



TIPTON MUNICIPAL UTILITIES
Tipton Utility Service Board Meeting
October 7, 2024

The Tipton Utility Service Board meeting was held at 4:30 p.m. at the City of Tipton Council Chambers, 216 South Main Street, Tipton, Indiana. TMU General Manager Jim Ankrum presided. The members present included Chairman Don McElfresh, Dick Klein (Emeritus), Barbara Cardwell, Lori Hoback (via cell), Mark Raver and City Council Liaison Rick Rippy. Peter Schram was absent.,

GUESTS

Bob Edinger

MINUTES

Minutes of the previous meeting were reviewed:

MOTION: It was moved by Barbara Cardwell and seconded by Mark Raver:
"That the previous minutes of the meeting be approved."
Motion carried.

CLAIMS

Claims were reviewed.

MOTION: It was moved by Mark Raver and seconded by Barb Cardwell: "That claims #25666- #25730 totaling \$620,312.21 be approved." Motion carried.

CHARGE OFFS

None submitted:

BLENDED INTEREST RATE REPORT

The blended interest rate renewed by the city at 4.21% for TMU twelve-month CD's,

FINANCIAL STATEMENTS

August 2024 Financials were reviewed.

RESOLUTIONS:

None submitted.

Other Matters to come before the Board:

Nutrien Ag Solutions Memo of Understanding (MOU): GM Ankrum presented the Board with an MOU to allow the Nutrien Ag facility (CR 550 W, just north of CR 100 S) to discharge their domestic sanitary waste to TMU facilities out west. After Board discussion, the MOU was unanimously approved with motion by Mark Raver and second by Barb Cardwell. Board member Raver requested that City Attorney Quigley review this matter to confirm/deny City Council approval is needed.

UTILITY MANAGER REPORT

- **Safety:** IMPA/TVPPA Safety training was held and well-attended by City/TMU personnel Wednesday, September 18th on Fatal Four hazards. Safety training will be held again on Wednesday, October 30th on Chainsaw Safety.
- **Water:** Well #6 (in the city) is back in service. No further water well work is anticipated in 2024.
- **Water:** Ankrum is investigating a new fiber optic line via TDS to the West water plant. It appears the installation cost will be less than \$3,000 and Ankrum continues to negotiate a favorable monthly rate. Fiber optic connections provide better cyber security as compared to current cell modem communications.
- **Water:** GM Ankrum and Chairman McElfresh recently attended the Hamilton County Regional Water Planning meeting in Fishers. Most Hamilton County utilities and a few Engineering firms were represented in this, the first of many meetings to develop future Water plans for the area. Tipton, Frankfort (Clinton) and Whitestown (Boone) are also members on the committee.
- **IMPA:** GM Ankrum and IMPA Commissioner Klein attended the IMPA Board meeting convened on September 27th. Several miscellaneous items of note were shared with the Utility Board including the potential TMU electrical rate decrease or approximately 5% going into 2025, mostly due to an anticipated reduction in Purchased Power costs. This rate adjustment is updated each quarter by IMPA and then TMU via the quarterly rate "tracker," separate from base electrical rates which were adjusted nearly one year ago and will remain unaffected.
- **IMPA:** In late September, several TMU Electrical Linemen attended the IMPA-sponsored Lineman Appreciation Day in Carmel. TMU's Apprentice Lineman Quintin Carter bested a field of 20 competitors to win the knot-tying contest. Knot

tying is a required skill of the Lineman job and is taught at apprenticeship school of which Quintin, Dylan Muse and Boyce Nichols continue to attend.

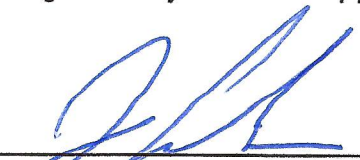
- READI Projects Update:
 - Sanitary Force Main project:
 - F&K, and HDD Subcontractor Daystar will soon begin HDD work through the golf course and under Big Cicero Creek near the park.
 - Water Tower project status:
 - Underground piping and foundation concrete construction has begun. Steel erection should commence in November/December timeframe.
- US 31/SR 28 Development
 - SE Quadrant, owned by Tipton Land Development: No news.
 - Stellantis Factory Sale has been executed. TMU has switched utility accounts over to the new tenant and received Electrical and Water deposits from the new tenant. The next big step will be the new tenant applying for a wastewater Pre-Treatment permit from IDEM. TMU will be able to review and comment on the permit, likely a few months from now.
 - TMU is working with Tipton County leaders to evaluate the possibility funding a project to install a water main north of the existing water plant on CR 560 W to and beyond the existing Nutrien Ag facility. The project would entail approximately 4,000 feet of 16" water main, a railroad underground jack and bore crossing, and several new hydrants. Ankrum is awaiting budgetary pricing from Wessler Engineering and a Contractor performing similar work in the area. It is anticipated the investment for the project would be in the \$750,000 to \$1 Million range.
- The next TUSB meeting will be Monday, October 21, 2024, starting at 4:30 pm in Council Chambers.

- **Community Comments:**


'Bob Edinger asked about funding of the proposed 16" Water main on CR 560 W. Ankrum acknowledged that all options were being explored including READI 2 Grant funds that may be assigned to the six-County region (including Tipton County) in the future. READI money requires a local match equal to the Grant assignment and in the past the City, County and TMU have participated in local matching.

ADJOURNMENT

A motion was made by Mark Raver to adjourn and seconded by Barb Cardwell. The meeting was adjourned at approximately 5:05 p.m.



Jim Ankrum, General Manager



Don McElfresh, Chairman

TIPTON MUNICIPAL UTILITIES

CASH FUNDS AS OF: AUGUST 2024

WATER DEPARTMENT - EAST PLANT

Total Operational Funds as per Report: 1,413,518.40
 Total Investments as per Report: -
 Total Restricted Funds as per Report: 268,172.42
 Total Restricted Investments as per Report: 10,000.00
 Total Funds: 1,691,690.82

WATER DEPARTMENT - WEST PLANT

Total Operational Funds as per Report: 344,089.47
 Total Investments as per Report: -
 Total Restricted Funds as per Report: 13,895.20
 Total Restricted Investments as per Report: -
 Total Funds: 357,984.67

WASTEWATER DEPARTMENT - EAST PLANT

Total Operational Funds as per Report: 908,221.54
 Total Investments as per Report: -
 Total Restricted Funds as per Report: 594,657.32
 Total Restricted Investments as per Report: -
 Total Funds: 1,502,878.86

WASTEWATER DEPARTMENT - WEST PLANT

Total Operational Funds as per Report: 452,165.96
 Total Investments as per Report: -
 Total Restricted Funds as per Report: 214,005.45
 Total Restricted Investments as per Report: -
 Total Funds: 666,171.41

ELECTRIC DEPARTMENT:

Total Operational Funds as per Report: 6,700,457.16
 Total Operational Investments as per Report: 50,000.00
 Total Restricted Funds as per Report: 238,203.77
 Total Restricted Investments as per Report: 95,000.00
 Total Funds: 7,083,660.93

STORM WATER DEPARTMENT:

Total Operational Funds as per Report: 783,888.20
 Total Investments as per Report: -
 Total Restricted Funds as per Report: 703,672.22
 Total Restricted Investments as per Report: -
 Total Funds: 1,487,560.42

TOTAL FUNDS:

789,947.11



BLENDING INTEREST REPORT

Investments as of: October 2, 2024

TIPTON MUNICIPAL UTILITIES

	Amount	Rate	Purchased on	Maturing on
Electric Depreciation - Total	\$50,000			
----- Details -----		Yield		
BMO CD #6901092406	50,000	4.21%	October 2, 2024	November 2, 2025
Electric Cash Reserve - Total	\$0			
----- Details -----		Yield		
Electric Consumer Deposits - Total	\$95,000			
----- Details -----		Yield		
BMO CD # 6901092407	95,000	4.21%	October 2, 2024	November 2, 2025
Electric Grand Total	\$145,000			
Sewage Depreciation - Total	\$0			
----- Details -----		Yield		
	0	0.00%		
Sewage Grand Total	\$0			
Water Depreciation - Total	\$0			
----- Details -----		Yield		
Water Consumer Deposits - Total	\$10,000			
----- Details -----		Yield		
BMO CD #6901092408	10,000	4.21%	October 2, 2024	November 2, 2025
Water Grand Total	\$10,000			

TOTAL INVESTED DOLLARS **\$155,000**

BLENDING RATE ON INVESTMENTS **4.21%**

2025

Proposed IMPA Board Meeting
 Proposed IMPA Executive Committee
 Holiday
 APPA Conference

January

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

February

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	

March

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29

April

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

May

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

June

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

July

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

August

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

September

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

October

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

November

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

December

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

Table 2 - September 27, 2024
2025 RATE STUDY
Summary of Estimated Power Sales Charges
 (based on IMPA's Projection of Load for each Member)

TIPTON

	Proposed 2025 Rates with New ECA *	Present 2024 Rates with Current ECA **	Apparent Increase/(Decrease)
	Charges	Charges	Charges
Demand	\$ 5,255,010	\$ 5,644,289	\$ (389,279)
Energy	5,191,457	5,349,842	(158,385)
Primary Voltage	198,705	207,110	(8,405)
Debt Service Adder ***	-	-	-
Total Charge	\$ 10,645,172	\$ 11,201,241	\$ (556,069)
Cents/kWh	8.52	8.96	-4.96%
	kW	kW	
Billing Units	251,472	251,472	
Billing Units below 15 kV	215,515	215,515	
Load Factor	68.1%	68.1%	
	2025 Rates	2024 Rates	
Base Demand	\$ 22.238	\$ 22.229	
Base Energy	\$ 0.044190	\$ 0.042385	
Primary Voltage	\$ 0.922	\$ 0.961	
ECA Demand	\$ (1.341)	\$ 0.216	
ECA Energy	\$ (0.002661)	\$ 0.000411	
Debt Service Adder ***	\$ 0.106	\$ 0.111	

* IMPA's proposed ECA Demand and Energy rates are subject to change in July dependent upon the ECA balance as of March 31, 2025.

** IMPA's current ECA Demand and Energy rates for July 1 - December 31, 2024.

*** Debt Service Adder not applicable to all members.

Editorial: An electricity crisis is looming for Illinois. Is anybody paying attention in Springfield?



In 2021, Illinois enacted a comprehensive clean energy law mandating the closure of all coal- and natural gas-fired power plants by 2045. As part of the Climate & Equitable Jobs Act, one of Gov. JB Pritzker's signature legislative accomplishments, a large number of gas-fired facilities were to be shuttered by 2030.

At the time, there were warnings from industry and others that the intermediate 2030 mandate would jeopardize electricity reliability in the state. With Illinois then producing more power than it consumed, Pritzker and the many environmental groups that backed the law said such predictions were alarmist and off-base.

Just three years later, it appears the alarmists were right, and Pritzker and the green lobby were wrong.

Payments to power generators in return for their promise to produce to their capacity when demand is highest — as established via an auction overseen by PJM Interconnection, the grid manager for a large swath of the U.S. from northern Illinois to the mid-Atlantic — are set to soar more than 800% and will raise all our electric bills beginning next June.

That charge is embedded in the rates users pay for power and is in addition to the cost for the electricity itself. In effect, it is akin to an insurance premium — in this case, a payment each month to plant owners for their promise to deliver when the need arises.

In the northern Illinois territory served by Commonwealth Edison, average residential electric bills will increase by \$15 per month beginning in June due to this effect alone, according to ComEd. That increase will be significantly more pronounced for single-family homes, since ComEd's averages are skewed lower than in less urban areas by the large number of Chicago apartment dwellers it serves. (The blow will be softened a bit due to a ratepayer credit under state law of nearly \$4.35 per month from nuclear operator Constellation Energy Group.) All told, even after that credit, ComEd residential bills will rise by about 10.5% due to this charge alone — and that's before a possible ComEd power delivery rate hike.

Get prepared for worse beginning in mid-2026.

Wall Street firm Morgan Stanley projects this insurance-like charge could be up to 2,200% higher than it is today, inflating average monthly ComEd residential bills by more than \$35 compared with current charges. We'll know how bad the damage is in December when PJM conducts its power-generator auction for the year from June 2026 to May 2027.

The unprecedented spike in these "capacity" charges isn't an accident. Simple supply-and-demand realities are the reason. Many fossil fuel power plants have closed in recent years, because of environmental rules and market conditions. And the growth in renewable power facilities such as wind and solar isn't making up enough of the difference.

The problems are not limited to northern Illinois. Central and southern Illinois, which fall under the purview of multi-state grid manager Midcontinent Independent System Operator, will be about 50% short of the capacity to keep the lights on during highest-demand periods as soon as 2027, according to MISO. That situation should be ringing alarm bells.

The shortage issue isn't as dire in northern Illinois. But the 2030 plant-closure mandates in Illinois' clean energy law, if unchanged, will threaten reliability during peak periods by 2030 in the Chicago area, according to PJM.

But the crisis could be upon northern Illinois even faster than that, because future demand is projected to soar even as supply falls.

Power-hungry data centers, the development of which a number of Chicago aldermen are encouraging within city limits as a way to generate more property tax revenue, are on the drawing boards. ComEd projects that new data centers throughout its territory easily could require four gigawatts of electricity. To put that in context, such an enormous amount alone would consume nearly the entire output of two of the five nuclear stations serving the region.

One might think policymakers in the state would be alarmed and preparing to act to fix the situation as soon as possible. But there's been precious little public discussion to date. A coalition of companies lobbying for state legislation to subsidize construction of energy storage facilities — essentially large battery storehouses that can hold power produced by intermittent sources such as wind and solar for several hours so that the juice can be deployed when most needed — has been sounding the alarm in Springfield, to no avail as of yet.

The political risk for Pritzker in particular is acute. The governor surely understands that future rolling blackouts due to a state law he championed — however well-intentioned — will result in harsh voter backlash. The Illinois Commerce Commission is scheduled to report on the coming capacity crunch sometime next year.

Lawmakers don't need to wait for that study. We know enough already for doing nothing not to be an option.

The General Assembly should begin work in earnest in next year's session on a comprehensive plan to forestall these calamities. The battery storage industry's proposal should be part of the discussion. But the more important issue to address also will be the knottiest politically.

It's becoming clearer all the time that the 2030 deadlines are unrealistic and need to be made more flexible. Backsliding on the law's gas plant-closure mandates is anathema to environmental groups, who surely would fight hard against such an effort and likely would criticize any Democratic "friends" who consider such a thing. But gas-fired "peaker" plants, which can rapidly fire up and just as rapidly turn off, for many years have been the most critical resources to keep the lights on when the temperatures soar (or plummet). They remain critical.

The decarbonization of power production, in Illinois and elsewhere in the U.S., is well underway. Very few in the power industry itself are fighting for the long-term preservation of fossil fuel plants. Public backing for clean power and addressing climate change is strong, but nothing will undermine that support more quickly than blackouts.

IBJ

September 12, 2024

NIPSCO seeks electric rate increase

By Alex Brown



(Provided Photo/NIPSCO)

MERRILLVILLE, Ind. - Northern Indiana Public Service Co. is requesting approval from the Indiana Utility Regulatory Commission to raise electric rates for its more than 480,000 customers.

The Merrillville-based utility said, if approved, the move would raise the average residential electric customer's rates by \$32 per month. = 20% ↑

NIPSCO said in a news release Thursday that the increase is being implemented to support its ongoing transition to renewable energy, as well as infrastructure upgrades.

Story Continues Below

If approved, the increase would begin by Sept. 1, 2025, with the remaining changes applied by March 2026. The utility noted that natural gas rates—which recently increased themselves—would not be impacted by the change.

“Part of this request includes a proposal for a new bill payment assistance program for income-qualified customers, with a portion funded by NIPSCO,” the company said. “Additionally, NIPSCO has proposed a new multifamily housing rate structure that, if approved, would allow for an approximately \$10 decrease per month, to an average multifamily housing customer using 444 kwh per month compared to the standard residential rate.”

NIPSCO said the actual projected bill impacts vary by customer depending on usage and future potential changes in market prices.

The utility said it is making approximately \$2 billion in new investments in renewable energy through 2025, as well as nearly \$770 million for electric transmission and distribution system upgrades.

The rate request will be reviewed by the IURC, and the public will have the opportunity to provide comments. A timeline for a decision from the commission was not provided.

MEMORANDUM OF UNDERSTANDING

NUTRIEN AG SOLUTIONS SANITARY DISCCHARGE TO TMU

WHEREAS, the Tipton Municipal Utilities (TMU) operating under the Tipton Utility Service Board (TUSB) authorized by the City of Tipton, IN, owns and operates the west area sanitary and water systems near Nutrien Ag Solutions (Nutrien) owned and operated by Nutrien Ag Solutions, on Tipton County Road CR 840 South, 550 West in Tipton County, Tipton, IN 46072, and

WHEREAS, Nutrien desires to transfer non-grease domestic sanitary wastewater to TMU's West area treatment system, and

WHEREAS, TMU, through Tipton City Ordinance, has an established Sewer Use Ordinance (SUO) and Ordinance for west area Wastewater Service Rates (attached) that include applicable a one-time Application Plan Review, a Tap Inspection and Availability fees and monthly User Fees (attached) that shall apply here, and

WHEREAS, Nutrien shall coordinate with Norfolk-Southern railroad for all aspects and costs associated with constructing the new sanitary force main under the railroad and all future railroad crossing permit annual fees, if required, shall be borne by Nutrien, and

WHEREAS, Nutrien will Design, Permit, Construct, Own, Operate and Maintain the sanitary system, including Lift Station(s) and piping, on and from Nutrien's property to a discharge manhole owned by TMU, and located on the west side of County Road 560 W, and

WHEREAS, TMU will provide Nutrien a monthly invoice for TMU sanitary sewage services based upon and employee head count starting at 25 employees and annually confirmed and adjusted headcount as may be required, and

WHEREAS, TMU, with adequate notification to Nutrien, will maintain inspection rights of the Nutrien sanitary system including portions of the system on Nutrien property, and

WHEREAS, Nutrien Ag may, at Nutrien Ag's discretion, provide flow metering of sanitary discharge in the future and will make all such meter pit locations easily accessible to TMU personnel, and

NOW THEREFORE, BE IT RESOLVED that the effective date of this Memorandum of Understanding, as has been approved by the TUSB, shall allow Nutrien Ag to discharge to the TMU west service area sanitary system as outlined above and modified in the future as may be required:

AGREED TO THIS ____ OF OCTOBER, 2024.

TIPTON MUNICIPAL UTILITIES

By: _____

NUTRIEN AG SOLUTIONS, INC.

By: _____