



## **FMPA BOARD OF DIRECTORS AGENDA PACKAGE**

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**February 18, 2021  
9:00 a.m. [NOTE TIME]  
Dial-in Info 877-668-4493 or 650-479-3208  
Meeting Number 180 361 4623#  
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  
Bill Kaufman, Ocala  
Claston Sunanon, Orlando  
Vacant, Quincy  
Keith Trace, St. Cloud  
John Holman, Starke  
Rob McGarrah, Tallahassee  
James Braddock, Wauchula  
Vacant, Williston  
Dan D'Alessandro, Winter Park

### **Meeting Location**

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



## MEMORANDUM

**TO:** FMIPA Board of Directors  
**FROM:** Jacob A. Williams, General Manager and CEO  
**DATE:** February 9, 2021  
**RE:** **FMIPA Board of Directors Meeting – 9:00 a.m., February 18, 2021**  
**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 180 361 4623# – PASSWORD – 8553# - WEBEX LINK:**  
**<https://fmpa.webex.com/fmpa/j.php?MTID=me0627911c58f6bd47b1a1279120d2a90>**  
(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)..... 18**
- 7. Consent Agenda**
  - a. Approval of the Minutes for the Meeting Held January 21, 2021 ..... 25**
  - b. Approval of the Projects' Preliminary Financials as of  
December 31, 2020..... 30**
  - c. Approval of the Treasury Reports as of December 31, 2020 ..... 32**

**8. Action Items**  
a. None ..... 35

**9. Information Items**  
a. Annual Debt Report \* (Rich Popp) ..... 37  
b. Update on Mobile Substation Project (Cairo Vanegas)..... 50  
c. Inter-regional Price, Consumption and Emissions Difference and Policy  
Implications (Jacob Williams) ..... 55  
d. Summary of Finance Committee Items \* (Linda S. Howard) ..... 65

**10. Member Comments** ..... 67

**11. Adjournment** ..... 68

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

JW/su

NOTE: 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 (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**

**Board of Directors Meeting  
February 18, 2021**

**AGENDA ITEM 2 – RECOGNITION OF  
GUESTS**

**Board of Directors Meeting  
February 18, 2021**

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

**Board of Directors Meeting  
February 18, 2021**

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

**Board of Directors Meeting  
February 18, 2021**

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

**Board of Directors Meeting  
February 18, 2021**

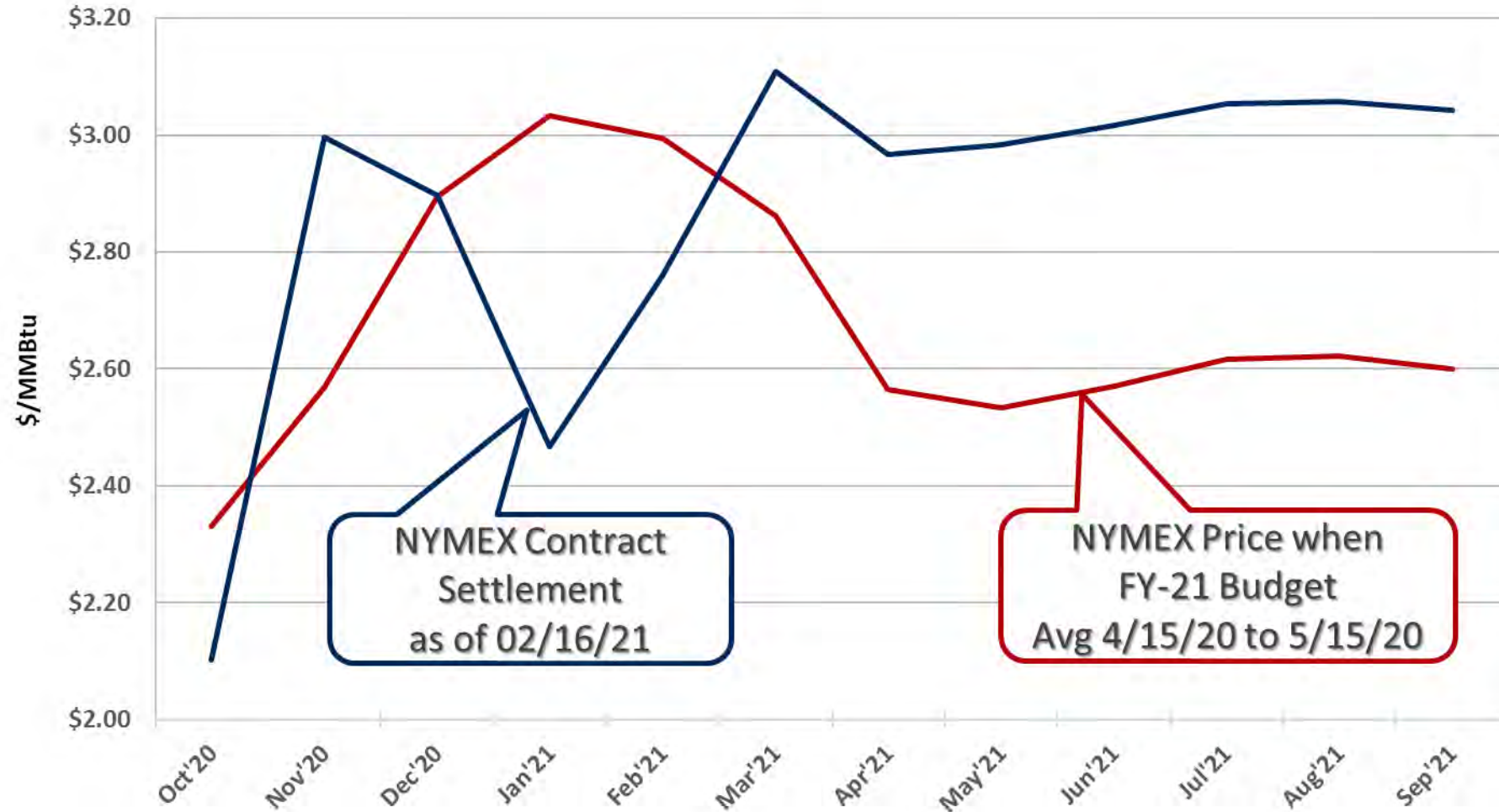


# Fiscal 2021 Management Goals through January 31, 2021

Goal		Status	Actual	YTD Actual	YTD Target	FY'21 Target	Comment
1.Safety	Lost-time Accidents		0	1	0	0	No lost time accidents in January.
	OSHA Recordables		0	1	0	0	
2.Compliance	Environmental		0	0	0	0	Staff awaiting response from SERC of the submitted self-report for a NERC CIP violation related to a GE monitoring network connection; also evaluating PRC-005 self-report.
	Financial		0	0	0	0	
	Regulatory		0	0	0	0	
3.Low Cost (\$/MWh)	Under \$70/MWh		\$73.26	\$71.48	\$73.83	< \$70.00	YTD January 2021 : MWh sales 2.7% > budget. All-in Costs \$2/MWh, (3.3%) < YTD target due to O&M (10%), assigned Project Costs (10%) and Admin & General (10%) < target.
	Fuel		\$22.31	\$20.96	\$21.60	\$22.19	
	Non-Fuel		\$50.95	\$50.52	\$52.23	\$47.81	
4.Stanton I and Stanton II Decision from OUC to reduce power costs and emissions							Staff working with OUC to obtain conversion capital estimates and with FGU and FGT on natural gas supply requirements

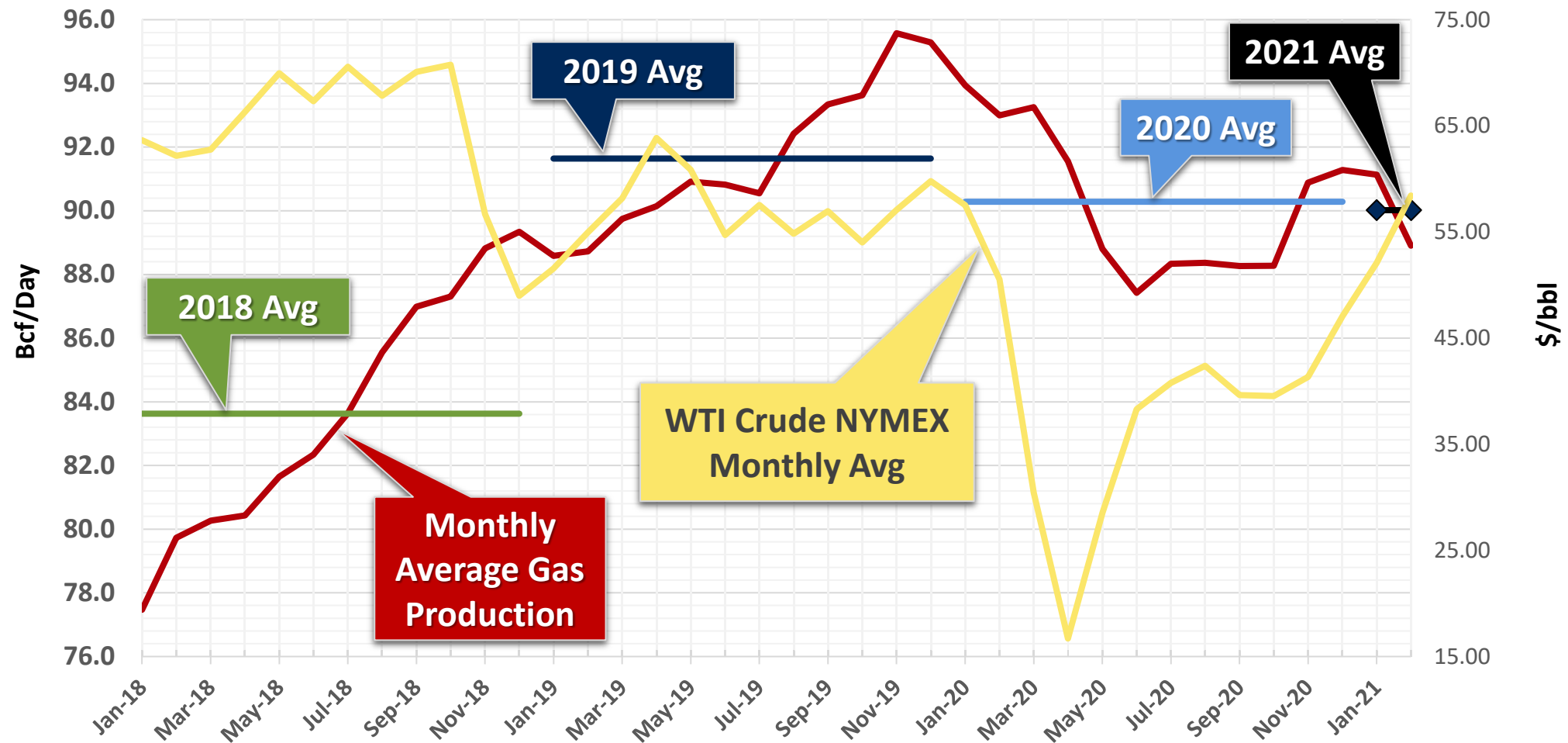
# FY 2021 NYMEX Contract \$0.19/MMBtu above Budget

*NYMEX Natural Gas FY21 October Settlement (02/16/21)*



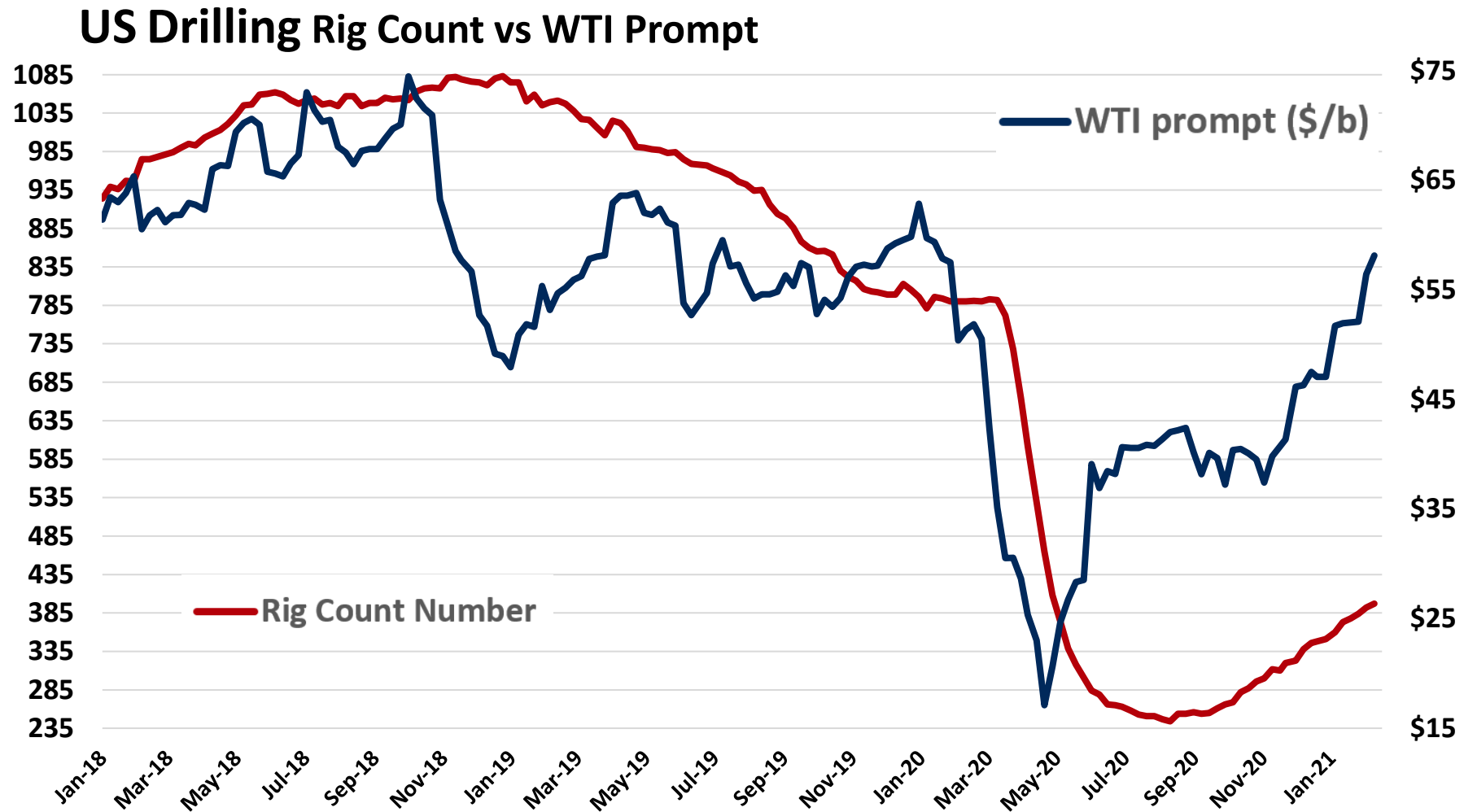
# Natural Gas Production Following Changes in Oil Prices

*Average Monthly Change Since 2018 to Date (2/16/21)*



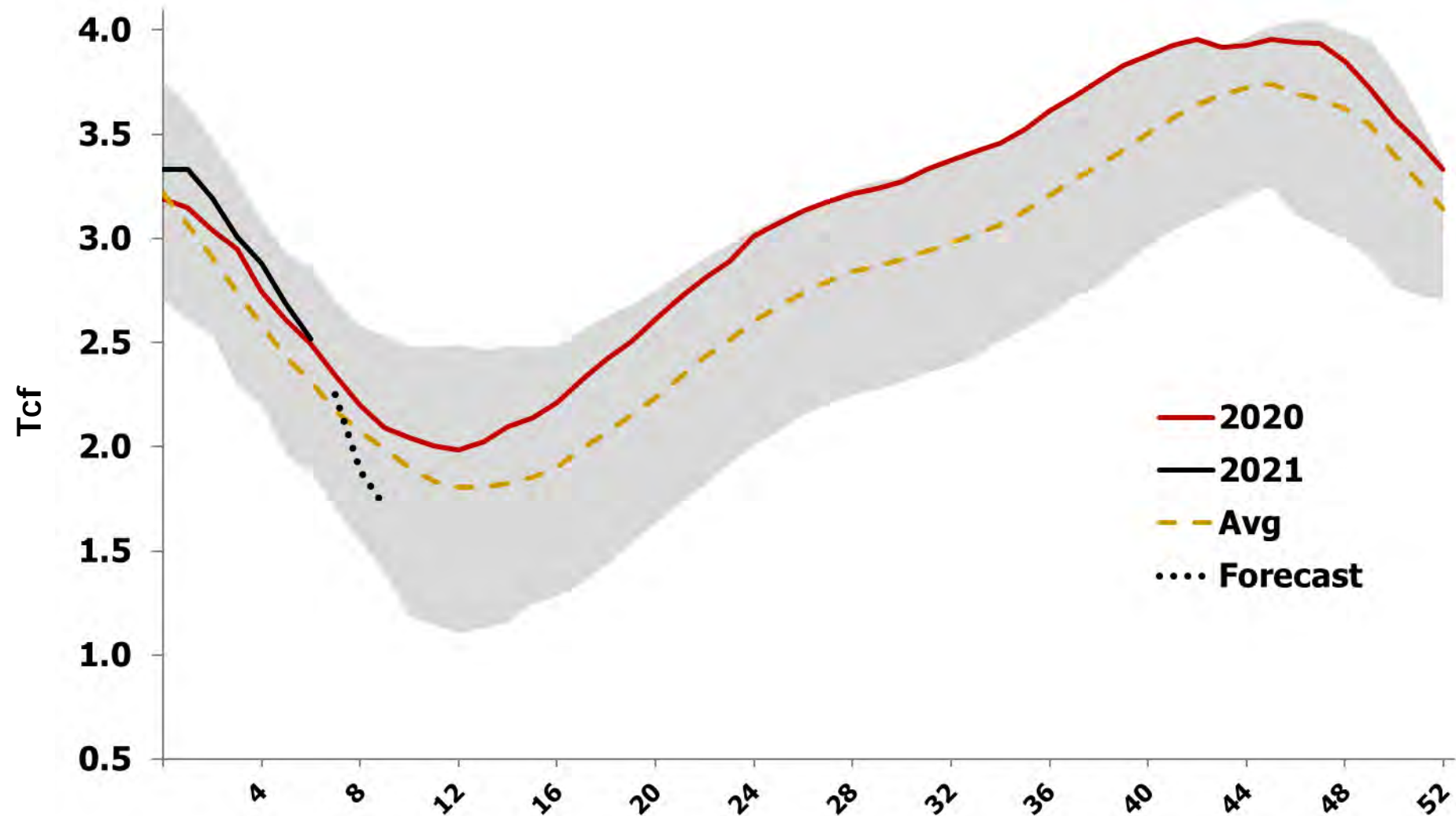
# Drilling Rig Count marginally increases though Oil Prices Move Lower

*Drilling Rig Count increasing with WTI Prices into the mid \$50 Range (as of Feb 16<sup>th</sup>)*



# Gas Storage Inventory as of Week Ending February 5<sup>th</sup>

## *2021 Withdrawal Season Projected to go below the 5 Year Average*



# Roughly 35% of FMPA Annual Natural Gas Burn bought for FY21

*\$(0.212) / MMBtu below budget overall, recent purchases roughly ~\$(0.44)MMBtu below budget*

## Value vs. Budget

- December purchase of 15,000 MMBtu/d for January, February, & March
- Locked in ~35% of annual burn at a weighted average cost of gas of \$2.55/MMBtu
- The fixed price purchases are roughly \$(0.212)/MMBtu lower than budget
- The extended fixed price value is roughly \$2.63 million below budget**
- FGU continues to look for opportunities to secure pricing well below budget up to the 50% maximum fixed pricing directive.

## Value vs. Market

Month	Purchase WACOG (\$/MMBtu)	FGT Zn3 Market Pricing as of 02/16/2021 (\$/MMBtu)	\$ Value or (lost opportunity) vs. Current Market (\$/MMBtu)	Extended Value or (lost opportunity) vs. Current Market
Oct-20	\$1.81	\$2.28	\$0.46	\$467,838
Nov-20	\$2.24	\$2.96	\$0.72	\$921,174
Dec-20	\$2.72	\$2.88	\$0.16	\$213,564
Jan-21	\$2.79	\$2.46	-\$0.33	-\$590,859
Feb-21	\$2.75	\$2.76	\$0.00	\$4,341
Mar-21	\$2.68	\$3.10	\$0.42	\$756,341
Apr-21	\$2.49	\$2.93	\$0.44	\$261,708
May-21	\$2.44	\$2.97	\$0.53	\$328,935
Jun-21	\$2.49	\$3.07	\$0.58	\$346,908
Jul-21	\$2.57	\$3.06	\$0.49	\$303,577
Aug-21	\$2.59	\$3.09	\$0.49	\$305,325
Sep-21	\$2.57	\$3.06	\$0.49	\$292,584

**Total Extended Value vs. Current Market**

**\$3,611,437**

Goal		Status	Actual	YTD Actual	YTD Target	FY'21 Target	Comment
5.Cyber Security	Breaches		0	0	0	0	
	Phishing tests		2.9%	4.2%	5% or <	5% or <	2 people clicked the linked pretending to be an undeliverable email.
	Member assessments		1	1	1	5	4 assessments - in progress
6.Reliability	CC EAF		100%	91.8%	88.9%	90%	
	SI black start and trans. backup		Click to add text	0	1	100%	
	SAIDI Reduction		0	3	3.3	10	
7.Member Services	Leadership member visits		6	27	25	75	6 member cities visited in Jan. Feb. - 3 completed, 8 scheduled.
	Projects managed for members		0	6	6.7	20	
8.Value of Muni	Member info updates		2	4	5	16	Bartow, Chattahoochee, FPUA, Wauchula
	Presentations Social media		0	5	3	10	Chattahoochee, Lake Worth, Leesburg, Newberry, Starke

Goal		Status	Actual	YTD Actual	YTD Target	FY'21 Target	Comment
9.Load Management	Dev. opportunities for 5 MW		0	0		5	Workshop scheduled for March, staff continuing understanding of Members' capabilities
	Restructure debt		0	0	0	1	RFPs received in December
10.Financing	Extend debt to include R&R funding		0	0	0	1	Action items to EC in February and March
	Prepd gas min. svgs. Of \$0.20/mmBtu		0	0	0	1	
11.Transmission	Neg. service upgrade for LWB & Homestead						Ongoing design meetings on schedule
12.People	360 training for Leadership & mgmt.		5	5	1.84	11	5 completed, 6 begin in March
	Mgmt. outreach to diverse prof. groups		1	2	.5	3	Jacob - AABE membership Linda – NABA membership; contact at NSBE
	Individual development plans		11	20	16.66	50	On track to complete all by March 31
	FMPA Fleet Team Sharing – Days		30	103	34	100	FMPA to SI 5 days, CI staff supported SI 25 days.



# **VERBAL REPORT**

## **AGENDA ITEM 6 – SUNSHINE LAW UPDATE**

**Board of Directors Meeting  
February 18, 2021**



# **Sunshine Law Update**

## *Access to Public Property/Facilities*

Board of Directors  
January 21, 2021

# Access to Public Property/Facilities

## *Template ordinance*

ORDINANCE NO. 20-\_\_

AN ORDINANCE OF [CITY/UTILITY]; CREATING [CITE  
ORDINANCE CODE NUMBER]; RELATING TO ACCESS AND  
USE OF [CITY/UTILITY] PROPERTY; PROVIDING FOR  
DEFINITIONS; PROVIDING FOR SEVERABILITY;  
PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, [Cite any charter/ordinance/resolutions/etc. that pertain to City/Utility  
right/obligation to control/maintain use of public property]; and

WHEREAS, [CITY/UTILITY] desires to increase the efficiency of its operations and  
provision of public services for the benefit of both staff and the public; and

WHEREAS, [CITY/UTILITY] desires to protect the health, safety and welfare of staff,  
members of the public conducting public business on [CITY/UTILITY] property, and federally and  
state-mandated confidential information; and

WHEREAS, [CITY/UTILITY] desires to provide for consistent, impartial use of  
[CITY/UTILITY] property in conducting [CITY/UTILITY] business; and

WHEREAS, through this ordinance, [CITY/UTILITY] clarifies that all [CITY/UTILITY]  
properties that have not been historically used or designated as for use as public forums, including  
all County properties primarily used for the purpose of conducting public business, are considered  
to be non-public forums, as that meaning is defined by the United States Supreme Court.

NOW THEREFORE, BE IT ORDAINED BY THE [name of governing body] of  
[CITY/UTILITY] that:

# Identify Public vs. Non-Public Areas

*Signage - No “magic” words; consistency is key*





# Identify Public vs. Non-Public Areas

*Physical barriers can be effective...even simple ones*



# Access to Public Property/Facilities

## *In-person public records requests*

### FMPA Policy for In-Person Public Records Requests

FMPA has adopted a Public Records Request policy, which is contained in the FMPA Employee Policy Manual. This procedure is intended to assist in implementing that policy to ensure compliance with the Florida Public Records Act when responding to an in-person public records request.

In the event that an individual enters the FMPA building to make a public records request in person, the following steps should be taken.

- Inform the individual that you will get someone who will assist them. Avoid responding affirmatively or negatively to their actual public records request. Do not require them to sign in to the daily visitor log. Do not require them to put the request in writing or take any other steps to make their request.

*“I will get someone who can assist you with your request. You may have a seat here in the lobby, and someone will be with you shortly.”*

The individual is not required to give their name, so do not demand it. Contact one or more of the following FMPA staff members:

- Mark McCain; ext. 1034
- Sharon Adams; ext. 1005
- Sue Utley; ext. 1052
- Michele Pisarri; ext. 1063
- Diane Nelson; ext. 1011
- Dan O'Hagan; ext. 602
- Office of General Counsel; ext. 1401

- If the individual continues with his or her request or pressures you for an immediate response while you are awaiting additional staff assistance, inform the individual that their request will be promptly addressed.

*“I’ve contacted someone who can assist you. [He/she] will be with you shortly.”*

- If the individual has a video recording device, you may request that you not be filmed, but not make it a condition of releasing the public record. However, audio or video recording is not permitted in non-public, restricted access portions of the building without prior consent.

# Access to Public Property/Facilities

## *Takeaways & Resources*

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- Establish Controls for Access to Public Property/Facilities
  - Template ordinance
- Identify Public vs. Non-Public Areas
  - Sample Signage
  - Consider physical separation/barriers
- Uphold Sunshine Law Obligations
  - In-person public records request policy & script
- Work with your city/utility attorney!

**AGENDA ITEM 7 – CONSENT  
AGENDA**

- a. Approval of the Minutes for the  
Meeting Held January 21, 2021**

**Board of Directors Meeting  
February 18, 2021**



CLERKS DULY NOTIFIED .....JANUARY 12, 2021  
AGENDA PACKAGES POSTED.....JANUARY 12, 2021

**MINUTES  
FMPA BOARD OF DIRECTORS MEETING  
FLORIDA MUNICIPAL POWER AGENCY  
8553 COMMODITY CIRCLE  
ORLANDO, FL 32819  
THURSDAY, JANUARY 21, 2021  
9:00 A.M.**

**MEMBERS PRESENT** Jody Young, Bushnell (via telephone)  
Lynne Mila, Clewiston  
John Tompeck, Fort Pierce  
Gary Baysinger, Gainesville (via telephone)  
Bob Page, Green Cove Springs  
Howard McKinnon, Havana  
Barbara Quinones, Homestead  
Allen Putnam, Jacksonville Beach  
Lynne Tejeda, Key West (via telephone)  
Larry Mattern, Kissimmee  
Ed Liberty, Lake Worth Beach (via telephone)  
Michael Beckham, Lakeland (via telephone)  
Brad Chase, Leesburg (via telephone)  
Bill Conrad, Newberry  
Joe Bunch, New Smyrna Beach \* (via telephone)  
Claston Sunanon, Orlando (via telephone)  
Keith Trace, St. Cloud (via telephone)  
John Holman, Starke  
James Braddock, Wauchula (via telephone)

\*joined after roll call.

**OTHERS PRESENT** Randy Martin, Clewiston  
Paul Jakubczak, Fort Pierce  
Craig Dunlap, Dunlap & Associates, Inc.  
Tim Westgate, Purvis Gray & Company  
Katy Enos, Purvis Gray & Company (via telephone)

**STAFF PRESENT** Jacob Williams, General Manager and CEO  
Jody Finklea, General Counsel and CLO  
Ken Rutter, Chief Operating Officer  
Linda S. Howard, Chief Financial Officer  
Carol Chinn, Chief Information and Compliance Officer (via telephone)  
Mark McCain, Vice President of Member Services & Public Relations  
Dan O'Hagan, Assistant General Counsel and Regulatory Compliance Counsel

Rich Popp, Treasurer and Risk Director  
Sue Utley, Executive Asst. /Asst. Secy. to the Board  
Mike McCleary, Manager of Member Services Development  
Sharon Adams, Vice President of Human Resources & Shared Services  
Cairo Vanegas, Manager of Member Services Development  
Isabel Montoya, Information Technology Intern  
Susan Schumann, Manager of External Affairs and Solar Projects  
David Schumann, Power Generation Fleet Director  
Carter Manucy, IT/OT & Cybersecurity Director  
Danyel Sullivan-Marrero, Controller  
Melisa Inanc, PR Specialist  
Ryan Dumas, PR Specialist

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

Chair Barbara Quiñones, Homestead, called the Board of Directors meeting to order at 9:00 a.m. on Thursday, January 21, 2021, 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 31 votes out of a possible 47.5. Joe Bunch, New Smyrna Beach, joined after roll call bringing the total members present to 19 representing 32.5 votes out of 47.5.

### **ITEM 2 – Recognition of Guests**

Chair Barbara Quiñones welcomed Tim Westgate and Katy Enos of Purvis Gray and Randy Martin of Clewiston.

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

None

### **ITEM 4 – SET AGENDA (by vote)**

**MOTION:** Allen Putnam, Jacksonville Beach, moved approval of the agenda as presented. Larry Mattern, Kissimmee, seconded the motion. Motion carried 32.5 – 0.

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

Jacob Williams reported on the following items:

1. Goals Scorecard
2. Disclosure Training
3. FPL Made a Pre-Filing Announcement for \$2 Billion Rate Increase
4. APPA Legislative Rally is virtual this year and is March 1 and 2

## **ITEM 6 – SUNSHINE LAW UPDATE**

Dan O'Hagan reported on the public's access to public facilities. If you want a copy of the presentation, contact Dan O'Hagan.

## **ITEM 7 – CONSENT AGENDA**

- a. Approval of Minutes – Meeting Held December 10, 2020
- b. Approval of the Projects' Preliminary Financials as of November 30, 2020
- c. Approval of the Treasury Reports as of November 30, 2020

**MOTION:** Allen Putnam, Jacksonville Beach, moved approval of the Consent Agenda as presented. Larry Mattern, Kissimmee, seconded the motion. Motion carried 32.5 – 0.

## **ITEM 8 – ACTION ITEMS**

### **a. Approval of External Audit Report & Audited Financial Statements**

Danyel Sullivan-Marrero and Tim Westgate, Purvis Gray, presented the External Audit Report & Audited Financial Statements.

**MOTION:** Larry Mattern, Kissimmee, moved approval of the 2020 External Audit Report and Audited Financial Statements. Allen Putnam, Jacksonville Beach, seconded the motion. Motion carried 32.5 – 0.

## **ITEM 9 – INFORMATION ITEMS**

### **a. Quarterly HR Report**

Sharon Adams gave a quarterly update on HR.

### **b. Solar Project Update**

Susan Schumann and Dan O'Hagan gave an update on the FMPA Solar Projects.

### **c. CO<sub>2</sub> Reduction Opportunities and Challenges**

Jacob Williams presented information on the opportunities and challenges in CO<sub>2</sub> reduction goals.

#### **d. 2020 SolarWinds Cybersecurity Incident**

Carter Manucy updated the Board on the 2020 SolarWinds Cybersecurity incident.

#### **ITEM 10 – MEMBER COMMENTS**

John Holman, Starke, presented Linda S. Howard with a plaque for her help to Starke on the Electric Line Relocation Project 2020. The City is very appreciative of her help in getting the FDOT grant money to the City.

Barbara Quiñones welcomed Mike McCleary back to work.

#### **ITEM 11 – ADJOURNMENT**

There being no further business, the meeting was adjourned at 11:34 a.m.

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Barbara Quiñones  
Chairperson, Board of Directors

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Larry Mattern  
Secretary

Approved: \_\_\_\_\_

Seal

BQ/LM/su

**AGENDA ITEM 7 – CONSENT  
AGENDA**

- b. Approval of the Projects’  
Preliminary Financials as of  
December 31, 2020**

**Board of Directors Meeting  
February 18, 2021**



Linda S. Howard, CPA, CTP  
Chief Financial Officer

## AGENDA PACKAGE MEMORANDUM

**TO:** FMPA Board of Directors  
**FROM:** Linda Howard  
**DATE:** February 9, 2021  
**ITEM:** 7b – Approval of Projects’ Financials as of December 31, 2020

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**Discussion:** The summary financial statements and detailed financial statements, which include GASB #62 transactions, of the Projects for the period ended December 31, 2020 are posted on the Document Portal section of FMPA’s website.

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**Recommended:** Move approval of the Preliminary Projects’ Financial Reports for the month ended December 31, 2020.

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LH/GF

**AGENDA ITEM 7 – CONSENT  
AGENDA**

**c. Approval of the Treasury Reports  
as of December 31, 2020**

**Board of Directors Meeting  
February 18, 2021**



## AGENDA PACKAGE MEMORANDUM

TO: FMPA Board of Directors  
FROM: Gloria Reyes  
DATE: February 9, 2021  
ITEM: BOD 7(c) – Approval of Treasury Reports as of December 31, 2020

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

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

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**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 December 31, 2020.

	Total debt Outstanding	Fixed Rate	Variable Rate	Synthetically Fixed
Agency	0.00	0%	0%	0%
St Lucie	93,815,000	100%	0%	0%
Stanton	0.00	0%	0%	0%
Stanton II	100,993,350	100%	0%	0%
Tri City	0.00	0%	0%	0%

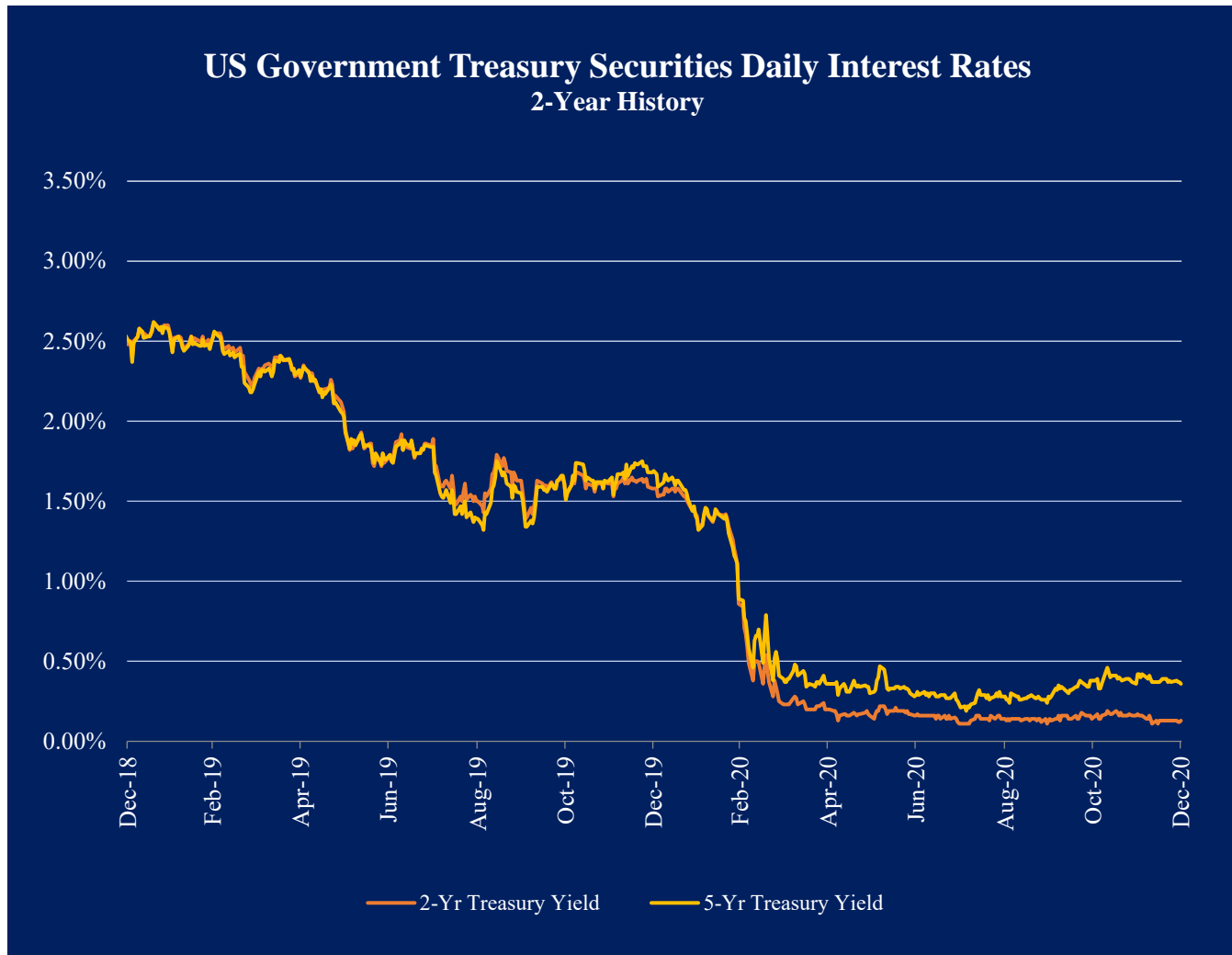
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**Investment  
Discussion**

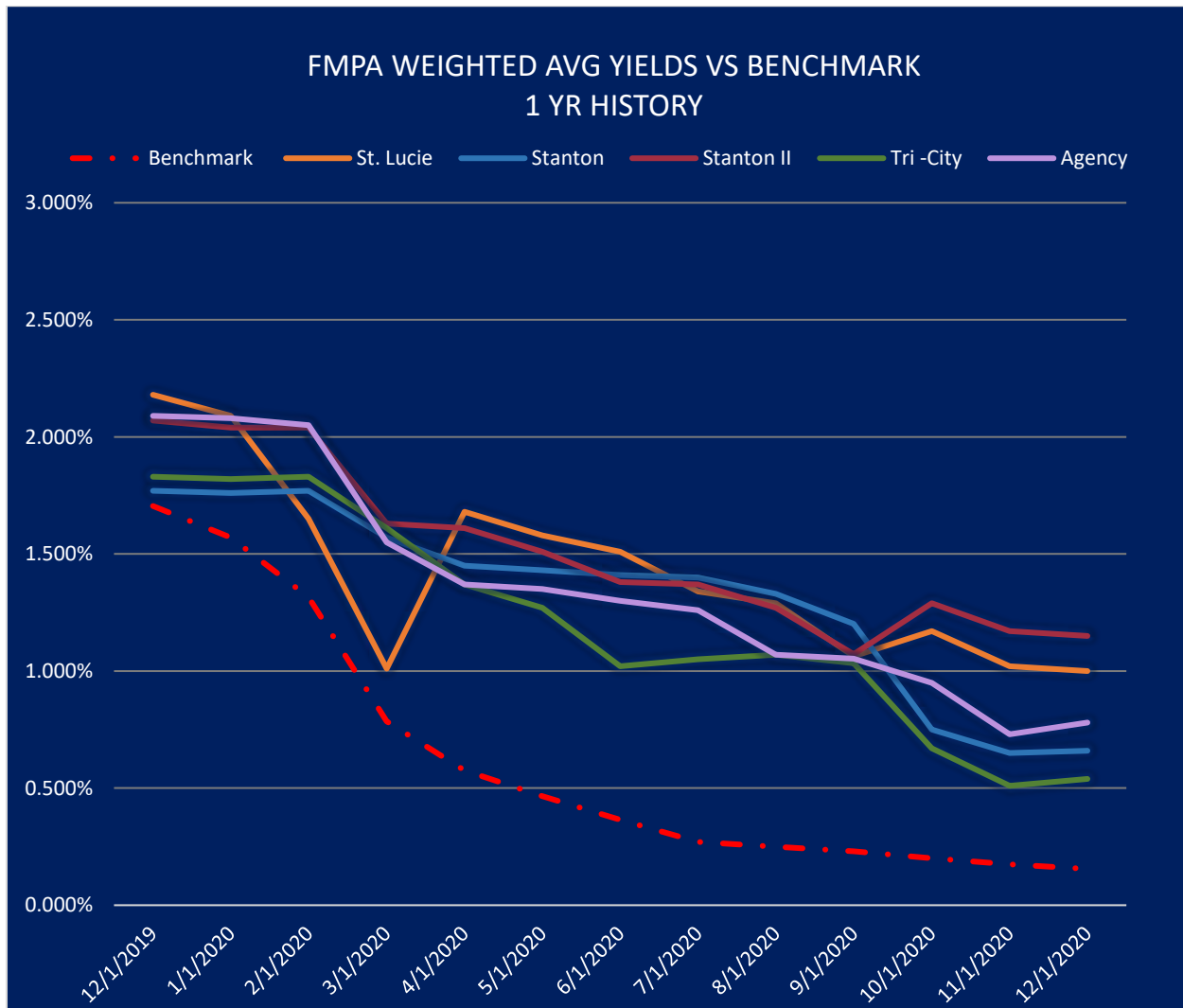
The investments in the Projects are comprised of debt from the government-sponsored enterprises such as the Federal Farm Credit Bank, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation (Freddie Mac), and Federal National Mortgage Association (Fannie Mae), as well as investments in U.S. Treasuries,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



Below is a graph of daily US Treasury yields for the past 2 years. The orange line is the 2-year Treasury which closed the month of December at .13%. The yellow line is the 5-year Treasury which was .36%.



The weighted average yields on investments earned as of December 31, 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 December 31, 2020.

## **AGENDA ITEM 8 – ACTION ITEMS**

**a. None**

**Board of Directors Meeting  
February 18, 2021**

**AGENDA ITEM 9 – INFORMATION  
ITEMS**

**a. Annual Debt Report**

**Board of Directors Meeting  
February 18, 2021**



# **9a – Annual Debt Report As of 9/30/2020**

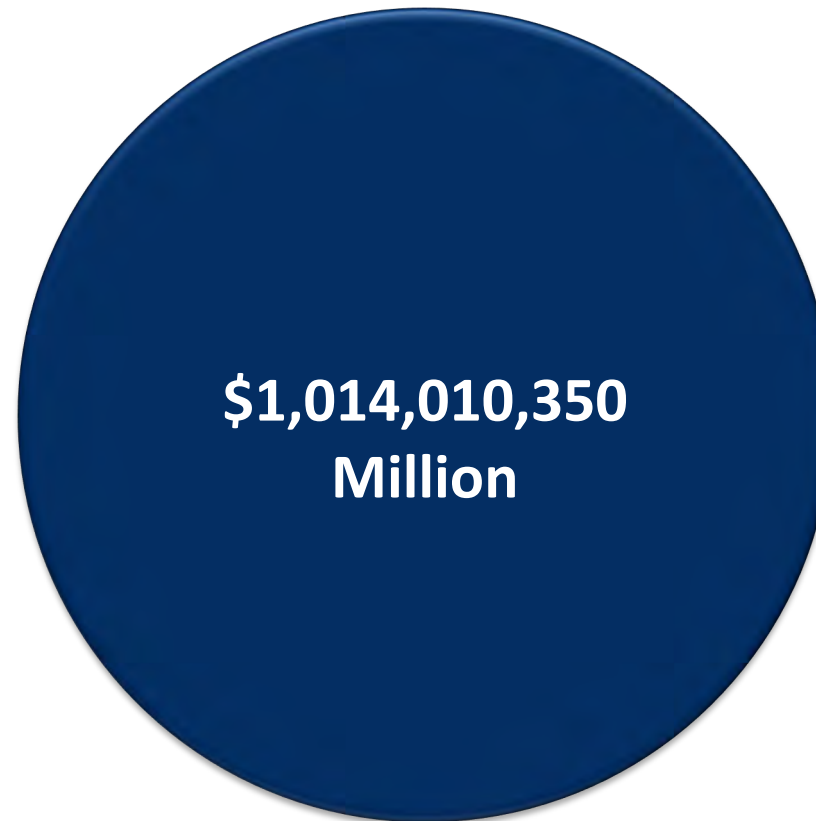
FMIPA Board of Directors  
February 18, 2021

# 100% of All Project Debt is Fixed

*No Variable Rate Debt or Swaps as of November 2019*

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## Total Fixed Rate Debt



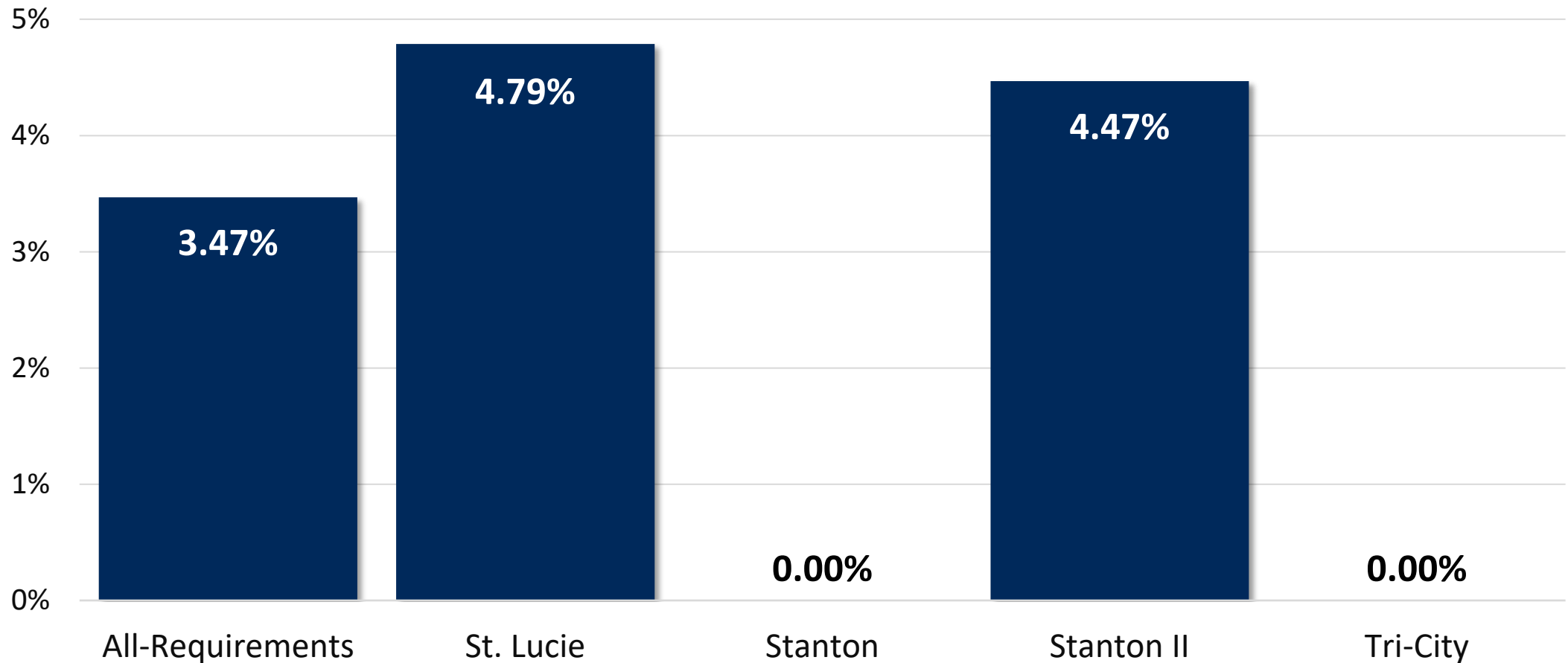
# FMPA Reduced Debt by \$116.2 Million in 2020

*ARP Refunded Variable-Rate Debt with Swaps to Avoid Risk*

Project	9/30/20 \$'s in 000's	9/30/19 \$'s in 000's	Debt Reduction
All-Requirements	785,140	860,323	75,183
St. Lucie	117,135	134,850	17,715
Stanton	0	8,985	8,985
Stanton II	111,735	122,801	11,066
Tri-City	0	3,290	3,290
Total	\$1,014,010	\$1,130,249	\$116,239

# True Interest Cost of Debt by Project

*Stanton and Tri-City Debt Paid in Full October 1, 2019*

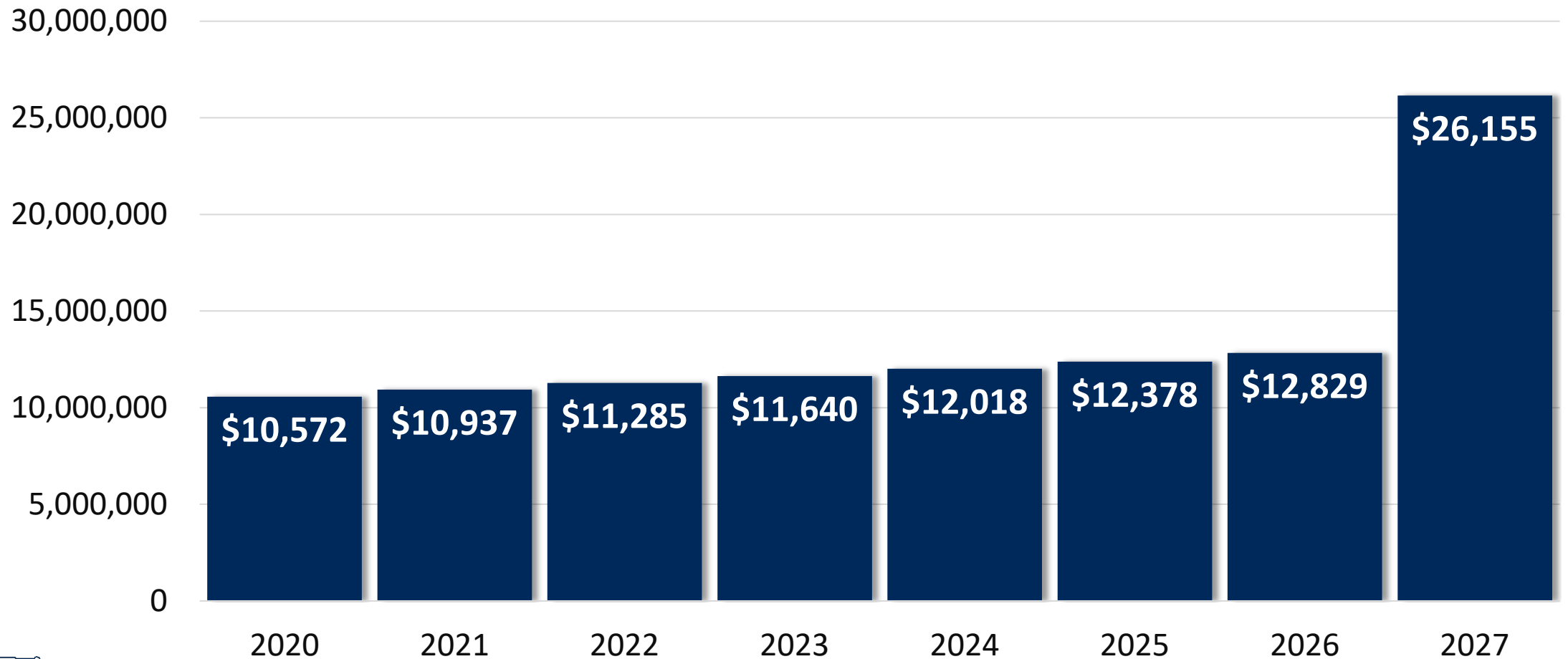




# General Reserve Can Fund Final Payment

## *Stanton II (\$ in 000's)*

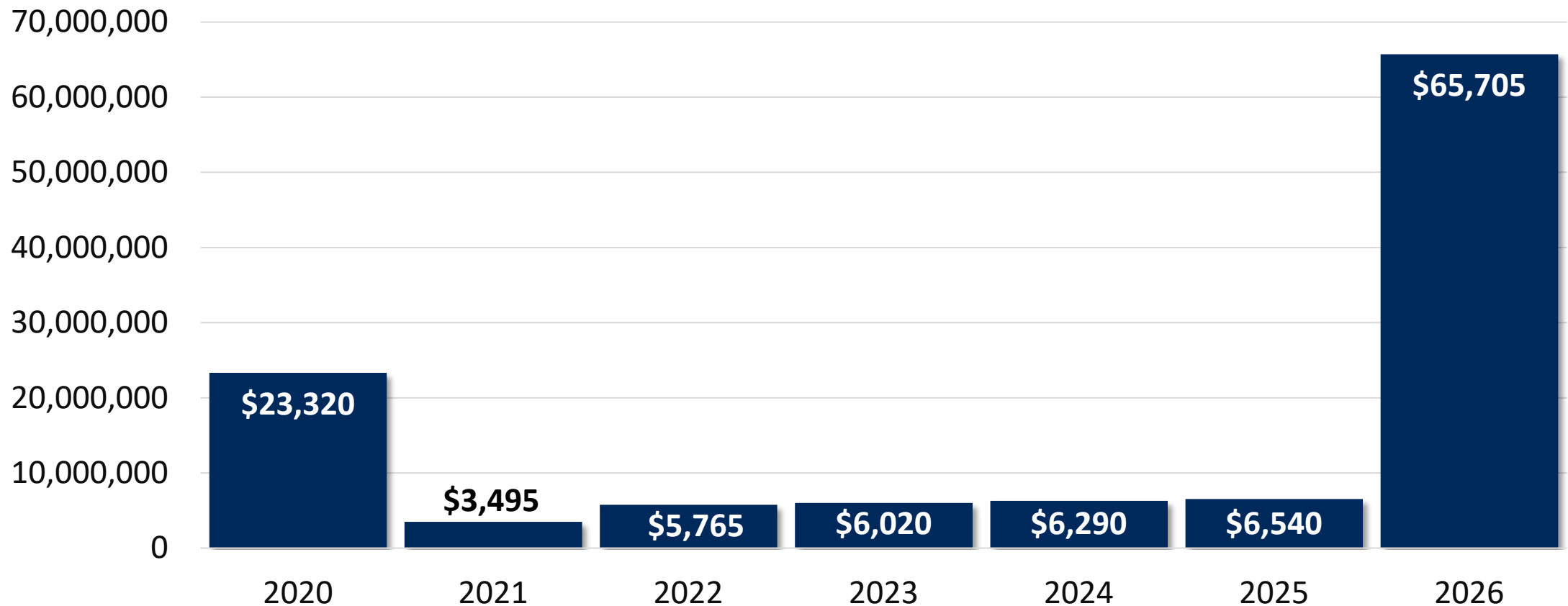
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# \$43.4M in Investments Currently Held

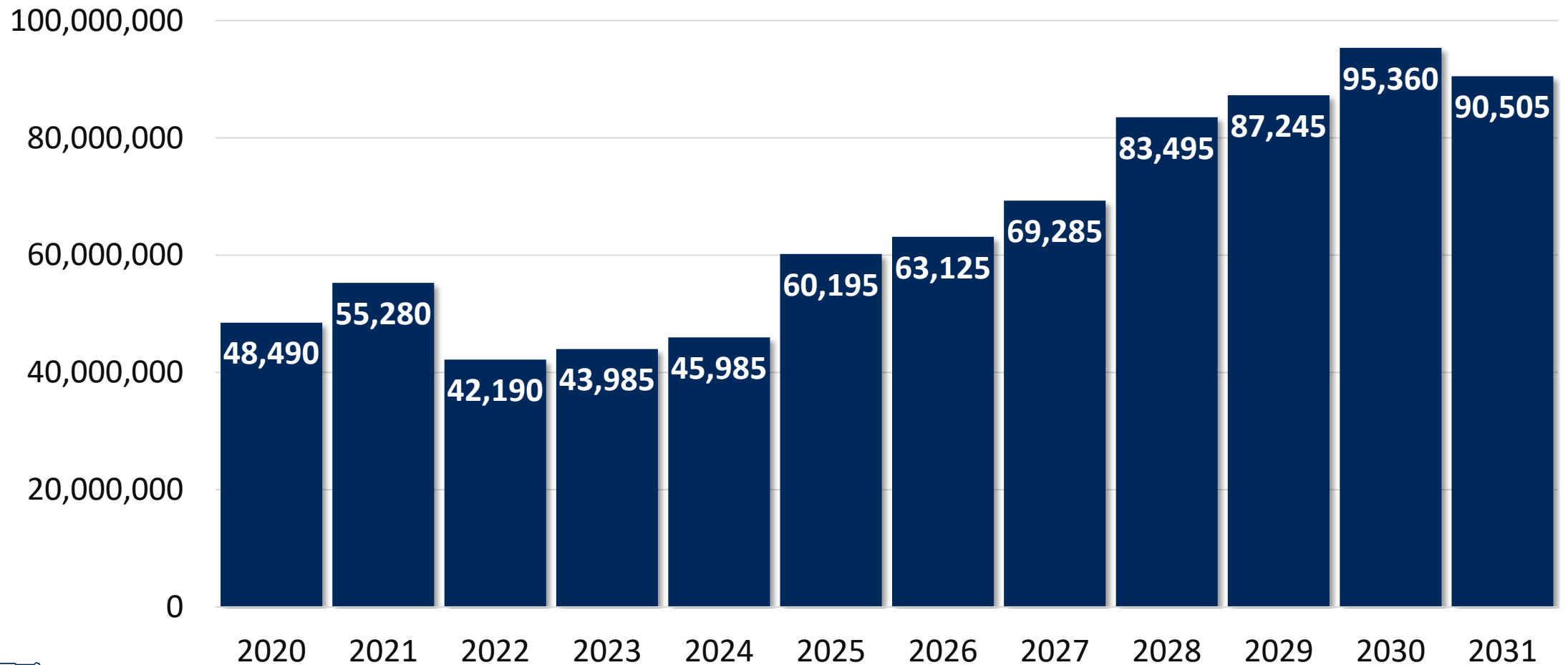
## *St. Lucie Project (\$ in 000's)*

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# All-Requirements Project

*Debt as of September 30, 2020 (\$ in 000's)*



## ARP Bonds Purpose of Bonds Summary

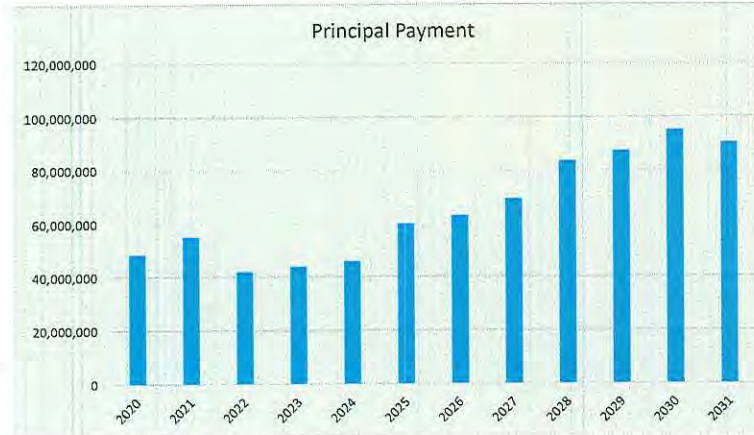
	Total Amount Issued (millions)	Purpose	Amount Outstanding as of 9/30/2020
ARP 2015B	\$115,770,000	Pay off 100% of the Taylor Swap termination fees and draws under the credit agreement	\$98,790,000
ARP 2016A	\$424,120,000	Refunded portion of 2008A and 2009A bonds	\$424,120,000
ARP 2017A	\$69,625,000	Refund 2011A-1, 2011B and interest rate swaps associated with the bonds	\$69,625,000
ARP 2017B	\$52,925,000	Refund 2011A-2 and interest rate swap associated with the bond	\$52,925,000
ARP 2018A	\$57,790,000	Refund all outstanding 2008A Bonds maturing on and after October 1, 2020	\$57,790,000
ARP 2019A	\$75,220,000	Refund 2008C and interest rate swaps associated with the bonds	\$75,220,000
ARP 2019B	<u>\$6,670,000</u>	Refund 2013A bonds	<u>\$6,670,000</u>
Total	<u><b>\$802,120,000</b></u>		<u><b>\$785,140,000</b></u>

**Non-ARP Bonds  
Purpose of Bonds Summary**

Series	Total Amount Issued (millions)	Purpose	Amount Outstanding as of 9/30/2020
St Lucie 2010	\$20,500,000	Finance capital improvements.	\$4,290,000
St Lucie 2011A	\$34,870,000	Partial refund of the 2002 bonds and interest rate swaps	\$19,930,000
St Lucie 2011B	\$24,305,000	Finance capital improvements and pay costs of issuance	\$24,305,000
St Lucie 2012A	\$58,870,000	Partial refund of the 2000 and 2002 bonds with interest rate swaps	\$58,870,000
St Lucie 2013A	\$24,305,000	Finance capital improvements	\$9,740,000
Stanton II 2012A	\$77,520,000	Refund 2002. Partial refund of the 2000 and 2004 w/swaps. Finance capital improvments	\$46,330,000
Stanton II 2017A	\$21,888,000	Refund 2000 auction rate securities and interest rate swaps	\$21,114,000
Stanton II 2017B	\$50,019,000	Refund 2004 auction rate securities and interest rate swaps	\$40,370,000
Stanton II 2020-1	\$3,921,350	Pooled Loan refunded 2009A bonds	\$3,921,350
Total	<u><b>\$316,198,350</b></u>		<u><b>\$228,870,350</b></u>

## ARP - CALCULATION BASED ON AVERAGE FY20 BILLING DEMAND

	Average Monthly Billing Demand (MW) FY 2020	% of Total	Bonds, Notes and Loans Outstanding as of 9/30/2020 <sup>1</sup>
Bushnell	11.784	1.0%	7,657
Clewiston	19.358	1.6%	12,578
Fort Meade	8.884	0.7%	5,772
Fort Pierce	95.864	7.9%	62,288
Green Cove Springs	22.452	1.9%	14,588
Havana	4.983	0.4%	3,238
Jacksonville Beach	149.859	12.4%	97,372
KUA	346.906	28.7%	225,404
Key West	135.852	11.2%	88,271
Lake Worth	0.000	0.0%	0
Leesburg	107.081	8.9%	69,576
Newberry	8.300	0.7%	5,393
Ocala	284.764	23.6%	185,027
Starke	12.276	1.0%	7,976
Total	1,208.363	100.0%	785,140

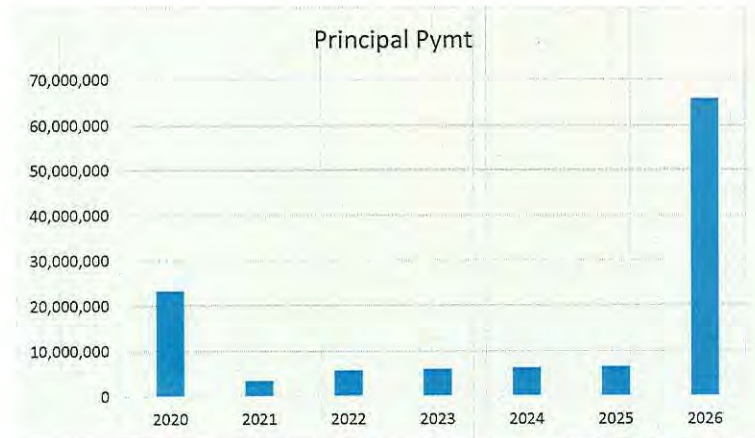


Payment October 1	Principal Payment
2020	48,490,000
2021	55,280,000
2022	42,190,000
2023	43,985,000
2024	45,985,000
2025	60,195,000
2026	63,125,000
2027	69,285,000
2028	83,495,000
2029	87,245,000
2030	95,360,000
2031	90,505,000
	<u>785,140,000</u>

Footnote: ARP Participants' percent share of ARP debt payments varies monthly based on their monthly peak demand (less Excluded Resource capacity, if any) during the hour of the ARP system peak. Due to weather and other factors, such allocations can vary significantly from month to month. Additional factors such as varying levels of load growth among the Participants would also impact the allocations over time. Amounts shown are for illustrative purposes only and are based on each Participant's average monthly ARP billing demand during Fiscal Year 2020. It is important to note that this calculation is not the same as the calculation of outstanding ARP debt that each Participant would be required to pay in the event it exercised its right to withdraw from the ARP pursuant to Section 29 pf the ARP Contract

## ST. LUCIE - Entitlement share by participant

Entitlement Share %	Bonds, Notes and Loans Outstanding as of 9/30/2020 <sup>1</sup>	FY2020 Debt Service Related Budget <sup>2,3,4</sup>
	(\$000)	(\$000)
0.431%	505	124
2.202%	2,579	635
0.336%	394	97
15.206%	17,812	4,384
1.757%	2,058	507
8.269%	9,686	2,384
7.329%	8,585	2,113
9.405%	11,017	2,711
2.326%	2,725	671
24.870%	29,131	7,170
0.384%	450	111
0.184%	216	53
9.884%	11,578	2,849
2.215%	2,595	639
15.202%	17,807	4,383
100.000%	117,135	28,829



Payment October 1	Principal Pymt
2020	23,320,000
2021	3,495,000
2022	5,765,000
2023	6,020,000
2024	6,290,000
2025	6,540,000
2026	65,705,000
	<u>117,135,000</u>

<sup>1</sup> Makes no assumption about any new debt needs.

<sup>2</sup> Annual debt-service-related budget amounts may vary by year.

<sup>3</sup> Use of monies on hand may reduce total debt service budget amounts collected from rates. As of 9/30/2020, \$43,470,608 (par amt) of investments in the General Reserve, Contingency, and Debt Service Reserves related accounts.

<sup>4</sup> Final debt service payment is October 1, 2026. Plant licensed by NRC to operate until 2043.



## STANTON II - Entitlement share by participant

	Bonds, Notes and Loans Outstanding as of 9/30/2020 <sup>1</sup>	FY2020 Debt Service Related Budget <sup>2,3,4</sup>
Entitlement Share %	(\$000)	(\$000)
ARP	16.489%	18,424
FORT PIERCE	16.489%	18,424
HOMESTEAD <sup>A</sup>	8.244%	9,211
KUA <sup>A</sup>	32.977%	36,847
ST. CLOUD	14.671%	16,393
KEY WEST	9.893%	11,054
STARKE	1.237%	1,382
	100.000%	111,735

<sup>A</sup> Reflects impact of 100% and 50% Entitlement Share assignments respectively from Lake Worth and Homestead to KUA.

<sup>1</sup> Makes no assumption about any new debt needs.

<sup>2</sup> Annual debt-service-related budget amounts may vary by year.

<sup>3</sup> Use of monies on hand may reduce total debt service budget amounts collected from rates. As of 9/30/2020, \$33,636,655 (par amt) of investments in the General Reserve, Contingency and Debt Service Reserve accounts.

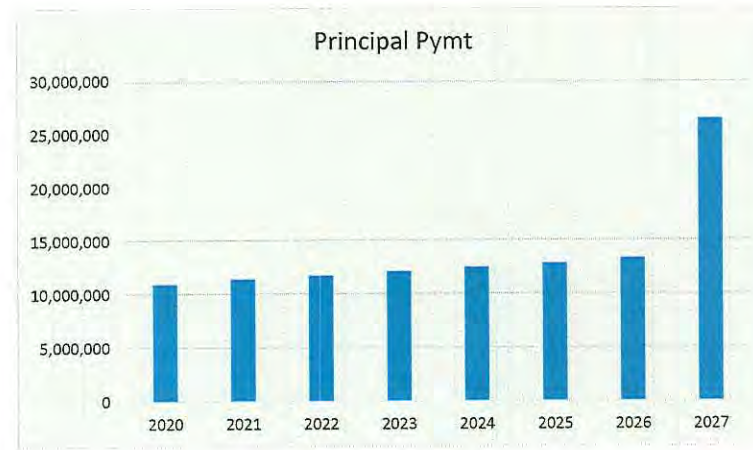
<sup>4</sup> Final debt service payment is October 1, 2027.

<sup>5</sup> Funds on hand in 2027 will be used to reduce payment amount to typical amount level.

See note <sup>3</sup> above.

Indicates amounts paid by ARP due to Participant being in the ARP

Indicates the partial assignment taken from the City of Vero Beach



Payment October 1	Principal Pymt
2020	10,994,879
2021	11,449,492
2022	11,806,603
2023	12,170,876
2024	12,558,314
2025	12,927,920
2026	13,388,697
2027	26,438,569 <sup>5</sup>
	<u>111,735,350</u>



**AGENDA ITEM 9 – INFORMATION  
ITEMS**

**b. Update on Mobile Substation  
Project**

**Board of Directors Meeting  
February 18, 2021**



## **9b – Update on Mobile Substation Project**

Board of Directors

February 18, 2021

# Substation Redundancy Critical for Reliability

## *Joint Action Approach Necessary to Attain Economies of Scale*

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- FMPA Board asked staff to investigate options for a mobile substation
- Eight members have provided a non-binding expression of interest
  - Keys, Homestead, Lake Worth Beach, New Smyrna Beach, Leesburg, Winter Park, Bartow, Jacksonville Beach
- Staff proposed a long-term contract with an operator-owner of the asset, who would store, maintain and deploy the trailer

# Project Timeline for Key Steps

## *Schedule Delays Due to COVID, Manufacturing Lead Time*

Key Steps	Anticipated Completion
Collect key data for substations of interested members	Completed September-20
Review with members key assumptions for candidate substations	March-21
Draft and issue RFP	April-21
Present evaluation of responses to members	June-21
Obtain firm commitment from members	August-21
Execute contract	October-21
Mobile substation available for deployment	October-22

# Questions to Be Answered

## *Members' Requirements, RFP Responses Will Influence Choices*

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- Will members want the option for a rapid deployment?
- Should the asset owner-operator be responsible for commissioning and de-commissioning the mobile substation?

**AGENDA ITEM 9 – INFORMATION  
ITEMS**

- c. Inter-regional Price, Consumption  
and Emissions Difference and  
Policy Implications**

**Board of Directors Meeting  
February 18, 2021**



# **Inter-regional Price, Consumption and Emissions Difference and Policy Implications**

Board of Directors  
February 18, 2021

# Significant Inter-regional Differences Prices & Emissions

## *CO<sub>2</sub> Policy Implications – Regionalization, Balance Cost Impacts*

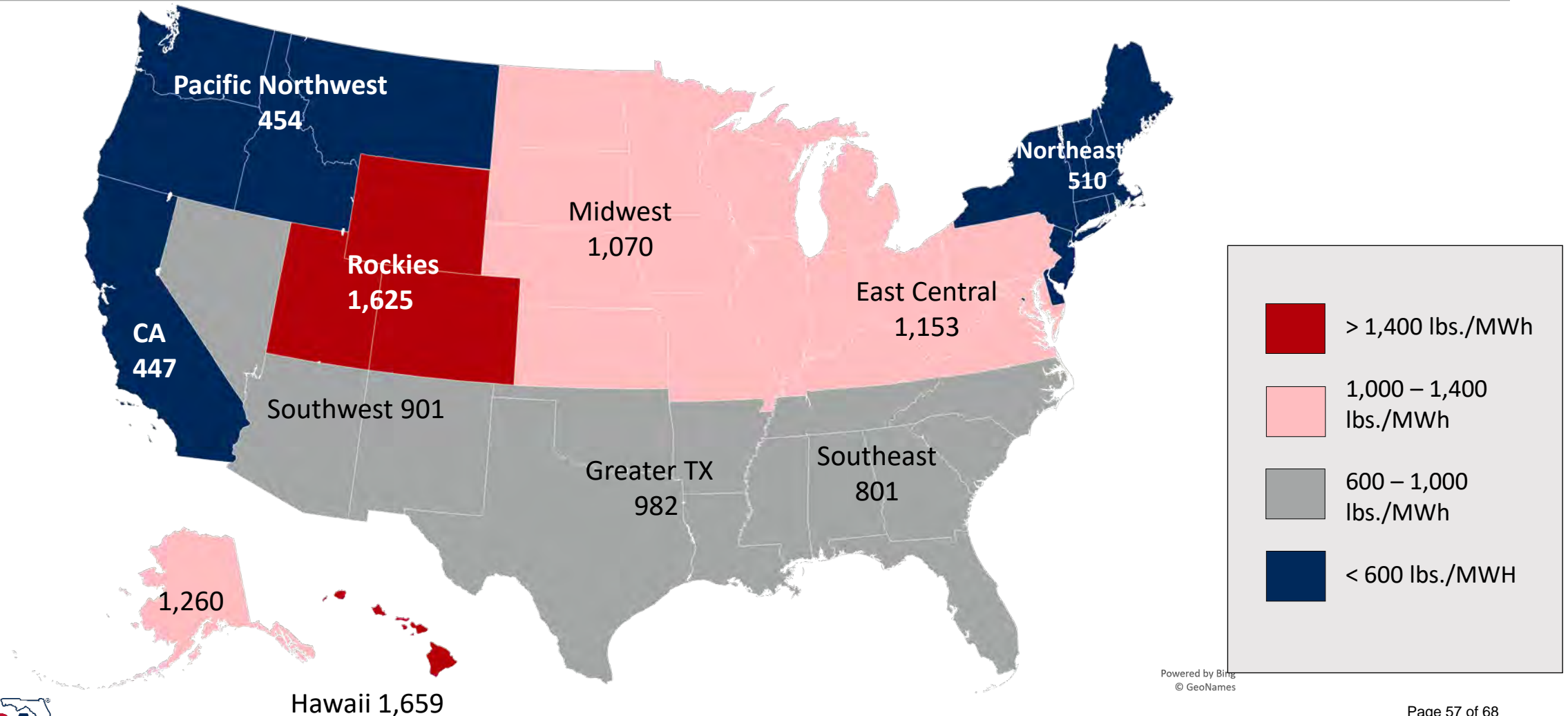
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- Significant inter-regional diversity of electric emissions, prices and consumption in U.S.
  - Southeast and Greater TX have low electric prices, high per capita use of electricity, moderate CO<sub>2</sub> emissions
  - CA and New England have very high costs, low consumption and CO<sub>2</sub> emissions
  - East Central and Midwest have moderate prices, consumption, relatively high CO<sub>2</sub> emissions
  - Pacific NW with its hydro abundance has low prices and CO<sub>2</sub> emissions
  - Eastern U.S. renewable options generally limited to solar
- CO<sub>2</sub> policy implications – need for regional vs national standards
- Need for balancing “Environmental” vs “Economic” justice
- Looking for feedback on policy positions



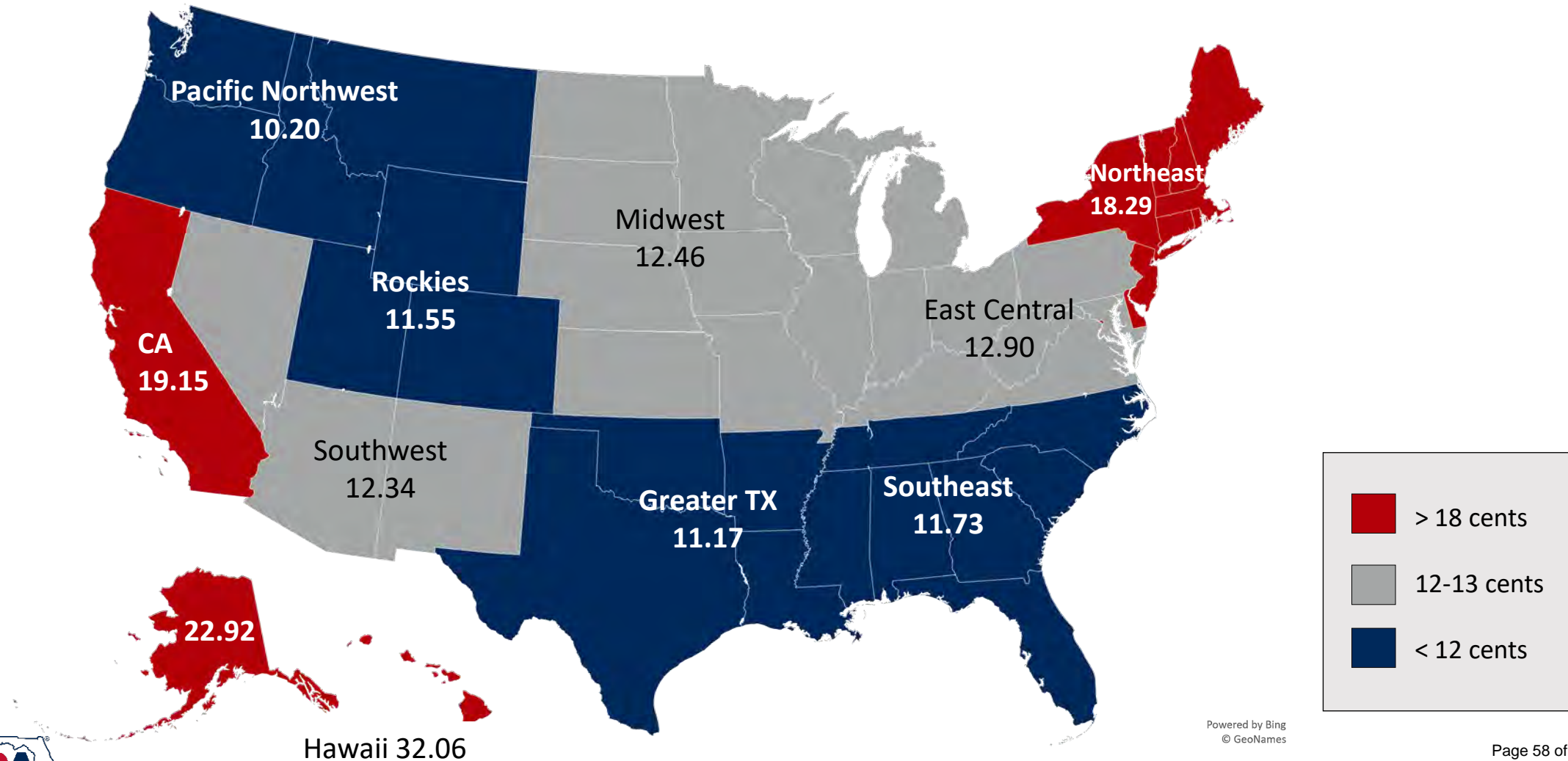
# U.S. Regional Electric Generation Emissions (lbs./MWh)

*Emissions Driven in Part by Access to Natural Resources*



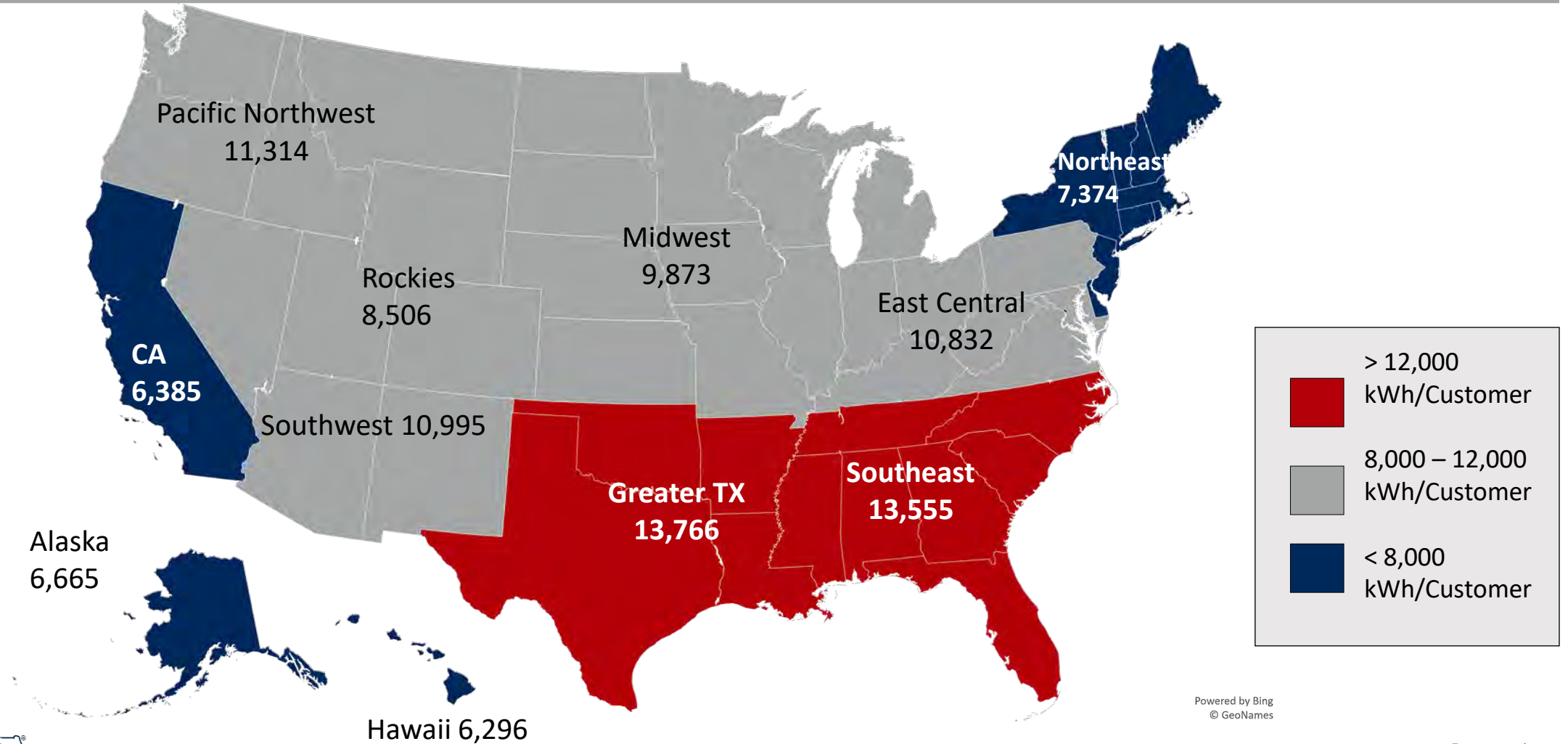
# U.S. Average Residential Retail Price (cents/kWh)

*Higher Consumption Regions Have Lower Prices*



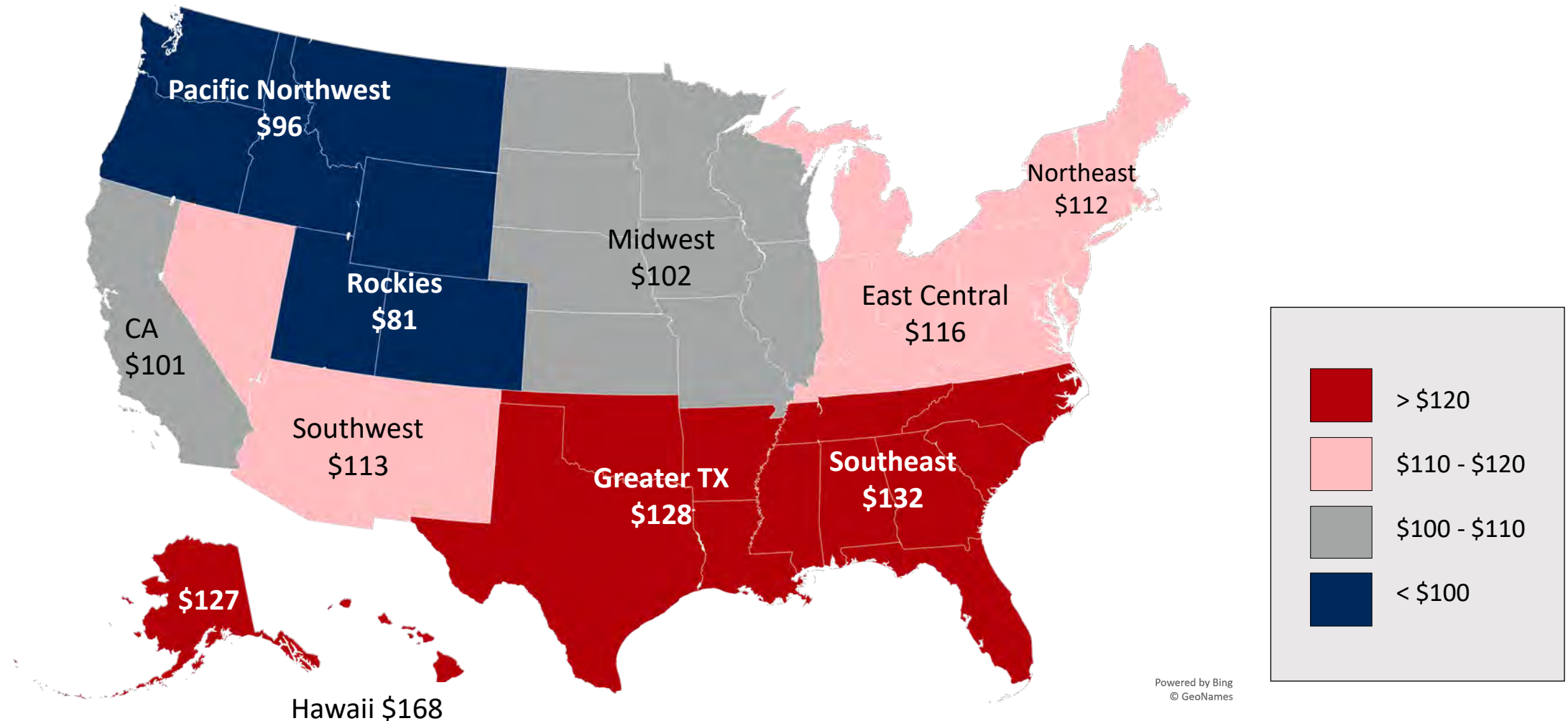
# U.S. Residential Customer Consumption (kWh/Cust.)

*Usage Driven by Space Conditioning*



# Regional Average Residential Electric Bill (\$/Month)

*Highest Usage Regions Have Highest Bills*







FOR  
**1 OF 3**  
FLORIDIANS

**10% of disposable income  
goes to the electric bill**

SOURCE: American Coalition for  
Clean Coal Electricity, "Energy  
Cost Impacts on Florida  
Families," GenPage 61 of 686

# Increasing CO<sub>2</sub> Reductions in FL Comes at a Cost

*Power Costs Increases Could Range from Inflationary to 300%*

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**50%**

CO<sub>2</sub> Reductions

**Inflationary  
cost increases**

expected through  
2027 while  
achieving 50% CO<sub>2</sub>  
reduction from  
2005 levels

**70%**

CO<sub>2</sub> Reductions

**20%  
cost increases  
over inflation**

using gas  
generation for  
reliability and  
peaking, solar  
power increases,  
some batteries

**95%**

CO<sub>2</sub> Reductions

**50 - 100%  
cost increases  
over inflation**

with significant  
solar power plus  
battery backup  
with natural gas  
only available for  
emergency use

**100%**

CO<sub>2</sub> Reductions

**200 - 300%  
cost increases**

with significant  
amounts of new  
solar plus dramatic  
increase in battery  
capacity to provide  
days of reserves for  
cloudy periods

# Federal CO<sub>2</sub> Policy Needs Regional Considerations

## *Should Balance “Environmental” and “Economic” Justice*

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- Federal CO<sub>2</sub> policy needs regional considerations
  - CO<sub>2</sub> emission targets should be regionalized – vastly different starting points and CO<sub>2</sub> free resources available to reduce emissions
  - Cost of emission reductions should be balanced regionally - no region’s customers bearing large share
  - Policy should have “price circuit-breakers” if consumer costs rise too fast in given region
- Pace of CO<sub>2</sub> emissions reductions in U.S. should be balanced against economic impact on fixed and low-income consumers
  - Balance “Environmental” vs “Economic” justice
- Pace of CO<sub>2</sub> emission reductions should account for present technological solutions cost effectiveness
- Other thoughts?



**AGENDA ITEM 9 – INFORMATION  
ITEMS**

**d. Summary of Finance Committee  
Items**

**Board of Directors Meeting  
February 18, 2021**





# **9d – Summary of Finance Committee Items**

Board of Directors

February 18, 2021

# Other Items

## *March Review/Approval*

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- Approval of Risk Policies
- Review of the Agency Annual Risk Inventory

**AGENDA ITEM 10 – MEMBER  
COMMENTS**

**Board of Directors Meeting  
February 18, 2021**

## **AGENDA ITEM 11 – ADJOURNMENT**

**Board of Directors Meeting  
February 18, 2021**