

## Crawfordsville Electric Light & Power

Founded: 1890

### Location:

Business office: Originally, Crawfordsville; 118 North Green; 124–126 (also 123) North Green; Municipal Building, East Pike at Water (–1984); 808 Lafayette Road (1984–)

Plant: Originally corner of North and Washington Streets, Crawfordsville (1891–1911); banks of Sugar Creek, North Washington Street (1911–)

In March 1890 the Indiana General Assembly approved legislation giving cities the right to operate electric power plants for the purpose of lighting streets. The following December the Crawfordsville City Council voted 4 to 2 to establish its own electric light plant. The city of Crawfordsville, however, intended not only to provide energy to light streets, alleys, and other public places but also to supply private dwellings and places of business. Private power interests rose up against the plan for a municipal electric power plant, and in March 1891, H. S. Braden filed suit against the city. The city, Braden argued, “has no legal right to put in a plant and use it for commercial purposes.” Despite the lawsuit, the city council proceeded with plans for a power plant and approved the sale of \$30,000 in bonds to cover construction costs for a facility at the corner of Washington and North Streets. In August 1891 the state’s first municipally owned electric utility began generating power.

In October 1891 the Indiana Supreme Court overturned a lower court’s decision and dismissed Braden’s lawsuit against Crawfordsville, ruling that cities could provide light for private as well as public consumption. By 1892 Crawfordsville Electric Light & Power, with 921 incandescent lights already in use, was unable to meet the demand for its services. As a result, in February the city council authorized a bond issue of \$25,000 to

finance an increase in the plant's capacity. The plant was unprofitable in its early years, but its financial status began to change after 1900. In 1903 James Ray Thomas, a 1901 graduate of Wabash College who was then working on a second bachelor's degree in electrical engineering from Purdue University, became manager of the plant. Thomas, who was with the utility until 1913, seems to have put the plant on a more professional basis and contributed to its efficiency. Under his management the customer base more than tripled, and the plant became profitable. In the fiscal year ending in June 1911, the utility earned profits of \$20,465.

By 1910 local businessmen were pushing for the construction of a new plant. M. W. Bruner, president of the utility's board of trustees, declared the present plant to be "worn out." The number of customers served by Crawfordsville Electric Light & Power had doubled since 1904, and the plant was running close to its maximum capacity of 320 kilowatts. In a special referendum held in May 1910, Crawfordsville residents approved plans for the construction of a new electric plant by a vote of 700 to 75. Almost half the cost of the plant was financed by the city. The new plant, built on the banks of Sugar Creek on property north of the Monon Railroad landfill and at a cost of just over \$120,000, was completed in July 1911.

The tax-free status of Crawfordsville Electric Light & Power provided an advantage over its competition, and it was consistently able to charge electricity rates lower than the state's average. An April 1914 article in the *Indianapolis News* noted that the utility posted estimated annual earnings of \$30,000 while providing 60 percent of the city's electric service. Although the utility was not immune from political influence, it was generally considered free of graft, the newspaper noted. By 1940 Crawfordsville

Electric Light & Power could report a net profit over the preceding fourteen years of \$1.6 million, much of which was returned to the city. At the same time, the power company maintained one of the lowest rate structures of any utility in the state.

In 1960 Crawfordsville voters approved the creation of a Utility Service Board appointed jointly by the mayor and city council to administer Crawfordsville Electric Light & Power. By 1980 the utility was purchasing most of its power from Public Service Indiana. Under Roy E. Kaser it took a leading role in organizing the Indiana Municipal Power Agency, a consortium of municipally owned electric utilities designed to contain costs by encouraging the joint operation and development of generation and transmission facilities. Crawfordsville Electric Light & Power gradually increased its generating capacity and added substations over the years. In 1982 it completed a power transmission loop around the city. The utility moved its operations to a new service building at 808 Lafayette Road in 1984.

During the 1980s and 1990s the company sought ways to remain a low-cost provider of electricity. One way to accomplish the goal was by joining the power consortium. A second way included correcting potential internal weaknesses. In August 1999 Crawfordsville Electric became a Hometown Connections sales affiliate. Hometown Connections offers to power companies competitively priced, value-added products and services, including public opinion research, business strategy workshops, telecommunication services, customer information and billing software, meter monitoring services, engineering improvement services, surge protection, and warranty services. At the end of the twentieth century Crawfordsville Electric remained an independent power company, and Kaser served as the firm's manager.