

## EAC to get power study data



**Gilbert Cheeves**

By Jenny Lancour - lancour@dailypress.net

ESCANABA — Escanaba will be closer to making a decision on a new power plant as preliminary data analyzing three different-sized proposed facilities is presented to the city's Electric Advisory Committee this week.

The engineering firm of Sargent & Lundy, Chicago, will be presenting its findings to date in a feasibility study on construction of 60-, 160-, or 300-megawatt facilities in Escanaba, said Gil Cheves, project consultant. Company representatives will present the data during the Electric Advisory Committee meeting at 5:15 p.m. Wednesday in council chambers at city hall.

Escanaba has been looking into constructing a new power plant because its existing facility is nearly 50 years old, is outdated and inefficient, and is not expected to meet the growing power demands of the city.

Information to be presented Wednesday will include estimated development costs of the different sized plants including recommended technologies. Data will be presented on current fuel costs and projected fuel costs for the life of the facility. Energy costs will be outlined for the three plant options. These will be compared to the city's current energy cost of \$72-\$75 per megawatt, Cheves said.

"Sargent & Lundy will present similar cost values to compare the options," he added. "They'll look at what's viable and look at the best way for Escanaba to go."

Cheves said the engineering firm has done a very detailed job. Besides costs of construction and technology, other factors being considered include permitting, environmental regulations and siting issues, he added.

Based on the feasibility study's findings to date, Sargent and Lundy will be recommending construction of a 300-megawatt power plant to be built on the city's existing facility's property,

Cheves said.

“The economy of scales show a larger plant (will provide) the least cost per generated megawatts,” he said.

After Sargent & Lundy presents its information at Wednesday’s meeting, members of the city’s Electric Advisory Committee will discuss the data with representatives from Wisconsin Public Power Inc. (WPPI). Escanaba and WPPI have agreed to share in the costs of studies as both parties consider partnering in the development of a new power plant. Third parties are also being considered.

WPPI is a nonprofit municipal electric utility that serves 48 municipal utilities, supplying electricity to more than 185,000 customers in Wisconsin, Iowa and the Upper Peninsula. WPPI is interested in Escanaba’s proposed power plant because the company needs more baseload generating resources to meet the growing needs of its members and to replace expiring electricity purchase contracts, officials said.

Once the city and WPPI decide on a power plant option, Sargent & Lundy will complete its feasibility study by June, Cheves said.

The city and WPPI will then evaluate finances and determine if each party wants to continue to move forward on the project. A subcommittee of the city’s Electric Advisory Committee has already begun analyzing finances, he said.

Cheves added Escanaba also has the option to not move forward on a new plant and not spend any more money on the proposal.

As city officials and WPPI consider the energy options for Escanaba, other studies are also being conducted by the Midwestern Independent System Operator, which controls the transmission system, and American Transmission Co., which owns the transmission lines in the region. These studies could affect Escanaba’s decision. The city is also analyzing its own electrical distribution system.

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