

**OFFICIAL PROCEEDINGS**  
**CITY COUNCIL**  
**ELECTRICAL ADVISORY COMMITTEE**  
**CITY OF ESCANABA, MICHIGAN**  
**Special Joint Meeting**  
**Wednesday, March 12, 2014**

Pursuit to a meeting notice posted March 6, 2014, the meeting was called to order by the Mayor Marc D. Tall at 6:00 p.m. in the Council Chambers of City Hall located at 410 Ludington Street.

Present: Mayor Marc D. Tall, Council Members, Patricia A. Baribeau, Ronald J. Beauchamp, Ralph B. Blasier, and Leo J. Evans

Absent: None

Present: Electrical Advisory Committee (EAC) Members: Chairperson Tim Wilson, Jon Anthony, Larry Arkens, and Ann Bissell.

Absent: Glendon Brown, Two vacancies, and Power Plant Liaison.

Also Present: Electric Superintendent Mike Furmanski, Jack Scott of Pro Energy Services, Inc., Cheryl DeTiege of Escanaba Green Energy (EGE), members of the public and media.

Evans moved, Blasier seconded, **CARRIED UNANIMOUSLY**, to approve the agenda as submitted.

**UNFINISHED BUSINESS** – None

**CONFLICT OF INTEREST** – None

**PUBLIC HEARING** – None

**NEW BUSINESS**

**Update - Electric Department –General Operations.**

Electrical Superintendent Mike Furmanski updated the City Council, Electrical Advisory Committee and Citizens of Escanaba on the current departmental activities.

- Crews working on frozen water lines;
- Discussions ongoing regarding the Interconnection Agreement;
- Briefly reviewed cause of last month's outage;
- Pursuing cost of a thermo imaging camera and how it would be used;

**Update– Operation and Maintenance of Power Plant – Pro Energy Services, Inc.**

Jack Scott of Pro Energy Services, Inc. updated the City Council, Electrical Advisory Committee and Citizens of Escanaba on the status of the operation and maintenance of the

power plant. The following was discussed:

- Unit #1 operated 3 days, #2 unit ran two days during March;
- Discussed emergency coal purchase, and unusable coal sitting on the dock;
- Miscellaneous boiler repairs;
- Combustion Turbine ran for one day last month;
- No accidents or outages during the month.

#### **Update – American Transmission Company.**

Brett French from the American Transmission Company, LLC (ATC) provided an update on the transmission system in the area. (See Attachment – A)

#### **Approval – Geosyntec Consultants.**

Administration sought Council approval of a Geosyntec proposal to do further environmental work as requested by the Michigan Department of Environmental Quality (MDEQ).

Administration advised the MDEQ required additional site investigation to fully characterize the groundwater discharge of arsenic and to submit a mixing zone of de minimis discharge determination to close the site. Administration additionally reviewed the scope of work required and the need for the installation and survey of two new permanent monitoring wells.

**NB-4** After further discussion, Blasier moved, Evans seconded, to approve a proposal from Geosyntec Consultants, for an amount not to exceed \$74,800, to do further environmental work at the Escanaba Generating Station as requested by the MDEQ.

Upon a call of the roll, the vote was as follows:

Ayes: Blasier, Evans, Beauchamp, Baribeau, Tall

Nays: None

**MOTION CARRIED.**

#### **Approval – Coal Purchase.**

Administration reviewed the need to purchase coal from Robindale Energy Services due to the quality of coal currently on the dock. After discussion, the following motion was made:

**NB-5** Evans moved, Blasier seconded, to approve to purchase coal from Robindale Energy Services coal at \$123 per ton up to 5,800 tons.

Upon a call of the roll, the vote was as follows:

Ayes: Evans, Blasier, Baribeau, Beauchamp, Tall  
Nays: None

**MOTION CARRIED.**

**Update – Power Plant Purchase Agreement/Sale.**

An update on the sale of the power plant was provided by Cheryl Detiege. (See Attachment – B)

- The moving of funds were contemplated to occur shortly;
- All closing documents needed in Spain was completed;
- When confirmation of the moving of funds was received, a closing date would be provided.

**Discussion – Power Plant Referendum.**

The City Clerk provided an update on the referendum for the May 6, 2014, special election, which if approved, would grant authority to the City Council to not only sell the Power Plant for continued plant operations, but allow the City Council to dispose of the Power Plant equipment and assets including up to the 40 acres of real property where said assets are located.

**GENERAL PUBLIC COMMENT – None**

**COUNCIL/COMMITTEE, STAFF REPORTS – None**

**ADJOURNMENT**

Hearing no further public comment, or further reports from the Electrical Advisory Committee or Council, the meeting adjourned at 6:47 p.m.

Respectfully submitted,

Robert S. Richards, CMC  
City Clerk

Approved: \_\_\_\_\_  
Marc D. Tall, Mayor

# Contact information

Brett French

External Relations Manager

(906) 779-7902 Office

(906) 396-1148 Cell

[bfrench@atcllc.com](mailto:bfrench@atcllc.com)



atcllc.com

10

# North Appleton – Morgan Benson Lake SVC

- Approved by MISO under MTEP 2012
- New 345-kV and 138-kV transmission lines and related transmission line and substation upgrades
- Static var compensation at Benson Lake Substation
- Routing & siting completed
- CPCN application under development
  - Submission to PSCW planned for March 2014
  - Anticipate PSCW Order in Spring of 2015
- Construction to commence 2017
- Targeted in-service date 2019





## Holmes – Old Mead Road

- Approved by MISO under MTEP 2012
- Routing & siting completed
- CPCN Approved by MPSC
  - “Proposed Route” was Ordered
- Construction to commence Q4 2014
- Targeted in-service date Q3 2016



# Arnold Substation

- Addition of a new 345/138-kV transformer and related substation upgrades
- Provides additional source to Delta County
- Increases operational flexibility
- Increases ability to perform maintenance
- Requires HVDC to manage increased west - east flows
- Targeted in-service date of Q4 2014/Q2 2015



## Chandler – Old Mead Road

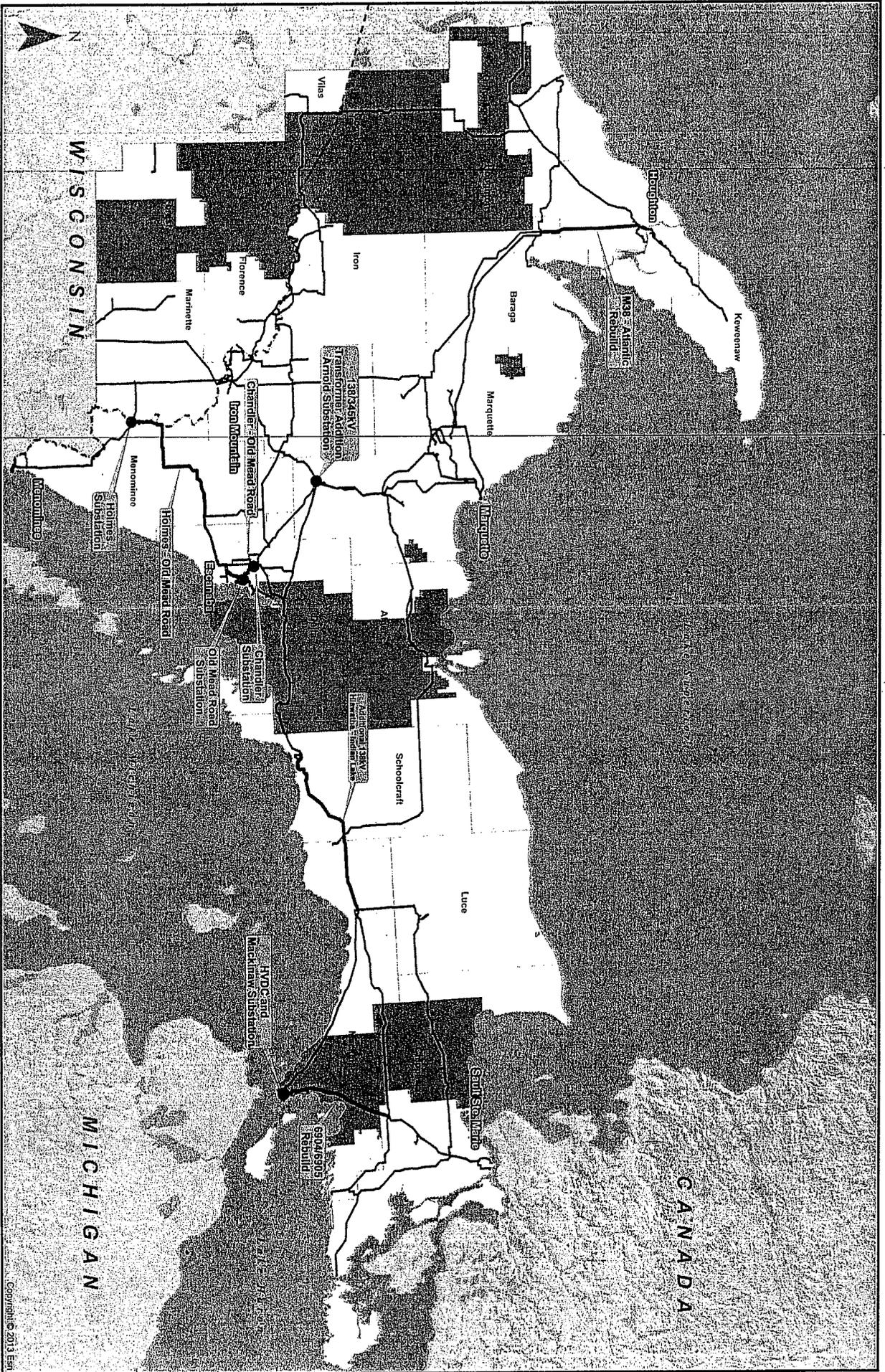
- Construction of a new 138/69-kV “Old Mead Road” substation near the NewPage Paper Mill
- Construction of ~6 miles of new 138/69-kV transmission line between Chandler and Old Mead Road substations
- Construction started Q3 2013
- Targeted in-service date of Q3 2014



# HVDC Flow Control

- Installation of high-voltage, direct-current (HVDC) flow control device and related substation equipment
- Necessary to manage excessive system flows
- MISO Board approval conferred June 2011
- Construction started Q2 2012
- Targeted in-service date of July 2014



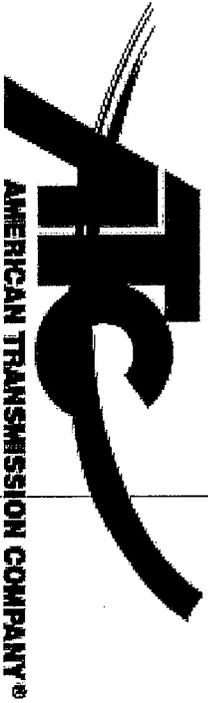


Copyright © 2013 ESI

# Project Updates

- Michigan projects:
  - HVDC Flow Control
  - Chandler – Old Mead Road
  - Arnold Substation Expansion
  - Holmes – Old Mead Road
- Wisconsin projects:
  - North Appleton – Morgan
    - New 345-kV and 138-kV transmission lines and related transmission line and substation upgrades
  - Benson Lake Static var compensator





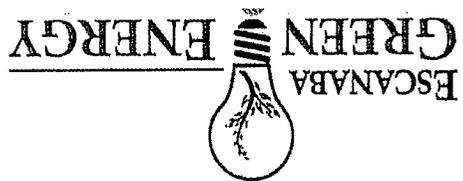
Helping to keep the lights on,  
businesses running  
and communities strong®

# ATC Project Update

## March 2014

Brett French, External Relations Manager

[atcillc.com](http://atcillc.com)



March 6, 2014

Dear Jim:

Here is EGE's latest update.

As you know representatives of Corban/Realty Financial Group went to Spain over the weekend to meet with both the Spanish law firm and the funding banks. These meetings were completed successfully as any last closing conditions and obstacles to having funds sent to the US were checked off. The moving of the funds should take place this week or Monday.

As you also know EGE has received all documents related to the closing and they are now being reviewed by EGE and its counsel. The documents are in large part acceptable so finishing this piece of the closing appears to be able to be accomplished very quickly. Instructions for Delta Title and the title insurance policy have been outlined. Final arrangements for the lender's compliance engineer - firm responsible for approving work being done on the project and draws - are being completed. EGE has selected two possible compliance firms and Corban RFG will select one. This scope and process have already been established.

Corban and the law firm have suggested that a call is not necessary since EGE has received as letter confirming the funds and will receive a closing date when the funds are in a US account. EGE is able to share the letter with you but it is not a document that can be put on the public record for confidentiality reasons.

RFG anticipates that it will be ready to close in the next two weeks.

As always, if you have questions or concerns, please call me.

Regards,

(original signed)

Charles Detlege