

Citizens Thermal Update

A Division of Citizens Gas & Coke Utility

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Blending Past and Present Addition Brings Central Library into 21st Century



The new Central Library in Downtown Indianapolis is being transformed into a 21st century learning destination.

The gleaming stainless steel and glass addition that wraps around the Indianapolis-Marion County Central Library will make the facility a destination for 21st century learning while preserving an important part of the city's history.

The original building's architecturally significant structure made of Indiana limestone has been carefully preserved as the 293,000-square-foot addition has been added. "The design is intended to blend the past and the present by having the addition essentially wrap around the historic library," said Michael Coghlan, Capital Projects Manager for Indianapolis-Marion County Public Library.

The two-story existing library built in 1917 and the six-story addition are joined by a stunning four-story Atrium. "This will be the hub of the Central Library complex, housing information and circulation desks, computer-based catalogues, an exhibition area and a café," said Coghlan.

Other features of the library addition include:

- **Computers and Technology** -- A technology-rich library is essential for today's information seekers; more and more vital information sources are now available electronically. Patrons will enjoy using the new facility's over 300 public computers (which is more than three times the current number), a Computer Resource Area, and a Computer Training Lab.
- **Collections and Reading Space** -- The new facility will provide ample space for Central Library's extensive collections, allowing librarians to bring important materials out of permanent storage and make them available for patrons' use. This patron-friendly building will eliminate the existing maze of books, enabling visitors to quickly find library resources.

- **The Auditorium** -- A multitude of audiences will assemble to hear, see, and share a wide variety of cultural, educational, recreational, and literary experiences in the new library's 350-seat auditorium. Here, the library will showcase lectures and live performances, complementing the Mayor's cultural tourism initiative.
- **Meeting Rooms** -- The new Central Library will include three meeting rooms, accommodating 40, 60, or 80 people. The library will make these spaces available, free of charge, to Indianapolis' numerous nonprofit organizations, many of which lack their own meeting facilities. Other groups will be able to reserve a room for a nominal fee.
- **The Learning Curve** -- Children and their families will visit "The Curve" to develop the interpretive and critical thinking skills needed to gain a deeper understanding and knowledge of the information world. A new model that will promote learning, academic performance, and workforce preparation among young people, The Curve will incorporate the best practices of libraries, museums, and classrooms to offer children dynamic, engaging, and challenging learning opportunities.

All of these state-of-the-art facilities will be heated and cooled with steam and chilled water from Citizens Thermal Energy. "The decision to go with Citizens Thermal Energy was based on a number of factors including long-range operating costs, personnel costs, space for energy facilities, and aesthetics," explained Kerry Smith, Principal with the Circle Design Group, the consultant that designed the state-of-the-art HVAC system at the new library.

Comfort of library patrons and service reliability also were important factors for choosing Citizens Thermal, added Ed Olsen, Director of Facilities for the library. "We know from our steam service added in 2005 that Citizens Thermal provides reliable heat. We are confident they will provide reliable heating and cooling to keep our patrons comfortable," Olsen said.

Central Library Transformation

	Existing	Transformed
Total Square Feet	123,550	476,000
Parking Structure	None	183,000
Parking Spaces	83	400
Patron Seating	421	900 plus
Patron PCs	72	300 plus
Public Restrooms	2	20
Auditorium Capacity	160	350
Public Conference Rooms	1	3
Study Rooms	0	8

The Big Chill

Citizens Thermal Growing Along with Downtown Development

With new structures like Lucas Oil Stadium and conversions of existing structures like the Broadbent Building, Citizens Thermal Energy continues to experience rapid growth in its chilled water business.

In fact, since acquiring the thermal assets from Indianapolis Power & Light in 2000, Citizens Thermal's annual chilled water load has grown about 37 percent from 87.9 million ton hours to over 120 million ton hours estimated for 2007. In addition, CTE already has customer commitments of another 13,000 tons of new load for the period 2007-2009. Work is currently underway at both the West Street and Illinois Street Chilled Water Plants to add chiller capacity to meet the demand.

Among the customers recently added or scheduled to join the chilled water system are:

- **Simon Property Group Headquarters Data Center** – A new 15-story building at the corner of Capital and Washington that houses Simon Property Group, a real estate investment trust engaged in the ownership, development and management of retail real estate.
- **Lucas Oil Stadium** – With seating capacity up to 70,000, Lucas Oil Stadium will be the new home of the Indianapolis Colts for the 2008 season.



Lucas Oil Stadium is one of the most visible projects in the booming Downtown Indianapolis area. The stadium will use steam and chilled water from Citizens Thermal Energy.

- **Health Information and Translational Sciences Building** – The 167,248-square-foot facility that opened this spring houses several research groups within the School of Medicine including Bioethics, Bioinformatics, Biostatistics, and Children's Health Services. Lilly and Clarian will also lease space in this facility that will become one of the cornerstones of the BioCrossroads initiative.
- **IUPUI Campus Center** – Located on Michigan Street in the heart of the IUPUI Campus, the new 250,000-square-foot Campus Center will house a food court bookstore, a theater and various multi-use rooms when it opens this fall.

- **Indianapolis Marion County Central Library** – A 476,000 square-foot renovated and new facility opening late this year.
- **Gibson Building** – A renovated five-story building that is the new home to the Group Insurance Division of OneAmerica.
- **Circle Tower Building** – A mixed use 14-story structure that is the tallest building on Monument Circle.
- **Broadbent Building** – Located at Washington and Virginia Streets, the former Zipper Building is being transformed into the headquarters of The Broadbent Company, a full service real estate firm specializing in the development, leasing, management, construction and sales of shopping centers built in high-density commercial areas.



The Broadbent Building, formerly the Zipper Building, is one of the several historic structures being renovated in Downtown Indianapolis that will be using chilled water from Citizens Thermal Energy.

- **IRT Building** – Located on West Washington Street the IRT Building is home to the Indiana Repertory Theatre and the Indiana Roof Ballroom.
- **IU Cancer Center Expansion** – Located on Michigan Street in the heart of the IU Medical Center complex, the 405,216-square-foot expansion to the IU Cancer Center will open sometime in 2008.
- **The IU/Fairbanks Hall Clarian Education and Resource Center** — When it opens in 2008, the 182,000-square-foot, six-story building will house a state-of-the-art simulation center offering clinical training for IU and Clarian Health personnel and students.
- **IU School of Medicine Research III** – Scheduled to open in 2009, the 254,000-square-foot Research III Building will house facilities in which scientists and physicians focus on biology and various medical research.
- **Riley Hospital for Children Expansion** – A 10-story, 650,000 square foot expansion of Riley Hospital is scheduled for completion in 2009.

District Cooling Systems Growing Throughout the World



College campuses like IUPUI are responsible for considerable chilled water system growth world wide. The Campus Center will use steam and chilled water from Citizens Thermal Energy.

Like Indianapolis, district cooling systems are growing rapidly in downtown urban areas across the United States and throughout the world, according to Robert Thornton, President of the International District Energy Association.

“Since 1990, there have been 38 new downtown district cooling systems built in North America. The growth in district cooling is being driven by electricity deregulation and real time pricing; phase out of CFCs (chlorofluorocarbons) and aging chillers; avoidance of capital costs; and higher cooling loads fueled primarily by more computers,” explained Thornton, who was the featured speaker at the Spring Chilled Water Breakfast sponsored by Citizens Thermal Energy.

Thornton added that other district cooling benefits that are fueling its growth around the world include:

- The need for enhanced comfort and humidity control year-round in fast growing cities located in warmer climates.
- Improved system reliability, ease of use, and elimination of temperature variation within a building when compared to distributive cooling systems.
- Favorable operating cost comparisons when cost of equipment, fuel, and operation and maintenance are considered.
- Reduction of electric demand charges.
- Improved building aesthetics and the ability to use areas like the roof, which were formerly used for chilling equipment.

Thornton said growth of district cooling across North America is outpacing district steam system growth by a 3-to-1 ratio, with the most pronounced growth occurring on college campuses, such as the fast-expanding IUPUI campus. Other cooling system growth is being fueled by growing downtown development, research campuses and new airport terminals, which are all major growth factors for Citizens Thermal’s chilled water system.

A similar growth pattern for district cooling also is being seen overseas, with most growth centered in Middle East countries like Dubai and Asian countries such as Hong Kong and Japan.

“In Dubai, district cooling growth is being fueled by an enormous commercial real estate boom. This real estate boom is resulting in an enormous requirement for electric power, which is projected to grow from the current 4,500 megawatts to as much as 15,000 megawatts by 2012,” Thornton said. “Dubai’s choices are clear – either generate more power or make more efficient use of available power through district cooling. By investing in district cooling, Dubai estimates it will save more than \$3.5 billion on power generation infrastructure.”



Robert Thornton, President, IDEA



Construction cranes are a common site in Dubai where a real estate boom has been occurring for the past decade.

Citizens Thermal Energy Requests First Rate Adjustment in 13 Years



The Indiana Utility Regulatory Commission is scheduled to hold hearings in July for a general rate petition filed by Citizens Thermal Energy (CTE) in December 2006. The filing marks the first steam rate increase request for CTE

since it was acquired from Indianapolis Power & Light in 2000.

If approved, the rate increase would be the first increase in steam rates since 1993. Under a settlement order issued by the IURC in June 2004, Citizens Thermal was required to file a rate petition no later than January 1, 2007. Citizens Thermal is requesting a two-phased increase in revenue -- \$7.7 million (14%) upon issuance of the order, followed by \$3.1 million (5%) effective Dec. 1, 2008 with the start of the new Covanta contract.

Citizens Thermal states in the petition that the rate adjustment is necessary to cover increasing expenses for operations and maintenance of equipment, investments

in existing equipment, extensions and replacements, and debt service.

"Citizens Thermal has been able to avoid a rate increase for 13 years through continuous efforts to hold down costs. However, since 1993 we have seen annual increases in the full range of business expenses. We also have made substantial investments to reduce air emissions and improve efficiency at our Perry K Steam Plant. Sound financial management now dictates that we seek a rate adjustment to recover the increasing cost of providing steam service," said Bill Tracy, Senior Vice President of Operations for Citizens Gas & Coke Utility.

In addition to the rate request, Citizens Thermal is proposing changing the frequency of fuel cost adjustment filings from annually to quarterly. Citizens Thermal passes on to customers the cost of fuels used to generate steam on a dollar-for-dollar basis with no profit added. "Quarterly fuel cost adjustments are necessary to be more responsive to the highly volatile fuel prices we have seen in recent years. Changing the fuel adjustments to quarterly will provide a more market-responsive fuel cost rate, thus sending more appropriate price signals to customers as they plan their energy budgets," said Tracy.

Employee Spotlight – Jay Tucker

What is your job title?

Electrical Mechanical Millwright

What are your job duties?

Plant Maintenance.

What is your favorite part of the job?

Doing something different everyday.

What did you do before coming to Thermal?

I worked at Manufacturing (Coke Plant) for 16 years; it was a tough transfer, but I knew that I had made the right move, management and the employees at Thermal have been good to me through this transition.

What are your hobbies outside of work?

Golf, hunting and going to the race track.



Jay Tucker, Electrical Mechanical Millwright

Steam and Chilled Water Service Telephone Numbers

Dave Toombs,
Thermal General Manager,
317-693-8805 (office)
317-727-1342 (cell)

Jamie Dillard,
General Manager, Facilities
& Engineering
317-693-8858 (office)

Bob Purdue, Plant Manager
(Steam Operations)
317-693-8701 (office)
317-695-0512 (cell)

Bob Asher,
Manager Customer Services
& Distribution
317-693-8704 (office)
317-431-3256 (cell)

Sharon Connell,
Customer Service & Billing
Representative
317-261-8794

Bob Taber, Foreman,
Customer Service & Metering
317-693-8883 (office)
317-695-7924 (cell)

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

Kenny Cox,
Manager Operations & Maintenance
317-693-8884 (office)
317-441-7309 (cell)

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

Jim Walker,
Operations Supervisor
Chilled Water Operations
317-236-6704 (office)
317-695-2099 (cell)

Other telephone numbers: Marketing - Steam and Chilled Water

Bill Tracy,
Senior Vice President Operations
317-927-4534 (office)

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
Energy 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

Ron Pinkins,
Operations Supervisor
317-693-8807 (office)
317-431-4414 (cell)

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