Re: October Distribution Report

New Services

- Stony Bluff: 1
- Other locations: 1

Ultra Capacitor

No progress due to the Little Gee Dr. project

Premier Botanics

The transformers and cabinets have been set. This is still in progress.

Calvary Church

On hold until the Church's Voltage Conversion project is complete

Church St Voltage Conversion

In progress, hoping to finish in October.

Little Gee Dr. Underground Project

All but one of the houses have been converted to underground. The last house is scheduled to be converted later this month. The wrecking out on Alden Nash has been completed.

Tree Work

We hired a contractor to bring in an excavator equipped with a forestry mulcher. This was done to access the areas behind the guardrails on Grand River. Steve

has been using the brush hog on Circuit 204. The work done by both units has been outstanding, and we have received a lot of compliments regarding Steve's efforts.

New Intern

We recently hired Cooper as an intern. At just 18 years old, he is a senior at Lowell High School and is participating in a work release program. Throughout his high school years, Cooper has actively engaged in every ride-along during career day, which has helped shape his dream of becoming a lineman one day.

Memorandum



To: Charlie West
From: Casey Mier
Date: 10/8/2026
Re: October 2026 Generation and Engineering Update

Generator Operation

We have not operated the generators since 9/2/2026. There was a MISO Max Gen Event Step 1 declared on 9/17/2026. We did not operate due to the generators being in a "Planned Outage" status and we are not required to operate until a Max Gen Event Step 2.

MPPA Behind the Meter Generation (BTMG) Project

One of the potential generator manufacturers visited the Energy Center to gather information and discuss their proposed solution.

We are performing a more detailed electrical analysis based on adding 10 MW of generation to our distribution system. Each host city is producing a report and submitting it to MPPA.

IT

No updates at this time.

Mayor Exchange Day with Eaton Rapids

Eaton Rapids toured the Energy Center to see the generation facility and warehouse operations. Eaton Rapids is a fellow MPPA and MMEA member.

Memorandum



To: Charlie West
From: Julie Stewart/Megan Mora
Date: October 9, 2026
Re: October 2026 Office Department Update

- A. NISC:** We are in the final stages to roll over to NISC in Financials. Many items will need to be completed next week, then go live is October 19th. We are also still learning/testing the Service side of NISC which is switching over in Jan/Feb 2027.
- B. Power Fest:** A lot of time was spent by many office staff over the last month planning Power Fest. Alyssa gathered many photos and historical facts about LL&P to create a video that played at Power Fest to celebrate 130th years of powering Lowell. Hopefully you were able to see it!

Our facility was filled with amazing families with kids everywhere. We had laughter, big smiles, some messes, loud screams, and delicious pizza! The best part was being together with our community. We sure enjoyed the beautiful fall evening and loved spending time with our work families.

- C. Public Power Week:** By the time you read this, we will have wrapped up another successful Public Power Week. We gave away many flashlights/nightlights/light bulbs and bags of yummy popcorn. The 2nd Annual blood drive was another amazing success. Thanks to all that helped plan this honorable event. Alyssa was able to reach out to the Athletic Director to get a shout out during the Homecoming Football game, where Jamie's long-lasting story was read to the community. Honoring Jamie Teachworth and all she did for our community, we were proud to host this event again this year!
- D. Other Community Events:** The office staff has also been planning for Harvest Fest, October 10th. If you are around this weekend, come out and visit us on the showboat starting at 10am until we run out of pumpkins.
- E. Employee Appreciation:** Alyssa and Sarah have been preparing items for an employee appreciation event later this year to celebrate the hard work and lasting impact that each employee has made and continues to make on LL&P.

**Manager's Report for the
October 2026 Regular LL&P Board Meeting
Last Updated on October 9, 2026**

A. MPPA/MMEA/APPA Update:

- a. **MPPA:** The MPPA Board of Commissioners has not met since our last board meeting. The next meeting will be the day after the October LL&P Board Meeting. I have no additional updates at this time.
- b. **MMEA:** MMEA held its annual Fall Conference and General Membership Meeting last month. The conference was MMEA's best-attended conference, and the speaker lineup covered a range of relevant topics. Safety was a prominent theme, with some captivating speakers. Most notably was a lineworker who lost the lower half of both arms to an electrical contact. I spoke with the lineworker and his wife, and we will incorporate some lessons learned into our crisis communication plan.
At the general membership meeting, we approved the budget and dues for next year, I presented on our APPA Cybersecurity Accelerator Program process, and we approved Ann Arbor Sustainable Energy Utility's (A2SEU) application for membership in MMEA. This was the first time MMEA has admitted a new member since its establishment. This was also my last meeting as MMEA President.

- B. **Safety Update:** The leadership team recently completed a disaster preparedness tabletop exercise discussing a scenario where the main office was a total loss to fire. This valuable exercise highlighted our strong preparedness while also identifying action items to improve our readiness.
- C. **APPA Cybersecurity Accelerator Program (CAP):** I will provide an update on our CAP application at the board meeting.
- D. **Generation Expansion:** Steve Donkersloot will be attending the board meeting to discuss our generation expansion evaluation.
- E. **NISC:** Activities around the NISC conversion are happening constantly. Later in October, we will be celebrating a significant milestone in the NISC conversion process; Financials will go live.
- F. **RP3:** The RP3 application has been finalized and submitted to APPA for review. We expect requests for clarification or additional information around November, with final designations announced in January.
- G. **Customer Survey:** Great Blue Research is scheduled to join our November board meeting to discuss the results of the customer survey.
- H. **Mayor Exchange:** The City of Lowell hosted a group from Eaton Rapids as part of their Mayor's Exchange program. It was great to highlight LL&P to Eaton Rapids as another public power community. We toured the Energy Center, showcasing the generation facility, the distribution facility, our equipment, and the pride everyone takes in serving the community.
- I. **Mural:** The artist is actively painting the mural as I write the manager's report.

- J. **PowerFest:** PowerFest was another great success this year. Thank you to everyone who came and supported the event. Also, thank you to the staff for pulling off another great community event, even with a major software conversion in progress.
- K. **Jamie Teachworth Memorial Blood Drive:** We hosted our second annual Jamie Teachworth Memorial Blood Drive. This was another successful event, and we surpassed our goal!
- L. **Hart Solar Ribbon Cutting:** In early October, I had the opportunity to attend the ribbon-cutting ceremony for the newly completed Hart Solar project.
- M. **Andrew Boatright Retirement:** Last month, I had the opportunity to join Zeeland as they celebrated the retirement of Andy Boatright. Andy spent 43 years in public power, and I had the privilege of working closely with him on the MPPA executive committee. It is truly amazing to see the positive impact a career in public power can have.
- N. **Anniversaries:** We celebrated one work anniversary in September. Jarred celebrated his 4th anniversary, and we look forward to many more!

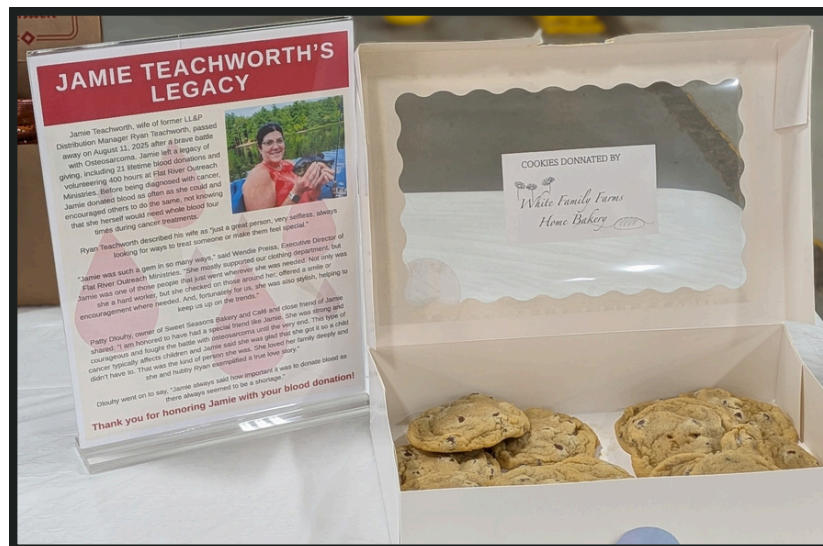
Power Fest



Power Fest

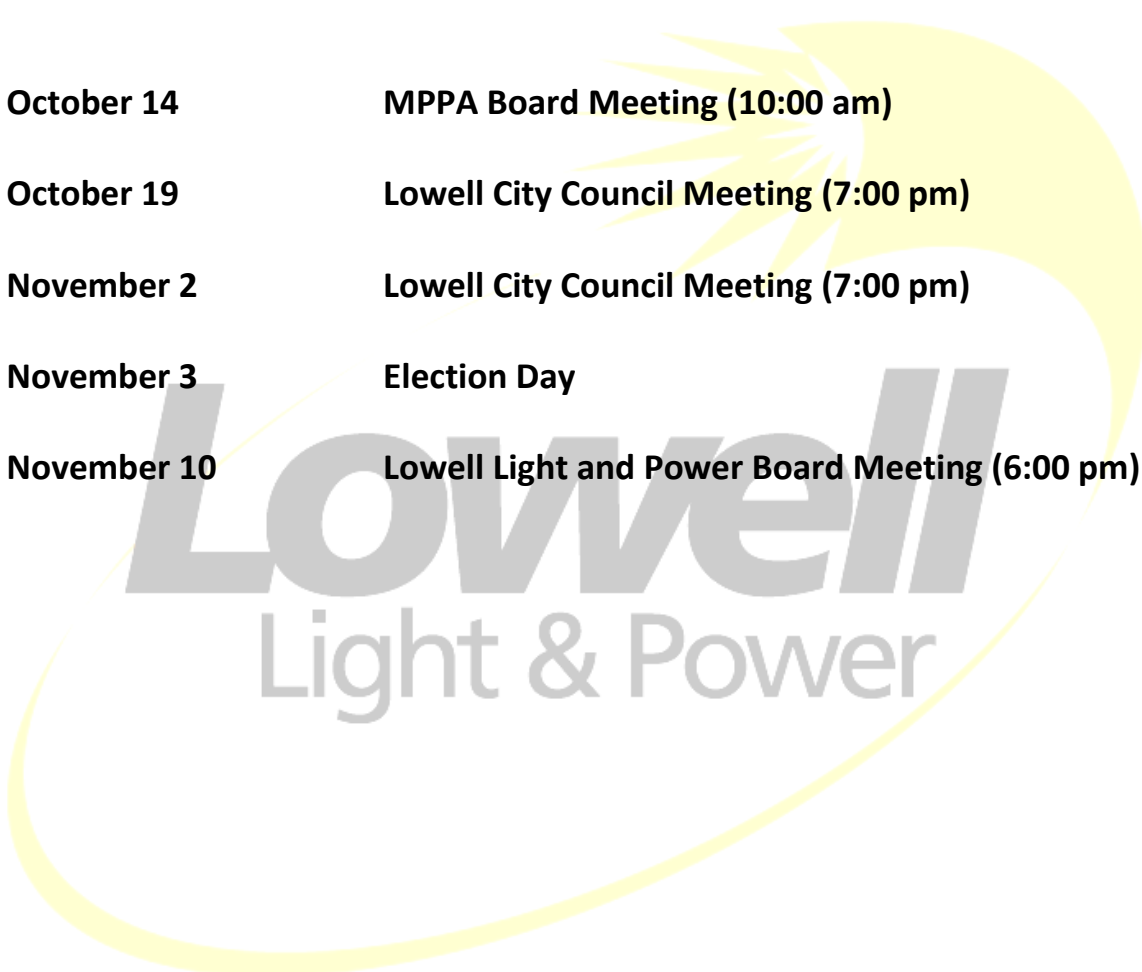


Blood Drive



Results: 18 Whole Blood | 14 Double Red | 1 RBC Apheresis (half double red)

**LL&P and Other City Department's
Schedule of Meetings, Events, and Important Dates**

A large, semi-transparent watermark of the Lowell Light & Power logo is centered on the page. It features a stylized sunburst or starburst graphic in yellow and white, with the words "Lowell" and "Light & Power" in a large, grey, sans-serif font below it.

October 14	MPPA Board Meeting (10:00 am)
October 19	Lowell City Council Meeting (7:00 pm)
November 2	Lowell City Council Meeting (7:00 pm)
November 3	Election Day
November 10	Lowell Light and Power Board Meeting (6:00 pm)

Lowell Light & Power Performance Data

For the Month of September 2026

Electric Sales and Usage Data

Category	Current Month	Current Month, Previous Year	% Change Year to Year	Current Fiscal Year, YTD	Previous Fiscal Year, YTD
Total Electric Sales (\$)	\$1,078,766	\$993,592	8.57%	\$3,437,392	\$3,258,442
Residential Customers*	2,788	2,749	1.42%	N/A	N/A
Residential Sales (kWh)	1,850,771	1,594,572	16.07%	6,842,298	6,773,046
Residential Sales (\$)	\$304,109	\$256,870	18.39%	\$1,075,278	\$989,317
Average Residential Bill	\$109	\$93	16.73%	N/A	N/A
Average Residential kWh Sales Per Customer	664	580	14.44%	N/A	N/A
Commercial Customers**	443	443	0.00%	N/A	N/A
Commercial Sales (kWh)	2,071,084	2,141,877	-3.31%	6,516,594	7,195,771
Commercial Sales (\$)	\$327,686	\$303,273	8.05%	\$1,015,108	\$993,752
Average Commercial Bill	\$740	\$685	8.05%	N/A	N/A
Average Commercial kWh Sales Per Customer	4,675	4,835	-3.31%	N/A	N/A
Industrial Customers***	8	8	0.00%	N/A	N/A
Industrial Sales (kWh)	3,794,400	4,070,400	-6.78%	11,456,400	12,088,500
Industrial Sales (\$)	\$446,971	\$433,450	3.12%	\$1,347,006	\$1,275,373
Average Industrial Bill	\$55,871	\$54,181	3.12%	N/A	N/A
Average Industrial kWh Sales Per Customer	474,300	508,800	-6.78%	N/A	N/A
Internal Generation (kWh)	5,894	0	#DIV/0!	62,391	59,814
*Residential Customers Previous Month	2,793				
**Commercial Customers Previous Month	443				
***Industrial Customers Previous Month	8				

Information From Prior Months (Delayed Reporting by MPPA)

Total Electric Requirements (kWh) - July 2026/2025	8,331,997	9,439,128
Peak Demand (mW) - August 2026/2025	16.366	18.697

Cash And Investments

Unrestricted			Restricted		
	Current Month	Change from Previous Month		Current Month	Change from Previous Month
Fifth Third Investments	\$ 947,595.01	\$ 2,477.69	Equipment Replacement	\$ 470,615.47	\$ 23,576.56
Huntington Bank	\$ 1,225,313.44	\$ 72,381.79	Customer Deposits	\$ 206,610.52	\$ 50.67
Huntington Money Market Fund	\$ 129,005.13	\$ 177.45	Bond Reserve Fund	\$ 138,964.64	\$ 366.46
Bond Redemption Fund	\$ 124,101.68	\$ 39,325.49	LEO Fund	\$ 24,836.01	\$ 319.81
Huntington Investments	\$ 900,000.00	\$ -			
Total	\$ 3,326,015.26	\$ 114,362.42		\$ 841,026.64	\$ 24,313.50

Benevolence Reporting FY 2027

In Kind	Total Budget	Current Month	Year to Date
Chamber Work		\$ 482.85	\$ 923.50
Pink Arrow		\$ 355.36	\$ 355.36
Lowell Cross Country		\$ 317.64	\$ 317.64
Total	\$ 11,000.00	\$ 1,155.85	\$ 1,596.50

Financial	Total Budget	Current Month	Year to Date
Harvest Hustle			\$ 350.00
YMCA Turkey Trot			\$ 350.00
Lowell Friends of the Flat			\$ 200.00
Lowell Arts Muralocity			\$ 500.00
Pink Arrow			\$ 199.00
Lowell High School Athletics			\$ 500.00
Beau Wilder Remembrance Walk			\$ 750.00
Lowell Historical Museum			\$ 300.00
Lowell HS Boys Volleyball			\$ 250.00
Lowell Showboat		\$ 500.00	\$ 500.00
Total	\$ 6,500.00	\$ 500.00	\$ 3,899.00

Grand Total	\$ 17,500.00	\$ 1,655.85	\$ 5,495.50
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September 2026 Income Statement

Line Item	Current Month Actual	Current Month Budget	Variance %	Prior YTD Actual	Current YTD Actual	Current YTD Budget	Current YTD Variance	Variance %	Yearly Budget Total	% of Budget Used	Amount Until Yearly Budget Total is Reached
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OPERATING REVENUE

Sales

Residential Sales	296,666.45	241,414.10	22.89%	900,456.48	1,047,764.59	966,470.65	81,293.94	8.41%	3,435,228.00	30.50%	2,387,463.41
Residential Renewable Energy Charge	0.00	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!	0.00
RS: Energy Optimization Charge	7,399.84	6,411.96	15.41%	14,293.64	27,358.39	24,128.31	3,230.08	13.39%	88,330.00	30.97%	60,971.61
Residential VGP Program Charge	42.54	49.19	-13.52%	159.13	154.89	196.94	(42.05)	-21.35%	700.00	22.13%	545.11
Total Residential Sales	304,108.83	247,875.26	22.69%	914,909.25	1,075,277.87	990,795.91	84,481.96	8.53%	3,524,258.00	30.51%	2,448,980.13
Commercial Sales (GS)	130,246.56	126,954.74	2.59%	394,179.64	427,804.89	415,153.22	12,651.67	3.05%	1,522,531.00	28.10%	1,094,726.11
Commercial Sales (GSD)	190,325.41	161,208.42	18.06%	520,969.28	564,747.96	529,169.30	35,578.66	6.72%	1,968,391.00	28.69%	1,403,643.04
Commercial GS/GSD Renewable Energy Charge	0.00	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!	0.00
GS/GSD Energy Optimization	6,578.18	5,836.16	12.71%	7,660.28	20,914.23	17,479.52	3,434.71	19.65%	77,855.00	26.86%	56,940.77
GS/GSD VGP Program Charge	26.15	37.52	-30.31%	115.28	90.62	122.70	(32.08)	-26.15%	450.00	20.14%	359.38
Commercial Sales (GSDTO)	386,773.73	368,537.38	4.95%	1,035,141.63	1,167,173.80	1,101,493.39	65,680.41	5.96%	4,237,628.00	27.54%	3,070,454.20
Commercial Sales (GSDPM)	53,498.94	52,488.91	1.92%	148,550.38	159,736.94	153,968.85	5,768.09	3.75%	596,525.00	26.78%	436,788.06
Commercial GSDTO/GSDPM Renewable Energy Charge	0.00	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!	0.00
GSDTO/GSDPM Energy Optimization	6,698.50	5,962.81	12.34%	8,129.17	20,095.50	17,893.45	2,202.05	12.31%	80,532.00	24.95%	60,436.50
Total Commercial Sales	774,147.47	721,025.93	7.37%	2,114,745.66	2,360,563.94	2,235,280.43	125,283.51	5.60%	8,483,912.00	27.82%	6,123,348.06
Security/Standby Light Energy Sales	509.94	508.33	0.32%	1,428.37	1,550.38	1,525.00	25.38	1.66%	6,100.00	25.42%	4,549.62
Total Sales Revenue	\$ 1,078,766.24	\$ 969,409.52	11.28%	\$ 3,031,083.28	\$ 3,437,392.19	\$ 3,227,601.34	\$ 209,790.85	6.50%	\$ 12,014,270.00	28.61%	8,576,877.81

Service

Customer Late Charges	5,091.22	4,448.48	14.45%	14,740.30	15,075.95	13,068.86	2,007.09	15.36%	50,000.00	30.15%	34,924.05
Reconnect/Disconnect Fees	400.00	349.65	14.40%	650.00	950.00	935.31	14.69	1.57%	2,500.00	38.00%	1,550.00
Pole Attachment Fees	0.00	0.00	#DIV/0!	0.00	0.00	16.75	(16.75)	-100.00%	6,900.00	0.00%	6,900.00
Meter Charges	0.00	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!	0.00
Miscellaneous Fees	360.00	143.28	151.25%	760.00	720.00	363.71	356.29	97.96%	1,500.00	48.00%	780.00
Miscellaneous Service Revenue	90.00	181.96	-50.54%	930.49	240.00	536.59	(296.59)	-55.27%	5,000.00	4.80%	4,760.00
New Account/Account Relocation Fee	690.00	987.99	-30.16%	3,300.00	2,640.00	3,283.21	(643.21)	-19.59%	11,800.00	22.37%	9,160.00
Total Service Revenue	\$ 6,631.22	\$ 6,111.36	8.51%	\$ 20,380.79	\$ 19,625.95	\$ 18,204.44	\$ 1,421.51	7.81%	\$ 77,700.00	25.26%	58,074.05

Miscellaneous

Chatham Street Lease	5,052.93	4,935.86	2.37%	14,805.48	15,158.79	14,807.57	351.22	2.37%	60,000.00	25.26%	44,841.21
Other Revenue	5,625.00	23.20	24143.29%	316.90	5,845.00	194.70	5,650.30	2902.01%	1,000.00	584.50%	(4,845.00)
Total Miscellaneous Revenue	\$ 10,677.93	\$ 4,959.06	115.32%	\$ 15,122.38	\$ 21,003.79	\$ 15,002.27	\$ 6,001.52	40.00%	\$ 61,000.00	34.43%	39,996.21

TOTAL OPERATING REVENUE	\$ 1,096,075.39	\$ 980,479.93	11.79%	\$ 3,066,586.45	\$ 3,478,021.93	\$ 3,260,808.05	\$ 217,213.88	6.66%	\$ 12,152,970.00	28.62%	8,674,948.07
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OPERATING EXPENSES

Generation

Fuel	156.83	1,336.24	-88.26%	6,879.53	424.29	6,134.83	(5,710.54)	-93.08%	15,000.00	2.83%	14,575.71
Generation Expenses	7,956.79	5,168.16	53.96%	12,880.67	20,200.60	14,155.58	6,045.02	42.70%	60,000.00	33.67%	39,799.40
Maintenance: Generating & Electrical Equipment	1,766.64	345.92	410.71%	2,146.93	6,603.30	2,786.31	3,816.99	136.99%	10,500.00	62.89%	3,896.70
Maintenance: Other Power Generation	996.57	409.26	143.51%	1,485.34	2,245.13	2,926.04	(680.91)	-23.27%	8,000.00	28.06%	5,754.87

September 2026 Income Statement

Line Item	Current Month Actual	Current Month Budget	Variance %	Prior YTD Actual	Current YTD Actual	Current YTD Budget	Current YTD Variance	Variance %	Yearly Budget Total	% of Budget Used	Amount Until Yearly Budget Total is Reached
Maintenance: Structures	1,552.36	803.87	93.11%	1,845.53	2,411.40	2,753.83	(342.43)	-12.43%	18,000.00	13.40%	15,588.60
Maintenance: Supervision & Engineering	0.00	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!	0.00
Miscellaneous Other Power Generation Expenses	697.81	1,088.13	-35.87%	1,123.82	2,145.92	3,260.00	(1,114.08)	-34.17%	14,000.00	15.33%	11,854.08
Operating Supervision/Engineering	6,150.64	2,465.55	149.46%	6,212.96	10,589.63	6,594.06	3,995.57	60.59%	29,000.00	36.52%	18,410.37
Safety and Training Expense	29.42	1,628.54	-98.19%	83.13	484.11	1,767.70	(1,283.59)	-72.61%	3,500.00	13.83%	3,015.89
Tools	0.00	76.41	-100.00%	0.00	98.90	238.62	(139.72)	-58.55%	1,000.00	9.89%	901.10
Total Generation Expenses	\$ 19,307.06	\$ 13,322.07	44.93%	\$ 32,657.91	\$ 45,203.28	\$ 40,616.98	\$ 4,586.30	11.29%	\$ 159,000.00	28.43%	113,796.72
Purchased Power											
AMP Ohio Energy Project	5,809.26	6,487.42	-10.45%	14,833.95	18,108.65	19,843.81	(1,735.16)	-8.74%	79,185.00	22.87%	61,076.35
Belle River Project	62,035.16	39,000.50	59.06%	71,327.13	204,436.82	111,935.83	92,500.99	82.64%	437,441.00	46.73%	233,004.18
Campbell Number 3 Project	145,704.66	110,996.24	31.27%	153,052.64	401,103.05	324,194.79	76,908.26	23.72%	1,279,965.00	31.34%	878,861.95
Deficiency Capacity Charge	11,474.69	30,897.77	-62.86%	(26,286.72)	11,413.07	109,276.04	(97,862.97)	-89.56%	246,320.00	4.63%	234,906.93
Forecasted Market Balancing	(102,648.46)	(109,094.38)	-5.91%	(77,857.60)	(402,198.58)	(345,806.85)	(56,391.73)	16.31%	(700,000.00)	57.46%	(297,801.42)
Energy Services Project	199,727.08	181,043.77	10.32%	570,349.39	744,421.05	690,516.56	53,904.49	7.81%	2,485,877.00	29.95%	1,741,455.95
Granger Energy Project	63,047.66	50,169.42	25.67%	194,231.13	188,128.90	158,953.94	29,174.96	18.35%	645,728.00	29.13%	457,599.10
MPPA Transmission Project	6,090.05	5,106.37	19.26%	13,291.33	18,836.82	15,634.96	3,201.86	20.48%	57,782.00	32.60%	38,945.18
Transmission Charge	26,601.02	66,852.70	-60.21%	92,440.11	135,824.37	222,308.54	(86,484.17)	-38.90%	289,281.00	46.95%	153,456.63
Kalkaska: CT Project	63,920.59	60,253.96	6.09%	87,953.36	154,540.76	158,918.21	(4,377.45)	-2.75%	598,620.00	25.82%	444,079.24
MPPA Service Supply Committee Expense	4,351.28	4,522.97	-3.80%	7,545.37	18,387.87	13,281.62	5,106.25	38.45%	50,000.00	36.78%	31,612.13
Assembly Solar Project	38,080.86	50,087.27	-23.97%	106,166.92	147,096.58	157,624.71	(10,528.13)	-6.68%	478,764.00	30.72%	331,667.42
Pegasus Wind Project	11,769.22	16,187.40	-27.29%	31,052.00	38,013.12	46,998.83	(8,985.71)	-19.12%	319,176.00	11.91%	281,162.88
Total Purchased Power Expenses	\$ 535,963.07	\$ 512,511.43	4.58%	\$ 1,238,099.01	\$ 1,678,112.48	\$ 1,683,680.99	\$ (5,568.51)	-0.33%	\$ 6,268,139.00	26.77%	4,590,026.52
Distribution											
Customer Installation Expense	2,063.23	2,669.94	-22.72%	6,270.90	4,032.51	11,274.19	(7,241.68)	-64.23%	42,000.00	9.60%	37,967.49
Load Dispatching	0.00	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!	0.00
Maintenance: Line Transformers	0.00	410.68	-100.00%	393.78	277.64	1,247.20	(969.56)	-77.74%	6,000.00	4.63%	5,722.36
Maintenance: Meters	0.00	363.14	-100.00%	7,884.46	2,619.28	4,620.15	(2,000.87)	-43.31%	9,000.00	29.10%	6,380.72
Maintenance: Overhead Lines	1,795.65	19,445.80	-90.77%	31,883.52	13,083.38	48,493.20	(35,409.82)	-73.02%	145,000.00	9.02%	131,916.62
Maintenance: Street Lighting	3,736.33	217.40	1618.62%	1,144.54	4,278.31	885.63	3,392.68	383.08%	5,000.00	85.57%	721.69
Maintenance: Structures	2,262.78	1,531.54	47.75%	1,844.68	4,012.77	4,140.47	(127.70)	-3.08%	18,500.00	21.69%	14,487.23
Maintenance: Substations	3,228.57	3,456.37	-6.59%	6,859.12	6,460.87	13,252.14	(6,791.27)	-51.25%	55,000.00	11.75%	48,539.13
Maintenance: Underground Lines	4,939.16	5,997.13	-17.64%	12,440.46	10,582.34	15,569.03	(4,986.69)	-32.03%	65,000.00	16.28%	54,417.66
Meter Expenses	0.00	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!	0.00
Miscellaneous Distribution Expense	6,387.65	7,266.56	-12.10%	15,926.02	16,130.36	21,527.18	(5,396.82)	-25.07%	82,500.00	19.55%	66,369.64
Operation Supervision/Engineering	19,227.86	8,118.53	136.84%	32,286.69	43,789.82	25,825.16	17,964.66	69.56%	123,000.00	35.60%	79,210.18
Operation Supervision/Xsmission System	4,080.42	76.11	5261.09%	184.96	5,163.82	665.36	4,498.46	676.10%	2,000.00	258.19%	(3,163.82)
Overhead Line Expenses	0.00	120.95	-100.00%	106.14	0.00	458.54	(458.54)	-100.00%	3,000.00	0.00%	3,000.00
Street Lighting Expenses	0.00	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!	0.00
Substation Expenses	0.00	5.21	-100.00%	0.00	0.00	10.59	(10.59)	-100.00%	1,000.00	0.00%	1,000.00
Safety and Training Expense	12,114.99	3,194.43	279.25%	8,512.94	16,525.42	10,250.69	6,274.73	61.21%	62,500.00	26.44%	45,974.58
Tools	3,467.59	1,426.12	143.15%	3,852.88	5,139.56	2,542.17	2,597.39	102.17%	10,000.00	51.40%	4,860.44
Trucks and Transportation Expense	3,075.13	3,645.08	-15.64%	5,723.64	11,053.54	9,794.74	1,258.80	12.85%	60,000.00	18.42%	48,946.46
Tree Trimming Expense	9,587.54	9,587.55	0.00%	30,607.12	26,368.28	29,184.04	(2,815.76)	-9.65%	104,000.00	25.35%	77,631.72
Underground Line Expenses	3,261.43	779.44	318.43%	0.00	3,261.43	1,346.56	1,914.87	142.20%	5,000.00	65.23%	1,738.57

September 2026 Income Statement

Line Item	Current Month Actual	Current Month Budget	Variance %	Prior YTD Actual	Current YTD Actual	Current YTD Budget	Current YTD Variance	Variance %	Yearly Budget Total	% of Budget Used	Amount Until Yearly Budget Total is Reached
Total Distribution Expenses	\$ 79,228.33	\$ 68,311.99	15.98%	\$ 165,921.85	\$ 172,779.33	\$ 201,087.06	\$ (28,307.73)	-14.08%	\$ 798,500.00	21.64%	625,720.67
Customer Accounting											
Customer Accounts: Supervision	2,739.87	1,514.64	80.89%	3,723.12	4,957.77	4,323.43	634.34	14.67%	19,000.00	26.09%	14,042.23
Customer Assistance Expense	5,802.28	3,928.81	47.69%	8,894.55	12,742.59	11,775.43	967.16	8.21%	52,000.00	24.50%	39,257.41
Customer Records/Collections Expense	8,509.15	6,682.69	27.33%	18,760.25	22,188.88	22,381.82	(192.94)	-0.86%	90,000.00	24.65%	67,811.12
Customer Service Training	139.27	115.83	20.23%	168.16	206.28	508.93	(302.65)	-59.47%	5,000.00	4.13%	4,793.72
Uncollectible Account Expense	0.00	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!	0.00
Meter Reading Expense	2,412.04	2,065.14	16.80%	4,725.61	7,349.21	5,761.59	1,587.62	27.56%	25,000.00	29.40%	17,650.79
Miscellaneous Customer Accounts Expense	6,303.99	4,995.62	26.19%	11,299.93	16,398.83	14,872.13	1,526.70	10.27%	61,000.00	26.88%	44,601.17
EOC Program Portfolio											
Residential Program Portfolio	9,272.22	4,379.82	111.70%	2,134.13	16,591.39	9,080.28	7,511.11	82.72%	74,000.00	22.42%	57,408.61
Comm/Indust. Program Portfolio	8,680.51	11,200.00	-22.50%	10,433.94	43,521.23	25,200.00	18,321.23	72.70%	140,000.00	31.09%	96,478.77
Portfolio-Level Costs (Admin)	1,914.54	1,602.70	19.46%	2,225.14	5,788.08	4,513.85	1,274.23	28.23%	26,000.00	22.26%	20,211.92
Total EOC Program Portfolio	19,867.27	17,182.52	15.62%	14,793.21	65,900.70	38,794.13	27,106.57	69.87%	240,000.00	27.46%	174,099.30
Total Customer Accounting Expense	\$ 45,773.87	\$ 36,485.26	25.46%	\$ 62,364.83	\$ 129,744.26	\$ 98,417.46	\$ 31,326.80	31.83%	\$ 492,000.00	26.37%	362,255.74
Marketing and Advertising											
Advertising Expense	7,154.83	7,522.82	-4.89%	7,279.98	12,886.59	12,798.36	88.23	0.69%	50,000.00	25.77%	37,113.41
Demonstrating and Selling Expense	0.00	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!	0.00
Total Marketing and Advertising Expense	\$ 7,154.83	\$ 7,522.82	-4.89%	\$ 7,279.98	\$ 12,886.59	\$ 12,798.36	\$ 88.23	0.69%	\$ 50,000.00	25.77%	37,113.41
Admin./General/Outside Services											
Administrative and General Salaries	34,089.92	18,620.23	83.08%	51,860.81	79,551.34	57,197.35	22,353.99	39.08%	256,000.00	31.07%	176,448.66
Board Conferences and Training	0.00	105.75	-100.00%	0.00	0.00	105.75	(105.75)	-100.00%	7,500.00	0.00%	7,500.00
Board Meeting and Related Expense	1,475.42	1,040.34	41.82%	2,519.20	3,983.74	4,435.04	(451.30)	-10.18%	25,000.00	15.93%	21,016.26
O/S: Accounting, Legal, Engineering & Consultant	11,103.82	11,653.24	-4.71%	8,080.50	38,423.32	21,852.74	16,570.58	75.83%	98,600.00	38.97%	60,176.68
Total Admin/General/Outside Services Expense	\$ 46,669.16	\$ 31,419.56	48.54%	\$ 62,460.51	\$ 121,958.40	\$ 83,590.88	\$ 38,367.52	45.90%	\$ 387,100.00	31.51%	265,141.60
Office, Insurance, & Maintenance											
Injuries, Damages, & Safety Expenses	1,060.00	1,791.01	-40.82%	4,470.20	2,098.00	6,736.25	(4,638.25)	-68.86%	26,000.00	8.07%	23,902.00
Maintenance: Office Building	1,154.84	1,418.89	-18.61%	3,639.39	1,976.25	3,807.33	(1,831.08)	-48.09%	16,500.00	11.98%	14,523.75
Office Supplies, Fees, Dues, Phone, Maintenance	17,243.85	18,499.15	-6.79%	51,040.99	52,747.98	53,858.34	(1,110.36)	-2.06%	230,000.00	22.93%	177,252.02
Property/Liability Insurance	6,503.30	6,166.67	5.46%	16,888.00	20,049.90	18,500.00	1,549.90	8.38%	74,000.00	27.09%	53,950.10
Total Office, Insurance, & Maintenance	\$ 25,961.99	\$ 27,875.72	-6.87%	\$ 76,038.58	\$ 76,872.13	\$ 82,901.92	\$ (6,029.79)	-7.27%	\$ 346,500.00	22.19%	269,627.87
Employee Benefits & Other Compensation											
Compensated Absenses	28,775.86	16,028.75	79.53%	18,068.49	85,555.05	56,821.37	28,733.68	50.57%	230,000.00	37.20%	144,444.95
Employee Pensions & Benefits	80,156.73	76,396.68	4.92%	207,339.65	226,097.03	218,155.95	7,941.08	3.64%	937,000.00	24.13%	710,902.97
OPEB	0.00	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	10,000.00	0.00%	10,000.00
Other Compensation	8,859.34	6,922.26	27.98%	18,573.55	22,117.70	20,805.80	1,311.90	6.31%	92,000.00	24.04%	69,882.30
Taxes: Social Security & Medicare	14,666.79	11,525.30	27.26%	21,740.00	33,756.40	35,612.63	(1,856.23)	-5.21%	134,641.32	25.07%	100,884.92
Retiree Medical Insurance Coverage	5,623.24	6,113.90	-8.03%	19,031.25	16,909.32	18,341.69	(1,432.37)	-7.81%	83,752.00	20.19%	66,842.68
Total Employee Benefits & Other Compensation	\$ 138,081.96	\$ 116,986.89	18.03%	\$ 284,752.94	\$ 384,435.50	\$ 349,737.44	\$ 34,698.06	9.92%	\$ 1,487,393.32	25.85%	1,102,957.82

September 2026 Income Statement

Line Item	Current Month Actual	Current Month Budget	Variance %	Prior YTD Actual	Current YTD Actual	Current YTD Budget	Current YTD Variance	Variance %	Yearly Budget Total	% of Budget Used	Amount Until Yearly Budget Total is Reached
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Miscellaneous

Conference/Seminar Expense	3,375.67	3,941.51	-14.36%	15,053.94	13,286.81	17,800.84	(4,514.03)	-25.36%	72,000.00	18.45%	58,713.19
Benevolence - In Kind	1,155.85	916.30	26.14%	966.73	1,596.50	2,748.90	(1,152.40)	-41.92%	11,000.00	14.51%	9,403.50
Benevolence - Financial	500.00	541.45	-7.66%	2,000.00	3,983.95	1,624.35	2,359.60	145.26%	6,500.00	61.29%	2,516.05
Miscellaneous General Expenses	142.50	543.32	-73.77%	2,804.11	272.34	1,787.96	(1,515.62)	-84.77%	8,000.00	3.40%	7,727.66

Total Miscellaneous Expenses	\$ 5,174.02	\$ 5,942.58	-12.93%	\$ 20,824.78	\$ 19,139.60	\$ 23,962.05	\$ (4,822.45)	-20.13%	\$ 97,500.00	19.63%	78,360.40
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Depreciation Expenses

Depreciation Expense	77,691.56	74,250.00	4.64%	207,985.65	233,644.86	222,750.00	10,894.86	4.89%	900,000.00	25.96%	666,355.14
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Total Depreciation Expenses	\$ 77,691.56	\$ 74,250.00	4.64%	\$ 207,985.65	\$ 233,644.86	\$ 222,750.00	\$ 10,894.86	4.89%	\$ 900,000.00	25.96%	666,355.14
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TOTAL OPERATING EXPENSES	\$ 981,005.85	\$ 894,628.31	9.66%	\$ 2,158,386.04	\$ 2,874,776.43	\$ 2,799,543.15	\$ 75,233.28	2.69%	\$ 10,986,132.32	26.17%	8,111,355.89
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OPERATING INCOME (LOSS)	\$ 115,069.54	\$ 85,851.62	34.03%	\$ 908,200.41	\$ 603,245.50	\$ 461,264.90	\$ 141,980.60	30.78%	\$ 1,166,837.68	51.70%	563,592.18
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NON-OPERATING REVENUE (EXPENSE)

Interest Income

Interest and Dividend	3,901.39	3,638.91	7.21%	19,284.37	11,829.83	15,829.94	(4,000.11)	-25.27%	65,000.00	18.20%	53,170.17
Interest Income Series 2012	0.00	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!	0.00
MPPA Trust Fund Change	0.00	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!	0.00
MPPA Working Capital Interest	0.00	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!	0.00
Fifth Third Investments FMV Change	0.00	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!	0.00

Total Interest Income	\$ 3,901.39	\$ 3,638.91	7.21%	\$ 19,284.37	\$ 11,829.83	\$ 15,829.94	\$ (4,000.11)	-25.27%	\$ 65,000.00	18.20%	53,170.17
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Interest Expense

Interest Expense on Customer Deposits	0.00	0.00	#DIV/0!	(781.79)	(216.17)	0.00	(216.17)	#DIV/0!	0.00	#DIV/0!	216.17
Interest Expense Installment Purchase Loan(s)	0.00	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!	0.00
Interest Expense Series 2012 Bonds	1,312.50	1,329.43	-1.27%	8,430.00	4,675.00	4,231.46	443.54	10.48%	16,212.50	28.84%	11,537.50

Total Interest Expense	\$ 1,312.50	\$ 1,329.43	-1.27%	\$ 7,648.21	\$ 4,458.83	\$ 4,231.46	\$ 227.37	5.37%	\$ 16,212.50	27.50%	11,753.67
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Gain/Loss on Sale of Property/Investment

Gain on Property Disposal	0.00	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!	0.00
Gain on Sale of Investments	0.00	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!	0.00
Loss on Property Disposal	0.00	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!	0.00
Loss on Sale of Investments	0.00	0.00	#DIV/0!	0.00	0.00	0.00	0.00	#DIV/0!	0.00	#DIV/0!	0.00

Total Gain/Loss on Sale of Property/Investments	\$ -	\$ -	#DIV/0!	\$ -	\$ -	\$ -	\$ -	#DIV/0!	\$ -	#DIV/0!	0.00
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Transfers

PILOT - City of Lowell	50,651.52	49,333.14	2.67%	99,466.36	148,255.47	143,363.94	4,891.53	3.41%	529,302.15	28.01%	381,046.68
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September 2026 Income Statement

Line Item	Current Month Actual	Current Month Budget	Variance %	Prior YTD Actual	Current YTD Actual	Current YTD Budget	Current YTD Variance	Variance %	Yearly Budget Total	% of Budget Used	Amount Until Yearly Budget Total is Reached
Total Transfers	\$ 50,651.52	\$ 49,333.14	2.67%	\$ 99,466.36	\$ 148,255.47	\$ 143,363.94	\$ 4,891.53	3.41%	\$ 529,302.15	28.01%	381,046.68
TOTAL NON-OPERATING REVENUE (EXPENSE)	\$ (48,062.63)	\$ (47,023.65)	2.21%	\$ (87,830.20)	\$ (104,616.97)	\$ (131,765.46)	\$ 27,148.49	-20.60%	\$ (480,514.65)	21.77%	(375,897.68)
NET INCOME (LOSS)	\$ 67,006.91	\$ 38,827.97	72.57%	\$ 820,370.21	\$ 498,628.53	\$ 329,499.44	\$ 169,129.09	51.33%	\$ 686,323.03	72.65%	187,694.50

VENDOR #	VENDOR NAME	DESCRIPTION	CHECK DATE	CHECK NO.	AMOUNT	VOID AMOUNT	
1090	BERNARD'S ACE HARDWARE	CHECK OVERFLOW, BERNARD'S ACE	09/10/26	34530		0.00	Void
1090	BERNARD'S ACE HARDWARE	PURCHASE ORDER 6117	09/10/26	34531	242.37		
9161	BLOOM SLUGGETT, PC	Council Regarding General Muni Matters	09/10/26	34532	1227.00		
8438	CULVER COMPANY	Learning to Save Energy Activity Booklet	09/10/26	34533	698.01		
8935	FANDANGLED CUSTOM APPAREL	Power Fest shirts	09/10/26	34534	490.57		
4788	FLAT RIVER OUTREACH MINISTRIES	LEO Payment, Admin Fee Aug 26	09/10/26	34535	96.33		
9279	GEOFF ELDRED	EV Charger Rebate	09/10/26	34536	350.00		
6452	IBEW- LOCAL 876	IBEW (6) 1.5% (see spreadsheet)	09/10/26	34537	1046.46		
5770	KING MILLING	EWR Incentive	09/10/26	34538	208.60		
8922	LOWELL SHOWBOAT VI	Donation for use of Showboat	09/10/26	34539	500.00		
846	MICHIGAN MUNICIPAL LEAGUE	Workers Comp FY 27	09/10/26	34540	1558.00		
8013	NEONOVA NETWORK SERVICES	August Answering Services	09/10/26	34541	547.11		
8265	PAT'S PREMIER LAWN CARE	Lawn Care, August 2026	09/10/26	34542	440.00		
4930	RONDA AUTO CENTERS	Tire change, Truck 55	09/10/26	34543	823.44		
4790	SELF SERVE LUMBER	PURCHASE ORDER 6118	09/10/26	34544	7.18		
7421	TMI COMPRESSED AIR SYSTEMS	EWR Incentive, Root Lowell	09/10/26	34545	5500.00		
7662	VAN'T HOF DOOR & GATE SYSTEMS	Service Call, Warehouse Gate	09/10/26	34546	626.50		
453	AAA SLING & INDUSTRIAL SUPPLY INC	Round sling, Web sling	09/25/26	34548	293.38		
9161	BLOOM SLUGGETT, PC	Council Regarding Litehouse lease	09/25/26	34549	1707.00		
4788	FLAT RIVER OUTREACH MINISTRIES	LEO Payment, Admin Fee Sept 26	09/25/26	34550	506.48		
6743	HARDING ENTERPRISES	Hydrovac for poles	09/25/26	34551	750.00		
5934	Mid-Michigan Railroad	Lessee Code LOW02 GRER19058631	09/25/26	34552	2748.08		
9281	PHEONIX DESIGN STUDIO LLC	Public Power banners	09/25/26	34553	1705.00		
9280	STAKING UNIVERSITY	Staking Class for Tony	09/25/26	34554	950.00		
9102	STRAIGHT-LINE DIRECTIONAL DRILLING	Directional Drilling	09/25/26	34555	77145.00		
2599	THE BANK OF NEW YORK MELLON	Admin Fee, Series 2012 bonds	09/25/26	34556	550.68		
8014	WEATHER SHIELD ROOFING SYSTEMS, INC.	Wellness Inspection, Warehouse Roof	09/25/26	34557	615.00		
1073	U S POSTAL SERVICE	Monthly Postage for billing- Sept 2026	09/30/26	34558	613.05		
1010	CITY OF LOWELL	Drill bits	09/23/26	9999999	15.18		Direct
1010	CITY OF LOWELL	Sept 2026 PILOT Payment	09/30/26	9999999	51075.76		Direct
1010	CITY OF LOWELL	Bulk water for boring	09/23/26	9999999	110.00		Direct
1013	CONSUMERS ENERGY	CT Generators Gas	09/23/26	9999999	337.44		Direct
1063	POWER LINE SUPPLY	PURCHASE ORDER 6111	09/30/26	9999999	27080.91		Direct
1187	AFLAC	September Payroll Deductions	09/30/26	9999999	104.49		Direct
2843	FIFTH THIRD BANK	West CR Card ***1077	09/30/26	9999999	5581.49		Direct
2875	GRP ENGINEERING INC.	Relay Setting Update	09/30/26	9999999	7350.82		Direct
2878	FLEETCOR TECHNOLOGIES	Fuelman fleet tech	09/30/26	9999999	1601.22		Direct
4169	MERS OF MICHIGAN	MERS - Sept 2026	09/30/26	9999999	67734.47		Direct
4351	KENDALL ELECTRIC INC	600 MCM Crimper	09/23/26	9999999	2896.39		Direct
4822	MICHIGAN PUBLIC POWER AGENCY	MPPA Monthly Invoice: Campbell	09/28/26	9999999	548045.98		Direct
4851	STATE OF MICHIGAN-SALES AND WH TAX	Sales Tax & Withholding Tax- August 2026	09/30/26	9999999	34098.68		Direct
4855	FEDERAL TAX DEPOSIT	Federal Tax Deposit W/H PE 9/27/26	09/30/26	9999999	47886.92		Direct
5204	Julie Stewart	Cell Phone Reimbursement	09/30/26	9999999	127.04		Direct
5544	Verizon Wireless	Line Dept Cell Phones	09/23/26	9999999	519.86		Direct
5729	Comcast	Phone Back Up Internet Line	09/30/26	9999999	129.85		Direct
5970	MORA, MEGAN	Cell Phone Reimbursement	09/30/26	9999999	127.04		Direct
6629	IP CONSULTING INC	Managed Services September 2026	09/30/26	9999999	14365.49		Direct
6630	FERRELLGAS	Propane tanks	09/30/26	9999999	320.54		Direct
6700	FAHEY SCHULTZ BURZYCH RHODES PLC	Council Regarding Labor	09/23/26	9999999	594.00		Direct
6850	LOWELL LIGHT AND POWER - PAYMENTS	Chatham electric	09/30/26	9999999	1460.18		Direct
7174	IBEW/NECA FAMILY MEDICAL CARE PLAN	Health Insurance - Sept 2026	09/23/26	9999999	8776.42		Direct
7206	MICHIGAN STATE DISBURSEMENT UNIT	Wage Garnishment	09/23/26	9999999	509.66		Direct
7206	MICHIGAN STATE DISBURSEMENT UNIT	Wage Garnishment	09/30/26	9999999	1019.32		Direct
7239	MIER, CASEY	Mileage, Conference Expenses	09/30/26	9999999	799.48		Direct

VENDOR #	VENDOR NAME	DESCRIPTION	CHECK DATE	CHECK NO.	AMOUNT	VOID AMOUNT
7305	PINE REST MENTAL HEALTH SERVICES	Annual Admin Fee and Billing	09/23/26	9999999	352.00	Direct
7390	TOTAL FIRE PROTECTION, INC.	Fire Alarm Monitoring, Aug 26-Jul 27	09/23/26	9999999	540.00	Direct
7568	DELTA DENTAL	Dental/Vision Insurance - Sept 2026	09/23/26	9999999	1502.71	Direct
7631	MILSOFT UTILITY SOLUTIONS	Milsoft Fees - Sept 2026	09/23/26	9999999	3499.70	Direct
7659	BORDER STATES ELECTRIC SUPPLY	PURCHASE ORDER 6110	09/30/26	9999999	9306.80	Direct
7980	MICHIGAN ELECTRIC TRANSMISSION CO.	Transmission line maintenance	09/30/26	9999999	4080.42	Direct
8136	West, Charlie	Hotel at MPPA Board Meeting	09/30/26	9999999	647.36	Direct
8371	INVOICE CLOUD	Invoice Cloud Fees - Aug 26	09/23/26	9999999	4546.03	Direct
8372	PAYMENTECH, LLC	Interchange, Assessment Fees Aug 26	09/23/26	9999999	1413.23	Direct
8440	SPECTROTEL	Phone Charges - City & LLP	09/30/26	9999999	531.03	Direct
8480	AMAZON CAPITAL SERVICES, INC.	Amazon September 2026	09/30/26	9999999	320.43	Direct
8480	AMAZON CAPITAL SERVICES, INC.	Amazon September 2026	09/23/26	9999999	843.77	Direct
8480	AMAZON CAPITAL SERVICES, INC.	Amazon September 2026	09/30/26	9999999	270.59	Direct
8748	MPOWER TECHNOLOGIES, INC.	Customer Support Services	09/23/26	9999999	225.00	Direct
8834	GFL ENVIRONMENTAL	Trash Services - Sept 26	09/23/26	9999999	401.41	Direct
8988	UMB BANK	HSA Contributions September 2026	09/30/26	9999999	3124.04	Direct
9007	ALYSSA KECK	Cell phone reimbursement	09/30/26	9999999	25.00	Direct
9067	AMERICAN UNITED LIFE INSURANCE CO	AUL Sept 26	09/23/26	9999999	908.00	Direct
9122	LOWELL LIGHT & POWER LEO FUND	Lowell Energy Outreach Fund	09/24/26	9999999	109.26	Direct
9243	WESTERN MI HEALTH INSURANCE POOL	Health Insurance - Sept 2026	09/23/26	9999999	15464.07	Direct
9248	NATIONAL INFORMATION SOLUTIONS CO-OP	Travel Expenses, Checks, Envelopes	09/30/26	9999999	3448.93	Direct
9122	LOWELL LIGHT & POWER LEO FUND	VOID DIRECT DEPOSIT	09/23/26	9999999		319.80 Void
		FINAL TOTAL FOR BANK	130.000	20	976173.65	319.80

VENDOR #	VENDOR NAME	DESCRIPTION	CHECK DATE	CHECK NO.	AMOUNT	VOID	AMOUNT	
9208	MASSA, RAYMOND	Electronic refund not claimed	04/30/26	100089			183.58	Void
9204	WILLIAMS, BLAZE	Electronic refund not claimed	04/30/26	100092			121.31	Void
9270	BABCOCK, ALLISON	REFUND CREDIT BALANCE 13044-1-1	09/01/26	100135	12.55			
9276	BOOGAARD, CYLE	REFUND CREDIT BALANCE 14150-1-1	09/01/26	100136	156.34			
9272	CODDAIRE, MACK	REFUND CREDIT BALANCE 13456-1-1	09/01/26	100137	245.66			
9277	GALINIS, HEATHER	REFUND CREDIT BALANCE 14169-1-1	09/01/26	100138	7.20			
9271	HANEY, MAGGIE	REFUND CREDIT BALANCE 13430-1-1	09/01/26	100139	115.39			
9269	JOHNSON, CHLOE & COLLIN	REFUND CREDIT BALANCE 12188-1-1	09/01/26	100140	105.15			
9273	PEAL, KATHERINE	REFUND CREDIT BALANCE 13490-1-1	09/01/26	100141	192.60			
9267	PHILLIPS, WILLIAM DALE	REFUND CREDIT BALANCE 3169-1-1	09/01/26	100142	24.13			
9268	PODOLAK, MICHAEL	REFUND CREDIT BALANCE 11241-1-1	09/01/26	100143	125.89			
9278	POLCZYNSKI, RACHAEL	REFUND CREDIT BALANCE 14354-1-1	09/01/26	100144	167.38			
9274	SCHMOCK, DANA	REFUND CREDIT BALANCE 13713-1-1	09/01/26	100145	5.48			
9275	SNYDER, TYLER	REFUND CREDIT BALANCE 13750-3-1	09/01/26	100146	148.95			
9290	BELDEN, WYATT	REFUND CREDIT BALANCE 14203-1-1	09/30/26	100147	161.74			
9287	BRYANT, SARAH	REFUND CREDIT BALANCE 13893-1-1	09/30/26	100148	63.04			
9288	DEBOLT, ERICA P	REFUND CREDIT BALANCE 14033-1-1	09/30/26	100149	94.19			
9289	DONAHUE, KRISTIN	REFUND CREDIT BALANCE 14187-1-1	09/30/26	100150	101.21			
9282	FOUT, ADAM	REFUND CREDIT BALANCE 10451-3-1	09/30/26	100151	128.89			
9208	MASSA, RAYMOND	REFUND CREDIT BALANCE 13997-1-1	09/30/26	100152	183.58			
9284	MAST, BRETT	REFUND CREDIT BALANCE 11477-2-1	09/30/26	100153	221.92			
9286	NASH, KENNETH	REFUND CREDIT BALANCE 13789-1-1	09/30/26	100154	27.71			
9285	PERYSIAN, HEATHER	REFUND CREDIT BALANCE 12858-2-1	09/30/26	100155	79.78			
9283	VENTON, EDWARD	REFUND CREDIT BALANCE 11106-1-1	09/30/26	100156	80.23			
9204	WILLIAMS, BLAZE	REFUND CREDIT BALANCE 13421-1-1	09/30/26	100157	121.31			
		FINAL TOTAL FOR BANK		130.240	20		2570.32	304.89

VENDOR #	VENDOR NAME	DESCRIPTION	CHECK DATE	CHECK NO.	AMOUNT	VOID	AMOUNT	
9170	THURTELL, STEPHEN	Check Never Cashed	02/27/26	3742			27.35	Void
9291	WEST SIDE CONSTRUCTION SERVICE	REFUND CREDIT BALANCE 14236-1-1	09/30/26	3750	448.86			
		FINAL TOTAL FOR BANK		130.250	20		448.86	27.35
			FINAL TOTAL				979192.83	652.04