

**MINUTES OF THE JOINT MEETING
OF THE BOARDS OF DIRECTORS OF
CITIZENS ENERGY GROUP AND CWA AUTHORITY, INC.
HELD NOVEMBER 15, 2017**

Pursuant to notice duly given and posted as required by law, the joint meeting of the Board of Directors for Utilities of the Department of Public Utilities of the City of Indianapolis (d/b/a Citizens Energy Group) and the Board of Directors of CWA Authority, Inc. (jointly referred to as the “Board” unless otherwise noted) convened at 3:40 p.m. EST, Wednesday, November 15, 2017, at the Langsdale offices of Citizens Energy Group (“Citizens”), 2150 Dr. Martin Luther King, Jr. Street, Indianapolis, Indiana.

Board members present were: Moira M. Carlstedt, Jeffrey E. Good, Anita J. Harden, Christia Hicks, J.A. Lacy, Anne Nobles (Vice Chair), Phillip A. Terry, and Joseph E. Whitsett. Daniel C. Appel was unable to attend the meeting.

Present from Citizens: President and Chief Executive Officer, Jeffrey A. Harrison; Senior Vice President and Chief Financial Officer, John R. Brehm; Senior Vice President and General Counsel, Jennett M. Hill; Senior Vice President and Chief Customer Officer, Michael D. Strohl; Vice President of Capital Programs and Engineering, Mark Jacob; Vice President of Regulatory and External Affairs, LaTona Prentice; Vice President of Human Resources, Safety and Security, Jodi Whitney; Vice President of Water Operations, Jeffrey A. Willman; Director of Government and External Affairs, Joseph Sutherland.

The meeting was called to order by the Vice Chair of the Board.

The Board considered the minutes of its previous meeting. Upon a motion duly made and seconded, the Board unanimously approved the minutes of the joint meeting of the Boards of Directors of Citizens Energy Group and CWA Authority, Inc. held September 27, 2017.

The Vice Chair requested Board members to recuse themselves from any action items on the agenda if they identified a conflict. No items or conflicts were identified.

The Vice Chair invited Ms. Prentice to provide a report of regulatory and external affairs. She reviewed Senate Enrolled Act 383, which created a System Integrity Adjustment (SIA) statute, the goal of which was to stabilize both revenue and available funds for water and wastewater utility capital investment. Ms. Prentice noted that the wastewater utility had qualified for a SIA and proposed a resolution for consideration by the Board of Directors of CWA Authority, Inc. (CWA). Following discussion, and upon a motion duly made and seconded, the Board of Directors of CWA unanimously approved the following:

WHEREAS, on September 28, 2017, CWA Authority, Inc. (“CWA”) filed a petition with the Indiana Utility Regulatory Commission (“IURC”) for approval to implement a System Integrity Adjustment (“SIA”); and,

WHEREAS, the SIA in accordance with Ind. Code §§ 8-1-31.5-1 et seq. is designed to recover from or credit to customers an adjustment amount by which a utility’s actual revenues for a twelve-month period differ from a utility’s authorized revenues for the same twelve-month period; and,

WHEREAS, pursuant to Ind. Code § 8-1-31.5-12(a), a utility must certify in its petition that the revenues from the SIA will be used only for infrastructure improvements that (a) do not increase revenues by connecting to new customers, (b) are in service, (c) were not included in the utility’s balance sheet as plant in service in the utility’s last rate case and (d) are not subject to another rate adjustment mechanism; and,

WHEREAS, CWA management and staff have determined the actual revenues for the twelve months ending July 2017 are less than the authorized revenues for the same period, which results in a System Integrity Adjustment Amount of \$6,139,673.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF CWA AUTHORITY, INC. (the “Board”), THAT:

SECTION 1. The foregoing recitals are incorporated herein by reference and are ratified, confirmed, and approved.

SECTION 2. The filing of the proposed rates in Cause No. 44990 with the IURC for approval to implement a rate schedule to establish a System Integrity Adjustment rate of \$0.2598 per 1,000 gallons (\$0.1948 per CCF) that will be applicable to Sewer Rate No. 1, Sewer Rate No. 4, and Sewer Rate No. 6, is hereby ratified, confirmed, and approved, subject to approval thereof by the IURC.

SECTION 3. The Board authorizes management and staff to modify the rates in accordance with the terms and the Order in Cause No. 44990, subject to and upon approval by the IURC.

The Vice Chair then addressed management's request to approve the energy efficiency filing set forth in Rider F – Universal Service Fund Rider (USF), which authorizes gas account discounts to low income customers eligible for the Universal Service Program. Upon a motion duly made and seconded, the Board of Directors of Citizens Energy Group unanimously approved the following:

RESOLVED by the Board of Directors for Utilities of the Department of Public Utilities of the City of Indianapolis that USF, attached as Exhibit "A", is hereby ratified, confirmed, and approved.

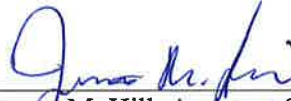
Ms. Prentice then yielded the remaining time for her report to Mr. Sutherland. He updated the Board about the pending approval from the Indiana Department of Environmental Management (IDEM) for Citizens remediation work plan (RWP) for the Pleasant Run Crossing site. Mr. Sutherland was pleased to report that the RWP was on track for approval, following a public comment period that concludes on December 10, 2017. He noted that the RWP was the product of collaborative work by Citizens and IDEM staff.

Next, the Vice Chair invited Mr. Harrison to present the preliminary "Promise of the Trust" report to the Board of Directors. He previewed various organizational accomplishments during 2017. He highlighted several recent cost control achievements including savings achieved by terminating the Suez contract and directly taking over wastewater operations, conversion of the Perry K Steam Plant to natural gas, and a new gas contract with Rockies Express Pipeline. He also highlighted community matters such as the progress made towards redeveloping the site of the former manufactured gas and coke plant on Prospect Street, which had been recently rebranded as Pleasant Run Crossing. He noted that Citizens was working collaboratively with a coalition of community groups to produce a plan that will enhance quality of life and revive the economy of the area. Furthermore, that Citizens was excited to be collaborating with the City of Indianapolis as they plan development of a Community Justice Center at Pleasant Run Crossing. Mr. Harrison concluded his report by recognizing the annual Sharing the Dream Project through which Citizens employees and partner companies join together to refurbish an Indy Parks facility in celebration of the legacy of Dr. Martin Luther King, Jr.

The Vice Chair invited public comment. There being no public comment and no further business, the meeting was adjourned.



Daniel C. Appel, Chair
Board of Directors



Jennett M. Hill, Assistant Secretary
Board of Directors