

Meeting Summary

Tuesday, October 8, 2024 | 9:00 a.m.

U.S. Department of Agriculture Service Center
431 Swartz Ct., Ste. #300
Ionia, MI 48846

Attendees (Organizations Represented)

- Consumers Energy (2)
 - Ionia County
 - Ionia Conservation District (ICD) (2)
 - Ionia County Economic Alliance
 - Lyons Township
 - Public Sector Consultants
 - Village of Muir
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Welcome

- Jessica Tramontana, senior community affairs manager at Consumers Energy, and Melissa Eldridge, district manager at ICD, welcomed stakeholders. All present introduced themselves.

Overview of Meeting Goals

- Eldridge reviewed the goal of the prosperity group: Provide recommendations to Consumers Energy under three alternative scenarios, taking into consideration community strengths, opportunities, aspirations, and results.
 - Scenario one: The hydro facility is removed.
 - Scenario two: The hydro facility is sold to be relicensed by a new entity.
 - Scenario three: The hydro facility remains and is relicensed.
- Eldridge reviewed the meeting objective: Deliver the group's priorities for community prosperity under each of the three scenarios for the Webber Dam river hydro facility.

Planning for Prosperity in River Hydro Communities

Grand River Webber Group

Q&A with Consumers Energy

- Angela Thompkins, chief diversity officer and vice president of community affairs at Consumers Energy, provided an update about the future of the dams and the request for proposals process. Consumers Energy is continuing to talk to potential buyers for the company's 13 river hydro facilities. Safety concerns are paramount as Consumers Energy vets potential buyers. All three scenarios are still viable for all facilities, and the company's decision could be split by river system, individually by dam, or some combination. The decision to relicense, decommission, or sell will likely be made during the first quarter of 2025.
- Thompkins shared that Consumers Energy has been awarded federal funds through the Department of Energy. These funds will allow the company to do major repairs at a lower cost of capital.
- Thompkins noted that she is glad that the group is at a point where they are ready for a decision to be made. However, there is still much to consider in addition to community wants and needs as Consumers Energy continues to discuss options.
- Thompkins invited questions from the stakeholders. Stakeholder questions and Thompkins's answers are summarized below:
 - Will the federal money be used for dam repairs?
 - Yes. If the dams are sold, they can be transferred to the new owner(s).
 - Why did some of the 13 facilities not receive funding?
 - The facilities that did not receive funding do not have major work that needs to be done.
 - Will the cost of decommissioning be passed along to the customers? That is a major concern of the community.
 - Unsure. Any rate increases will require approval from the Michigan Public Service Commission. Regardless, decommissioning will cost less in the long term than relicensing.
 - What is the motivation for another company to buy the dams?
 - Independent (i.e., unregulated) power producers (IPPs) have different capital structures than regulated power producers like Consumers Energy. If an IPP were to purchase the dam(s), they could sell power to Consumers Energy under a power purchase agreement (PPA). Consumers Energy would be a customer of the IPP under a PPA. As the owner of a hydroelectric facility, the IPP would still be required to comply with federal dam safety guidelines.

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- How could Consumers Energy give back to the community if the dam is sold?
 - Consumers Energy could consider supporting trails, parks, and recreation around the river.
- If the dam is removed, what will happen to the land that is currently impounded? Where will the river flow?
 - Any prediction of where the future water will flow is a guess until a feasibility study is conducted.

Confirm Group's Priorities

- The group confirmed that recreational and educational uses and opportunities are priorities in all scenarios. The community's priorities under each scenario are summarized below.
 - **Scenario: The hydro facility remains, and Consumers Energy retains ownership.**
 - Impoundment recreation continues with status quo.
 - Current impoundment recreation includes some bass fishing and pleasure cruising; this would not change.
 - Downstream recreation includes cold-stream fishing, boating, and kayaking
 - Feasible power generation.
 - The cost of generation is greater than the expense of maintenance. The community does not wish to be affected by this cost.
 - Other power sources may have other negative externalities and costs to the community.
 - No cost in removal and Consumers continues to be largest taxpayer in Lyons Township.
 - If Lyons Township is going to host the facility, they would like to continue to see benefits.
 - Continued relationship with Consumers.
 - Consumers has been a good partner and will continue to be so.
 - **Scenario: The hydro facility is sold to a new entity.**
 - Develop trust with new owner.
 - A new owner could provide new solutions, but that is a risk that the community would prefer not to take.
 - A new owner could also provide new economic opportunities.
 - The community would like to see Consumers take an active role in ensuring that the new owner would have the best interests in mind for the community in economic, recreational, and infrastructural aspects.

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- **Scenario: The hydro facility is decommissioned, and the river becomes free flowing.**
 - Improve riparian habitat.
 - Ensure historical habitat is restored, providing potential expansion for endangered species.
 - Improve fishing for trout and salmon anglers (natural lowering of temperature and increasing available dissolved oxygen).
 - Ensure that riparian wetland is established in the new flood plain.
 - Improved and diversified recreation.
 - Increased number of community members using recreational facilities.
 - Higher quality of recreational activities available with potential for new greenspaces.
 - Install interpretive signs for education (history of hydro facility, snuffbox mussel, long-nosed perch, community history, etc.)
 - Improve trails and recreation, prioritizing Americans with Disabilities Act (ADA) accessibility
 - Improve habitat and aesthetics
 - Change in property boundaries and values to benefit community.
 - A historical seed bank could be exposed on new property.
 - Landowners should benefit from shifts in property lines as determined by surveyors and tax assessors.
 - New properties should be assessed and zoned for the greatest community benefit.
 - Peace of mind for the community.
 - Safe removal of the facility is essential to the community.
 - By removing the facility, the community will have peace of mind knowing that it cannot fail.
 - Operational funds be redistributed to benefit the community.
 - Current funds to maintain the facility are not benefiting any parties.
 - Funds could be diverted to create new power generation infrastructure.
 - Generate infrastructure beneficial to the community.

Next Steps

- The group would like to reconvene with the public after a decision is made by Consumers Energy. Group members in attendance emphasized that transparency and communication with the community is extremely important.
- Consumers shared that the company is working on a communication plan to share the decisions about the river hydros.