



## President's Message

### Power of the public

—by Raj G. Rao

Throughout 2009, climate change and greenhouse gas legislation will be a major topic of discussion. With a new President, a new administration and Congress in session, we can expect some changes in our industry.

IMPA, like many other power suppliers, relies primarily upon fossil fuels – namely coal – to generate electricity for more than 300,000 Hoosiers. Our goal is to reliably provide the lowest-cost electricity we can to those individuals without sacrificing environmental responsibility. However, we must work to encourage our legislators to take delicate steps in curbing global warming so that rate payers are not burdened by the costs. In already tough economic times, many find themselves struggling to pay existing bills and put food on the table because industries and manufacturing jobs are moving to China and India. Legislation designed to address global warming could place even more of a financial burden upon those customers.

Currently, Congress is considering an economic penalty on coal fired generation facilities that, it believes, will force the industry to take drastic measures to reduce emissions. Under consideration are two types of economic penalties: carbon tax and cap-and-trade. A carbon tax placed upon electricity generators would increase each

*- continued on page 4*


## IMPA Board approves net metering agreement

### Gives consumers the opportunity to benefit from on-site generation

IMPA and its member utilities have taken steps to enable and encourage customers to install green and renewable on-site generating resources in their own backyards. Any energy produced by wind, solar, biomass, geothermal or hydroelectric facilities owned and operated by residential, commercial or industrial customers can offset the customer's use of electricity by spinning their electric meter backwards, or crediting the customer for electricity produced.

In January, the Board of Commissioners approved a set of documents, including a sample ordinance for the cities and towns to adopt, that will permit net metering for wind turbines and other small (no larger than 10 kW), renewable generation. Other documents include a Sample Application for Net Metering, a Sample Interconnection Agreement for Net Metering Facilities and a Sample Net Metering Tariff. Member communities interested in entering net metering agreements with their customers must have the documents approved by their city and town councils.

The Agency is also available to assist members that enter into on-site generating contracts with customers.

IMPA and its members recognized the value of such a program in promoting energy efficiency while reducing demand. The Agency and its members established guidelines in 2008 for customers who use renewable resources to generate self-supporting energy for their homes or businesses. 

## Inside

page 2 - Project Watch

page 2 - Staff Announcements

page 3 - Arc Flash Assessment assistance

## Project Watch

### Prairie State Energy Campus

Bechtel Power Corp. (Bechtel) is the engineering, procurement, and construction contractor for both the Prairie State Energy Campus and Trimble County Unit 2. The Prairie State project is now more than 12 percent complete. Construction on the Unit 1 boiler structural steel continues and the Unit 1 Steam Turbine Generator pedestal legs were completed. Other work at the plant consisted of Unit 2 Boiler foundation work, chimney fiberglass liner assembly, construction of the cooling towers, air quality control systems' foundations, rail line construction, raw water line construction, and transmission facilities construction. The slope construction at the mine site is



*Aerial view of Prairie State Unit 1 boiler structure*

continuing to progress and preparations are being made for the start of the air shaft construction. Prairie State Generating Company is also continuing with the purchasing of the mining equipment.



*Aerial view of Trimble County Unit 2 Air Quality Control Systems*

### Trimble County Unit 2

The Trimble County Unit 2 project is nearly 50 percent complete as Bechtel continues work at the site. The construction of the boiler is ongoing. Boiler wall tubes, roof tubes, and internal elements are being rigged into place for welding in the boiler. Other installations include the pulverizer motors, boiler feed pump turbines, parts of the flue gas duct work, wet flue gas desulfurization unit structural steel, and condensate tank. A significant effort is now going into the completion of the bulk quantities of piping and electrical systems that must be completed within the entire new unit's facilities. ☞

## Staff Announcements

IMPA is pleased to announce the promotions of Joel Roper and Kaustubh Deshmukh.

Joel was recently promoted to Assistant Vice President of Electrical Engineering. He has been with the Agency since March 1991. Joel holds a bachelor's degree in electrical engineering from Purdue University.



Kaustubh began working at IMPA in June 2004. He has been promoted to Senior Planning & Operations Engineer. Kaustubh holds a master's degree in Electrical and Computer Engineering from Northeastern University in Boston. ☞



## Economic Development Webinar set:

**"How the decline in the economy will affect the economic development professional in 2009."**

March 4, 2009  
2 p. m. Eastern Time

For more information, call Phil Lehmkuhler at (317) 575-3879 or e-mail [phil@impa.com](mailto:phil@impa.com). ☞

## IMPA welcomes Steve Brown home



This winter, IMPA welcomed back power system coordinator Steve Brown. Brown was mobilized by the United States Navy in February 2008 and was deployed for 8 months in Iraq and Kuwait. There, he performed customs inspections on equipment leaving war zones for the United States. Brown has served in the military for 17 years. He has been with IMPA since 2000.

Upon his return to IMPA, Brown graciously presented President Raj Rao and Executive Vice President and Chief Operating Officer Gayle Mayo with American flags flown over Camp Arifjan, Kuwait, where Brown was stationed. Each flag flew over the camp for one day in honor of Rao and Mayo in appreciation of their support for Brown and the United States Armed Forces.

“We are proud of Steve for his hard work and dedication,” Rao said. “We are honored that he would bring back such a thoughtful gift, but even happier to have him back.”

## ISC offers arc flash assessment service

When several Indiana Municipal Power Agency (IMPA) members were faced with the issue of arc flash assessments at their local utilities, they turned to ISC for advice.

“There has been an influx of inquiries about arc flash assessments,” ISC General Manager Kerry Vincent said. “Section 41 of the 2007 National Electrical Safety Code refers to January 1, 2009 as the effective date in which the employer shall ensure that an assessment is performed to determine potential exposure to an electric arc for employees who work on or near energized parts or equipment. If the assessment determines a potential employee exposure greater than 2 calories/cm<sup>2</sup> exists, the employer shall require employees to wear clothing or a clothing system that has an effective arc rating not less than the anticipated level of arc energy.”

An arc flash analysis allows the utility to determine the anticipated level of arc energy at each substation and along the utility’s distribution system. ISC purchased software more than a year ago to do arc flash assessments at the Agency’s combustion turbine facilities and for IMPA members Tell City and Greenfield. Since then, ISC has been contracted to do assessments for IMPA members Bremen, Etna

Green, Jasper, Lawrenceburg, Rensselaer, Rockville, Washington, and Frankfort to name a few. The assessment consists of the calculation of fault current at the member’s substation or delivery point and all circuits served by the substation or delivery point. From the fault current information, the duration of the arc (cycles), and the distance from the arc to the employee, ISC can determine the arc flash energy in calories/cm<sup>2</sup> present on the members electric utility system. The values of arc flash energy are then used by the member to determine the appropriate clothing or clothing system for that particular system.

Vincent has witnessed the severity of arc flashes first-hand and noted that clothing plays an important factor in injury. Prior to clothing regulations, employees were encouraged to wear cotton because it burns away from the skin. Certain fabrics such as polyester, nylon, acetate or polypropylene melt to the skin, causing infection and complications.

If you would like to discuss this topic further or desire ISC to perform an arc flash analysis on your electric utility system, please call Kerry Vincent at 317-575-3877.

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- continued from page 1

year until the industry either finds a way to decompose or sequester carbon dioxide or eliminates the use of fossil-fuel generation altogether. Currently, the technology to successfully accelerate the decomposition of carbon dioxide or sequester it is still in the experimental stages and does not exist. Under the cap- and- trade process, Congress will establish a baseline emissions level and slowly decrease the level over time.

A second part of the cap- and- trade alternative would be to require market participants to own an emission allowance for each ton of carbon dioxide they emit. Market participants would be allowed to trade allowances so that energy producers that are unable to reduce their carbon dioxide emissions could purchase needed allowances.

Both the carbon tax and cap- and- trade approaches will require utilities to collect these additional expenditures from customers. IMPA strongly supports the cap- and- trade option that distributes allowances without costs to the customers who are purchasing power from coal fired generating facilities. It is not fair to tax Midwestern customers billions of dollars and send that money to East and West Coast customers. Of the many different versions that have been discussed, this measure will give the electric industry time to develop sound technology or transition to other types of power generation while ensuring rate payers are not penalized for keeping the lights on.

We know that a balance must be struck among maintaining reliable electricity, economic rates and environmentally responsible power. Throughout 2009, we will be encouraging our public power members and their customers to connect with their legislators, urging them to take responsible, economic steps to curb climate change. Let there be no carbon tax or allowance purchase, but if those are unavoidable, make sure those tax dollars go to benefit Midwestern customers. *W*

Printed on recycled stock



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The IMPA Wire is published by the  
Indiana Municipal Power Agency

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