

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

ACTION REQUEST

Subject: Central Power Plant  
480 Volt Station Power System Upgrade, South Side

Action Requested: Approval to Proceed with Project


Background:

At the March 2000 meeting, the Regents approved the 480 Volt Station Power System Upgrade project, that included required electrical upgrades to the Central Power Plant. The project addressed the replacement of a 480V power transformer, switches, switchgear, motor starters and cabling on the north side of the Plant. We are now proposing to proceed with electrical upgrades to the south side of the Plant, including replacement of a 480V power transformer, switchgear, motor starters, and associated power circuits for the 480V system. The project will complete the replacement of the Plant's 480 volt switchgear and circuits, most of which are more than 50 years old and at the end of their useful lives. Replacing this equipment before a failure occurs will improve the reliability of the electrical system and prevent a lengthy shutdown of the Central Power Plant.

The estimated cost of the project is \$750,000. Funding will be provided from Utility reserves. The construction cash flow may be provided, all or in part, by increasing the commercial paper issuance under the commercial paper program, secured by a pledge of General Revenues, and authorized by the Regents. The University of Michigan, Plant Extension – Architecture, Engineering and Construction will design the project. Construction is scheduled to be completed in Spring 2004.

We recommend that the Regents approve the Central Power Plant – 480 Volt Station Power System Upgrade, South Side project as described, and authorize issuing the project for bids and awarding construction contracts providing that bids are within the approved budget.

Respectfully submitted,

  
Timothy P. Slottow  
Executive Vice President and  
Chief Financial Officer

September 2003

APPROVED BY THE REGENTS ON  
SEP 18 2003