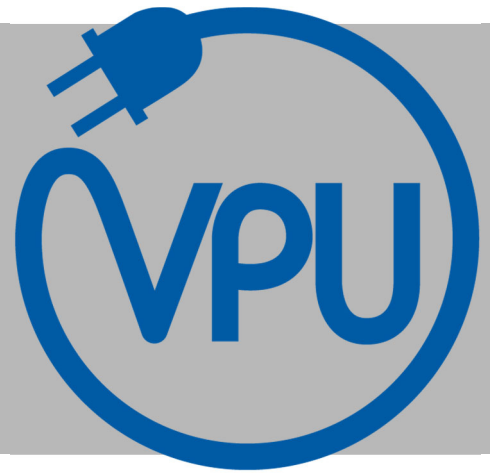


The VPU Quarterly

October 2023



Laurentian Energy Authority

What began as a joint venture between two sister utilities—Hibbing Public Utilities Commission and Virginia Public Utilities Commission—ended on August 15th, when VPU sold its shares of Laurentian Energy Authority to HPU, signifying the official end of the biomass era.

Rewinding back to the turn of the century, VPU found itself floundering. The power plant capacity was unable to keep up with the growth, and therefore, the Utility relied heavily on Minnesota Power to meet the electric needs for the City. In addition, the newest turbine was 30 years old, the newest boiler had been rendered financially inoperable, and another boiler was shut down for environmental reasons. In effect, the power plant had become a steam production plant.

The idea for the two utilities to combine forces was first floated in 2004, but did not become a reality until October of 2005 when financing for the project was put into place. By December of the following year, a new Foster Wheeler biomass boiler was completed at the Virginia plant and an almost identical one at the Hibbing plant. Each boiler was one of only a handful in the United States and was able to generate 132 million kilowatt hours per year.

The purpose of the project was not to solve the problems of the steam heat system, but instead to help buy time to figure a way through them. The biomass unit served that purpose into the year 2018, when it was shuttered after Xcel Energy agreed to a mutually beneficial buyout contract. We would like to thank HPU for their many years of partnership and teamwork, and we wish them well with their biomass endeavors!

Quick Notes:

The office will be closed on the following dates:

November 10th
November 23rd & 24th
December 22nd at Noon
December 25th
December 29th at Noon
January 1st, 2024

Know the smell of natural gas!

If there is a faint smell, call the VPU at (218) 748-7540.

If in doubt, exit the building & call 911!

Sign up for Direct Pay and eliminate the need to write a check each month!

Forms are available in the VPU office or on our website at www.vpuc.com.

Water Tower Projects



Throughout 2023, all three water towers in Virginia have had varying amounts of maintenance work done to them.

This year, both the main tower and the hospital standpipe were due for a drain, clean, and inspection.

On June 7th, the draining process began on the main tower. Once it was emptied completely, it was pressure washed on the inside, as well as the outside. At this time, it was determined that a small repair needed to be made to the exterior coating. Once the repair was completed, the main tower was filled and was able to be put back into service on June 20th.

Also on June 20th, the hospital standpipe draining began. Like the main tower, it was pressure washed inside and out, and it, too, was in need of a small repair. The repair on this tower was done to the interior coating, and once the repair was cured, the hospital standpipe was filled and was able to be placed back into use on July 12th.

On June 28th, the draining process began for the Midway tower, which was slated to receive the most extensive maintenance work of all three towers this year. As the top picture demonstrates, the exterior of the tank appeared to be sullied by the elements.

The tank itself was sandblasted on the inside and outside to remove all of the old coatings. An assessment of the tank revealed one minor structural issue on the inside that required a repair. After that was completed, a base primer was applied, followed by a re-coating of the inside and outside. After the coatings cured, the Midway tower was able to be placed back into service on August 21st.

In addition, all of the handrails, ladders, and aviation lights were brought up to current standards.

The photo to the right shows the aftermath of the maintenance work.



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VPU offers several different ways to pay: cash, check, or card in person; through our website at www.vpuc.com; over the phone with a card; using the PSN app; signing up for our direct pay program; a drop box located outside of our front entrance at 618 2nd Street South; or a drop box located at Frandsen Bank.