

Sims Demolition and Site Redevelopment Update

At its December 2019 meeting, the Board of Light and Power awarded the demolition of the J.B. Sims Generating Station to Bierlein Companies, Inc. Demolition activities began in June 2020 with estimated completion by Fall 2021.



The distribution substation on the property (*pictured*) is in the process of being consolidated and rebuilt at an estimated cost of approximately \$4.0 million. New heat source equipment for the downtown snow melt system is also being installed at an interim location on-site to ensure continued operation until a longer-term facility can be constructed to house the equipment.

The 24-hour BLP system control room and operations center that had been located at

the Sims power plant has been temporarily relocated to BLP facilities on Eaton Drive until more permanent facilities are reconstructed on Harbor Island. System operators are completing in-depth training on distribution and transmission system operations and power purchasing practices so they are equipped to perform their new and evolving duties more focused on the local distribution of power purchased from the regional grid. This retraining is being partially funded by a workforce training grant from the State of Michigan. While the BLP's total workforce will be reduced from 72 to less than 50 during the transition period, no employees will be laid off. All employee reductions will be accomplished through attrition.

Demolition of the J.B. Sims Generating Station is progressing as planned. The project began with asbestos removal from all areas within the plant. The Unit III turbine, coal crusher houses for all three units, and the electrostatic precipitator (*pictured below*), which spanned between the boiler and the Flue Gas Desulfurization Unit (often referred to as the scrubber), have now been removed. Bierlein is in the process of removing the coal conveyors that lead up to the larger buildings and one of the Unit III ash impoundments is closed and remediated.

The BLP is continuing its evaluation and analysis of facilities and equipment for the

Sims site after demolition and site remediation activities are completed. The Sims site is also being evaluated and retained by the BLP as a future site for a small "community solar" project and a location to potentially install utility-scale batteries or other future energy storage or smaller distributed energy resource needs of the utility. A final Master Plan report is expected to be presented to the Board in September 2020 by Progressive A.E.

The BLP's mission is to meet our community's expectations for quality local electrical utility service that returns value to our customers and the community as a whole. Our current transition will allow us to continue with that mission, improving reliability in the process, and offering a path forward that maintains stable rates and the high-quality electric utility service the community is accustomed to.

