

# IPL Strategic Studies

Presented November 13, 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
- Oct 23, 2023 Council requested an alternative plan with one contractor delivering both studies.

# DKMT Proposal

- DKMT has developed a plan to conduct both studies in parallel
- Data collection, interviews and site inspections will be conducted in common
- Two teams will separately use the data to perform the requested analysis
- A Third Party monitor will be employed to ensure the independence of the analysis



# Cost/Benefit Analysis

- 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



# Continued Ownership

- 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



# Analysis Timeline/Cost

- DKMT has provided a detailed timeline and cost breakdown for the project
- Final report targeted for July 2024 delivery
- Cost: \$459,683





Questions ?

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