

**OFFICIAL PROCEEDINGS**  
**CITY COUNCIL**  
**ELECTRICAL ADVISORY COMMITTEE**  
**CITY OF ESCANABA, MICHIGAN**  
**Special Joint Meeting**  
**Wednesday, February 5, 2014**

Pursuit to a meeting notice posted January 13, 2014, the meeting was called to order by the Mayor Marc D. Tall at 6:07 p.m. in the Council Chambers of City Hall located at 410 Ludington Street.

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

Absent: Council Member Patricia A. Baribeau

Present: Electrical Advisory Committee (EAC) Members: Chairperson Tim Wilson, Jon Anthony.

Absent: EAC Members Larry Arkens, Ann Bissell, Glendon Brown, Two vacancies, and Power Plant Liaison.

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

Evans moved, Beauchamp 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 following current departmental activities.

- Department was helping Water Department with water freeze ups;
- Update on UPPCO sale;
- Timing signals on Ludington Street were checked.

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

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.

- Power Plant units #1 & #2 were up and running in January. Unit #1 went out of service at the end of the month for repairs;
- No accidents or injuries during the month of January.

### **Approval – Transmission – Distribution Interconnection Agreement.**

Administration sought Council and Electrical Advisory Committee approval of an updated Transmission – Distribution Interconnection Agreement between the City and the American Transmission Company, LLC.

Electric Superintendent Furmanski reviewed the history of the agreements, and reviewed proposed agreement details. He advised during discussions there was still an ongoing issue with insurance that was not resolved. Mr. Furmanski asked to table the agreement until next month.

**NB-3** Beauchamp moved, Blaiser seconded, to table the proposed Distribution Interconnection Agreement until March 2014 City Council, Electrical Advisory Committee meeting.

### **Discussion – Sale of the Power Plant/Referendum.**

Administration updated the Council and public on the latest developments related to the sale of the Escanaba generating facility. Additionally, a referendum discussion took place concerning the potential need to place a referendum proposal before the people at the May 6, 2014, General Election, which if approved, would grant the Council the authority to dispose of the Power Plant in the event a sale does not occur.

EGE Representative Charles DeTiege reviewed the status of their proposed Power Plant Purchase. (See Letter, Attachment – A)

- Electric Superintendent Furmanski reviewed dates and deadlines of the SSR Agreement and Proposed Election dates. (See Attachment – B);
- Council Members discussed proposed and alternate ballot language;
- Administration advised the NextEra and MISO agreements would allow the City to dispose of plant, and still be a MISO participant;
- During discussion, the renewal of the SSR agreement and the election to dispose of the Power Plant, were parallel paths that may be prudent for the City to follow;
- Council advised a decision would be made at its regular meeting February 6, 2014.

**GENERAL PUBLIC COMMENT – None**

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

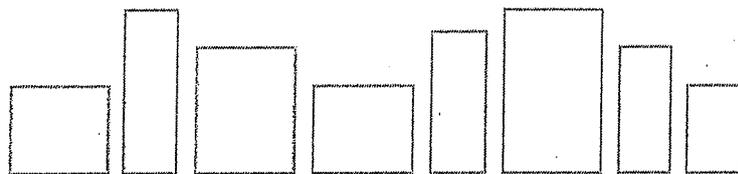
**ADJOURNMENT**

Hearing no further public comment, or further reports from the Electrical Advisory Committee or Council, the meeting adjourned at 6:42 p.m.

Respectfully submitted,

Robert S. Richards, CMC  
City Clerk

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



**CORBAN INVESTMENTS  
FUNDPCC LIMITED**

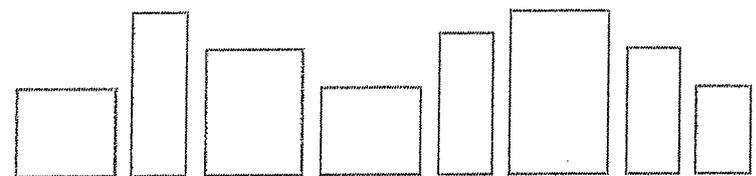
**10/8 International Commercial Centre  
Casemates Square  
Gibraltar**

If you have further questions, etc, please call me or Pat at your convenience.

Regards.

A handwritten signature in cursive script, appearing to read "Tom Thresher".

Mr. Tom Thresher  
Director



**CORBAN INVESTMENTS  
FUND PCCLIMITED**

**10/8 International Commercial Centre  
Casemates Square  
Gibraltar**

February 5, 2014

Escanaba Green Energy, LLC  
Attn: Charles Detiege, President  
P.O.249  
Wells, MI 49894

RE: Escanaba Green Energy Financing

Mr. Detiege:

This letter is to provide a further update to Escanaba Green Energy, LLC ("EGE") on the status of the closing of the loan financing for the purchase and renovation of the Escanaba Generating Station that is being arranged by Realty Financial Group ("RFG") through Corban Investments Fund ("Corban").

The Spanish law firm which has been engaged by Corban and is tasked with the final arrangements of the loan's funding was required to fulfill several new requirements which added several days to the arrangement's process. This work has now been done and Corban is expecting documents to be provided to RFG and EGE shortly which will confirm a timeline for the commitment of funds. Corban's counsel is actively engaged with the financial institutions involved and will advise if there are any other required conditions.

This transaction has effectively four sets of documents. The funding related documents are those being prepared by the Spanish law firm which we expect shortly. The documents associated with the RFG and EGE joint venture arrangement have been drafted by RFG and will be perfected by RFG's US based counsel and will be provided to EGE as soon as the Spanish law firm confirms that funds for venture has been moved from Spain to the United States. Standard security documents and the draw control documents will then be drafted by the US law firm and under RFG's instructions, EGE has reopened discussions with Delta Title to coordinate the draw process and title insurance requirements.

RFG anticipates that a closing date will be set in a week.