

BILL NO. _____

RESOLUTION NO. _____

DIRECTING THE CITY MANAGER TO IMPLEMENT A TWO PERCENT RATE REDUCTION FOR ALL INDEPENDENCE POWER AND LIGHT CUSTOMERS AND TO FORMULATE ADDITIONAL RECOMMENDATIONS RELATED TO THE ELECTRIC UTILITY.

WHEREAS, the City has engaged Burns and McDonnell to complete an Electric Cost of Service and Rate Design Report; and

WHEREAS, the City Council has provided direction to the City Manager to take all steps necessary to ensure the electric utility rates remain competitive for Independence Power & Light customers; and

WHEREAS, in response to this directive, over 30 vacant positions have been eliminated in the past two years from Independence Power & Light due to innovation and efficiencies; and

WHEREAS, the salary savings from these positions equates to over \$3 million annually;

WHEREAS, these savings would provide for a rate reduction for all Independence Power & Light customers of 2%; and

WHEREAS, Section 3.17 of the City Charter mandates that the electric utility be run in a businesslike fashion and that any proceeds are to be applied to rate reductions; and

WHEREAS, the City recently lost a competitive recruitment for an automotive parts manufacturer to Blue Springs, Missouri, including 300 new jobs; and

WHEREAS, several major employers and many residential customers have also expressed frustration with the current electric utility rate structure; and

WHEREAS, it is the desire of the City Council to immediately lower the electric utility rate with available savings while the final recommendations of the 2018 Electric Cost of Service and Rate Design Report is completed;

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

SECTION 1. That the City Manager is authorized and directed to implement a rate reduction for all Independence Power & Light Customers of 2%.

SECTION 2. That the City Manager is directed to present preliminary findings of the 2018 Electric Cost of Service and Rate Design Report on or before December 10, 2018 with specific directive to take all steps necessary to present additional rate reductions.

PASSED THIS _____ DAY OF _____, 2018, 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