

Reliability:

All utilities, whether municipally or investor owned, are subject to the same reliability requirements and penalties by the National Energy Reliability Corporation (NERC) and the Western Electricity Coordinating Council (WECC). To ensure that all the municipal utility options will meet this standard over the 20-year modeling period, staff worked with the Reliability Working Group to address reliability in formulating the following plans and costs: separation; utility start-up; capital replacement schedule; energy resources; and, ongoing operation and maintenance (O&M). Ongoing O&M for the municipal utility options includes administration, operation, maintenance, monitoring, control, dispatch, project management, and customer service and response procedures to assure reliable electrical service. See **Attachments D and F** of the Feb. 26 Study Session memo to City Council for more detail on these assumptions and data sources. The analysis specifically evaluated reliability in terms of the system assets and configuration required to form a city-owned utility, ongoing capital investments, operations and maintenance costs and practices, regulatory standards, and resource reserve margins.