

Citizens Energy Group to Heat and Cool the New Wishard

Citizens Thermal reached a 20-year agreement with Health and Hospital Corporation of Marion County (HHC) on November 8, 2010 for heating and cooling services for the new Wishard Hospital complex. As part of the agreement, Citizens Thermal will provide district steam and chilled water service to the new Wishard Hospital complex and build, own and operate a new central chiller and backup boiler plant adjacent to the hospital.

“This is an important example of the economic impact to the City of Indianapolis contributed by the Wishard project outside the impact of the construction of the hospital itself,” said Matthew Gutwein, president and CEO of Health and Hospital Corporation of Marion County. “Wishard is creating good local jobs and critical infrastructure beyond its own walls.”

The agreement to provide cooling services to the New Wishard will increase Citizens’ chilled water system’s capacity by approximately 10 percent. Along with supporting the thermal energy needs of the new facility, the chiller boiler plant will also provide a source of redundant cooling capacity for other institutions in the area.

Citizens will begin construction of the new chiller boiler plant in January 2011 and provide heating and cooling service

during the hospital construction process. The target completion date for the New Wishard is the end of 2013.

“This agreement is indicative of Citizens’ long-standing support for Wishard Hospital and its vital role in our community. The new hospital will benefit from a very affordable and reliable thermal energy solution that utilizes both district thermal energy and on-site heating and cooling capacity,” said Carey Lykins, president & CEO of Citizens.

The New Wishard project leaders registered the 1.2 million sq. ft. campus to achieve United States Green Building Council (USGBC) Leadership in Energy and Environmental Design (LEED®) Silver certification that will make it the first newly built hospital in Indiana and one of 10 in America certified LEED Silver or higher.

The New Wishard will feature a 327-bed inpatient hospital adjoining a 200-room ambulatory care building, a 90-bed treatment room emergency department with a 20-bed clinical decision unit and Wishard’s Adult Level I Trauma Center, a faculty and administration building, and a more than 2,700-car parking garage on the 37-acre campus at the western end of the IUPUI campus.

“Wishard is creating good local jobs and critical infrastructure beyond its own walls.”



Utility Transfer on Track as IURC Review Continues

A detailed planning effort is underway to integrate the city's water and wastewater utilities into the Citizens family of companies, as the company awaits final approval for the utility transfer from the Indiana Utility Regulatory Commission (IURC).

This past July, the City-County Council approved Mayor Ballard's proposal to transfer the water and wastewater systems to Citizens. The transfer is expected to reduce combined water and wastewater rate increases 25 percent by the year 2025. Mayor Greg Ballard has pledged to use the more than \$425 million in proceeds from the utility transfer for repairs to critical city infrastructure such as bridges, streets and sidewalks, and to remove hundreds of abandoned homes across the city.

Citizens recently presented testimony in support of the utility transfer during five days of hearings before the IURC. Further IURC hearings on the transfer are planned in January and February. A decision from the IURC is not expected until next spring.

"We look forward to securing approval for the utility transfer so we can begin realizing \$60 million of annual savings for ratepayers by maximizing efficiencies among the combined utilities, while ensuring safe and high quality utility service," said Carey Lykins, President & CEO of Citizens Energy Group.

In late October, the City of Indianapolis and Citizens Energy Group announced agreements concerning the ongoing management of the water and wastewater systems.

The City, Veolia Water and Citizens agreed to transition operations of the water system to Citizens in 2011. Under the terms of the transition agreement, Veolia will continue to operate the water system through the closing of the



Mayor Greg Ballard (left) and Citizens' CEO Carey Lykins discuss proposed water and wastewater system transfer.

utility transfer. Citizens has agreed to take assignment of United Water's current contract with the City to operate the wastewater system. United's contract, which expires in 2018, provides a scope of operations for the wastewater system that will allow Citizens to achieve the efficiencies and associated savings customers expect.

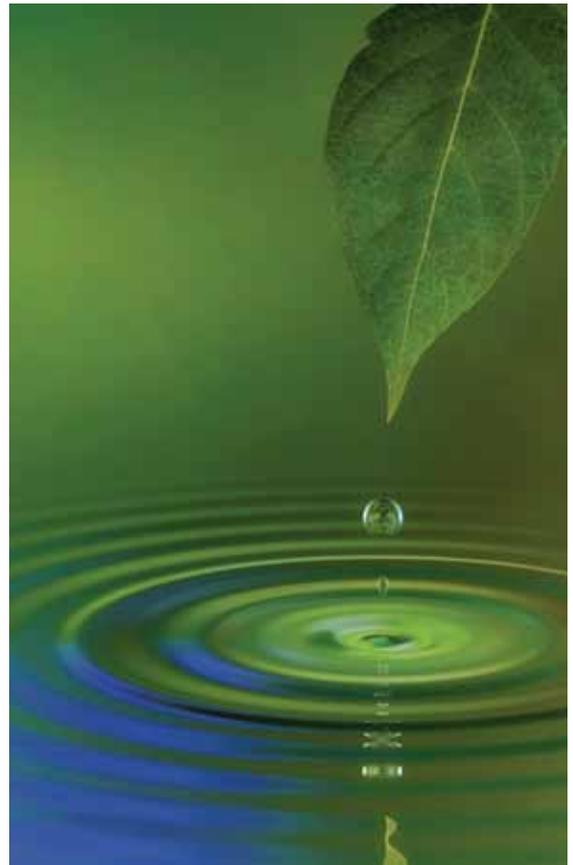
Citizens' EMS Implementation Has Moved on to Chilled Water

Earlier this fall, Citizens began implementing the next phase in the ISO 14001 Environmental Management System (EMS) at its Chilled Water operations. The Chilled Water EMS Implementation Team is progressing through the implementation steps and has recently completed an aspects and impacts analysis of the Chilled Water operations, including ranking the environmental aspects they have determined to be significant.

An aspect is considered any element of an organization's activities, products or services that interacts with the environment. An impact is a change to the environment whether it is adverse or beneficial which stem from the organization's environmental aspects.

The next step in the EMS implementation process is to review the aspects that have been deemed significant and work towards continual improvement by creating environmental objectives and targets to minimize the aspects.

"The first phase of Citizens' EMS system implementation process involved the company's Steam Operations," said Ann Mclver, Citizens' Director of Environmental Stewardship. "That initial phase has been completed and the EMS Implementation Team is now working on the second round of new objectives and targets, which have included the installation of an aerosol can crusher to reduce amounts of hazardous waste, and the investigation of reuse options for by-products and cooling water systems. Having our Steam Operation's EMS in place has helped us develop applicable procedures and methods for documenting and tracking improvements, and broaden environmental awareness throughout the organization."



Another Successful Marty Williams Memorial Brings Out Both Car and Biker Buffs

When Citizens Thermal employee Marty Williams received fatal burns in a tragic, work-related accident in 2002, his friends moved quickly to hold an event that would commemorate his life; while garnering the financial support to fund the education of his two young children, and improve the quality of life of burn victims treated at Wishard Hospital.

Since its inauguration in October of 2003, the Marty Williams Memorial has continued to advance its mission of improving the quality of life for the families of burn victims. Through contributions from participants and attendees of the memorial's car show and motorcycle ride, and generous sponsorship support, those in need are being positively impacted while Marty's memory is kept alive.

Big changes were made this year to ensure the event was fun and family-friendly. Each year, improvements are made as a result of lessons learned from the previous year. What started out as a motorcycle ride, known as "Marty's Ride", has turned into a classic car and motorcycle show, as well as a motorcycle ride. This year's ride covered over 100 miles, which is an unusual distance for a charity ride.



"October is usually a challenging month for outdoor events, but we've been very fortunate in the past years, and the unseasonably warm 80-degree day was just the icing on the cake," said Dan Koiro, committee secretary of this year's event and instrumentation and electrical supervisor for Citizens' Chilled Water operations.

This year, Marty's children, Ashley and Tyler, made the trip from Michigan for the memorial; and Marty's mother has not missed a single show. A record number of motorcycles turned out this year, including a 1930's era Indian and a highly customized Harley. The car show was challenged by four other area shows on the same day, but there was still a great turnout of classic cars and trucks.

The organizers of the 2010 Marty Williams Memorial are grateful to all who participated and made the event a great success. Citizens has been a major sponsor for the past two years and the company's community outreach initiative has allowed for planning of the annual event well into the future, which helps to ensure the longevity of Marty's memorial.

Photos by Ken Gomes, Mike Powell and John Anderson.



Marty Williams Memorial Committee group photo (from left): Bob Purdue, Skip Dalton, Tim Salts, Bill Trimble, Shirley Williams (Marty's Mother), John Anderson, Carroll Richard, Larry Spurling, Rob McCloud, Dan Koiro, and Charlie Bales.

Introducing Mr. Manhole

Mr. Manhole is a revolutionary and new machine designed and manufactured to cut out and dig circular holes in concrete surfaces up to six feet in diameter and up to two feet deep. This makes this machine a perfect solution to safely and efficiently replacing Citizens Thermal's manhole rings and covers.

Rings and covers are susceptible to wear and tear due to vehicular weight and traffic. When rings and covers are worn, they become loose and present a safety hazard to pedestrians and motorists.

The main advantage of Mr. Manhole is time saved in removing concrete material around the ring and cover and the neat, professional appearance this product produces. The typical time savings is two days, as opposed to six hours on average, which not only benefits Citizens, but also the thousands of drivers and pedestrians in Indianapolis.



How Does the Mr. Manhole System Work?

The Mr. Manhole Six Shooter (shown in the photo) is used to cut and remove the manhole frame and surrounding road material without costly and dangerous physical labor. The repair begins with the Mr. Manhole liner being placed on the manhole cone.

Employee Spotlight Article - Jeromey Para

Chilled Water Plant Operator

What is your Job Title?

Plant Operator.

What is your favorite part of the job?

The diversity of the job. I enjoy working with customers and co-workers, the multiple daily tasks required to do the job, and the fact that I seem to learn something new every day.

How long have you worked at Citizens?

Five years.

What did you do before coming to Thermal?

I was in the military for five years and stationed in Iraq for 18 months. Then, I worked for Global Santa Fe (on an off shore drilling rig) for 13 months.

What are your hobbies outside of work?

Golf, working out, and spending time with my wife and family.



Jeromey Para

Steam and Chilled Water Service Telephone Numbers

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

John Eddington,
Director, Facility Operations
317-236-6710 (office)
317-695-0688 (cell)

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

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317-693-8704 (office)
317-225-9602 (cell)

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

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

**Toll Free Number - Customer
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Manager Operations & Maintenance
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(Chilled Water Operations)
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317-695-2099 (cell)

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Operations Supervisor
Chilled Water Operations
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317-431-2541 (cell)

Other telephone numbers: Marketing - Steam and Chilled Water

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Manager Market Development
317-927-4742 (office)
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**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

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

Lindsay Lindgren,
Vice President, Gas & Steam Operations
317-927-6001 (office)
317-696-6377 (cell)

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