

IPL Strategic Studies

Presented October 23, 2023



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Consultants Requested

- April 5, 2023 Council directed the City Manager to initiate a process to evaluate all options relative to the future ownership model of Independence Power & Light
- Council specifically requested two independent studies
 - Evaluate the possibility of divesting the utility
 - Study the long-term requirements of continued ownership
 - Two separate firms not connected with staff or city leadership

Request for Qualifications

- Staff prepared Requests for Qualifications which were published via Public Purchase
- A total of three firms responded to the Requests
- Staff evaluated the qualifications of the respondents and recommended DKMT and Sawvel & Associates to perform the studies
- August 21, 2023 Council approved proceeding with the recommended firms to develop the scope of work and costs to produce the studies



Cost/Benefit Analysis

- DKMT was selected to analyze the Cost/Benefit of selling the electric utility
- Study will include a system valuation, impact on shared services, regulatory and contract costs, financial impact on LAGERS, Staywell and other ongoing City expenses, and potential service/cost impacts on Ratepayers
- Projected cost: \$218,923



Continued Ownership

- Sawvel & Associates was selected to perform a study of the long-term costs and strategic planning necessary for continued ownership and support of the electric utility
- The study will include a twenty-year revenue requirement projection, all-source capital and O&M strategy, technology solutions and implementation strategies
- Projected cost - \$300,000





Questions ?

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