



FMPA BOARD OF DIRECTORS AGENDA PACKAGE

**March 18, 2021
9:00 a.m. [NOTE TIME]
Dial-in Info 877-668-4493 or 650-479-3208
Meeting Number 180 744 2727#
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: FMPA Board of Directors
FROM: Jacob A. Williams, General Manager and CEO
DATE: March 9, 2021
RE: **FMPA Board of Directors Meeting – 9:00 a.m., March 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 180 744 2727# – 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) 19**
- 7. Consent Agenda**
 - a. Approval of the Minutes for the Meeting Held February 18, 2021 and Joint Board of Directors and Executive Committee Strategic Planning Session Held February 17, 2021 23**
 - b. Approval of the Projects' Preliminary Financials as of January 31, 2021 33**
 - c. Approval of the Treasury Reports as of January 31, 2021 35**

8. Action Items
 a. Approval of Human Resources Risk Policy (Rich Popp) 39

9. Information Items
 a. Lineworker Safety Program (Mike McCleary) 53
 b. Strategic Planning Prioritization and Next Steps * (Jacob Williams) 84
 c. Regulatory Compliance Quarterly Update (Truong Le) 91
 d. Summary of Finance Committee Items * (Linda S. Howard) 97

10. Member Comments 99

11. Adjournment 100

***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
March 18, 2021**

**AGENDA ITEM 2 – RECOGNITION OF
GUESTS**

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

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

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

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

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

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

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

Claston Sunanon Has Served 15 Years on FMPA's Board

OUC's Board Representative Since March 2006

- FMPA's longest serving Board member
- Served seven years on Audit Risk and Oversight Committee (Finance Committee)
- Strong advocate for diversity of resources
- Helps keep power costs low for members through participation in Power Pool
- Was pivotal in solar negotiations to provide value through joint ownership
- Works with members to mitigate risks during unique market events and unit trips

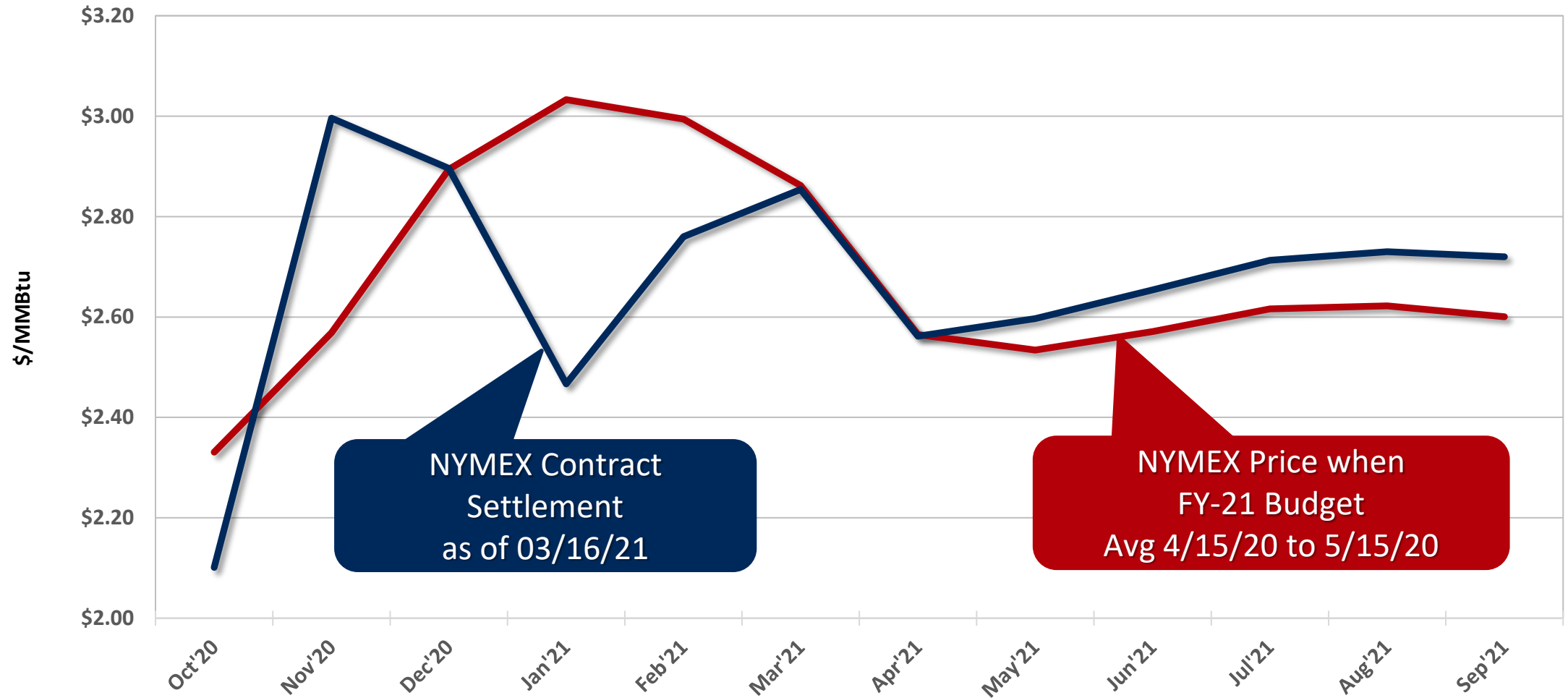


Fiscal 2021 Management Goals through February 28, 2021

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 responses from SERC for CIP and PRC-005 self-reports. Discussing potable water testing with DEP for Cane Island Power Park
	Financial		0	0	0	0	
	Regulatory		0	0	0	0	
3.Low Cost (\$/MWh)	Under \$70/MWh		\$73.41 *	\$71.82 *	\$75.04	< \$70.00	*Preliminary results – YTD February MWh sales 2.2% > budget. All-in Costs \$3/MWh, (4.5%) < YTD target due to O&M (10%), assigned project costs (10%), admin & general (10%) and net fuel costs (3%) < target
	Fuel		\$21.96 *	\$21.14 *	\$22.01	\$22.19	
	Non-Fuel		\$51.45 *	\$50.68 *	\$53.03	\$47.81	
4.Stanton I and Stanton II Decision from OUC to reduce power costs and emissions							Ongoing discussions with OUC regarding alternate water evaporation technologies that could help reduce post conversion capacity factors

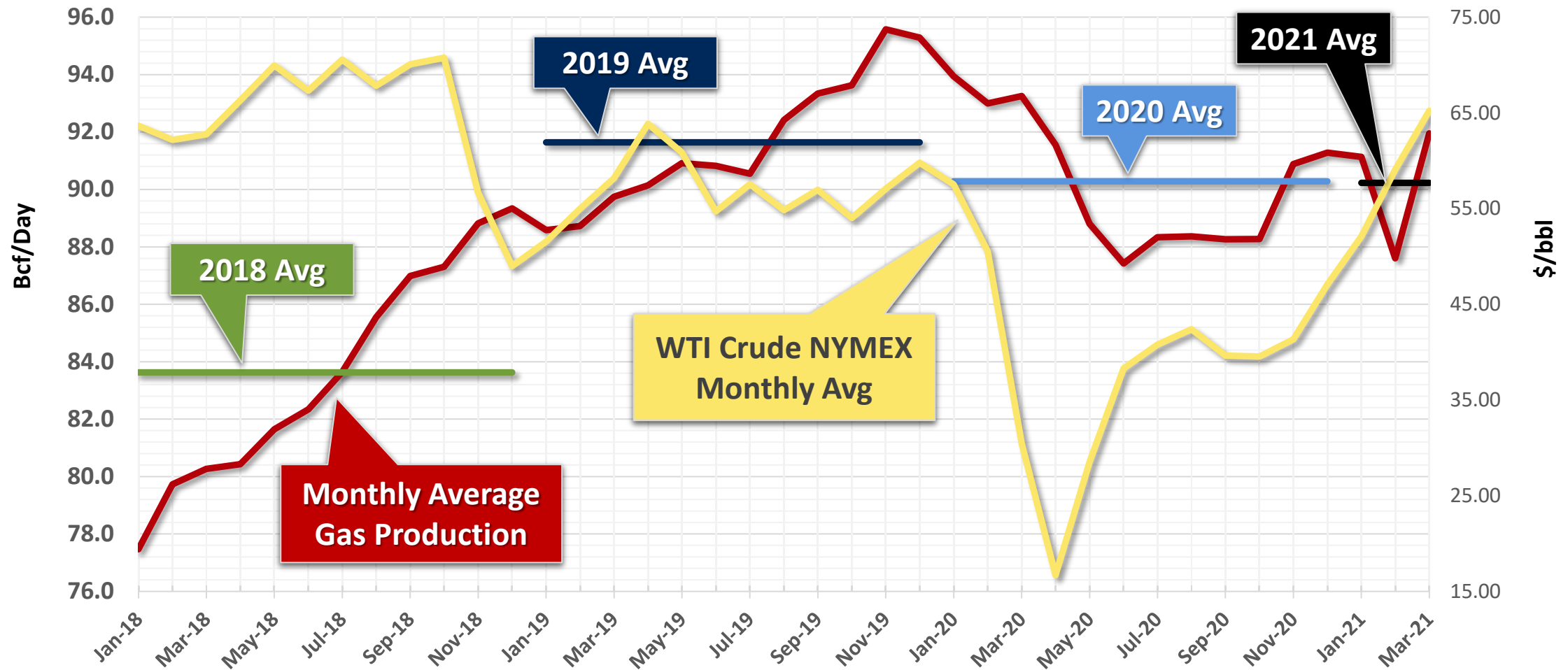
FY 2021 NYMEX Contract \$0.01/MMBtu Above Budget

NYMEX Natural Gas Fiscal 2021 October Settlement (03/16/21)



Natural Gas Production Following Oil Prices

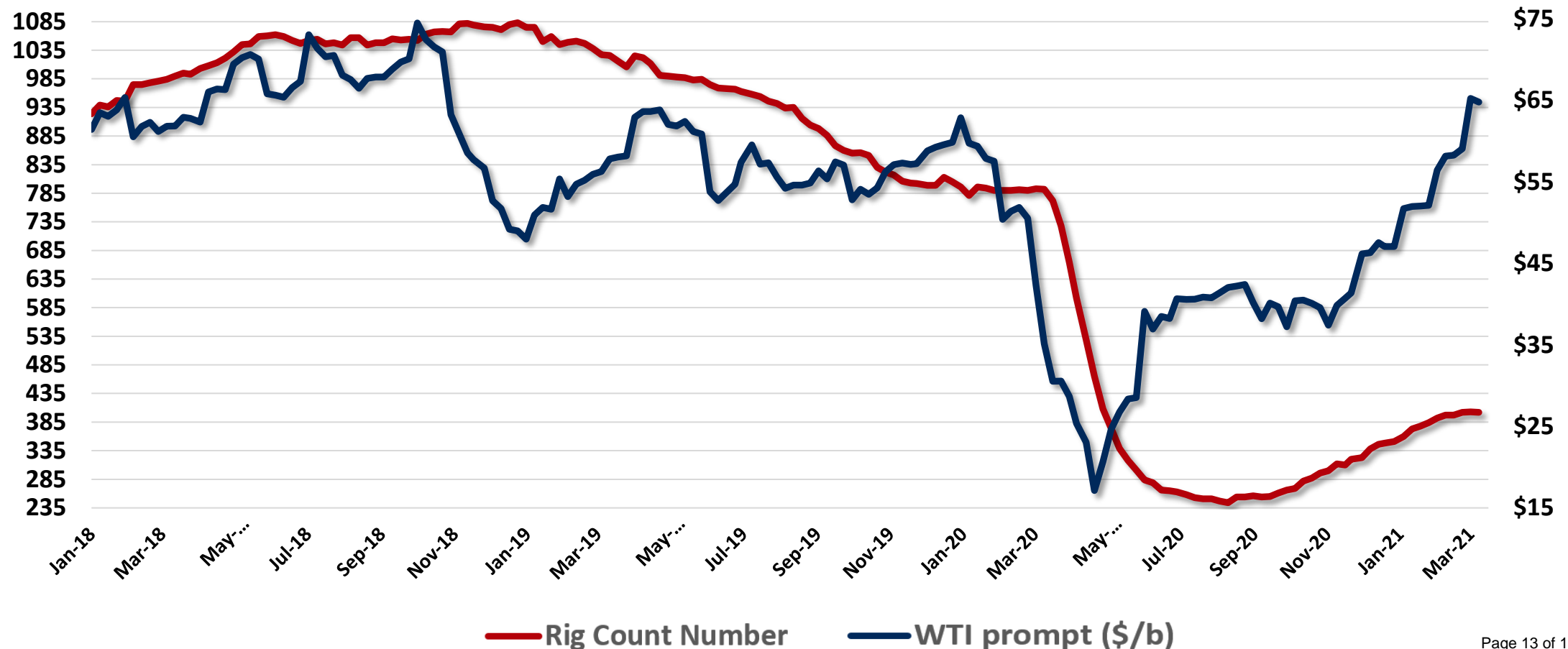
Average Monthly Change From 2018 to Date (3/16/21)



Rig Count Increases Marginally, Oil Prices Move Lower

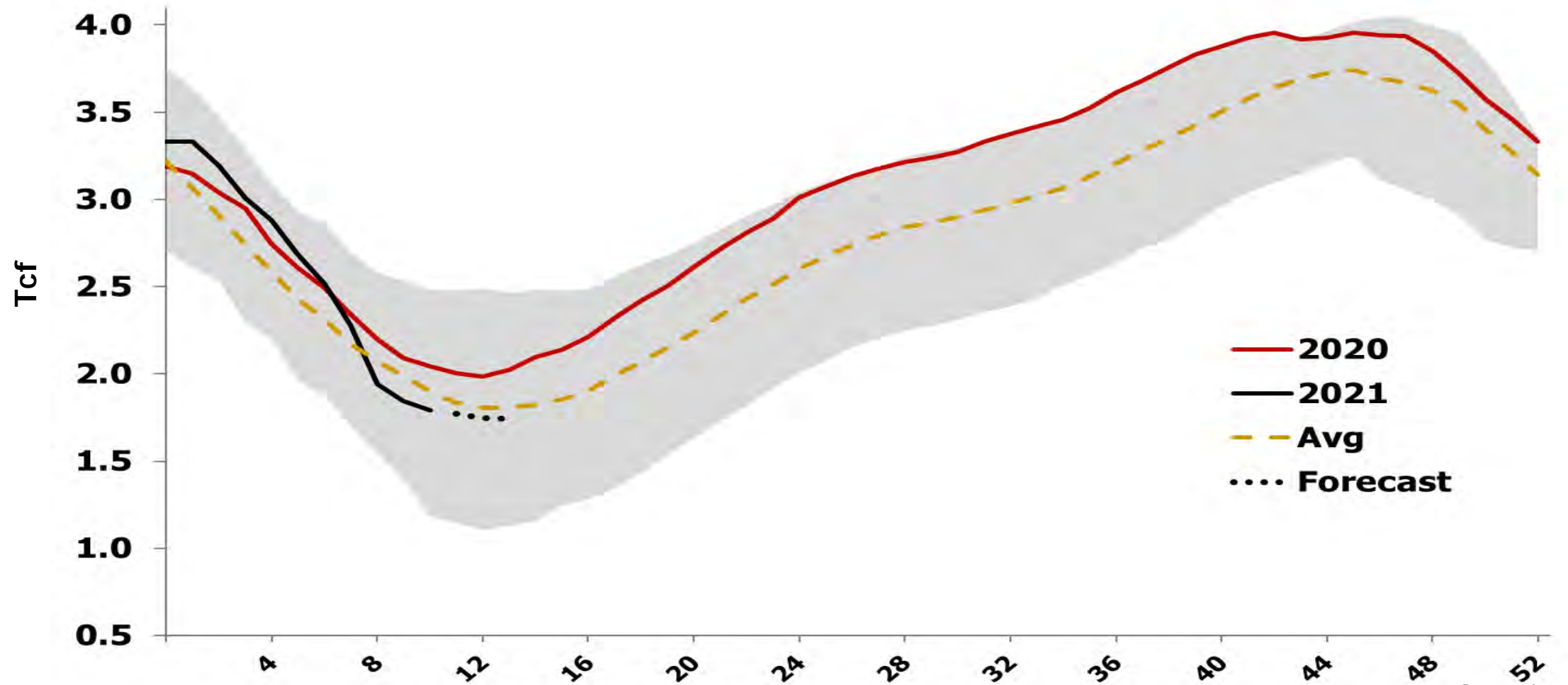
WTI Prices in Mid-\$60 Range (as of 3/16)

US Drilling Rig Count vs WTI Prompt



Gas Storage Inventory as of Week Ending March 5

2021 Withdrawal Season Below Five-Year Average



~35% of Annual Natural Gas Burn Bought for Fiscal 2021

\$(0.212) / MMBtu Below Budget Overall, Recent Purchases ~\$(0.44)MMBtu Below Budget

Value vs. Budget

- December purchase of 15,000 MMBtu/d for January, February and 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 03/16/2021 (\$/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	\$2.84	\$0.17	\$296,456
Apr-21	\$2.49	\$2.52	\$0.03	\$18,708
May-21	\$2.44	\$2.59	\$0.14	\$89,615
Jun-21	\$2.49	\$2.71	\$0.21	\$127,908
Jul-21	\$2.57	\$2.72	\$0.15	\$90,917
Aug-21	\$2.59	\$2.76	\$0.16	\$101,965
Sep-21	\$2.57	\$2.73	\$0.16	\$93,984

Total Extended Value vs. Current Market

\$1,835,612

Goal		Status	Actual	YTD Actual	YTD Target	FY'21 Target	Comment
5.Cyber Security	Breaches		0	0	0	0	
	Phishing tests		1.4%	3.7%	5% or <	5% or <	Only one person clicked on link – email pretended to contain electronic copy of W-2
	Member assessments		1	1	1	5	Four assessments in progress
6.Reliability	CC EAF		91.7%	91.8%	89.3%	90%	Cane Island Unit 3 had scheduled outage
	SI black start and trans. backup		2	5	5	100%	Tie line outage in Feb as well as opportunity during polar vortex
	SAIDI Reduction		0	3	4.2	10	
7.Member Services	Leadership member visits		13	40	31	75	
	Projects managed for members		1	7	6.7	20	Moore Haven financial model
8.Value of Muni	Member info updates		2	4	6	16	Bartow, Chattahoochee, FPUA, Wauchula
	Presentations Social media		0	5	4	10	Bartow (April), Chattahoochee, Lake Worth, Leesburg, Newberry, Starke, Wauchula (4/5)

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 April, Alachua sales opportunity example of how LM could add value for all
	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
	Prepaid gas min. svgs. of \$0.20/mmBtu		0	0	0	1	
11.Transmission	Neg. service upgrade for LWB & Homestead						Scheduling documents signed with FPL for both LWB and HS
12.People	360 training for Leadership & mgmt.		5	5	4.5	11	5 completed, 6 began in March
	Mgmt. outreach to diverse prof. groups		1	2	.5	3	Jacob - AABE membership Linda – NABA membership; contact at NSBE
	Individual development plans		9	29	25	50	On track to complete all by March 31
	FMPA Fleet Team Sharing – Days		9	112	42	100	FMPA to SI 2 days and to TCEC 1 day, CI staff supported SI 6 days

VERBAL REPORT

AGENDA ITEM 6 – SUNSHINE LAW UPDATE

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



Sunshine Law Update

—In a Minute—

Board of Directors

March 18, 2021

It's Sunshine Week!



SUNSHINE WEEK

Open government is good government.

MARCH 14-20, 2021

Sunshine Week was launched in 2005 by the American Society of News Editors — now **News Leaders Association** — and has grown into an enduring initiative to promote open government.

Join News Leaders Association in the annual nationwide celebration of access to public information and what it means for you and your community. It's your right to know.

Sunshine Law

As an Advantage

- Transparency to the customers (community) we serve
- Accountability for decisions required
- Considerations of alternatives can be shared
- Less complexity in handling information
- Organizational confidence and transparency
- Always easier to tell the truth – the story doesn't change

**AGENDA ITEM 7 – CONSENT
AGENDA**

- a. Approval of the Minutes for the
Meeting Held February 18, 2021**

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

CLERKS DULY NOTIFIED FEBRUARY 9, 2021
AGENDA PACKAGES POSTED..... FEBRUARY 9, 2021

MINUTES
FMPA BOARD OF DIRECTORS MEETING
FLORIDA MUNICIPAL POWER AGENCY
8553 COMMODITY CIRCLE
ORLANDO, FL 32819
THURSDAY, FEBRUARY 18, 2021
9:00 A.M.

MEMBERS PRESENT Brad Hiers, Bartow * (via telephone)
Lynne Mila, Clewiston
John Tompeck, Fort Pierce
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 (via telephone)
Michael Beckham, Lakeland (via telephone)
Brad Chase, Leesburg (via telephone)
Steve Langley, Mount Dora (via telephone)
Bill Conrad, Newberry
Joe Bunch, New Smyrna Beach (via telephone)
Eric Weaver, Ocala
Claston Sunanon, Orlando
Keith Trace, St. Cloud (via telephone)
John Holman, Starke
James Braddock, Wauchula (via telephone)

*joined after roll call.

OTHERS PRESENT Paul Jakubczak, Fort Pierce
Jan Aspuru, Orlando
Craig Dunlap, Dunlap & Associates, Inc. (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
Carter Manucy, IT/OT and Cybersecurity Director
Ryan Dumas, Public Relations Specialist
Melisa Inanc, Public Relations Specialist
Isabel Montoya, Information Technology Intern
Susan Schumann, Manager of External Affairs and Solar Projects
David Schumann, Power Generation Fleet Director

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, February 18, 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 19 members present, representing 32.5 votes out of a possible 47.5. After Brad Hiers, Bartow, joined there were 20 members present, representing 33.5 votes out of a possible 47.5.

ITEM 2 – Recognition of Guests

Chair Barbara Quiñones welcomed Craig Dunlap, Dunlap & Associates, Inc., who joined via telephone.

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. John Tompeck, Fort Pierce, seconded the motion. Motion carried 31.5 – 0.

ITEM 5 – REPORT FROM THE GENERAL MANAGER

Jacob Williams reported on the following items:

1. Goals Scorecard
2. City of Oldsmar (Pinellas County) Water Treatment System Attack (Carter)
3. FMPA annual Member salary and benefits survey has been emailed to the Board and Executive Committee and is due March 19.
4. HR Round Table scheduled for March 17 – register on FMPA dot com

ITEM 6 – SUNSHINE LAW UPDATE

Dan O'Hagan reported on recent public records matters.

ITEM 7 – CONSENT AGENDA

- a. Approval of Minutes – Meeting Held January 21, 2021
- b. Approval of the Projects' Preliminary Financials as of December 31, 2020
- c. Approval of the Treasury Reports as of December 31, 2020

MOTION: Allen Putnam, Jacksonville Beach, moved approval of the Consent Agenda as presented. Eric Weaver, Ocala, seconded the motion. Motion carried 31.5 – 0.

ITEM 8 – ACTION ITEMS

- a. None

ITEM 9 – INFORMATION ITEMS

a. Annual Debt Report

Rich Popp presented the Annual Debt Report.

b. Update on Mobile Substation Project

Cairo Vanegas reported on the status of the Mobile Substation Project.

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

Jacob Williams reported on the Inter-regional Price, Consumption and Emissions Difference and Policy Implications.

d. Summary of Finance Committee Items

Linda S. Howard reported on the items from the previous day's Finance Committee meeting.

ITEM 10 – MEMBER COMMENTS

Eric Weaver, Ocala, thanked everyone for their prayers, texts and well wishes while he was in the hospital.

ITEM 11 – ADJOURNMENT

There being no further business, the meeting was adjourned at 10:19 a.m.

Barbara Quiñones
Chairperson, Board of Directors

Larry Mattern
Secretary

Approved: _____

Seal

BQ/LM/su

PUBLIC NOTICES SENT TO CLERKS.....FEB. 9, 2021
STRATEGIC PLANNING PRESENTATION SENT TO MEMBERS FEB. 1 & 16, 2021

MINUTES
JOINT BOARD OF DIRECTORS AND EXECUTIVE COMMITTEE
STRATEGIC PLANNING SESSION
WEDNESDAY, FEBRUARY 17, 2021
FLORIDA MUNICIPAL POWER AGENCY
8553 COMMODITY CIRCLE
ORLANDO, FLORIDA 32819

MEMBERS Brad Hiers, Bartow (via telephone)
PRESENT Lynne Mila, Clewiston (via telephone)
John Tompeck, Fort Pierce
Paul Jakubczak, Fort Pierce
Gary Baysinger, Gainesville (via telephone)
Bob Page, Green Cove Springs
Howard McKinnon, Havana
Barbara Quiñones, Homestead
Allen Putnam, Jacksonville Beach
Lynne Tejeda, Key West
Larry Mattern, Kissimmee
Ed Liberty, Lake Worth Beach (via telephone)
Jim Williams, Leesburg
Steve Langley, Mount Dora (via telephone)
Joe Bunch, New Smyrna Beach
Bill Conrad, Newberry
Eric Weaver, Ocala
Claston Sunanon, Orlando
Jan Aspuru, Orlando
Keith Trace, St. Cloud
John Holman, Starke
James Braddock, Wauchula (via telephone)
Dan D'Alessandro, Winter Park (via telephone)
Justin Isler, Winter Park (via telephone)

OTHERS Craig Dunlap, Dunlap & Associates, Inc.
PRESENT Tim Blodgett, Hometown Connections, Inc., Facilitator
Aaron Casto, FMPP

STAFF Jacob Williams, General Manager and CEO
PRESENT Jody Finklea, General Counsel and Chief Legal Officer

Ken Rutter, Chief Operating Officer
Linda S. Howard, Chief Financial Officer
Mark McCain, Assistant General Manager, Member Services
and Public Relations
Navid Nowakhtar, Resource and Strategic Planning Manager
Dan O'Hagan, Assistant General Counsel and Regulatory
Compliance Counsel
Sue Utley, Executive Asst./Asst. Secy. to the Board
Jason Wolfe, Financial Planning, Rates and Budget Director
Carter Manucy, IT/OT and Cybersecurity Director
Sharon Adams, Human Resources Director
Mike McCleary, Manager of Member Services Development
Cairo Vanegas, Manager of Member Services Development
Susan Schumann, Manager of External Affairs and Solar Projects
Bob Nelcoski, Energy Data Analyst
Ryan Dumas, Public Relations Specialist
Melisa Inanc, Public Relations Specialist
Isabel Montoya, Information Technology Specialist

1. Call to Order and Roll Call

Chair Barbara Quiñones, Homestead, called the Board of Directors and Executive Committee Strategic Planning Session, as a joint workshop, to order at 9:00 AM on Wednesday, February 17, 2021, in the Frederick M. Bryant Board Room at Florida Municipal Power Agency, 8553 Commodity Circle, Orlando, Florida.

2. Market Volatility Update

Ken Rutter presented an update on the market volatility that happened the last several days with the polar vortex through much of the nation.

3. Welcome and Introduction of workshop facilitator, Tim Blodgett

A detailed agenda was handed out to Members. Jacob Williams welcomed Tim Blodgett of Hometown Connections, Inc. who was our facilitator in 2019 also.

4. Overview of agenda, process, outcomes and web-based voting system.

Tim Blodgett and Mark McCain gave an overview and did a test on the web-based voting system.

5. Strategic Planning Discussion

Jacob Williams, General Manager and CEO, Ken Rutter, Chief Operating Officer, Mark McCain, Vice President of Member Services and Public Relations, Sharon Adams, Vice President of Human Resources and Shared Services, Navid Nowakhtar, Resource and Strategic Planning Manager, Jason Wolfe, Financial Planning, Rates and Budget Director, presented prepared materials and addressed questions. Discussion ensued.

10:35 AM – RECESS JOINT SESSION

10:40 AM – RECONVENE JOINT SESSION

6. List of Strategic Questions

Tim Blodgett, Hometown Connections, Inc., Facilitator, addressed questions and lead the discussion.

Lunch Break

11:50 AM – RECESS JOINT SESSION FOR LUNCH

12:34 PM – RECONVENE JOINT SESSION

7. Review, Edit and Finalize List of Potential Strategic Priorities

Tim Blodgett, Hometown Connections, Inc. addressed questions and lead the discussion.

1:50 PM – RECESS JOINT SESSION FOR A BREAK

2:00 PM – RECONVENE JOINT SESSION

8. Conduct First Round Voting to Shortlist Priorities.

Strategic Priorities	
1.	Lower controllable wholesale power costs for all power supply projects
2.	Evaluate FMPPA's human resource requirements to maintain responsive member services or expand resources to meet new service initiatives (e.g., substation and cybersecurity)
3.	Optimize Stanton operation
4.	Evaluate additional solar/storage resources to support customer desires and/or meet additional emission targets (for ARP and/or other members)
5.	Periodically investigate customer opinions (e.g., opinion on CO ₂ reduction options and willingness to pay for various options)
6.	Develop a CO ₂ reduction strategy beyond 2027 with some cost thresholds
7.	Develop alternatives to address increasing transmission rates
8.	Engage in public policy discussion on the balance of environmental improvement and affordability
9.	Maintain and enhance a quality workforce at FMPPA

Executive Committee

Strategic Priorities for Executive Committee	
•	Evaluate an energy storage project in Key West that mitigates tie line limitations, supplements capacity, and adds ancillary value for ARP
•	Create low- or no-cost demand-side management program to meet peak and defer capacity additions
•	With FMPP partners, consider operational improvements to reduce costs and increase reliability with expansion of intermittent resources as well as consider structural changes that create value for all and may enhance Pool expansion

9. Review Top 5 Priorities – Voting Results, and Discuss Next Steps

The top 5 priorities for the Board of Directors are:

- 1) Lower controllable wholesale power costs for all power supply projects (3.48)
- 2) Optimize Stanton operation(2.71)
- 3) Evaluate FMPPA's human resource requirements to maintain responsive member services or expand resources to meet new service initiatives (e.g., substation and cybersecurity) (2.43)
- 4) Develop alternatives to address increasing transmission rates (1.67)
- 5) Evaluate additional solar/storage resources to support customer desires and/or meet additional emission targets (for ARP and/or other members) (1.48)

The top 3 priorities for the Executive Committee (All-Requirements Project) are:

- 1) With FMPP partners, consider operational improvements to reduce costs and increase reliability with expansion of intermittent resources as well as consider structural changes that create value for all and may enhance Pool expansion (2.23)
- 2) Evaluate an energy storage project in Key West that mitigates tie line limitations, supplements capacity, and adds ancillary value for the ARP (1.92)
- 3) Create low- or no-cost demand-side management program to meet peak and defer capacity additions (1.85)

10. Adjourn Strategic Planning Session

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

Approved

BQ/su

**AGENDA ITEM 7 – CONSENT
AGENDA**

- b. Approval of the Projects’
Preliminary Financials as of
January 31, 2021**

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



Linda S. Howard, CPA, CTP
Chief Financial Officer

AGENDA PACKAGE MEMORANDUM

TO: FMPA Board of Directors
FROM: Linda Howard
DATE: March 9, 2021
ITEM: 7b – Approval of Projects’ Financials as of January 31, 2021

Discussion: The summary financial statements and detailed financial statements, which include GASB #62 transactions, of the Projects for the period ended January 31, 2021 are posted on the Document Portal section of FMPA’s website.

Recommended: Move approval of the Preliminary Projects’ Financial Reports for the month ended January 31, 2021.

LH/GF

**AGENDA ITEM 7 – CONSENT
AGENDA**

**c. Approval of the Treasury Reports
as of January 31, 2021**

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



AGENDA PACKAGE MEMORANDUM

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

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

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

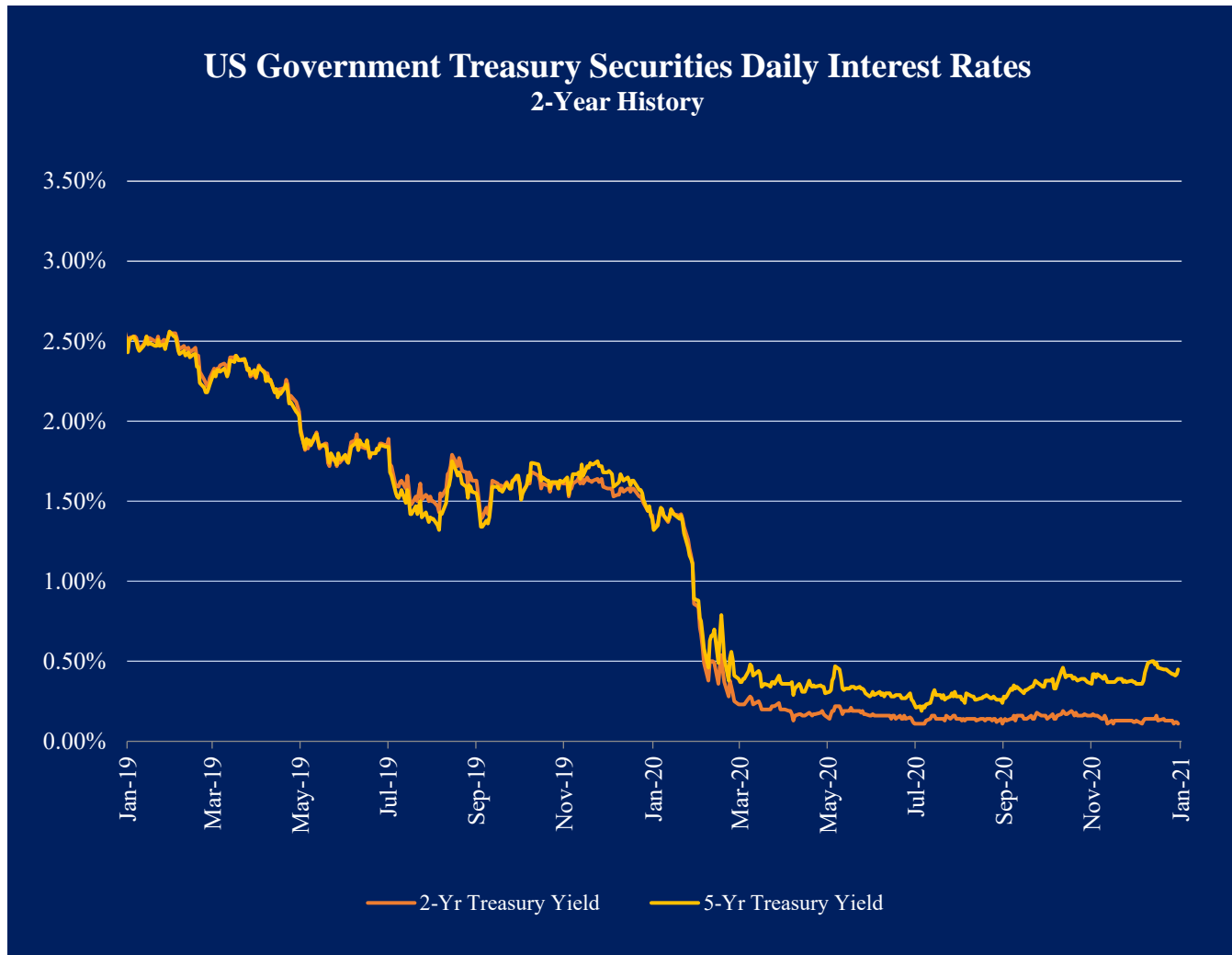
Debt Discussion Below is a summary of the total debt outstanding and the percentage of debt that was fixed, variable or synthetically fixed with interest rate swaps as of January 31, 2021.

	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%

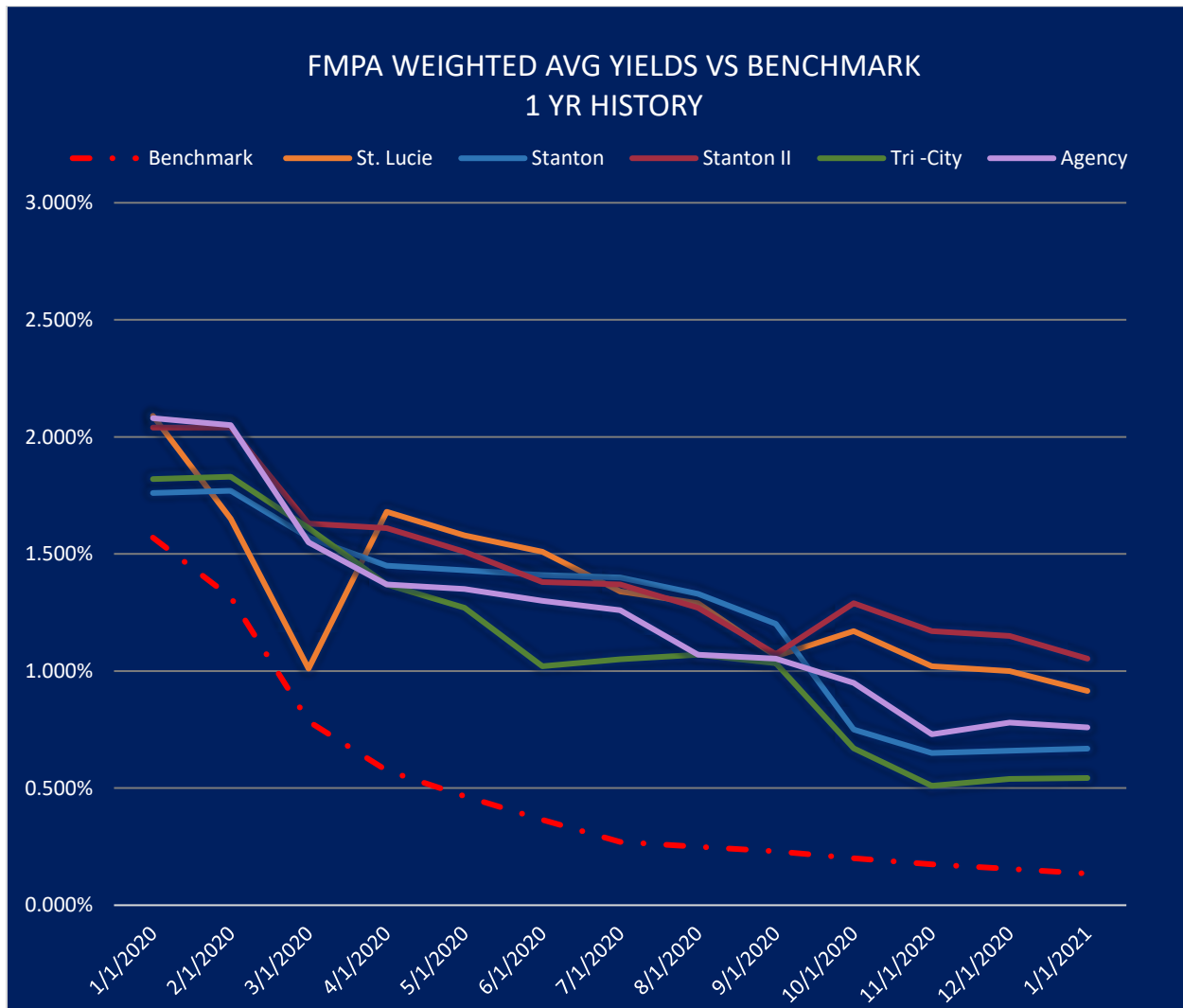
**Investment
Discussion**

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 January at .11%. The yellow line is the 5-year Treasury which was .45%.



The weighted average yields on investments earned as of January 31, 2021 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 January 31, 2021.

AGENDA ITEM 8 – ACTION ITEMS

- a. Approval of Human Resources
Risk Policy**

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



8a – Approval of Human Resources Risk Management Policy Changes

Board of Directors

March 18, 2021

Human Resources Risk Management Policy

Major Areas Covered

- Types of Risk Exposure
- Personnel Management
- Internal Controls
- Reporting Requirements

Human Resources Risk Management Policy Changes

Compensation and Administrative Updates

Section	Changes Made
4.3 Compensation	<ul style="list-style-type: none">• Review of salary ranges changed from every two years to every five years• Included additional metrics of review for proposed salary range adjustments
Throughout	<ul style="list-style-type: none">• Administrative updates

Recommended Motion

- Move approval of changes to the Risk Management Policy: Human Resources Policy, as presented.

**RISK MANAGEMENT POLICY
APPENDIX N
FLORIDA MUNICIPAL POWER AGENCY
HUMAN RESOURCES RISK MANAGEMENT POLICY
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Reporting Calendar	Appendix A

HUMAN RESOURCES RISK MANAGEMENT POLICY FOR FLORIDA MUNICIPAL POWER AGENCY

This Human Resources Risk Management Policy (the “Policy”) and any effective subordinate procedures establish the governance, framework and the controls under which Florida Municipal Power Agency (FMPA) may engage in activities to identify, measure and minimize future business risk resulting from employment practices. This Policy is Appendix N of the FMPA Risk Management Policy.

1.0 Policy Statement

The Board of Directors and Executive Committee of FMPA recognize that FMPA is exposed to various risks in the normal course of business activities. There may be times when FMPA will determine that certain risks are above the preferred risk tolerance level of FMPA and its members. FMPA is hereby authorized to put mechanisms into place, such as those more fully described in Section 5.0 of this Policy, which will control, transfer, or mitigate these risks to avert an adverse impact on FMPA’s legal or financial standing.

It is the Policy of the Board of Directors and Executive Committee that:

- ❖ Functions of the Human Resources (HR) Department shall comply with all applicable laws and regulations, and Board or Executive Committee approved policies.
- ❖ The HR Department shall oversee employee benefits and compensation and strive to maintain a competitive and cost-effective program.
- ❖ The HR Department shall coordinate with management to oversee and guide the recruitment, hiring, and termination of personnel.
- ❖ Authority is delegated to the ~~Human Resource Director~~ VP of HR & Shared Services to create procedures to implement this Policy.
- ❖ Deviations from this Policy shall be reported to the Finance Committee.

This Policy serves to create a framework that enables the ~~Human Resource Director~~VP of HR & Shared Services to document controls that will minimize FMPA's exposure to risk and enable compliance with established employment and payroll laws and regulations, as well as all Board or Executive Committee approved policies.

2.0 Scope

This Policy applies to all personnel management practices of the Agency, regardless of the normal office location of the employee. As used in this Policy, references to "employee" shall mean any full-time, part-time, casual part-time, or intern staff member employed directly by the Agency. This Policy does not apply to consultants or other professionals engaged by the Agency.

Authority for day-to-day actions is hereby granted to the ~~Human Resource Director~~VP of HR & Shared Services, under the direction of the CEO. The ~~Human Resource Director~~VP of HR & Shared Services is responsible for ensuring that all minimum standards and procedures regarding personnel management are in compliance with federal and state laws, rules, and regulations. The HR Policy that was approved by the BOD is being followed.

3.0 Types of Risk

This Policy establishes minimum standards to support an Agency-wide atmosphere of proper control levels to safeguard the Agency's personnel and assets. The ~~Human Resource Director~~VP of HR & Shared Services will cause procedures to be created that identify risks in the areas noted below and provide ways to measure, control and mitigate FMPA's exposure to those risks. While not intended to be a comprehensive listing of risk encountered by FMPA during the normal course of the business cycle, the following provides insight into the major areas of personnel management risk exposure for FMPA.

3.1 Operational Risk: The risk that internal practices, policies, procedures or systems will not perform as intended. An example of operational risk would be if a failure in internal control processes in the HR Department resulted in the processing of inaccurate or fraudulent payroll. This type of failure in the payroll process could cause financial and reputation loss to the Agency.

3.2 Legal Risk: The risk of financial or economic losses incurred by an organization through an unauthorized deviation from any legal obligations imposed by law, rules, regulations, ordinances, or contracts. An example of legal risk would be violating federal or state regulations concerning discrimination in the workplace. Such a violation could cause financial and reputation loss to the Agency.

3.3 Strategic Risk: The risk that the actions of management or the governing body do not promote the successful attainment of organization objectives. An example of strategic risk might occur if FMPA's Compensation Policy is not applied consistently across the Agency. Such a failure could lead to employee dissatisfaction, increased turnover, or an inability to attract qualified personnel which could impede the Agency in meeting its goals.

4.0 Personnel Management

FMPA's HR Department is responsible for maintaining all personnel records, coordinating the hiring, orientation, and termination processes, administering benefits and compensation programs, and coordinating personnel related activities such as performance evaluations, wellness programs, and professional development opportunities. The Employee Manual addresses many of these responsibilities. The following provides further risk-related detail for significant areas within the HR Department.

4.1 Payroll: The Agency's payroll function is completed by the HR Department. Sufficient segregation of duties shall be in place to ensure that payroll entries are approved at appropriate levels and verified for accuracy. The Agency currently uses a professional third-party vendor to process payroll, which mitigates risk of noncompliance with tax laws and federal filing requirements.

The HR Department must maintain adequate backup documentation to support time worked by employees, to record employee absences due to vacation, sick leave or other leave, and to document payments for overtime worked or other pay types (such as retroactive pay or bonuses). The HR Department shall cooperate with reviews of these controls conducted by internal or external auditors.

Additional guidelines regarding employee payroll and leave during specific Events are located in the Contingency Planning Policy, Appendix M of this FMPA Risk Management Policy.

4.2 Benefits Administration: All employee health and wellness records shall be maintained per Health Insurance Portability and Accountability Act ("HIPAA") regulations. The HR Department is responsible for securing all employee information regarding personal health and wellness as required by HIPAA. The ~~Human Resource Director~~VP of HR & Shared Services shall cause to be completed employee enrollment in eligible benefits. The HR Department shall also ensure that benefit eligibility records are properly maintained for all employees.

The ~~Human Resource Director~~VP of HR & Shared Services shall cause an annual review of FMPA's health and wellness plans to be conducted to assess competitiveness and cost effectiveness of the benefits program.

4.3 Compensation: FMPA’s Compensation Policy is contained within the Employee Manual. The Compensation Policy can only be modified by approval of the Board of Directors. The HR Department is responsible for enforcing consistent application of the Compensation Policy across the Agency.

Salary ranges are reviewed and may be adjusted to market during the annual budget process. **As required in the Compensation Policy in the Employee Manual,** the ~~Human Resources Director~~VP of HR & Shared Services shall cause to be completed on a ~~biennial 5-year~~ basis by a professional third-party review of salary ranges. Such a review shall be conducted to determine maximum and minimum salary range points based on a statistically validated range. In the alternating years between third-party salary range reviews, any proposed salary range adjustment shall be based on the Consumer Price Index and/or metrics provided by professional associations such as the Society for Human Resources Management or World at Work, or via a survey of individual agencies FMPA competes with for employees (i.e. through contracting comparable jurisdictions to determine what percentage adjustment they are making to their pay scales).~~year change announced in the prior year.~~

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The HR Department is also responsible for ensuring that all personnel are classified correctly and that all payroll laws and regulations are followed, as required in the Fair Labor Standards Act (“FLSA”). The HR Department shall also strive to ensure that the Agency’s compensation structure remains competitive with industry standards.

4.4 Employment: The HR Department shall ensure that all employment laws and regulations are followed consistently and fairly. This includes, but is not limited to, FLSA, Americans with Disabilities Act (“ADA”), Family Medical Leave Act (“FMLA”), HIPAA, Consolidated Omnibus Budget Reconciliation Act (“COBRA”), and Equal Opportunity Employment (“EEO”) requirements.

The ~~Human Resource Director~~VP of HR & Shared Services and FMPA's labor law attorney, in consultation with General Counsel, shall cause to be implemented legal requirements and advise management to ensure compliance with applicable employment laws.

- 4.5 Succession Planning:** The HR Department shall provide support to management in the recruitment and development of employees, so that employees are prepared for advancement within the organization. The HR Department shall assist management in identifying and preparing suitable employees for succession opportunities. Succession planning shall ensure that existing employees are prepared for new leadership opportunities and the Agency's operations are not adversely impacted by the departure of key personnel. If a key management position will be vacated through a planned retirement, a placement in advance of the expected departure date is desirable to minimize the risks of an ineffective succession.

5.0 Internal Controls

The ~~Human Resources Director~~VP of HR & Shared Services shall cause to be established a system of written internal controls to safeguard the Agency's personnel and financial assets, consistent with this Policy and Human Resources Procedures, and in accordance with all policies and procedural guidelines established in the FMPA Risk Management Policy. The controls shall be designed to meet the requirements of applicable legal regulations. FMPA shall use a cost-benefits analysis when making decisions regarding the implementation of internal controls.

- 5.1 System of Controls:** The system of internal controls includes the Employee Manual issued by the Agency to all employees. The FMPA Employee Manual includes guidelines for complying with legal requirements, recruitment and employment practices, compensation, employee conduct, benefits, and a

variety of Agency procedures. Further internal controls are established in the HR Department governing the separation of payroll duties.

5.2 Ongoing Training: The ~~Human Resource Director~~VP of HR & Shared Services shall ensure that all employees receive any training as required by law or regulation. Records must be maintained by the ~~Human Resource Director~~VP of HR & Shared Services sufficient to show compliance with training requirements.

The ~~Human Resource Director~~VP of HR & Shared Services and other appropriate human resource staff shall be required to complete annually (each fiscal year) 4 hours of continuing professional education in subject courses of study related to personnel management.

5.3 Policy Compliance: Risk Management Team shall monitor compliance with this Policy, to include recommendations to the Finance Committee (FC) for external legal compliance reviews when determined necessary. Results of such reviews shall be reported to the Risk Management Team and FC.

6.0 Reporting

The ~~Human Resource Director~~VP of HR & Shared Services shall cause any deviations from this Policy to be reported according to the guidelines set forth in the FMPA Risk Management Policy, Section 4.1. The Finance Committee shall cause to be completed an annual report on the operation and effectiveness of this Human Resources Policy as described in the FMPA Risk Management Policy, Section 7.0. Managers shall report as needed on the current risk environment affecting human resource management to the Risk Management Team, and engage any necessary discussion before moving related items to Advisory or Board Committees.

Appendix A

Florida Municipal Power Agency
Risk Management Reporting Calendar
Human Resource Management Reporting Requirements

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<u>Reporting Item</u>	<u>Frequency of Report</u>	<u>Responsible Party</u>	<u>Policy Reference</u>	<u>Link to Policy Reference</u>
<u>Review of Health and Wellness Plans</u>	<u>Annually</u>	<u>VP of HR & Shared Services</u>	<u>Section 4.2</u>	<u>Benefits Administration</u>
<u>Review of Salary Ranges</u>	<u>Every 5 years</u>	<u>VP of HR & Shared Services</u>	<u>Section 4.3</u>	<u>Compensation</u>
<u>Policy Compliance</u>	<u>As Needed</u>	<u>Risk Management Team</u>	<u>Section 5.3</u>	<u>Policy Compliance</u>
<u>Deviations from Policy</u>	<u>As Needed</u>	<u>VP of HR & Shared Services</u>	<u>Section 6.0</u>	<u>Reporting</u>
<u>Policy Operation & Effectiveness</u>	<u>Annually</u>	<u>Finance Committee</u>	<u>Section 6.0</u>	<u>Reporting</u>

**AGENDA ITEM 9 – INFORMATION
ITEMS**

a. Lineworker Safety Program

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



9a - Lineworker Safety Program and Associated Agreements

Board of Directors

March 18, 2021

Presentation Overview

New Lineworker Safety Program to Begin July 1, 2021

- Recap of past actions for the Lineworker Safety Program
- Recommendation for new Lineworker Safety Program, along with review of major contract provisions for participation agreement between FMPA and participating cities
- Agreement between FMPA and TVPPA, provider of the new service, included in agenda package for review
- Review of approval process for new program
- Recommendation comes with approval of existing safety participants, Safety Subcommittee and Member Services Advisory Committee

Recap of Past Actions to this Point

Approval of New Safety Program Recommendation in April

Date	Action
Fall 2019	MSAC forms Training & Safety Subcommittee to evaluate safety and training programs
March 2020	Subcommittee, MSAC recommend termination notice to existing service provider
May 2020	FMPA Board of Directors approves termination notice effective June 30, 2021
October 2020	Safety Subcommittee awards RFP for safety services to TVPPA; training services awarded to TVPPA and SET Solutions
January 2021	Safety Subcommittee approves agreements and recommends to MSAC
January 29, 2021	Initial commitment from FMPA cities to participate in Lineworker Safety Program
February 2021	MSAC approves agreements and recommends to FMPA's Board of Directors

FMPA and TVPPA Will Enter into an Agreement

FMPA and Interested Members to Sign Participation Agreement

- **Lineworker Safety Program and Other Support Services Agreement**

- Agreement between FMPA and TVPPA
- FMPA and members will become TVPPA members
- FMPA members get access to all TVPPA services at member-discount prices
- Safety program to be coordinated and billed through FMPA; other support services billed by TVPPA directly to the FMPA member

- **Lineworker Safety Program Participation Agreement**

- Agreement between FMPA and FMPA members that choose to participate (“Participants”) in the Lineworker Safety Program
- TVPPA to provide 10 safety meetings per participant per year
- Participant and TVPPA coordinate time, location in participant’s city and topic
- TVPPA to bill FMPA for safety programs; FMPA to bill participants monthly

Major Contract Provisions Between Participants, FMPA

Effective Date, Initial Term, Renewal Terms and Termination

- Effective date July 1, 2021
 - Initial term 15 months from July 1, 2021, to Sept. 30, 2022
 - Each renewal term for 12 months, beginning October 1, 2022
 - Automatic one-year renewal terms
- Either party may terminate agreement with 30-day written notice
- Annual enrollment process for Safety Program kicks off sequence for renewing participation, for any new participants to join, and for the cost-allocation process

Annual Enrollment Process for Safety Program

Sequence for Renewing Participation or Joining the Program

Date	Action
By March 1	Program Cost: TVPPA provides cost of safety meetings for next term
By April 1	Initial Commitment: Each participant provides FMPA with an initial commitment to participate in the next term along with its number of enrolled lineworkers. Any new program participant can enroll for the upcoming term, provide its number of lineworkers, and participate in the cost-allocation method
By May 1	Initial Cost Estimate: FMPA provides participants with a draft Schedule A program cost allocation for the next term
By June 1	Final Cost: FMPA provides to participants the final Schedule A for the next term confirming costs

Service Expectations for Enrolled Participants

Non-Participating Members Can Contract Directly with TVPPA

- FMPPA members must participate in the annual enrollment process to be factored into the cost-allocation method for the next term
- Program participants commit to take 13 safety meetings in initial term and 10 safety meetings in each renewal term
- At end of each term, true-up process between FMPPA and program participants to account for any over/under recoveries
- Non-participating members can contract directly with TVPPA for safety meetings until the next term or take fewer safety meetings

Recommended Cost-Allocation Methodology

Agency, Fixed and Variable Components with Participant Cap

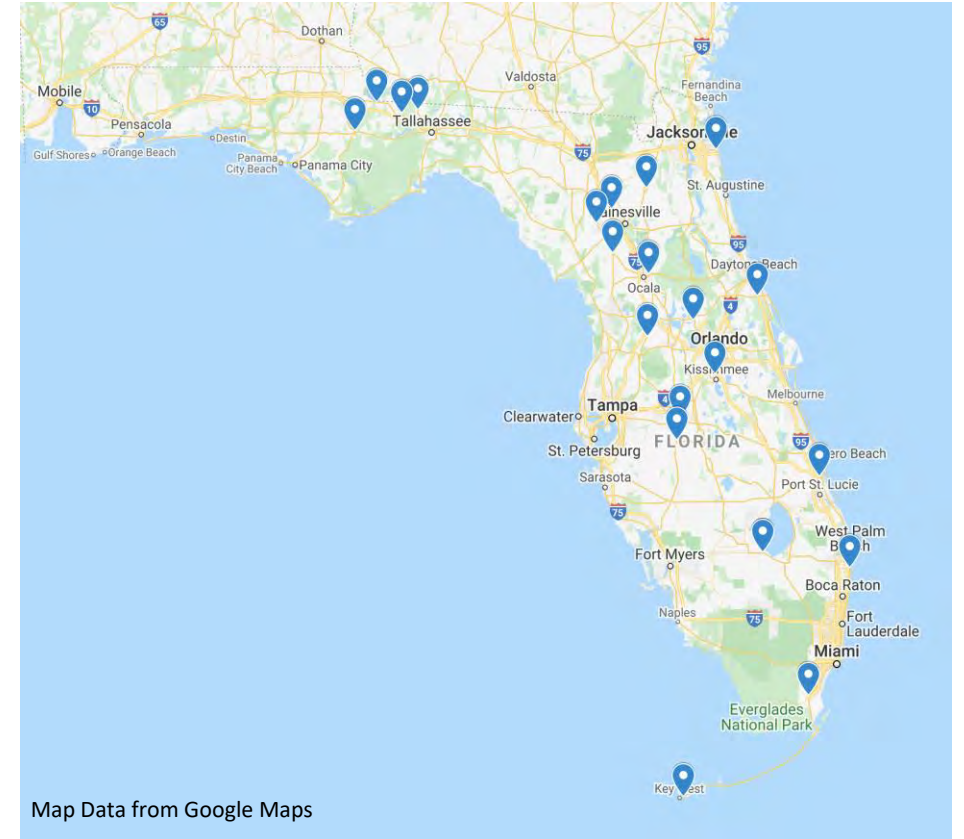
Component	Description
FMPA Contribution	<p>\$125,000 from FMPA's Agency Budget to pay program expenses</p> <ul style="list-style-type: none">• Pay TVPPA membership dues for FMPA, each safety participant and any other FMPA member that uses TVPPA services• Balance to reduce program expenses
Fixed-Cost Allocation	\$1,000 per participant city
Variable-Cost Allocation	Based on number of line department personnel for each participant

Maximum Cost	Description
Cap per Participant	Annual cost per participant capped at 10 times TVPPA's charge for a monthly safety meeting (e.g., 10 x \$1,500 = \$15,000)

Participation Growing in New Safety Program

22 Cities Provided Non-Binding Commitment as of Jan. 29

- | | |
|------------------------|-----------------------|
| 1. Alachua | 12. Key West |
| 2. Bartow | 13. Kissimmee |
| 3. Blountstown | 14. Lake Worth Beach* |
| 4. Bushnell | 15. Moore Haven |
| 5. Chattahoochee | 16. Mount Dora |
| 6. Clewiston | 17. New Smyrna Beach* |
| 7. Fort Meade* | 18. Newberry |
| 8. Fort Pierce* | 19. Ocala |
| 9. Havana | 20. Quincy |
| 10. Homestead | 21. Starke |
| 11. Jacksonville Beach | 22. Williston* |



Program Cost-Allocation Example, Subject to Change

Assumptions

- This example a 12-month term
- 22 participants (cities that expressed initial interest)
- \$1,500 per safety meeting charged by TVPPA
- \$125,000 from FMPPA
- \$1,000 fixed costs per participant city
- Balance of costs allocated per lineworker
- Participant cost capped at 10-times meeting cost

12 Month Schedule A for Lineworker Safety Program					
Utility	# Employees Enrolled	Annual Cost	ECG FY '21	Year to Year Δ in \$	Year to Year Δ in %
Alachua	10	\$ 10,507.04	\$12,398	-\$1,891	-15%
Bartow	20	\$ 15,000.00	\$23,584	-\$8,584	-36%
Blountstown	4	\$ 4,802.82	\$5,687	-\$884	-16%
Bushnell	6	\$ 6,704.22	\$7,924	-\$1,220	-15%
Chattahoochee	4	\$ 4,802.82	\$5,687	-\$884	-16%
Clewiston	6	\$ 6,704.22	\$7,924	-\$1,220	-15%
Havana	3	\$ 3,852.11	\$4,569	-\$717	-16%
Homestead	17	\$ 15,000.00	\$20,228	-\$5,228	-26%
Jacksonville Beach	27	\$ 15,000.00	\$31,413	-\$16,413	-52%
Key West	24	\$ 15,000.00	\$28,058	-\$13,058	-47%
Kissimmee	53	\$ 15,000.00	\$60,495	-\$45,495	-75%
Mount Dora	9	\$ 9,556.34	\$11,280	-\$1,724	-15%
Moore Haven	2	\$ 2,901.41	\$2,825	\$76	3%
Newberry	5	\$ 5,753.52	\$6,806	-\$1,052	-15%
Ocala	48	\$ 15,000.00	\$54,902	-\$39,902	-73%
Quincy	8	\$ 8,605.63	\$10,161	-\$1,556	-15%
Starke	7	\$ 7,654.93	\$9,043	-\$1,388	-15%
Fort Meade	4	\$ 4,802.82			
Fort Pierce	24	\$ 15,000.00			
Lake Worth Beach	24	\$ 15,000.00			
New Smyrna Beach	24	\$ 15,000.00			
Williston	3	\$ 3,852.11			

Other Notable Provisions in Participation Agreement

TVPPA Can Provide Safety Assessment and Incident Investigation

- **Steering Committee:** Each participant to name a representative to a committee that oversees provision of the program and makes recommendations for enhancing its effectiveness
- Optional services available from TVPPA for an additional fee
 - **Safety Assessment Service:** Review of a participant's safety program compared to industry best practices, actual incidents, risks, etc.
 - **Incident Investigation:** Analysis of a worksite incident, such as an injury, close call, fatality, illness or other incident, and provide a report
- Other TVPPA services arranged, provided, billed directly with TVPPA

Next Steps in Approval Process for Safety Program

Board Consideration of Safety Program Agreement in April

Date	Action
March 2021	FMPA Board of Directors information item (first reading) on agreements
April 2021	FMPA Board of Directors considers approval of the agreements
May 2021	FMPA members sign participation agreements for Lineworker Safety Program
July 1, 2021	TVPPA contract begins

Recommended Action

- Information Item in March
- Action Item in April: Approval of the following agreements for new Lineworker Safety Program effective July 1, 2021
 - Lineworker Safety Program and Other Support Services Agreement between FMPA and TVPPA
 - Lineworker Safety Program Participation Agreement between FMPA and FMPA members that choose to participate in Lineworker Safety Program

LINEWORKER SAFETY PROGRAM AND OTHER SUPPORT SERVICES AGREEMENT

This lineworker safety program and other support services agreement is effective as of July 1, 2021, and is between FLORIDA MUNICIPAL POWER AGENCY, a governmental legal entity created and existing pursuant to Florida law ("**FMPA**") and TENNESSEE VALLEY PUBLIC POWER ASSOCIATION, INC., a Tennessee nonprofit corporation ("**TVPPA**").

TVPPA is a nonprofit, Southeastern advocacy and service organization that represents and serves the interests of consumer-owned and public power utilities across many states. Included in the services it offers to its members is a lineworker safety program (the "**Safety Program**") plus multiple training programs and other services. FMPA is a joint action agency of 31 municipal electric utilities in the state of Florida. FMPA serves all or a portion of the power needs for 22 of its member utilities and provides value-added services that enhance the operations of its member utilities for the benefit of their customers.

TVPPA and FMPA desire to work together to provide for the provision of services to FMPA and its municipal electric utility members through the service offerings of TVPPA, as provided in this agreement.

The parties therefore agree as follows:

1. **Term.** This agreement is effective from the date stated in the introductory clause until September 30, 2022 (the "**Initial Term**"), at which point this agreement shall automatically renew for successive one-year periods beginning October 1, 2022 (each a "**Renewal Term**") unless a party provides the other party no less than 30 days prior notice of its desire to terminate this agreement (the Initial Term together with all Renewal Term(s) is collectively the "**Term**"). Except for (1) a termination pursuant to the previous sentence of this section 1, or (2) a TVPPA Default, as defined in section 11, this agreement is not terminable prior to the end of the Term.

2. **Safety Program Meetings.** (a) FMPA and TVPPA will cooperate and coordinate with each other and with FMPA's members participating in the Safety Program (each, a "**Participant**") to conduct a safety meeting with each Participant approximately monthly. TVPPA must make reasonable efforts to arrange and conduct 13 safety meetings for each Participant during the Initial Term and 10 safety meetings for each Participant during each Renewal Term (the "**Guaranteed Safety Meetings**"). A list of Participants is set forth in Schedule A, which may be amended by FMPA from time to time to reflect changes, if any, in its members' participation in the Safety Program.

(b) If TVPPA conducts fewer safety meetings than the Guaranteed Safety Meetings for any Participant, FMPA will only pay TVPPA for the safety meetings actually conducted with Participant. If a Participant desires more than the Guaranteed Safety Meetings,

that Participant must separately arrange and pay for such additional safety meetings directly with TVPPA.

3. **TVPPA Charges and Billing.** (a) During the Term, FMFA will pay TVPPA member dues for FMFA and for each of FMFA's Participants for the Participants to access the Safety Program and all other TVPPA support services at TVPPA-member prices. FMFA may also opt to pay TVPPA membership dues for other FMFA members that are not Participants in the Safety Program (each being a "**Non-Participant Member**") so that such Non-Participant Members can access other TVPPA support services at TVPPA-member prices. A list of Non-Participant Members is set forth in Schedule A, which may be amended by FMFA from time to time to reflect changes, if any, in its members' participation in the Safety Program.

(b) For the Initial Term, the TVPPA membership fee is \$500 for each Participant and Non-Participant Member, and the cost of each safety meeting session is \$1,500. If TVPPA desires to change this pricing for any Renewal Term, it must provide the new pricing to FMFA by March 1 preceding the next Renewal Term. TVPPA services other than the Safety Program, are beyond the scope of this agreement, but may be addressed between a Participant or Non-Participant Member and TVPPA, as between themselves, outside of this agreement. (For the avoidance of doubt, such additional TVPPA services will be arranged, provided, billed, and paid for between TVPPA and each Participant or Non-Participant Member.)

(c) TVPPA shall invoice FMFA monthly, in arrears, for the safety meeting sessions conducted in the previous month. FMFA shall pay TVPPA, within forty-five (45) days of the date of each invoice, at TVPPA, P.O. Box 6189 Attn: Caleb Hall Chattanooga, TN 37401, or such other address as TVPPA shall specify in writing to FMFA (including electronic payment routing numbers).

(d) Prior to the beginning of the Initial Term and each Renewal Term, FMFA will notify TVPPA of which FMFA Members will be participating in the Safety Program for the upcoming Initial Term and each Renewal Term. TVPPA will separately invoice FMFA for the related membership fees, which will be paid by FMFA within forty-five (45) days, as provided for previously in this section 3(c).

(e) Additionally, TVPPA will notify FMFA promptly if TVPPA receives a request or has an existing relationship (including apprentice training) from a Non-Participant Member for Other Support Services (as defined in section 8(a)). Within 60 days after such notice, if TVPPA also confirms to FMFA that it will provide Other Support Services to such Non-Participant Member, FMFA will pay for TVPPA membership for the same Non-Participant Member, and TVPPA hereby agrees that such Non-Participant Member is entitled to TVPPA member pricing for the Other Support Services. TVPPA will separately invoice FMFA for such membership fees, which will be paid by FMFA within forty-five (45) days, as provided for previously in this section 3(c).

(f) If FMFA has a question concerning a TVPPA invoice, TVPPA will cooperatively work with FMFA to resolve its questions. If questions cannot be resolved before the payment is due pursuant to section 3(c), or if FMFA wishes to dispute an invoice, FMFA must communicate its objections, concerns, or questions to TVPPA in writing by the payment due date and pay all portions of the invoice that it does not dispute. Disputes will be addressed between the parties as provided for in section 10.

4. **Designation of FMFA as Representative.** The parties understand and agree that each of the Participants named in Schedule A have designated FMFA as its representative with TVPPA for the purpose of coordinating the provision of the Safety Program among Participants and billing for the Safety Program.

5. **Steering Committee.** TVPPA acknowledges that each of the Participants have or will name one individual to serve as its representative to a steering committee to oversee the provision of the Safety Program for all Participants (the "**Steering Committee**"). It is also the role of the Steering Committee to work with TVPPA to review the Safety Program, periodically, and make recommendations to TVPPA to enhance the Program's effectiveness, including service offerings, content, scheduling, locations, delivery modes, and other matters. FMFA will designate a staff liaison to coordinate activities of the Steering Committee. The Steering Committee shall elect a chair. In addition to chairing Steering Committee meetings, the chair shall serve as a liaison to TVPPA (including interaction with and liaison to the TVPPA Board of Directors) to represent the interests of all Participants in matters related to TVPPA and the Safety Program. TVPPA agrees to cooperate with the chair of the Steering Committee, keep the Steering Committee informed of matters that have a material impact on the Safety Program and other TVPPA services, and communicate with the Steering Committee as requested by it, the chair, or FMFA.

6. **Adverse Events.** It is agreed and understood that in the event of a named storm, a tornado recorded by the National Weather Service, other severe weather events, or other natural calamities, disasters, or adversities (e.g., pandemic) that make it impractical or unreasonable to conduct a safety meeting (collectively, "**Adverse Events**"), TVPPA's obligation to provide safety meetings may be suspended for a period of time for so long as an Adverse Events are impacting affected Participants. Each such Participant will notify FMFA and TVPPA if it is impacted by an Adverse Event, and Participant will notify FMFA and TVPPA when its impact from an Adverse Event has ended, permitting the resumption of safety meetings.

7. **Annual Safety Program Confirmation.** (a) For each Renewal Term, FMFA and TVPPA will rely on the following process to determine the Participants committing to participate in the Safety Program:

- (1) By March 1, TVPPA will provide FMFA with the cost of safety meetings for the coming Renewal Term, which will not be later changed by TVPPA, except by concurrence of FMFA. FMFA will promptly share this information with FMFA's members.

- (2) By June 15, FMPA will provide to TVPPA a revised Schedule A, as necessary, confirming the Participants in the Safety Program for the upcoming Renewal Term.

(b) If TVPPA fails to notify FMPA of changes in the costs of safety meetings by March 1 for the upcoming Renewal Term, the costs will be deemed by the parties to remain the same, unless, for good cause shown, TVPPA can demonstrate to FMPA that a later change in the costs of safety meetings is necessary to continue the Safety Program, with the parties agreeing and acknowledging that TVPPA may not withdraw or discontinue the Safety Program from the Participants for a failure to timely provide FMPA notice of changed costs pursuant to clause (1) of section 7(a).

8. **Other Support Services.** (a) For services and offerings from TVPPA aside from the Safety Program, TVPPA will work directly with FMPA's Participants and Non-Participant Members to arrange for the provision, billing, and payment for such "**Other Support Services.**" Provided, however, TVPPA agrees that all Participants and Non-Participant Members will be able to access Other Support Services at discounted TVPPA-member pricing, as available, so long as FMPA pays the TVPPA membership dues for such Participants and Non-Participant Members.

(b) TVPPA agrees that, as a part of the Other Support Services, Participants and Non-Participant Members may have available TVPPA's offering of its member services, including, but not limited to, the following services:

- (1) *Safety Assessment Service* – TVPPA's assessment of a utility's overall safety program compared to industry best practices and benchmarks, including a review of actual incidents, risks, and other factors affecting the utility's safety program. A Participant or Non-Participant Member interested in this service must directly request the service from TVPPA. The fee for this service may vary depending on a number of factors, including the level of detail requested for an assessment.
- (2) *Incident Investigations* – Upon request of a Participant or Non-Participant Member to TVPPA, TVPPA will provide incident investigation services for a negotiated fee between such utility and TVPPA. For this service, incidents include worksite accidents, close-calls, injuries, fatalities, illnesses, and other events. At the conclusion of each investigation, TVPPA will provide a complete investigation report.

9. **No Liability.** The parties acknowledge that FMPA is an administrator and billing coordinator to facilitate TVPPA's provisions of the Safety Program and other services to Participants and Non-Participant Members. Therefore, TVPPA hereby agrees to indemnify, defend and protect FMPA from and against, any claims, demands, losses, damages (including punitive damages), liabilities, costs, charges, or expenses arising out of or related to TVPPA's provision of the Safety Program and all other TVPPA services. Except for obligations owed pursuant to the

terms and conditions of this agreement, the parties hereby agree they will not be liable to each other for any loss, cost, damage or expense incurred as the result of any action or failure to act, whether negligent or otherwise, by the other party in carrying out the provisions of this agreement or in any way related to the Safety Program or the provision of the Safety Program by TVPPA. This section 9 shall survive the termination or expiration of this agreement.

10. **Dispute Resolution.** (a) The parties expressly agree that they will first engage in good faith negotiations to resolve any dispute arising out of or related to this Agreement. Good faith negotiations include without limitation the following:

1. Any dispute will be first reviewed by the appropriate staff of each party who shall endeavor to define the issues underlying the dispute and prepare a joint recommendation for resolution.
2. If at any time either party is unwilling or unable to accept resolution as proposed by the other party, then the dispute and underlying issues shall be presented to the General Manager and CEO of FMPPA and to the President and CEO of TVPPA for resolution (collectively, the “**Executives**”).

(b) If either party determines that further negotiations will be fruitless, or the Executives cannot agree on a resolution of a dispute, and that an impasse has been reached, then either party may declare the negotiations at an impasse. The party declaring the negotiations at an impasse must so notify the other party in writing stating with particularity the issues or points believed to be the basis of the impasse. If an impasse is declared by either party, the parties may then, without first submitting a dispute to non-binding mediation, commence legal action in a court of competent jurisdiction as agreed hereunder in order to resolve the dispute.

11. **TVPPA Default.** (a) FMPPA may terminate this agreement if (1) TVPPA commits a material breach of this agreement, or (2) fails to provide safety meetings, continue the Safety Program, or fails to provide any other TVPPA services to a Participant or a Non-Participant Member and such failure, after notice from FMPPA, remains uncorrected for more than ten days (each being a “**TVPPA Default**”). If FMPPA elects to terminate this agreement due to a TVPPA Default, FMPPA must give TVPPA no less than five days written notice of termination following the occurrence of the TVPPA Default. If TVPPA corrects the TVPPA Default to FMPPA’s reasonable satisfaction within such five-day period, this agreement will not terminate.

(b) Upon termination by FMPPA, all books and records and other information in the possession of TVPPA related to this agreement, the Safety Program, and the provision of TVPPA services to Participants and Non-Participant Members, is and does become the property of FMPPA (collectively, “**FMPPA Records**”), and TVPPA will provide originals or copies of all FMPPA Records to FMPPA within one month of such termination.

(c) Upon FMPA's termination of this agreement due to a TVPPA Default, neither FMPA nor any Participant nor any Non-Participant Member shall owe any further obligation or sum to TVPPA with regard or related to the Safety Program, and TVPPA hereby agrees to waive all such obligations or sums it may otherwise contend are owing, except that TVPPA will be due payment for safety meetings that occurred, if in accordance with all terms and conditions of this agreement, prior to termination.

12. **General Provisions.** (a) The validity and interpretation of this agreement and the right and obligations of the parties shall be governed and construed in accordance with the laws of the state of Florida without regard for any conflicts of law provisions that might cause the law of other jurisdictions to apply. All controversies, claims or disputes arising out of or related to this contract or any agreement, instrument, or document contemplated hereby, shall be brought exclusively in the state or federal courts located in Florida, as appropriate.

(b) This agreement cannot be assigned by either party without the consent of the non-assigning party.

(c) This instrument shall constitute the final complete expression of this agreement between FMPA and TVPPA relating to the subject matter of this agreement.

(d) Any notices to TVPPA or FMPA must be given to the following addresses:

If to TVPPA: Tennessee Valley Public Power Association, Inc.
1206 Broad Street
Post Office Box 6189
Chattanooga, Tennessee 37402 (37401-5189)
Telephone (423) 756-6511
Attention: Kim Culpepper

If to FMPA: Florida Municipal Power Agency
8553 Commodity Circle
Orlando, Florida 32819-9002
Telephone (407) 355-7767
Attention: Mark McCain

With a copy to: Office of the General Counsel
(required) Florida Municipal Power Agency
2061-2 Delta Way
Tallahassee, Florida 32303
Telephone: (850) 297-2011
Attention: TVPPA Public Power Support Services Agreement

(e) Wherever possible, each provision of this agreement shall be interpreted in such a manner as to be effective and valid under applicable law. Should any portion of this agreement be declared invalid for any reason, such declaration shall have no effect upon the remaining portions of this agreement. In the event any provision of this agreement is held by any tribunal of competent jurisdiction to be contrary to applicable law, the remaining provisions of this agreement shall remain in full force and effect.

(f) Each party has participated in negotiating and drafting this agreement, so if an ambiguity of intent or interpretation arises, this agreement is to be construed as if the parties had drafted it jointly, as opposed to being construed against a party because it was responsible for drafting one or more provisions of this agreement.

(g) This agreement may be executed in any number of counterparts, and signature pages exchanged by facsimile, and each counterpart shall be regarded for all purposes as an original, and such counterparts shall constitute, but one and the same instrument, it being understood that both parties need not sign the same counterpart. The signature page of any counterpart, and facsimiles and photocopies of the counterpart, may be appended to any other counterpart and when so appended shall constitute an original. In the event that any signature is delivered by facsimile transmission or by facsimile signature, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) the agreement with the same force and effect as if such facsimile signature page were an original.

[Signature Page Follows]

The parties are signing this public power support services agreement as of the date stated in the introductory clause.

FLORIDA MUNICIPAL POWER AGENCY

By: _____

Jacob A. Williams
General Manager and Chief
Executive Officer

TENNESSEE VALLEY PUBLIC POWER
ASSOCIATION, INC.

By: _____

Name: Kim Culpepper
Title: Director, Education & Training

LINEWORKER SAFETY PROGRAM PARTICIPATION AGREEMENT

This lineworker safety program participation agreement is effective as of July 1, 2021, and is between FLORIDA MUNICIPAL POWER AGENCY, a governmental legal entity created and existing pursuant to Florida law ("**FMPA**") and [NAME OF MEMBER], a [add description of member] ("**Participant**," together with each other FMPA member system signing this agreement (in identical or substantial form) collectively referred to as the "**Participants**").

FMPA has arranged with the Tennessee Valley Public Power Association, Inc. ("**TVPPA**") to provide and make available to Participants a program of certain lineworker safety and training services as agreed between FMPA and TVPPA, now or in the future (the "**Safety Program**" or "**Program**"). A key component of the Safety Program is the safety meetings to be conducted by TVPPA and held on an approximately monthly basis, as provided in this agreement.

Participant is a member of FMPA and desires to have the Safety Program provided for and to its personnel.

Participant and FMPA have determined that it would be beneficial to Participant to have FMPA facilitate TVPPA's provision of the Safety Program, including coordinating the Safety Program, establishing a Program steering committee, and acting as a central point of contact for billing and communications with TVPPA on behalf of all Participants with regard to this Program.

The parties therefore agree as follows:

1. **Term.** (a) This agreement is effective from the date stated in the introductory clause until September 30, 2022 (the "**Initial Term**"), at which point this agreement shall automatically renew for successive one-year periods beginning October 1, 2022 (each a "**Renewal Term**") unless a party provides no less than 30 days prior written notice to the other party of its intent to withdraw from the Program (the Initial Term together with all Renewal Term(s) is collectively the "**Term**"). Except for (1) a notice pursuant to the previous sentence in this section 1(a), or (2) a default by TVPPA as described in section 1(b), this agreement is not terminable prior to the end of the Term.

(b) If FMPA notifies Participant that TVPPA is in default of any of its obligations under the contract to provide the Safety Program and services between FMPA and TVPPA, as the term "default" is defined in that contract, FMPA or Participant may terminate this agreement upon written notice to the other party. FMPA may also terminate this agreement upon written notice to Participant if the Steering Committee recommends, and the FMPA Board of Directors approves, any other termination of the contract between FMPA and TVPPA, as termination rights not related to a default are set forth in that contract. Termination pursuant to this section 1(b) does not relieve Participant of the obligation to pay for Safety Program costs

incurred by FMPA (regardless of the date of any invoice) prior to the effectiveness of Participant's termination, and such payment obligation is continuing and binding on Participant.

2. **Costs and Payments.** (a) Participant hereby agrees to pay its share of the Safety Program costs for all safety meetings provided to Participant.

(b) For the Initial Term, FMPA has (1) budgeted \$125,000 for its fiscal year 2021 (October 1, 2020 to September 30, 2021) to provide support for all Participants to participate in a lineworker safety program, including the Safety Program; and (2) FMPA covenants to budget another \$125,000 for its fiscal year 2022 (October 1, 2021 to September 30, 2022) to provide continued support for all Participants to participate in the Safety Program. FMPA financial support for Participants to participate in the Safety Program beyond the Initial Term is subject to the discretion of the FMPA Board of Directors and Executive Committee in approving continued support for the Program and budgeting for it, respectively.

(c) For so long as this agreement is in effect and FMPA is providing financial support for the Program pursuant to section 2(b), FMPA shall pay the TVPPA membership fee for Participants to access discounts for the Safety Program and all TVPPA services as a TVPPA member (as of the date of this agreement, this amount is \$500 annually for each Participant). Participant's membership in TVPPA provides it access to the additional services provided by TVPPA, subject to applicable TVPPA terms and conditions. Such additional services, which are beyond the scope of this agreement, may be addressed between Participant and TVPPA, as between themselves, outside of this agreement. (For the avoidance of doubt, such additional TVPPA services will be arranged, provided, billed, and paid for between Participant and TVPPA.)

(d) As of the date of this agreement, TVPPA charges \$1,500 for each safety meeting. In the future, the pricing for safety meetings may change and is subject to the discretion and control of TVPPA. Participant agrees to pay for its allocable share of the TVPPA charges for the safety meetings provided for all Participants, which will be allocated by FMPA as provided for in Schedule A, using a formula that divides the total cost of the Safety Program among all Participants, weighted to account for the number of lineworkers that each Participant enrolls in the Safety Program, except that no Participant will annually pay more than ten times the TVPPA charge for each safety meeting session (as of the date of this agreement, such cap is \$15,000 (10 x \$1,500)). TVPPA will invoice FMPA for the cost of the Safety Program each month, and FMPA will pay the invoices from TVPPA on behalf of all Participants taking part in the Safety Program, pursuant to an agreement between FMPA and TVPPA. In turn, FMPA will invoice Participant for its share (based on Participant's allocable share of the total Safety Program costs as shown in Schedule A) of each TVPPA invoice. Subject to the approval of the FMPA Board of Directors, subsequent to Steering Committee (as defined in section 3) consent, FMPA may update Schedule A at its sole discretion, including as provided in section 8(a), and all updates are effective and binding on Participant.

(e) FMPA shall invoice Participant monthly for the Safety Program and Participant shall pay FMPA, within thirty (30) days of the date of each invoice, to the offices of Florida Municipal Power Agency, 8553 Commodity Circle, Orlando, Florida 32819-9002, or such other address as FMPA shall specify in writing to Participant (including electronic payment routing numbers). In the event Participant fails to make payment when due of any amount owed pursuant to this agreement, FMPA may impose an interest charge on the amount due for each delinquent day, equal to the daily prime rate as published for that month in *The Wall Street Journal*.

(f) At the end of the Initial Term and each Renewal Term, FMPA shall reconcile the actual costs from TVPPA with the billings to all Participants who are active Participants as of the end of the Initial Term and each Renewal Term, and issue an invoice or payment to each Participant to true-up TVPPA actual costs to Participant billings, along with a written explanation for such true-up. Participant shall pay any such true-up invoice in accord with the provisions of section 2(d).

3. **Steering Committee.** Each of the Participants will name one individual to serve as its representative to a steering committee to oversee the provision of the Safety Program for all Participants (the “**Steering Committee**”). It is also the role of the Steering Committee to work with TVPPA to review the Safety Program, periodically, and make recommendations to TVPPA to enhance the Program’s effectiveness, including service offerings, content, scheduling, locations, delivery modes, and other matters. FMPA will designate a staff liaison to coordinate activities of the Steering Committee. The Steering Committee shall elect a chair. In addition to chairing Steering Committee meetings, the chair shall serve as a liaison to TVPPA (including interaction with and liaison to the TVPPA Board of Directors) to represent the interests of all Participants in matters related to TVPPA and the Safety Program. At the discretion of the chair, or upon the call of any two or more members of the Steering Committee, the Steering Committee shall meet to address matters relevant to the Safety Program and Participants’ membership in TVPPA, including, but not limited to, proposed changes to Schedule A.

4. **Safety Meeting Schedule.** (a) FMPA shall coordinate with TVPPA to arrange for TVPPA trainers to make a good faith effort to meet with Participant personnel and conduct a safety meeting session approximately monthly, recognizing that scheduling and other conflicts may cause some months to be missed. FMPA shall use reasonable efforts to have TVPPA arrange and conduct 13 safety meeting sessions during the Initial Term and 10 safety meeting sessions for Participant during each Renewal Term.

(b) As between FMPA and Participant, this agreement is intended to provide for 10 safety meeting sessions per fiscal year. If TVPPA conducts less than 10 safety meeting sessions in a fiscal year, the agreement between FMPA and TVPPA provides that FMPA will only pay for the safety meeting sessions conducted with Participant. However, if Participant desires

more than 10 safety meeting sessions in a fiscal year (October 1 to September 30), Participant must separately arrange and pay for such additional safety meeting sessions directly with TVPPA.

5. **Adverse Events.** In the event of a named storm, a tornado recorded by the National Weather Service, other severe weather events, or other natural calamities, disasters, or adversities (e.g., pandemic) that make it impractical or unreasonable to conduct a safety meeting (collectively, “**Adverse Events**”), the obligation to provide safety meetings may be suspended for a period of time for so long as an Adverse Events are impacting TVPPA or Participant. Participant will notify FMPA and TVPPA if it is impacted by an Adverse Event, and Participant will notify FMPA and TVPPA when its impact from an Adverse Event has ended, permitting the resumption of safety meetings. FMPA will communicate to Participant all information it has about Adverse Events impacting TVPPA. Participant acknowledges that no safety meetings may be conducted and the Safety Program may be suspended during the impact of Adverse Events on either TVPPA or Participant. However, in no event shall such suspension relieve Participant from the obligation to pay its share of the cost of the Safety Program.

6. **Designation of FMPA as Representative.** Except as provided in section 9(a), Participant hereby designates FMPA as its representative with TVPPA for the purpose of coordinating the provision of safety meetings among Participants and billing for the Safety Program.

7. **Additional Participants.** Participant and FMPA agree that if another FMPA member desires to become a Participant in the Program after the beginning of the Initial Term or a Renewal Term, such “**Additional Participant**” shall arrange for safety meetings directly with TVPPA, until the start of the next Renewal Term, provided that Additional Participant must comply with the commitment notice requirements of clause (2) of section 8 for the next Renewal Term.

8. **Annual Safety Program Confirmation.** (a) For each coming Renewal Term, the process for Participants committing to continue participation in the Safety Program is as follows:

- (1) By March 1, FMPA expects that TVPPA will provide it with the cost of safety meetings for the coming Renewal Term. FMPA will promptly share this information with Participants.
- (2) By April 1, Participant must provide FMPA with its commitment to participate in the Program, or not, for the coming Renewal Term, along with its number of expected enrolled lineworkers, if participating in the Program.

- (3) By May 1, FMPPA will provide to Participant the Schedule A for the next Renewal Term, including any revisions as necessary to reflect changes in costs, Participants, and the number of enrolled lineworkers.

(b) If Participant does not confirm in writing its continued Participation in the Safety Program and its number of enrolled lineworkers in accord with clause (2) of section 8(a), then the Participant hereby acknowledges and agrees it is deemed to continue its participation in the Program with no change to its number of enrolled lineworkers, and will be billed accordingly by FMPPA.

9. **Other Support Services.** (a) For services and offerings from TVPPA aside from the Program safety meetings, Participant will work directly with TVPPA to arrange for the provision, billing, and payment for such “**Other Support Services**,” as between Participant and TVPPA. Provided, however, all Participants will be able to access **Other Support Services** at discounted TVPPA pricing, subject to TVPPA pricing changes, so long as FMPPA pays the TVPPA membership dues for Participants.

(b) As a part of the Other Support Services, Participants may have available TVPPA’s member service offerings, subject to change by TVPPA, including, but not limited to, the following services:

- (1) *Safety Assessment Service* – TVPPA’s assessment of a Participant’s overall safety program compared to industry best practices and benchmarks, including a review of actual incidents, risks, and other factors affecting Participant’s safety program. A Participant interested in this service must directly request the service from TVPPA. The fee for this service will vary depending on several factors, including the level of detail requested by Participant for an assessment.
- (2) *Incident Investigations* – Upon request of Participant to TVPPA, TVPPA can provide incident investigation services for a negotiated fee between Participant and TVPPA. For this service, incidents include worksite accidents, close-calls, injuries, fatalities, illnesses, and other events. At the conclusion of each investigation, TVPPA will provide a complete investigation report to Participant.

10. **No Liability.** The parties acknowledge that FMPPA is an administrator and billing coordinator to facilitate Participant’s opportunity to receive Safety Program and other training services from TVPPA, and that FMPPA does not directly provide the Safety Program or other such services to Participant. Therefore, Participant hereby agrees to indemnify, defend and protect FMPPA from and against, any claims, demands, losses, damages (including punitive damages), liabilities, costs, charges, or expenses arising out of or related to Participant’s participation in, or use or implementation of the Safety Program and all other TVPPA services. This indemnity provision is not intended as a waiver of Participant’s common law right of sovereign immunity,

including as adopted in Section 2.01, Florida Statutes. The parties acknowledge and agree that the limited waiver of sovereign immunity set forth in Section 768.28, Florida Statutes, for tort actions brought against Participant or FMPPA shall be applicable to any action brought by a third party related to this agreement. Except for Participant's obligation to make payments to FMPPA pursuant to sections 1(b), 2, and 5, the parties will not be liable to each other for any loss, cost, damage or expense incurred as the result of any action or failure to act, whether negligent or otherwise, by the other party in carrying out the provisions of this agreement or in any way related to the Safety Program or the provision of the Safety Program by TVPPA. This section 10 shall survive the termination or expiration of this agreement.

11. **General Provisions.** (a) The validity and interpretation of this agreement and the right and obligations of the parties shall be governed and construed in accordance with the laws of the State of Florida without regard for any conflicts of law provisions that might cause the law of other jurisdictions to apply. The parties shall attempt in good faith to resolve promptly any dispute arising out of or related to this agreement by negotiation between executives who have authority to settle the dispute. All controversies, claims or disputes arising out of or related to this contract or any agreement, instrument, or document contemplated hereby, shall be brought exclusively in the state or federal courts located in Florida, as appropriate.

(b) This agreement cannot be assigned by either party without the consent of the non-assigning party.

(c) This instrument shall constitute the final complete expression of this agreement between FMPPA and Participant relating to the subject matter of this agreement.

(d) Any notices to TVPPA, FMPPA, and Participant shall be given to the following addresses:

If to TVPPA: Tennessee Valley Public Power Association, Inc.
1206 Broad Street
Post Office Box 6189
Chattanooga, Tennessee 37402 (37401-5189)
Telephone (423) 756-6511
Attention: Kim Culpepper

If to FMPPA: Florida Municipal Power Agency
8553 Commodity Circle
Orlando, Florida 32819-9002
Telephone (407) 355-7767
Attention: Mark McCain

If to Participant:

(e) Wherever possible, each provision of this agreement shall be interpreted in such a manner as to be effective and valid under applicable law. Should any portion of this agreement be declared invalid for any reason, such declaration shall have no effect upon the remaining portions of this agreement. In the event any provision of this agreement is held by any tribunal of competent jurisdiction to be contrary to applicable law, the remaining provisions of this agreement shall remain in full force and effect.

(f) Each party has participated in negotiating and drafting this agreement, so if an ambiguity of intent or interpretation arises, this agreement is to be construed as if the parties had drafted it jointly, as opposed to being construed against a party because it was responsible for drafting one or more provisions of this agreement.

(g) This agreement may be executed in any number of counterparts, and signature pages exchanged by facsimile, and each counterpart shall be regarded for all purposes as an original, and such counterparts shall constitute, but one and the same instrument, it being understood that both parties need not sign the same counterpart. The signature page of any counterpart, and facsimiles and photocopies of the counterpart, may be appended to any other counterpart and when so appended shall constitute an original. In the event that any signature is delivered by facsimile transmission or by facsimile signature, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) the agreement with the same force and effect as if such facsimile signature page were an original.

[Signature Page Follows]

The parties are signing this lineworker safety program participation agreement as of the date stated in the introductory clause.

FLORIDA MUNICIPAL POWER AGENCY

By: _____
Mark McCain
Vice President of Member Services
and Public Relations

[NAME OF MEMBER]

By: _____
Name: _____
Title: _____

Schedule A

LINEWORKER SAFETY PROGRAM COST ALLOCATION (Based upon TVPPA rates in effect as of March 1, 2021)

Participant	Enrolled Lineworkers	Cost for Partial Fiscal 2021 ¹	Costs for Full Fiscal 2022 ²	Total Cost for Initial Term ³
Alachua	10	\$3,164.14	\$10,547.13	\$ 13,711.27
Bartow ⁴	20	\$4,500.00	\$15,000.00	\$ 19,500.00
Blountstown	4	\$1,404.12	\$4,680.39	\$6,084.51
Bushnell	6	\$1,990.79	\$6,635.97	\$8,626.76
Chattahoochee	4	\$1,404.12	\$4,680.39	\$6,084.51
Clewiston	6	\$1,990.79	\$6,635.97	\$8,626.76
Fort Meade	4	\$1,404.12	\$4,680.39	\$6,084.51
Fort Pierce ⁴	24	\$4,500.00	\$15,000.00	\$19,500.00
Havana	3	\$1,110.78	\$3,702.60	\$4,813.38
Homestead Energy Services ⁴	17	\$4,500.00	\$15,000.00	\$19,500.00
Jacksonville Beaches Energy Services ⁴	27	\$4,500.00	\$15,000.00	\$19,500.00
Keys Energy Services ⁴	24	\$4,500.00	\$15,000.00	\$19,500.00
Kissimmee Utility Authority ⁴	53	\$4,500.00	\$15,000.00	\$19,500.00
Lake Worth Beach ⁴	24	\$4,500.00	\$15,000.00	\$19,500.00
Moore Haven	2	\$817.44	\$2,724.81	\$3,542.25
Mount Dora	9	\$2,870.80	\$9,569.34	\$12,440.14
New Smyrna Beach ⁴	20	\$4,500.00	\$15,000.00	\$19,500.00
Newberry	5	\$1,697.45	\$5,658.18	\$7,355.63
Ocala ⁴	48	\$4,500.00	\$15,000.00	\$19,500.00
Quincy	8	\$2,577.46	\$8,591.55	\$11,169.01
Starke	7	\$2,284.13	\$7,613.76	\$9,897.89
Williston	3	\$1,110.78	\$3,702.60	\$4,813.38

Notes:

¹ Cost for three safety meetings from July 2021 through September 2021.

² Cost for 10 safety meetings from October 2021 through September 2022.

³ Total costs for 13 safety meeting during the Initial Term from July 2021 through September 2022. Costs are calculated based on \$1,000 + (\$1,271.13 x the number of enrolled lineworkers), rounded to the nearest whole dollar. For each subsequent Renewal Term, cost allocation will be based upon 10 safety meetings during a 12-month term.

⁴ Participants with greater than 14 enrolled lineworkers are capped at an enrolled lineworker equivalent of 14.554018.

AGENDA ITEM 9 – INFORMATION ITEMS

b. Strategic Planning Prioritization and Next Steps

Executive Committee

March 18, 2021



Strategic Planning Prioritization and Next Steps

BOD 9b / EC 9e

Board of Directors & Executive Committee

March 18, 2021

Top Five Board Ranked Strategic Priorities (slide 1/2)

Average Score as Ranked by Members, 5 Being Highest

- 1. Power Costs:** Lower controllable wholesale power costs for all power supply projects



- 2. Stanton Optimization:** Work with our partner to reduce power costs and emissions from Stanton coal-fired units



21 members responded

Top Five Board Ranked Strategic Priorities (slide 2/2)

Average Score as Ranked by Members, 5 Being Highest

- 3. Member Services:** Evaluate FMPA's human resource requirements to maintain responsive services and/or expand to meet new initiatives



- 4. Transmission Costs:** Develop alternatives to address increasing transmission costs through Pool expansion & associate transmission ties



- 5. Clean Energy:** Evaluate additional solar/storage resources to support customer desires and/or meet additional emission targets



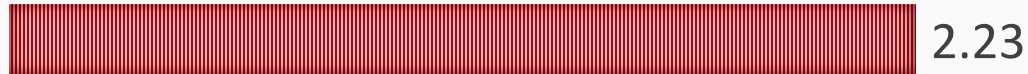
Next Actions for Board Strategic Priorities

Board Strategic Priorities	Next Actions
1. Power Cost Reductions	Continue to push for cost reductions while balancing reliability and clean power needs (pre-paid gas, capital structure, Stanton, etc.)
2. Stanton Optimization	Work with OUC to reduce costs and 1) have Stanton conversion occur sooner than current stated goal, 2) have fewer MWh from Stanton, and 3) reduce long-term fixed costs
3. Member Services Expansion	Evaluating additional staffing requirements to maintain/expand responsive member services. Discuss services and current charging method with MSAC to be in sync for 2022 Budget
4. Transmission Costs Management	Look for beneficial transmission ties that would support a larger Florida Municipal Power Pool and lower or mitigate cost increases
5. Clean Energy Expansion	Begin exploring interests in an additional solar project for the 2025-2027 timeframe from all FMPPA members

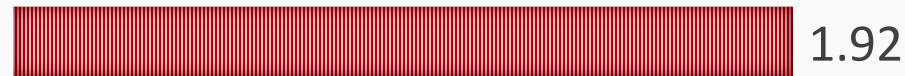
Top Three Priorities for All-Requirements Project

Average Score from Executive Committee, 5 Being Highest

- 1. Pool Enhancements:** Consider FMPP operational improvements to reduce costs and increase reliability with growth of intermittent resources, as well as consider structural changes that create value through Pool expansion



- 2. Energy Storage:** Evaluate an energy storage project in Key West that mitigates tie line limitations, supplements capacity and adds ancillary value for ARP



- 3. Load Management:** Create low- or no-cost demand-side management program to meet peak and defer capacity additions



Next Actions for ARP Strategic Priorities

ARP Strategic Priorities	Next Actions
1. Pool Enhancements	Engage in FMPP strategic planning effort to improve operational performance to reduce costs and prepare for solar additions. Engage with larger FL Public Power and Cooperative effort to understand value of larger “Pool” in the state
2. Energy Storage for Keys Transmission Constraints	Explore costs and operational implications for energy storage to mitigate upcoming Keys Energy transmission constraints working with Keys Energy. Conduct EC workshop. Conduct RFI to prepare for EC and Keys Energy potential decisions in 2022
3. Load Management	Understand no- and low-cost “Load Management” opportunities members have that may be used by FMPPA to add value to Members via excess capacity sales. Workshop to be held with Executive Committee in April 2021 to discussion expansion of the effort

AGENDA ITEM 9 – INFORMATION ITEMS

c. Regulatory Compliance Quarterly Update

Executive Committee

March 18, 2021



9c - Regulatory Compliance Update

Board of Directors

March 18, 2021

Roles of FMPA Regulatory Compliance Department

- FMPA's Regulatory Compliance Department performs three main functions related to NERC mandatory reliability standards
 - FMPA Compliance
 - Generation Plants (GO/GOP/TO/TP) – Plant spring outage season
 - Internal Compliance – CIP Self-report (awaiting SERC determination) ; PRC-005 Self Report; Compliance Specialist position
 - Member Support
 - Peer reviews, spot checks, audit process support – Compliance Oversight Plans, other
 - Industry Influence
 - Provide inputs to FERC, NERC, and SERC initiatives and policy – SERC Spring Seminar, Cold Weather Standard; Distributed Energy Resources (DER) and Inverter-Based Resources (IBR)

FMPA Compliance

PRC-005 Self-report

- One DC circuit "path" was not tested, as it was not clearly and correctly identified on the drawings. Therefore, FMPA did not "test all paths."
- Initial conversation with SERC indicates SERC agrees with this conclusion, but also preliminary expectation of a Compliance Exception (CE)
- Self-report submitted to SERC on February 19 – awaiting final determination

Industry Influence

Cold Weather Standard Development

- NERC plans to fast-track current cold weather standard development
- Possible addition of new standards with stricter requirements
- Purposed EOP-11-2 (Emergency Preparedness) change:
 - R7. Each Generator Owner shall develop, maintain, and implement one or more cold weather preparedness plan(s) for its generating unit(s). The cold weather preparedness plan(s) shall include the following, at a minimum:
[Violation Risk Factor: High] [Time Horizon: Operations Planning and Real-Time Operations]

Industry Influence

Cold Weather Standard Development

- 7.1. Generating unit(s) freeze protection measures based on unique factors such as geographical location and plant configuration;
- 7.2. Annual maintenance and inspection of generating unit(s) freeze protection measures; and
- 7.3. Generating unit(s) cold weather data, to include:
 - 7.3.1. Generating unit(s) operating limitations in cold weather; and
 - 7.3.2. Generating unit(s): 7.3.2.1. minimum design temperature; or 7.3.2.2. minimum demonstrated historical performance during cold weather in the previous 5 years;
 - 7.4. Awareness training on the roles and responsibilities of site personnel contained in the cold weather preparedness plan.

AGENDA ITEM 9 – INFORMATION ITEMS

d. Summary of Finance Committee Items

Executive Committee

March 18, 2021



Summary of Finance Committee Items

BOD 9d / EC 9c

Board of Directors & Executive Committee

March 18, 2021

Other Items

Review and/or Approval Required

- Procurement policy exception and next steps
- Approval of Risk Policies
- Review of the Agency Annual Risk Inventory

**AGENDA ITEM 10 – MEMBER
COMMENTS**

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

AGENDA ITEM 11 – ADJOURNMENT

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