



A CMS Energy Company

September 26, 2018

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Federal Energy Regulatory
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RE: Project No. 10808
Edenville Hydroelectric Project
Provision of House Power and Eventual Removal of Existing Mobile Equipment

Dear Secretary Bose:

I write regarding the Federal Energy Regulatory Commission's ("Commission") recent revocation of Boyce Hydro Power, LLC's ("Boyce") license to operate the Edenville hydroelectric project in Edenville, Michigan. As you know, Consumers Energy Company ("Consumers Energy") has historically purchased power from the Edenville plant under an agreement with Boyce and its predecessors.

Consumers Energy has reviewed Boyce's proposal, filed with the Commission on September 24, 2018, "to disconnect the [Edenville] plant from the grid without removing Boyce's ability to receive power from Consumers Energy." Boyce has historically used a portion of the energy generated at the Edenville plant for "house power" – i.e., for its own operational purposes, including station power – and Consumers Energy understands the need for Boyce to have continued access to house power for safe operation of the Edenville dam after generation at the plant is terminated.

Based upon the information currently available to Consumers Energy, the proposal suggested by Boyce will allow it to receive house power from us through existing infrastructure at the plant. Consumers Energy does not object to this proposal, in principle, given that the Commission ordered generation at the Edenville plant to be terminated by September 25, 2018. However, Consumers Energy views this as a temporary solution only. Some of the equipment likely to be involved in this solution is not designed for long-term operation – most notably, Consumers Energy's mobile substation equipment, which is currently being used as a generator step-up unit. The solution proposed by Boyce, moreover, would require Consumers Energy to provide house power on an unmetered basis.¹

¹ Consumers Energy is not obligated to provide Boyce with house power free of charge. House power used by Boyce has historically been deducted from the amount of energy generated at the Edenville plant and available for purchase by Consumers Energy. Therefore, assuming the temporary solution proposed by Boyce is acceptable to the Commission, Consumers Energy intends in the short term to invoice Boyce for house power delivered by Consumers Energy using reasonable estimates of Boyce's actual usage.

A different solution will be required to provide Boyce with a long-term source of house power for purposes of safely operating the Edenville dam after generation at the plant is terminated. As such, we will work expeditiously to design and install an appropriate, low-voltage distribution connection to Boyce's facilities, and to provide Boyce with the same service as any other Consumers Energy customer. Consumers Energy will need cooperation from Boyce in order to complete this metered retail service connection. When generation at the Edenville plant is terminated, and the new retail service connection is completed, Consumers Energy intends to remove its mobile equipment from service at the site.

Thank you for your attention to this matter. Please let me know as soon as possible if the Commission has questions or concerns regarding Consumers Energy's proposed approach to providing Boyce with a retail service connection for house power at the Edenville plant.

Respectfully submitted,

Emerson J. Hilton
Attorney III
Consumers Energy Company

Document Content(s)

2018-09-26 Letter re Edenville Project.PDF.....1-2