

Historical Information
of
Richmond Power & Light



October 11, 2002
In Celebration of Our 100 Year Anniversary

1810

The village of Richmond was formed in 1810, and candles were the main source of light. The candle and oil lamps were largely predominant for some years, as residents were slow to pipe gas into their houses. For a half century Richmond lit its streets and homes with the modest candle.

Imagine the very limited power of the candle light for illuminating streets, yet that was the means of light before the advent of gas in the city in 1854. The fact was that there was no street lighting except an occasional light on a post in front of the tavern or some enterprising merchant. The light was a tallow candle in a perforated tin lantern or enclosed in some panes of glass. The light really gave no illumination on the street, but the feeble rays gave to the public the location of businesses. Other light was confined to the dim rays of the candle that came through the windowpane of a house.

Lanterns were hung outside of buildings, and people carried them about the town on dark nights. It wasn't until about the 1860's that coal oil came into general use for lantern and lamp illuminating, which was a much-heralded improvement over the candle. Lamp posts now appeared on the streets, upon which oil lamps were placed and furnished the limited light until gas took their place.

1855

A company was formed in 1855 to manufacture gas, and it became the light, for at least part of the streets. This company was known as the Richmond Gas Light and Coke Company, and was started with \$25,000 in capital by two brothers, Benjamin and James M. Starr. It was agreed upon by the Common Council that the light company would have the street lighting franchise for a term of 15 years.

It agreed to furnish lights at the same rate prevailing in the City of Cincinnati, which was not to exceed \$20 per lamp for the year, the city furnishing the lamp posts and meters. The first line was installed down main street, which consisted of only 12 lights in the beginning. Street lighting for the first few years averaged only a few hundred dollars, and the gas bill for lighting the mayor's office for six months was \$3.60.

1870

James M. Starr received a new contract for gas for five years in 1870, and from then on revenues increased, as the private consumers numbered about 700, and the number of street lights increased to nearly 100.

1885

The city's gas bills grew with each year until by 1885 it had reached in excess of \$7,000 annually, including cost of lamp posts and lamps.

It was during this period that electric street lighting began. Mr. Starr was fearful

that this would ultimately eliminate his gas plant which was considered very valuable by this time. A few individual plants began to be installed. When the Knollenberg's store got one, Mr. Knollenberg was said to have been visited by Mr. Starr who admonished him of the mistake he was making. Mr. Starr advised him that it would not be long before he would ruin the eyes of all his clerks by using such bright lights.

1884

Gas lights were becoming expensive. Store owners were told they could minimize their gas light expense by closing stores earlier (8 p.m.) where they were staying open until 10 or 11 p.m. To meet the demands of the community to supplement gas light with electric light, Mr. Starr installed an electric plant on South Second Street above his piano factory. Equipment was to be operated by an endless rope to a water wheel. This installation was never completed. He then installed a Thompson electric dynamo in a small room adjacent to his factory and operated it by his water power. It furnished light for the street and stores for the next 10 years. A 100 kw machine later supplemented this installation. Both machines served the city's needs.

1889

Mr. Starr proposes to sell his gas and electric works to the city for a "floating indebtedness" of \$8,000. The light plant consisted of 3 dynamos, wires, burners, regulators, insulators, and poles. Council met to discuss the purchase and eventually rejected the offer.

1894

Mr. Starr sold his gas and electric plants to Dr. J. E. Lowe of Dayton, Ohio. The name changed to the Light, Heat and Power Company. A vote by council granted franchise rights to this company for the next 10 years. However, people in great numbers were interested in municipal ownership. Citizens generally were dissatisfied with the utility monopolies. The Light, Heat and Power Company owned the electric light and gas plants, and the city also had two gas lines, one of artificial and one natural gas, all owned by foreign capital, of which they were more or less suspicious. The public, the press, and especially business and industry continued the agitation for better lighting. Council was urged to make progress.

The piano factory was destroyed by fire on January 10, 1894. Because of the fire, the city was without electric energy until September 4, 1894 when the Light, Heat and Power Company began operation to serve 14 street lights from evening until midnight. Gas lights were turned on from midnight until morning. There were now three different contracts for street lighting. The electric lights were to do the work from evening to midnight when the Starr plant shut down, and gas would then be turned on and do the lighting till morning at the rate of \$4 per lamp per month. A third company, known as the Sun Vapor Street Light Company would burn naphtha light when there was neither gas nor electric light.

1898

A resolution was introduced by a council member that a committee be appointed by the mayor to investigate the cost and advisability of putting in an electric incandescent system to be built and operated by the city. The resolution read as follows:

“Resolved by the Common Council of the City of Richmond that said Common Council shall proceed to build, erect and equip an electric light plant with sufficient power to furnish lights of sufficient number and power to light all the streets, alleys, avenues, highways, public buildings and public grounds of the city, as well as furnish all private consumers with electric lights that may desire to use the same, and be it further resolved that it is the duty of the Common Council to thoroughly acquaint itself with all the facts relating to and in connection with the building of an electric light plant.”

The resolution passed by unanimous vote. This was followed by another resolution about voting for or against municipal ownership by the City of Richmond of an electric light plant. This was also passed by unanimous vote.

Over the next several months, this special committee visited Chicago, and other cities about the same size as Richmond, to bring back information to the city officials.

1900 In a special election, the citizens of Richmond voted 2,872 to 337 to form a competing municipally-owned electric utility in order to have adequate, low cost, dependable electric service. They also determined that the plant should be managed and controlled by a board of nonpartisan character.

The conditions were ideal for entering into a project like this by the city. J. M. Westcott loaned the city \$100,000 to be paid back at an interest rate of 4 1/16 percent. Interest and principal was to be returned on easy payments from the earnings of the plant. The city was financially able to enter into such a contract, as its bonded indebtedness was only \$60,000 with legal authority to contract for additional amounts. Richmond was one of the wealthiest cities in the state, and had citizens within its borders that could provide all the funds necessary without going into foreign markets.

1901

Specifications were approved for a plant, and on January 4, 1901, bids were opened and the contract was awarded to the Varney Construction Company of Indianapolis for \$144,490. It was first recommended that the plant be built at the Glen Miller Park, but was later changed to the lot north of the Crematory on the Whitewater River.

Mr. James M. Starr makes a last appeal to the city to avert a great personal loss

if the municipal plant were built. He pleaded with the council that he had been in business for years in this city and had felt an interest in its welfare and prosperity and for that reason had contemplated liberal gifts to charitable institutions. He had much of his estate invested in the Light, Heat and Power Company, along with many private individuals. He explained to council that he could not easily move the plant to other cities, and therefore, must continue to operate in competition with the city's plant if it were built, which would mean a loss to his estate and a loss to the city. He held \$200,000 of the company's bonds and owed an additional \$60,000 that he would turn over to the plant if the city would take care of all obligations, and he would give \$34,000 to the charities of the city.

The offer came too late. Mr. Starr died on June 17, 1901, one day before the regular session of council was held to discuss his proposition.

1902

The Municipal Electric Light and Power Plant, located at the river bottom, was completed in June of 1902. The city appointed the first superintendent, S. E. Gard, to manage the utility.

1906

By 1906 an exhaustive study was conducted by a special engineer from Chicago showing that the plant had passed the period of deficits and was now on a profit basis and would continue to show satisfactory results. Because of the results from this study, the city turned down an offer from a New York banking house to buy the plant at actual cost of construction. The banking house even said they wanted to guarantee rates considerably cheaper than they were receiving at that time, but the city remained uninterested.

The Richmond Light, Heat and Power Company still remained to give the municipal plant competition causing much extra labor in attaching service lines one day and removing them the next day.



1913

The flood of 1913 put out the Light, Heat and Power Company's plant, but the municipal Light Plant was built on a higher level and the flood did not reach it. However, due to the bursting of the sewer on Second Street at the head of Johnson Street, water came rushing down directly into the boiler room and put out the fires. They were rekindled without serious delay. To top this off, the plant was large enough to hook on the load of the Light, Heat and Power Company providing all the citizens continual service. This was the most serious test that the municipal plant experienced on account of a flood. The creditability of the Light, Heat and Power Company was severely damaged from this calamity.

Nimrod Johnson served as superintendent of the utility during the flood. Incidentally, Johnson Street, which approached the plant from North Second Street, was named for Mr. Johnson.

As the competition between the two companies continued, the Light, Heat and Power Company remained the greatest obstacle to the normal development of the city plant. The municipal plant now had to operate under the supervision of the State Utilities Commission under law enacted in 1913. The city had to apply to the commission in rate matters. The two plants were watching each other like hawks. Citizens were divided at the idea to purchase the Light, Heat and Power Company.

The much sought for opportunity for eliminating this obstacle came unexpectedly. The Light, Heat and Power Company applied, with other utilities of Indiana, to the commission for a horizontal increase of 25 percent in rates. Richmond officials

fought the petition. After days of argument the petition lost. However, the Light, Heat and Power Company still made other unsuccessful attempts of getting part of the municipal plant's business.

1915 Under the management of Clarence Kleinknecht, the city seized the opportunity to buy out the privately-owned Light, Heat and Power Company for \$212,891 leaving the municipal plant the sole supplier of electricity to the citizens of Richmond. In combining the two plants, a turbine was brought from the Light, Heat and Power Company and added to the municipal plant, which gave it 5,000 kw generating capacity divided among five units, which provided power without at once adding to equipment. Also, \$75,000 was salvaged from the plant in sale of material and useless equipment. The plant was paid for in two years. At the end of four years, rates had been lowered, ornamental street lighting had been inaugurated and all overhead lights were changed to magnetite lamps, doing away with the old carbon variety, which had to be trimmed daily, while the new ones required trimming only once a month.



At this time the business offices of the municipal plant were located in the Dunham building between Sixth and Seventh streets. But when the Dickinson Trust Company abandoned the Eighth street property, the offices were moved to the larger location.



The Eighth Street Office

1924

The Interstate Public Service Company issued a proposition for the purchase of the plant in 1924. The proposition disclosed to the citizens the value of the utility, which was started with a bond issue of \$144,000, now had a value of \$1,500,000, indicated by this offer, and in which no tax money had yet been used. Public sentiment was against the sale and so were the mayor and council members. The offer was rejected.





1928 GMC Truck

1929

By the end of 1929, the Municipal Light Plant had a magnificent statement to show. A large amount of improvements made brought the book value of the plant to \$3,370,699.73, all of which was paid for out of the proceeds of the business and never with money from taxes. All bonds had been retired for several years, and a balance of \$417,963.82 of cash was on hand.

1930

The increase in business averaged more than 10 percent annually, and as the load was already more than 11,000 kw it was necessary to at once take a look at the future and prepare for it. It was either purchase another turbine or buy power if it could be bought cheaper than it could be produced. There was great discussion as to whether the city should contract for standby service, or remain entirely independent of other companies to avoid embarrassment.

A proposition was submitted by the Indiana Service Corporation to provide standby service on a reciprocity basis for a period of five years. The city was to pay for whatever current it used in this way, and the utility company would pay the city for what it used. At the end of the year the balance should be settled on whatever side it fell. The citizens took sides vigorously for and against. The committee appointed to investigate the matter reported favorably and the manager advocated it. When it came to council for approval there were six votes for it and six against. This being a tie, the mayor voted against it, which disposed permanently of this question.

The Superintendent at this time, Dan C. Hess, laid out a program of improvements and additions covering a period of five years. He allowed for increased production by putting in a new 15,000 kw turbine and two new boilers. He also began the underground network of distribution.

It so happened that after these costly improvements were begun, the depression started. Instead of business increasing it fell off. Notwithstanding the depression, the plant paid for all additions besides contributing to the city.



1934

The Richmond Municipal Light Plant completed the nearly \$1,000,000 program of improvement and expansion, representing a total investment now of approximately \$4,000,000. The plant had no outstanding debt, and it was said that this was a most remarkable showing, one that could not be matched by any other city in the state, and few in the United States. The City of Richmond had 32,000 inhabitants and was splendidly illuminated with the most modern lighting system. This light was furnished by the light plant at a meter rate of 2 ¼ cents per kwh.

This improvement was made to provide equipment, which would give the plant a capacity to double its peak load by duplicating its machinery. The plant presently had a 10,000 kwh generator. A new 15,000 kwh turbo generator was installed. Such an installation, engineers say, precludes to all practical purposes any serious shutdown, or in other words, assures continuity of service.



The 15,000 kw machine was carrying the entire load of the city. In reserve were the 10,000 kw machine and the 5,000 kw turbo generator, both of which were rebuilt during the improvement program.



The plant was located at the river bottom between the Main Street and Doran bridges. In front of the building, which was of red brick, was a well-kept lawn, flanked on all sides by evergreens. The front door was reached through a sunken terrace, the feature of which was a large pond. Walks passed on either side. The borders of the walk were illuminated at night by decorative fixtures placed in the shrubbery and the pool was lit by various colors of underwater lights. Water was lead into the large pool from a smaller one at a higher elevation across a miniature falls.

The public was invited to inspect the light plant after the many improvements had been made. The Richmond Item described the plant as being...

“...brilliantly illuminated with electric lights, making it look like fairyland at night time. You should take a drive to the plant to see the landscaping, and then step into the plant, where you will be welcomed and shown the big turbines as they roll almost noiselessly at their task of making and sending out this mysterious fluid quietly over the wires to your home, to give cheer with light, heat, refrigeration or power as you may wish.”

“It makes citizens, who are the owners of this property, take pride in the institution and give moral and financial support.”

“Go see it, it is yours and you will be proud of your possession.”



This picture was taken at the City Light Plant's first annual picnic on August 19, 1934. The picnic was attended by approximately 123 adults and 61 children.

An article taken from the Richmond Item (now the Palladium-Item) on September 23, 1934, describes how important customer service was to the light plant. "The progressive electric utility is very proud of its efficient service and readily appreciated the fact that such service will create a satisfied consumer. The first responsibility is to so manage the utility and provide electric service of such value that the customer will feel his money is well spent. Accordingly, Richmond is now being served with electricity at the lowest rates in the State of Indiana; five rate reductions having been made within the past 10 years."

The article goes on to tell about... "An interesting service that the plant provides is the maintaining of time. A master clock has been installed and the time of this clock is checked twice each day by a special short wave radio; this time is furnished by the United States Naval Observatory at Washington, D.C. and transmitted from the Government Radio Station NAA at Arlington, W.Va. On the face of this master clock are two hands – one black and one gold. The black hand is the clock hand which is set from Arlington, and the gold hand is the hand which shows the frequency of the current generated at the plant. The operators on duty carefully and continuously regulate the speed of the turbines so that both the black and gold hands travel together. With this service your time is kept within an accuracy of two seconds."

The commercial department employed a home service director who educated the homemaker in the various new applications and helped them select the proper electric equipment. Numerous calls were received daily from the women of Richmond asking how to prepare frozen dinners, bake cakes, can fruit, etc. An average of 2,000 service calls of this type were made per year. The plant opened

an electrical kitchen to give talks, demonstrations, or classes to over 3,000 homemakers.





"The

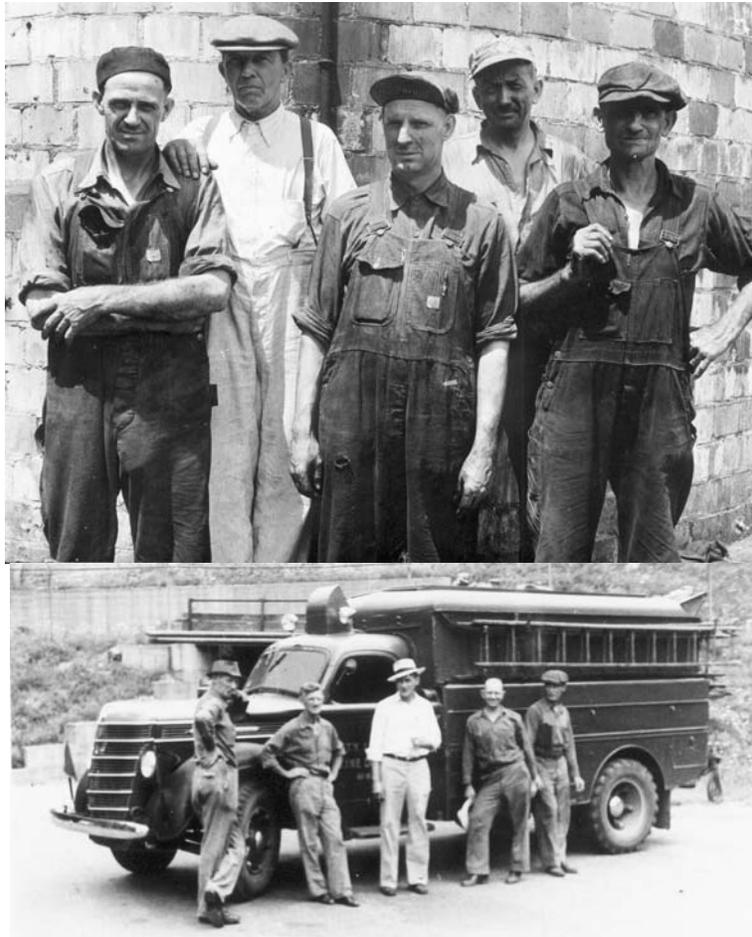
Modern Kitchen"



Annual Pie Baking Contest

1941

Construction began on a new 15,000 kw turbo-generator. This is the first step of a \$1 million expansion program. However, the War Production Board seized the unit under its war-time powers and sent it to Lake Charles, Louisiana, where it supplied power to a Defense Plant magnesium manufacturer. To make up for the loss, the city was ordered to negotiate for an interconnection tie with a neighboring power company. This order was based on findings that the Richmond plant could obtain additional current from equipment already in service at other plants.





1943

In 1943, the Municipal Electric Lighting and Power Plant began publishing monthly bulletins called "The Electric Kitchen" introducing recipes and meals to cook by using electricity. Articles described how to cook in an oven, in a thrift cooker, using surface burners, or by using a broiler. And, of course, when they used these appliances, they would also be using their "automatic refrigerator."

One bulletin explains the term "Meat Alternates" because meat rationing was about to go into effect because of the war. The alternates were partial substitutes for meat which were foods determined to supply similar food values and could be used as part of our required protein. The list consisted of peas, beans, eggs, cheese and nuts as being the best "alternates."

In a bulletin dated September 1944, the home service director introduced a section called "A Smart Cook." Each bulletin thereafter listed tips describing how "A Smart Cook" could be better prepared in the kitchen. One such quote went like this..."**A SMART COOK will use her oven for saving the health of her family not for a place to put money and bonds for "safe keeping." U. S. Treasury officials tell us that thousands of dollars a year are "baked" by mistake.**"

1946

Construction began on the 15,000 kw generator that was postponed in 1941 because the War Production Board had seized the unit and took it to Louisiana.

1950

In 1950, Earl Beck became General Manager, and he proposed to enter into a three-year contract with the Indiana and Michigan Power Company for a stand-by power tie. The Richmond system would now be connected to the power grid; no longer an island. Mr. Beck also had plans of building a new plant.

1952

The council granted the purchase of the Gilbert Farm for the new generating station. Construction for the new plant on U.S. 27 South was started at the cost of more than \$6,500,000. This location was the best of four different sites that were studied.

1955

The new 30,000 kw generating plant was ready for testing. The plant was named Whitewater Valley Generating Station and was built with space to add future generating capacity. Transmission lines were constructed connecting the old plant with the new one and with the northwest industrial area.



Whitewater Valley Generating
Station

1960

In 1960 an Ordinance was passed to change the name of the Municipal Electric Lighting and Power Plant to Richmond Power and Light.

1970

The Johnson Street Plant was retired from service.

1972

A new 60,000 kw generating unit was added to the Whitewater Valley Station.

1981

Richmond Power and Light joins 25 other municipal utilities in forming the Indiana Municipal Power Agency (IMPA).

2002

Continuing Today As We Celebrate Our 100 Year Anniversary Richmond Power and Light is a well-managed, community owned and operated, environmentally responsible, safety conscious utility providing reliable low cost energy services. We are proud of the vital infrastructure we provide and our long and continuous service to the community. The Board of Directors is the governing body for Richmond Power and Light. The Board is an assembly of the Richmond Common Council who presides over our meetings. This is another example of the long-standing tie to the community for which we serve. Richmond Power and Light is extremely active in trying to help attract new businesses and also help existing industry expand. According to a survey published by the Indiana Regulatory Commission, RP&L's electric rates are among the lowest in the state. We will continue to serve the community of Richmond and provide them with the best possible customer service.

Chronological list of the City Appointed Managers

1902 - 1903 S. E. Gard
1904 - 1909 Charles Rogers
1910 - 1913 Nimrod Johnson
1914 - 1918 Clarence A. Kleinknecht
1918 - 1921 James P. Dillon
1922 - 1937 Dan C. Hess
1937 - 1948 W. Ray Stevens
1950 - 1971 Earl Beck
1971 - 1997 Irving Huffman
1997 - 2006 David W. Osburn
2006 - Present Steve Saum

Credits -----

This entire story is primarily told to record the history of artificial light as it was introduced in Richmond, and its evolution to the present time. We began with the feeble candle, followed by coal oil, then artificial and natural gas, and finally electricity.

Most of the data for this history was gathered in 1943 by a newspaper writer from the records of the city, the Courthouse, newspaper files covering many years, and records in the Municipal Light Office.

The Richmond Item, Richmond, Indiana
Sunday Morning, September 23, 1934
58th Year – No. 228

Document from Robert Valentine
Department of Law
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