

## PUBLIC UTILITIES IN NEW ALBANY

*A new sight is being added to the lower end of the New Albany skyline these days – a huge, towering smokestack marking the site of the new power plant being constructed along the river front by the Public Service Company of Indiana. This multi-million dollar plant is the latest chapter in the century-old story of public utilities in New Albany.*

More than 100 years ago, back in 1854, the first enterprise which today would be called a public utility was launched in New Albany. It was the New Albany Gas Light Company which set up shop at East Fourth and Sycamore, an area where the black bulk of gas storage tanks still dominates the scene. But gas lighting in those days was confined to dispelling the darkness from New Albany streets. Not until the years following the Civil War did gas lighting replace tallow candles and kerosene lamps in the city's homes.

Then in the late 1880s an even more dramatic development took place in the way of artificial light for the hours of darkness. On July 18, 1887, a franchise was granted to the New Albany Electric Light, Heat & Power Company to supply the city with the exciting new electric power, a form of energy regarded as somewhat dangerous by some skeptics. The new company had been organized by New Albany businessmen with John S. Briggs as president.

Electric lighting had already been introduced in some other cities and the older gas companies were casting worried glances at the new electric wires fanning out in all directions and replacing gas lights in many cases. So it was not surprising that less than two months later another electric light company was

formed in New Albany. All the officers of the second company, called the Citizens Electric Light Company, were the same as the officers of the New Albany Gas Company, including W. S. Culbertson as president of both. The gas company had decided to fight fire with fire, or in this case, electric lights with electric lights. So it was that for more than a decade New Albany had two electric power companies.

Both companies went into operation in 1888, the Electric Light, Heat & Power Company from a power plant on the river front at East Ninth and the Citizens Electric Light Company from a plant at East Fourth and Sycamore.

New Albany's first electric lights, just as its first gas lights, were confined to lighting the streets with the old-fashioned, sputtering arc light. But the spread of the incandescent light bulb spelled the gradual end of gas light in homes and businesses. The incandescent bulb had been invented by Thomas A. Edison, an electrical pioneer who had another and more indirect influence on utility development in New Albany.

In the early days of the electrical industry Edison had secured the services of a talented young Englishman named Sam Insull. Before long Insull was operating on his own, laying the foundation of a utilities empire that was to blanket the entire Midwest. Shortly after the turn of the century Insull, whose headquarters were in Chicago, acquired the two New Albany lighting companies, plus the gas and electric utilities in Jeffersonville, and merged them as the United Gas & Electric Company.

A short time later he also gained control of the New Albany Water Works, a utility which dated back to 1876 when the reservoir on Silver Hill was built. The primary reason for launching this enterprise had been to assure adequate supplies of water for New Albany's expanding industries, but through the years it

had also gradually replaced the home owners' cisterns and the public pumps on the corners with water piped into each home.

Meantime another revolutionary product of 19<sup>th</sup> Century scientific advancement had made its appearance in New Albany in 1883 – the telephone. The first few telephones in this city were installed by the Ohio Valley Telephone Company, a Louisville firm which extended its lines across the river. But, because Indiana law set rates too low for profitable operation, the service was withdrawn after two years. Not until 1889, after the rate law had been repealed, were the lines rebuilt. Three years later New Albany proudly boasted of 100 telephones.

Though that seems a mere handful, it was enough to encourage home capital to form a telephone company called, appropriately, the Home Telephone Company. This new venture set up an exchange at 214 E. Elm in a building which remained the nerve center of the New Albany telephone network until the present building was erected on Spring Street a few years ago.

The Ohio Valley Telephone Company later became the Cumberland, and about 1915 the Indiana operations were taken over by the Southern Telephone Company of Indiana, which in turn became part of the Indiana Bell Telephone Company about 1920. The Home Telephone Company remained an independent enterprise until about 1925 when it, too, became a part of Indiana Bell.

Developments also were taking place in the gas, water and light services. About 1908 the United Gas & Electric and the Water Works offices were moved from the YMCA building at Pearl and Main to a new building at 138 E. Spring, a location only recently replaced by the new office and warehouse near Clarksville. Then as Insull's utility empire grew, all his local holdings, including the street railway and the interurban lines, were combined about 1922 with utilities in

many other Southern Indiana communities to form the Interstate Public Service Company.

The Interstate Public Service Company vanished in the depression days of the early 1930s and the collapse of the Insull empire. In its place came the Public Service Company of Indiana providing electric service; the Indiana Gas & Water Company handling those two essential services, and the Home Transit Company, providing local transportation.

Today, as during the past century, local public utilities are keeping pace with the growth of New Albany. The new power plant under construction is only the most dramatic example of the advances being made – expanded telephone service and extension of water services to new areas are other recent progressive moves. Public utilities, the services we take for granted, have become literally the lifeblood of the community.

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