

Count on Us<sup>®</sup>

Consumers Energy

# Hoffman Road Site

## Alma, MI



### ENERGY READY OVERVIEW

March 31, 2019

**FOR ADDITIONAL INFORMATION, PLEASE CONTACT:**

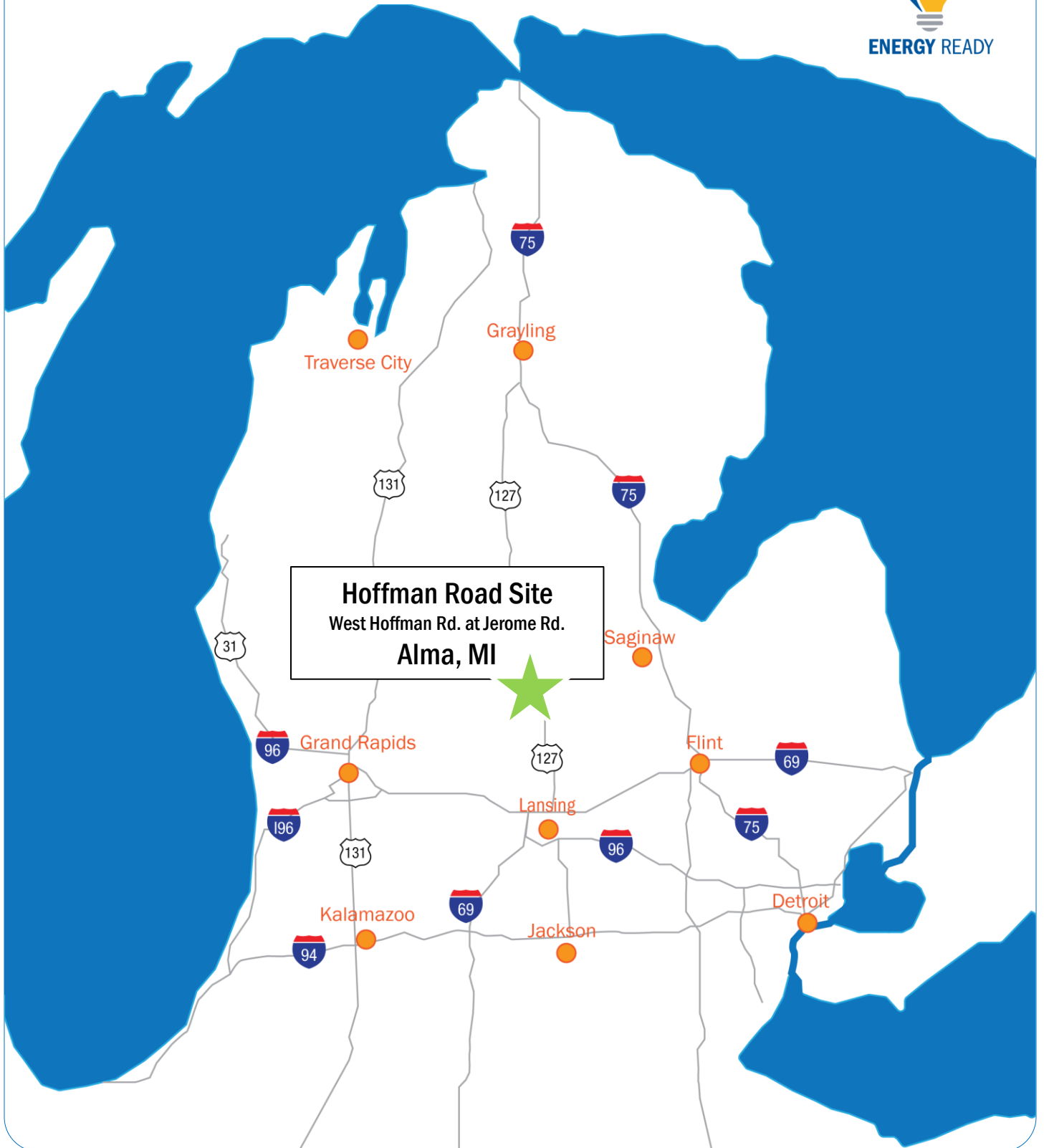
Michele Eaton, Economic Development Manager  
810-760-3497 ▪ [michele.eaton@cmsenergy.com](mailto:michele.eaton@cmsenergy.com)

Consumers Energy Business Center ▪ 800-805-0490  
[ConsumersEnergy.com/econdev](http://ConsumersEnergy.com/econdev)

# Michigan



**ENERGY READY**



At Consumers Energy, we're committed to providing information to help you make sound business decisions. Together with our economic development allies, we deliver a from-all-angles "we've got this" customer experience. That's a major reason why leaders in automotive, medical technology, retail and other industries committed to investing more than \$2 billion and creating more than 5,700 jobs in Consumers Energy's service territory in 2018.

This Energy Ready document is our assessment of this site's energy potential. You'll find details about the site's existing energy infrastructure, and estimated costs to adjust the site's features based on how your business might use energy. We hope you'll find it useful as you evaluate and make decisions about this site's potential for your business.

To help us deliver more precise cost estimates, we would like to learn more about how your business uses energy. Specifically:

#### **Electricity**

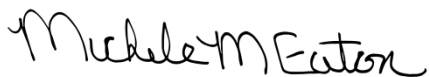
- Diversified peak demand in megawatts (MW)
- Estimated annual electricity use in kilowatt hours (kWh)
- Hours of operation

#### **Natural gas**

- Estimated hourly natural gas use in thousand cubic feet per hour (MCFH)
- Estimated annual natural gas use in thousand cubic feet (MCF)
- Required natural gas delivery pressure in pounds per square inch gage (psig)

I would appreciate the opportunity to learn more about your project, understand your long-term plans and determine whether this site or others might meet your unique needs. Please contact me directly at 810-760-3497 or [michele.eaton@cmsenergy.com](mailto:michele.eaton@cmsenergy.com).

Sincerely,



Michele M. Eaton  
Economic Development Manager



# ENERGY READY SITE OVERVIEW



ENERGY READY

## SITE ADVANTAGES

200 psig natural gas pressure and up to 500 MCFH available

Low voltage distribution available, up to 3 MW

High voltage distribution from 3 MW to 100 MW

Competitive electric and natural gas rate options

Energy efficiency and construction incentives available to qualifying customers

High voltage electric and natural gas service reliability

Construction timelines tailored to your needs

## ECONOMIC DEVELOPMENT SERVICES

### CONSUMERS ENERGY

#### Energy Rate Estimates

We'll estimate your electric and natural gas costs and offer energy-intensive rate options with your growth plans in mind.

#### Engineering Service Estimates

We'll estimate your costs to re-engineer sites based on how your business uses energy.

#### Utility Infrastructure Mapping

Our maps show you where pipes and wires lie, and can help service providers understand how to serve your site.

#### Site-Specific Engineering Information

Our Energy Ready site inventory is backed by our strong relationships with local community agencies.

#### New Construction and Energy Efficiency Incentives

We offer rebates for qualifying energy-efficient equipment and buildings, and can help you reduce or eliminate upfront energy infrastructure costs.

### CONTACT

Michele Eaton  
3201 E. Court Street  
Flint, MI 48501  
810-760-3497  
[michele.eaton@cmsenergy.com](mailto:michele.eaton@cmsenergy.com)

### GREATER GRATIOT DEVELOPMENT, INC.

Jim Wheeler  
President  
136 S. Main Street  
Ithaca, MI 48847  
989-875-2083  
[jim.wheeler@gratiot.org](mailto:jim.wheeler@gratiot.org)

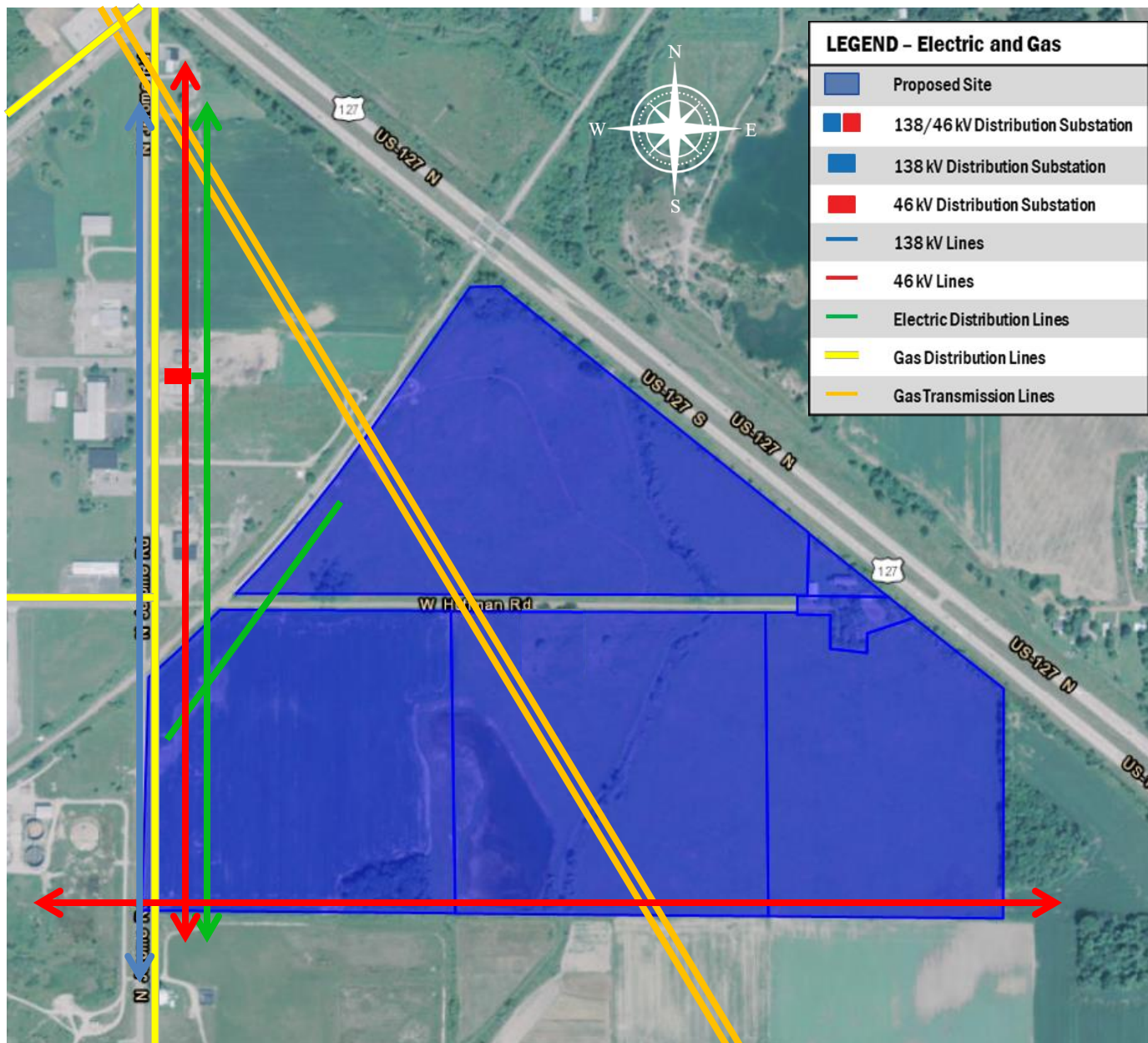
### Additional Site Information

Click here for [additional site information](#)  
Web source: Great Lakes Bay Region

# EXISTING ENERGY INFRASTRUCTURE



ENERGY READY



Approximately 150 acres available for development

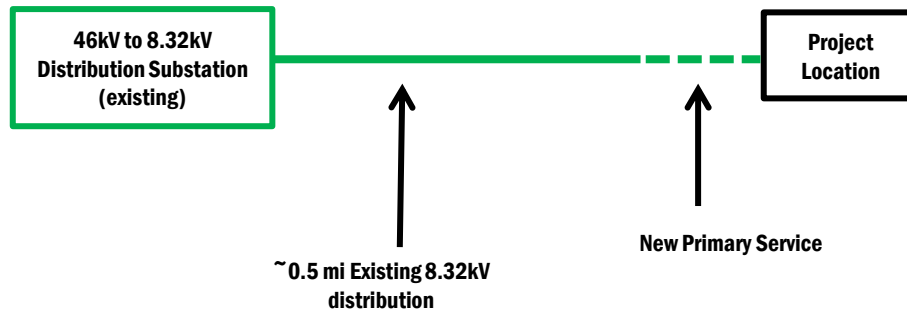
All existing facility locations are approximate and not to be used for construction purposes. Always contact MISSDIG 811 before you dig.

# ELECTRIC – LOW VOLTAGE DISTRIBUTION

Ideal Load Range: Up to 3 MW



ENERGY READY



## Connection Options: Costs for Electric Service

Option	Estimated Lead Time <sup>2</sup>	Estimated New Right of Way Required <sup>3</sup>	Estimated Minimum Project Cost	Maximum Electric Demand	Consumers Energy Construction Incentive <sup>4</sup>	Customer Contribution
Base Service – Single 8.32kV line from existing distribution system	6 months	Minimal	\$100,000	3 MW	\$100,000 <sup>1</sup>	\$0 <sup>1</sup>

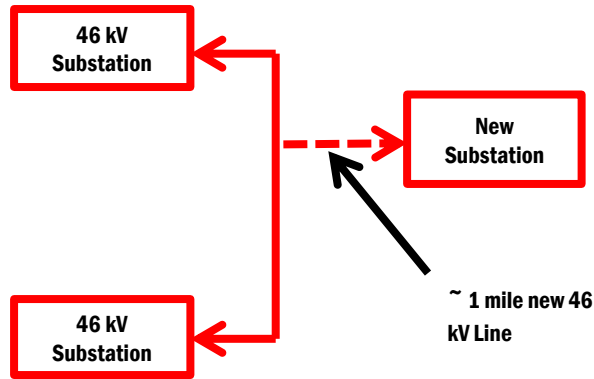
1. A 1 year full service contract for 3 MW or more of demand at CVL3 and rate GPD will provide the construction incentive shown. Refer to Tariff C1.4. Additional base service options may be available or required at this site depending on electric demand and load characteristics.
2. All estimates and lead times are conceptual and could be higher. Actual costs, timing and customer contribution will be determined during development of the contract for facilities.
3. Represents new third party right of way. Consumers Energy will require that the customer provide easements for all lines and facilities located on the customer property.
4. Construction incentives are contingent upon a company's successful credit review.

# ELECTRIC – HIGH VOLTAGE (46 kV)

Ideal Load Range: 3 MW to 12 MW



ENERGY READY



## Service Options: Costs for Electric Service if Electric Demand is at least 3.0 MW

Option	Estimated Lead Time <sup>2</sup>	Estimated New Right of Way Required <sup>5</sup>	Estimated Minimum Project Cost	Minimum Electric Demand	Practical Maximum Demand <sup>6</sup>	Consumers Energy Construction Incentive <sup>7</sup>	Customer Contribution
Base Service - 46 kV Line Only (customer builds/ owns substation)	12-18 months	Minimal	\$ 600,000	3 MW	12 MW	\$ 600,000 <sup>1</sup>	\$ 0 <sup>1</sup>
Base Service – Single 46 kV Line and Single Transformer Substation	18-24 months	Minimal	\$ 1.9 million	3 MW	12 MW	\$ 1.9 million <sup>1</sup>	\$ 0 <sup>1</sup>

## 46 kV Line Reliability for Base Service Options:

Predicted Momentary Interruption Rate <sup>3,4</sup>	Predicted Extended Outage Rate <sup>3,4</sup>	Predicted Reliability % <sup>4</sup>
1 every 3.2 years	1 every 6.1 years	99.996%

1. A 5 year full service contract for 3 MW or more of demand at CVL2 and rate GPD will provide a construction incentive sufficient to cover the cost of typical base facilities at this site. Refer to Tariff C1.4. Additional base service options may be available or required at this site depending on electric demand and load characteristics.

2. All estimates and lead times are conceptual and could be higher. Actual costs, timing and customer contribution will be determined during development of the contract for facilities.

3. Momentary Interruption is defined as an interruption or series of interruptions lasting no more than five minutes. Extended Outage is defined as an outage lasting longer than five minutes.

4. Outage rates are based upon system average outage rates for 46 kV lines only, and the predicted reliability % represents the estimated amount of time the facility is in service.

5. Represents new third party right of way. Consumers Energy will require that the customer provide easements for all lines and facilities located on the customer property.

6. This represents the maximum demand that can be practically served from the respective option with minimal system upgrades. Greater demands will be considered with additional analysis.

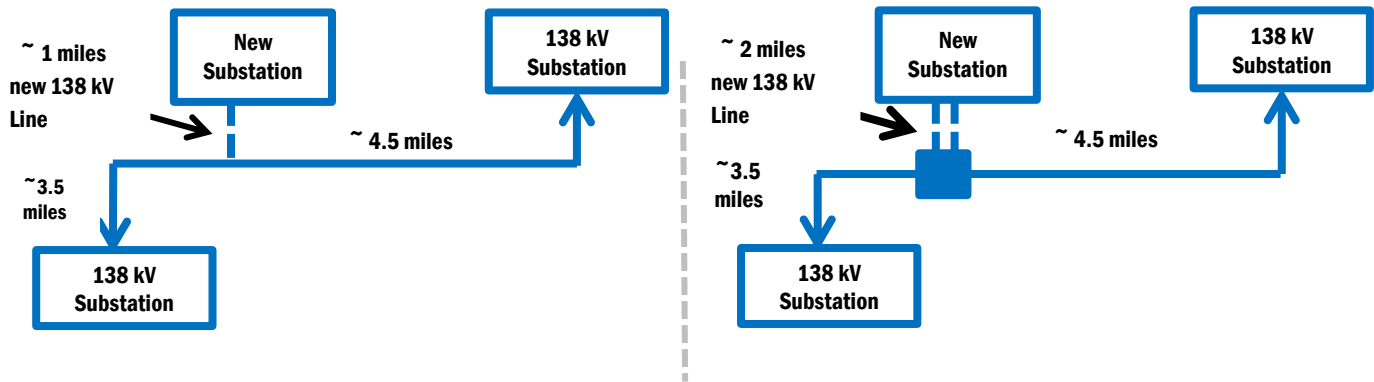
7. Construction incentives are contingent upon a company's successful credit review.

# ELECTRIC – HIGH VOLTAGE (138 kV)

Ideal Load Range: 12 MW to 100 MW



ENERGY READY



**138 kV BASE SERVICE CONNECTION OPTION**

**138 kV REDUNDANT SERVICE CONNECTION OPTION**

## Connection Options: Costs for Electric Service if Electric Demand is at least 12.0 MW

Option	Estimated Lead Time <sup>3</sup>	Estimated New Right of Way Required <sup>6</sup>	Estimated Minimum Project Cost	Minimum Electric Demand	Practical Maximum Demand <sup>7</sup>	Consumers Energy Construction Incentive <sup>8</sup>	Customer Contribution
Base Service - 138 kV Line Only (customer builds/owns substation)	18-24 months	Minimal	\$ 600,000	12 MW	100 MW	\$ 600,000 <sup>1</sup>	\$ 0 <sup>1</sup>
Base Service – Single 138 kV Line and Single Transformer Substation	18-24 months	Minimal	\$ 3.0 million	12.0 MW	100 MW	\$ 3.0 million <sup>1</sup>	\$ 0 <sup>1</sup>
Redundant Service – two 138 kV Lines and Two Transformer Substation	24 months	Minimal	\$ 6.6 million	12.2 MW	100 MW	\$ 6.6 million <sup>2</sup>	\$ 0 <sup>2</sup>

## 138 kV Line Reliability for Base Service Options:

Predicted Momentary Interruption Rate <sup>4,5</sup>	Predicted Extended Outage Rate <sup>4,5</sup>	Predicted Reliability % <sup>5</sup>
1 every 7.7 years	1 every 26.5 years	99.999%

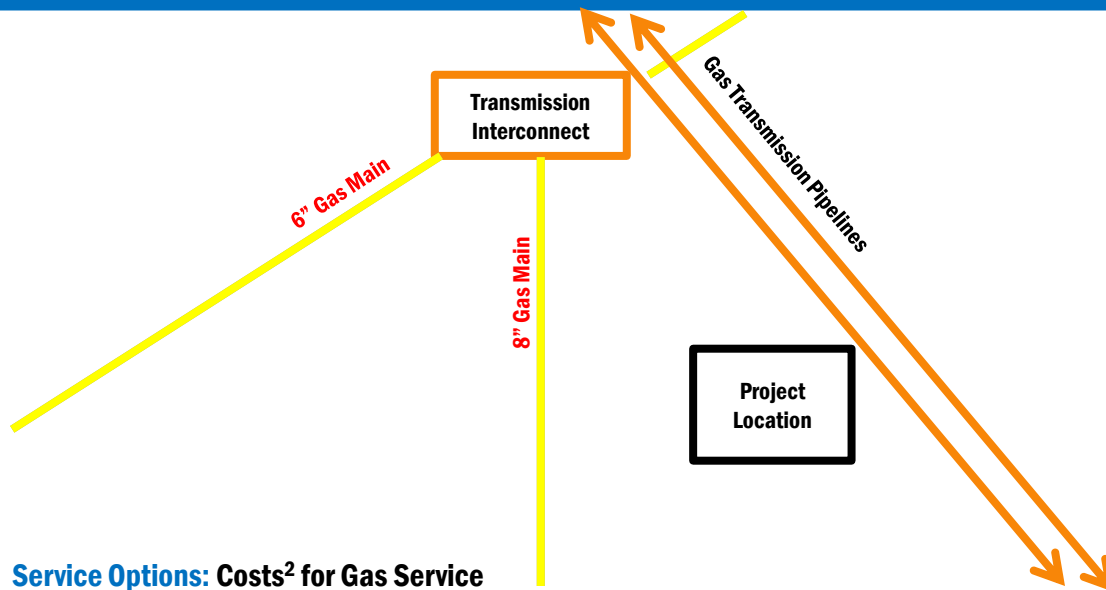
1. A 5 year full service contract for 12 MW or more of demand at CVL1 and rate GPD will provide a construction incentive sufficient to cover the cost of typical base facilities at this site. Refer to Tariff C1.4. Additional base service options may be available or required at this site depending on electric demand and load characteristics.
2. A 5 year full service contract for 12.2 MW or more of demand at CVL1 and rate GPD will provide a construction incentive sufficient to cover the capital cost of base and redundant facilities at this site. Refer to Tariff C1.4. Additional redundancy options are available at this site.
3. All estimates and lead times are conceptual and could be higher. Actual costs, timing and customer contribution will be determined during development of the contract for facilities.
4. Momentary Interruption is defined as an interruption or series of interruptions lasting no more than five minutes. Extended Outage is defined as an outage lasting longer than five minutes.
5. Outage rates are based upon system average outage rates for 138 kV lines only, and the predicted reliability % represents the estimated amount of time the facility is in service.
6. Represents new third party right of way. Consumers Energy will require that the customer provide easements for all lines and facilities located on the customer property.
7. This represents the maximum demand that can be practically served from the respective option with minimal system upgrades. Greater demands will be considered with additional analysis.
8. Construction incentives are contingent upon a company's successful credit review.



# NATURAL GAS



ENERGY READY



## Service Options: Costs<sup>2</sup> for Gas Service

	Load Profile - Thousands of Cubic Feet per Hour (MCFH)					
	10	50	100	250	500	1000
Scope of Work to Meet Load Profile <sup>3</sup>	Install ¼ mile of steel main, service stand, plastic service and industrial meter	Install ¼ mile of steel main, steel service and high pressure meter	Install ¼ mile of steel main, steel service and high pressure meter	Install ¾ mile of steel main, steel service and high pressure meter	Install 2 miles of steel main, service and high pressure turbo meter	Loads of this size are not ideal for this site – Please contact us for details on how we may be able to serve this load.
Lead Time <sup>4</sup>	9 months	9 months	9 months	12 months	18 months	
Consumers Energy Construction Incentive (\$)	200,000	400,000	400,000	1,500,000	3,150,000	
Customer Contribution <sup>1</sup> (\$)	120,000	10,000	10,000	10,000	10,000	
Maximum Pressure Available (psig)	200	200	200	200	200	
Annual Consumption Estimate (MCF/Year)	15,000	75,000	150,000	375,000	750,000	

### Redundancy and Reliability:

Consumers Energy's natural gas system is highly reliable and the probability of interruption is very low.

1. Customer Contribution is calculated based upon gas rate tariffs as governed by the Michigan Public Service Commission. This calculation accounts for twenty years of revenue credit at the stated consumption levels above, and uses that to offset the initial construction costs and the cost of ownership over the same twenty year period. Consumption here is estimated at the hourly flow rate indicated assuming up to 1500 hours/year.
2. All estimates are conceptual. Actual costs, timing and customer contribution will be negotiated with the customer as part of developing a contract for facilities. Customer responsible for fuel line and meter pad costs.
3. Given that this is a large site, there may be some additional gas facility installation needed, dependent upon customer's desired gas meter location.
4. For all load profiles listed a railroad crossing is required. Timeframe includes 6 months for crossing but may take longer depending upon permit negotiations with railroad.

*Count on Us<sup>®</sup>*

*Consumers Energy*

**Developed by  
Consumers Energy,  
in collaboration with:**



MICHIGAN ECONOMIC  
DEVELOPMENT CORPORATION

---



**ENERGY READY**



**Greater Gratiot  
Development, Inc.**