

## Contract Extensions Assist Agency's Goals

IMPA's principal mission is to provide low-cost, reliable, and environmentally-responsible power to the communities that it serves. In order to be successful at its core mission, the Agency must have a strong financial backbone. For decades, IMPA has made fiscal responsibility a top priority, consistently receiving A+/A1 credit ratings by the three major rating agencies, a sign that IMPA does its part to protect the security of its investments and its member communities. With the Agency's well-established history of economic competence, IMPA staff are constantly looking for opportunities to reduce costs further in order to provide the best possible service to members.

Since 2019, IMPA has endeavored to extend its Power Sales Contracts with all 61 of its member communities in an effort to guarantee long-term revenue streams, thereby promoting rate stability for members and

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## Recognizing IMPA Service Corp

For over 20 years, the Indiana Municipal Power Agency's engineering and operations subsidiary, IMPA Service Corp (ISC), has provided cost-effective services beyond power supply and transmission to all IMPA's members on a pay-per-use basis. Through IMPA Service Corp, members can access best-in-class metering technology, transmission and distribution engineering design and project management, rate management services, and operations assistance. ISC's team of engineers and lineworkers consistently better members through a variety of projects, large and small, and this past year has been no exception.

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# Contract Extensions

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budgetary security. Though the COVID-19 pandemic certainly slowed progress of the effort, IMPA announced in August that over 95% of member communities had signed the contract extension. With the support of those communities and show of confidence demonstrated through the extensions, IMPA has a powerful start to maintaining strong bond ratings and access to advantageous financing due to the majority of signing members.

IMPA's contract extension is simply an amendment to the Agency's Power Purchase Agreement contract with each member community, which guarantees the Agency will supply 100% of a member's power needs. This amendment currently extends the contract to 2053 and annually extends the contract by one year unless a member elects to give notice.

The rationale behind the extension is to benefit utility customers and rate payers in the long run. IMPA's power sales contracts with its members provide the Agency a definitive source of revenue for operations, which is attractive to bond holders who are seeking quality, low-risk investments. Since IMPA is a not-for-profit organization, the Agency keeps costs steady through funding its projects with tax-exempt bonds and not having to pay dividends to shareholders. Therefore, the contract extensions benefit all IMPA members and their customers by providing financial stability in the years to come. Additionally, the contract extension allows the Agency to spread the cost of financing projects over longer periods of time corresponding with the life of electrical assets, which also translates to consistency in costs no matter the economic context.

IMPA's Power Purchase Contracts create a healthy foundation for the Agency to provide its robust power supply well into the future. The tax-exempt bonds that IMPA issues finance the Agency's numerous projects, including potential future generation projects, upgrades to existing facilities, and transmission investment. These developments ensure that IMPA is prepared for upcoming challenges in the utility industry.

"We are committed to serving all 61 of our members with reliable power that comes at a stable, low cost," said Jack Alvey, President and CEO of IMPA. "Through 2022, our wholesale rates remained at the approximate level that they were five years ago, and we work every day to keep them stable. Thanks to the support and cooperation of all of our members, IMPA and its communities have a bright future."•

## IMPA Social Media

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# Recognizing IMPA Service Corp

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“I cannot emphasize enough how helpful ISC has been to our community,” said Shari Johnson, Clerk-Treasurer of Advance, Indiana. The town of Advance is enrolled in ISC’s Dedicated Services program, where members receive system engineering, storm restoration, vegetation management, and regimented general system maintenance. Advance has also participated in ISC’s Advanced Metering Infrastructure program and Cybersecurity Assessment efforts. “Our past experiences with IMPA Service Corp, whether through outage restoration or a long-term project, have been fantastic. Their assistance to our local utility has consistently improved our service to customers in the community, and we always look forward to working with them on the next project.”

Not only does ISC assist member communities with project management and system maintenance, but they also play a vital role in the Agency’s diversity of generation resources. ISC engineers plan and design all of IMPA’s solar parks in-house, and the team stays committed to each solar park through commissioning and ensures that any necessary modifications or adjustments are made to the parks through their lifetime. IMPA Service Corp staff has also completed engineering work for IMPA-owned Combustion Turbines in Anderson and Richmond, Indiana, solidifying the role of natural gas in the Agency’s portfolio.

Being formed at the request of IMPA members, IMPA Service Corp has remained

## ISC Services

- Cost of Service Studies and Rate Design
- Development of Special Rates to account for unique circumstances
- Regulatory filings
- Asset Evaluation Studies
- Transformer and Distribution System Planning and Protection
- Engineering Design and Project Management
- Substation Planning and Project Management
- System Power Quality Monitoring
- Emergency and Storm Restoration
- Routine System Maintenance and Equipment Replacement
- And so much more!

true to its original goal of working to build a healthy electric infrastructure and power supply portfolio for all member communities.

For more information about IMPA Service Corp and its services, visit [www.impa.com/about-impa/impa-service-corp](http://www.impa.com/about-impa/impa-service-corp).





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## IMPA Events

IMPA continues to host events and monthly training programs for the Agency's member communities at its conference center to encourage the camaraderie of local public power utilities and continued education. Check out the series of events that are set to occur through the rest of the year. •



September 28 – Lineman Appreciation Event

October 12 – Communicating Effectively with Utility Customers Workshop

November 9 – Strategies for Successful Customer Service Operations Workshop