



MEETING AGENDA PACKAGE

Policy Makers Liaisons Committee

July 18, 2019

3:00 p.m. to 4:00 p.m.

Meeting Being Held at:

Hyatt Regency Coconut Point Resort & Spa
5001 Coconut Road, Bonita Springs, FL

**Dial-in information: 877-668-4493 or 650-479-3208,
Access Code 733 679 756#**

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Policy Makers Liaisons Committee

- Kathleen Thacker, Kissimmee – Chair
- Dan Robuck, Leesburg – Vice Chair
- Bil Spaude, Bushnell
- Kristine Petersen, Clewiston
- Rick Cochrane, Fort Meade
- Tom Perona, Fort Pierce
- Robert Page, Green Cove Springs
- George Forbes, Jacksonville Beach
- Robert Barrios, Key West
- Ethel Urbina, Kissimmee
- Scott Maxwell, Lake Worth
- Bill Conrad, Newberry
- Brent Malever, Ocala
- Keith Trace, St. Cloud
- Scott Roberts, Starke

Community Power  Statewide Strength

MEMORANDUM

TO: Policy Makers Liaisons Committee
FROM: Mark McCain
DATE: July 9, 2019
RE: Policy Makers Liaisons Committee Meeting
Thursday, July 18, 2019, 3:00 p.m.

PLACE: Hyatt Regency Coconut Point Resort & Spa, 5001 Coconut Road, Bonita Springs, FL

PHONE: To participate by telephone, call 877-668-4493 or 650-479-3208,
Access Code 733 679 756#
(If you have trouble connecting, please call 407-355-7767)

Chair Kathleen Thacker, Presiding

The mission of the Committee is to facilitate the education of elected or appointed governing body members of FMPA's member utility systems, and to foster opportunities for greater communication and knowledge among governing body members regarding the business and projects of FMPA.

AGENDA

1. Call to Order, Roll Call, Declaration of Quorum
2. Set Agenda (by vote)
3. Consent Agenda
 - a. Approval of the Minutes for the Meeting Held April 17, 2019
4. Action Items
 - a. Election of Committee Officers (Mark McCain)
 - b. Approval of 2019-2020 Meeting Schedule (Mark McCain)
5. Report from the General Manager and CEO (Jacob Williams)
6. Information Items
 - a. Update on Electric Deregulation Proposal in Florida (Jacob Williams)
 - b. Update on Value of Municipal Utility Initiative (Mark McCain)
 - c. Phase II Solar Update and Rooftop vs. Subscription Comparison (Susan Schumann)
 - d. Round Table Discussion by Policy Makers on the Most Important Electric Issue in Their Communities

7. Member Comments

8. Adjourn

This public meeting is being held in Bonita Springs, Florida at the above-referenced location. If anyone chooses to appeal any decision that may be made at this public meeting, such person will need a record of the proceedings and should accordingly ensure that a verbatim record of the proceedings is made, which includes the oral statements and evidence upon which such appeal is based. This public meeting may be continued to a date and time certain, which will be announced at the meeting. Any person requiring a special accommodation to participate in this public meeting because of a disability, should contact FMPA at (407) 355-7767 or 1-(888)-774-7606, at least two (2) business days in advance to make appropriate arrangements.

**AGENDA ITEM 1 - CALL TO ORDER,
ROLL CALL, DECLARATION OF
QUORUM**

**Policy Makers Liaisons Committee Meeting
July 18, 2019**

**AGENDA ITEM 2 – SET AGENDA (by
vote)**

**Policy Makers Liaisons Committee Meeting
July 18, 2019**

AGENDA ITEM 3 – CONSENT AGENDA

- a. Approval of Minutes for the Meeting
Held April 17, 2019**

**Policy Makers Liaisons Committee Meeting
July 18, 2019**

MINUTES
FMPA POLICY MAKERS LIAISONS COMMITTEE MEETING
FLORIDA MUNICIPAL POWER AGENCY
8553 COMMODITY CIRCLE
ORLANDO, FL 32819
DATE: WEDNESDAY, APRIL 17, 2019
TIME: 1:00 P.M.

**MEMBERS
PRESENT**

Bil Spaude, Bushnell*
Bob Page, Green Cove Springs (via telephone)
George Forbes, Jacksonville Beach
Robert Barrios, Key West
Kathleen Thacker, Kissimmee
Dan Robuck, Leesburg
Bill Conrad, Newberry*
Keith Trace, St. Cloud

*arrived after roll call

**OTHERS
PRESENT**

Amy Zubaly, FMEA (via telephone)
Bill Peebles, Peebles, Smith and Matthews (via telephone)
Ryan Matthews, Peebles, Smith & Matthews (via telephone)
Howard McKinnon, Havana
Larry Mattern, Kissimmee

**STAFF
PRESENT**

Jacob Williams, General Manager & CEO
Ken Rutter, Chief Operating Officer
Linda S. Howard, Chief Financial Officer
Mark McCain, Assistant General Manager, Member Services,
Human Resources and Public Relations
Jody Finklea, General Counsel & CLO
Dan O'Hagan, Assistant General Counsel
Chris Gowder, Business Development and Planning Manager
Mike McCleary, Manager of Member Services Development
Sue Utley, Executive Assistant to CEO / Asst. Secretary to Board
Susan Schumann, External Affairs Administrator
Ryan Dumas, Public Relations Specialist
Navid Nowakhtar, Business Development and Resource Planner

Item 1 – Call to Order, Roll Call, Declaration of Quorum

Chairwoman Kathleen Thacker, called the meeting to order at 1:00 p.m. on Wednesday, April 17, 2019, Florida Municipal Power Agency, 8553 Commodity Circle, Orlando, Florida. A roll call was taken and 8 members were present.

Item 2 – Set Agenda (By Vote)

MOTION: Keith Trace, St. Cloud, moved to set the agenda as presented. Robert Barrios, Key West, seconded the motion. Motion carried 8 – 0.

Item 3 – Consent Agenda

3a – Approval of the Minutes for the meeting held January 17, 2019

MOTION: Robert Barrios, Key West, moved approval of the Minutes of January 17, 2019. Keith Trace, St. Cloud, seconded the motion. Motion carried 8 – 0.

Item 4 – Report from the General Manager and CEO (Jacob Williams)

1. Goals Scorecard
2. Lowering costs to members
3. Revised Strategic Plan

Item 5 – Information Items

5a – Update on Electric Deregulation Proposal in Florida

Jacob Williams led a discussion on the electric deregulation proposal in Florida with input from Jody Finklea, Amy Zubaly and Ryan Matthews.

5b – Retail Rate Design and Solar Subscription Strategies

Navid Nowakhtar discussed ongoing efforts in helping members with retail rate design and solar subscription strategies.

5c – Update on Florida Municipal Solar Project (FMSP) Phase II

Susan Schumann updated the Policy Makers on the Florida Municipal Solar Project Phase II.

5d – Round Table Discussion by Policy Makers on the Most Important Electric Issue in Their Communities

George Forbes, Jacksonville Beach, said he appreciates the content of the PMLC meetings.

Kathleen Thacker, Kissimmee, said the Policy Makers need some talking points for their customers who are told by solar companies that if they put rooftop solar on their homes they will not have any electric bills. She also suggested for future agendas that we combine the round table discussion with member comments.

Dan Robuck, Leesburg, said his company was approached by a solar company about putting rooftop solar on their manufacturing facility and that they would not have to pay for electricity. Dan had to explain that it doesn't work that way with the city electric department.

Bill Conrad, Newberry, suggested a field trip for the Policy Makers to a solar farm.

Item 6 – Member Comments

None.

Item 7 – Announcements

7a – Next Meeting: July 18, 2019 at 3 p.m. During the FMEA Annual Conference, Hyatt Regency Coconut Point Resort & Spa, 5001 Coconut Road, Bonita Springs, FL

Item 8 - Adjourn

There being no further business, the meeting was adjourned at 2:30 p.m.

Kathleen Thacker
Chairman

Dan Robuck
Vice Chairman

Date Approved _____

KT/DR/su

AGENDA ITEM 4 – ACTION ITEMS
a. Election of Committee Officers

Policy Makers Liaisons Committee Meeting
July 18, 2019



AGENDA PACKAGE MEMORANDUM

TO: Policy Makers Liaisons Committee
FROM: Mark McCain
DATE: July 11, 2019
RE: 4a – Election of Committee Officers

Introduction • In accordance with the Policy Makers Liaisons Committee’s Charter, the Committee shall elect two officers once each year at the meeting held during the FMEA Annual Conference.

Requirements The Committee’s Charter prescribes the following requirements for elections:

- The Committee shall elect two officers: Chair and Vice Chair.
- Elections of officers shall be done by the Committee by majority vote with each Liaison having one vote.
- Nominations of Liaisons to fill the officer positions shall come from the Committee, prior to the elective vote.
- Regular elections shall be held once each year at the meeting held during the FMEA Annual Conference.
- Each elected officer shall serve until the next FMEA Annual Conference meeting.
- A quorum of the Committee is present at a meeting of the Committee when at least a majority of the appointed Liaisons are present and able to participate in the meeting in person or by electronic means.

Current Officers Chair: Kathleen Thacker, Kissimmee Utility Authority
Vice Chair: Dan Robuck, City of Leesburg

Nominations Nominations are welcome from the floor at the Policy Makers Liaisons Committee meeting.

Committee Roster For your information, attached is the most recent Committee roster.

Recommended Motion Nominate and then elect a Chair and Vice Chair for the Committee.

/mm
Attachment



FLORIDA MUNICIPAL POWER AGENCY
Policy Makers Liaisons Committee

Updated July 8, 2019

| Cities | Liaison | Title | Phone | Email |
|-----------------------|----------------------------------|--|--|--|
| 1. Bushnell | Bil Spaude | Mayor | 352-793-2591 | bilsbus@gmail.com |
| 2. Clewiston | Kristine Peterson | City Commissioner | (863) 263-4595 | Goldengirls51@yahoo.com |
| 3. Fort Meade | Rick Cochrane | Commissioner | (863) 285-1100 | pkirk@cityoffortmeade.com |
| 4. Fort Pierce | Tom Perona | City Commissioner | (772) 216-1293 | tomperona@gmail.com |
| 5. Green Cove Springs | Robert Page | Consultant | H: (904) 529-9957
C: (904) 654-2172 | pagebg@aol.com |
| 6. Town of Havana | Vacant | | | |
| 7. Jacksonville Beach | George Forbes | Consultant | (904) 247-6268 | gdforges29@gmail.com |
| 8. Key West | Robert Barrios | Utility Board | (305) 295-1020 | Robert.barrios@keysenergy.com |
| 9. Kissimmee | Kathleen Thacker
Ethel Urbina | Utility Board
Utility Board | (407) 933-9810 | kthacker@kua.com
urbina@kua.com |
| 10. Lake Worth | Scott Maxwell | City Commissioner | (561) 586-1731 | smaxwell@lakeworth.org |
| 11. Leesburg | Dan Robuck | City Commissioner | 352-314-0894 | Drobuck3@gmail.com |
| 12. Newberry | Bill Conrad | Former Mayor | (352) 472-1537
C: (352) 215-1737 | bill.conrad2@gmail.com |
| 13. Ocala | Brent Malever | City Councilman | (352) 629-2489 | bmalever@ocalafl.org |
| 14. St. Cloud | Keith Trace | Councilmember | (407) 957-8405 | keith.trace@stcloud.org |
| 15. Starke | Scott Roberts | Chair, Citizens Utility Advisory Committee | (352) 473-7209 | csr@georgerobertsins.com |

Please send updates and corrections to Sue Utley at sue.utley@fmpa.com.

AGENDA ITEM 4 – ACTION ITEMS

**b. Approval of 2019-2020 Meeting
Schedule**

**Policy Makers Liaisons Committee Meeting
July 18, 2019**



AGENDA PACKAGE MEMORANDUM

TO: Policy Makers Liaisons Committee
FROM: Mark McCain
DATE: July 11, 2019
RE: 4b – Approval of Meeting Schedule for 2019-2020

Introduction As has been the Committee’s practice in prior years, the Committee may wish to establish a meeting schedule for the coming year.

Requirements In accordance with the Policy Makers Liaisons Committee’s charter:

- The Committee shall meet at least annually, and must meet, in addition to other meetings the Committee may hold, each year during the FMEA Annual Conference.
- Notice of the time, date, and place of each meeting will be provided to each Liaison at least 20 days prior to any meeting.

Prior Years In years past, the Liaisons have decided to meet quarterly. The fall and winter meetings have been held in October and January at FMPA’s office in Orlando on the day before ARP Executive Committee meetings to encourage participation in Executive Committee meetings. The spring meeting has been held either in March during the Florida Municipal Electric Association’s Legislative Rally in Tallahassee or in April at FMPA’s office, or it was held in April at special locations, including Cane Island Power Park, the Florida Municipal Power Pool, the Gainesville Renewable Energy Center and the Stanton Energy Center. The summer meeting has been held, as required, at the FMEA Annual Conference.

Suggested Time For the past seven years, the Committee decided to meet at noon for lunch, followed by the business meeting from 1 p.m. to 3 p.m. The lunch option provides more opportunity for interaction, and the start time enables policy makers to get on the road if they are driving home that evening, rather than staying over for the ARP Executive Committee meeting the next day. Staff recommends continuing this format for the coming year.

4b – Approval of Meeting Schedule for 2019-2020

July 11, 2019

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Recommendation

The meeting schedule for 2019-2020 is proposed, as follows:

1. Wednesday, Oct. 16, 2019, 1 p.m. at FMPPA's Orlando office
 2. Wednesday, Jan. 15, 2020, 1 p.m. at FMPPA's Orlando office
 3. Wednesday, April 15, 2020, 1 p.m. at FMPPA's Orlando office
 4. Thursday, July 16, 2020, during the FMEA Annual Conference
-

Recommended Motion

Move approval of the Policy Makers Liaisons Committee's meeting schedule for 2019-2020 as recommended.

/mm

**AGENDA ITEM 5 – REPORT FROM
THE GENERAL MANAGER AND CEO**

**Policy Makers Liaisons Committee Meeting
July 18, 2019**

Fiscal 2019 Management Goals Scorecard, as of June 30, 2018



| Goal | Status | Actual | YTD | | FY 2019 Target | Comment |
|--|--------------|--------|--------|--------|----------------|---|
| | | | Actual | Target | | |
| 1. Safety (no lost-time accidents for employees or agents) | | - | 2 | 0 | 0 | Zero lost-time accidents. |
| 2a. Compliance (no violations that are not self-reported) | Environ. | | | 0 | 0 | Zero compliance violations. |
| | Financial | | | 0 | 0 | |
| | Regulatory | | | 0 | 0 | |
| 2b. Cyber Security (zero cyber breaches: Corp IT & Plant Ops) | | | | 0 | 0 | |
| 2c. Phishing Testing | | 1.4% | 11.7% | <10% | <10% | Email re: credit card charge. |
| 3. Low Costs (\$/MWh) | Controllable | | 41.29 | 54.41 | 57.77 | Actual data through May 2019 and will be updated prior to meeting. YTD energy sales 3% > budget, O&M costs \$3M < budget help drive YTD costs 3% < budget |
| | Fuels | | 22.62 | 23.91 | 22.98 | |
| | All-in | | 63.91 | 78.32 | 80.75 | |
| 4. Reliability (EAF for base-load units) | | 100% | 93.6% | 85% | 88% | 100% reliability for all base load units in June. Less forced outage hours than expected YTD. |

(Continued) Management Goals Scorecard, as of June 30, 2018



| Goal | Status | Comment |
|---|--------|--|
| 5. Excess Capacity Reduction
(reduce costs of 35 MW) | | Homestead proposal still pending, feedback expected in late July. Exploring additional capacity/energy sale opportunities with nationwide marketers. |
| 6. Generation Team Fleet
Resource Sharing (80 days) | | Total of 93 days FYTD. Cane Island staff to Treasure Coast. 7 Days in June. |
| 7. Member Visits by Leadership
Team (75 visits) | | 9 visits in June. 92 visits YTD. |
| 8. Member
Services | | 19 YTD. Added this month the mapping effort for Havana. |
| 10 project
oversight | | 8 YTD. No new meetings for June. Windmill Training July 11. Substation class August 20 & 21. Planning distribution system operators roundtable for August. |
| 13 regional
trainings | | |

(Continued) **Management Goals Scorecard**, as of June 30, 2018



| Goal | Status | Comment |
|---|--------|---|
| 9. Develop 2nd Low-Cost Solar Project Opportunity | | Kick-Off meeting with Origis held June 26; PPA development in progress. Draft Participation Agreements distributed to Members June 27. Member MW subscriptions July 17. |
| 10. Financial Transactions (gas prepay; St. Lucie debt) | | Closed Pooled Loan agreement between FMPA and Capital. Working on closing loan with the City of Bushnell. |
| 11. People & Employee Retention (climate survey; train managers; quarterly report to Board of Directors) | | Kick-off meeting with the Leadership Coach Monday, July 15, 2019. DiSC 360's will begin next week. Coach will meet individually with each member of the leadership team in August to discuss the results. Leadership team meeting will be scheduled in September. Continued work on the four focus areas and improving performance evaluations. |
| 12. Process Improvement (redesign invoice payments; define Internal Audit scope) | | Moving forward on approved action items. HR and IT working on quick-win items now. Sub-teams being formed for more significant items like SharePoint and Records Management. |

**AGENDA ITEM 6 – INFORMATION
ITEMS**

**a. Update on Electric Deregulation
Proposal in Florida**

**Policy Makers Liaisons Committee Meeting
July 18, 2019**



PMLC 6a – Update on Electric Deregulation Proposal in Florida

Policy Makers
Liaisons Committee

July 18, 2019

Electric Deregulation Proposal in Florida

Provides Customer Choice, Limits Role of IOUs

- Energy marketing company seeking to get electric deregulation proposal on Florida's 2020 ballot
- Would amend Constitution to allow customer choice and limit role of IOUs to construct, operate and repair transmission and distribution systems
- Secured enough signatures to have proposal reviewed by Florida Supreme Court; oral arguments on Aug. 28

Deregulation States Have Mixed Results

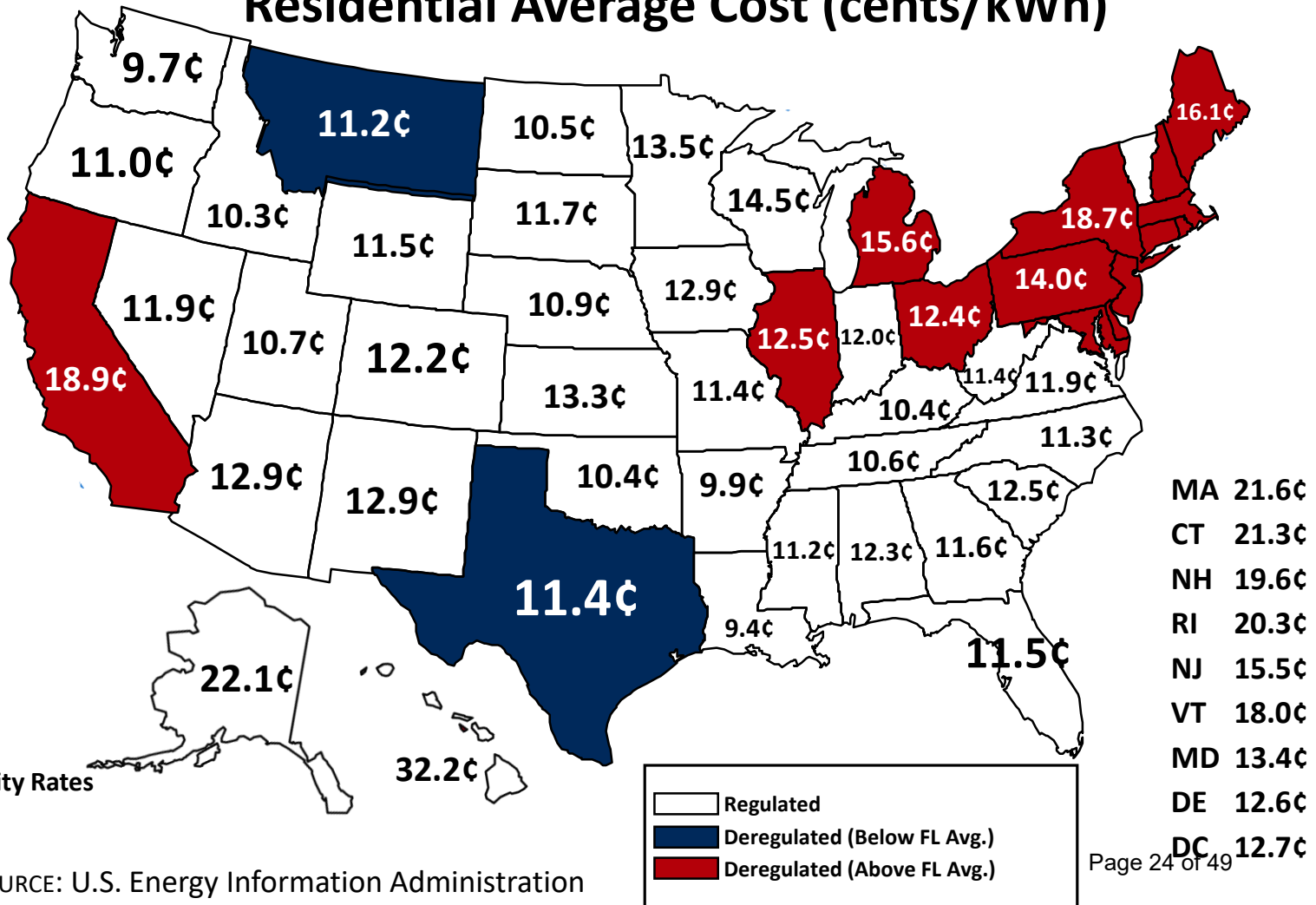
Residential Rates 27% Higher in Dereg. States

- Among states that enacted deregulation by statute, results are mixed, benefits speculative
- California was the first, leading to “Star Wars” scheme, price spikes and Enron scandal
- Even in Texas market, evidence does not support deregulation as a better model
- Residential rates in deregulated states 27% higher than regulated states, or 3.16 cents/kWh more

Florida Has Competitive Electric Costs

Florida's Costs Well Below Most Dereg. States

Residential Average Cost (cents/kWh)



¢ = 2018 Average Residential Electricity Rates

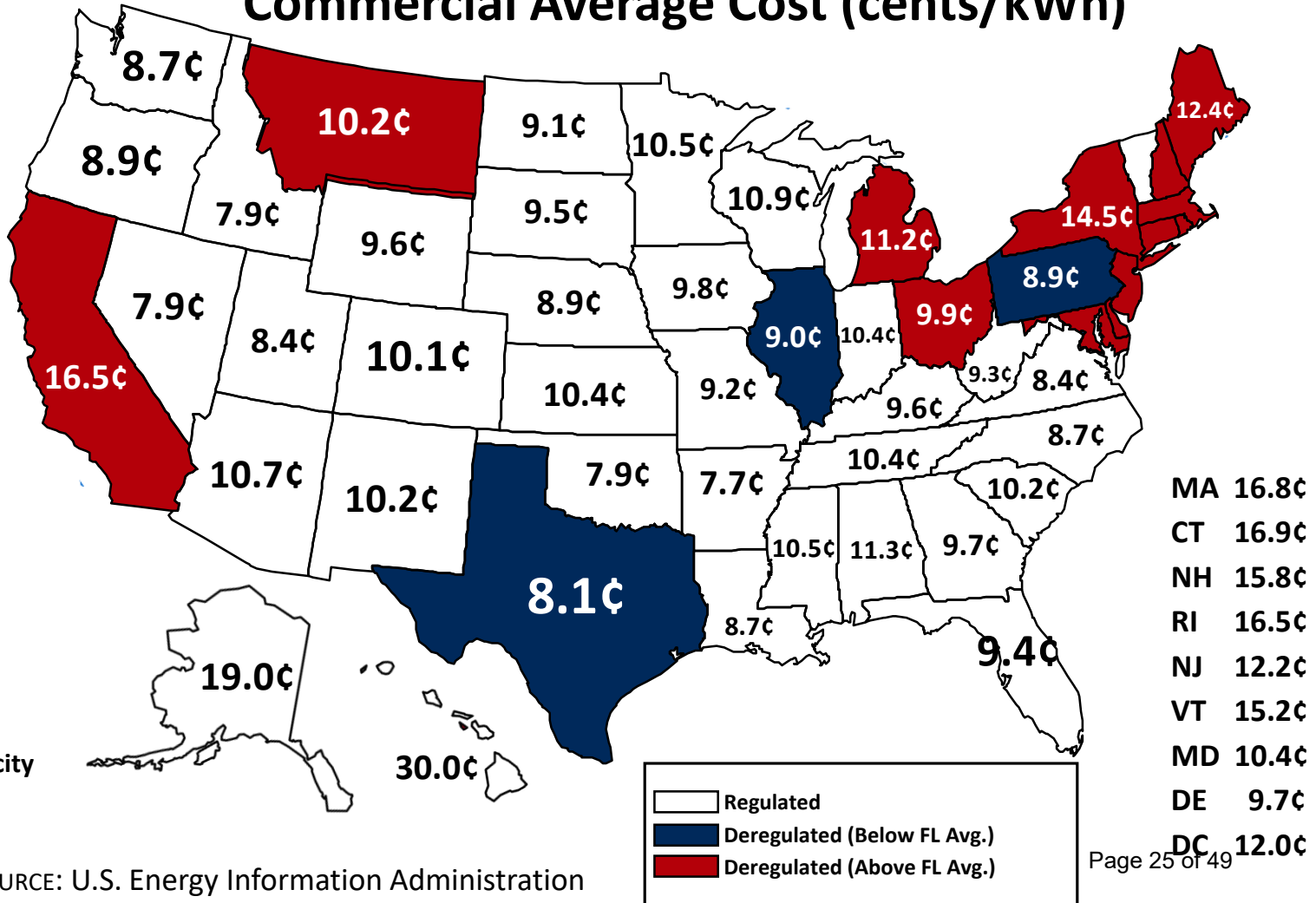


SOURCE: U.S. Energy Information Administration

FL Commercial Cost Highly Competitive

Commercial Costs Similar to Market in Texas

Commercial Average Cost (cents/kWh)



¢ = 2018 Average Commercial Electricity Rates



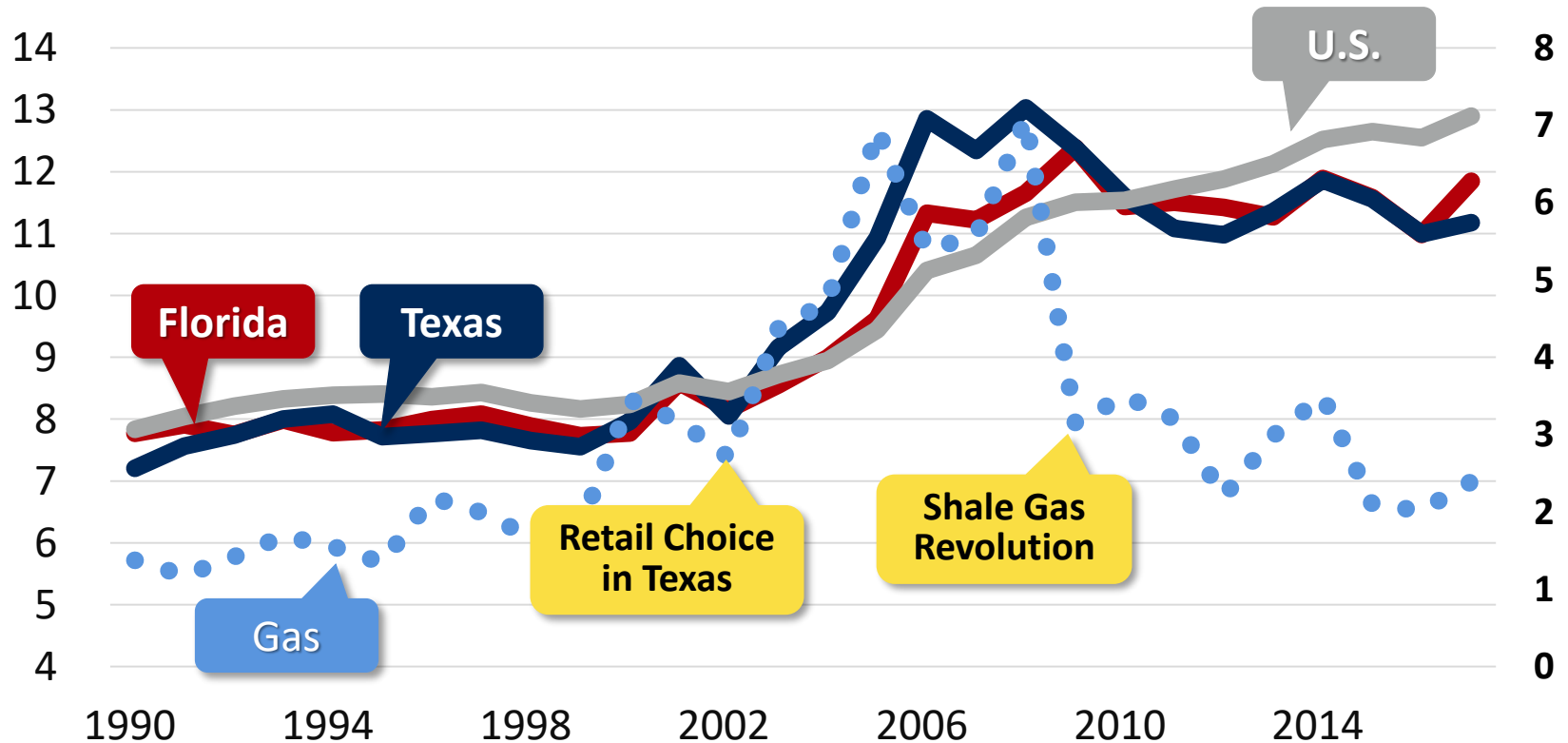
SOURCE: U.S. Energy Information Administration

Texas Residential Rates Similar to Florida

Prices Generally Follow Natural Gas Prices

Nominal Residential Average Cost and Natural Gas Cost

In cents/kWh



Texas Deregulation Results Mixed

Even with Local Resource Advantage

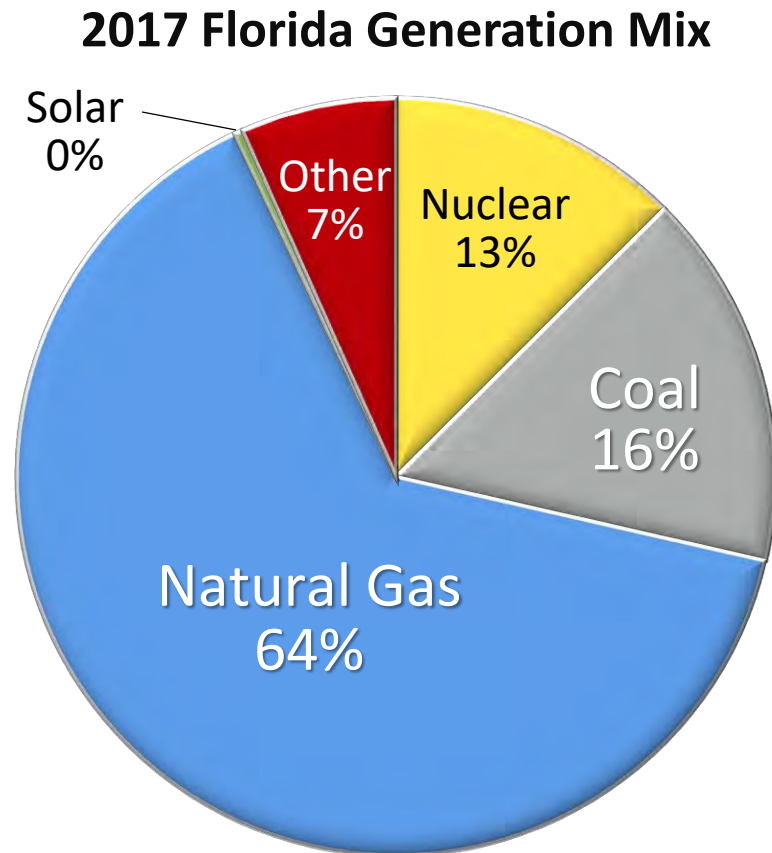
- Electric prices in regulated areas of Texas remain lower than deregulated areas*
- Texas saves 0.5 cents per kWh compared to Florida due to wind tax subsidies
- Texas has local energy sources (nat. gas, lignite coal)
- Low transportation costs for fuel
- Hub for energy industry and resource extraction
- More resilient network to deliver power and fuel

* SOURCE: Texas Coalition for Affordable Power, 2016

Deregulation in FL – Unseen Challenges

State Dependent on Three Natural Gas Pipelines

- Peninsular nature limits access to three natural gas pipelines, all from same spot in Alabama
- One company owns 50% of Florida pipeline capacity and generation
- Deregulated entities charge what “market will bear”
 - They would not be cost regulated by the Florida PSC
- Alternative cost-effective generation not large enough to mitigate potential risks



Electric Service Tax Revenue Significant

Dereg Puts ~\$1.7B Revenue for Cities at Risk*

- Deregulation means:
 - 30%-50% of bill from electric utility for wires
 - 50%-70% of bill from unregulated supplier
- Gross receipts and public service taxes only on utility service
 - Will legislature expand to cover unregulated cost?
- If deregulation meant to push customer-owned generation
 - Loss of state and local tax revenue

Deregulation Elsewhere Hurt Citizens

Floridians at Risk for Higher Electricity Costs

- Deregulation not guaranteed to lower costs
- Deregulation can create price and reliability problems for customers, as it did in California
- Florida's peninsula nature creates similar—if not greater—risks for consumers
- City, counties would suffer significant financial losses of franchise fees and other utility taxes

**AGENDA ITEM 6 – INFORMATION
ITEMS**

**b. Update on Value of Municipal Utility
Initiative**

**Policy Makers Liaisons Committee Meeting
July 18, 2019**



PMLC 6b – Update on Value of Municipal Utility Initiative

Policy Makers
Liaisons Committee

July 18, 2019

Why Conduct Municipal Value Studies?

Communication, Reputation, Benchmarking

Governing Board

Employees

Customers

Community Leaders

Media

The Future

- Quantify the value for the utility's governing board
- Share with employees so they know value drivers
- Make customers aware of the utility's value
- "Tell your story" because no one else will; tell it often
- Benchmarking

Florida Municipals Provide Great Value

Total Value of 20 Cities Studied: ~\$133 Million

| Major Areas of Value | Estimated Value ¹ |
|--------------------------------|------------------------------|
| General Fund contributions | \$69 million |
| Local economic impact (jobs) | 37 |
| Savings from low-cost power | 20 |
| Faster power restoration times | 6 |
| Community sponsorships | 1 |
| Local control over the utility | ? |
| TOTAL | \$133 million |

Templates Available for Member Use

Analyses Can Be Updated, as Requested

- Each member's system has unique features, elements of value and benchmarks
- Templates can be updated in the future as needs arise, avoiding the need to start from scratch
- Will continue to enhance the presentation
- FMPA available to refine or update the analysis
- FMPA available to present it in your community

**AGENDA ITEM 6 – INFORMATION
ITEMS**

- c. Phase II Solar Update and Rooftop vs.
Solar Subscription Comparison**

**Policy Makers Liaisons Committee Meeting
July 18, 2019**



PMLC 6c – Phase II Solar Update and Rooftop vs. Subscription Comparison

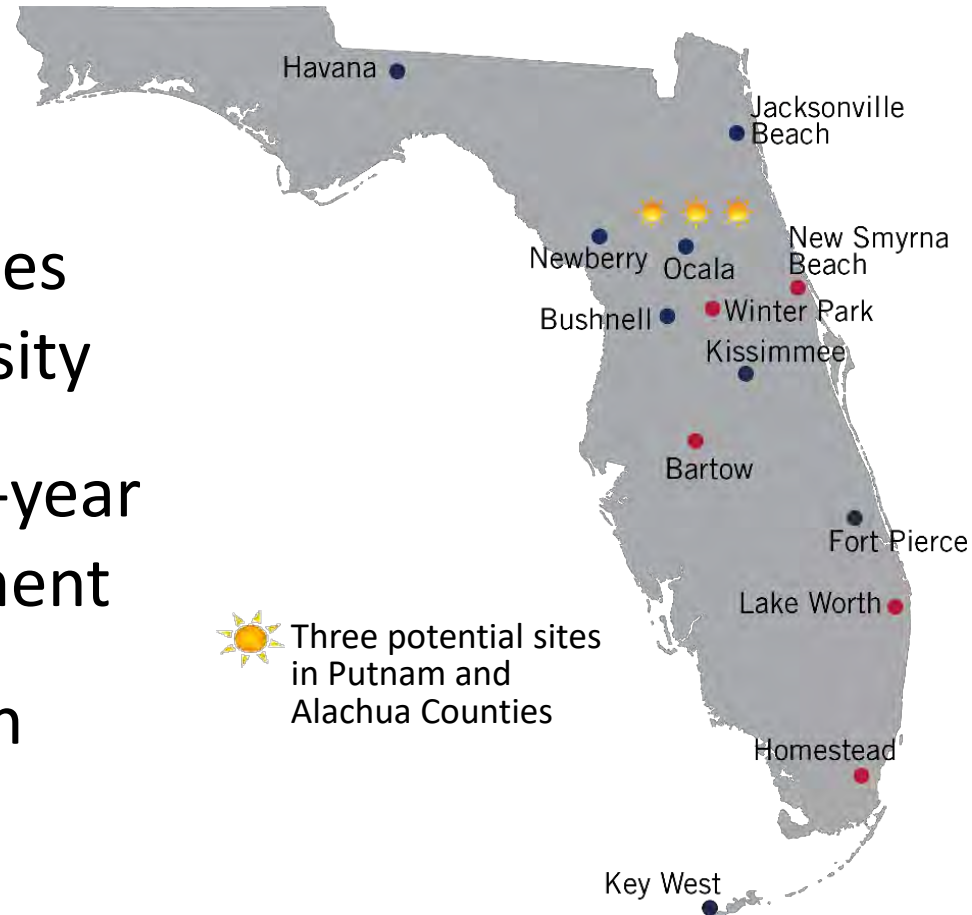
Policy Makers
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FMPA Planning Phase II Solar Project

Anticipate Two Additional 74.9 MW Facilities

- Increases FMPA's Solar capacity to ~372 MW
- North Central Florida sites provide locational diversity
- Favorable pricing for 20-year power purchase agreement
- Commercial operation in December 2023



The Story in Brief

Origis Provided Least-Cost Phase II Solar Offer

- Staff conducted short-list interviews with top 3 bidders
- Origis Energy submitted least-cost bid that meets other performance criteria
- Cost ceiling for Phase II at \$28/MWh, excluding supplemental transmission wheeling costs
- 2% escalation option recommended to provide highly competitive starting prices
- Storage and pre-pay details will be explored later
- Delaying COD by one year to Dec. 2023 saves ~4%

Who is Origis Energy?

Global Solar Developer, Experience in Florida

- 120 projects worldwide totaling 1.5 GW of solar to date
 - 52 MW project in Central Florida
 - 394 MW operational in U.S.
 - 1 GW contracted in U.S.
 - > 8 GW development pipeline
- Headquartered in Miami
- PV and storage development, financing, engineering, procurement, construction, and O&M
- Origis Energy USA ranked second largest solar developer in U.S.*



End of Year Completion Targeted

Aggressive Schedule Currently on Track

July

- Finalize Member Participation Agreements
- Continue Member Approvals
- Continue Power Purchase Agreement Negotiations

Aug.

- Continue Member Approvals
- Finalize Power Purchase Agreement

Sept.

- Continue Member Approvals
- FMPA Board and Executive Committee Information Items

Oct.

- FMPA Board and Executive Committee Action Items
- Approval of Power Purchase Agreements, Power Sales Contracts, Participation Agreements, Exchange Agreements, etc.



Rooftop vs. Subscription Comparison

The Big Picture

Subscription Highly Competitive with Rooftop

- Based on a typical residential customer and making some reasonable assumptions, solar subscription customers:
 - Could pay ~\$20 less/month based on current conditions
 - Could save ~\$10-\$12/MWh over a 20-year period on pure cost basis
- ITC expected to be phased out but can push rooftop cost down materially in the short term, reducing savings
- No “one-size-fits-all” cost comparison. Key uncertainties are:
 - Roof orientation, pitch and shade
 - Utility rate structure and net metering policy (utility controlled)
 - Cost of conventional power from local utility (utility controlled)
 - Level or extent of federal tax credits for solar

Solar Subscriptions Have Advantages

Efficient, Simple, Flexible, Portable, Less Risky

- Utility-scale projects in ideal locations with panels that track the sun's movement produce more energy per kW subscribed
- Subscribers pay adder to existing rate; nothing else changes
- Subscription amounts flexible to increase (assuming kW available) or decrease
- Subscriptions portable if customers relocate in service territory
- Less risk of:
 - Poorly oriented roof
 - Contractor risk
 - Roofing issues that affect the system's performance or the roof's performance
 - Changes in utility rate structure impacting economics

Certain Factors Drive Rooftop Value

Highly Case-Specific Across the Country

- Very high grid energy rates (utility controlled)
- Full retail net metering credits and most utility costs collected through energy rates (utility controlled)
- Long anticipated stay in current owned residence
- Tolerance for storm and contractor risks
- Desire to “see and feel” solar serving the home
- High Income + Great Credit + OK with debt or implied debt via long-term lease arrangement

Momentum for Change Is Building

Being Proactive Doesn't Mean Going It Alone

Offer Solar Subscription

1. Kissimmee
2. Ocala

Review Cost of Service¹

1. Bushnell
2. Fort Pierce
3. Lake Worth

Evaluate Customer Charge²

1. Bartow
2. Lakeland
3. Mount Dora
4. Newberry
5. Ocala
6. Orlando
7. St. Cloud
8. Tallahassee
9. Winter Park

¹ Support with financial analysis and/or discussions with FMPA on potential studies.

² Some changes reflect inflationary increases based on cost of service study. Based on January 2019 vs. January 2018 data as gathered by FMEA.

VERBAL

AGENDA ITEM 6 – INFORMATION ITEMS

- d. Round Table Discussion by Policy
Makers on the Most Important Electric
Issue in Their Communities**

**Policy Makers Liaisons Committee Meeting
July 18, 2019**

AGENDA ITEM 7 – MEMBER COMMENTS

**Policy Makers Liaisons Committee Meeting
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AGENDA ITEM 8 – ADJOURN

**Policy Makers Liaisons Committee Meeting
July 18, 2019**