

**OFFICIAL PROCEEDINGS**  
**CITY COUNCIL**  
**ELECTRICAL ADVISORY COMMITTEE**  
**CITY OF ESCANABA, MICHIGAN**  
**Special Joint Meeting**  
**Wednesday, September 10, 2014**

Pursuit to a meeting notice posted September 5, 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 Michael R. Sattem.

Absent: None

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

Absent: Two vacancies, and Power Plant Liaison.

Also Present: City Manager James V. O'Toole, Electric Superintendent Mike Furmanski, City Controller Michael Dewar, Jack Scott of Pro Energy Services, Inc., Charles DeTiege of Escanaba Green Energy (EGE), members of the public and media.

Blasier 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 current departmental activities.

- Staff was busy over the past month performing Pole Change outs and Street Lighting.
- Invited Committee Members to attend the UP Energy Summit on Tuesday October 28, 2014.

**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.

- No planned outages during the month;
- No accidents or injuries were reported in August;
- No Air Monitoring deviations in the month of August;
- Reviewed dates and hours Power Plant Units ran in August;
- Reported no repairs with the Combustion Turbine;
- Reviewed maintenance during the month of August.

**Update – Federal Energy Regulatory Commission (FERC) Filing – Motion to Intervene – Presque Isle Power Plant SSR Cost Increases and Allocation.**

Administration updated the EAC, City Council and the citizens of Escanaba on a motion that was filed on behalf of the City with FERC on August 28, 2014. The purpose of the filing was 1) to argue the cost increases from re-allocating the PIPP SSR should only be made prospectively; and 2) to ask FERC to clarify that it did not pre-judge any particular SSR cost allocation. Administration also updated the City Council and Electrical Advisory Committee on projected legal costs which may be incurred as a result of the most recent FERC rulings.

**Update – Federal Energy Regulatory Commission (FERC) Filing – Motion to Intervene – SSR Cost Re-Allocation.**

Administration updated the EAC, City Council and the citizens of Escanaba on a filing the City made with FERC on September 2, 2014. This filing was a limited protest to MISO's compliance filing for PIPP to again argue that cost increases should only be prospective and to preserve the City's rights to participate in any further proceedings FERC may order to address PIPP SSR allocation. The filings were also made in order to protect the City's rights to contest a re-allocation of the Escanaba SSR costs in line with the methodology used for PIPP. At this time, new allocations of the Escanaba SSR costs have not been released by MISO, but similar such filings may be required in the proceedings associated with the Escanaba SSR.

**Approval – American Transmission Company (ATC) Purchase of Easement – Holmes to Old Mead Road Project.**

Administration updated the EAC, City Council and the citizens of Escanaba on a request from ATC to purchase easement rights on city-owned property for the Holmes to Old Mead Road Project, in the amount of \$45,500.

**NB-5** After discussion, Blasier moved, Sattem seconded, to approve a request from ATC to purchase easement rights on city-owned property for the Holmes to Old Mead Road Project in the amount of \$45,500 based on a ATC appraisal.

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

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

**MOTION CARRIED.**

**Approval – Distribution Power Pole Purchase.**

Administration sought Council approval to purchase wooden electrical distribution poles from Border States Electric of Kingsford, MI in the amount of \$40,251.77.

**NB-6** Baribeau moved, Beauchamp seconded, to approve to purchase wooden electrical distribution poles from Border States Electric of Kingsford, MI in the amount of \$40,251.77.

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

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

**MOTION CARRIED.**

**Approval – Coal Purchase.**

Administration sought Council approval to purchase coal from the Upper Lakes Coal Company of Green Bay, WI. and reviewed the previous purchase made by Council.

**NB-7** Blasier moved, Sattem seconded, to approve to purchase additional 1200 tons of coal from the Upper Lakes Coal Company of Green Bay, WI.

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

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

**MOTION CARRIED.**

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

Escanaba Green Energy representative Charles DeTiege advised that the funds were in the HSBC Escrow Account, and should be in the Corban Account Thursday September 10, 2014. Mr. DeTiege also reviewed final process for the funds to be

transferred to the City.

**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 6:29 p.m.

Respectfully submitted,

Robert S. Richards  
City Clerk

Approved: \_\_\_\_\_

Marc D. Tall, Mayor