

UNITED STATES GOVERNMENT

# Memorandum

11310

Ser

DATE:

24 MAR 1971

TO : Chief, Civil Engineering Branch

FROM : LeRoy WEST, Chief, E-M Section

SUBJECT: Ocean Cape LORSTA; power supply for

- REF :
- (a) CCGD17 ltr 11310 Ser 8725 dtd 21 August 1967
  - (b) HQ ltr 11120 Ser 2213 dtd 18 September 1967
  - (c) CCGD17 ltr 11300 Ser 8939 dtd 30 October 1967 to Mr. Fred O. Miller
  - (d) Yakutat Power Co. ltr dtd 1 March 1971

1. The cost comparison of commercial power vs CG produced power at Ocean Cape has been reviewed.

2. The price of fuel has increased slightly and the diesel electric sets are also burning more gallons per hour, from actual usage records. A new larger heating boiler was recently installed. The following is a cost comparison of commercial power vs CG produced power:

a. CG Operating Costs:

Average load 58 KW	
Fuel cost F.O.B.	\$ 0.207/gal
Labor per annum (EN-EN3)	12,000
Lube oil & repair parts per annum	9,000
Major overhaul (every 3 yrs.) per annum	2,000
Fuel consumption 7.4 gals/hr @ 58 KW	<u>13,418</u>
load (7.4 x 24 x 365 x \$0.207=	\$13,418.56
Annual Total Operating Costs	\$36,418

b. Yakutat Power Co. Costs:

Power rate now filed with Alaska Public Service Commission: (Lower rate may be possible per Mr. Fred O. Miller's letter 1 March 1971)

First 10,000 KWH/mo	\$ 0.10/KWH
Next 40,000 KWH/mo	0.05/KWH
All over 50,000 KWH/mo	0.045/KWH



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LORSTA averages 42,000 KWH/mo presently.

10,000 KWH @ \$0.10	\$ 1,000
32,000 KWH @ 0.05	1,600
	<u>2,600</u>
	x 12
	5200
	2600
Commercial Power Annual Costs	\$31,200

c. Grant-in-aid-to-Construction (Power line to station)

New estimate 1 March 1971 \$32,000

Refund to CG for loan of 10% of the monthly billing, until the entire loan is refunded.	\$ 2,600/mo
	- 260
Average Monthly Expenditure	\$ 2,340/mo

At the 10% rate our loan would be refunded in 10 years  
4 months.

d. Savings:

CG operating annual costs	\$36,418
Commercial power annual costs	<u>31,200</u>
Annual Savings	\$ 5,218

(NOTE: Does not consider Interest (\$1,600/yr) on the \$32,000  
nor does it consider reduced logistic cost.)

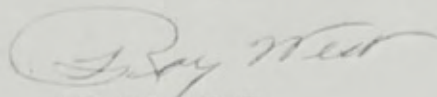
3. A personnel reduction of two EN or FN type could be made,  
because watchstanders for engine room would not be required.  
Station personnel at Ocean Cape is now 13 and could be reduced  
to 11, similar to that assigned to Spruce Cape LORSTA which is  
on commercial power.

4. I therefore recommend that Ocean Cape LORSTA be connected into  
the Yakutat Power Co. commercial power lines. All three  
installed generators will have a major overhaul as scheduled  
and will remain as standby generators.

5. Negotiations by Contracting Officer and Yakutat Power Co.  
could begin at any time. A firm utility contract should be effected.  
This utility contract, because of the \$32,000 "Grant-in-aid-to  
Construction" would have to be approved by Commandant (F).

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6. A StructAlt could be prepared and forwarded to HQ if desired. This would allow HQ to comment regarding the foreseeable phasing out of "A" LORSTA.



LEROY WEST  
Chief, E-M Section

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UNITED STATES GOVERNMENT

# Memorandum

TO : Chief, Operations Division

DATE: 29 March 1971

FROM : Chief, Engineering Division

SUBJECT: Conversion of Ocean Cape LORSTA to commercial power;  
comments concerning

REF : (a) Chief (ecv) E-M Section technical review dtd 24 Mar 71

1. For the past several years the Coast Guard has negotiated with the owner of the Yakutat Power Co. concerning possible conversion of that station to commercial power. Results of recent contracts with that company are summarized in the attached memo, reference (a).

2. The cost estimate for conversion shown does not include the installation of the necessary switchgear which would add about \$1,000 - \$1,500 to the initial cost. Also, it may not prove possible to reduce the complement by two men as assumed because of other watch standing requirements although certainly the current EN3 billet could be eliminated if not both the EN3 and FN billets.

3. Conversion of the station to commercial power in early FY72 is recommended for the following reasons:

a. Some direct dollar savings in annual operating costs should be realized. The estimated amount will depend upon the number of billets disestablished.

b. Conversion would eliminate one and possibly two isolated duty billets.

c. Conversion would increase the useful life of the existing generators and reasonably assure that their replacement would not be required before phase out of the LORAN A system.

d. Conversion will provide adequate power if the station is later converted to a family station with modular home type quarters.

4. Your comments regarding this proposed change are requested, particularly regarding the number of billets that could be vacated. FY72 O.E. funds can be programmed for the initial cost and increased annual support subhead (SH-43) costs. A reply by 15 April 71 is desired to permit reflection of this action in our FY72 - 73 budget request.

Encl: (1) Copy of Ref. (a)

Copy to:

f, p w/enc

H. W. PAGEZ





**MEMO ROUTING SLIP**

NEVER USE FOR APPROVALS, DISAPPROVALS,  
CONCURRENCES, OR SIMILAR ACTIONS

ACTION

1 TO	INITIALS	CIRCULATE
	DATE	COORDINATION
2		FILE
		INFORMATION
3		NOTE AND RETURN
		PER CON- VERSATION
4		SEE ME
		SIGNATURE

*Own*

REMARKS

*Strikes me as a good project. Get Ocean Page's views (pictures now available and figure refer to Engineering. If we can't drop two bullets the number would be quite small. Must retain adequate talent on board to provide for operation in event commercial power outage. Not time from*

RECEIVED

*RS*

FROM

APR - 1 1971

AUG 10 NA  
THUS DISTRICT

CAPT R. E. EMERSON, USCG  
Capt., Operations Division

DATE

3/31

PHONE

DD FORM 1 OCT 60 95

REPLACES DD FORM 94, 1 FEB 60 AND DD FORM 95, 1 FEB 60 WHICH WILL BE USED UNTIL EXHAUSTED.

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