

citizensthermalupdate

A Member of Citizens Energy Group

Volume 12, Issue 1

Summer 2014

Keeping Cool When the Heat Is On

The summertime heat is on and Citizens Energy Group wants our chilled water customers to stay cool when inside their workplaces. Citizens Thermal services 100 buildings in the downtown area.

Customers include hotels, office, retail, industrial, institutional, medical, entertainment and government facilities.

As the weather gets warmer, our demand increases. For example, in the summer of 2013 Citizens hit an all-time cooling peak of 50,000 tons. By contrast,

during the winter months we typically peak at 4,000 cooling tons. Due to system growth, Citizens expects to peak at 54,000 tons this year.

To ensure Citizens' chilled water system is meeting its demand, workers in our 24-hour control room monitor thousands of parameters and update information multiple times per second. If any problems are detected, the operator is notified by an audible and visual alarm. In addition, Citizens performs regular preventative and corrective maintenance

as necessary to ensure equipment is working properly. If the operating system would happen to malfunction, Citizens has the ability to move loads around in order not to lose service at any one location.

Citizens began offering chilled water service in April of 1991, with just one customer under contract at the time. If a customer experiences a problem with their chilled water service, please call the Citizens Thermal Control Room at 236-6700.

Citizens Chilled Water Customers downtown include the JW Marriott, Lucas Oil Stadium, IUPUI, Riley Hospital, Simon Cancer Center and Circle Center Mall.



Natural Gas Conversion Now Complete

An eighth-month project to convert Perry K from steam to natural gas is now complete. The conversion process at Perry K began in October of 2013 and finished in June of 2014. The project finished on time and on budget, costing \$9.1M. Seven of the eight boilers at the plant now burn strictly natural gas. One boiler is not currently operating but is in reserve for future needs.

In 2006, Citizens invested about \$12 million at Perry K in order to comply with new air emission standards from the U.S. EPA. Faced with implementing a second set of air emission standards in 2014, Citizens determined it can lower future capital costs by \$15 million by modifying the remaining coal boilers to burn natural gas.

Burning natural gas has environmental benefits as well.

- Emissions containing sulfur dioxide is projected to be reduced by 4,500 tons per year.
- Fine particulate matter is projected to be reduced by 130 tons per year.
- Nitrogen Oxides, a ground level ozone precursor, is projected to be reduced of 900 tons per year.
- Coal ash that currently requires disposal via reuse or landfill will be eliminated.
- Over the next few years, Citizens will clean the exterior and interior of the plant. At this time there are no plans to remove the conveyor that spans across West Street.

For 125 years, Perry K has produced steam for many large buildings, hospitals and industries in downtown Indianapolis.

No more coal piles at Citizens' Perry K Steam Plant.



Citizens Receives Rate Increase for Steam Utility

In May, Citizens received approval from the Indiana Utility Regulatory Commission (IURC) to increase revenues about \$7.5 million or 11 percent for its steam distribution utility serving downtown Indianapolis.

Citizens is using the revenue to ensure the financial stability of the steam utility and to recover debt service on new bonds. The new bonds allowed Citizens to complete the conversion of the Perry

K Steam Plant from coal to clean-burning natural gas, pay off an existing line of credit and finance a necessary system expansion.

"This rate adjustment will enhance our ability to meet the energy needs of our customers for years to come, while also improving the environment," said Mike Strohl, Senior Vice President, Customer Relationships & Corporate Affairs. "The conversion of Perry K from coal to natural

gas will allow us to meet new federal air emissions standards and to save nearly \$15 million in capital and operating costs."

Citizens' steam distribution system is the second largest in the U.S. serving more than 150 commercial, industrial and institutional customers in the downtown area. Lucas Oil Stadium, IU Health, IUPUI, and the Indiana Statehouse are among the facilities served by the steam system.



The Indiana Statehouse is one of the facilities served by Citizens' Thermal Division.

Employees Wins Volunteerism Award During 500 Festival



In May, 75 Citizens employees volunteered at the 500 Festival Mini-Marathon. For the third year, Citizens' volunteers provided more than 31,000 runners with water along the course. In addition to successfully operating the Citizens' pit station, employees helped two other stations that had a low turnout of volunteers.

For our efforts and success, Citizens was the 2014 winner of the Mini-Marathon Pit Station Contest! In addition to winning the traveling Pit Station Contest Trophy, Citizens volunteers were invited to spend the day in the 500 Festival Suite at the Indianapolis Motor Speedway® during practice. Employees and their families also volunteer as balloon handlers during the 500 Festival Parade.

Employee Spotlight – Jeff Sinclair



Jeff Sinclair

Jeff Sinclair is an Industrial Sales Consultant. Jeff is the single point of contact for Citizens' institutional and industrial customers who have gas, water, wastewater, steam and chilled water service.

Jeff started working for Citizens in 1989 as a laborer at the old Coke Plant. Jeff held various positions within the manufacturing division and was the Manager of Sales and Logistics when the plant closed in 2007. Jeff then moved to the Marketing Department and is now Customer Relationships.

Jeff's favorite part of his job is meeting new people, taking on different challenges and helping customers find solutions to problems. When he's not working, Jeff enjoys golfing, listening to music and working on his newest hobby, running.

Emergency Contact Information

In the event of an emergency, please call the following numbers. Both Control rooms are staffed 24 hours a day 7 days per week.

- Steam Control Room- 317-261-8804 or 317-261-8819
- Chilled Water Control Room: 317-236-6700

Steam and Chilled Water Service Telephone Numbers

Bob Purdue,
Director, Thermal Operations
317-693-8701 (office)
317-695-0512 (cell)

Del Morris,
Manager Customer Services
& Distribution
317-927-4501 (office)
317-431-8016 (cell)

David Stewart,
Marketing Sales Assistant
317-261-8794

Bob Taber, Foreman,
Customer Service & Metering
317-693-8883 (office)
317-27-1608 (cell)

Toll Free Number - Customer
Service & Billing
877-313-2467

Bob Anderson,
Manager Operations & Maintenance
317-693-8753 (office)
812-946-6373 (cell)

Todd Fuller, Facilities Manager
(Chilled Water Operations)
317-236-6702 (office)
317-695-2099 (cell)

Joe Ray,
Operations Supervisor
Chilled Water Operations
317-236-6703 (office)
317-431-2541 (cell)

Other telephone numbers:
Marketing - Steam and Chilled Water

Bill Petty,
Manager Market Development
317-927-4742 (office)
317-431-3358 (cell)

Steam and Chilled Water Service
Emergency Contacts
In the event of a steam or chilled water
emergency, Citizens Thermal can be
reached at the following numbers:

Steam Plant Operations
Emergency 24-Hour Number
(Steam Operations Control Room)
317-261-8804

Shift Supervisor's Office
317-261-8819

Chris Braun,
Vice President, Energy Operations
317-927-4604 (office)
317-508-1188 (cell)

Chilled Water Plant Operations
Emergency 24-Hour Number
(Chilled Water Control Room)
317-236-6700