

**LRB – FISCAL REVIEW SECTION ANALYSIS**

**JANUARY 21, 2005 AGENDA  
UTILITIES AND LICENSES COMMITTEE**

**ITEM 1, FILE 041281  
Emma J. Stamps**

File No. 041281 is a resolution authorizing the Commissioner of Public Works to issue a Request for Proposals and award a contract for professional services for electric power reliability study for the Milwaukee Water Works.

**Background**

1. Milwaukee Water Works facilities rely heavily on energy purchases from WE-Energies to produce, secure, and distribute its water product to customers in Milwaukee, Washington, and Waukesha counties.
2. Other types of energy sources, or combinations thereof, may be efficient and cost effective alternatives to the current electricity reliant fueling system.
3. A risk assessment of the city's current dependency on electricity is warranted.

**Discussion**

1. The Water works wants to study its reliance on electric power, and define a reasonable assessment of an unforeseen disruption in electric power's impact on areas including but not limited to the Water Works's infrastructure, customer service, water quality, and residual impact on industrial and commercial water customers' business operations.
2. In house resources are not adequate for this project, therefore the department plans to outsource the study.
3. File 041281 authorizes the Water Works to issue an RFP and later award an "electric power reliability study" contract to the winner bid.

**Fiscal Impact**

Adopting File 041281 authorizes a \$250,000 expenditure from the Water Works' 2003 capital improvements operating budget

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