

MICHIGAN STATE UNIVERSITY

June 11, 2014

MEMORANDUM

To: Trustee Finance Committee

From: Satish Udpa *Satish Udpa*
Executive Vice President for Administrative Services

Subject: **Authorization to Plan**
Facility for Rare Isotope Beams - Power Plant Connection

RECOMMENDATION

BE IT RESOLVED that the Trustee Finance Committee recommends that the Board of Trustees authorize the Administration to plan for the project entitled Facility for Rare Isotope Beams - Power Plant Connection.



**OFFICE OF THE
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BACKGROUND

Program Need:

The power needs for a majority of the developed campus north of Mt. Hope Road are provided by MSU's power plant. The MSU farm facilities and other selected facilities on south campus are serviced by the local utilities.

The Facility for Rare Isotope Beams (FRIB) will begin operating approximately 2018, but an initial 7 MW of power will be required by FRIB for facility and equipment commissioning by early 2016. This project will provide a connection between FRIB and the Power Plant. Proceeding with this project now provides for the initial load requirement and avoids an expenditure of \$1M for a temporary power connection.

General Description of the Project:

Planning for this project covers the following three elements: 1) switch-house with circuit breakers to connect to the 25 MW FRIB duct line and cables, 2) new duct line and cables to connect the switch-house to the Power Plant, and 3) modifications in the Power Plant to connect the new cables from the switch-house.

Installing a switch-house at this time affords two benefits: 1) provides an additional year to consider power sourcing options in the on-going power options study, and 2) makes provisions for the implementation of future power sources such as substation, wind, solar, and gas powered electrical generation.

Based on an assessment of the factors stated in the Project Planning and Approval process concerning Project Labor Agreements (PLA), the Vice President for Strategic Infrastructure Planning and Facilities has determined that a PLA would not be required for this project.

Communication Plan:

During the planning phase, the campus community will be given opportunities to provide feedback on the project as it is being developed. Input from the project planning team will be solicited during this planning phase.

Preliminary Project Cost Information:

The preliminary cost assessment for this project is \$8M to \$10M. This estimate may change as planning progresses and the project scope is further defined.

The source of funds for this project is expected to be tax-exempt financing with debt repayment from utility charges to FRIB and the Executive Vice President for Administrative Services.

cc: L. Simon, J. Youatt, S. Udpa, B. Beekman, B. Noto, K. Dawkins,
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