

ORDINANCE NO. _____

**AN ORDINANCE AMENDING ORDINANCE NO. 8213
DEFINING “NERC/FERC COMPLIANCE SERVICES” AS A
PROFESSIONAL SERVICE TO INCLUDE RTO COMPLIANCE
SERVICES; DECLARING AN EMERGENCY; AND FOR OTHER
PURPOSES.**

WHEREAS, Ark. Code Ann. § 19-11-801, et seq., provides the method cities use to procure professional services, such as: legal, financial advisory, architectural, engineering, construction management, land surveying and such other professional services *as are defined by two-thirds (2/3) vote of city council*; and

WHEREAS, the law for the procurement of professional services requires that selection is based upon analysis of professional qualifications (“RFQ”) rather than bidding; and

WHEREAS, on or about November 9, 2009, the North Little Rock City Council defined **NERC/FERC Compliance Services** to be a professional service through the adoption of Ordinance No. 8213; and

WHEREAS, beginning in 2017, the North Little Rock Electric Department (“NLRED”) will begin purchasing electricity through direct interaction with Midcontinent Independent System Operator (“MISO”), the regional transmission operator (“RTO”) that manages wholesale power market, and other markets, for the geographic area that surrounds and includes the City of North Little Rock; and

WHEREAS, in order to participate in MISO markets, NLRED must comply with marketplace requirements including: market participant agency, real-time telemetry, daily load forecasting, demand bids, shadow settlements, wholesale power cost summary, market monitoring, and capacity submissions; and

WHEREAS, the City is considering the employment of professionals to provide RTO compliance services for NLRED and believes the proper procedure for such employment is through the RFQ process provided by State law.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NORTH LITTLE ROCK, ARKANSAS:

SECTION 1: That Ordinance No. 8213 is hereby amended as follows:

NERC/FERC/RTO Compliance Services for NLRED is hereby defined to be a professional service under Ark. Code Ann. § 19-11-801, et seq. and may be used as necessary to assist the North Little Rock Electric Department in analyzing and determining that it is NERC/FERC/RTO compliant. Professionals may be selected and

employed to provide any or all services needed by NLRED. Providers of said service shall have skills and experience necessary to provide the services needed, such as:

- (a) Comprehensive knowledge of the NERC Reliability Standards, NERC Audit and Enforcement process and NERC Functional Registration requirements.
- (b) Understanding of overall electric utility practices, both engineering and operations.
- (c) Active participation in NERC and Regional Entity Compliance Meetings and Forums.
- (d) Electrical Engineering experience in developing policies and procedures for testing and maintenance of Bulk Electric System Assets (100 kV and above).
- (e) Operations experience in developing policies and procedures for the reliable operation of the Bulk Electric System.
- (f) Understanding of how the various NERC Registered Entity Types interact with each other and the duties assigned to each Entity Type.
- (g) Cyber Security experience for the assessment and protection of any Critical Assets and Critical Cyber Assets associated with the Bulk Electric System.
- (h) Participation in RTO markets on behalf of others.
- (i) Establishing and maintaining direct telemetry with load meters and properly formatting and forwarding load data to an RTO.
- (j) Developing day-ahead load forecasting for submission of demand bids.
- (k) Monitoring RTO settlement statements for accuracy (“shadow settlements”).
- (l) Monitoring RTO market activities and credit requirements.
- (m) Submitting capacity requirements to an RTO.

SECTION 2: That all ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of the conflict.

SECTION 3: That the provisions of this Ordinance are hereby declared to be severable and if any section, phrase or provision shall be declared or held invalid, such invalidity shall not affect the remainder of the sections, phrases or provisions.

SECTION 4: It is hereby found and determined that the passage of this Ordinance is necessary in order to insure the proper representation of the City of North Little Rock, Arkansas in determining that its Electric Department is NERC/FERC/RTO compliant, and being necessary for the immediate preservation of the public health, safety and welfare; THEREFORE, an emergency is hereby declared to exist and this Ordinance shall be in full force and effect from and after its passage and approval.

PASSED:

APPROVED:

Mayor Joe A. Smith

SPONSOR:

Joe A. Smith
Mayor Joe A. Smith

ATTEST:

Diane Whitbey, City Clerk

APPROVED AS TO FORM:

C. Jason Carter
C. Jason Carter, City Attorney

PREPARED BY THE OFFICE OF THE CITY ATTORNEY

FILED	<u>11:50</u>	A.M.	_____	P.M.
By	<u>City Atty Carter</u>			
DATE	<u>7/19/14</u>			
Diane Whitbey, City Clerk and Collector North Little Rock, Arkansas				
RECEIVED BY	<u>Diane Whitbey</u>			