



# The Value of Public Power: Reporting the Benefits of Municipal- Owned Utilities

*February 19, 2020*

- Tool to help Member promote the local Value of Public Power
- The primary objective of the Economic Benefit Study is to assist in quantifying the annual economic contribution from the electric department to the municipality.
- The target audiences for the resulting report include Utility Directors, City Managers, Finance Directors, and Council Members who desire a comprehensive yet concise review of the benefits of their municipal-owned utility.
- The report can be customized to meet the needs of the utility and/or city

- Quantify and describe the hard and soft dollar benefits as well as important, yet harder to quantify items that have intrinsic or strategic benefits, linking points of the report to as many verifiable data sources as possible.

- EC Member Services staff review Municipal Operating Budgets and CAFR, as well as other sources of relevant data such as recent EC survey data, EIA data, etc.
- Meet with Utility Director and other applicable municipal personnel to:
  - Discuss tangible findings from budget and CAFR review.
  - Discuss potential tangibles not found in budget and notable intangibles.
- EC Member Services staff develop initial content draft for review with Utility Director and revise as needed.
- Final Report design completed by EC Corporate Communications.

- Public Power intro and municipal-specific “snapshot” of basic stats (population, number of electric customers, system size)

## ■ Quantitative Benefits

- Budget-based items (e.g., PILOT, Enterprise Administration, CONTRA expense line items, transfers)
- In-kind services and contributions (e.g., labor and equipment cost estimates related to town celebrations; holiday decorations; decorative landscaping; etc)
- Decorative street lighting projects
- City-maintained traffic signals

- Quantitative Benefits (cont)
  - Shared resources (personnel, facilities, and equipment)
  - Reliability-related items (comps with Duke, co-ops; cost impacts to customers; revenue impacts to the City)

- **Qualitative Benefits**

- Local governance and representation
- Customer service and reliability
- Emergency assistance (regional and national)
- Agility in economic development negotiations
- Community recognition and publicity via Electric Department honors (e.g., RP3, APPA, Safety)





- **Final Report**
  - Comprehensive yet concise review of the benefits of your municipal-owned utility.
  - Target Audience - City Staff and Elected Officials
  - 10 to 15 pages including Executive Summary
- **Eligible for System Betterment and P4 Funds**
- **Interested cities should contact Gregg Welch or Karen Maclaga**
  - Gregg Welch: 919-760-6353 or [gwelch@electricities.org](mailto:gwelch@electricities.org)
  - Karen Maclaga: 919-760-6264 or [kmaclaga@electricities.org](mailto:kmaclaga@electricities.org)
- **Questions??**