



MEETING AGENDA PACKAGE

Policy Makers Liaisons Committee

January 15, 2020
1:00 to 3:00 p.m.

Meeting Being Held at:

Florida Municipal Power Agency
8553 Commodity Circle, Orlando, FL 32819

**Dial-in information: 877-668-4493 or 650-479-3208,
Access Code 738 316 091#, PASSWORD 8553**

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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: January 8, 2020
RE: Policy Makers Liaisons Committee Meeting
Wednesday, January 15, 2020, 1:00 p.m. to 3:00 p.m. [NOTE TIME]
PLACE: Florida Municipal Power Agency, 8553 Commodity Circle, Orlando, FL 32819
PHONE: **To participate by telephone, call 877-668-4493 or 650-479-3208,**
Access Code 738 316 091#, PASSWORD 8553#
(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
2. Set Agenda (by vote)
3. Consent Agenda
 - a. Approval of the Minutes for the Meeting Held October 16, 2019
4. Report from the General Manager and CEO (Jacob Williams)
5. Information Items
 - a. State Legislative Update (Bill Peebles / Ryan Matthews)
 - b. Electric Deregulation Proposal in Florida (Verbal) (Jody Finklea)
 - c. Federal Legislative Update (Michael Nolan)
 - d. Climate Change and Our Energy Future (Ken Morgan, Ph.D., retired professor and director of TCU Energy Institute)
 - e. Round Table Discussion by Policy Makers on the Most Important Electric Issue in Their Communities
6. Member Comments
7. Announcements
 - a. Next Meeting: Wednesday, April 15, 2020 at 1 p.m. at FMPA, 8553 Commodity Circle, Orlando, FL
8. Adjourn

This public meeting is being held in Orlando, Florida at the above-referenced location. One or more participants in the above referenced public meeting may participate by telephone. At the above location there will be a speaker telephone so that any interested person can attend this public meeting and be fully informed of the discussions taking place either in person or by telephone communication. 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 business days in advance to make appropriate arrangements.

MINUTES
FMPA POLICY MAKERS LIAISONS COMMITTEE MEETING
FLORIDA MUNICIPAL POWER AGENCY
8553 COMMODITY CIRCLE
ORLANDO, FL 32819
DATE: WEDNESDAY, OCTOBER 16, 2019
TIME: 2:00 P.M.

**MEMBERS
PRESENT**

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

**OTHERS
PRESENT**

Paul Jakubczak, Fort Pierce
Howard McKinnon, Havana
Barbara Quiñones, Homestead
Steve Langley, Mount Dora
Mike Poucher, Ocala
Eric Weaver, Ocala
Amy Zubaly, FMEA (via telephone)
Ryan Matthews, Peebles, Smith & Matthews (via telephone)

**STAFF
PRESENT**

Jacob Williams, General Manager & CEO
Ken Rutter, Chief Operating Officer
Mark McCain, Assistant General Manager, Member Services,
Human Resources and Public Relations
Jody Finklea, General Counsel & CLO
Sue Utley, Executive Assistant to CEO / Asst. Secretary to Board
Chris Gowder, Business Development and System
Operations Director
Susan Schumann, External Affairs Administrator
Dan O'Hagan, Assistant General Counsel and Regulatory
Compliance Counsel

Item 1 – Call to Order, Roll Call

Vice Chairman Dan Robuck, called the meeting to order at 2:03 p.m. on Wednesday, October 16, 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: Bill Conrad, Newberry, moved to set the agenda as presented. George Forbes, Jacksonville Beach, seconded the motion. Motion carried 8 – 0.

Item 3 – Consent Agenda

3a – Approval of the Minutes for the meeting held July 18, 2019

MOTION: Robert Barrios, Key West, moved approval of the Minutes of July 18, 2019. Brent Malever, Ocala, seconded the motion. Motion carried 8 – 0.

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

- 1. Goals Scorecard
- 2. JEA Update

Item 5 – Information Items

5a –Update on Electric Deregulation Florida Supreme Court Proceeding

Jody Finklea updated the Policy Makers on the testimony provided at the Supreme Court Hearing on electric deregulation.

5b – State Legislative Update

Ryan Matthews of Peebles, Smith and Matthews gave an update on what is happening on the state level in Florida politics and issues they are watching for the municipal utilities in Florida.

Item 6 – Member Comments

None

Item 7 – Announcements

7a – Next Meeting: Wednesday, January 15, 2020 at 1 p.m. at FMPA, 8553 Commodity Circle, Orlando, FL

Item 8 - Adjourn

There being no further business, the meeting was adjourned at 2:50 p.m.

After the meeting adjourned, members visited Reedy Creek’s Citrus Ridge Solar Facility.

Dan Robuck
Vice Chairman

Sue Utley
Assistant Secy. to the Board

Date Approved _____

DR/su

Fiscal 2020 Management Goals Scorecard, as of December 31, 2019



| Goal | Status | Actual | YTD Actual | YTD Target | FY'20 Target | Comment |
|---|-----------------|---------|------------|------------|--------------|--|
| 1. Safety (no lost-time accidents for employees/agents) | | 0 | 0 | 0 | 0 | Zero lost time accidents. |
| 2. Compliance (no violations that are not self-reported) | Environ. | 0 | 0 | 0 | 0 | Zero compliance violations. |
| | Financial | 0 | 0 | 0 | 0 | |
| | Regulatory | 0 | 0 | 0 | 0 | |
| 3. Cyber Security (zero cyber breaches: Corp IT & Plant Ops) | | 0 | 0 | 0 | 0 | |
| Members APPA Scorecard | | 3 | 3 | 2 | 12 | |
| Phishing Testing | | 7.2% | 9.1% | 5% or < | 5% or < | Dec – 5 (7.2%) people clicked, “You have a new request from LinkedIn.” Current YTD down from 10.1% in Dec |
| 4. Low Costs (\$/MWh) | Non-Fuel | \$58.09 | \$47.59 | \$52.91 | \$48.55 | Actuals through November and will be updated prior to meeting. YTD MWh sales 5% above target primary driver of 9% all-in costs below target, with gas costs 17% below budget additional significant driver |
| | Fuels | \$22.24 | \$22.50 | \$24.25 | \$24.09 | |
| | All-in | \$80.33 | \$70.09 | \$77.16 | \$72.64 | |
| 5. Reliability | CC EAF | 84% | 85% | 83% | 88% | 84% reliability for all base load units in December. TCEC in planned outage. |
| | KWS Blk Start | | | | | None |
| | SAIDI Reduction | | | | | |

(Continued) Management Goals Scorecard, as of December 31, 2019



| Goal | Status | Comment |
|---|--------|--|
| 6. Energy/Capacity Sales -
Execute wholesale agrmts. with projected margin value \$3.5M for FY2020-2024 | | Homestead 15 MW agreement approved and executed, began serving Jan 1 st .
Winter Park sale transitioned from 10 MW base to partial-requirements Jan 1 st .
Provided additional information to Mount Dora for their bid evaluation. |
| 7. Enhance Pool – for future significant solar resources
- Hire new Exec. Dir.
- Devel. practices for extra reserves and fast start needs
- Devel. mkt. compensation products to manage new solar resources | | Mycoff and Associates selected for Executive Director search and meets with FMPP Executive Committee and Steering Committee Jan. 9.
Task force formed. |
| 8. Member Services
Visits by Leadership Team (75 visits) | | 1 visit in December – total 12 visits YTD. |
| Member Services
15 project oversight | 5 | Bushnell; Economic Development project, Starke; Vo Tech reconduct and conversion |
| Assist solar subscription service - 6 | | In process. |

(Continued) Management Goals Scorecard, as of December 31, 2019



| Goal | Status | Comment |
|--|--------|--|
| <p>9. Promoting Value of Utilities
 Update Member Reports – 16
 Public Presentations by
 Members or FMPA - 10</p> | | <p>In process.</p> |
| <p>10. Solar Project
 - Execute Phase 2 Solar Agreements
 - Assist Members marketing Phase 1
 groundbreaking & energize Phase 1</p> | | <p>Finalizing Phase II agreements for execution.
 Phase I groundbreaking Nov 2019; construction on schedule for June 2020
 COD; marketing in progress.</p> |
| <p>11. ARP Restructuring -
 Reach agreement on desired path
 of Members</p> | | <p>Updates in January & February. Workshops in March & May.</p> |
| <p>12. People
 - Development opportunities/cross
 training/Back-Up – at least 8</p> | | <p>In process of identifying more opportunities for cross training.</p> |
| <p>- FMPA Fleet Team Sharing – 80
 days</p> | | <p>Total of 29 days FYTD. Cane Island staff at TCEC 24 days and SI 2 days in
 December.</p> |

1 A bill to be entitled
 2 An act relating to municipal electric utilities;
 3 creating s. 366.025, F.S.; prohibiting municipal
 4 electric utilities from using specified revenues to
 5 finance general governmental functions; specifying
 6 authorized uses for such revenues; providing an
 7 effective date.
 8

9 Be It Enacted by the Legislature of the State of Florida:
 10

11 Section 1. Section 366.025, Florida Statutes, is created
 12 to read:

13 366.025 Municipal electric utilities.-Notwithstanding any
 14 law to the contrary, a municipal electric utility may not use
 15 any revenues collected for providing electricity to its
 16 customers to finance general governmental functions, to purchase
 17 bonds to finance general governmental functions, or to lend
 18 money to the municipality to finance general governmental
 19 functions within the municipality. The municipal electric
 20 utility must use the revenues exclusively for electric utility
 21 operations and for building, maintaining, renovating, or
 22 otherwise improving the infrastructure of its electric utility
 23 facilities.

24 Section 2. This act shall take effect July 1, 2020.

FMPA Policy Makers Liaisons Committee
January 2020

Michael Nolan
MJN Consulting LLC
Washington, D.C.

- The Second Session of the 116th Congress is underway, but with a great amount of uncertainty. The Iranian conflict, impeachment, and the fall elections hang over the legislative agenda of both chambers.
- Fortunately, Congress was able to approve major pieces of legislation just before the holiday break, including federal spending bills, a major defense measure, the USMCA trade pact, and a slimmed-down tax package. Debate over some of these will continue this year.
- Top priorities for the energy community include climate change legislation; tax treatment of wind, solar, and other renewables; an energy package in the Senate; a possible highway bill; and maybe infrastructure.
- Climate legislation is coming, but only in the House of Representatives. The House Energy and Commerce Committee is expected to release a major package of climate proposals later this month. It will be a broad, economy-wide package that includes various ideas—including a clean energy standard for electric utilities—that help achieve the panel’s goal of net-zero emissions by 2050. The measure will not contain any carbon pricing mechanism.
- The House Select Committee on the Climate Crisis, chaired by Rep. Kathy Castor (D-FL), is also expected to release their climate plan in March.
- The Senate is not expected to take up any climate legislation this year, but a large and bipartisan energy package could gain traction once the Energy and Natural Resources Committee approves their plan. The package will contain many of the 52 bills already approved by the panel, including energy storage, efficiency, and a clean energy R&D program.
- A new highway bill is coming in the House, something that has bipartisan appeal in both chambers. The measure will reauthorize the FAST Act, and include provisions for electric vehicle charging infrastructure. A Senate committee has already approved a major surface transportation bill.
- Despite passage of a tax extenders bill in December, there is unfinished business that needs attention, including extending certain renewable and investment tax credits, which were left out of the recent package, as well as offshore wind credits. Energy storage tax proposals and popular EV tax breaks, strongly supported by the utility industry, will also be debated.
- Nominations are coming: FERC needs two new commissioners and FEMA needs to make Pete Gaynor a full administrator, instead of acting. The WH is expected to re-nominate folks to these positions.
- Key issues at next month’s APPA Legislative Rally include tax treatment of municipal bonds, climate proposals, infrastructure—including EV charging stations—and cyber and physical threats to the electric grid.