

# IURC Summer 2012 Capacity Assessment

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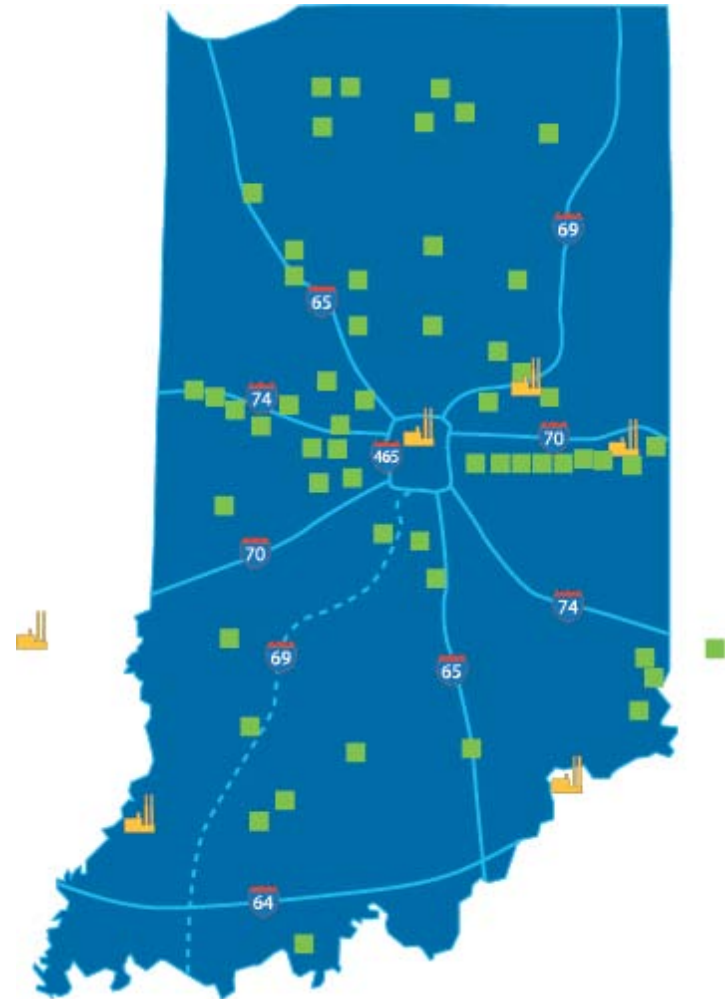
# Presentation Topics

- Company Background
- Historic/Forecasted Requirements
- 2012 Load/Resource Balance
- EPA Rules
- EE and DR Activities
- CIP/Cyber Security
- Emergency Preparedness



# Indiana Municipal Power Agency

- Non profit full requirements wholesale provider to 55 municipally owned electric distribution systems
- Load in both MISO (67%) and PJM (33%)
- Portfolio of agency-, joint- and member-owned resources and purchased power contracts
- Financial partner in JTS, but does not operate T&D facilities
- No retail customers or retail meters



# Indiana Municipal Power Agency

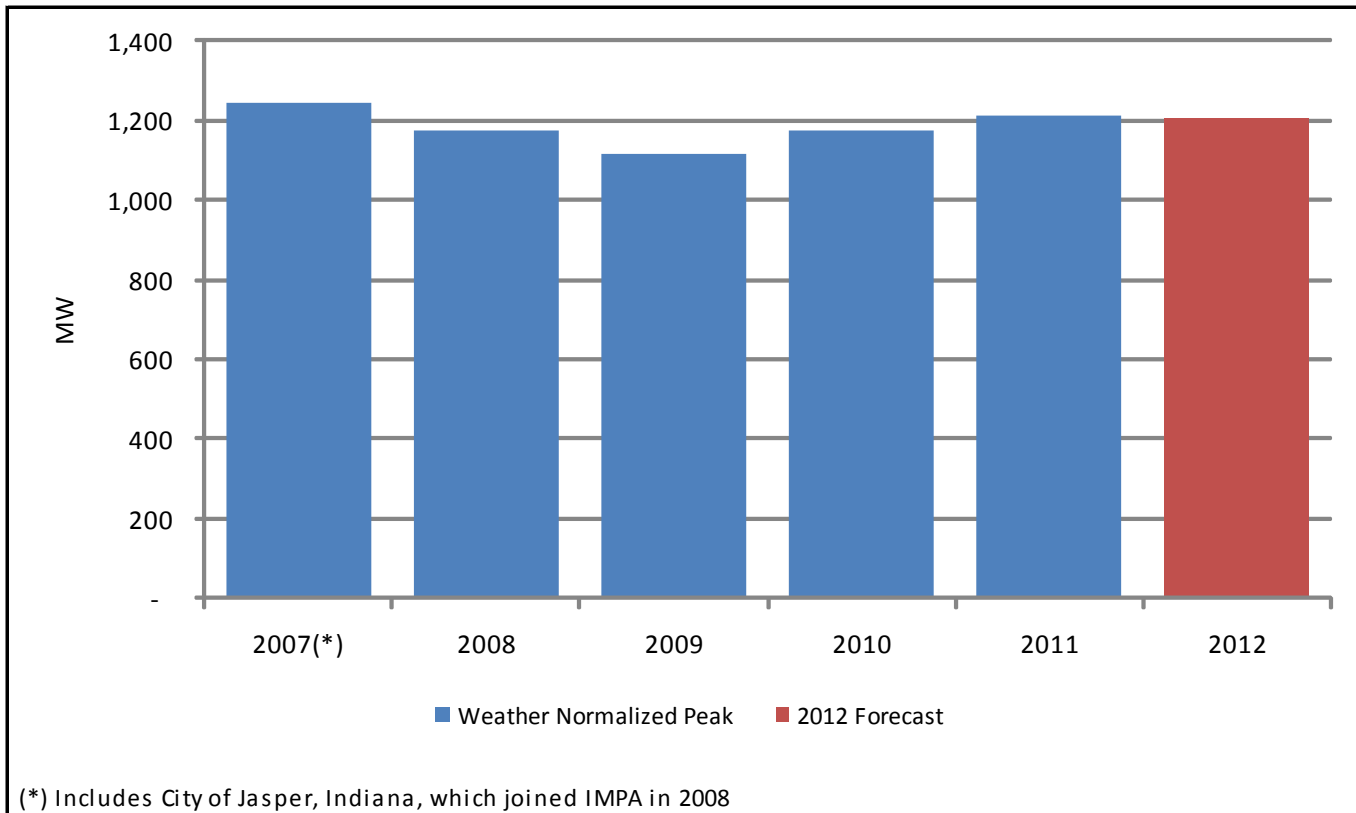
- Governed by member utilities
- Member communities represent a population of more than 325,000
- Member utilities governed by local councils and boards
- IMPA does not directly interact with retail customers or have authority to mandate retail programs or activities



Anderson, Indiana City Council Meeting



# Peak Demand



# 2012 Balance of Loads and Resources



## Load Requirements

IMPA Peak Demand Requirements	1,208
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## Resources - UCAP

IMPA Owned Coal	304
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IMPA Owned Gas CTs	353
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Member Generation	150
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Purchased Power Contracts	247
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Market Capacity	279
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Total Resources - UCAP	<u>1,334</u>
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Reserves (per RTO Constructs)	126
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# EPA Rules

- In general, IMPA owned generation resources are well-situated to deal with CSAPR and MATS. (CSAPR has been stayed by the DC Circuit Court of Appeals, comments assume CSAPR as proposed)
- Most of IMPA's coal fired resources utilize state of the art systems to control SO<sub>2</sub> and NO<sub>x</sub>
- Gibson #5 (156 MW) will be the most affected unit. Modifications are needed to comply with MATS and to a lesser extent CSAPR Phase II SO<sub>2</sub>. No decision has been made on the specific modifications; expected to be a combination of FGD and particulate matter control systems
- Trimble County #1 (66 MW) will require an upgrade to the particulate matter control system to comply with MATS
- Trimble County #2 (99 MW) and Prairie State #1&#2 (200 MW) are not expected to require any modifications or additions to comply
- IMPA CTs will not require any modifications to comply



# EPA Rules - CSAPR

Unit(s)	CSAPR
Gibson #5	Allocated allowances are expected to cover Phase I SO <sub>2</sub> and NO <sub>x</sub> emissions and Phase II NO <sub>x</sub> emissions. SO <sub>2</sub> allowances will need to be procured to comply with Phase II SO <sub>2</sub> until such time as the FGD systems are modified.
Trimble County #1	Allocated allowances are expected to cover Phase I & II SO <sub>2</sub> and NO <sub>x</sub> emissions.
Trimble County #2	Unit will receive allowances from the Kentucky new unit set aside pool. Allowances are expected to cover Phase I & II SO <sub>2</sub> and NO <sub>x</sub> emissions.
Prairie State #1 and #2	Units will receive allowances from the Illinois new unit set aside pool. Allowances are expected to cover Phase I & II SO <sub>2</sub> and NO <sub>x</sub> emissions.
IMPA CTs	Allocated allowances are expected to cover Phase I & II NO <sub>x</sub> emissions. Should the dual fuel units burn a significant amount of low sulfur fuel oil, SO <sub>2</sub> allowances would need to be procured.





# EPA Rules - MATS

Unit(s)	MATS
Gibson #5	Unit is expected to need a new scrubber and upgrades to the particulate matter controls
Trimble County #1	Upgrades to the particulate matter controls are expected
Trimble County #2	The Unit is expected to comply with no upgrades or changes
Prairie State #1 and #2	The Units are expected to comply with no upgrades or changes
IMPA CTs	-- N/A --



# Energy Efficiency and Renewables

- CORE programs – IMPA actively involved in Energizing Indiana Program



- Demand Response Tariff
  - Emergency DR Tariffs available to IMPA Members
  - No Participation at this time
- Other Programs
  - Net Metering
  - Green Rate



# CIP / Cyber Security

- IMPA is registered NERC entity and subject to NERC Standards, including the NERC CIP Standards
  - NERC Standards Audit in May, 2011 – “No Finding” final report issued
  - NERC CIP Audit in July, 2011 – “No Finding” final report issued
- IMPA is subject to CIP-001 to CIP-003. CIP-004 thru CIP-009 are not applicable to IMPA since IMPA does not operate any critical assets or cyber assets.
- No ability to remotely control any generation or transmission facilities. Infrastructure limited to company LAN and equipment needed to access the RTO portals for scheduling and data collection
- Subscribe to and respond, where necessary, to any NERC or DHS alerts
- Aurora mitigation plan
- Computer consultant assists with evaluating potential network threats



# Emergency Preparedness



- IMPA serves wholesale load in both MISO and PJM
- 24 Hour market operations center in Carmel, IN
- Back up operations center at Anderson CT site
- All power system coordinators are PJM Certified Generation System Operators
- In contact with balancing authorities to take appropriate action in case of system emergencies



# Conclusion

- IMPA is in compliance with MISO and PJM resource adequacy constructs for the summer of 2012
- IMPA has sufficient resources to meet its member needs during the summer of 2012

