



President's Message

Sowing seeds of growth

—by Raj G. Rao

“You can't plant a seed and pick the fruit the next morning.” -Jesse Jackson

For years, IMPA has carefully and confidently planted seeds for the future, taking steps to ensure the vitality of our Agency and our member communities. Just as a seed is placed in the ground and given nourishment to grow, we have formulated plans and ideas, supported them with research, and sustained them with a watchful eye. We now find ourselves in the growing stage, waiting to see the fruits of our planning and preparation.

Some seeds planted prior to 2007 began to sprout this year. While ground was broken in 2006 on Trimble County Unit 2, construction really moved forward this past year. Already, a new cooling tower has been erected and is in use. While the unit will still not be operational for a couple of years, the day is quickly approaching when IMPA and its member communities will benefit from the construction of this project.

IMPA also witnessed the commencement of another generation project – the Prairie State Energy Campus. With the groundbreaking ceremony in October, construction finally began on this long-awaited coal-fired plant. This monumental project will be 95% owned and operated by a contingent of public power entities, serving the needs of customers from Missouri to Virginia.

- continued on page 4

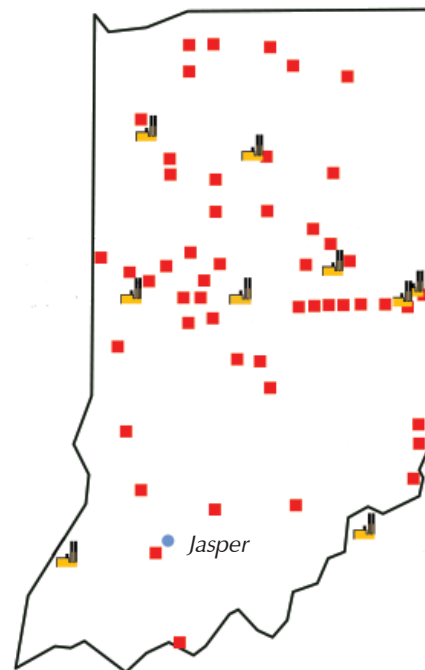
City of Jasper joins IMPA

Late this year, the City of Jasper was welcomed as the 51st member of the Indiana Municipal Power Agency. The City joins with IMPA's other members to serve the electric needs of over 310,000 individuals.

“We are pleased Jasper has chosen to join with IMPA in providing low-cost, reliable power to the community's citizenry,” commented

Raj Rao, IMPA President. “We are looking forward to working with the utility and with city officials to share the benefits of joint action and public power.”

As a member of IMPA, Jasper will purchase all of its power requirements through the Agency and deliver that electricity to the residents and businesses in the community. In addition, members of the Agency have a voice in the operations of IMPA through selected community representatives. Utility Distribution Manager Jerry Schitter serves as Jasper's representative, helping to guide the direction and future of IMPA's operations.



Inside

page 2 - ISC system modeling assists in power factor study

page 3 - IMPA Project Watch

page 4 - Mark your calendars for Legislative Reception and Rally

Huntingburg system model used to study system power factor

When Huntingburg joined the Indiana Municipal Power Agency (IMPA) in 2006, the City wanted to take advantage of all the services the Agency had to offer. The City found the opportunity to not only do that, but to build a relationship with the Agency's engineering subsidiary, ISC, and address the utility's need for capacitor analysis at the same time. Concerned with a system power factor below 97 percent and potential penalty fees, the City of Huntingburg contacted the Indiana Municipal Power Agency (IMPA) and its engineering subsidiary ISC for assistance in improving the electric utility's situation.

"ISC has a broad range of services they offer to IMPA member utilities," commented Mac McDonald, Utilities Supervisor for the City of Huntingburg. "We felt this was an excellent opportunity to not only utilize those services, but also for myself, for our Electric Crew Chief John Reutepohler, and for city officials to begin developing a strong relationship with our wholesale power provider."

Huntingburg city officials enlisted the help of ISC to perform Engineering and Project Management Continuing Services for six months beginning in November, 2006. ISC's scope of services included the review of Huntingburg's system power factor history, determining the size and location of existing system capacitor banks, and recommending additional capacitors and bank locations by way of the system model.

To assess the community's electric infrastructure, ISC constructed a model of Huntingburg's electric distribution system using system modeling software. The program used information collected by field inventory of Huntingburg's existing distribution circuits. Once information was entered into the program, ISC constructed a computer model of Huntingburg's system. The interactive model enabled ISC to configure the system in different ways and analyze the effect those changes had on the overall stability and operation of the system. Huntingburg and ISC worked together to evaluate certain scenarios and determine the best course of action for the utility.

"Based on loading information we received from devices located on the system, ISC was able to estimate total loading on the system and recommend changes to improve reliability," commented Joe Schmidt, ISC Project Engineer. "Both Mac McDonald and John Reutepohler were instrumental in completing this project successfully. Their assistance enabled us to complete a full analysis of the system. We encouraged the utility to move several capacitors, as well as install additional capacitors, to ensure the integrity of their electrical service to customers and increase their power factor to above required levels."

ISC provided a recommended plan to Huntingburg that included the movement of three capacitors and the addition of four new ones. The plan is even expected to provide the City with a return on its investment within a year's timeframe. "Under our previous operation, we could have paid up to \$20,000 a year in low power factor penalty fees," commented Mac. "The money we are saving now will easily pay for the enhancements we made to our system. It's a positive situation for everyone – our utility is saving money and our customers are experiencing increased reliability."

The City will also continue to benefit from the system model constructed by ISC. The group will use the model to evaluate loading characteristics of the system and ensure it is configured for optimum performance.

Currently, ISC maintains system models for Huntingburg and several other communities. If you are interested in learning more about this or other services offered by ISC, please contact Kerry Vincent, General Manager, at (317) 573-9955 or kerry@impa.com.

Lehmkuhler named to MAEDC Board

IMPA Manager of Economic Development and Member Services Phil Lehmkuhler has joined the Board of Directors for the Mid-America Economic Development Council (MAEDC). He was named to the Board at MAEDC's annual conference in Chicago in December.

MAEDC is an organization for economic development professionals that covers 10 states in the Midwest: Illinois, Indiana, Iowa, Michigan, Minnesota, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.

IMPA Project Watch

Prairie State Energy Campus

A groundbreaking ceremony was held on October 1 to officially begin construction on this project. Members of IMPA's staff as well as representatives from several member communities were in attendance.

Bechtel Power Corp. has been performing the engineering, procurement and other activities for the project to support the construction schedule. The group has been evaluating equipment and subcontract bids as well as making awards for these services and equipment. Bechtel has also begun construction at the site, driving piles and doing site earthwork excavation. Road work around the site is also ongoing.



Representatives from IMPA and several member communities break ground on the Prairie State Energy Campus.

Trimble County Unit 2 (TC2)

Construction continues on schedule for this generation project. Construction and testing are complete on the new cooling tower and the tower is in use on Trimble County Unit 1. The existing hyperbolic cooling tower can now be refurbished for use on TC2. The contractor is continuing work in the boiler and steam turbine-generator areas. Foundation work is nearing completion for much of the air quality control system components. *✎*

Staff Announcements

IMPA is pleased to welcome Audra Legge, Matt Andryuk and Don Summitt.

✎ Audra joined the Agency in October as Accounting Manager. Most recently, Audra was employed with Deloitte Tax LLP as Lead Tax Services Manager. She is a graduate of the University of Indianapolis with a B. A. in Accounting and German and a minor in Computer Information Systems. Audra is also a CPA.



Audra Legge



Matt Andryuk

Matt Andryuk joined the Agency in November as a Power System Coordinator/Trader. He holds a B. S. in Management from Purdue University and was most recently employed as an Operations Shift Manager at Mittal Steel USA in East Chicago, Indiana.




Don Summitt

Don Summitt is the most recent addition to IMPA's staff. He serves as Combustion Turbine Operator/Technician at IMPA's Richmond station. Don was previously employed as an Inside Journeyman Wireman with IBEW Local 855 in Muncie. *✎*

Save the dates!


The **2008 IMPA/IMEA Legislative Reception** will be **February 13, 2008 from 5:30 to 7:30 p. m.** at the Indianapolis Marriott- Downtown. For more information, please contact Carolyn Wright, VP of Government and Member Services for IMPA, at (317) 575-3873 or cwright@impa.com.

In addition, the annual **APPA Legislative Rally** is scheduled for **February 25 – 27, 2008** in Washington, D. C. The APPA Legislative Rally offers every member of the national public power community an opportunity to work together on federal legislative and regulatory issues that affect the industry. APPA staff and expert speakers provide briefings on key messages and on how to influence decision-makers effectively. In addition, IMPA attendees will have the opportunity to visit with members of the Indiana Congressional delegation. Contact Carolyn Wright for more information on how you can participate. 

President's Message

- continued from page 1

The Agency experienced growth outside of generation as we added another branch to our membership – the City of Jasper joined IMPA late in the year, bringing our total membership to 51 communities in the state. We are grateful for the opportunity to assist yet another community in securing an economic power supply for its customers. The Agency also experienced financial growth, as IMPA reached a fiscal landmark when we crossed the billion dollar mark in assets in October.

Notwithstanding our growth, IMPA remains an Agency rooted in its vision: to supply a low- cost, reliable, and environmentally- responsible power supply to communities that own and operate their electric utilities. We have planted our seeds for the future, and have taken the steps to nourish them and ensure their success. While the fruits of our labor may not be immediately realized, we look forward to the day when our plans become realities. 

Printed on recycled stock



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The IMPA Wire is published by the

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