



City of Independence

AGENDA ITEM COVER SHEET

BILL NO. 20-705**Res.No: 6527****Agenda Title:**

20-705 - A resolution approving the recommendation of the Public Utilities Advisory Board (PUAB) to evaluate replacement of current energy production capacity within the Power and Light Department.

Recommendations:

Staff recommends approval.

Executive Summary:

The PUAB met on January 16, 2020 and recommenced approval of the resolution. This will direct the City Manager to continue evaluating all options relative to the eventual retirement of six combustion turbine generators.

Background:

At the December 30, 2019 City Council meeting, the City Council considered a recommendation from the PUAB. The City Council remanded the recommendation back to the PUAB to clarify the recommendation. The reconsidered resolution was approved by the PUAB at its January 16, 2020 meeting and is attached for reconsideration.

Fiscal Impact:

None.

Department: City Manager's Office**Contact Person:** Adam Norris**REVIEWERS:**

Department	Action
City Managers Office	Approved
Finance Department	Approved
City Managers Office	Approved
City Clerk Department	Approved

Council Action:**Council Action:****ATTACHMENTS:**

Description	Type
<input type="checkbox"/> PUAB Recommendation	Resolution

BILL NO. _____

RESOLUTION NO. _____

A RESOLUTION APPROVING THE RECOMMENDATION OF THE PUBLIC UTILITY ADVISORY BOARD TO EVALUATE REPLACEMENT OF CURRENT ENERGY PRODUCTION CAPACITY WITHIN THE POWER AND LIGHT DEPARTMENT.

WHEREAS, in 2018, the City of Independence commissioned an extensive Energy Master Plan which was presented to the City Council and the Public Utilities Advisory Board; and,

WHEREAS, the 2018 Energy Master Plan recommended retiring the Blue Valley plant and replacing the plant's generating capacity with less expensive alternatives; and

WHEREAS, City Council Resolution No. 6511 anticipates a closure of Blue Valley plant which includes three turbines before June 1, 2020 with capacity being replaced through a power purchase agreement with Oneta; and,

WHEREAS, the 2018 Energy Master Plan stated that the combustion turbine generators have exceeded the typical service of life of a power generation facility; and should be continued to be evaluated for eventual replacement and repurposing with new resources in the future; and,

WHEREAS, the six combustion turbine generators provide 93.5 megawatts in generating capacity for the City of Independence; and,

WHEREAS, the Public Utility Advisory Board has evaluated all the reports and recommendations provided; and,

WHEREAS, on January 16, 2020, the Public Utility Advisory Board made a motion to recommend that the City Council evaluate energy production within the Independence Power and Light Department; which will result in eventually discontinuing current combustion turbine operations and require alternative solutions for capacity needs within the constraints of the Southwest Power Pool regulations.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF INDEPENDENCE, MISSOURI, AS FOLLOWS:

SECTION 1. That the City Council hereby directs the City Manager to evaluate all options and develop recommendations relative to replacing current peak load capacity resulting from the eventual retirement of the six combustion turbine generators. Such recommendation shall include staffing and potential transition plan for existing staff affected by retirement of the six combustion turbine generators.

PASSED THIS _____ DAY OF _____, 2020, BY THE CITY COUNCIL OF THE CITY OF INDEPENDENCE, MISSOURI.

Presiding Officer of the City Council
of the City of Independence, Missouri

ATTEST:

City Clerk

APPROVED AS TO FORM AND LEGALITY:

City Counselor

REVIEWED BY:

City Manager