

## Power costs worry big users



**Gilbert Cheves, project manager for Escanaba's energy project, presents information on a possible new power plant at a public forum at Bay College Thursday. The forum was held for the city's largest electric users. (Daily Press photo by Jenny Lancour)**

By Jenny Lancour - [jlancour@dailypress.net](mailto:jlancour@dailypress.net)

ESCANABA — The possibility of Escanaba building a new power plant is leading to some residents being concerned about bills going up and large power consumers also worrying about their pocketbooks.

The city's biggest users of electricity learned about an energy study process during a public forum Thursday at Bay College. The meeting was cosponsored by the city and the Delta County Area Chamber of Commerce.

The study includes possible construction of a plant because the present facility is nearly 50 years old, is outdated and inefficient compared to modern plants, and cannot meet the city's growing electric needs.

"I think this was a good forum for us to get some of the initial facts out," said Ralph Bedogne, Engineered Machined Products vice president for government affairs and finance. "It's the process that needs to be done... Right now we have opportunity to influence things."

"I think there's some excellent investigations going on," said John Anthony, president of Andex Industries. "The electric advisory committee needs to be commended."

Both Bedogne and Anthony expressed concerns about increased electric rates that could come with construction of a new power plant. Both agreed the city has provided reliable and affordable electricity for their manufacturing businesses up until two years ago when electric rates increased an average of 20 percent.

Electricity has been key to EMP's success because power has been so affordable and dependable, Bedogne said, adding the company is concerned about future rate hikes and the impact on the business.

Anthony echoed similar concerns, saying the city has been providing reliable power, “but cost is a great concern” to the company.

Tom Patmythes, director of facilities management at OSF St. Francis Hospital, said there are still a lot of questions to be asked. Much of what happens will depend on how quickly city council moves, he added. He’s hopeful any rate increases will be kept as low as possible.

Representatives from the large electric consumers who attended the meeting were informed the city is waiting on completion of a feasibility study before council makes any decision that will consider citizen input.

Escanaba has partnered with Wisconsin Public Power Inc. (WPPI) to pay for this \$465,000 study that will explore various energy options for the city, including construction of a larger power plant. The report, scheduled to be completed in June, will evaluate sites, technologies, various fuel sources and the costs for plants of 60-, 150-, and 300-megawatts.

If the city decides to build a large power plant, WPPI is interested in owning a share of the facility to take advantage of “the economies of scale” and provide power to its customers at the most economical rate, said Andy Keller, WPPI’s director of project development. As the capacity of the plant increases, the cost per megawatts decreases.

Gilbert Cheves, project manager hired by the city, informed those in attendance that studies are being done by the Midwestern Independent System Operator — which controls the transmission system — and the American Transmission Co. — which owns the transmission lines in the area. These studies could affect Escanaba’s decision. Escanaba also is analyzing its own distribution system.

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