



FMPA BOARD OF DIRECTORS AGENDA PACKAGE

**April 16, 2020
9:00 a.m. [NOTE TIME]
Dial-in Info 877-668-4493 or 650-479-3208
Meeting Number 732 532 012#
PASSWORD – 8553#**

Board of Directors

Barbara Quiñones, Homestead –Chair
Lynne Tejeda, Key West – Vice Chair
Larry Mattern, Kissimmee – Secretary
Allen Putnam, Jacksonville Beach – Treasurer
Rodolfo Valladares, Alachua
Bradley Hiers, Bartow
Vacant, Blountstown
Jody Young, Bushnell
Robert Presnell, Chattahoochee
Lynne Mila, Clewiston
Jan Bagnall, Fort Meade
John Tompeck, Fort Pierce
Tom Brown, Gainesville
Robert Page, Green Cove Springs
Howard McKinnon, Havana
Ed Liberty, Lake Worth Beach

Michael Beckham, Lakeland
Brad Chase, Leesburg
Vacant, Moore Haven
Steve Langley, Mount Dora
Bill Conrad, Newberry
Joe Bunch, New Smyrna Beach
Sandra Wilson, Ocala
Claston Sunanon, Orlando
Vacant, Quincy
Bill Sturgeon, St. Cloud
John Holman, Starke
Rob McGarrah, Tallahassee
James Braddock, Wauchula
Scott Lippmann, Williston
Dan D'Alessandro, Winter Park

Meeting Location

**Florida Municipal Power Agency
8553 Commodity Circle
Orlando, FL 32819
(407) 355-7767**



MEMORANDUM

TO: FMPA Board of Directors
FROM: Jacob A. Williams, General Manager and CEO
DATE: April 6, 2020
RE: **FMPA Telephonic Board of Directors Meeting – 9:00 a.m., April 16, 2020**
[NOTE TIME]
PLACE: Florida Municipal Power Agency
8553 Commodity Circle, Orlando, FL 32819
DIAL-IN: **DIAL-IN INFO 877-668-4493 or 650-479-3208,**
Meeting Number 732 532 012# – PASSWORD – 8553#
(If you have trouble connecting via phone or internet, call 407-355-7767)

AGENDA

Chairperson Barbara Quiñones, Presiding

- 1. Call to Order, Roll Call, Declaration of Quorum 4**
- 2. Recognition of Guests..... 5**
- 3. Public Comments (Individual public comments limited to 3 minutes)..... 6**
- 4. Set Agenda (by vote) 7**
- 5. Report from the General Manager (Jacob Williams)..... 9**
- 6. Sunshine Law Update (Dan O'Hagan)..... 17**
- 7. Consent Agenda**
 - a. Approval of the Minutes for the Telephonic Meeting Held March 19, 2020 ... 19
 - b. Approval of the Projects' Preliminary Financials as of February 29, 2020..... 24
 - c. Approval of the Treasury Reports as of February 29, 2020 26

8. Action Items

- a. None29

9. Information Items

- a. MSAC Recommendation to Withdraw From ECG Safety Training Services
(Mike McCleary)..... 31
- b. Development Fund Interest for Solar Project * (Linda S. Howard) 43
- c. 2020 Emissions Projections * (Jacob Williams/Susan Schumann) 49
- d. Human Resources Quarterly Report (Sharon Adams) 59
- e. Summary of Finance Committee Items (Linda S. Howard) 73

10. Member Comments..... 76

11. Adjournment..... 77

***Also on the Executive Committee agenda.**

JW/su

The participants in the above referenced public meeting will conduct the public meeting by telephone, via a telephone conference hookup. There will be a speaker telephone made available for any interested person to attend this public meeting and be fully informed of the discussions taking place by telephone conference hookup at FMPA's headquarters, located at 8553 Commodity Circle, Orlando, Florida 32819-9002. 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. Any interested person may contact FMPA for more information on this public meeting by calling (850) 297-2011 or (877) 297-2012 or writing to: Open Government Law Compliance Coordinator, Florida Municipal Power Agency, 2061-2 Delta Way, Post Office Box 3209, Tallahassee, Florida 32315-3209.

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

**Board of Directors Meeting
April 16, 2020**

**AGENDA ITEM 2 – RECOGNITION OF
GUESTS**

**Board of Directors Meeting
April 16, 2020**

**AGENDA ITEM 3 – PUBLIC
COMMENTS (Individual Public
Comments Limited to 3 Minutes)**

**Board of Directors Meeting
April 16, 2020**

**AGENDA ITEM 4 – SET AGENDA (By
Vote)**

**Board of Directors Meeting
April 16, 2020**

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

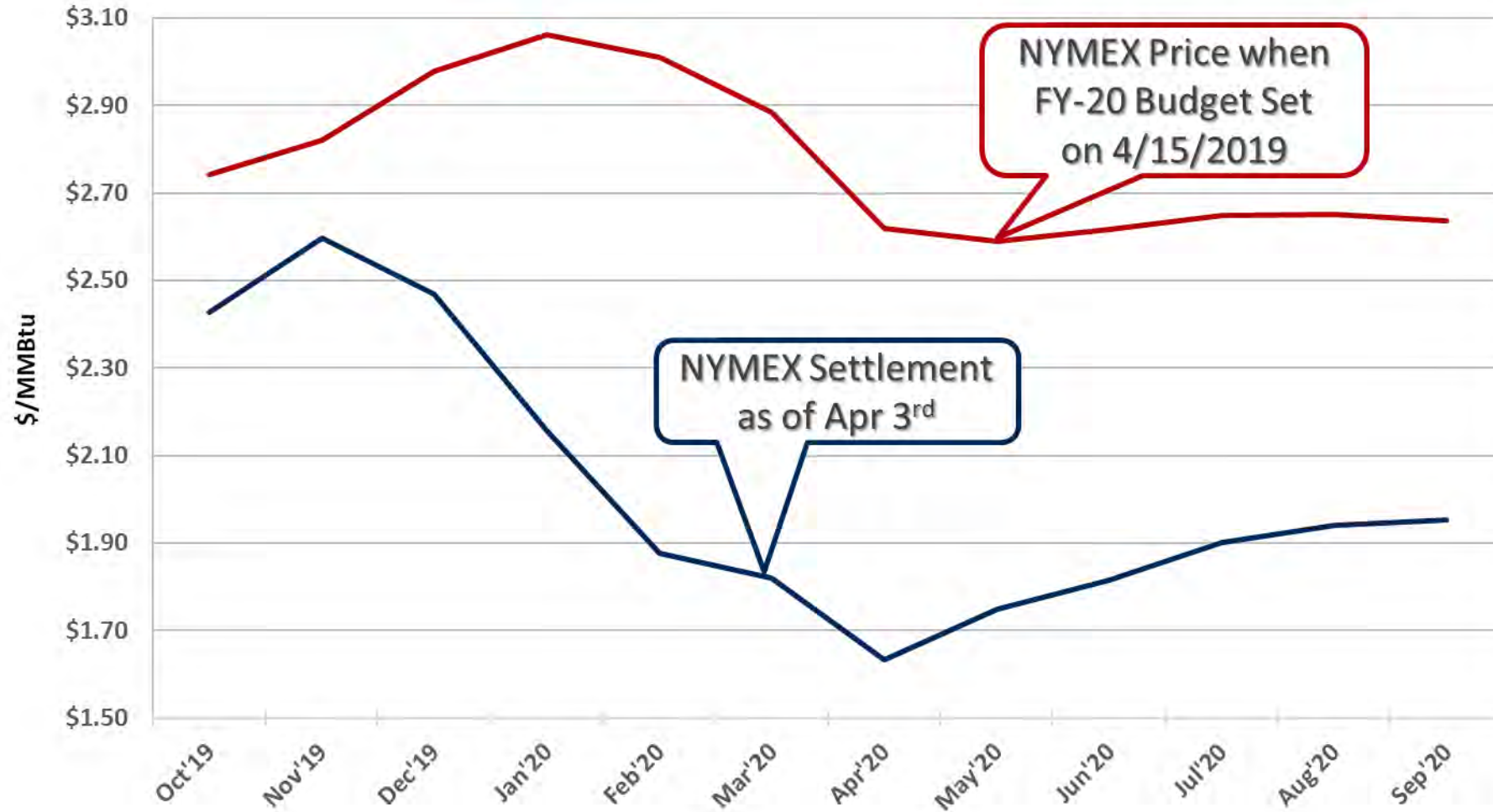
**Board of Directors Meeting
April 16, 2020**

Fiscal 2020 Management Goals Scorecard, as of March 31, 2020

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				5	2	12	
Phishing Testing			5.6%	7.6%	5% or <	5% or <	Spoofing FMMA: "VPN Account Deactivation Policy" 4 Clickers
4. Low Costs (\$/MWh)	Non-Fuel		\$60.16	\$52.96	\$54.30	\$48.55	Feb. 2020 data will be updated by meeting with March 2020 data. YTD MWh sales 2.1% below target. Main drivers of all-in costs ~8% (~\$6/MWh) below YTD Target - fuel expenses 22% below target & O&M expenses ~3% below target.
	Fuels		\$15.14	\$19.38	\$24.10	\$24.09	
	All-in		\$75.30	\$72.76	\$78.41	\$72.64	
5. Reliability	CC EAF		80%	89%	83%	88%	Cane Island Unit 3 was in a forced outage. Cane Island Unit 4 was in a scheduled outage.
	KWS Blk Start						None
	SAIDI Reduction		2	n/a	n/a	7	

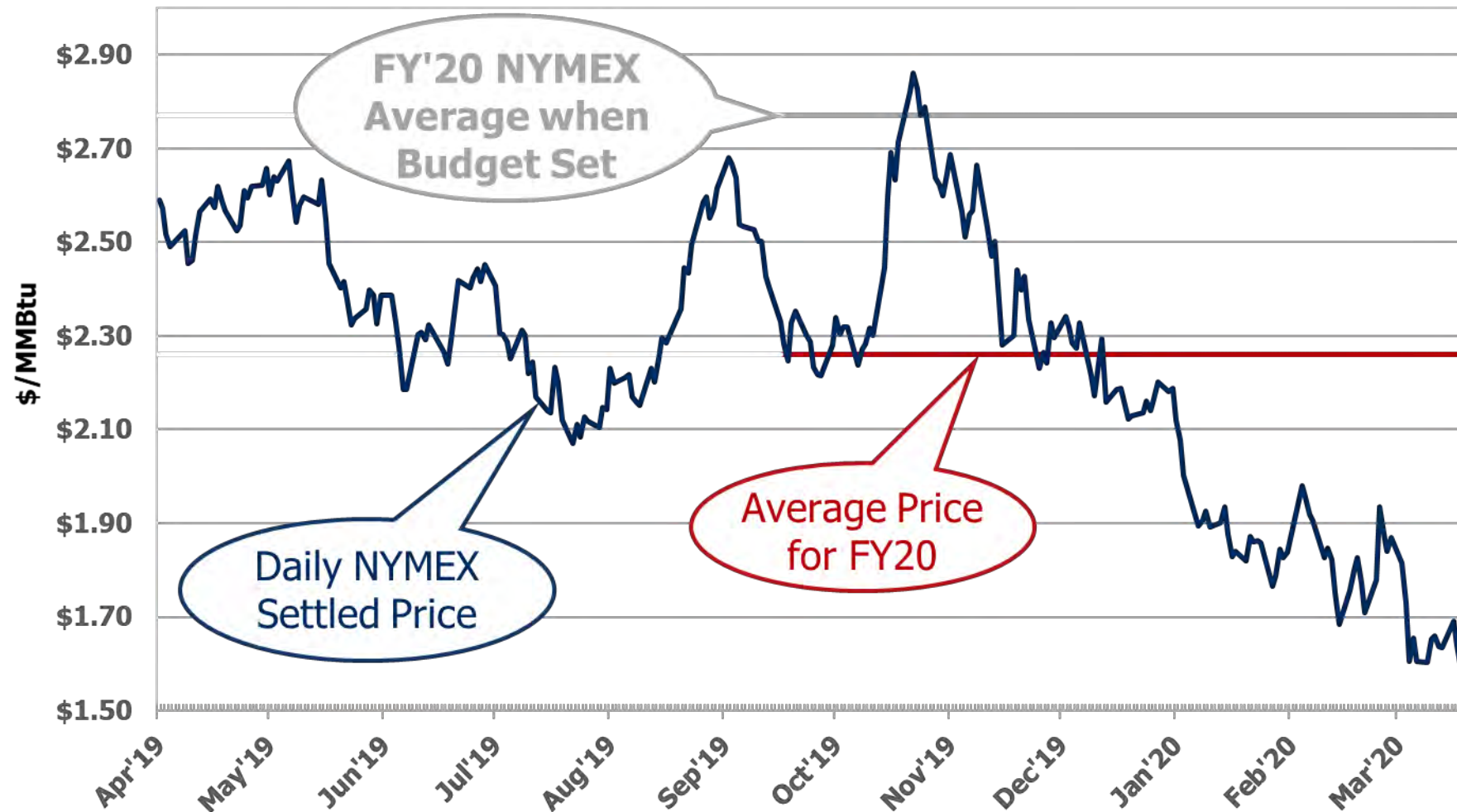
FY 2020 NYMEX Contract \$0.74/MMBtu Below Budget

NYMEX Natural Gas Settlement (as of 4/03/20)



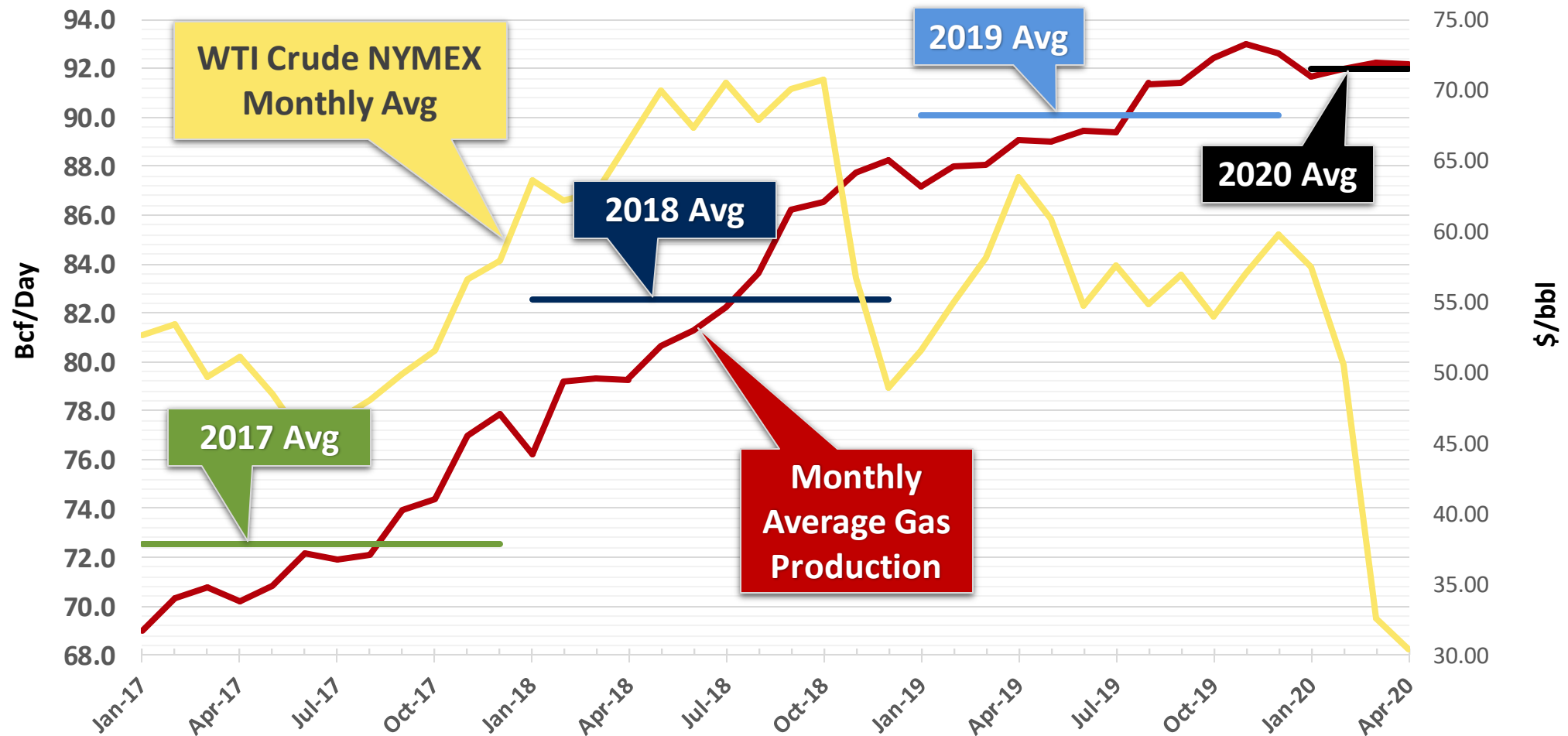
Daily NYMEX Strip Action for since FY 2020 Budget Set

Daily Settled Price \$0.51 Below Budget as of Apr 3rd Settlement



Natural Gas Production Following Changes in Oil Prices

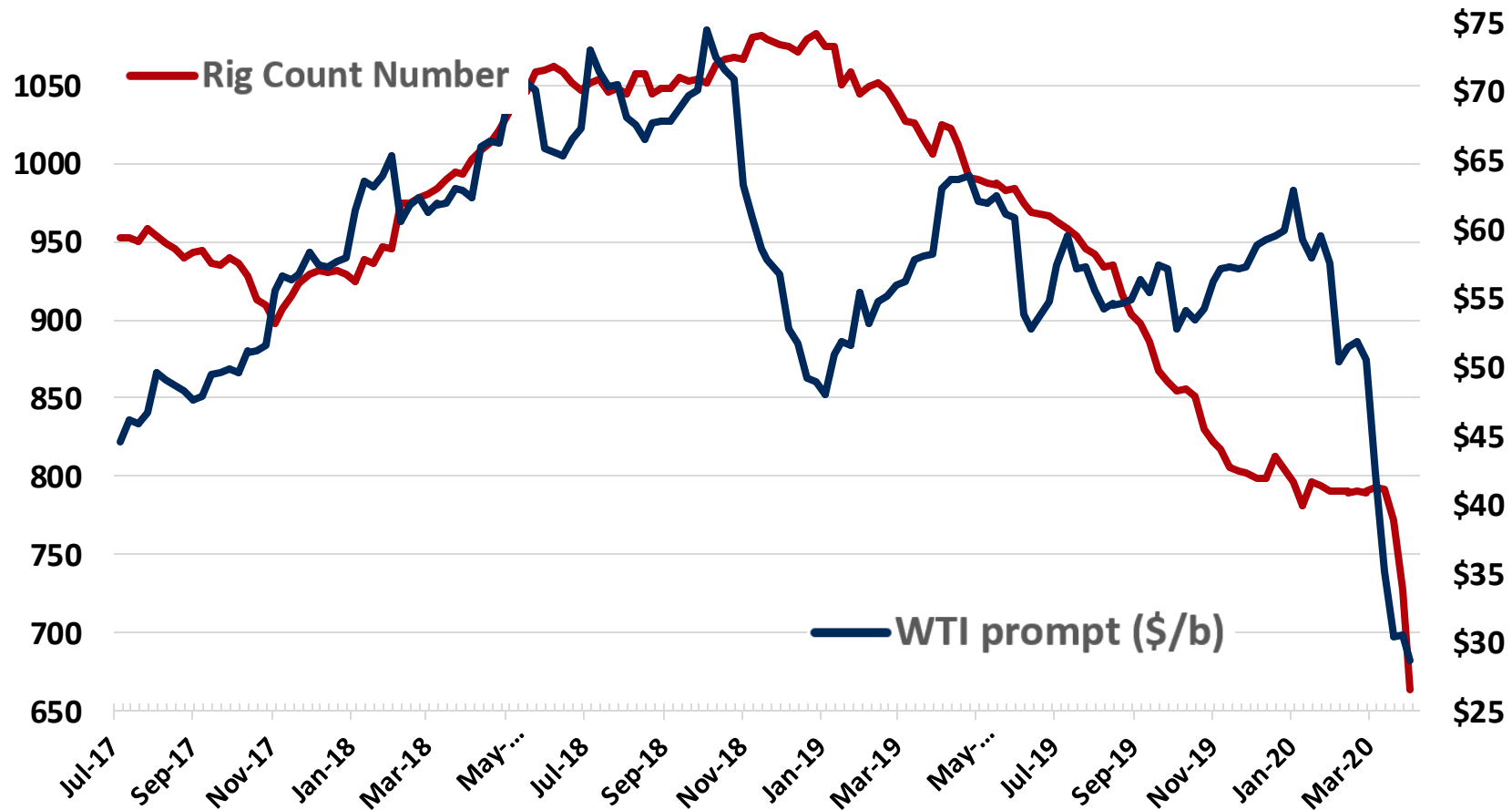
Average Monthly Change Since 2017 to Date (4/03/20)



Drilling Rig Count Declines as Oil Prices Move Lower

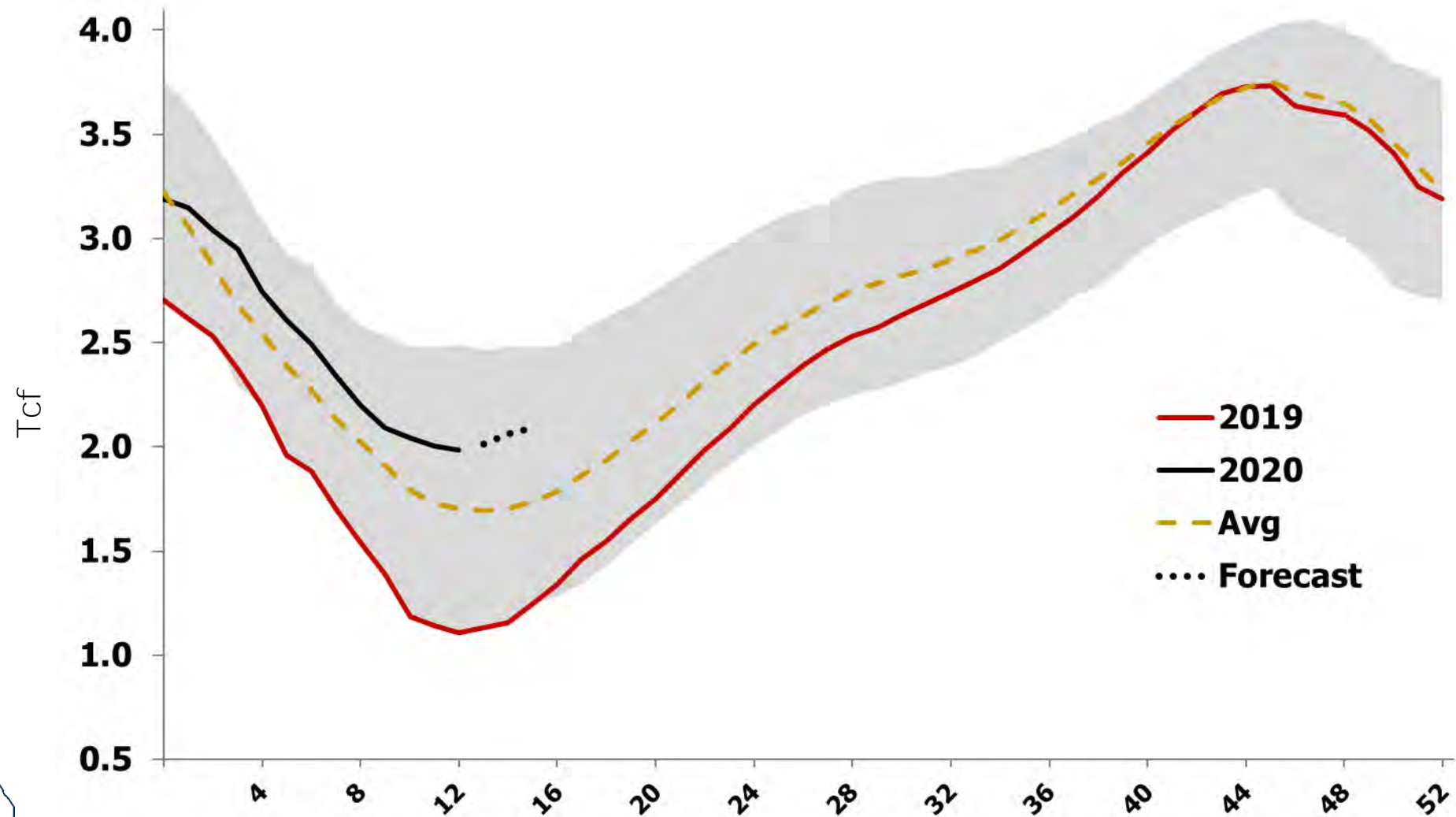
Drilling Rig Expansion resumes decline as WTI Price falls (as of Apr 3rd)

US Drilling Rig Count vs WTI Prompt



Gas Storage Inventory as of Week Ending April 3rd

2020 Injection Season trending above the 5 Year Average



(Continued) Management Goals Scorecard, as of February 29, 2020



Goal		Status	Comment
6. Energy/Capacity Sales - Execute wholesale agrmts. with projected margin value \$3.5M for FY2020-2024			Reedy Creek off-peak energy sale extended through April at 25 MW.
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			Executive Director interviews delayed until at least the end of May. FMPP Solar Task Force had a webinar with a representative from Southwest Power Pool to learn about operational and market solutions to variable resource impacts.
8. Member Services Visits by Leadership Team (75)			12 visits in March. YTD total is 47.
Member Services	15 project oversight		13 YTD. Started in March the Beaches Operational Business Plan, Blountstown recloser coordination, Winter Park cap bank, support on rate reductions in response to COVID-19
	Assist solar subscription service - 6		<ul style="list-style-type: none"> •KUA has implemented program, prepared for July solar energy billing. •Actively working on subscription rates for 2 members: FPUA, Ocala. •Detailed introductory information shared with 3 additional interested members: NSB, Mount Dora, KEYS. Note: Solar members are encouraged to contact FMPA if interested in investigating solar subscriptions for your city.

(Continued) Management Goals Scorecard, as of February 29, 2020

Goal	Status	Comment
9. Promoting Value of Utilities Update Member Reports – 16 Public Presentations by Members or FMFA - 10		6 of 16 Member Reports Updated/Completed: Bartow, Green Cove Springs, Havana, Mount Dora, Starke, Wauchula. 0 of 10 Public Presentations complete or scheduled. (COVID-19 restrictions will limit opportunities for public presentations).
10. Solar Project - Execute Phase 2 Solar Agreements - Assist Members marketing Phase 1 groundbreaking & energize Phase 1		<ul style="list-style-type: none"> •Phase II Agreements fully executed. •Phase I construction photos and videos for marketing and promotion are being distributed to members and posted on social media on a regular basis. •“Behind the Switch” social media campaign highlighted LWB, KUA, OUC, and FMFA during the month of March •Phase I Harmony and Taylor Creek on schedule for June 2020 COD.
11. ARP Restructuring - Reach agreement on desired path of Members		March workshop was cancelled. Plan to have workshop in May.
12. People - Development opportunities/cross training/Back-Up – at least 8		Development plans for team members have been completed. New development opportunity in the Financial analysis and rates area. New accounting software is up and running so training on the AP is beginning. Four total development opportunities have been identified.
- FMFA Fleet Team Sharing – 80 days		Total of 80 days FYTD. No team sharing for the month of March.

VERBAL REPORT

AGENDA ITEM 6 – SUNSHINE LAW UPDATE

**Board of Directors Meeting
April 16, 2020**

**AGENDA ITEM 7 – CONSENT
AGENDA**

- a. Approval of the Minutes for the
Telephonic Meeting Held March
19, 2020**

**Board of Directors Meeting
April 16, 2020**

CLERKS DULY NOTIFIEDMARCH 10, 2020
AGENDA PACKAGES POSTEDMARCH 10, 2020

MINUTES
FMPA TELEPHONIC BOARD OF DIRECTORS MEETING
FLORIDA MUNICIPAL POWER AGENCY
8553 COMMODITY CIRCLE
ORLANDO, FL 32819
THURSDAY, MARCH 19, 2020
9:00 A.M.

MEMBERS Jody Young, Bushnell
PRESENT Lynne Mila, Clewiston
VIA John Tompeck, Fort Pierce
TELEPHONE Tom Brown, Gainesville
Bob Page, Green Cove Springs
Howard McKinnon, Havana
Barbara Quinones, Homestead
Allen Putnam, Jacksonville Beach
Lynne Tejeda, Key West
Larry Mattern, Kissimmee
Ed Liberty, Lake Worth Beach
Brad Chase, Leesburg
Bill Conrad, Newberry
Joe Bunch, New Smyrna Beach
Sandra Wilson, Ocala
Claston Sunanon, Orlando
John Holman, Starke
Rob McGarrah, Tallahassee
James Braddock, Wauchula
Michael Passarella, Winter Park

*joined after roll call.

OTHERS Paul Jakubczak, Fort Pierce
PRESENT Gary Baysinger, Gainesville
VIA Billy Branch, Homestead
TELEPHONE Jim Williams, Leesburg
Eric Weaver, Ocala
Craig Dunlap, Dunlap & Associates, Inc.
Amy Zubaly, FMEA
JoLinda Herring, BMO
Jonathan Nunes, nFront Consulting
Ryan Matthews, Peebles Smith & Matthews
Ivette Sanchez, Power Engineers
Rafael Coured, Power Engineers

**STAFF
PRESENT**

Jacob Williams, General Manager and CEO
Jody Finklea, General Counsel and CLO (via telephone)
Ken Rutter, Chief Operating Officer
Linda S. Howard, Chief Financial Officer
Carol Chinn, Chief Information and Compliance Officer
Mark McCain, Assistant General Manager, Member Services
and Public Relations
Dan O'Hagan, Assistant General Counsel and Regulatory
Compliance Counsel
Sue Utley, Executive Asst. /Asst. Secy. to the Board
Mike McCleary, Manager of Member Services Development
Sharon Adams, Human Resources Director
Cairo Vanegas, Manager of Member Services Development
Chris Gowder, Business Development and Planning Manager
Susan Schumann, Manager of External Affairs and Solar Projects
David Schumann, Power Generation Fleet Director
Truong Le, Manager of Regulatory Compliance
Luis Cruz, Information Technology Manager
Jesse Rivera, Information Technology Support Specialist
Isabel Montoya, Information Technology Intern

ITEM 1 - CALL TO ORDER, ROLL CALL AND DECLARATION OF QUORUM

Chair Barbara Quiñones, Homestead, called the telephonic Board of Directors meeting to order at 9:00 a.m. on Thursday, March 19, 2020, via telephone with FMPA staff in the Frederick M. Bryant Board Room at Florida Municipal Power Agency, 8553 Commodity Circle, Orlando, Florida. The roll was taken and a quorum was declared with 18 members present representing 30 votes out of a possible 47.5. John Holman, Starke, joined after roll call bringing the total members present to 19 representing 32 out of a possible 47.5 votes.

ITEM 2 – Recognition of Guests

None

ITEM 3 – PUBLIC COMMENTS (Individual Public Comments Limited to 3 Minutes)

None

ITEM 4 – SET AGENDA (by vote)

MOTION: Howard McKinnon, Havana, moved that information items 9d, 9e and 9f from the Executive Committee agenda be moved to the end of the information items on Board of Directors agenda. Allen Putnam, Jacksonville Beach, seconded the motion. Motion carried 32 – 0.

ITEM 5 – REPORT FROM THE GENERAL MANAGER

Jacob Williams reported on the following items:

1. Goals Scorecard & COVID-19 Update

ITEM 6 – SUNSHINE LAW UPDATE

Dan O'Hagan reported on Florida Government in the Sunshine Law regarding virtual/telephonic meetings.

ITEM 7 – CONSENT AGENDA

- a. Approval of Minutes – Meeting Held February 13, 2020
- b. Approval of the Projects' Preliminary Financials as of January 31, 2020
- c. Approval of the Treasury Reports as of January 31, 2020

MOTION: Lynne Tejeda, Key West, moved approval of the Consent Agenda as presented. John Holman, , seconded the motion. Motion _____.

ITEM 8 – ACTION ITEMS

- a. None

ITEM 9 – INFORMATION ITEMS

a. Regulatory Compliance Update

Truong Le presented the Regulatory Compliance Update.

b. Phase I Solar Update

Susan Schumann reported on the Phase I Solar Update.

c. Update on Solar Subscription Service

Susan Schumann updated the Board on the Solar Subscription Service.

d. 2019 Emissions Update

Jacob Williams presented an update on FMPA's 2019 Emissions for the plants.

e. Mobile Substation Update

Cairo Vanegas presented information he has obtained on the Mobile Substation service. He said there is a planned workshop for April 22, 2020. That date may be moved out because of the COVID-19 pandemic.

f. Update on Acumatica Accounting Software

Danyel Sullivan-Marrero presented information on FMPA's new accounting software, Acumatica.

EC 9d – Holloway Solar Project in the City of Leesburg

Susan Schumann reported on a possible solar project in the City of Leesburg.

EC 9f – Update on ARP Prepaid Gas Transactions

Linda S. Howard reported on the ARP prepaid gas transactions.

EC 9g – Extension of FGT Gas Transportation Capacity Serving Cane Island

Ken Rutter information on extending the FGT Gas transportation capacity serving Cane Island.

ITEM 10 – MEMBER COMMENTS

None

ITEM 11 – ADJOURNMENT

There being no further business, the meeting was adjourned at 10:53 a.m.

Barbara Quiñones
Chairperson, Board of Directors

Larry Mattern
Secretary

Approved: _____

Seal

BQ/LM/su

**AGENDA ITEM 7 – CONSENT
AGENDA**

- b. Approval of the Projects’
Preliminary Financials as of
February 29, 2020**

**Board of Directors Meeting
April 16, 2020**



Linda S. Howard, CPA, CTP
Chief Financial Officer

AGENDA PACKAGE MEMORANDUM

TO: FMPA Board of Directors
FROM: Linda Howard
DATE: April 7, 2020
ITEM: 7b – Approval of Projects’ Financials as of February 29, 2020

Discussion: The summary financial statements and detailed financial statements of the Projects for the period ended February 29, 2020 are posted on the Document Portal section of FMPA’s website.

Recommended: Move approval of the Projects’ Financial Reports for the month ended February 29, 2020.

LH/GF

**AGENDA ITEM 7 – CONSENT
AGENDA**

- c. Approval of the Treasury Reports
as of February 29, 2020**

**Board of Directors Meeting
April 16, 2020**



AGENDA PACKAGE MEMORANDUM

TO: FMPA Board of Directors
FROM: Gloria Reyes
DATE: April 7, 2020
ITEM: BOD 7(c) – Approval of Treasury Reports as of February 29, 2020

Introduction This agenda item is a quick summary update of the Treasury Department's functions.

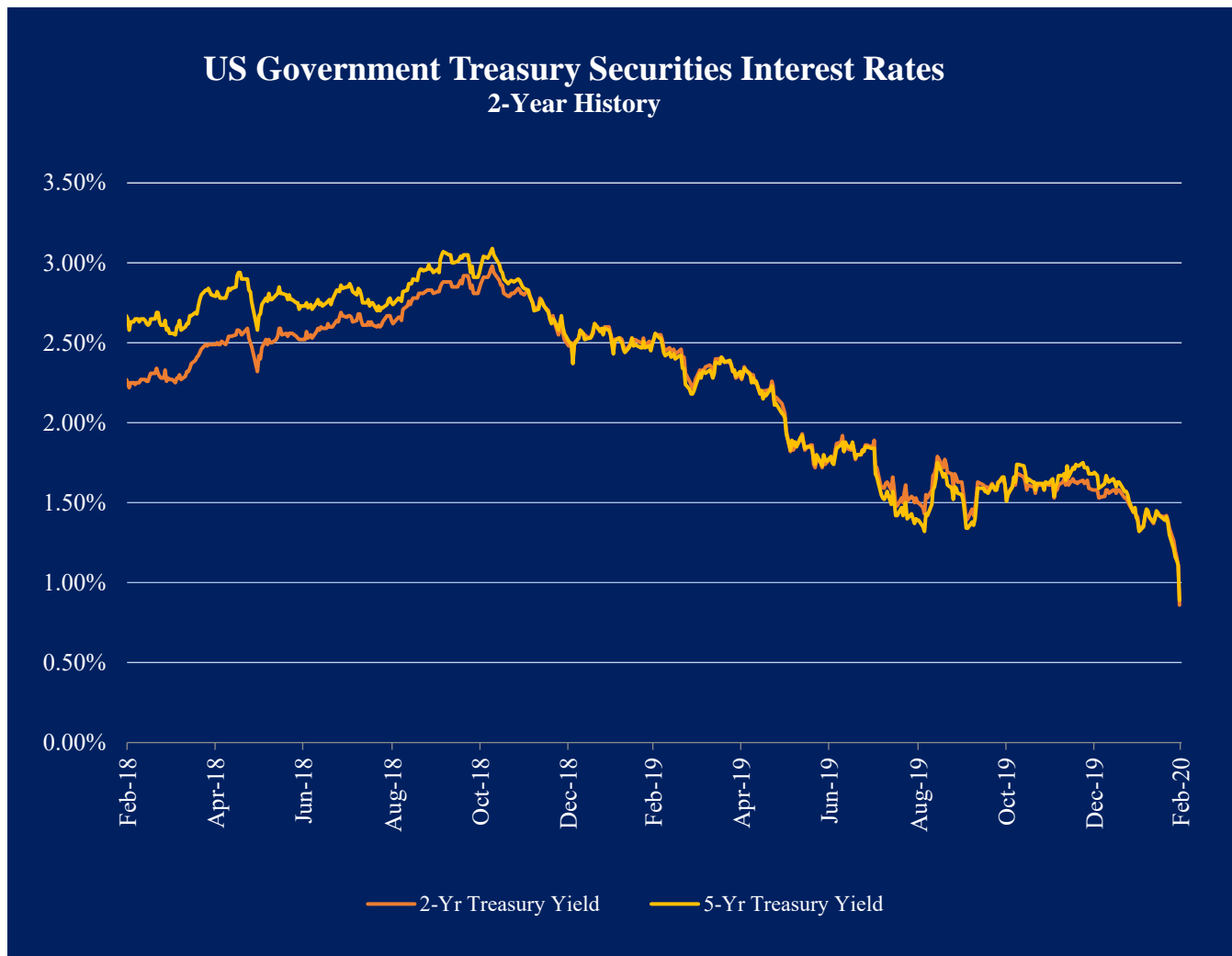
The Treasury Department reports for February are posted in the member portal section of FMPA's website.

Debt Discussion Below is a summary of the total debt outstanding and the percentage of debt that was fixed, variable or synthetically fixed with interest rate swaps as of February 29, 2020.

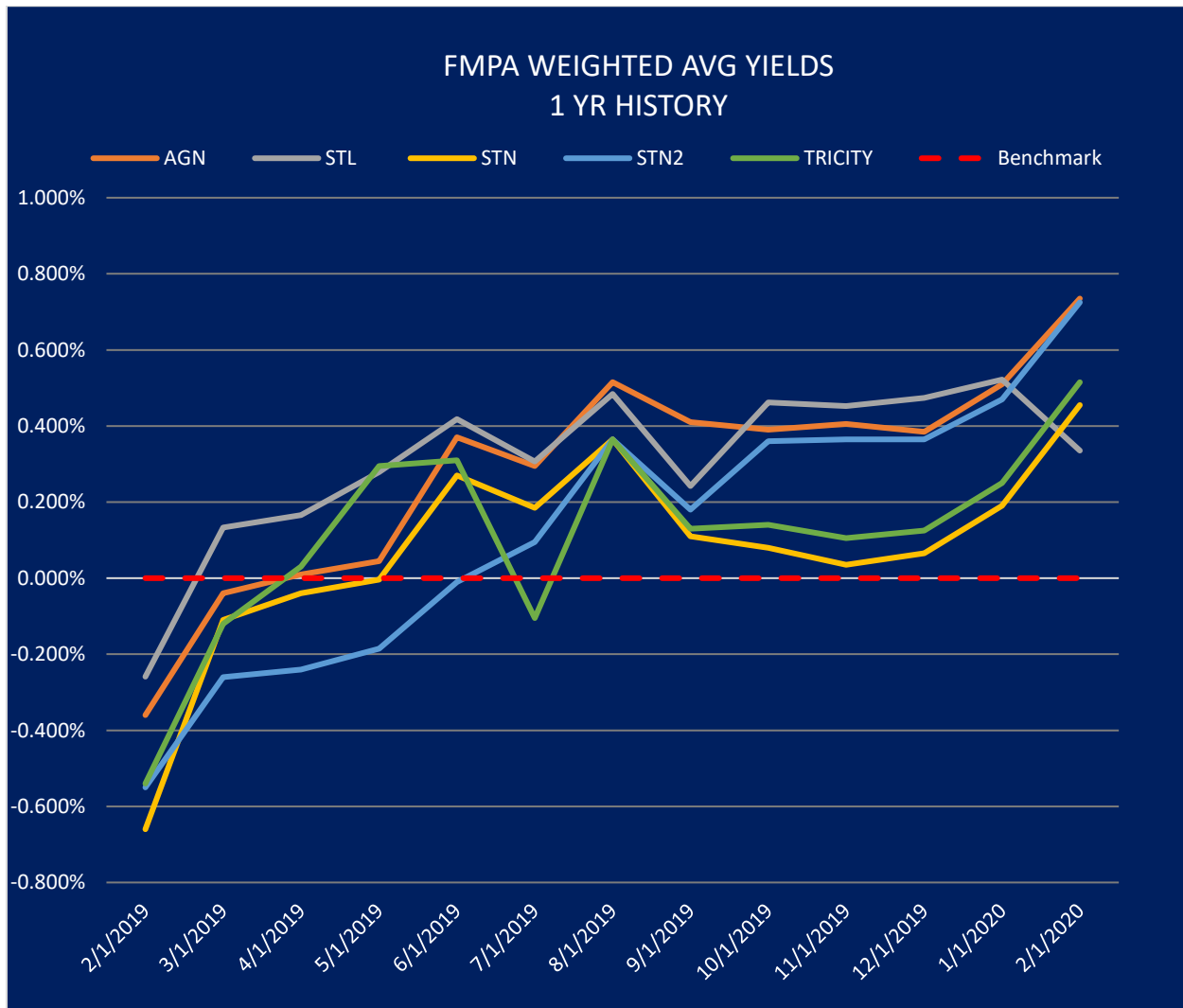
	Total debt Outstanding	Fixed Rate	Variable Rate	Synthetically Fixed
Agency	0.00	0%	0%	0%
St Lucie	117,135,000	100%	0%	0%
Stanton	0.00	0%	0%	0%
Stanton II	112,054,000	100%	0%	0%
Tri City	0.00	0%	0%	0%

Investment Discussion The investments in the Projects are comprised of debt from the government-sponsored enterprises such as the Federal Farm Credit Bank, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation (Freddie Mac), and Federal National Mortgage Association (Fannie Mae), as well as investments in U.S. Treasuries, Certificates of Deposits, Commercial Paper, Municipal Bonds, Corporate Notes, Local Government Investment Pools and Money Market Mutual Funds.

Below is a graph of US Treasury yields for the past 2 years. The orange line is the 2-year Treasury which closed the month of February at .86%. The yellow line is the 5-year Treasury which was .89%.



The weighted average yields on investments earned as of February 29, 2020 in the Projects, along with their benchmark (Average of Florida Prime Fund and 2-year treasury), are as follows:



Recommended
 Motion

Move approval of the Treasury Reports for February 29, 2020.

AGENDA ITEM 8 – ACTION ITEMS

a. None

**Board of Directors Meeting
April 16, 2020**

**AGENDA ITEM 9 – INFORMATION
ITEMS**

- a. MSAC Recommendation to
Withdraw From ECG Safety
Training Services**

**Board of Directors Meeting
April 16, 2020**



9a – MSAC Recommendation to Withdraw from ECG Safety Training Services

FMIPA Board of Directors

April 16, 2020

Background – Training and Safety History



ECG Alliance Contract Includes Several Services

- Subscription services:
 - 10 Safety meetings annually
 - Lineman apprentice program
 - Other utility-focused training
- Non-subscription services:
 - Engineering
 - Tree trimming contracts
 - Joint purchasing
- Subscription services were the ones used by the membership
 - Only a portion of the members used the apprenticeship or other training

MSAC Initial Discussion of Current Program

- MSAC met Oct. 31, 2019, to discuss current training program
- Some members felt current offerings inadequate for their needs
- Others satisfied but willing to look at options
- Pricing structure didn't show value if only using safety meetings
- MSAC appointed a subcommittee to investigate options

MSAC Training and Safety Subcommittee

- Held 5 meetings over 4 months
- Discussed current training and safety program
 - ECG has made efforts to improve the existing program
 - Some members satisfied with existing program
 - Other wanted to explore options
- Discussed the members' goal for the training and safety program
 - A more cafeteria-style service was requested
- Decided to issue an RFP for safety services

Results of the RFP

Electric Cities of Georgia Did Not Respond to the RFP

- Current program and pricing are known, and pricing structure is not expected to change
- 10 safety meeting per year with a dedicated instructor; cost allocation includes base fee for each utility participant and a cost per student
- Three-year lineworker apprenticeship program
 - \$3,000 for utilities in the safety training program
 - \$6,000 for utilities not in the program
- Additional classes available

Results of the RFP

SET Solutions Provided Full Response, Priced on Visit/Hourly

- Safety meetings with subscription ~\$1,800*/meeting/most of day
- 7 trainers listed
 - 4 with direct construction experience
 - 3 with other backgrounds and specialization in safety
- Experience delivering apprenticeship, would tailor program for FMMPA
 - Costs will need to be determined if we choose this path
- Utilizes Incident Prevention programs for E-learning

*Travel costs could impact overall pricing

Results of the RFP

TVPPA Provided a Full Response, Price Based on Each Class

- Safety meetings have three price points: \$1,750, \$1,500 and \$1,200
 - We would anticipate being at the \$1,500 price point
- 50+ trainers most with construction or engineering experience
- Has an established DOL apprenticeship, 4-year program ~\$7,500, cost is per unit, no stranded cost if apprentice drops
- Has a host of other programs that can be delivered at various costs

Refreshed Pricing Structure for Safety Training

Assuming TVPPA Provides the Safety Meetings

- TVPPA training program would result in significant savings to all current safety training participants
- Proposed pricing assumes existing participants will receive 10 safety meetings; provides cafeteria option for those who want fewer
- Final decision on future training has not been reached
- Because of ECG Alliance Contract notice requirements, MSAC chose to move forward with termination recommendation

Termination Provision and Process

- Current ECG contract has minimum 13-month cancellation notice; Provide notice by May 30, 2020, to terminate by June 30, 2021
- Any change in term must be approved by FMMPA's Board of Directors
- FMMPA has agreements with each participating member (17 cities) that mirrors the ECG agreement
- Subcommittee met March 23 and unanimously approved providing termination notice to ECG and recommended same to MSAC
- MSAC met March 25 and unanimously approved providing termination notice to ECG and recommended same to FMMPA's Board

Recommended Action

- Presented to Board in April as an information item
- In May, recommendation motion will be:
 - Move approval to authorize a termination notice from FMPA to Electric Cities of Georgia (ECG) for the Alliance Services Contract and submit the notice to ECG no later than May 30, 2020, which will terminate the contract effective June 30, 2021. In addition, provide termination notice from FMPA to each FMPA member participating in the Lineman's Safety Training Participation Agreement to align the contract termination dates effective June 30, 2021.

**AGENDA ITEM 9 – INFORMATION
ITEMS**

**b. Development Fund Interest for
Solar Project**

**Board of Directors Meeting
April 16, 2020**



9b-Development Fund Interest for Solar Project

Board of Directors

April 15, 2020

Development Fund

Built Up Through Project Participant Contributions

- All power supply project participants have paid into the Development Fund over the years
- When those members participate in new projects that used the Development Fund as seed money, they are obtaining the benefit of savings
- Not all members that paid into the Development Fund however, are participating in the Solar Project

History

Revisit Past Discussion

- Historically, no interest has been charged when the development was used
- Usage of the funds to date have been very short term in nature – repaid within a year or two

Solar Project Usage

20 Year Payback

- The 20 year horizon contemplated by the Solar Project is something new
- It would be unusual, generally, to see no interest on a loan or use of funds for this long of a period
- If the amount used is \$1.2M as anticipated, it would result in about
 - \$270k in interest, based on an interest rate of 2% for 20 years
 - Each participant amount based on appropriate % allocation
- The 2%* rate is based on the yields of the current portfolio mix between Fannie Mae (1.448%) and AA Corp debt (2.6%) with an 80/20 split and level debt service payments



Discussion

**AGENDA ITEM 9 – INFORMATION
ITEMS**

c. 2020 Emissions Projections

**Board of Directors Meeting
April 16, 2020**



PMLC 4c, BOD 9c, EC 9c Update on Emissions

Policy Makers Liaisons Committee,
Board of Directors, Executive Committee

April 15 & 16, 2020

U.S. House Issued CLEAN Future Act (CFA) in 2020

Bill Not Expected to Pass in 2020 But Sets Policy Proposals

- CFA a draft bill released by House Energy and Commerce Committee
- Bill would reduce economywide GHG emissions from 2005 base by 50% in 2030 and to net-zero by 2050
- Committee leaders see this as year for developing policy proposals
- No expectation bill will become law this year, but see which proposals garner support and which garner resistance
- Democratic objective to be prepared for potentially more favorable political climate after November elections
- Some have proposed fracking ban by 2025, which would completely upend energy prices in the U.S. and challenge grid reliability

FMPA's Low-Cost Plan Can Achieve Goal for 2030

Reduce GHG Emissions by 50% and Maintain Affordability

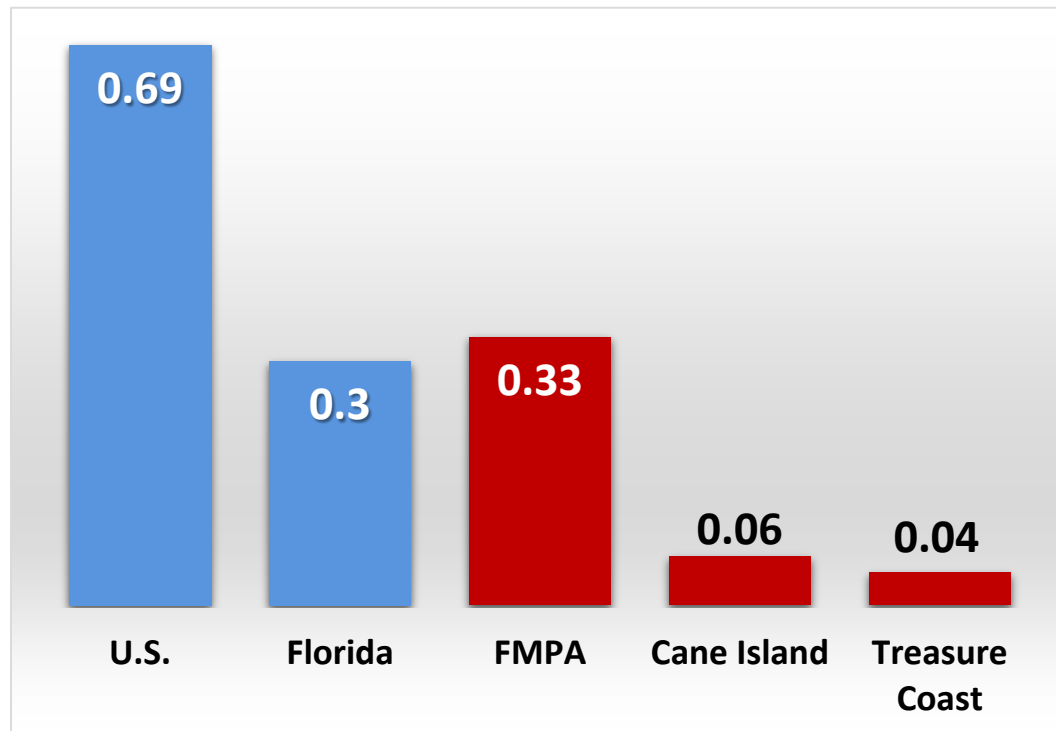
- FMPA's low-cost plan can achieve 50% GHG emission reduction by 2030
 - Need to increase natural gas generation and add solar at the expense of coal
- Cost for such a plan very affordable assuming affordable natural gas
- Plan through 2030 appears very manageable and limited challenges to reliability
- Effort to head toward net zero GHG creates significant cost and reliability concerns with current- and near-term technology gains
- Require significant overbuild of solar and massive battery deployment for power 16+ hours a day and at times run for 5-7 days straight
- Could easily mean doubling or tripling electricity prices or more

FMPA Has a Clean Generation Fleet

Emissions Below U.S. Averages by 50% and ~80%

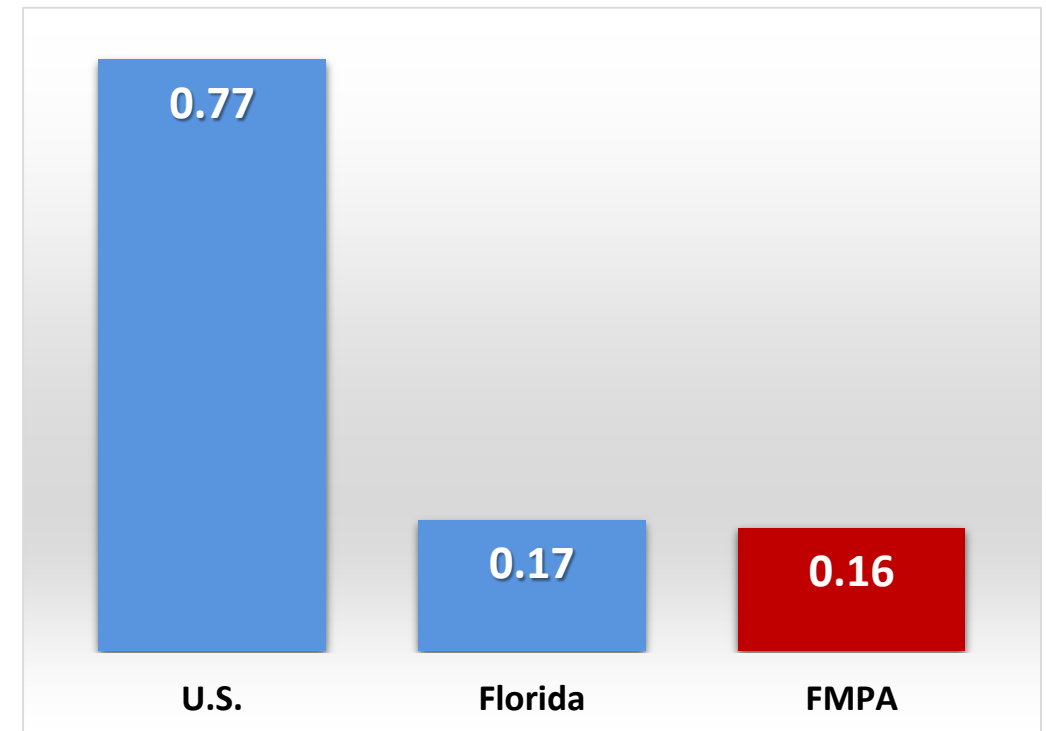
NO_x 50% Below U.S. Average

Lbs./MWh, all generation, 2019 data



SO₂ Nearly 80% Below U.S. Average

Lbs./MWh, all generation, 2019 data



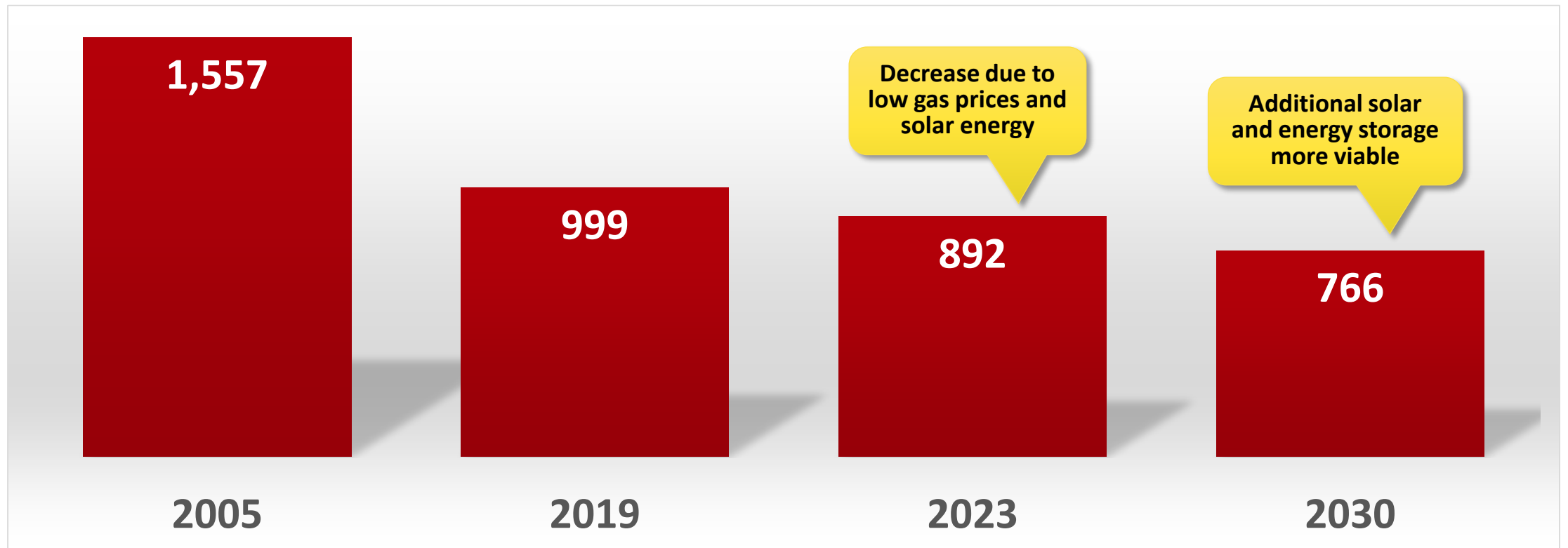
SOURCE: 2019 Annual Acid Rain Program

FMMPA CO₂ Projected to Decline Significantly by 2030

Gas Switch and Solar Drive Improvement of ~51% from 2005

CO₂ Emissions (lbs./MWh)

Projected Reductions Derived from EPA's Acid Rain Program Database

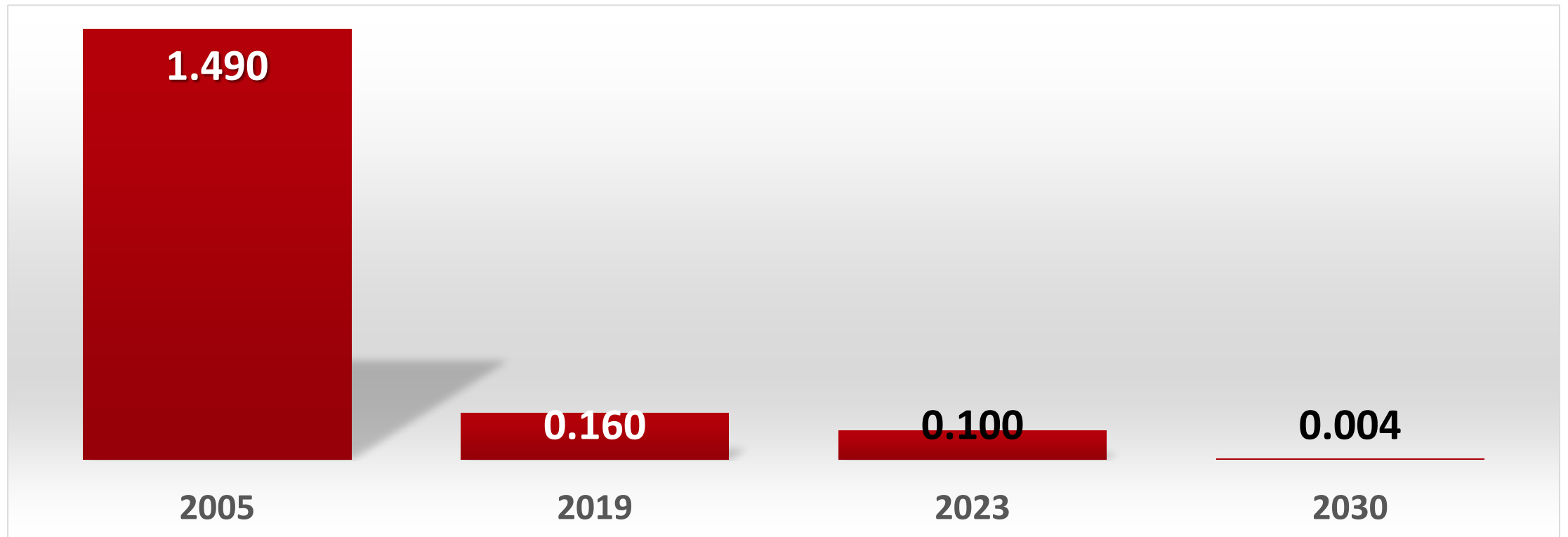


FMPA SO₂ Projected to Decline Significantly by 2030

Gas Switch and Solar Drive Improvement of ~99% from 2005

SO₂ Emissions (lbs./MWh)

Projected Reductions Derived from EPA's Acid Rain Program Database

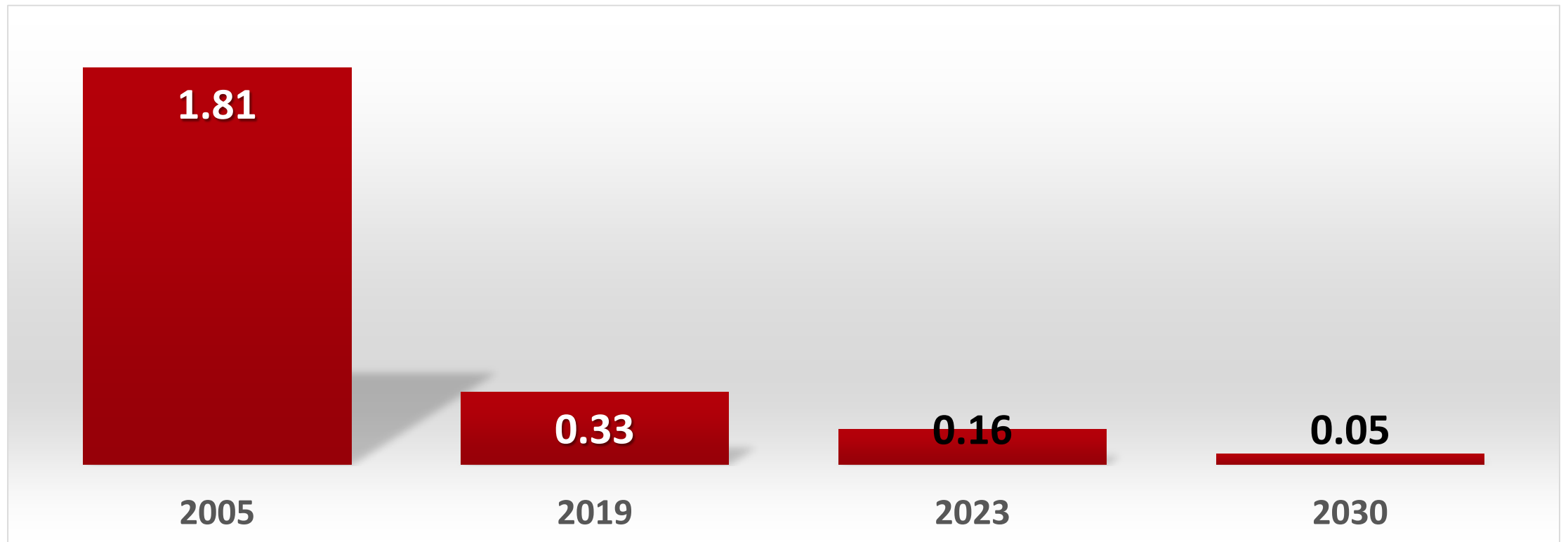


FMPA NO_x Projected to Decline Significantly by 2030

Gas Switch and Solar Drive Improvement of ~97% from 2005

NO_x Emissions (lbs./MWh)

Projected Reductions Derived from EPA's Acid Rain Program Database



Some Utilities Have Sustainability/Net-Zero Goals

Tallahassee and OUC Are Two in Florida

Orlando Utilities Commission¹

- New strategic plan released 2/20
- Net-Zero carbon emission by 2050
- 50% by 2030 from 2005 levels
- Path to Net Zero:
 - Investments in renewables
 - Investments in energy efficiency
 - \$45 million investment in electrification of transportation
 - \$90 million in hydrogen, storage

City of Tallahassee²

- Clean energy resolution passed 2/19
- 100% renewables by 2050
- Any unavoidable use of non-renewable energy will be balanced by export of renewables to others
- City facilities 100% renewable 2035
- City vehicles, buses to electric as technology, reliability are viable

Cost, Reliability Challenges of Deep Decarbonization

Conclusions of a Pacific Northwest Study by E3 Consulting Firm

- Low-cost option: replace coal with efficiency, renewables, natural gas
- New gas capacity not inconsistent with deep reductions in carbon emissions; gas needed to maintain firm capacity for reliability
- Renewables and short-duration storage have limitations
- Other potential low-carbon, firm capacity include: 1) new nuclear, 2) gas or coal with carbon capture, 3) ultra-long duration storage, 4) replace conventional natural gas with carbon-neutral gas
- Extremely costly and impractical to replace all carbon-emitting firm generation capacity with renewables and storage

**AGENDA ITEM 9 – INFORMATION
ITEMS**

**d. Human Resources Quarterly
Report**

**Board of Directors Meeting
April 16, 2020**



BOD 9d – Human Resources Quarterly Report

Sharon Adams

April 16, 2020

First Quarter Human Resource Efforts

- 2020 Follow Up Pulse Survey
- Cross Training/Development Opportunities
- Covid-19 Issues Related to Human Resources
- Team Working Remotely
- Vacation Cap Temporarily Waived

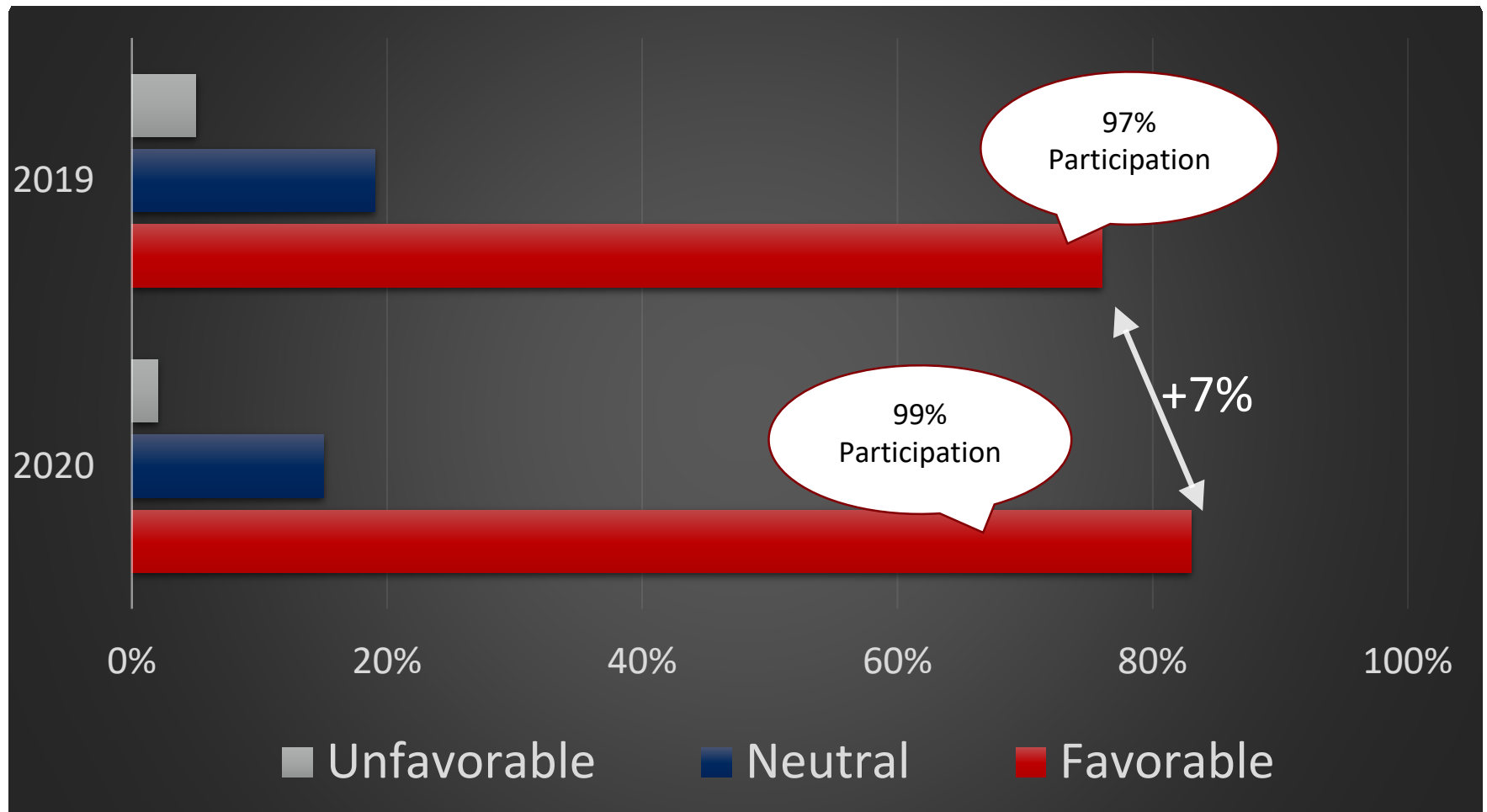
2020 Employee Follow Up Pulse Survey

Survey targeted the four focus areas

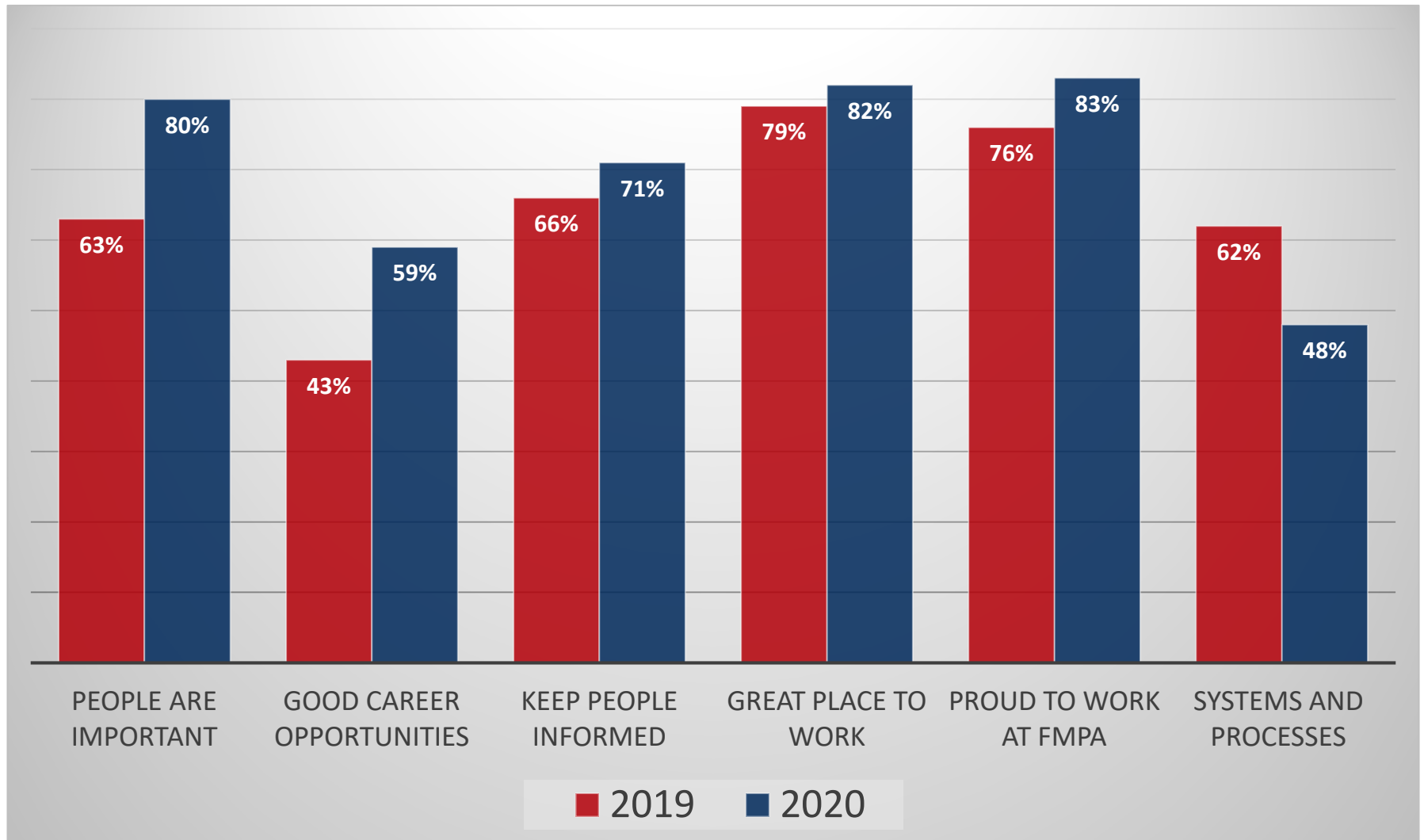
1. The Leaders at FMPA demonstrate that people are important to the Agency's success
2. I believe there are good career opportunities for me at FMPA
3. The leaders at FMPA keep people informed about what is happening
4. Most of the systems and processes here support us getting our work done effectively

Overall Engagement Score

2019 vs 2020



Improvement in Majority of Focus Areas



Ongoing Efforts

- Identify additional cross training opportunities
- Development plans for team
- Continue to work on getting Systems and Processes in place
- Recognition of efforts by team
- Be recognized as Top Employer in central Florida

Cross Training and Development Opportunities



COVID-19 Human Resource Impacts

- Families First Coronavirus Relief Act (FFCRA)
 - Effective April 1, 2020
 - Most Government Employees Eligible
 - Two weeks paid Covid-19 related leave
 - Paid Extended FMLA related to Covid-19
 - Do not qualify for tax break

Continued...

- Coronavirus Aide Relief and Economic Securities Act (CARES)
 - Direct Payments for Americans that pay taxes
 - All testing and potential vaccines for COVID-19 will be covered at no cost to patients
 - Over the counter medications are now a covered under the FSA and HRA's IRS regulations
 - Use of retirement funds available, 401 loans limits increased, Required Minimum Distributions suspended
 - Federal Pandemic Unemployment Compensation
 - State and Local Government aide available

FMPA Team Working Remotely

- March 26, 2020 Orange County under stay at home order
- Office open Monday and Thursday 8:30 – 3:00
- Mail being delivered on Mondays
- Main phone line being answered remotely
- Teleconferencing team meetings being held via TEAMS or Zoom
- Weekly all Team meetings



Vacation Cap Waived During Covid-19 Pandemic

Proposal to Waive Vacation Cap Temporarily

- Current Vacation Policy caps at 2x's annual accrual
- Difficult for team members to take vacation time during a pandemic
- Five team members currently at cap in critical roles
 - Would lose vacation if they did not take
- Expect a total of 15 team members could cap over next 3 months
- Proposal:
 - Must use accrued vacation over the cap by December 31, 2020
 - If a team members employment ends prior to December 31, 2020 they will only be paid out what they would have *normally* been entitle too
- No additional budget implications

Information Only

Approval to waive current vacation accrual cap effective March 1, 2020 through December 31, 2020 due to the Covid-19 pandemic with the condition that any payout of vacation time to an employee separating from the Agency before December 31, 2020 will continue to be limited by the vacation accrual cap of twice the annual allotment.

**AGENDA ITEM 9 – INFORMATION
ITEMS**

**e. Summary of Finance Committee
Items**

**Board of Directors Meeting
April 16, 2020**



9e – Summary of Finance Committee Items

Board of Directors

April 16, 2020

Finance Committee Items

Possible Action Items for Next Meeting

- Approval of Finance Committee Charter Amendment
- Approval of the Stanton II and St. Lucie Pooled Loan Request
- Approval of the JPMorgan Line of Credit Extension

Recommended Action

- Information only. No action required

**AGENDA ITEM 10 – MEMBER
COMMENTS**

**Board of Directors Meeting
April 16, 2020**

AGENDA ITEM 11 – ADJOURNMENT

**Board of Directors Meeting
April 16, 2020**