

A powerful lesson



Jack Mellinger, member of Escanaba's Electrical Advisory Committee, points out electric transmission lines on a map to Bill Peterson, front, and Jim Weber, both of Escanaba. The three attended an open house Thursday to inform and update the public on the city's energy supply project, which could lead to a proposal to build a new power plant. (Daily Press photo by Jenny Lancour)

By Jenny Lancour - jlancour@dailypress.net

ESCANABA — A variety of people — from area residents to representatives from local manufacturing companies and construction firms — attended two open house sessions on the Escanaba Energy Supply Project at city hall Thursday.

Also on hand were a variety of individuals who provided information and answered questions about the city's proposal to build a new power plant.

"The open house has a purpose that is two-fold," said Neil Palmer of Neil Palmer & Associates. The consulting firm was hired by the city to inform the public on Escanaba's proposal to meet its growing electric demands, including possible construction of a new power plant.

"First, the open house will provide information on all the studies to date," Palmer said. "Secondly, it's for us to hear back from the people, answer their questions and get the information they want."

Questions that arose Thursday included what alternative fuels were being considered, cost of a new power plant and how it will be paid for. About three dozen people attended the two sessions.

Palmer, who has experience working with utilities, said the most common concerns of the public, when a new power plant is being considered, are environmental issues and the cost of a new facility. He agreed citizens are also concerned about potential electric rate increases.

"Any time you build something, there is going to be a cost that will affect rates," he said. Rates are also affected by the efficiency of a power plant, he added.

Though Escanaba's existing plant is well-maintained and run, the nearly 50-year-old facility is small, outdated and inefficient, Palmer said.

A new, larger plant, operated in partnership with others and using modern technology, could provide a more efficient product, he said.

Providing reliable and economic electric power to all electric customers in Escanaba is the primary purpose of the city's energy project, said Gilbert Cheves, a local consultant who is spearheading the city's energy project.

Mike Furmanski, the city's interim electric superintendent, said a new power plant had not been decided but is "totally up in the air." But, he said, something needs to be done to improve the city's energy supply.

Even though the facility is operating well, the electricity being produced is expensive and not meeting demands. When demand exceeds the plant's 25-megawatt capacity, power has to be purchased elsewhere or produced by the plant's peak generator, which can be more expensive, he said.

Escanaba's power plant superintendent Pat Fulsher said his wish list for the city is "to build a cost-competitive plant." An ideal plant would be environmentally sound, operate using the best technology and produce the most economical energy, he said.

A feasibility study is now underway to determine the best energy option for Escanaba. The city hired Sargent & Lundy Engineers in November to conduct a study to evaluate sites, technologies, fuel sources and costs for a 60-, 150-, and 300-megawatt plant. That report is scheduled to be completed by June.

The report is being paid for by the city and Wisconsin Public Power Inc. (WPPI). The two formed a partnership in July on the power plant project. Each will pay half of the study not to exceed a total of \$465,000.

Both have shared costs of other required studies.

The final costs of the study could be determined by overall ownership of a new plant. For example, if WPPI takes 90 percent ownership of the plant, the city's share of the study would be \$46,500.

"WPPI was a good choice to partner with Escanaba," Cheves said. WPPI is a regional power supply company that serves 48 municipalities in three states supplying power to more than 185,000 homes and businesses, he said. This week Gladstone agreed to purchase power from WPPI.

Andy Keller, WPPI's director of project development, said WPPI seeks to partner with municipalities like Escanaba so it can provide customers with electricity at the most economical price.

WPPI also prefers not to "put all of its eggs in one basket" but own a piece of a larger plant, he added.

"I'm so optimistic about this," said Tony Westerberg, chairman of the city's electrical advisory committee and an employee for WeEnergies. "This will put Escanaba back on the map. It will be a boon for the construction industry and an opportunity for manufacturing in Escanaba."

Jenny Lancour, (906) 786-2021, ext. 143, jlancour@dailypress.net