

Citizens Thermal Update

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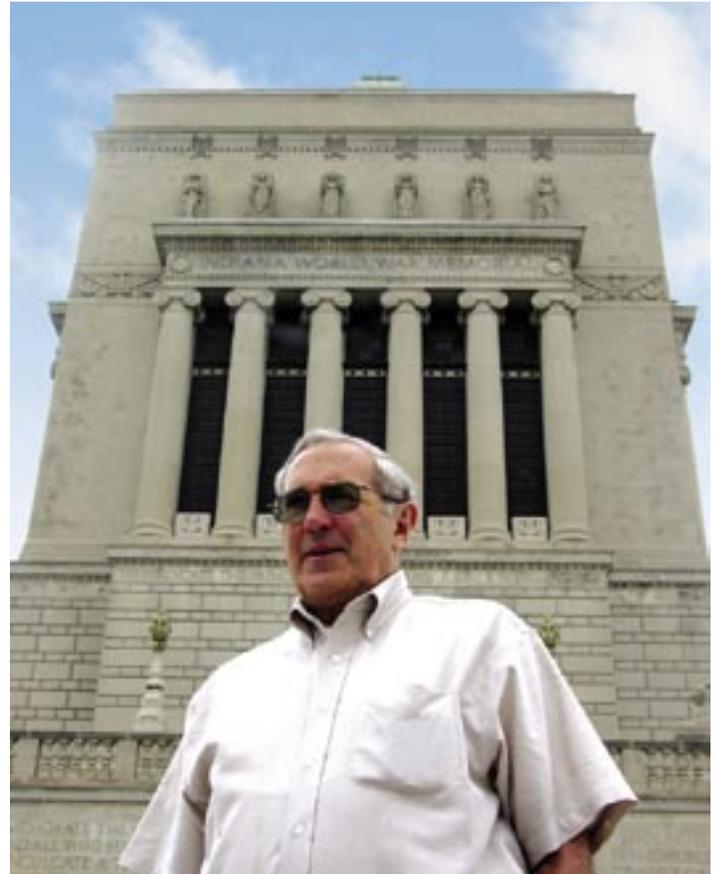
Preserving History

Citizens Thermal provides comfortable environment for War Memorials and Legion

Faced with the costly replacement of air conditioning equipment at the American Legion's national headquarters facility, Bill Sweeney, Executive Director of the Indiana War Memorial, knew Citizens Thermal Energy could provide an outstanding cooling solution yielding significant long-term savings.

Sweeney manages the facility needs of the Indiana War Memorial Building, which towers over Michigan and Meridian Streets, and the adjoining American Legion National Headquarters and Indiana American Legion Headquarters, located to the north. He also manages the facility needs of the Soldiers & Sailors Monument on the Circle Downtown. The State of Indiana owns and manages the memorials and leases buildings to the American Legion.

During the late 1990s, Citizens Thermal began providing steam and chilled water to the Indiana War Memorial and steam only to the Legion facilities and the Soldiers & Sailors Monument. "Prior to that time, the War Memorial



Bill Sweeney, Executive Director of The Indiana War Memorial.

War Memorials and the American Legion at a Glance:

- **Indiana War Memorial Building** -- First piece of Indiana limestone laid on July 4, 1927 by General John J. "Black Jack" Pershing.
- **Indiana Soldiers and Sailors Monument** -- Originally intended to honor Indiana's Civil War Veterans, now it commemorates the valor of Indiana's military men and women in all wars prior to World War I. This monument is the largest Civil War Monument in America dedicated to ordinary soldiers and sailors.
- **American Legion National Headquarters** -- The facility, which opened in 1950, is leased to the Legion for \$1 per year under the original agreement that brought the national Legion headquarters to Indianapolis. The American Legion was formed in France during World War I and quickly became the nation's premier organization for military veterans.

For more information on Citizens Thermal Energy, contact Jeff Harrison or Lane Dunagin at (317) 927-4328.

was heated with boilers and cooled with window air conditioning units. This resulted in pretty uneven heating and cooling throughout the facility. Converting to steam and chilled water for heating and cooling the War Memorial has proven to be a great decision and convinced us the chilled water expansion made sense for the Legion facilities," Sweeney said.

Citizens Thermal recently completed a chilled water system expansion that will provide central cooling to the American Legion facilities and to the expanded Central Library located to the north of the Legion facilities. "We were able to come to a mutually beneficial agreement with Citizens that helped us obtain chilled water for the Legion facilities, while facilitating the easement expansion Citizens needed to grow its system further north," Sweeney explained.

Using Citizens Thermal for its heating and cooling needs will help the War Memorial and Legion facilities achieve long-term savings, which result largely from reduced costs for capital equipment and maintenance. "Not having to



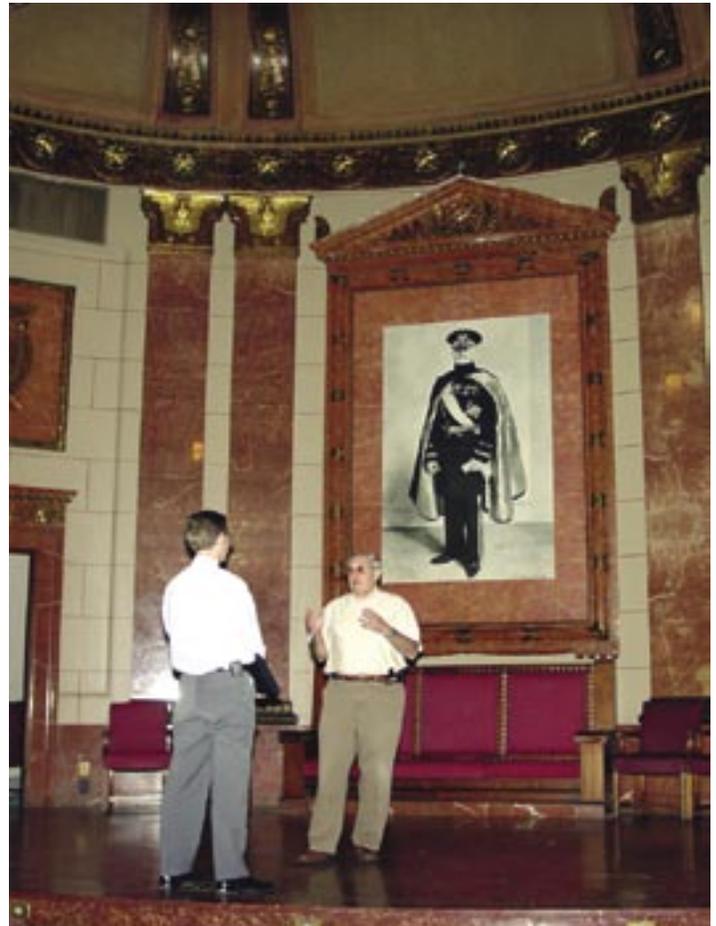
Patriotic works of art such as the crest above are scattered throughout the magnificent Indiana War Memorial Building that celebrates the service of Indiana veterans.

replace and maintain heating and cooling equipment provides significant savings to the facilities over the next 20 years," Sweeney said.

These savings are especially important for the operating and maintenance budgets of the various facilities. "During good economic times the state is able to fund capital improvements, but it's often more difficult to

get capital improvements funded during difficult economic times, like those we've seen recently. Having central heating and cooling from Citizens Thermal helps us focus our capital improvement budget requests on other priorities such as the new air handling and electrical upgrades we will be installing at the Legion facilities this summer. In fact, the chilled water expansion helped us avoid having to spend about \$400,000 to replace the old central cooling units at the Legion facilities," Sweeney said.

Sweeney knows maintaining a comfortable environment is important for memorial visitors and the treasured memories they come to view. "Having a centralized source of steam and chilled water has enabled us to achieve a more comfortable and consistent environment throughout the memorials and the American Legion facilities. This benefits not only our employees and visitors, but it helps us preserve the many sensitive documents, military uniforms and other materials on display at the memorials."



With a portrait of General John J. "Blackjack" Pershing towering over him, Bill Sweeney discusses the heating and cooling needs of the Indiana War Memorial with Dan Considine, Communications Manager at Citizens Gas.

Normal Temperatures Likely to Return this Summer

It should be another typical spring season with up and down temperatures across much of the nation, according to the National Oceanic and Atmospheric Administration's (NOAA) latest long-range weather forecast.

Without the El Nino or La Nina weather phenomena in place this spring, NOAA forecasters expect "a typical level of springtime variability in temperature and precipitation to occur in many areas of the nation," said NOAA Administrator Conrad C. Lautenbacher. However, he added that the summer is expected to bring some above normal temperatures across the southern third of the nation.

The temperature and precipitation forecast for the Midwest is again a flip of the coin according to NOAA. The forecasters predict "equal chances of above or below normal temperatures and precipitation for the Midwest." After last summer's very cool

temperatures, NOAA's early indications call for a return to normal temperatures and precipitation for the Midwest this summer.

Despite periods of record cold and warmth, the 2003-2004 winter season (December through February) will go down in the record books as "near average for the nation," said Tom Karl, director of the NOAA National Climatic Data Center in Asheville, N.C. "The Eastern U.S. was cooler than average while warmer than average conditions affected much of the rest of the country. While there were periods of unusually heavy rain and snow in parts of the country, including above average precipitation in some parts of the West, precipitation was near average for the contiguous U.S." Temperatures in Indianapolis from last November through March were slightly above normal and precipitation slightly below normal.

Systems Expanding into the Central Indiana Life Sciences Corridor



Clarian Health's Clinical Lab now under construction will be served by Citizens Thermal.

The Indianapolis Regional Center Plan 2020 has designated two geographic areas on the northwest corner of the downtown business district as areas with potential to develop into communities oriented and structured around businesses working in the area of Life Sciences. Citizens Thermal Energy is planning to be involved in this community development by providing our district energy services to the area.

Clarian Health is currently building a Clinical Lab Consolidation Building at the north end of the downtown canal, which is expected to be completed in late 2005. Citizens Thermal Energy will be providing steam and chilled water to the new facility and will be extending our distribution piping systems to the area. The steam main will be extended west across 11th Street from the existing high pressure main in Senate Avenue. The chilled water mains will be extended north and west from the general area of the Indianapolis Marion County Central Public Library. To handle the expected future chilled water loads in the area; we are also in the preliminary planning stages of a new chilled water plant. We are looking forward to being involved in this development process and the exciting plans for these Life Science initiatives.

Central Indiana Life Sciences Initiative Progress at a Glance

- **Formation** -- After two years of study, the Central Indiana Life Sciences Initiative is founded by partners Indiana University, Purdue University, Eli Lilly, Indiana Health Industry Forum, City of Indianapolis, and the Central Indiana Corporate Partnership.
- **Purpose** -- To expand the wealth of life science assets already located in Central Indiana, such as Eli Lilly and Dow AgroSciences, and to create entrepreneurial initiatives to attract new life science industries.
- **Early Progress** -- The Initiative's original two-to-five year plan called for the establishment of a downtown Indianapolis business incubator facility focusing on the life sciences. With support from the Initiative, Indiana University's Advanced Research and Technology Institute opened its Emerging Technologies Center in April 2003 — the 62,000 square foot incubator on the downtown canal has already attracted several life sciences tenants.
- **Clarian Lab** -- The \$65 million, 120,000 square-foot state-of-the-art laboratory facility will consolidate research and biotechnology activities of Clarian Health Partners, Indiana University, the IU School of Medicine, and Purdue University.

Seasonal Start-Up Help from CTE Available

Citizens Thermal Energy (CTE) has a number of chilled water customers that do not need or cannot use chilled water during the winter heating season. In this situation, they often shutdown and isolate their own system piping from the district system. This seasonal shutdown is appropriate and normal for customers that use this method of heating and cooling control.

CTE will assist customers in this situation with the spring start-up of their system, if they so desire. The following is our recommended steps for bringing the chilled water cooling system back into service after the winter shutdown:

1. Drain the residual water from the building's cooling system.
2. Fill the system with clean city water and add a chemical-cleaning agent. CTE would like to review your cleaning product data information to make sure that it is compatible with CTE water treatment chemicals before the system is cleaned.
3. Circulate the cleaning solution through the building's cooling system. This will help flush contaminants from the system, and the cleaning agent will remove any bacteria, oils and greases, and reduce the risk of corrosion inside the piping.
4. Check and clean air handler(s) and pump strainers before draining.
5. Drain the cleaning solution from the system and refill with clean city water.
6. Flush all coils, drains, and system blowdowns until the water flowing from the drain piping is clear.
7. Call the CTE Plant control room at 236-6700 before opening the building system to the CTE system. Open the isolation valves to re-connect the building to the CTE district cooling system.

Following this simple procedure will help ensure that a cooling system operates efficiently and effectively for many years. The pre-season cleaning and preparation steps will help reduce problems from dirty cooling coils, bacteria contamination, plugged cooling lines, and poor space conditioning.

For those building owners and operators that go through a seasonal shutdown, Citizens Thermal Energy will be happy to provide on-site assistance and chemical cleaning materials at no additional charge to the customer. We can add our expertise to the process and eliminate the need for purchasing your own cleaning chemicals.

If you have any questions, or would like to take advantage of this service, please do not hesitate to call us at 236-6700.

Employee Spotlight



Randy Davis is this month's employee in the spotlight. Randy is a Shift Coordinator at our West Street Chilled Water Plant. Randy has been at the site since 1991.

Randy likes to work with computers, both on and off the clock. One of Randy's hobbies is to create jewelry, and he considers himself an amateur jeweler. Using both gold and silver, he cuts the stones to fit the piece he is making, and has been pursuing this hobby for a few years. Additionally, Randy enjoys sport fishing in his spare time.

Steam and Chilled Water Service Telephone Numbers

Dave Toombs,
Thermal General Manager,
317-927-4356 (office)
317-727-1342 (cell)

Jamie Dillard,
Assistant General Manager
317-927-4360 (office)

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

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

Jeff Hansen, Manager
Customer Services and Distribution
317-693-8704 (office)
317-695-2019 (cell)

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

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

Jim Teso, Facilities Manager
(Chilled Water Operations)
317-236-6702 (office)
317-695-0145 (cell)

Other telephone numbers: Marketing - Steam and Chilled Water

Bill Tracy, Vice President,
Market Development
317-927-4534 (office)

Jeff Harrison, Director,
Market Development
317-927-4791 (office)

Lane Dunagin,
Industrial Sales Consultant
317-927-4347 (office)
317-694-2776 (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
317-261-8807 (office)
317-431-4414 (cell)

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