

BILL NO. S-24-02-24

SPECIAL ORDINANCE NO. S-_____

AN ORDINANCE approving CONSTRUCTION CONTRACT – INDIANA MICHIGAN POWER COMPANY – CONTRIBUTION IN AID OF CONSTRUCTION AGREEMENT - WORK ORDER #76846 – (\$458,298.00) – between INDIANA MICHIGAN POWER COMPANY and the City of Fort Wayne, Indiana, by and through its Board of Public Works.

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA:

SECTION 1. That the CONSTRUCTION CONTRACT - INDIANA MICHIGAN POWER COMPANY – CONTRIBUTION IN AID OF CONSTRUCTION AGREEMENT - WORK ORDER #76846 – between INDIANA MICHIGAN POWER COMPANY and the City of Fort Wayne, Indiana, by and through its Board of Public Works, is hereby ratified, and affirmed and approved in all respects, respectfully for:

All labor, insurance, material, equipment, tools, power, transportation, miscellaneous equipment, etc., necessary for CONSTRUCTION OF IMPROVEMENTS TO I&M OWNED INFRASTRUCTURE TO FACILITATE INTERCONNECTION OF CU ELECTRIC GENERATION ASSETS AS A PART OF THE MICROGRID PROJECT;

involving a total cost of FOUR HUNDRED FIFTY-EIGHT THOUSAND TWO HUNDRED NINETY-EIGHT and 00/100 DOLLARS - (\$458,298.00). A copy of said Contract is on file with the Office of the City Clerk and made available for public inspection, according to law.

SECTION 2. That this Ordinance shall be in full force and effect from and after its passage and any and all necessary approval by the Mayor.

Council Member

APPROVED AS TO FORM AND LEGALITY

Malak Heiny, City Attorney



Indiana Michigan Power Company
Contribution-In-Aid-Of-Construction Contract for Electric Service

CUSTOMER:

WORK REQUEST #: CPP - TP2022730

Name: City of Fort Wayne City Utilities

Address: 2200 Lake Ave, Fort Wayne, IN 46805

Date: January 31, 2024

The Customer has requested extended or expanded electric facilities (hereinafter referred to as "Basic Service") as follows: Customer upgrade

Additionally, the Customer has requested Premium Service as follows: Indiana & Michigan Power (hereinafter referred to as "Company") agrees to conduct the above Interconnection Study for the Interconnection Applicant (hereinafter referred to as "IA") to determine the impact to Company's system and requirements for the safe interconnection of the IA's proposed 11,493.28 kW Multiple Types system, which will operate on the Company's 34.5kV system.

Indiana & Michigan Power (hereinafter referred to as "Company") and Customer agree to the Statement of Work attached and fully incorporated herein as EXHIBIT 1.

In accordance with the Company's terms and conditions as filed with the Public Utilities Commission of City of Fort Wayne City Utilities, the Customer agrees to pay Indiana & Michigan Power as outlined and fully incorporated herein in EXHIBIT 2:

All facilities installed by the Company will be and remain property of the Company. The Company expressly retains the right to use said lines and equipment for any purpose which Company deems advisable, including the distribution of electric service to other customers. However, if the electric facilities installed as a result of this contract are subsequently used by the Company within fifty (50) months of installation to serve additional customers, the Customer may be entitled a refund of a portion of the Contribution-In-Aid-Of-Construction paid for Basic Service. It is the Customer's responsibility to initiate a request for refund in such instances and the Customer can contact the Company at any time to investigate their eligibility for a refund as development proceeds in their local area.

It is understood and agreed that the Company will not begin facilities construction until payment for Contribution-In-Aid-Of-Construction costs for Basic and Premium Services outlined above are received by the Company in accordance with EXHIBIT 2.

It is understood and agreed that this contract, and particularly the amounts of the Contribution-In-Aid-Of-Construction, are based on the specifics of the Customer's request for electric facilities.

Other parties may have lines and/or equipment that utilize the Company's poles or other facilities. The Company is not responsible for the installation, relocation or removal of lines and/or equipment owned by such parties at this location. Each party is responsible for its own equipment and the time it takes to install, remove or relocate it. Any fees charged, or costs incurred, by other parties are the responsibility of the Customer, not the Company. The Customer is responsible for contacting the other parties, identified by the Company, and making arrangements with those other parties for any work that must be done to facilitate this contract.

If the Customer's request for facilities is altered or the Customer requests a delay or otherwise does not take service within six (6) months of execution of this contract, the Company reserves the right to adjust the amount of the Contribution-In-Aid-Of-Construction and other fees to reflect either the alteration in requested facilities or the delay in service, or both. Other contract terms associated with the Company's line extension policies and 'Plan of Service' may also be revised.

IF THE CUSTOMER DOES NOT INITIATE SERVICE WITHIN SIX (6) MONTHS OF THE COMPLETION OF THE COMPANY'S WORK, THE CUSTOMER WILL BE RESPONSIBLE FOR PAYING ANY PORTION OF THE COMPANY'S COST WHICH WAS NOT COVERED BY THE UPFRONT CONTRIBUTION-IN-AID-OF-CONSTRUCTION.

Nothing herein contained shall be construed as a waiver or relinquishment by Company of any right it has or may hereafter have to discontinue service for or on account of default in the payment of any bill owing or to become owing or for any reason or cause stated in the Company's Tariff.

The quoted price will be valid for ninety (90) days from the date identified above.

EXHIBIT 1

STATEMENT OF WORK

City of Fort Wayne City Utilities (“Customer”) has requested electric service to 2200 Lake Ave., Fort Wayne, IN 46805. The drawing attached as Schedule 1 shows the proposed location of facilities on the site. Customer has requested delivery of service at **Storm Water Station 34.5 kV** to connect under the understanding that they will not serve the sub-transmission system except in emergency scenarios where they will subsequently ramp down their generation to avoid feeding AEP.

In order to provide this service, Indiana & Michigan Power is planning the following work:

- 1) Indiana & Michigan Power to construct: A 3-phase potential device on the 34.5kV side of the customer transformers to be used for backup protection elements. Due to space limitations on the City of Fort Wayne side of the fence, it was agreed for a 3-phase VT to be installed in the AEP yard, connected to the existing 34.5kV bus. The 3-phase bus VT and needed structures/ conduits will be scoped and installed by AEP and funded by the City of Fort Wayne.
- 2) Service will be provided: Description of circuit arrangement: Customer’s microgrid will connect to the existing 4.16kV network at Storm Water Station. This network is located on the low side of the customer owned 34.5/4.16 kV transformers. AEP’s 34.5kV sub-transmission system will remain unchanged, except for the operation of the 34.5 kV Water Pollution – Anthony circuit will become a three-terminal line 34.5kV Water Pollution – Storm Water – Anthony. One of the requirements for the protection devices located at Storm Water Station is to have a 3-phase voltage source. Due to physical space constraints at the substation this 3-phase voltage transformer will be located in the AEP owned portion of Storm Water Station. The connection to the City of Fort Wayne relaying will take place via conduit into their portion of the substation yard and terminate into their yard cabinet.
- 3) Company will meter the service at **34.5 kV** via instrument transformers located at: AEP’s Storm Water Station

- 4) Customer responsibilities include but are not limited to: Purchase and own 34.5kV bus VTs. Design, procure, and install interface cabinet outside of the dividing fence on the North side. Design, procure, and install any other customer needed equipment outside of the AEP fence.
- 5) Company responsibilities include but are not limited to: Design, procure, and install 34.5kV VT support structure, fuse disconnects, custom mounting steel for fuse disconnects, any cables and conduits inside the AEP yard.
- 6) Joint responsibilities include but are not limited to Customer to purchase and provide 34.5kV bus VTs, AEP to design and install 34.5kV bus VTs on AEP owned support structure. AEP to run conduits and control cables to interface cabinet provided and installed by the customer.
- 7) Company will provide fiber via underground from a new splice on structure 8 of the Anthony Station – Water Pollution Station to a demarcation point outside of Storm Water Station. This fiber build is to provide connectivity to Storm Water Station to support 3 terminal direct fiber relaying between Anthony Station, Storm Water Station, and Water Pollution Station. Existing 3-way splice on structure 12 of the Anthony Station-Water Pollution Station will need to be re-spliced to route traffic to Storm Water Station.

Schedule 1

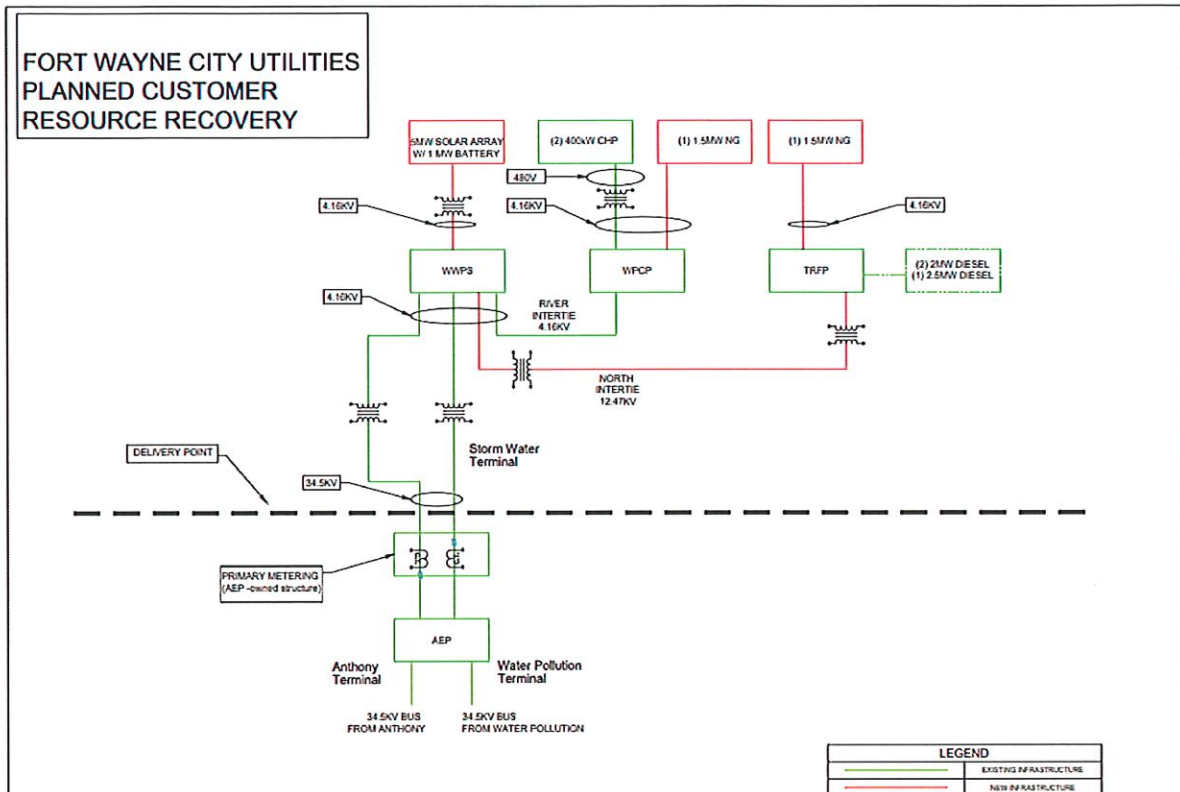


EXHIBIT 2

ESTIMATE OF CHARGES AND PAYMENT SCHEDULE

The work described in EXHIBIT 1 is estimated and invoiced as follows:

The total project cost estimate \$458,298 to cover engineering, design and construction costs.

Payment 1: Customer will pay 1/3 of the projected cost upon execution of this Agreement \$152,766.

Payment 2: Customer will pay 1/3 of the projected cost immediately prior to beginning of construction \$152,766.

Payment 3: Customer will pay the remaining 1/3 of the projected cost upon Customer taking service under the Electric Service Agreement \$152,766.

Company will use commercially reasonable efforts to complete a true up within six months of Customer taking service under the Electric Service Agreement. Customer understands that the actual scope and cost of performing the Work may deviate from that shown above.

UPON COMPLETION OF THE WORK, CUSTOMER WILL BE RESPONSIBLE FOR ALL COSTS THAT EXCEED THE ESTIMATED COSTS PLUS THE CORRESPONDING TAX GROSS UP AND COMPANY WILL SEND AN INVOICE OUTLINING THOSE ADDITIONAL COSTS UPON COMPLETION OF THE TRUE UP.

If the estimated amount paid by Customer exceeds the actual cost, Company will remit to Customer a refund of such excess estimated amount upon completion of the true up.

Payment is due within 30 days of receipt of an invoice.

Remit to: American Electric Power Service Corporation
PO Box 371883
Pittsburgh, PA 15250-7883

By signing and returning this Agreement, Customer agrees to accept the above described terms and conditions.

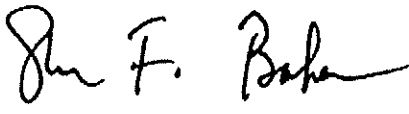
Agreed and accepted:

City of Fort Wayne City Utilities
Board Of Public Works

By: _____
Shan Gunawardena, Chair

Agreed and accepted:

Indiana & Michigan Power

By:  _____
Steve Baker, President & COO

By: _____
Kumar Menon, Member

Date: 2-7-2024

By: _____
Chris Guerrero, Member

Attest: _____
Michelle Fulk-Vondran, Clerk

Date: _____

Interoffice Memo

Date: February 14, 2023
To: Common Council Members
From: Michael Kiester, Manager, City Utilities Engineering
RE: Indiana Michigan Power Company – Contribution in Aid of Construction Agreement
W.O. # 76846

Michael Kiester
2.19.2024

Council District – City Wide

Indiana Michigan Power Company (I&M) is the electric utility provider for City Utilities (CU) treatment facilities. Construction of improvements to I&M owned infrastructure is being completed to facilitate interconnection of CU electric generation assets as a part of the Microgrid project. Improvements to I&M infrastructure is included as a part of the overall Microgrid project (WO#76846) and is included in the project plan and budget.

Implications of not being approved: I&M must complete improvements to their electrical equipment to facilitate the CU microgrid project. If not approved, the Microgrid project cannot be interconnected as necessary to function as designed and intended.

If Prior Approval is being Requested, Justify: N/A

Indiana Michigan Power Company is the sole electric provider to CU facilities. I&M has been working closely with the project team to coordinate and finalize implementation plans, including these necessary upgrades.

The cost of said project funded by Sewer Utility Bond.

Council Introduction Date: February 27, 2024

CC: Matthew Wirtz
Jill Helfrich
File