

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF THE CITY OF)
FRANKFORT, INDIANA, FOR)
AUTHORITY TO ISSUE BONDS, NOTES,)
OR OTHER OBLIGATIONS, FOR)
AUTHORITY TO INCREASE ITS RATES)
AND CHARGES FOR ELECTRIC)
SERVICE, AND FOR APPROVAL OF)
NEW SCHEDULES OF ELECTRIC)
RATES AND CHARGES.)

CAUSE NO. 44856

SUBMISSION OF LATE-FILED ATTACHMENTS

Petitioner, the City of Frankfort, Indiana, by counsel, submits herewith its Late Filed Attachments consisting of Petitioner's Attachments SM-1 and SM-2, consisting of, respectively, (1) Ordinance No. 16-17 (the "Rate Ordinance") establishing new electric rates and charges for the City of Frankfort, Indiana and (2) Ordinance No. 16-18 (the "Bond Ordinance") authorizing the issuance of City of Frankfort, Indiana, electric utility revenue bonds of 2017.

Respectfully submitted,

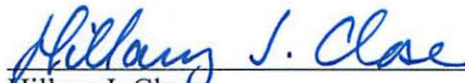
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Attorneys for Petitioner
The City of Frankfort, Indiana.

CERTIFICATE OF SERVICE

The undersigned certifies that a copy of the foregoing was served upon the following via electronic mail transmission this 16th day of December, 2016 to:

Scott Franson
Indiana Office of Utility Consumer Counselor
PNC Center
115 West Washington Street, Suite 1500 South
Indianapolis, Indiana 46204
sfranson@oucc.in.gov
infomgt@oucc.in.gov


Hillary J. Close

ORDINANCE NO. 16-17
(Amended October 11, 2016)

**AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF FRANKFORT,
INDIANA ESTABLISHING NEW ELECTRIC RATES AND CHARGES**

WHEREAS, the City of Frankfort, Indiana (the "City"), owns and operates an electric utility system (the "Electric Utility") by and through its Utility Service Board (the "Board") for the purpose of supplying the City, its inhabitants, and the residents adjacent thereto, with electricity for public, domestic and industrial uses, which system includes a distribution system and other equipment and appurtenances pursuant to the provisions of Indiana Code Title 8, Article 1.5, as amended; and

WHEREAS, the Board has previously represented to the Common Council of the City (the "Council") that certain improvements and extensions to the Electric Utility are necessary in order to adequately serve, protect and promote the public health, welfare and property of the City's inhabitants, and, in order to meet these needs, the Board has caused to be prepared studies which recommend new electric rates and charges;

WHEREAS, pursuant to such studies conducted by Reedy Financial Group and Spectrum Engineering, this Council has determined that the existing rates and charges produce insufficient revenues to pay all legal and other necessary expenses incident to the operation of the Electric Utility, to provide adequate money for working capital, to provide adequate money for making extensions and replacements, to provide money for the payments of taxes that may be assessed, and to provide money sufficient to compensate for taxes that would be due to a municipality if the utility were privately owned;

WHEREAS, the existing rates and charges are therefore not reasonable and just; and

WHEREAS, this Council has determined that the Schedule of Rates and Charges established herein is reasonable and just.

NOW, THEREFORE, BE IT ORDAINED by the Common Council of the City of Frankfort, Indiana as follows:

Section 1. Chapter 50 of the Frankfort City Code, as amended, shall be amended and restated as follows:

§ 50.05 RATE A SCHEDULE – RESIDENTIAL SERVICE.

(A) Availability. Available through one meter to individual customers for single phase residential service, including lighting, household appliances, refrigeration, cooking, water heating and small motors not exceeding three (3) horsepower individual capacity.

(B) Character of Service. Alternating current, sixty Hertz, single phase, at a voltage of approximately 120 volts two-wire, 120/240 volts-three wire.

(C) Rate, subject to the provisions of § 50.11.

Customer Charge per month	\$15.00
Energy Charge per kWh	\$0.093568 per kWh

Minimum Charge

The minimum monthly charge shall be the customer charge.

§ 50.06 RATE B SCHEDULE – COMMERCIAL SERVICE.

(A) Availability. Available through one meter for single phase commercial service including lighting, miscellaneous small appliances, refrigeration, cooking, water heating and incidental small motors not exceeding five (5) horsepower individual capacity.

(B) Character of Service. Alternating current, sixty Hertz, single phase, at a voltage of approximately 120 volts two-wire, 120/240 volts three-wire.

(C) Rate, subject to the provisions of § 50.11.

Customer Charge per month	\$20.00
Energy Charge per kWh	\$0.104945 per kWh

Minimum Charge

The minimum monthly charge shall be the customer charge.

§ 50.07 RATE C SCHEDULE – GENERAL POWER SERVICE.

(A) Availability. Available to any customer for light and/or power purchases who are located on or adjacent to a distribution line of the Utility which is adequate and suitable for supplying the services required.

(B) Character of Service. Alternating current, sixty Hertz, at a voltage which is standard with the Utility in the area served.

(C) Rate, subject to the provisions of § 50.11.

Customer Charge per month	\$45.00
Energy Charge per kWh	\$0.100882 per kWh

(D) Minimum Charge. The minimum monthly charge shall be the customer charge.

§ 50.08 RATE PPL SCHEDULE – PRIMARY POWER AND LIGHT SERVICE.

(A) Availability. Available through one meter for any customer contracting for a specified capacity of not less than 25 kilovolt-amperes. Applicant must agree to one-year term of service and must be located adjacent to an electric transmission or distribution line of the Utility that is adequate and suitable for supplying the service required.

(B) Character of Service. Alternating current having a frequency of sixty Hertz and at a voltage which is standard with the Utility in the area served.

(C) Rate, subject to the provisions of § 50.11.

Customer Charge per month	\$60.00
(1) Maximum Load Charge	\$18.85 per kVA of Billing Maximum Load
(2) Energy Charge	\$0.039407 per kWh for all kWh

(D) Minimum Charge. The minimum monthly charge shall be the customer charge.

(E) Measurement of Maximum Load and Energy. Maximum load shall be measured by suitable instruments provided by the Utility, and in any month the maximum load expressed in kilovolt-amperes shall be the average number of kilowatts in the 30-minute interval in such month during which the energy metered is greater than in any other such 30-minute interval in such month, divided by the average lagging power factor (expressed as a decimal) calculated for the month. Energy shall be measured by suitable integrating instruments provided by the Utility.

(F) Billing Maximum Load. The Billing Maximum Load for any month shall be the maximum load for the month, but in no month shall the Billing Maximum Load be less than 25 kilovolt-amperes.

(G) Metering Adjustment. If service is metered at a voltage of approximately 480 volts or lower, the maximum load and energy measurements shall be increased by two percent (2%) to convert such measurements to the equivalent of metering at the Utility's primary voltage.

(H) Equipment Supplied By Customer. When Customer furnishes and maintains the complete substation equipment, including any and all transformers, and/or switches and/or the equipment necessary to take his entire service at the primary voltage of the transmission or distribution line from which it is to be received, a credit of \$0.34 per KVA of Billing Maximum Load will be applied to each month's net bill.

(I) Off-Peak Service. When Customer elects to take electric service during the following designated Off-Peak periods, the following provisions will apply:

(1) Measurement of Maximum Load and Energy. Maximum load shall be measured by suitable recording instruments and, in any month the maximum load for the on-peak hours shall be the highest thirty-minute Kilovolt-ampere load calculated during such on-peak hours and the maximum load for the off-peak hours shall be the highest thirty-minute kilovolt-ampere load calculated during such off-peak hours. Such thirty-minute kilovolt-ampere loads shall be calculated in accordance with the Measurement of Maximum Load and Energy provision of Rate PPL based on the use of the average lagging power factor for both periods.

(2) Billing Maximum Load. The Billing Maximum Load for any month shall be the greatest of (1) the maximum load established during on-peak hours for the month, of fifty percent (50%) of the maximum load established during off-peak hours for the month, but in no month shall the Billing Maximum Load be less than 500 kilovolt-amperes.

(3) Off-Peak Periods. Off-Peak periods shall be all hours between 9:00 P.M. and 7:00 A.M., local time, Monday through Friday, and all hours of the day on Saturdays, Sundays and legal holidays. Legal holidays shall include New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving and Christmas Day.

(4) Special Terms and Conditions. The availability of off-peak service shall be limited to an aggregate load of not more than 5,000 kilowatts on a first-come, first-serve basis.

§50.085 RATE IP SCHEDULE – INDUSTRIAL POWER SERVICE.

(A) Availability. Available through one meter to any customer having a minimum load requirement of 10 megawatts or more and directly fed from the Utility's 69kV Transmission system. Applicant must be located adjacent to the Utility's transmission line that is adequate and suitable for supplying the service requested.

(B) Character of Service. Alternating current having a frequency of sixty Hertz and furnished at a voltage which is standard with the Utility in the area served.

(C) Rate, subject to the provisions of § 50.11.

(1) Customer Charge	\$600.00 per meter per month
(2) Demand Charge	\$20.72 per KVA of billing demand

(3) Energy Charge \$0.035560 per KWh for all KWh

(D) Minimum Charge. The Minimum monthly charge shall be the customer charge.

(E) Determination of Peak Demand and Measurement of Energy. Peak demand shall be measured by suitable recording instruments provided by the Utility and shall be the average number of kilovolt-amperes in the fifteen minute period during which the kilovolt-ampere demand is greater than any other fifteen-minute interval in such month. For those customers who are not being metered by the use of a recording instrument, the peak demand, expressed in kilovolt-amperes, shall be the average number of kilowatts in the recorded fifteen-minute interval in such month during which the energy metered is greater than in any other such fifteen-minute interval in such month, divided by the lagging power factor (expressed as a decimal) calculated for the month. For billing purposes, the billing demand shall be the greater of the peak demand occurring during the month or ten (10) MVA. Energy shall be measured by suitable integrating instruments.

(F) Metering Adjustment. If service is metered at a voltage of approximately 13,800 volts or lower, the peak demand and energy measurements shall be increased by two percent (2%) to convert such measurements to the equivalent of metering at the Utility's primary voltage.

(G) Equipment Ownership. Customer must own all equipment necessary to transform the power from 138kV to its suitable working voltage. This equipment must include but is not limited to structures, foundations, large power transformer, switches, breakers, station batteries, relay protection and control, CT's, PT's, security, etc. Customer is responsible for proper routine maintenance on its customer owned equipment in accordance with industry best practices.

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50.09 RATE OL SCHEDULE – OUTDOOR LIGHTING SERVICE.

(A) Availability. Available only for continuous year-round service for outdoor lighting to any residential, farm, commercial, or industrial customer located adjacent to an electric distribution line of Utility.

(B) Character of Service. Outdoor lighting service using lamps available under this schedule and controlled by a photoelectric relay.

(C) Rate, subject to the provisions of § 50.11.

<i>Type of Lamp</i>	<i>Rate per Lamp per Month</i>
175 Watt Mercury Vapor	\$ 7.45
250 Watt Mercury Vapor	\$ 9.34

400 Watt Mercury Vapor	\$10.70
100 Watt Sodium Vapor	\$ 4.38
150 Watt Sodium Vapor	\$ 5.14
250 Watt Sodium Vapor	\$ 6.73
400 Watt Sodium Vapor	\$ 8.66
<i>Type of Lamp - Flood</i>	<i>Rate per lamp per month</i>
250 Watt Mercury Vapor	\$ 9.08
400 Watt Mercury Vapor	\$13.57
150 Watt Sodium Vapor	\$ 5.55
250 Watt Sodium Vapor	\$ 8.50
400 Watt Sodium Vapor	\$12.45

(D) Ownership of System. All facilities installed by Utility for service hereunder, including fixtures, controls, poles, transformers, secondary lines, lamps and other appurtenances shall be owned and maintained by Utility. All service and necessary maintenance shall be performed only during regularly scheduled working hours of Utility. Non-operative lamps will normally be restored to service within 48 hours after notification by customer.

(E) Hours of Lighting. All lamps shall burn approximately one-half hour after sunset until approximately one-half hour before sunrise each day in the year, approximately 4,000 hours per annum.

§ 50.10 RATE SL SCHEDULE – PUBLIC STREET LIGHTING SERVICE.

(A) Availability. Available for street lighting within the corporate limits of the City of Frankfort and highway lighting within the area served by the Utility’s distribution system.

(B) Character of Service. Standard Street Lighting Service using lamps available under this schedule.

(C) Rate, subject to the provisions of § 50.11.

<i>Type of Lamp</i>	<i>Rate per Lamp per Month</i>
Overhead Service	
295 Watt Incandescent	\$10.58
100 Watt Mercury Vapor	\$ 6.15
175 Watt Mercury Vapor	\$ 8.78
250 Watt Mercury Vapor	\$ 9.67
400 Watt and Over Mercury Vapor	\$12.32
100 Watt Sodium Vapor – Wood Pole	\$ 6.96
100 Watt Sodium Vapor – Metal Pole	\$11.14
150 Watt Sodium Vapor – Wood Pole	\$ 8.18
250 Watt Sodium Vapor – Wood Pole	\$ 9.60
250 Watt Sodium Vapor – Metal Pole	\$14.23
400 Watt Sodium Vapor – Wood Pole	\$11.74
400 Watt Sodium Vapor – Metal Pole	\$15.55
Underground Service	
100 Watt Sodium Vapor – Metal Pole	\$ 6.15
150 Watt Sodium Vapor – Metal Pole	\$14.71
400 Watt Sodium Vapor – Metal Pole	\$18.24

(D) Hours of Lighting. All lamps shall burn approximately one-half hour after sunset until approximately one-half hour before sunrise each day in the year, approximately 4000 hours per annum.

(E) Facilities. All facilities necessary for the service hereunder, including all poles, fixtures, street lighting circuits, transformers, lamps, and other necessary facilities will be furnished and maintained by the Utility.

§ 50.11 RATE ADJUSTMENT.

The rate adjustment in §§ 50.05 through 50.10 shall be on the basis of a purchased power cost adjustment tracking factor occasioned solely by changes in the cost of purchased power and energy, in accordance with the order of the Indiana Utility Regulatory Commission, approved December 13, 1989 in Cause No. 36835-S3 as follows:

Rate adjustments applicable to the below listed rate schedules are as follows:

Residential Rate A	—\$(0.000000) per KWH
Commercial Rate B	—\$(0.000000) per KWH
General Power Rate C	—\$(0.000000) per KWH
Industrial Rate PPL	—\$(0.000000) per KVA
Industrial Rate IP	—(0.000000) per KVA
	—\$(0.000000) per KWH
Flat Rates	—\$(0.000000) per KWH

§ 50.12 PURCHASE POWER COST TRACKING.

When future changes occur in the utility's cost of purchased power which changes would cause a change in the utility's purchase power cost adjustment tracking factor calculated in accordance with the order of the Indiana Utility Regulatory Commission approved on January 11, 1983, in Cause No. 36835-S1, as may be hereafter amended by the Commission, the factor automatically shall be changed accordingly and the Utility's Superintendent shall cause the appropriate documents for approval of the change to be filed with the Commission and § 50.11 shall be deemed amended to reflect such rates upon approval by the Commission.

§ 50.13 SCHEDULE FOR ECONOMIC DEVELOPMENT TRACKER.

(A) Availability of Service.

(a) In order to encourage economic development in the Utility's service area, limited-term reductions in billing demands described herein are offered to qualifying new and existing customers who make application for service under this Rider prior to January 1, 2025.

(b) Service under this Rider is intended for specific types of commercial and industrial customers whose operations, by their nature, will promote sustained economic development based on plant and facilities investment and job creation. This Rider is available to commercial and industrial customers served under Tariff PPL or Tariff IP who meet the following requirements:

- (1) Size: A new customer must have billing demand of 1,000 kW or more. An existing customer must increase billing demand by 1,000 kW or more over the maximum billing demand during the 12 months prior to the date of the application by the customer for service under this Rider (Base Maximum Billing Demand).
- (2) THD: Total Harmonic Distortion. Both new and existing customers must comply with Standard IEEE 519-2014 or its most contemporary version, should the standard be revised.
- (3) Load Factor: Both new and existing customers must maintain a monthly load factor of at least 70%. Load factor shall be calculated as follows: “Total monthly kWh”/[“peak kW” x “Days in Billing Period” x “24 hours”].
- (4) Power Factor: Both new and existing customers must maintain a monthly power factor of at least 98%.
- (5) Applicable Standards: Both new and existing customers shall comply with the most contemporary versions of National Electric Code, National Fire Protection Association Code, and relevant IEEE standards.
- (6) Business Type: In no event shall service under this Rider be available to a customer whose principal business at the service location is classified in one of the following SIC Major Groups:

Standard Industrial Classification (SIC per US Dept. of Labor)

A: Agriculture, Forestry, and Fishing

01: Agricultural Production Crops

02: Agricultural production livestock and animal specialties

07: Agricultural Services

08: Forestry

09: Fishing, hunting, and trapping

C: Construction

15: Building Construction General Contractors and Operative Builders

16: Heavy Construction Other Than Building Construction
Contractors

17: Construction Special Trade Contractors

F: Wholesale Trade

50: Wholesale Trade-durable Goods

51: Wholesale Trade-non-durable Goods

G: Retail Trade

52: Building Materials, Hardware, Garden Supply, and Mobile Home
Dealers

- 53: General Merchandise Stores
- 54: Food Stores
- 55: Automotive Dealers and Gasoline Service Stations
- 56: Apparel and Accessory Stores
- 57: Home Furniture, Furnishings, and Equipment Stores
- 58: Eating and Drinking Places
- 59: Miscellaneous Retail

H: Finance, Insurance, and Real Estate

- 64: Insurance Agents, Brokers, and Service
- 65: Real Estate
- 67: Holding and Other Investment Offices

I: Services

- 70: Hotels, Rooming Houses, Camps, and Other Lodging Places
- 78: Motion Pictures
- 79: Amusement and Recreation Services

**North American Industry Classification System (NAICS per OMB
post 1997)**

- 11: Agriculture, Forestry, Fishing and Hunting
- 22: Utilities
- 23: Construction
- 42: Wholesale Trade
- 44: Retail Trade
- 45: Retail Stores
- 48: Transportation
- 53: Real Estate Rental and Leasing
- 71: Arts, Entertainment, and Recreation
- 72: Accommodation and Food Services
- 81: Other Services (except Public Administration)

(c) A new customer, or the expansion by an existing customer, must result in the creation of at least 10 full-time equivalent jobs (FTE) maintained over the contract term at the service location. Utility reserves the right to verify FTE job counts. Failure to maintain the minimum required FTE jobs will result in the termination of this Rider.

(d) The customer must demonstrate through form SB-1, to the Utility's satisfaction that, absent the availability of this Rider, the qualifying new or increased demand would be located outside of the Utility's service territory or would not be placed in service due to poor operating economics.

(e) Availability is limited to customers on a first-come, first-served basis for loads aggregating to 25 MVA.

(B) Terms and Conditions.

(a) To receive service under this Rider, the customer shall make written application to the Utility for the Economic Development Rider, using form SB-1 "Statement of Benefits", to be supplied by the Utility, with sufficient information contained therein to determine the customer's eligibility of service.

(b) For new customers, billing demands for which deductions will be applicable under this Rider shall be for service at a new service location and not merely the result of a change of ownership. Relocation of the delivery point of the Utility's service does not qualify as a new service location.

(c) For existing customers, billing demands for which deductions will be applicable under this Rider shall be the result of an increase in business activity and not merely the result of resumption of normal operations following a force majeure, strike, equipment failure, renovation or refurbishment, or other such abnormal operating condition. In the event that such occurrence has taken place during the 12-month period prior to the date of the application by the customer for service under this Rider, the monthly billing demands during the 12-month period shall be adjusted as appropriate to eliminate the effects of such occurrence.

(d) All demand adjustments offered under this Rider shall terminate no later than December 31, 2029.

(e) The existing local facilities of the Utility must be deemed adequate, in the judgment of the Utility, to supply the new or expanded electrical capacity requirements of the customer. If construction of new or expanded local facilities by the Utility is required, the customer may be required to make a contribution-in-aid of construction for the installed cost of such facilities pursuant to the provisions of the Utility's Terms and Conditions of Service.

(C) Determination of Monthly Adjusted Billing Demand.

(a) The qualifying incremental billing demand shall be determined as the amount by which the billing demand, as determined according to Tariff PPL or IP for current billing period without this Rider, exceeds the Base Maximum Billing Demand. Such incremental billing demand shall be considered to be zero, however, unless it is at least 1,000 kW for new customers or existing customers.

(b) The monthly adjusted billing demand under this Rider shall be the billing demand as determined according to Tariff PPL or IP for the current billing period without this Rider less the product of the qualifying incremental billing demand and the applicable Adjustment Factor. No

Adjustment Factors shall be applied to any portion of minimum billing demands as calculated under Tariff PPL or IP.

(D) Determination of Adjustment Factor.

(a) Standard New Development Customers. Customers meeting all availability and terms and conditions above shall contract for service for a period of five (5) years with a scheduled Adjustment Factor as follows:

Year 1	10%
Year 2	0%
Year 3	05%
Year 4	05%
Year 5	05%

(b) Urban Redevelopment Customers. Customers meeting all availability and terms and conditions above, and that (1) are locating a new business in an existing building that has been unoccupied and/or has remained dormant for at least one or more years and has no current or prior relationship with the previous occupant, as determined by the Utility, and (2) taking delivery at one point that does not require significant distribution or transmission system investment, other than the connection of service, shall qualify the same as Standard New Development Customer.

(c) The appropriate adjustment factor shall be applicable over a period of 60 consecutive billing months beginning with the first such month following the end of the start-up period. The start-up period shall commence with the effective date of the contract addendum for service under this Rider and shall terminate by mutual agreement between the Utility and the customer. In no event shall the start-up period exceed 12 months.

(E) Written Annual Statement of Substantial Compliance.

Customers must apply for the Economic Development Rider using Form SB-1 "Statement of Benefits". Subsequent to qualifying for the Economic Development Rider, the Customer MUST file an updated SB-1 at least 30 days prior to the anniversary of the start date identified in the Utility's confirmation that Customer is eligible for the Economic Development Rider. Failure to comply with the reporting requirements will result in the termination of eligibility for the Economic Development Rider.

(F) Terms of Contract.

(a) A contract or agreement addendum for service under this Rider, in addition to service under Tariff PPL or IP, shall be executed by the customer and the Utility for the time period which includes the start-up period and the five-year period immediately following the end of the start-up period. The contract addendum shall specify the Base Maximum Billing Demand, the anticipated total demand, the Adjustment Factor and related provisions to be applicable under this Rider, and the effective date for the contract addendum.

(b) The customer may discontinue service under this Rider before the end of the contract or agreement addendum only by reimbursing the Utility for any demand adjustments received under this Rider billed at the applicable rate.

(G) Special Terms and Conditions.

Except as otherwise provided in this Rider, written agreements shall remain subject to all of the provisions of Tariff PPL or IP. This Rider is subject to the Utility's Terms and Conditions of Service.

§ 50.15 CUSTOMER DEPOSITS.

(A) The utility may require from all applicants for service a cash deposit equal to the billing for the estimated amount of service to be used by the applicant for a period of 60 days as a guarantee against the non-payment of bills for service. The fee shall be a minimum of \$50.00 for residential customers and a minimum of \$100.00 for all other customers. The actual amount to be charged shall be based on the results of a credit check. However, if the applicant is the owner of real property whose credit is approved by the utility, the utility shall waive the cash deposit. Such a guarantee shall not make the guarantor liable in an amount exceeding the charge for a period of 60 days. The cash deposit minus any unpaid amounts for service rendered the customer shall be returned upon the discontinuance of service.

(B) In all cases where the monthly consumption is in excess of that covered by the deposit, the utility may increase the amount of deposit required, but the deposit shall not exceed an amount for an estimated 60 day period.

(C) The original deposit certificate to the customer should be presented when the deposit is refunded.

§ 50.22 TEMPORARY SERVICE.

(A) An applicant for temporary service shall be required to pay a fee of \$200.00 for the cost of labor and material required for supplying and connecting the temporary service, for discontinuing and removing the service equipment, and for the supervision, use of tools, and indirect costs, in accordance with the job work order procedure of the utility.

(B) The utility may require a suitable deposit to insure payment of the fee set forth above plus the charges for energy consumed. No temporary installation may continue for a period of more than 12 months, unless the installation conforms to the requirements of permanent installation.

§ 50.37 DELINQUENT BILLS; COLLECTION CHARGE, DISCONTINUANCE OF SERVICE.

(A) Bills shall be due and payable at the office of the utility on the first business day of each month. If paid by the fifteenth day of the month, the net shall be the amount to be paid. If not paid by the fifteenth of the month in which due, a collection charge of 4% of the total current unpaid balance shall be added to the net bill.

(B) When the fifteenth day of the month falls on Sunday or on any legal holiday, the first business day thereafter shall be considered as the last day to pay the net bill.

(C) Where bills for service have not been paid by the twenty-fifth day of the month in which they are due, service shall be discontinued and the reconnection charge established in § 50.43 shall be paid before service is re-established.

§ 50.39 FEE FOR RETURNED CHECKS.

When any check, draft, or money order given by or for a customer to any of the city's utilities or its Frankfort Municipal Utility Office in payment for utility service or other charge is returned to the utility or the office by the drawer's bank because of the drawer's insufficient funds in such bank account or because such drawer has no such open account at such bank, then the customer shall be charged an additional service fee of \$25.00, or 5% of the amount of the returned check, whichever greater, for each time the check is so returned by the bank.

§ 50.40 FEE FOR SERVICE CALLS.

When a request is made by or for a customer to the City Light and Power Plant for a service call, and upon making the service call, the utility's serviceman determines that the customer's problem is not the fault of the utility, then the customer shall be charged a service fee for each such service call made, as follows:

(1) If the service call is made by the serviceman between the hours of 7:00 a.m. and 4:00 p.m., a fee of \$60.00.

(2) If the service call is made by the serviceman after 4:00 p.m. and prior to 7:00 a.m. the next day, a fee of \$150.00.

§ 50.42 METER TEST FEE.

When a request is made by a customer for a meter test, and the customer has already received a free meter test within the twelve (12) month period in which the request is made, the customer shall be charged a fee of \$33.00 for the additional meter test.

§ 50.43 RECONNECTION CHARGE.

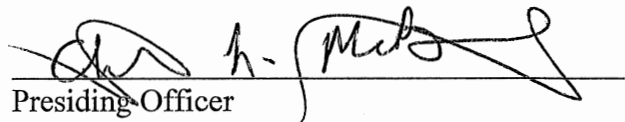
When it has been necessary to discontinue electric service to any customer because of a violation of the utility's rules and regulations or on account of non-payment of any bill for electric service, the customer shall be charged a fee for reconnection of service for each such instance of disconnection and reconnection, as follows:

(1) If the reconnection is made by the serviceman between the hours of 7:00 a.m. and 4:00 p.m., a fee of \$43.00.

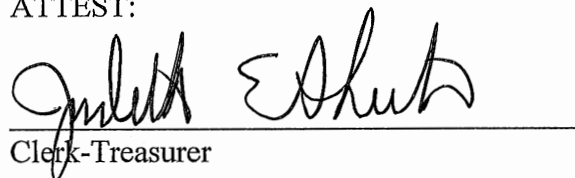
(2) If the reconnection is made by the serviceman after 4:00 p.m. and prior to 7:00 a.m. the next day, a fee of \$125.00.

DULY PASSED on this 17 day of November, 2016, by the Common Council of the City of Frankfort, Indiana.

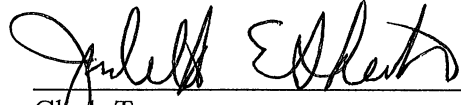
COMMON COUNCIL OF THE
CITY OF FRANKFORT, INDIANA


Presiding Officer

ATTEST:

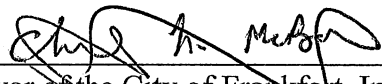

Clerk-Treasurer

Presented by me to the Mayor of the City of Frankfort for his approval or veto pursuant to Indiana Code § 36-4-6-15 and 16, this 14 day of November, 2016 at 7:00 o'clock ~~a.m.~~/p.m.



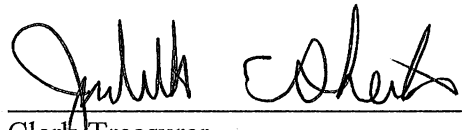
Clerk-Treasurer

This Ordinance having been passed by the legislative body and presented to me is approved by me and duly adopted, pursuant to Indiana Code § 36-4-6-16 (a)(1), this 17 day of November, 2016 at 7:00 o'clock ~~a.m.~~/p.m.



Mayor of the City of Frankfort, Indiana

Attest:



Clerk-Treasurer

DMS 4394960v1

ORDINANCE NO. 16-18

**AN ORDINANCE AUTHORIZING THE ACQUISITION
AND CONSTRUCTION OF CERTAIN IMPROVEMENTS AND EXTENSIONS
TO THE ELECTRIC UTILITY OF THE CITY OF FRANKFORT,
INDIANA; AUTHORIZING THE ISSUANCE OF CITY OF FRANKFORT, INDIANA,
ELECTRIC UTILITY REVENUE BONDS OF 2017 FOR
SUCH PURPOSE; PROVIDING FOR THE COLLECTION, SEGREGATION
AND DISTRIBUTION OF THE REVENUES OF THE ELECTRIC UTILITY
OWNED AND OPERATED BY THE CITY AND THE SAFEGUARDING
OF THE INTERESTS OF THE OWNERS OF THE CITY OF FRANKFORT,
INDIANA, ELECTRIC UTILITY REVENUE BONDS
OF 2017; AND OTHER MATTERS CONNECTED THEREWITH**

WHEREAS, the City of Frankfort, Indiana (the "City"), is the owner of and operates an electric utility system (the "Electric Utility") by and through its Utility Service Board (the "Board") supplying said City and the inhabitants thereof, and the residents adjacent thereto, with electricity for public, domestic and industrial uses, which system includes a distribution system and other equipment and appurtenants pursuant to the provisions of Indiana Code Title 8, Article 1.5, as amended (the "Act"); and

WHEREAS, the Board has represented to the Common Council of the City (the "Common Council") and the Common Council has determined that certain improvements and extensions to the Electric Utility, as described herein, are necessary in order to serve adequately and protect and promote the public health, welfare and property of the inhabitants of the City; and

WHEREAS, this Common Council hereby finds that the improvements and extensions to the Electric Utility described in Exhibit A hereto (collectively, the "Projects") are necessary and will be of public utility and benefit; and

WHEREAS, this Common Council further finds that the estimates prepared with respect to the costs of acquisition and construction of such improvements and extensions to the Electric Utility, and including all authorized expenses relating thereto, including the allocable portion of the costs of issuance of bonds on account of the financing of all or a portion thereof, will be in an estimated amount of not to exceed Twelve Million Five Hundred Thousand Dollars (\$12,500,000); and

WHEREAS, this Common Council hereby finds that in order to provide funds to finance the Projects and authorized expenses relating thereto, including issuance costs in connection with the issuance of such revenue bonds, it will be necessary for the City to issue revenue bonds in an amount not to exceed Twelve Million Five Hundred Thousand Dollars (\$12,500,000) payable solely from the revenues of the Electric Utility, pursuant to the Act, and to authorize the sale of such revenue bonds by public sale, subject to the terms and conditions hereinafter set forth; and

WHEREAS, this Common Council now finds that all conditions precedent to the adoption of an ordinance authorizing the issuance of revenue bonds and providing the necessary

funds to be applied to the cost of the Projects and the authorized costs relating thereto have been complied with in accordance with the provisions of the Act; and

WHEREAS, this Common Council consequently seeks to authorize the issuance of revenue bonds to finance the acquisition, construction, installation and equipping of the Projects pursuant to the Act, and the sale of such revenue bonds pursuant to the provisions of the Act, subject to and dependent upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF FRANKFORT, INDIANA, AS FOLLOWS:

Section 1. Acquisition and Construction of the Projects. The City, being the owner of and engaged in operating the Electric Utility hereby orders, authorizes and directs the Board to acquire any and all necessary property and to proceed with the construction, installation and equipping of the Projects, pursuant to the Act and in accordance with the plans, specifications, descriptions and estimates heretofore or hereafter prepared at the direction of and filed with the Board, and to finance a portion of the costs of the Projects through the issuance of electric utility revenue bonds pursuant to and in the manner described by the Act and this Ordinance, which revenue bonds shall be payable solely out of the revenues of the Electric Utility in accordance with the Act and this Ordinance. The actions of the Board in connection with the acquisition of any and all necessary property and the construction, installation, equipping and financing of the Projects are hereby authorized, approved, ratified and confirmed. Where used in this Ordinance, the term "City" shall be construed also to include any department, board (including the Board), commission, officer or officers of the City or of any such department, board or commission. The terms "Electric Utility," "electric utility," "electric utility system," "electric system," "system," and similar terms used in this Ordinance, shall be construed to mean and include the City's existing electric distribution system, and all real estate and equipment used in connection therewith and appurtenances thereto, and all extensions, additions and improvements thereto and replacements thereof, hereafter constructed or acquired.

Section 2. Description of the Projects. The Projects consist of certain improvements and extensions to the electric utility system of the City, including but not limited to any or all or any portion of the items described in Exhibit A attached hereto and made a part hereof. The City, acting by and through the Board, shall proceed with the acquisition, construction, installation and equipping of the Projects and shall enter into all contracts necessary or appropriate for such purpose, in conformity with and subject to the requirements and conditions set forth in this Ordinance and in the Act.

Section 3. The 2017 Bonds. For the purpose of providing funds with which to pay all or a portion of the costs of the Projects, together with authorized expenses relating thereto including the costs of issuance of the 2017 Bonds, as hereinafter defined, the City shall issue and sell its electric utility revenue bonds pursuant to the provisions of the Act and this Ordinance, which bonds shall be payable solely out of the Bond and Interest Redemption Account of the Special Fund referred to and defined hereinafter.

The bonds authorized by this Ordinance shall be designated as "City of Frankfort, Indiana, Electric Utility Revenue Bonds of 2017" (the "2017 Bonds"), and shall be in an

aggregate principal amount not to exceed Twelve Million Five Hundred Thousand Dollars (\$12,500,000).

The 2017 Bonds shall be issued in fully registered form in the denominations of Five Thousand Dollars (\$5,000) or integral multiples thereof not exceeding the aggregate principal amount of such 2017 Bonds maturing in any one year, shall be numbered consecutively from 17R-1 upward and shall bear interest at a rate or rates not exceeding seven percent (7.0%) per annum (the exact rate or rates to be determined by bidding). Interest on the 2017 Bonds shall be payable semiannually on January 1 and July 1 of each year (each an "Interest Payment Date"), beginning not sooner than July 1, 2017, and such interest shall be calculated on the basis of twelve (12) thirty (30)-day months for a three hundred and sixty (360)-day year. The principal of the 2017 Bonds shall mature and be payable on January 1 and July 1 of each year with a final maturity no later than January 1, 2046. The first Interest Payment Date and the final principal maturity schedule shall be certified by the Clerk-Treasurer in the Clerk-Treasurer's Certificate (as hereinafter defined) prior to the publication of the notice of the sale of the 2017 Bonds.

The 2017 Bonds shall bear an original date which shall be the date of delivery thereof, and each 2017 Bond shall also bear the date of its authentication. Any 2017 Bond authenticated on or before the fifteenth (15th) day of the month immediately preceding the first Interest Payment Date, shall pay interest from its original date. Any 2017 Bond authenticated after the fifteenth (15th) day of the month immediately preceding the first Interest Payment Date, shall pay interest from the Interest Payment Date next preceding the date of authentication of such 2017 Bond, unless such 2017 Bond is authenticated after the fifteenth (15th) day of the month preceding an Interest Payment Date and on or before such Interest Payment Date, in which case interest thereon shall be paid from such Interest Payment Date.

Section 4. Registrar and Paying Agent. The Clerk-Treasurer is hereby authorized and directed to appoint the Registrar and Paying Agent for the 2017 Bonds (the "Registrar" and "Paying Agent" and in both such capacities the "Registrar and Paying Agent") and to enter into such agreements or understandings with the Registrar and Paying Agent as will enable and facilitate such entity to perform effectively all required services on behalf of the City. The Clerk-Treasurer is further authorized and directed to pay such fees and expenses as the Registrar and Paying Agent may reasonably charge for its services in such capacity, with such fees to be paid from the Debt Service Subaccount of the Bond and Interest Redemption Account as described in this Ordinance. The Registrar and Paying Agent is hereby charged with, and shall by appropriate agreement undertake, the performance of all duties and responsibilities customarily associated with the position of Registrar and Paying Agent, including without limitation the authentication of the 2017 Bonds. The Registrar and Paying Agent shall keep and maintain at its principal office books for the registration and for the transfer of the 2017 Bonds.

The Registrar and Paying Agent may at any time resign as Registrar and Paying Agent upon giving thirty (30) days' notice in writing to the City and by first-class mail to each registered owner of the 2017 Bonds then outstanding, and such resignation will take effect at the end of such thirty (30) days or upon the earlier appointment of a successor Registrar and Paying Agent by the City. Any such notice to the City may be served personally or sent by registered mail. The Registrar and Paying Agent may be removed at any time as Registrar and Paying Agent by the City, in which event the City may appoint a successor Registrar and Paying Agent.

The City shall notify each registered owner of the 2017 Bonds then outstanding by first-class mail of the removal of the Registrar and Paying Agent. Notices to registered owners of the 2017 Bonds shall be deemed to be given when mailed by first-class mail to the addresses of such registered owners as they appear on the registration books kept by the Registrar.

Upon the appointment of any successor Registrar and Paying Agent by the City, the Mayor of the City (the "Mayor") and the Clerk-Treasurer, and each of them, are authorized and directed to enter into such agreements and understandings with such successor Registrar and Paying Agent as will enable and facilitate the effective performance of its duties and responsibilities, and are further authorized and directed to pay such fees as the Registrar and Paying Agent may reasonably charge for its services in such capacity, with such fees to be paid from the Debt Service Subaccount of the Bond and Interest Redemption Account as described in this Ordinance. Any predecessor Registrar and Paying Agent shall deliver all of the 2017 Bonds and any cash or investments in its possession with respect thereto, together with the registration books, to the successor Registrar and Paying Agent.

The principal of the 2017 Bonds shall be payable at the principal office of the Paying Agent. Interest on the 2017 Bonds shall be paid by check or draft mailed or delivered by the Paying Agent to the registered owners thereof at the address as it appears on the registration books kept by the Registrar as of the fifteenth (15th) day of the month immediately preceding the Interest Payment Date or at such other address as may be provided to the Paying Agent in writing by such registered owners. All payments of the 2017 Bonds shall be made in any coin or currency of the United States of America which, on the dates of such payments, shall be legal tender for the payment of public or private debts.

Each 2017 Bond shall be transferable only on the registration books of the City maintained for such purpose at the principal office of the Registrar, by the registered owner thereof in person, or by his or her attorney duly authorized in writing, upon surrender of such 2017 Bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his or her attorney duly authorized in writing, and thereupon a new fully registered 2017 Bond in the same principal amount and of the same maturity shall be executed and delivered in the name of the transferee in exchange therefor. Each 2017 Bond may be transferred without cost to the registered owner, except for any tax or other governmental charge which may be required to be paid with respect to such transfer. The Registrar shall not be obligated to make any transfer of any 2017 Bond (i) during the period from the fifteenth day of the calendar month immediately preceding an Interest Payment Date to such Interest Payment Date, or (ii) after the mailing of any notice calling such 2017 Bond for redemption. The City and the Registrar and Paying Agent may treat and consider the person in whose name any 2017 Bond is registered as the absolute owner thereof for all purposes including the purpose of receiving payment of, or on account of, the principal thereof and interest thereon.

In the event any 2017 Bond is mutilated, lost, stolen or destroyed, the City may cause to be executed and the Registrar may authenticate a new 2017 Bond of like date, maturity and denomination as the mutilated, lost, stolen or destroyed 2017 Bond, which new 2017 Bond shall be marked in a manner to distinguish it from the 2017 Bond for which it was issued; provided, that, in the case of any mutilated 2017 Bond, such mutilated 2017 Bond shall first be surrendered to the Registrar, and in the case of any lost, stolen or destroyed 2017 Bond there shall be first

furnished to the Registrar evidence of such loss, theft or destruction satisfactory to the City and the Registrar, together with indemnity satisfactory to them. In the event that any such lost, stolen or destroyed 2017 Bond shall have matured or been called for redemption, instead of causing to be issued a duplicate 2017 Bond, the Registrar and Paying Agent may pay the same without surrender thereof upon satisfactory indemnification and proof of loss, theft or destruction. The City and the Registrar and Paying Agent may charge the owner of any such 2017 Bond with their reasonable fees and expenses in connection with the above. Every substitute 2017 Bond issued by reason of any 2017 Bond being lost, stolen or destroyed shall, with respect to such 2017 Bond, constitute a substitute contractual obligation of the City pursuant to this Ordinance, whether or not the lost, stolen or destroyed 2017 Bond shall be found at any time, and shall be entitled to all the benefits of this Ordinance, equally and proportionately with any and all other 2017 Bonds duly issued hereunder.

In the event that any 2017 Bond is not presented for payment or redemption on the date established therefor, the City may deposit in trust with the Paying Agent an amount sufficient to pay such 2017 Bond or the redemption price thereof, as appropriate, and thereafter the owner of such 2017 Bond shall look only to the funds so deposited in trust with the Paying Agent for payment and the City shall have no further obligation or liability with respect thereto.

The 2017 Bonds may, in compliance with all applicable laws, be issued and held in book-entry form on the books of the central depository system, The Depository Trust Company, its successors, or any successor central depository system appointed by the City from time to time (the "Clearing Agency"). The City and Registrar may, in connection therewith, do or perform or cause to be done or performed any acts or things not adverse to the rights of the holders of the 2017 Bonds, as are necessary or appropriate to accomplish or recognize such book-entry form 2017 Bonds.

During any time that the 2017 Bonds are held in book-entry form on the books of a Clearing Agency (1) any such 2017 Bond may be registered upon the books kept by the Registrar in the name of such Clearing Agency, or any nominee thereof, including CEDE & Co., as nominee of the Depository Trust Company; (2) the Clearing Agency in whose name such 2017 Bond is so registered shall be, and the City and the Registrar and Paying Agent may deem and treat such Clearing Agency as, the absolute owner and holder of such 2017 Bond for all purposes of this Ordinance, including, without limitation, the receiving of payment of the principal of and interest on such 2017 Bond, the receiving of notice and giving of consent; (3) neither the City nor the Registrar or Paying Agent shall have any responsibility or obligation hereunder to any direct or indirect participant, within the meaning of Section 17A of the Securities Exchange Act of 1934, as amended, of such Clearing Agency, or any person on behalf of which, or otherwise in respect of which, any such participant holds any interest in any 2017 Bond, including, without limitation, any responsibility or obligation hereunder to maintain accurate records of any interest in any 2017 Bond or any responsibility or obligation hereunder with respect to the receiving of payment of principal of or interest on any 2017 Bonds, the receiving of notice or the giving of consent; (4) the Clearing Agency is not required to present any 2017 Bond called for partial redemption prior to receiving payment so long as the Registrar and Paying Agent and the Clearing Agency have agreed to the method for noting such partial redemption; and (5) payment of the principal of and interest on the 2017 Bonds may be made by wire transfer or other method acceptable to the Clearing Agency, as indicated in the Clerk-Treasurer's Certificate.

If either (i) the City receives notice from the Clearing Agency which is currently the registered owner of the 2017 Bonds to the effect that such Clearing Agency is unable or unwilling to discharge its responsibility as a Clearing Agency for the 2017 Bonds or (ii) the City elects to discontinue its use of such Clearing Agency as a Clearing Agency for the 2017 Bonds, then the City and Registrar and Paying Agent each shall do or perform or cause to be done or performed all acts or things, not adverse to the rights of the holders of the 2017 Bonds, as are necessary or appropriate to discontinue use of such Clearing Agency as a Clearing Agency for the 2017 Bonds and to transfer the ownership of each of the 2017 Bonds to such person or persons, including any other Clearing Agency, as the holder of the 2017 Bonds may direct in accordance with this Ordinance. Any expenses of such discontinuance and transfer, including expenses of printing new certificates to evidence the 2017 Bonds, shall be paid by the City.

During any time that the 2017 Bonds are held in book-entry form on the books of a Clearing Agency, the Registrar and Paying Agent shall be entitled to request and rely upon a certificate or other written representation from the Clearing Agency or any participant or indirect participant with respect to the identity of any beneficial owners of the 2017 Bonds as of a record date selected by the Registrar and Paying Agent. For purposes of determining whether the consent, advice, direction or demand of a Registered Owner of the 2017 Bond has been obtained, the Registrar or Paying Agent shall be entitled to treat the beneficial owners of the 2017 Bonds as the 2017 Bondholders.

During any time that the 2017 Bonds are held in book-entry form on the books of a Clearing Agency, either the Clerk-Treasurer or the Registrar may enter into a Letter of Representations agreement with the Clearing Agency, and the provisions of any such Letter of Representations or any successor agreement shall control on the matters set forth herein.

As evidenced by the written certificate of the Clerk-Treasurer, all or a portion of the 2017 Bonds may be aggregated into one or more term bonds payable from mandatory sinking fund redemption payments (the "Term Bonds") required to be made as set forth below. The Term Bonds shall have a stated maturity or maturities of January 1 and July 1 of the years determined by the successful bidder for the 2017 Bonds.

In the event that the successful bidder for the 2017 Bonds opts to aggregate certain 2017 Bonds into Term Bonds, such Term Bonds shall be subject to mandatory sinking fund redemption prior to maturity at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the redemption date, but without premium, on January 1 and July 1 of each year and in the principal amounts set forth in the certificate of the Clerk-Treasurer concerning the award of the 2017 Bonds.

The Bond Registrar shall credit against any mandatory sinking fund redemption requirement for a Term Bond of a particular maturity, any 2017 Bonds of such maturity purchased for cancellation by the City and canceled by the Bond Registrar and not theretofore applied as a credit against any mandatory sinking fund redemption requirement. Each 2017 Bond so purchased shall be credited by the Bond Registrar at 100% of the principal amount thereof against the mandatory sinking fund redemption requirements for the applicable Term Bond in inverse order of mandatory sinking fund redemption (or final maturity) dates, and the principal

amount of such Term Bond to be redeemed on such mandatory sinking fund redemption dates by operation of the mandatory sinking fund requirements shall be reduced accordingly.

The Bond Registrar shall determine by lot (treating each \$5,000 principal amount of each 2017 Bond as a separate 2017 Bond for such purpose) the 2017 Bonds within a Term Bond of a particular maturity to be redeemed pursuant to mandatory sinking fund redemption requirements on January 1 and July 1 of each year.

Notice of any such mandatory sinking fund redemption shall be given in the manner provided for redemption of 2017 Bonds in Section 5 of this Ordinance.

In the event any of the 2017 Bonds are issued as Term Bonds, the form of the 2017 Bond set forth in Section 7 of this Ordinance shall be modified accordingly.

Any reference to payment or maturity of principal on 2017 Bonds shall be deemed to include payment of scheduled mandatory sinking fund redemption payments described in this Section 4.

Section 5. Optional Redemption of the 2017 Bonds. The 2017 Bonds may be redeemable at the option of the City on any date, but no earlier than January 1, 2022, determined by the Clerk-Treasurer in whole or in part, in inverse order of maturity and by lot within a maturity, at the par amount thereof, together with a premium not greater than 1%, plus, in each case, accrued interest, if any, to the date fixed for redemption. The exact redemption dates and premiums shall be established by the Clerk-Treasurer in the Clerk-Treasurer Certificate.

Official notice of such redemption shall be mailed by the Registrar and Paying Agent by certified mail or registered mail at least thirty (30) days and not more than sixty (60) days prior to the scheduled redemption date to the registered owners of the 2017 Bonds called for redemption (unless waived by such registered owner) at the address shown on the registration books of the Registrar and Paying Agent, or at such other address as is furnished in writing by such registered owner to the Registrar. The notice shall specify the redemption price, the date and place of redemption, and the registration numbers (and, in the case of a partial redemption, the respective principal amounts) of the 2017 Bonds called for redemption. The place of redemption may be at the principal office of the Registrar and Paying Agent or as otherwise determined by the City. Interest on the 2017 Bonds (or portions thereof) so called for redemption shall cease to accrue on the redemption date fixed in such notice, if sufficient funds are available at the place of redemption to pay the redemption price on the redemption date and when such 2017 Bonds (or portions thereof) are presented for payment.

Section 6. Execution and Authentication of the 2017 Bonds. The 2017 Bonds shall be executed in the name of the City by the manual or facsimile signature of the Mayor, and the seal of the City or a facsimile thereof shall be affixed to each of the 2017 Bonds and attested by the Clerk-Treasurer of the City. In case any official whose signature appears on the 2017 Bonds shall cease to be such official before the delivery of such 2017 Bonds, the signature of such official shall nevertheless be valid and sufficient for all purposes, the same as if such official had been in office at the time of such delivery. Subject to the provisions of this Ordinance regarding

the registration of the 2017 Bonds, the 2017 Bonds shall be fully negotiable instruments under the laws of the State of Indiana.

The 2017 Bonds shall be authenticated by the manual signature of the Registrar (or an authorized representative thereof), and no 2017 Bond shall be valid or become obligatory for any purpose until the certificate of authentication thereon has been so executed.

Section 7. Form of the 2017 Bonds. The form and tenor of the 2017 Bonds shall be substantially as follows (with all blanks to be properly completed prior to the preparation of the 2017 Bonds):

[Form of Bond]

UNITED STATES OF AMERICA
STATE OF INDIANA, COUNTY OF CLINTON
CITY OF FRANKFORT, INDIANA
ELECTRIC UTILITY REVENUE BOND OF 2017

No. 17R-

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Original Date</u>	<u>Authentication Date</u>	<u>CUSIP</u>
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Registered Owner:

Principal Amount:

The City of Frankfort (the "City"), in Clinton County, State of Indiana, for value received, hereby promises to pay to the Registered Owner specified above, or registered assigns, solely out of the special revenue fund hereinafter referred to, the Principal Amount stated above on the Maturity Date specified above, and to pay interest on said Principal Amount to the Registered Owner of this bond until the City's obligation with respect to the payment of said Principal Amount shall be discharged, at the Interest Rate per annum specified above from the interest payment date immediately preceding the Date of Authentication of this bond, unless this bond is authenticated on or before _____, in which case the interest shall be paid from the Original Date stated above or unless this bond is authenticated after the 15th day of the month preceding an interest payment date and the interest payment date, in which case interest shall be paid from such interest payment date. Interest shall be calculated on the basis of twelve (12) thirty (30)-day months for a three hundred and sixty (360)-day year and shall be payable semiannually on January 1 and July 1 of each year, commencing _____.

_____ has been designated initially as both the registrar and the paying agent for this bond (the "Registrar" and the "Paying Agent" and, in both such capacities, the "Registrar and Paying Agent"). The principal of this bond is payable at the principal office of the Paying Agent in the City of _____, Indiana, or of any successor Paying Agent appointed under the Ordinance hereinafter mentioned. Interest hereon shall be paid by check or draft mailed or delivered by the Paying Agent to the Registered Owner hereof at the address as it appears on the registration books kept by the Registrar and Paying Agent for the registration and for the transfer of the bonds as of the fifteenth day of the month immediately preceding the applicable interest payment date or at such other address as is furnished to the Registrar and Paying Agent in writing by such Registered Owner. Notwithstanding the foregoing, if payment of principal and interest is made to a depository, payment shall be made by wire transfer on the payment date in same-day funds. All payments on this bond shall be made in any coin or

currency of the United States of America which, on the dates of such payments, shall be legal tender for the payment of public and private debts.

The City is not and shall not be obligated to pay the principal of or interest on this bond except from the special account entitled the "City of Frankfort, Indiana, Bond and Interest Redemption Account" of the special revenue fund entitled "City of Frankfort, Indiana, Electric Utility Special Fund" established by the Ordinance defined and described herein, provided from the net revenues, as defined herein, of the electric utility system of the City, and neither this bond nor any of the bonds of the issue of which this bond is a part shall constitute an indebtedness of the City within the meaning of the provisions and limitations of the Constitution of the State of Indiana.

The City, the Registrar and the Paying Agent may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and the interest due thereon and for all other purposes, and neither the City, the Registrar nor the Paying Agent shall be affected by any notice to the contrary.

This bond is one of an authorized issue of bonds of the City aggregating _____ Dollars (\$ _____) numbered consecutively from 17R-1 upward, issued for the purpose of providing funds to pay the costs of certain improvements and extensions to the electric utility, pursuant to an ordinance adopted by the Common Council of the City on the ___ day of _____, 2016, entitled "An Ordinance authorizing the acquisition and construction of certain improvements and extensions to the electric utility of the City of Frankfort; authorizing the issuance of City of Frankfort, Indiana, Electric Utility Revenue Bonds of 2017 for such purpose; providing for the collection, segregation and distribution of the revenues of the electric utility owned and operated by the City and the safeguarding of the interests of the owners of the City of Frankfort, Indiana, Electric Utility Revenue Bonds of 2017; and other matters connected therewith" (the "Ordinance"), and in strict compliance with the provisions of IC 8-1.5 and the laws amendatory thereof and supplemental thereto (collectively, the "Act").

Reference is hereby made to the Ordinance for a description of the nature and extent of the rights, duties and obligations of the owners of the bonds and the City and the terms on which this bond is issued, and to all the provisions of the Ordinance to which the owner hereof by the acceptance of this bond assents.

The City reserves the right pursuant to the terms and conditions of the Ordinance to authorize and issue additional bonds hereafter payable out of the revenues of the electric utility, ranking on a parity herewith or junior hereto for the purpose of financing future extensions and improvements to the electric utility.

This bond is issuable only in fully registered form in the denomination of \$5,000 or integral multiples thereof.

Pursuant to the provisions of the Act and the Ordinance, and subject to the provisions of the next-succeeding paragraph hereof, the principal of and interest on this bond and all other bonds of this issue, together with any bonds hereafter issued ranking on equal parity therewith, are equally and ratably secured by and constitute a first charge upon and are payable solely from the Bond and Interest Redemption Account of the Special Fund established by the Ordinance to be provided from the net revenues (herein defined as gross revenues after deduction only for the payment of reasonable expenses of operation, repair and maintenance excluding transfers for payments in lieu of property taxes) of the electric utility of the City, including all additions and improvements thereto and replacements thereof subsequently constructed or acquired.

This bond, together with interest hereon, does not and shall not constitute an indebtedness of the City within the meaning of the provisions and limitations of the Constitution of the State of Indiana, and the City is not and shall not be obligated to pay this bond or the interest thereon except from such special account provided from such net revenues. Subject to the provisions for registration, this bond is negotiable under the laws of the State of Indiana.

The City irrevocably pledges the entire net revenues of said electric utility, to the extent necessary for such purpose, to the prompt payment of principal of and interest on the bonds authorized by the Ordinance, of which this is one, and any bonds hereafter issued on a parity therewith. The City shall by ordinance of the Common Council and subject to the approval of the Indiana Utility Regulatory Commission, to the fullest extent permitted by law, establish, maintain and collect just and equitable rates and charges for the use of and the services rendered by said electric utility which will provide revenues at least sufficient in each year to pay all the legal and other necessary expenses incident to the operation of said electric utility, including maintenance costs, operating charges, upkeep, repairs, depreciation and interest charges, make all required deposits into the Bond and Interest Redemption Account to provide for the liquidation of bonds, provide adequate money for working capital, provide adequate money for making extensions and replacements for said electric utility, and provide money for the payment of any taxes that may be assessed against said electric utility.

The bonds of this issue maturing on or after _____, shall be redeemable prior to maturity at the option of the City, in whole or in part, on _____, or at any time thereafter, in amounts and maturities selected by the City, and by lot within any such maturity or maturities as determined by the Registrar, at a redemption price of 100% of the principal amount of each bond to be redeemed and without premium, plus accrued interest to the redemption date.

Official notice of any such redemption shall be sent by registered or certified mail to the Registered Owner of this bond not more than sixty (60) and not less than thirty (30) days prior to the date fixed for redemption, at the address shown on the registration books of the Registrar and Paying Agent or at such other address as is furnished in writing to the Registrar and Paying Agent, unless such notice is waived by the Registered Owner. The place of redemption may be determined by the City. Interest on this bond so called for redemption shall cease to accrue on the redemption date fixed in such notice, so long as sufficient funds are available at the place of redemption to pay the redemption price on the redemption date when presented for payment.

If this bond shall have become due and payable in accordance with its terms or this bond shall have been duly called for redemption or irrevocable instructions to call this bond for redemption shall be given and the whole amount of the principal and interest, so due and payable upon this bond shall be paid, or (i) sufficient moneys, or (ii) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, the principal of and the interest on which when due will provide sufficient moneys for such purpose, or (iii) time certificates of deposit of a bank or banks, fully secured as to both principal and interest by obligations of the kind described in (ii) above, the principal of and interest on which when due will provide sufficient moneys for such purpose, shall be held in trust for such purpose, then and in that case this bond shall no longer be deemed outstanding or an obligation of the City.

This bond is transferable only on the registration books of the City maintained for such purpose at the principal office of the Registrar, by the Registered Owner hereof in person, or by his or her attorney duly authorized in writing, upon surrender of this bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the Registered Owner or his or her attorney duly authorized in writing, and thereupon a new fully registered bond in the same principal amount and of the same maturity shall be executed and delivered in the name of the transferee in exchange therefor. This bond may be transferred without cost to the Registered Owner, except for any tax or other governmental charge which may be required to be paid with respect to such transfer. The Registrar and Paying Agent shall not be obligated to make any transfer of this bond if it is called for redemption or during the period from the 15th day of any calendar month immediately preceding an interest payment date to such interest payment date.

In the event this bond is mutilated, lost, stolen or destroyed, the City may cause to be executed and the Registrar may authenticate a 2017 Bond of like date, maturity and denomination as this bond, which 2017 Bond shall be marked in a manner to distinguish it from this bond; provided, that in the case of this bond being mutilated, this bond shall first be surrendered to the Registrar, and in the case of this bond being lost, stolen or destroyed, there shall first be furnished to the Registrar evidence of such loss, theft or destruction satisfactory to the City and to the Registrar, together with indemnity satisfactory to them. In the event that this bond, being lost, stolen or destroyed, shall have matured, instead of causing to be issued a duplicate bond, the City and the Registrar may, upon receiving indemnity satisfactory to them, pay this bond without surrender hereof. The City and the Registrar may charge the owner of this bond with their reasonable fees and expenses in connection with the above. Every substitute bond

issued by reason of this bond being lost, stolen or destroyed shall, with respect to this bond, constitute a substitute contractual obligation of the City, whether or not this bond, being lost, stolen or destroyed shall be found at any time, and shall be entitled to all the benefits of the Ordinance, equally and proportionately with any and all other bonds duly issued thereunder.

In the manner provided in the Ordinance, the Ordinance and the rights and obligations of the City and the owners of the bonds authorized thereunder, including this bond, may (with certain exceptions as stated in the Ordinance) be modified or amended with the consent of the owners of at least sixty-five percent (65%) in aggregate principal amount of such bonds exclusive of any such bonds which may be owned by the City.

This bond shall not be valid or become obligatory for any purpose unless the certificate of authentication hereon shall have been duly executed by the Registrar (or a duly authorized representative thereof).

The City hereby certifies, recites and declares that all acts, conditions and things required by law and the Constitution of the State of Indiana to be done precedent to and in the execution, issuance, sale and delivery of this bond have been properly done, happened and performed in regular and due form as prescribed by law, and that the issuance of this bond by the City of Frankfort does not cause any constitutional or statutory limitations of indebtedness to be exceeded.

IN WITNESS WHEREOF, the City of Frankfort, in Clinton County, State of Indiana, by ordinance of its Common Council, has caused this bond to be executed in its corporate name and on its behalf by the manual or facsimile signature of its Mayor, and its corporate seal or a facsimile thereof to be hereunto affixed and attested by the manual or facsimile signature of its Clerk-Treasurer.

CITY OF FRANKFORT, INDIANA

By: _____
Mayor

(Seal of the City)

ATTEST:

Clerk-Treasurer

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the within-mentioned Ordinance.

_____, as Registrar

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____ (insert name and address) the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within bond on the books kept for the registration thereof with full power of substitution in the premises.

Dated: _____

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution participating in a Securities Transfer Association recognized signature guarantee program.

NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears on the within bond in every particular, without alteration or enlargement or any change whatsoever.

[End of Bond Form]

Section 8. Issuance, Sale and Delivery of the 2017 Bonds. The Clerk-Treasurer is hereby authorized and directed to have the 2017 Bonds prepared. The 2017 Bonds shall be sold by public sale. Prior to the sale of the 2017 Bonds, the Clerk-Treasurer shall cause to be published a notice of such sale two times at least one week apart in the Reporter and the Court & Commercial Record. Such notice, or a summary thereof, may also be published in the Bond Buyer, a financial journal published in the City and State of New York and/or in other publications, in the discretion of the Clerk-Treasurer. The notice shall state: (1) the amount of the 2017 Bonds to be offered; (2) the denominations; (3) the dates of maturity; (4) the maximum rate or rates of interest; (5) the time, date and place of sale; and (6) the terms and conditions upon which bids will be received and made. Such notice may also include such other information as the Clerk-Treasurer shall deem necessary. The notice may provide, among other things, that each bid shall be accompanied by a certified or cashier's check or a financial surety bond in an amount equal to one percent (1%) of the principal amount of the 2017 Bonds described in the notice. If a financial surety bond is used, it must be from an insurance company licensed to issue such bond in the State, and such bond must be submitted to the City prior to the opening of the bids. The financial surety bond must identify each bidder whose good faith deposit is guaranteed by such financial surety bond. If the 2017 Bonds are awarded to a bidder utilizing a financial surety bond, then the purchaser is required to submit to the City a certified or cashier's check (or wire transfer such amount as instructed by the City) not later than a time designated by the Financial Advisor on the next business day following the award; and that in the event the successful bidder shall fail or refuse to accept delivery of and pay for the 2017 Bonds as soon as the 2017 Bonds are ready for delivery, or at the time fixed in the notice of intent to sell, then such good faith deposit and the proceeds thereof shall become the property of the City and shall be considered as the City's liquidated damages on account of such default.

All bids for 2017 Bonds sold at public sale shall be sold via electronic sale or sealed and shall be presented to the Clerk-Treasurer at the Clerk-Treasurer's office (or such other place as the Clerk-Treasurer shall designate), and the Clerk-Treasurer shall continue to receive all bids offered until the hour fixed for the sale of the 2017 Bonds, at which time and place she shall open and consider each bid. Bidders for the 2017 Bonds shall be required to name the rate or rates of interest which the 2017 Bonds are to bear, not exceeding seven percent (7.0%) per annum. Such interest rate or rates shall be in multiples of one-one hundredth (1/100) of one percent (1%). Bids specifying more than one interest rate shall also specify the amount and

maturities of the 2017 Bonds bearing each rate, and all 2017 Bonds maturing on the same date shall bear the same rate of interest. The interest rate on 2017 Bonds of a given maturity must be at least as great as the interest rate on 2017 Bonds of any earlier maturity. Subject to the provisions set forth below, the Clerk-Treasurer shall award the 2017 Bonds to the bidder offering the lowest net interest cost to the City, to be determined by computing the total interest on all of the 2017 Bonds of such series from the date thereof to their maturities and deducting therefrom the premium bid, if any, or adding thereto the amount of any discount. No bid for less than ninety-nine percent (99.0%) of the par value of the 2017 Bonds (or such higher percentage of the par value of the 2017 Bonds as the Clerk-Treasurer, with the advice of the financial advisor to the City, shall determine prior to the publication of the notice of the sale of the 2017 Bonds), plus accrued interest at the rate or rates named to the date of delivery, will be considered. The Clerk-Treasurer shall have full right to reject any and all bids. In the event no acceptable bid is received at the time fixed for the sale of the 2017 Bonds, the Clerk-Treasurer shall be authorized to continue to receive bids from day to day thereafter for a period not to exceed thirty (30) days, without readvertising, pursuant to Indiana law.

The Clerk-Treasurer is hereby authorized to determine, in her discretion, to sell the 2017 Bonds pursuant to the general provisions of Indiana Code 5-1-11-2(b), and in the event of such a determination, those portions of this Section 8 which conflict with such provisions shall be deemed inapplicable.

Prior to the delivery of the 2017 Bonds, the Clerk-Treasurer (i) shall be authorized to investigate, negotiate and obtain bond insurance, other forms of credit enhancement and/or credit ratings on the 2017 Bonds; and (ii) shall obtain a legal opinion as to the validity of the 2017 Bonds from Barnes & Thornburg LLP, Indianapolis, Indiana, bond counsel for the City, with such opinion to be furnished to the purchaser or purchasers of the 2017 Bonds at the expense of the City. The costs of obtaining any such insurance, other credit enhancement and/or credit ratings, together with bond counsel's fee in preparing and delivering such opinion and in the performance of related services in connection with the issuance, sale and delivery of the 2017 Bonds, shall be considered as part of the Projects and shall be paid out of the proceeds of the 2017 Bonds.

Section 9. Security and Sources of Payment for the 2017 Bonds. The 2017 Bonds, when fully paid for and delivered to the purchaser or purchasers, as to principal and interest, together with any bonds hereafter issued on a parity therewith, shall be valid and binding special revenue obligations of the City, payable solely from and secured by an irrevocable pledge of and shall constitute a first charge upon all of the net revenues (herein defined to be gross revenues after deduction only for the payment of the reasonable expenses of operation, repair and maintenance excluding transfers for payments in lieu of property taxes) of the Electric Utility to be set aside into the Bond and Interest Redemption Account as herein provided. The City shall not be obligated to pay the 2017 Bonds herein authorized or the interest thereon except from the net revenues of the Electric Utility and the 2017 Bonds shall not constitute an indebtedness of the City within the meaning of the provisions and limitations of the Constitution of the State of Indiana. The proceeds derived from the sale of the 2017 Bonds shall be and are hereby set aside for the Projects and paying authorized expenses related thereto, including the expenses incurred in connection with the issuance of the 2017 Bonds. The proper officers of the City are hereby authorized and directed to draw all proper and necessary warrants and to do all acts and things

which may be necessary or appropriate in their judgment to carry out the provisions of this Ordinance.

Section 10. Disposition of Proceeds of the 2017 Bonds. The proceeds from the sale of the 2017 Bonds shall be deposited and applied as follows:

(a) The accrued interest and premium, if any, received at the time of the delivery of the 2017 Bonds, if any, shall be deposited in the Debt Service Subaccount of the Bond and Interest Redemption Account, hereinafter defined and described.

(b) The remaining proceeds from the sale of the 2017 Bonds shall be deposited in a bank or banks which are legally qualified depositories for the funds of the City, in a special account or accounts to be designated as "City of Frankfort, Indiana, 2017 Electric Utility Construction Account" (hereinafter called the "2017 Construction Account"). Amounts in the 2017 Construction Account shall first be used to repay all amounts advanced for preliminary expenses, if any, and thereafter shall be expended only for the purpose of paying the costs of the Projects, as described in this Ordinance and in the Act, together with the incidental expenses incurred in connection with the Projects and the allocable costs of issuance of the 2017 Bonds, and as otherwise permitted or required by the Act. Any balance or balances remaining unexpended in the 2017 Construction Account after completion of the Projects, which are not required to meet unpaid obligations incurred in connection with the acquisition or construction of the Projects, shall be used solely for one or more of the purposes permitted under the provisions of Indiana Code 5-1-13, as amended. Pursuant to the Act, the owners of the 2017 Bonds shall be entitled to a lien on the proceeds of the 2017 Bonds until such proceeds are applied as required by this Ordinance and by Indiana law.

Each of the funds and accounts of the Electric Utility shall be deposited, held, secured or invested in accordance with the laws of the State of Indiana relating to the depositing, holding, securing or investing of public funds, including, particularly, applicable provisions of Indiana Code 5-13-9, as amended. Any interest or income derived from any such investments shall become a part of the moneys in the fund or account so invested, provided, however, that any interest or income on amounts in the Reserve Subaccount of the Bond and Interest Redemption Account that cause the Reserve Requirement (as hereinafter defined) to be exceeded shall be transferred to the Depreciation Account.

Section 11. Several Accounts of Special Fund. The income and revenues of the Electric Utility shall be segregated and set aside into a special fund separate and apart from all other funds of the City previously established and hereby continued and designated as the "City of Frankfort, Indiana, Electric Utility Special Fund" (the "Special Fund"), to be used and applied in the operation, repair and maintenance thereof, in the payment of the principal of and interest on bonds payable from the net revenues of the Electric Utility, including the 2017 Bonds and in establishing a reserve for such payments, in establishing a depreciation account and for other purposes of the Electric Utility, all as follows:

(a) Operation and Maintenance Account. As received, all of the gross revenues of the Electric Utility shall be paid into an account of the Special Fund hereby

established and designated as the "City of Frankfort, Indiana, Electric Utility Operation and Maintenance Account" (the "Operation and Maintenance Account") for the payment of current necessary and reasonable expenses of operation, repair and maintenance of the Electric Utility; provided, however, that none of the moneys in the Operation and Maintenance Account shall be used for transfers for payments in lieu of property taxes, depreciation, improvements, extensions or additions. The gross revenues of the Electric Utility remaining after the payment of the monthly costs of operation, repair and maintenance of the Electric Utility shall be considered "net revenues" of the Electric Utility as that term is used in Section 11.

(b) Bond and Interest Redemption Account. The account of the Special Fund designated as the "City of Frankfort, Indiana, Bond and Interest Redemption Account" (the "Bond and Interest Redemption Account"), is hereby established for the payment of the interest on and principal of the 2017 Bonds and the payment of any fiscal agency charges in connection with the payment of the 2017 Bonds and interest thereon. Said account shall be continued until all of the bonds issued under this Ordinance have been paid. The Bond and Interest Redemption Account shall consist of a Debt Service Subaccount and a Reserve Subaccount.

(1) Debt Service Subaccount. As available, there shall be paid monthly into the Debt Service Subaccount of the Bond and Interest Redemption Account a sufficient amount of the net revenues of the Electric Utility for the payment of (A) the interest on the 2017 Bonds and any other bonds hereafter issued and payable by their terms from the net revenues of the Electric Utility, as such interest shall fall due; (B) the necessary fiscal agency charges for paying such bonds and interest; and (C) the principal of the outstanding 2017 Bonds and any other bonds hereafter issued and payable by their terms from the net revenues of the Electric Utility, as such principal shall fall due. The monthly payments into the Debt Service Subaccount of the Bond and Interest Redemption Account shall be in an amount equal to at least one-sixth (1/6) of the amount required for the payment of interest on the 2017 Bonds and all other bonds hereafter issued and payable by their terms from the net revenues of the Electric Utility during the next succeeding six (6) calendar months and an amount equal to one-sixth (1/6) of the amount required during the next succeeding six (6) calendar months for payments from the Debt Service Subaccount of the Bond and Interest Redemption Account for the purposes described herein other than the payment of interest.

(2) Reserve Subaccount. On the date of delivery of the 2017 Bonds, the City may deposit 2017 Bond proceeds, funds on hand or a combination thereof, into the Reserve Subaccount. The balance to be maintained in the Reserve Subaccount shall equal but not exceed an amount equal to the least of: (i) the maximum annual principal and interest requirements on the Bonds; (ii) 125% of the average annual principal and interest requirements on the Bonds; or (iii) 10% of the stated principal amount of the Bonds, provided that if any series of Bonds has more than a de minimis amount of original issue discount or premium, the issue price of such series of Bonds (net of pre-issuance accrued interest) shall be used to measure the 10% limitation in lieu of the stated principal amount of such

series of Bonds (the "Reserve Requirement"). If the initial deposit into the Reserve Subaccount does not equal the Reserve Requirement or if no deposit is made, then, after meeting the requirements of the Debt Service Subaccount set forth above and beginning with the first full calendar month after the date of issuance of the 2017 Bonds, the City shall on or before the last day of each calendar month deposit an amount of net revenues or other funds legally available therefor in the Reserve Subaccount until the balance therein equals the Reserve Requirement. The monthly deposits of net revenues shall be equal in amount (or the entire balance if less than such amount) and sufficient to accumulate the Reserve Requirement for the 2017 Bonds on or before the date that is five (5) years after the date of issuance of the 2017 Bonds. Notwithstanding the forgoing, the Clerk-Treasurer, with the advice of the City's financial advisor and bond counsel, may enable the City to satisfy all or any part of its obligation to maintain an amount in the Reserve Subaccount equal to the Reserve Requirement by depositing a Reserve Fund Credit Facility in the Reserve Subaccount, provided that such deposit does not adversely affect any then existing rating on the 2017 Bonds. A Reserve Fund Credit Facility is hereby defined as a letter of credit, liquidity facility, insurance policy or comparable instrument furnished by a bank, insurance company, financial institution or other entity pursuant to a reimbursement agreement or similar instrument between such entity and the City, for the purpose of satisfying in whole or in part the City's obligation to maintain the Reserve Requirement.

Moneys in the Bond and Interest Redemption Account shall not be used for any other purpose whatsoever except as provided in this Ordinance.

(c) Depreciation Account. In the event all required monthly deposits into the Bond and Interest Redemption Account have been made, then any excess net revenues of the Electric Utility shall be deposited monthly as available into an account of the Special Fund hereby created and designated as the "City of Frankfort, Indiana, Electric Utility Depreciation Account" (the "Depreciation Account"), in an amount at least equal to one-twelfth (1/12) of three percent (3%) of the original cost per books of the property and plant used and useful in the operation of the Electric Utility, including all replacements, additions and improvements subsequently made to property and plant. Funds in such Depreciation Account shall be expended in making good depreciation in the property of the Electric Utility, or applied to the cost of future replacements, extensions, additions and improvements to such property.

In the event of any deficiency at any time in the Bond and Interest Redemption Account for the purposes of paying the interest on or principal of the outstanding Prior Bonds, and the 2017 Bonds or such additional bonds as authorized herein or any required fiscal agency charges, funds may be withdrawn from the Depreciation Account for deposit into the Bond and Interest Redemption Account in the amount of such deficiency.

Any revenues remaining after meeting the requirements of the Operation and Maintenance Account, the Bond and Interest Redemption Account and the Depreciation Account may be used for any lawful purpose including payments in lieu of taxes which would be payable

if the City's Electric Utility were privately owned and transfers to the Civil City General Fund or any other fund of the City.

All of the amounts in the several funds and accounts created pursuant to, or continued by, this Ordinance shall be deposited in lawful depositories of the State, and shall be continuously held and secured or invested as provided by the laws of Indiana relating to the depositing, securing, holding and investing of public funds, including particularly Indiana Code 5-13-9, as amended. The amounts in the Bond and Interest Redemption Account and all other funds and accounts created pursuant to this Ordinance shall be kept in separate bank accounts apart from all other bank accounts of the City. In no event shall any of the revenues of the Electric Utility be transferred or used for any purpose not authorized by this Ordinance so long as any of the bonds issued pursuant to the provisions of this Ordinance shall be outstanding.

Section 12. Proper Books of Records and Accounts. The City shall keep proper books of records and accounts, separate from all of its other records and accounts, in which complete and correct entries shall be made showing all revenues collected from the Electric Utility and deposited in the special accounts established pursuant to this Ordinance and all disbursements made therefrom and all transactions relating to the Electric Utility. There shall be prepared and furnished, upon written request, to any owner of the 2017 Bonds at the time then outstanding, not more than four (4) months after the close of each fiscal year of the Electric Utility, complete operating and income statements of the Electric Utility, in reasonable detail covering such fiscal year, which statements shall be certified by the Clerk-Treasurer or a certified public accountant retained for the purpose of making an accounting study of the records of the Electric Utility. Copies of all such statements and reports shall at all times be kept on file and available for inspection in the office of the Clerk-Treasurer. Any owner of the 2017 Bonds then outstanding shall have the right at all reasonable times to inspect the Electric Utility and the records, accounts and data of the City relating thereto.

Section 13. Covenant With Respect to Rates and Charges. The City shall, by ordinance of the Common Council, subject to the approval of the Indiana Utility Regulatory Commission and to the fullest extent permitted by law, establish, maintain and collect just and equitable rates and charges for the use of and the services rendered by the Electric Utility, which rates and charges shall produce revenues at least sufficient in each year to (a) pay all the legal and other necessary expenses incident to the operation of the Electric Utility, including maintenance costs, operating charges, upkeep, repairs, depreciation and interest charges; (b) make all required deposits into the Bond and Interest Redemption Account to provide for the liquidation of bonds; (c) provide adequate money for working capital; (d) provide adequate money for making extensions and replacements for the Electric Utility; and (e) provide money for the payment of any taxes that may be assessed against the Electric Utility. So long as any of the 2017 Bonds are outstanding, none of the facilities and services afforded by the Electric Utility shall be furnished without a reasonable and just charge being made therefor. The reasonable value of any facility or service rendered to the City, or to any department, agency or instrumentality thereof, shall be charged against the City and shall be paid for as the charges accrue, and the revenues so received shall be deemed to be revenues derived from the operation of the Electric Utility and shall be used and accounted for in the same manner as other revenues derived from the operation of the Electric Utility.

Section 14. Additional Bonds. The City reserves the right to authorize and issue additional bonds, payable out of the revenues of the Electric Utility, of equal priority and ranking on a parity with the 2017 Bonds, for the purpose of financing the cost of future additions, extensions and improvements to the Electric Utility. In the event that any such additional parity bonds are issued in accordance with this Section 14, the term “bonds” herein shall be deemed to include the 2017 Bonds and such parity bonds, unless the context otherwise requires. Any additional parity bonds shall be authorized and issued subject to the following conditions:

(a) The principal of and interest on all bonds payable from the revenues of the Electric Utility shall have been paid to date, and all payments into the Bond and Interest Redemption Account required by this Ordinance shall have been made;

(b) (i) The amount of net revenues of the Electric Utility in the calendar year immediately preceding the issuance of any such additional parity bonds shall be not less than one hundred twenty-five percent (125%) of the maximum annual principal and interest requirements of all of the then-outstanding bonds payable from the revenues of the Electric Utility and the additional parity bonds proposed to be issued; or

(ii) Prior to the issuance of such additional parity bonds, the electric rates and charges shall be increased sufficiently so that such increased electric rates and charges, if realized and when applied to the previous calendar year’s operations, would have produced net revenues in an amount equal to not less than one hundred twenty-five percent (125%) of the maximum annual principal and interest requirements of all of the then-outstanding bonds payable from the revenues of the Electric Utility and the additional parity bonds proposed to be issued;

(iii) For purposes of this subsection, the records of the Electric Utility shall be analyzed and all showings shall be prepared by an independent certified public accountant retained by the City for that purpose, and who shall certify the satisfaction of the foregoing conditions for the issuance of such additional parity bonds.

(c) To the extent required by law, the issuance of the proposed additional parity bonds and any necessary increase in electric rates and charges shall have been approved by the Indiana Utility Regulatory Commission, or any successor body vested by law with authority to approve bonds and rates and charges of municipal electric utilities.

(d) The principal of and interest on such additional parity bonds shall be payable semi-annually on January 1 and July 1, in the years in which such principal and interest are payable.

Section 15. Sale, Lease, Mortgage or Disposition of the Electric Utility. For purposes of further safeguarding the interests of the owners of the 2017 Bonds, the City covenants, represents and agrees as follows:

(a) The City will not sell, lease, mortgage, pledge or otherwise dispose of or encumber the Electric Utility or any component or part thereof except as permitted in this Section 15.

(b) The City may sell, scrap, discard or otherwise dispose of materials relating to the Electric Utility being replaced in the ordinary course of business of the Electric Utility. The proceeds, if any, received from the sale of such materials relating to the Electric Utility shall be deposited in and credited to the Depreciation Account.

(c) The City may sell or otherwise dispose of equipment or fixtures of the Electric Utility under the following conditions:

(1) If the book value of such property, as determined by consulting engineers employed by the City, together with the book value of all such property previously sold, scrapped, discarded or disposed of under this Section 15(c) in such fiscal year, does not exceed two percent (2%) of the book value of the Electric Utility, then such property may be sold or otherwise disposed of in accordance with the Act, so long as the Common Council (by affirmative vote at a meeting duly called and held) (i) finds that such property is no longer necessary, useful or profitable in the operation of the Electric Utility and (ii) authorizes the sale or other disposition of such property. Any proceeds received from the sale of such property shall be deposited in and credited to the Depreciation Account.

(2) If the book value of such property, together with the book value of all such property previously sold, scrapped, discarded or disposed of under this Section 15(c) in such fiscal year, exceeds two percent (2%) of the book value of the Electric Utility, then such property may be sold or otherwise disposed of upon the affirmative vote of the Common Council, as provided in subsection (c)(1) herein, if the consulting engineers employed by the City submit to the Common Council a written determination that (A) the sale or other disposition of such property will not materially and adversely affect the operation of the Electric Utility or the City's ability to meet its obligations under this Ordinance or (B) such property is no longer necessary, useful or profitable in the operation of the Electric Utility. Any proceeds derived from the sale of such property shall be deposited in and credited to the Depreciation Account.

The provisions of this Section 15 are subject in all respects to, and shall be carried out in accordance with, any and all applicable provisions of Indiana law regarding the disposal of public property.

Section 16. Additional Covenants of the City. For purposes of further safeguarding the interests of the owners of the 2017 Bonds, the City additionally covenants, represents and agrees as follows:

(a) The City shall at all times maintain the Electric Utility in good condition and operate the Electric Utility in an efficient manner and at a reasonable cost.

(b) So long as any of the 2017 Bonds are outstanding, the City shall maintain insurance on the insurable parts of the Electric Utility of a kind and in an amount such as is customarily carried by private companies engaged in a similar type of business. Any insurance proceeds collected shall be used in replacing or repairing the property

destroyed or damaged; or if not used for such purpose, shall be treated and applied as net revenues of the Electric Utility.

(c) Except as provided in Section 14 of this Ordinance, so long as any of the 2017 Bonds are outstanding, no additional bonds or other obligations pledging any portion of the revenues of the Electric Utility shall be authorized, executed or issued by the City except as shall be made subordinate and junior in all respects to the 2017 Bonds or unless the 2017 Bonds are defeased, redeemed or retired coincidentally with the delivery of such additional bonds or other obligations or, as provided in Section 17 hereof, funds sufficient to effect such redemption are available and set aside for such purpose at the time of issuance of such additional bonds or obligations.

(d) The provisions of this Ordinance shall be construed to create a trust in the proceeds of the sale of the 2017 Bonds for the uses and purposes herein set forth, and the owners of the 2017 Bonds shall retain a lien on such proceeds until the same are applied in accordance with the provisions of this Ordinance and the Act. So long as any of the 2017 Bonds are outstanding, the provisions of this Ordinance shall also be construed to create a trust in the portion of the net revenues of the Electric Utility herein directed to be set apart and paid into the Bond and Interest Redemption Account for the uses and purposes of such account as set forth in this Ordinance.

(e) The provisions of this Ordinance shall constitute a contract by and between the City and the owners of the 2017 Bonds, and after the issuance of the 2017 Bonds this Ordinance shall not be repealed or amended in any respect which would adversely affect the rights and interests of the owners of the 2017 Bonds, and the Common Council shall not adopt any law, ordinance or resolution which in any way would adversely affect the rights of such owners so long as any of the principal of or interest on the 2017 Bonds remains unpaid; provided, that the City shall have the right to amend this Ordinance in accordance with Section 20 of this Ordinance. The owners of the 2017 Bonds shall have all the rights, remedies and privileges provided under Indiana law.

Section 17. Defeasance of the 2017 Bonds. If, when the 2017 Bonds or a portion thereof shall have become due and payable in accordance with their terms, or shall have been duly called for redemption, or irrevocable instructions to call the 2017 Bonds or a portion or portions thereof for redemption shall have been given, and the whole amount of the principal of and the interest due and payable on all of the 2017 Bonds or a portion thereof then outstanding shall be paid or (i) sufficient moneys, or (ii) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, the principal of and the interest on which when due will provide sufficient moneys for such purpose, or (iii) time certificates of deposit of a bank or banks fully secured as to both principal and interest by obligations of the kind described in (ii) above, the principal of and interest on which when due will provide sufficient moneys for such purpose, shall be held in trust for such purpose, and provision shall also have been made for paying all fees and expenses in connection with the redemption, then and in such event the 2017 Bonds or such portion thereof issued hereunder shall no longer be deemed outstanding or an obligation of the City.

Section 18. Tax Covenants. To the extent necessary to preserve the exclusion from gross income of interest on the 2017 Bonds under the Internal Revenue Code of 1986, as amended and in effect on the date of delivery of the 2017 Bonds (the "Code"), the City hereby represents, covenants and agrees as follows:

(a) No person or entity or any combination thereof, other than the City or any other governmental unit ("Governmental Unit") within the meaning of Section 141(b)(6) and Section 150(a)(2) of the Code, will use more than ten percent (10%) of the proceeds of the 2017 Bonds or property financed or refinanced by such proceeds other than as a member of the general public. No person or entity or any combination thereof, other than the City or any other Governmental Unit, will own property financed by more than ten percent (10%) of the proceeds of the 2017 Bonds or will have actual or beneficial use of more than ten percent (10%) of such property pursuant to a lease, a management or incentive payment contract, an arrangement such as a take-or-pay or other type of output contract or any other type of arrangement that differentiates that person's or entity's use of such property from the use of such property by the public at large, except pursuant to a management or similar contract that satisfies the requirements of IRS Revenue Procedure 97-13.

(b) No 2017 Bond proceeds will be loaned to any entity or person. No 2017 Bond proceeds will be transferred directly or indirectly, or be deemed transferred, to a person or entity other than a Governmental Unit in a fashion that would in substance constitute a loan of such 2017 Bond proceeds.

(c) The City will not take, or cause or permit to be taken by any party under its control, or fail to take or cause or permit to fail to be taken by any party under its control, any action with respect to the 2017 Bonds that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the 2017 Bonds pursuant to Section 103 of the Code, nor will the City act in any manner which would adversely affect such exclusion. The City further covenants that it will not make any investment or do any other act or thing during the period that any 2017 Bond is outstanding hereunder which would cause any 2017 Bond to be an "arbitrage bond" within the meaning of Section 148 of the Code and the regulations applicable thereto.

(d) The City shall comply with the arbitrage rebate requirements under Section 148 of the Code to the extent applicable.

(e) All officials, officers, members, employees and agents of the City are hereby authorized and directed to provide certifications of facts and estimates that are material to the reasonable expectations of the City as of the date that the 2017 Bonds are issued, and to make covenants on behalf of the City evidencing the commitments made herein and to do all such other acts necessary or appropriate to carry out this Ordinance. In particular and without limiting the foregoing, any and all appropriate officials, officers, members, employees and agents of the City are authorized to certify and/or enter into covenants on behalf of the City regarding (i) the facts and circumstances and reasonable expectations of the City as of the date that the 2017 Bonds are issued and (ii) the

representations and covenants made herein by the City regarding the amount and use of the proceeds of the 2017 Bonds.

(f) The Clerk-Treasurer is hereby authorized to employ consultants and attorneys from time to time to advise the City with respect to the requirements under federal law for the continuing preservation of the exclusion of interest on the 2017 Bonds from gross income for purposes of federal income taxation.

Section 19. Waiver of Tax Covenants. Notwithstanding any other provision of this Ordinance, any of the covenants and authorizations contained in this Ordinance (the "Tax Sections") which are designed to preserve the exclusion of interest on the 2017 Bonds from gross income for purposes of federal income taxation need not be complied with if the City receives an opinion of nationally recognized bond counsel to the effect that compliance with such Tax Section is unnecessary to preserve such exclusion of interest.

Section 20. Supplemental Ordinances. Without notice to or consent of the owners of the bonds herein authorized, the City may, from time to time and at any time, adopt an ordinance or ordinances supplemental hereto (which supplemental ordinance or ordinances shall thereafter form a part hereof) for any of the following purposes:

(a) To cure any ambiguity or formal defect or omission in this Ordinance or in any supplemental ordinance or to make any other change authorized herein;

(b) To grant to or confer upon the owners of the bonds herein authorized any additional benefits, rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the owners of the bonds herein authorized or to make any change which, in the judgment of the City, is not to the prejudice of the owners of the bonds herein authorized;

(c) To modify, amend or supplement this Ordinance to permit the qualification of the bonds herein authorized for sale under the securities laws of the United States of America or of any of the states of the United States of America or to obtain or maintain bond insurance with respect to payments of principal of and interest on bonds herein authorized;

(d) To provide for the refunding or advance refunding of the bonds herein authorized;

(e) To procure a rating on the bonds herein authorized from a nationally recognized securities rating agency or agencies designated in such supplemental ordinance if such supplemental ordinance will not adversely affect the owners of the bonds herein authorized; or

(f) Any other purpose which, in the judgment of the City, does not adversely affect the interests of the owners of the bonds herein authorized.

This Ordinance and the rights and obligations of the City and the owners of the bonds herein authorized may be modified or amended at any time by supplemental ordinances adopted

by the City with the consent of the owners of the bonds herein authorized holding sixty-five percent (65%) in aggregate principal amount of the outstanding bonds herein authorized (exclusive of bonds herein authorized, if any, owned by the City); provided, however, that no such modification or amendment shall, without the express consent of all of the owners of the bonds herein authorized affected, reduce the principal amount of any bonds herein authorized, reduce the interest rate payable thereon, advance the earliest redemption rate, extend the maturity thereof or the times for paying interest thereon, permit a privilege or priority of any bond or bonds herein authorized over any other bond or bonds herein authorized, create a lien securing any bonds herein authorized other than a lien ratably securing all of the bonds herein authorized and outstanding, or change the monetary medium in which principal and interest are payable, nor shall any such modification or amendment reduce the aggregate principal amount of bonds required for consent for amendment or modification of this Ordinance.

Any act done pursuant to a modification or amendment so consented to shall be binding upon all the owners of the bonds herein authorized and shall not be deemed an infringement of any of the provisions of this Ordinance or of the Act, and may be done and performed as fully and as freely as if expressly permitted by the terms of this Ordinance, and after such consent relating to such specified matters has been given, no owner shall have any right or interest to object to such action or in any manner to question the propriety thereof or to enjoin or restrain the City of any officer thereof from taking any action pursuant thereto.

If the City shall desire to obtain any such consent, it shall cause the Registrar and Paying Agent to mail a notice, postage repaid, to the respective owners of the bonds herein authorized at their addresses appearing on the registration books of the Registrar and Paying Agent. Such notice shall briefly set forth the nature of the proposed supplemental ordinance and shall state that a copy thereof is on file at the office of the Registrar and Paying Agent for inspection by all owners of the bonds herein authorized. The Registrar and Paying Agent shall not, however, be subject to any liability to any owners of the bonds herein authorized by reason of its failure to mail the notice described in this Section 20, and any such failure shall not affect the validity of such supplemental ordinance when consented to and approved as provided in this Section 20.

Whenever, at any time within one (1) year after the date of the mailing of such notice, the City shall receive an instrument or instruments purporting to be executed by the owners of not less than sixty-five percent (65%) in aggregate principal amount of the bonds herein authorized and then outstanding (exclusive of bonds herein authorized, if any, owned by the City), which instrument or instruments shall refer to the proposed supplemental ordinance described in such notice and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice as on file with the Registrar and Paying Agent, thereupon, but not otherwise, the City may adopt such supplemental ordinance in substantially such form, without liability or responsibility to any owners of the bonds herein authorized, whether or not such owner shall have consented thereto.

Upon the adoption of any supplemental ordinance pursuant to the provisions of this Section 20, this Ordinance shall be, and be deemed to be, modified and amended in accordance therewith, and the respective rights, duties and obligations under this Ordinance shall thereafter be determined, exercised and enforced hereunder, subject in all respects to such modifications and amendments.

Section 21. Partial Invalidity. If any section, paragraph or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Ordinance.

Section 22. Payments on Holidays. If the date of making any payment or the last date for performance of any act or the exercising of any right, as provided in this Ordinance, shall be a legal holiday or a day on which banking institutions in the City or the city in which the Registrar and Paying Agent is located are typically closed, such payment may be made or act performed or right exercised on the next succeeding day not a legal holiday or a day on which such banking institutions are typically closed, with the same force and effect as if done on the nominal date established in this Ordinance, and no interest shall accrue for the period after such nominal date.

Section 23. Clerk-Treasurer's Certificate. The Clerk-Treasurer shall, prior to the publication of the notice of the sale of the 2017 Bonds, set forth in a certificate (the "Clerk-Treasurer's Certificate"), the first Interest Payment Date, final principal maturity schedule of the 2017 Bonds, optional redemption terms and all other matters required by this Ordinance to be provided in the Clerk-Treasurer's Certificate.

Section 24. Compliance With Rule 15c2-12. If required by the Rule (as hereinafter defined), the 2017 Bonds shall be offered and sold pursuant to an Official Statement with respect to the 2017 Bonds (the "Official Statement"), to be made available and distributed in such manner, at such times, for such periods and in such number of copies as may be required pursuant to Rule 15c2-12 promulgated by the United States Securities and Exchange Commission (the "Rule") and any and all applicable rules and regulations of the Municipal Securities Rulemaking Board. The Common Council hereby authorizes the Mayor or the Clerk-Treasurer (a) to authorize and approve a Preliminary Official Statement, as the same may be appropriately confirmed, modified and amended for distribution as the Preliminary Official Statement of the City; (b) on behalf of the City, to designate the Preliminary Official Statement a "final official statement" (as defined in the Rule) with respect to the 2017 Bonds, subject to completion as permitted by and otherwise pursuant to the Rule; and (c) to authorize and approve the Preliminary Official Statement to be placed into final form and to enter into such agreements or arrangements as may be necessary or advisable in order to provide for the distribution of a sufficient number of copies of the Official Statement of the City with respect to the 2017 Bonds under the Rule. The Mayor is further authorized to execute an agreement in connection with the offering of the 2017 Bonds in accordance with the Rule by which the City agrees to undertake such continuing disclosure obligations as may be required under the Rule.

Section 25. Further Actions. The Common Council hereby requests, authorizes and directs the Mayor and the Clerk-Treasurer, and each of them, for and on behalf of the City, to prepare, execute and deliver any and all other instruments, letters, certificates, agreements and documents as are determined to be necessary or appropriate to consummate the transactions contemplated by this Ordinance, and such determination shall be conclusively evidenced by the execution thereof. The instruments, letters, certificates, agreements and documents necessary or appropriate to consummate the transactions contemplated by this Ordinance shall, upon execution, as contemplated herein, constitute the valid and binding obligations or representations

and warranties of the City, the full performance and satisfaction of which by the City is hereby authorized and directed.

Section 26. Repeal of Other Ordinances. All ordinances and parts of ordinances in conflict herewith are expressly repealed to the extent of such conflict.

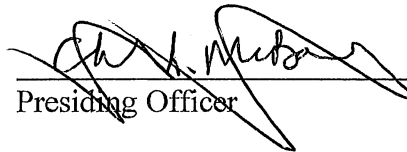
Section 27. Captions. The captions in this Ordinance are inserted only as a matter of convenience and reference, and such captions are not intended and shall not be construed to define, limit, establish, interpret or describe the scope, intent or effect of any provision of this Ordinance.

Section 28. Effective Date. This Ordinance shall be in full force and effect from and upon compliance with the procedures required by law.

* * *

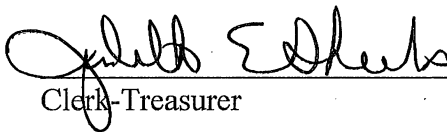
DULY PASSED on this 28 day of November, 2016, by the Common Council of the City of Frankfort, Indiana.

COMMON COUNCIL OF THE
CITY OF FRANKFORT, INDIANA



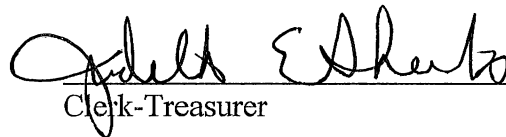
Presiding Officer

ATTEST:



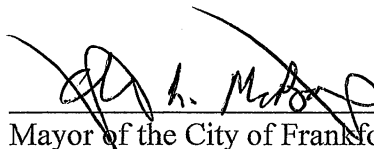
Clerk-Treasurer

Presented by me to the Mayor of the City of Frankfort for his approval or veto pursuant to Indiana Code § 36-4-6-15 and 16, this 28 day of November 2016 at 7:00 pm o'clock ~~am~~/p.m.



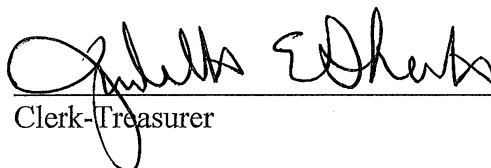
Clerk-Treasurer

This Ordinance having been passed by the legislative body and presented to me is approved by me and duly adopted, pursuant to Indiana Code § 36-4-6-16 (a)(1), this 28 day of November, 2016 at 7:00 o'clock ~~am~~/p.m.



Mayor of the City of Frankfort, Indiana

Attest:



Clerk-Treasurer

EXHIBIT A

Description of the Projects

Frankfort City Light and Power
 Evaluation and Development of Capital Improvement Plan Allocators

WORKSHEET 9
 SHEET 1 OF 5
 Revised 08/30/2016

Line No.	Project Name	Plant Cost Category	Amount	Single Phase			Three Phase		Municipal		Outdoor		C	H	E	C	C	K
				Rate A - Residential Service (E)	Rate B - Commercial Service (F)	Rate C - General Power (G)	Rate PPL (H)	Street Lighting Service (I)	Lighting Service (J)									
1	1) Install cutouts and coordinate fuses on radial taps	Trans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2		Distr	137,750	29,216	10,269	23,576	70,735	2,773	2,773	1,181	1,181	137,750						
3		Meter	-	-	-	-	-	-	-	-	-	-						
4	Project Total		137,750	29,216	10,269	23,576	70,735	2,773	2,773	1,181	1,181	137,750						
13	2) Update the existing distribution protective device settings on relays	Trans	-	-	-	-	-	-	-	-	-	-						
14		Distr	16,850	3,574	1,256	2,884	8,652	339	339	144	144	16,850						
15		Genl	-	-	-	-	-	-	-	-	-	-						
16	Project Total		16,850	3,574	1,256	2,884	8,652	339	339	144	144	16,850						
17	3) Update/install Arc Flash labels based on protective device coordination results/recommendation	Trans	-	-	-	-	-	-	-	-	-	-						
18		Distr	4,250	1,344	348	341	2,218	-	-	-	-	4,250						
19		Genl	4,250	1,344	348	341	2,218	-	-	-	-	4,250						
20	Project Total		4,250	1,344	348	341	2,218	-	-	-	-	4,250						
25	4) Vehicle Fleet Additions (2 service Pick-ups replace #2-45 & #2-4A with one and #2-7 with the other)	Trans	-	-	-	-	-	-	-	-	-	-						
26		Distr	50,259	15,890	4,111	4,028	26,230	-	-	-	-	50,259						
27		Genl	50,259	15,890	4,111	4,028	26,230	-	-	-	-	50,259						
28	Project Total		50,259	15,890	4,111	4,028	26,230	-	-	-	-	50,259						
29	5) Voltage Regulators installed to remedy voltage issues on select circuits; Burlington Sub Feeder 5,	Trans	-	-	-	-	-	-	-	-	-	-						
30	Fairground Substation Feeder No. 3, Westside Sub Feeder No. 3, Westside Sub Feeder No. 4	Distr	481,424	102,108	35,890	82,396	247,212	9,691	9,691	4,128	4,128	481,424						
31		Genl	-	-	-	-	-	-	-	-	-	-						
32	Project Total		481,424	102,108	35,890	82,396	247,212	9,691	9,691	4,128	4,128	481,424						
33	6) Vehicle Fleet Additions (2 service trucks service trucks #2-9 and #2-14)	Trans	-	-	-	-	-	-	-	-	-	-						
34		Distr	335,150	105,963	27,416	26,859	174,911	-	-	-	-	335,150						
35		Genl	335,150	105,963	27,416	26,859	174,911	-	-	-	-	335,150						
36	Project Total		335,150	105,963	27,416	26,859	174,911	-	-	-	-	335,150						
37	7) Re-conductor distribution circuits to increase ampacity (reduce bottleneck); WSS6 OH SW16 & 11516 -	Trans	-	-	-	-	-	-	-	-	-	-						
38	from 336 to 477ACSR (Approx. 100 feet), WSS4 FROM Sub to IN 28 POLE 11715 - 336 to 477ACSR (Approx.	Distr	360,719	76,507	26,891	61,737	185,230	7,261	7,261	3,093	3,093	360,719						
39	2400 feet), FGR4 OH FAIRGND & PRAIRIE - from 336 to 477ACSR (Approx. 600 feet), BUR8 OH WASH AVE &	Genl	-	-	-	-	-	-	-	-	-	-						
40	Project Total		360,719	76,507	26,891	61,737	185,230	7,261	7,261	3,093	3,093	360,719						

Frankfort City Light and Power
Evaluation and Development of Capital Improvement Plan Allocators

Line No.	Project Name	Plant Cost Category	Amount	Single Phase			Three Phase		Municipal		Outdoor Lighting Service	C H E C K
				Rate A - Residential Service (E)	Rate B - Commercial Service (F)	Rate C - General Power (G)	Rate PPL (H)	Street Lighting Service (I)	Street Lighting Service (J)			
41	8) New Substation Northwest 69/13.2 kV with 8 feeders	Trans	345,000	74,549	27,950	59,646	182,855	-	-	-	-	345,000
42		Distr	2,300,000	487,821	171,463	393,645	1,181,052	46,297	46,297	19,722	19,722	2,299,999
43		Genl	-	-	-	-	-	-	-	-	-	-
44	Project Total		2,645,000	562,370	199,413	453,291	1,363,907	46,297	46,297	19,722	19,722	2,644,999
45	9) West Side Substation Upgrades (Replace two (2) circuit switchers with SF6 breakers, Two New 69/13.2kV,	Trans	265,000	57,263	21,469	45,815	140,454	-	-	-	-	265,000
46	20/26.7/33.3 MVA Transformers, Main-Tie-Main Switchgear with 8 Feeders, new relays, metering	Distr	2,000,412	424,279	149,129	342,371	1,027,214	40,266	40,266	17,153	17,153	2,000,411
47		Genl	-	-	-	-	-	-	-	-	-	-
48	Project Total		2,265,412	481,542	170,597	388,186	1,167,667	40,266	40,266	17,153	17,153	2,265,411
49	10) West Side Substation Preventative Maintenance	Trans	-	-	-	-	-	-	-	-	-	-
50		Distr	38,650	8,198	2,881	6,615	19,847	778	778	331	331	38,650
51		Genl	-	-	-	-	-	-	-	-	-	-
52	Project Total		38,650	8,198	2,881	6,615	19,847	778	778	331	331	38,650
53	11) Burlington Substation Upgrades (NEW 69/13.2kV, 30/40/50 MVA Transformer, Upgrade distribution	Trans	345,000	74,549	27,950	59,646	182,855	-	-	-	-	345,000
54	switchgear (breakers and relays), maintain existing building for 69KV Relaying & Storage)	Distr	1,246,744	264,429	92,944	213,380	640,204	25,096	25,096	10,690	10,690	1,246,744
55		Genl	-	-	-	-	-	-	-	-	-	-
56	Project Total		1,591,744	338,979	120,893	273,026	823,059	25,096	25,096	10,690	10,690	1,591,744
57	12) Burlington Substation Maintenance	Trans	-	-	-	-	-	-	-	-	-	-
58		Distr	38,650	8,198	2,881	6,615	19,847	778	778	331	331	38,650
59		Genl	-	-	-	-	-	-	-	-	-	-
60	Project Total		38,650	8,198	2,881	6,615	19,847	778	778	331	331	38,650
61	13) Fairgrounds Substation Upgrades (Replace existing high side circuit breaker with SF6 breaker, Upgrade	Trans	-	-	-	-	-	-	-	-	-	-
62	existing SEL protective relays to 351S Relays, SEL Communication Processor to monitor and collect data	Distr	242,172	51,364	18,054	41,448	124,356	4,875	4,875	2,077	2,077	242,172
63	from existing protective relays for future SCADA)	Genl	-	-	-	-	-	-	-	-	-	-
64	Project Total		242,172	51,364	18,054	41,448	124,356	4,875	4,875	2,077	2,077	242,172
65	14) GIS/Mapping System Upgrades	Trans	-	-	-	-	-	-	-	-	-	-
66		Distr	152,565	32,358	11,374	26,111	78,342	3,071	3,071	1,308	1,308	152,565
67		Genl	56,850	17,974	4,651	4,556	29,669	-	-	-	-	56,850
68	Project Total		209,415	50,333	16,024	30,667	108,012	3,071	3,071	1,308	1,308	209,415

Frankfort City Light and Power
 Evaluation and Development of Capital Improvement Plan Allocators

WORKSHEET 9
 SHEET 3 OF 5
 Revised 08/30/2016

Line No.	Project Name	Plant Cost Category	Amount	Single Phase			Three Phase		Municipal		Outdoor	
				Rate A - Residential Service (E)	Rate B - Commercial Service (F)	Rate C - General Power (G)	Rate PPL (H)	Street Lighting Service (I)	Lighting Service (J)			
69	15) Fairgrounds Substation Maintenance	Trans	-	-	-	-	-	-	-	-	-	-
70		Distr	39,460	8,369	2,942	6,754	20,263	794	338	-	-	39,460
71		Genl	-	-	-	-	-	-	-	-	-	-
72	Project Total		39,460	8,369	2,942	6,754	20,263	794	338	-	-	39,460
73	16) S.R. 28 3-phase Re-Build	Trans	-	-	-	-	-	-	-	-	-	-
74		Distr	549,170	116,477	40,940	93,990	281,999	11,054	4,709	-	-	549,170
75		Genl	-	-	-	-	-	-	-	-	-	-
76	Project Total		549,170	116,477	40,940	93,990	281,999	11,054	4,709	-	-	549,170
77	17) AMI Pilot for Industrial Customers	Trans	-	-	-	-	-	-	-	-	-	-
78		Distr	-	-	-	-	-	-	-	-	-	-
79		Meter	168,785	106,538	21,238	23,353	17,656	-	-	-	-	168,785
80	Project Total		168,785	106,538	21,238	23,353	17,656	-	-	-	-	168,785
81	18) Utility IT, Communication network upgrades to support AMI, SCADA and increasing bandwidth needs for	Trans	150,000	32,413	12,152	25,933	79,502	-	-	-	-	150,000
82	the Utility Operations	Distr	150,000	31,814	11,182	25,673	77,025	3,019	1,286	-	-	150,000
83		Genl	150,000	47,425	12,271	12,021	78,283	-	-	-	-	150,000
84	Project Total		450,000	111,652	35,605	63,627	234,811	3,019	1,286	-	-	450,000
85	19) Pole Replacements - 20,000 poles in 50 years ~ avg 400 per yr. @ \$290.50 ea. = \$116,200/year.	Trans	-	-	-	-	-	-	-	-	-	-
86	According to Annixter Feb 2016, a 50 foot - Class 3 SYP CCA treated wood pole costs \$290.50.	Distr	813,400	172,519	60,638	139,213	417,682	16,373	6,975	-	-	813,400
87		Genl	-	-	-	-	-	-	-	-	-	-
88	Project Total		813,400	172,519	60,638	139,213	417,682	16,373	6,975	-	-	813,400
89	20) SR28 Road Widening Project 2018 - INDOT has announced plans to widen SR28 through Frankfort. As a	Trans	-	-	-	-	-	-	-	-	-	-
90	result, all poles along the proposed route must be moved and associated electrical infrastructure must be	Distr	1,400,000	296,934	104,369	239,610	718,901	28,181	12,004	-	-	1,399,999
91	modified. INDOT's road widening project is scheduled to begin in 2018.	Genl	-	-	-	-	-	-	-	-	-	-
92	Project Total		1,400,000	296,934	104,369	239,610	718,901	28,181	12,004	-	-	1,399,999
93		Trans	-	-	-	-	-	-	-	-	-	-
94		Distr	-	-	-	-	-	-	-	-	-	-
95		Genl	-	-	-	-	-	-	-	-	-	-
96	Project Total		-	-	-	-	-	-	-	-	-	-