Regents approve $105 million energy modernization project

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Northwest has set into motion the Energy Infrastructure Modernization Project after the Board of Regents approved the $105 million proposal to upgrade the John C. Rueland Power Plant and energy distribution systems on campus at the Sept. 7 meeting.

"The power plant on campus utilizes three natural gas boilers to provide steam heat to campus buildings, which are connected by a two-mile network of tunnels. Over the years, students, faculty and staff have received many emails alerting them about work on steam tunnel leaks that would leave buildings with no hot water during repairs, potentially for many days depending on the repair," said Stacy Carrick, vice president of finance and administration.

"Dan (Haslag) and I some nights don’t get a lot of sleep because we’re worried about that plant going down,” said Carrick during the proposal. "If it went down, it would impact operations across campus or critical utilities."

"I’m comfortable with the added $20 million in debt. She said debt is not a bad thing as long as they can make the annual payment, and there was an analysis done that included project savings. "Based on those savings and the fact that if we don’t do something, I think our revenue streams are going to be jeopardized," Carrick said in the meeting. "So yes, I’m comfortable with the $20 million, I don’t want to go beyond $20 million and I don’t really want to go beyond 20 years."

Critical utilities were also assessed as a part of this project to find conditions on infrastructure systems like HVAC, electrical distribution, domestic water, sanitary sewer and stormwater. Thirty-three of those systems were rated with a high priority for replacements.

Energy efficiency is part of the upgrades this project plans to tackle. Converting to LED lighting, low-flow bathrooms and other high-efficiency systems through campus cooling and heating will maximize energy efficiencies.

Of the $105 million, $45 million will go to the central plant modernization, $61.2 million will go to critical utility and stormwater management and $2.8 million will go to study costs and other energy upgrades.

These boilers are anywhere from 27-33 years past the expected useful life, and the two alternative fuel boilers are beyond repair. As for cooling, there are three chillers, two of which are past useful life. With the equipment being so far past its lifespan, the result is more breakdowns and failures, which leads to more disruption among campus.

"With the upgrade of the plant and changing of systems, Carrick said the goal is to not lose existing workers, but rather not rehire for positions any longer."

"The funding for the $105 million project will come from a variety of sources," said Carrick. "It will be partially funded within the Energy Infrastructure Modernization Project, so many of them will have separate bid processes and completion times."

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