

## A Message From Loren Howard

# The Holland BPW Annual Report for 2009

We're taking a slightly different approach this year, employing an online format in place of the more traditional press run of thousands of hard copies. In addition to the cost, energy and resource savings achieved through our new web-based format, it also serves to underscore an important message of innovation.

In our report you will find highlights of innovations we have led in recent years, from expanding our fiber optic network to introducing new water distribution and wastewater processing efficiencies, from exploring new energy generation technologies to initiating greater public outreach and education opportunities.

Challenging times demand innovative thinking. That is why, in addition to fulfilling our fundamental mandates of controlling costs and reliability ("keeping the lights on"), our customers have made it clear that they expect the HBPW to think and act with innovation when it comes to meeting their future energy needs.

In 2008 the Board of Public Works conducted an exhaustive six-month period of strategic planning, the most comprehensive exercise of its kind I have experienced during my more than 20 years at the HBPW.

What emerged was a framework for setting our long-term vision, along with a sense of mission shared by everyone in our organization. This shared sense of purpose drives us to keep controlling costs and maintaining reliability in focus while seeking truly sustainable solutions.

We live in an increasingly complex world. The deregulation of our industry a decade ago introduced unanticipated challenges we're still working on. Today, such issues as climate change, energy-supply security and global political realities demand a greater degree of flexibility and innovative thinking. I want to assure you that your HBPW is up to the task...

By way of example, HBPW recently conducted a two-year study of carbon capture and sequestration (CCS), a process that involves the underground storage of carbon dioxide (CO<sub>2</sub>) emissions released during power generation. We formed a partnership with Praxair, a global expert in specialty gases, to provide the needed carbon capture and containment technology, and submitted a proposal to the US Department of Energy to fund a sequestration demonstration project.



Although our bid for funding ultimately was unsuccessful, we have gained a greater understanding of the promise and potential of CCS technology. We have also worked to explore more reliable and sustainable energy sources, from solar and wind technologies to traditional fossil fuels extracted in more environmentally responsible ways. We firmly believe that maintaining a diverse energy portfolio offers the best preparation for the supply, regulatory and other challenges ahead.

Of course, the HBPW is also charged with distributing and maintaining a safe and reliable water supply, effectively managing wastewater and, more recently, extending the community's communications infrastructure via a growing fiber optic network. The sections that follow provide updates on recent activities in each of these vital services.

Ultimately, the HBPW is a community organization whose success is tied directly to the success and satisfaction of that community. For our part, we are proud of the fact that our municipal services are among the most reasonably priced in the country. Likewise, our reliability ratings consistently rate among the highest in our industry.

We will continue to work hard to maintain the public trust through the wise management of our shared resources and the promotion of innovative ways of doing business.

**Loren Howard**  
July 1, 2010