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Prairie State moves Marceline budget from black to red

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MARCELINE, MO — “While Marceline City Manager Luke Lewis says he and the Marceline City Council still intend to amend the City of Marceline’s budget to reflect current Prairie State revenues and what the City is paying for the four megawatts from Prairie State, he’s dealing with a moving target. During a recent meeting with the Marceline City Manager, he advised that the City of Marceline’s Prairie State expenditures are escalating at such a varying rate so often that he and the Council would have to amend the City budget “every other day.”

In the March 8 edition of the LCL, we noted a discrepancy of \$678,753 between what was budgeted for Prairie State in the City of Marceline’s 2013 Budget and what was cited in a letter he submitted to the Marceline City Council and the LCL that we published on February 22. At that rate there will be a significant deficit in the 2013 City of Marceline budget. Since that time, the amount needed by the City of Marceline to make good on its financial obligation to Prairie State has continued to grow, but Lewis is hesitant to say exactly how much at this time.

However, the Institute for Energy Economics and Financial Analysis (IEEFA) released a report on Prairie State last August that gives some idea about why Prairie State costs have continued to increase well beyond what was originally projected. Entitled *The Prairie State Coal Plant: The Reality vs. The Promise*, that report cites the rising cost of constructing the Prairie State Energy Campus as a principal driver of the escalating costs that have been passed on to ratepayers in participating municipalities. However, it is important to note that Lewis has assured Marceline’s electricity customers that he will not recover the City’s escalating Prairie State costs by raising their rates.”

— Chris Houston, *Linn County Leader*

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