

# CITIZENS' COMMITTEE PRESENTS RECOMMENDATIONS FOR REPLACING BWL'S AGING, COAL-FIRED ECKERT POWER STATION

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## ***“Balanced Plan” Significantly Increases BWL’s Clean Energy Sources***

**LANSING, Mich.** — The Lansing Board of Water & Light (BWL) should replace its aging coal-fired Eckert Power Station with a new energy-producing portfolio that would be substantially cleaner while ensuring reliable and affordable electric power for the region for decades to come, under recommendations presented today by a Citizens’ Advisory Committee (CAC).

[View the final CAC recommendations report](#)

The nine-member CAC held a series of public meetings across greater Lansing starting last October to examine how to replace Eckert with more modern, efficient and environmentally friendly energy sources that would also protect BWL customers’ need for reliable and affordable power. Dozens of citizens, BWL customers, and energy industry experts testified and made presentations at the meetings.

“Our recommendations represent the type of balanced approach that is necessary and in the best interests of BWL customers, who expressed strong support for replacing Eckert with cleaner energy sources that also must be reliable and affordable energy sources,” said CAC Co-Chair Steven A. Transeth. “We believe our recommendations achieve this balance.”

With its three tall towers that are visible for miles, Eckert is located along the Grand River just south of downtown Lansing. The plant, until recently, had generated about one-third of the energy in the BWL's service territory, including to downtown Lansing. The 1950s-era plant is at the end of its operational life, and keeping it open is not an option for various reasons: parts are becoming scarce and very expensive; operating costs are excessive; pending environmental regulations create an uncertain future for coal-fired plants like Eckert; and Eckert is located in a flood zone. Eckert is scheduled to close by Jan. 1, 2020.

The CAC's balanced approach to meeting the future energy needs of BWL customers includes about one-third of the energy coming from clean, renewable sources and energy efficiency programs by 2020 and 40 percent by 2030. The first 10 years of the recommendations include:

- 85 megawatts (MWs) of new wind energy. The BWL has about 20 MWs of wind energy today.
- 40 MWs of new solar energy, to be added to the current plan for a utility scale solar program in Lansing .
- 100 MWs of new natural gas electric generation, compared to 85MWs from natural gas today. This will require the construction of a new, cleaner-burning natural gas power plant.
- Reducing electric energy consumption in the region by 10-percent through the Hometown Energy Savers energy efficiency program.
- Reducing by 70 MWs the amount of energy consumed during peak demand times by introducing new technologies like "advanced metering infrastructure" and "demand response programs." These will enable customers to better control their energy use at specific times of the day.

One MW equals 1 million watts of power. Generally speaking, it is estimated that one MW is enough to power about 750 to 1,000 homes.

The BWL forecasts that the CAC plan will result in more than a 50 percent reduction in greenhouse gases by 2030 and aims to make the BWL the cleanest municipal utility in Michigan.

The plan calls for the retirement of an aging power plant along with investment in new renewable and natural gas generation. The new investment will raise rates modestly, but BWL rates are expected to remain affordable and lower than most other Michigan utility rates. The final cost of the plan will depend on whether the BWL Board of Commissioners accepts the recommendations as presented or modifies or modifies it during their review.

The CAC's full recommendations and other information about Eckert are available [here](#).

Replacing Eckert is part of the BWL's Lansing Energy Tomorrow electric modernization plan. The plan includes action steps to replace and update the BWL's aging infrastructure with clean, efficient, and reliable generation and transmission assets. In addition to replacing Eckert, Lansing Energy Tomorrow includes an extensive five-year, \$101 million Transmission & Distribution (T & D) Improvement Project that is already underway which includes: new transmission lines; five new or rebuilt substations; reducing the number of circuits and the amount of customer demand at the Eckert substation; and adding capacitor banks at strategic points on the BWL's transmission system.

BWL General Manager Dick Peffley thanked the CAC for its work. He also expressed gratitude to the citizens, customers and experts who provided input to the CAC and BWL since the Eckert replacement process began last October.

"In the public meetings, our surveys, and in our meetings with community leaders and organizations, we heard thoughtful and constructive comments from dozens of people who wanted to weigh in on replacing Eckert," Peffley said. "I view the CAC's recommendations as the balanced approach necessary to maximize the

BWL’s environmental stewardship while assuring a reliable and affordable energy portfolio for our customers well into the future.”

The CAC’s recommendations were presented today to the BWL Board of Commissioners for review and consideration. The Board intends to review the report and recommendations and possibly hold public hearings on the recommendations.

The CAC adopted eight guiding principles in making its recommendation. The top guiding principles were: (1) provide affordable, reliable, secure, and sustainable electricity to BWL customers, (2) position the BWL to be a leader in the deployment of clean-energy technologies, such as renewable energy, energy efficiency, and distributed energy resources, and (3) promote the creation of a healthy environment for customers and the Lansing region.

The CAC also considered the findings of an EPIC-MRA survey of Lansing-area electric customers (400 homeowners and 300 businesses) commissioned by the BWL. Customers said the BWL’s major planning goals should be: (1) affordability, (2) reliability, (3) generating energy while minimizing environmental impact, and (4) providing enough affordable energy to attract economic development and business. BWL customers also supported electric generation sited in the Lansing area and did not want to rely on unpredictable energy markets.