

## City wants power partner

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ESCANABA — Escanaba City Council Thursday tabled completion of a feasibility study on a new power plant as recommended by the Electrical Advisory Committee, but the reasoning behind it seemed a bit confusing at Thursday's council meeting.

When the agenda item came up, Mayor Judi Schwalbach said she had some concerns, including what's being done to find other partners in building a new power plant now that Wisconsin Public Power Inc. (WPPI) has decided not to partner with the city.

WPPI, a nonprofit electric utility serving 48 municipal utilities in three states, was considering partnering with Escanaba in building a 300-megawatt facility. After evaluating part one of a feasibility study, WPPI bowed out because of the uncertainty of pending regulations and because of other power options available to the company. The city has been looking into energy supply options to meet future demands.

After Schwalbach posed the question about other possible parties partnering with Escanaba on a new plant, project consultant Gil Cheves responded. He said there have been talks with other interested companies — as council was already aware of — but he also said these parties need to see the partnership between the city and WPPI closed.

"We need to close the book with WPPI in order to move forward with anyone else," Cheves said.

Schwalbach then asked if that was the understanding of the Electrical Advisory Committee (EAC).

Former committee member Pete Baker, who was on the committee when it made its recommendations on May 9, was in the audience at council's meeting. He said that was not his understanding. Council member Leo Evans, who also attended the EAC meeting last week, concurred.

Following Thursday's meeting, both Baker and Evans confirmed that at the EAC meeting there was no mention of tabling phase two of the feasibility study in order to pursue another partner. It was the understanding of the committee to hold off on the study to pursue other options — to look at the best use of the power plant, consider a power purchase agreement, or a combination of the two.

Cheves said, following the EAC meeting on May 9, that the city is no longer looking at building a new power plant. He did qualify his statement that evening and said the city could consider building a new power plant if there was an interested partner.

Schwalbach said she did not want the city to no longer consider building a new facility just because WPPI is not interested. Other companies had expressed interest before, she said.

"I'm not closing the doors on this," she said, adding that a new plant won't happen without a partner.

Council did table phase two of the feasibility study and did agree for the city to explore the best use of the existing plant, purchasing power, or a combination of both these options.

In related discussion, an update was presented on Monday's lightning strike that shut down one of the city's two main generators at the power plant. Electric Superintendent Mike Furmanski said the three plant operators present were able to put out a fire caused by the lightning. Repairs are expected to cost around \$1 million and take about three months to complete, he added.

Plant Manager Pat Fulsher described the lightning strike as “quite a hair-raising experience” and “a freak occurrence.” While a damage assessment takes place and repairs get underway, the city will buy power and will look into a short-term power purchase agreement, he said.

Earlier in the meeting, when council set a date to adopt utility rates, Schwalbach asked council to consider a 2 1/2-percent decrease in electric rates instead of the 2-percent decrease as recommended. She said, for many customers, a 2 1/2-percent decrease in electric rates would offset the 13-percent increase in water rates.