

GRAND RAPIDS PUBLIC UTILITIES COMMISSION

RESOLUTION NO. 10-28-26-07

ADOPT OPERATING RESERVE POLICY AND DELEGATE  
AUTHORITY

WHEREAS, the Grand Rapids Public Utilities Commission (GRPUC) recognizes the importance of maintaining adequate operating reserves for the Electric, Water, and Wastewater utilities to address unexpected operating expenses, revenue fluctuations, and operating contingencies; and

WHEREAS, GRPUC desires to establish a formal Operating Reserve Policy to promote financial stability and mitigate potential impacts on ratepayers; and

WHEREAS, the proposed Operating Reserve Policy establishes a reserve target equal to three (3) months, or twenty-five percent (25%), of the previous fiscal year's audited annual operating expenses for each utility; and

WHEREAS, the policy establishes procedures for annually calculating reserve requirements, monitoring operating reserve balances, and addressing reserve deficiencies;

NOW, THEREFORE, BE IT RESOLVED, that the Grand Rapids Public Utilities Commission hereby adopts the Operating Reserve Policy as presented, and authorizes the General Manager to administer the policy in accordance with its provisions

Adopted this 28<sup>th</sup> day of October 2026.

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GRPUC Commissioner

Witness:

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GRPUC Commissioner