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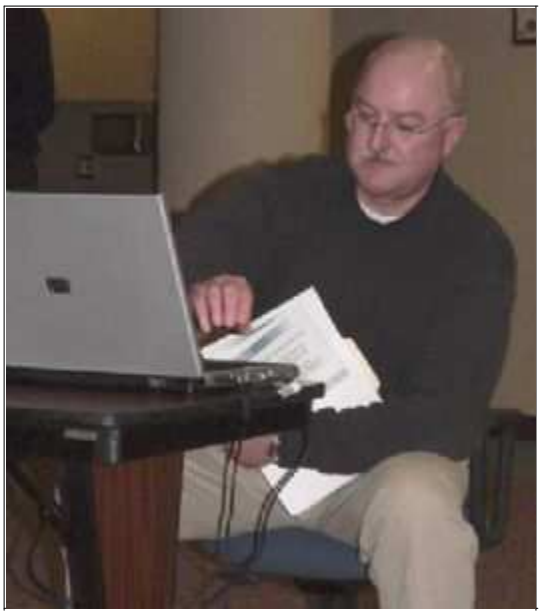
City brought up to speed on energy plan



Gilbert Cheves, project manager for the Escanaba Energy Supply Plan, completes a presentation updating city council on future power options at a special meeting Thursday. The city is considering various proposals, including building a larger power plant to replace the existing facility, which is nearly 50 years old. (Daily Press photo by Jenny Lancour)

By Jenny Lancour - jlancour@dailypress.net

ESCANABA — Escanaba City Council was brought up to speed Thursday on the city's energy supply plan which includes proposals to build a larger power plant to more economically meet the city's increasing energy demands.

The city is looking into various energy options because the present facility is nearly 50 years old, is outdated and inefficient, and cannot meet Escanaba's growing electric needs.

Gilbert Cheves, project manager for the city's energy supply plan, presented background on Escanaba's power and updated council members on the project's progress.

"The purpose of this is to make sure we're on the same page and know where we're going with the energy plan," Cheves said during his PowerPoint presentation at council's special meeting Thursday.

Currently, two 12.5 megawatt units, fueled by coal and installed in 1958, and a 15 megawatt peaking unit, fueled by fuel oil and installed in 2002, are supplying the city with power, Cheves said.

Escanaba needs a new energy supply because of the following reasons: the city's cost to generate electricity is increasing, mainly due to high fuel costs; the power plant is old and outdated and needs maintenance; the city needs to plan for future growth which requires more energy; and the city needs to provide competitive and reliable electrical energy to all its customers.

Currently an engineering feasibility study is being conducted and is about half completed, Cheves said. Information to date will be presented to the city within the next couple weeks. This will include siting, cost and environmental issues for each technology at power plants of 60, 160 and 300 megawatts.

“It is important to take a serious look...at building a larger facility,” Cheves told council. He said the most economical plant would be a 300 megawatt fuel-fired unit. With a 160-megawatt plant, capital costs increase by 30 percent and with a 60-megawatt plant, those costs go up 80 percent, he said.

The city and Wisconsin Public Power Inc. (WPPI) are paying for the above study as they consider partnering in the construction of a power plant. The two parties will review the study’s information, compare the cost of energy supply for each option and determine if a new facility can be developed in Escanaba.

According to Cheves and the city’s Electrical Advisory Committee, Escanaba has four options for energy supply: continue with the existing facility as is; build a new power plant alone or in partnership with WPPI and/or other partners; purchase energy wholesale; or modify the existing facility.

The above options will be compared by looking at the cost of energy, the cost to support the delivery of power, economic impact, issues such as environmental risks, and renewable energy options, Cheves said.

After the energy options are compared, they will be presented to the public to decide in which direction the city should go to supply power, he said. The city’s charter will be reviewed to determine if the option chosen has to go to a vote of the citizens, he added.