



FMPA BOARD OF DIRECTORS AGENDA PACKAGE

**August 18, 2022
9:00 a.m. [NOTE TIME]
Dial-in info: 1-321-299-0575
Conference ID Number: 883 437 148#**

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
Steve Macholz, Bushnell
Robert Presnell, Chattahoochee
Lynne Mila, Clewiston
Jan Bagnall, Fort Meade
Javier Cisneros, Fort Pierce
Dino DeLeo, Gainesville
Robert Page, Green Cove Springs
Howard McKinnon, Havana
Ed Liberty, Lake Worth Beach

Joey Curry, Lakeland
Brad Chase, Leesburg
Vacant, Moore Haven
Steve Langley, Mount Dora
Mike New, Newberry
Joe Bunch, New Smyrna Beach
Doug Peebles, Ocala
Claston Sunanon, Orlando
Vacant, Quincy
Keith Trace, St. Cloud
Drew Mullins, Starke
Tony Guillen, 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: August 9, 2022
RE: **FMPA Board of Directors Meeting – 9:00 a.m., DATE**
PLACE: Florida Municipal Power Agency
8553 Commodity Circle, Orlando, FL 32819
DIAL-IN: **DIAL-IN INFO 321-299-0575**
Meeting Number 883 437 148#
LINK: [Click here to join the meeting](#)
(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**
- 2. Recognition of Guests**
- 3. Public Comments (Individual public comments limited to 3 minutes)**
- 4. Set Agenda (by vote)**
- 5. Report from the General Manager (Jacob Williams)**
- 6. Sunshine Law Update (Dan O'Hagan)**
- 7. Consent Agenda**
 - a. Approval of the Minutes for the Meeting Held July 13, 2022
 - b. Approval of the Projects' Preliminary Financials as of June 30, 2022
 - c. Approval of the Treasury Reports as of June 30, 2022

8. Action Items

- a. Approval of Resolution 2022-B6 – Budget Amendment for Stanton II Project (Jason Wolfe)

9. Information Items

- a. Solar I Poinsett Proposal and Solar II Letter of Intent with Origis Energy (Susan Schumann) *
- b. Review Final Numbers from Forward Delivery Transactions (Rich Popp)
- c. Summary of Finance Committee Items (Linda S. Howard) *
- d. Member Services Update (Sharon Adams)
- e. New Benefits for 2023 (Sharon Adams)
- f. 2022 Member Relations Survey Results (Rachel Ilardi)
- g. Annual Disclosure Training for the Board of Directors and Executive Committee (JoLinda Herring, Bryant Miller Olive)

10. Member Comments

11. Adjournment

***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
June 23, 2022**

**AGENDA ITEM 2 – RECOGNITION OF
GUESTS**

**Board of Directors Meeting
June 23, 2022**

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

**Board of Directors Meeting
June 23, 2022**

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

**Board of Directors Meeting
June 23, 2022**

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

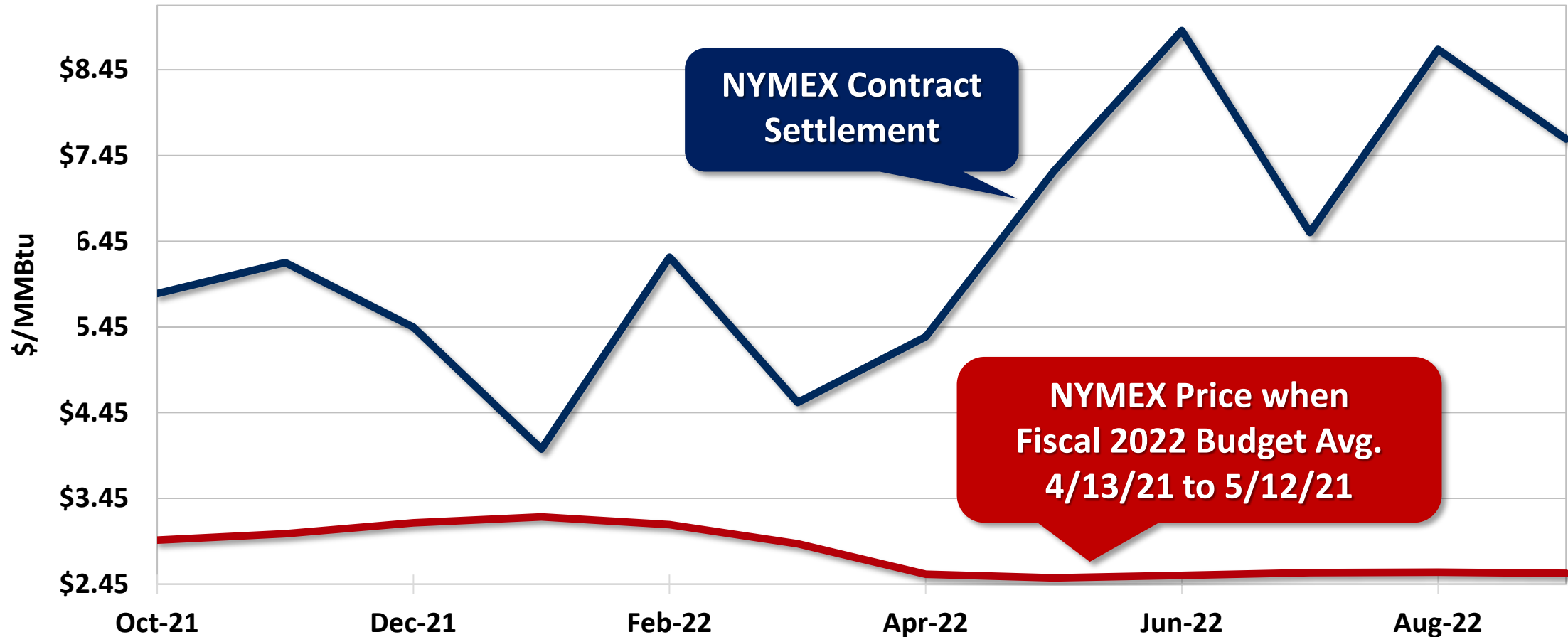
**Board of Directors Meeting
June 23, 2022**

Fiscal 2022 Management Goals – July 2022 Data

Goal	Status	Actual	YTD Actual	YTD Target	FY 2022 Target	Comment
1. Safety	Lost-time Accidents	0	0	0	0	
	OSHA Recordables	0	0	0	0	
2. Compliance	Environmental	0	0	0	0	Compliance doing internal NERC standard-by-standard top-down review with compliance and SMEs. Completed 70% of NERC applicable standards internally.
	Financial	0	0	0	0	
	Regulatory	0	0	0	0	
3. Low Cost (\$/MWh)	Under \$70/MWh	\$110.48	\$96.03	\$73.49	< \$70.00	YTD June 2022 MWh sales ~.8% >budget. All-in costs \$22.54/MWh (23.47%) > YTD target, due to fuel expense 96%> target; partially offset by A&G (13%), O&M (8%) and Project Costs (9%) < budget
	Fuel	\$62.85	\$44.70	\$22.21	\$22.00	
	Non-Fuel	\$47.62	\$51.32	\$51.28	\$48.00	
4. Capacity Replacement Plan Complete evaluation of alternatives meeting ARP needs to 2027 & provide Non-ARP members participation options					1	Finalizing PPA for 155 MW. Finalizing purchase agreement for two facilities of ~220 MW. Non-ARP members considering purchase.

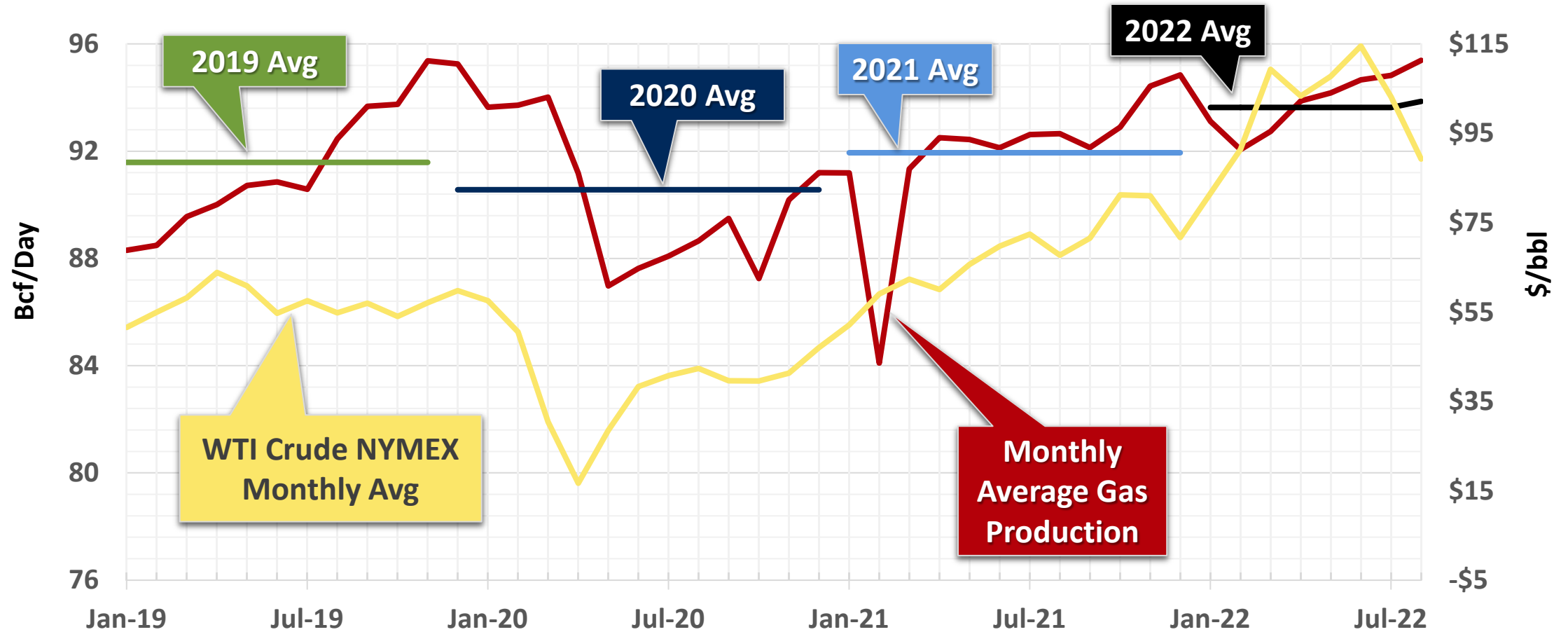
FY 2022 NYMEX Contract \$3.57/MMBtu Above Budget

NYMEX Natural Gas Fiscal 2022 Settlement as of Aug. 5



Natural Gas Production Disconnecting With Oil Price

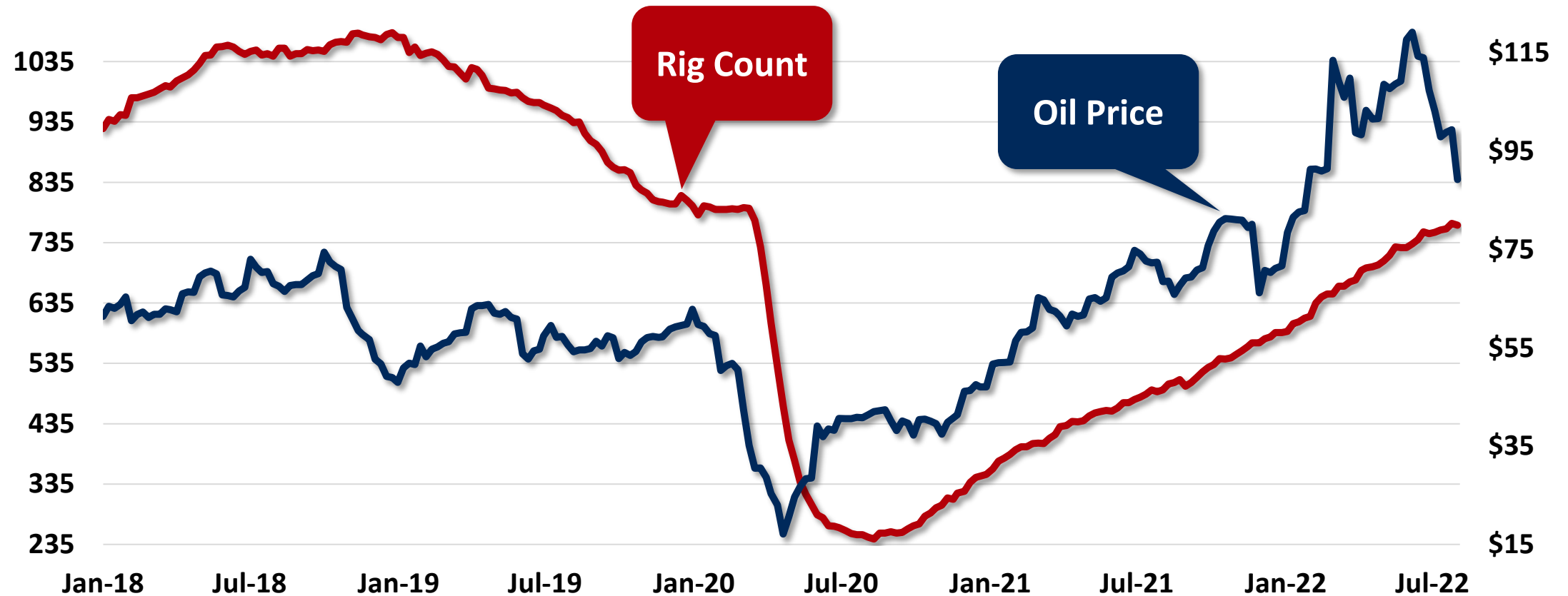
Average Monthly Change From 2019 to Date (Aug. 1)



Slight Increase in Drilling Rig Count, Sharp Decrease in Oil Price

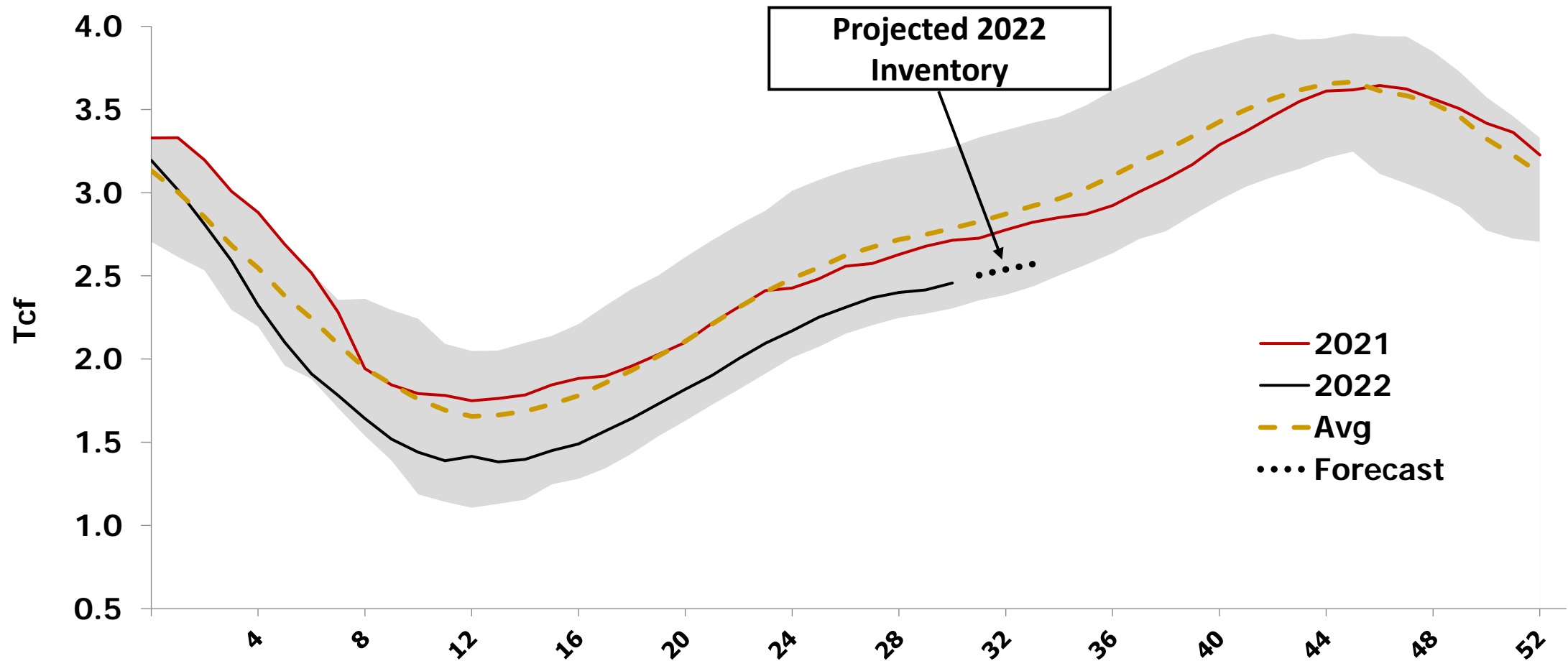
WTI Prices Were Above \$100 for Previous Five Months (as of Aug. 8)

U.S. Drilling Rig Count vs. WTI Prompt



Gas Storage Inventory as of Week Ending Aug. 5

2022 Season Forecast to Remain in Lower Level of 5-Year Avg.



Goal	Status	Actual	YTD Actual	YTD Target	FY 2022 Target	Comment
5. Cyber-security	Breaches	0	0	0	0	
	Phishing tests	7%	3.9%	3% or <	3% or <	Five people clicked on a HR request
6. Reliability	CC EAF	100%	85.5%	86.8%	89%	CI 4 outage in September – won't meet goal
	SI black start and trans. backup	100%	85%	100%	100%	One start for local system support – 17 of 20 successful YTD
7. Member Reliability	Individual member reliability recommendations/projects	0	9	10	12	
8. Member Services	Leadership member visits	5	71	62.5	75	
	Projects managed for members	6	29	20	24	KUA Maximo deployment, Clewiston LTC investigation, Bushnell recloser training, Havana financial modeling, Wauchula circuit re-conductor, Tallahassee cap bank investigation.

Goal	Status	Actual	YTD Actual	YTD Target	FY 2022 Target	Comment
9. Value of Muni Presentations, social media		3	16	8	10	Supporting several members with communications on higher costs
10. Financing	15K of Prepaid gas min. svgs. of \$0.25/MMBtu	37.5	37.5	12.5	15k /day	37.5k/day completed at \$0.35/ mmBtu savings of \$4.7M/year – Approved (1) additional 10k/day summer only
	Refinancings		2		1	Forward delivery for Stanton II and St Lucie transactions closed on 7/6/22 and 7/7/22, respectively
11. Solar Phase III						<ul style="list-style-type: none"> • Origis selected for Phase III development; PPA negotiations pending • Solar Committees provided direction for path forward with FRP (Phase I) and Origis (Phase II)
12. People		1	3	2	2	<ul style="list-style-type: none"> • 41 participated in emotional intelligence training • 23 completed leadership training • 25 completed communications training in June
		8	8	8	8	<ul style="list-style-type: none"> • Completed leadership training for supervisors/potential leaders

VERBAL REPORT

**AGENDA ITEM 6 – SUNSHINE LAW
UPDATE**

**Board of Directors Meeting
June 23, 2022**

**AGENDA ITEM 7 – CONSENT
AGENDA**

- a. Approval of the Minutes for the
Meeting Held July 13, 2022**

**Board of Directors Meeting
June 23, 2022**

MINUTES
FMPA BOARD OF DIRECTORS MEETING
THE BREAKERS
ONE SOUTH COUNTY ROAD
PALM BEACH, FL 33480
WEDNESDAY, JULY 13, 2022
8:00 A.M.

MEMBERS PRESENT Brad Hiers, Bartow
Steve Macholz, Bushnell
Randy Martin, Clewiston
Javier Cisneros, Fort Pierce
Howard McKinnon, Havana
Barbara Quinones, Homestead
Allen Putnam, Jacksonville Beach
Lynne Tejeda, Key West
Larry Mattern, Kissimmee
Ed Liberty, Lake Worth Beach
Joey Curry, Lakeland
Jim Williams, Leesburg
Steve Langley, Mount Dora
Joe Bunch, New Smyrna Beach
Doug Peebles, Ocala
Claston Sunanon, Orlando
Drew Mullins, Starke
Tony Guillen, Tallahassee
James Braddock, Wauchula
Dan D'Alessandro, Winter Park

*joined after roll call.

OTHERS PRESENT J. Larry Lammers, Fort Pierce
Hank Fee, Fort Pierce
Daniel Retherford, Fort Pierce
Barbara M. Bennett, Fort Pierce
Bo Hutchinson, Fort Pierce
Kristina Gibbons, Fort Pierce
Rachel Tennant, Fort Pierce
Brian Horton, Kissimmee
Cindy Herrera, Kissimmee
Patrick Comiskey, Mount Dora
Efren Chavez, New Smyrna Beach
Jim Hilty Sr., Ocala
Jimmy Crosby, Starke
Scott Roberts, Starke

Justin Isler, Winter Park
Andrew Hildreth, Bank Of America
JoLinda Herring, Bryant Miller Olive P.A.
Craig Dunlap, Dunlap & Associates
Aaron Casto, FMPP
Jonathan Nunes, nFront Consulting
Matthew Eckhart, nFront Consulting
Steven Stein, nFront Consulting
Barry Rothchild, Nixon Peabody LLP
Elizabeth Columbo, Nixon Peabody LLP
Rafael Couret, Power Engineers Inc.
Stephen C. Pearson, Spiegel & McDiarmid LLP

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
Dan O'Hagan, Assistant General Counsel and Regulatory Compliance Counsel
Sue Utley, Executive Asst. /Asst. Secy. to the Board
Mike McCleary, Manager of Member Services Development
Sharon Adams, Vice President of Human Resources & Shared Services
Cairo Vanegas, Manager of Member Services Development
Susan Schumann, Manager of External Affairs and Solar Projects
Carter Manucy, IT/OT & Cybersecurity Director
Chris Gowder, Business Development and System Operations Director
Jose Molina Bravo, Manager of Member Services Development
Rachel Ilardi, Public Relations Specialist
Ryan Dumas, Senior Public Relations Specialist

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

Chair Barbara Quiñones, Homestead, called the Board of Directors meeting to order at 8:00a.m. on Wednesday, July 13, 2022, in the Mediterranean Ballroom, The Breakers, One South County Road, Palm Beach, Florida. The roll was taken and a quorum was declared with 20 members present representing 32 votes out of a possible 47.5 votes.

ITEM 2 – Recognition of Guests

Chair Barbara Quiñones welcomed Patrick Comiskey, Mount Dora, Jimmy Crosby, Starke, Cindy Herrera, Kissimmee, Jim Hilty Sr., Ocala, Billy Branch, Homestead and Rob Taylor, GDS Associates

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. Joe Bunch, New Smyrna Beach, seconded the motion. Motion carried 32-0.

ITEM 5 – REPORT FROM THE GENERAL MANAGER

Jacob Williams reported on the following items:

- 1. Goals Scorecard
- 2. NYMEX Contract
- 3. Natural Gas Production Tracking Changes in Oil Prices
- 4. Rig Count Increases Slightly, Oil Prices Remain High
- 5. Gas Storage Inventory as of Week Ending July 8

ITEM 6 – SUNSHINE LAW UPDATE

Dan O'Hagan reported on Government in the Sunshine Law, Open/Public Meeting Requirements.

ITEM 7 – CONSENT AGENDA

- a. Approval of Minutes – Meeting Held June 23, 2022
- b. Approval of the Projects' Preliminary Financials as of May 31, 2022
- c. Approval of the Treasury Reports as of May 31, 2022

MOTION: Larry Mattern, Kissimmee, moved approval of the Consent Agenda as presented. Allen Putnam, Jacksonville Beach, seconded the motion. Motion carried 32-0.

ITEM 8 – ACTION ITEMS

a. Approval of Member Services Advisory Committee Charter

MOTION: Javier Cisneros, Fort Pierce, moved approval of the Member Services Advisory Committee Charter. Allen Putnam, Jacksonville Beach, seconded the motion. Motion carried 32-0.

b. Nomination and Election of Officers

Howard McKinnon, Chair of the Nominating Committee, said the Committee met on May 23 and are recommending the current slate of Board of Directors Officers:

Barbara Quiñones, Homestead	Chair
Lynne Tejada, Key West	Vice Chair
Larry Mattern, Kissimmee	Secretary
Allen Putnam, Jacksonville Beach	Treasurer

MOTION: Joe Bunch, New Smyrna Beach, moved approval of the Nominating Committee recommendation of Board of Directors Officers for 2022-2023 term as presented. Javier Cisneros, Fort Pierce, seconded the motion. Motion carried 32-0.

ITEM 9 – INFORMATION ITEMS

a. Notice of Annual Continuing Disclosure Report of the Fiscal Year Ended September 30, 2021

Linda S. Howard gave an update on the Annual Continuing Disclosure Report filed June 28, 2022 before the June 30 deadline.

ITEM 10 – MEMBER COMMENTS

None

ITEM 11 – ADJOURNMENT

There being no further business, the meeting was adjourned at 8:27a.m.

Barbara Quiñones
Chairperson, Board of Directors

Larry Mattern
Secretary

Approved: _____

Seal

BQ/LM/su

**AGENDA ITEM 7 – CONSENT
AGENDA**

- b. Approval of the Projects'
Preliminary Financials as of June
30, 2022**

**Board of Directors Meeting
June 23, 2022**



Linda S. Howard, CPA, CTP
Chief Financial Officer

AGENDA PACKAGE MEMORANDUM

TO: FMPA Board of Directors
FROM: Linda Howard
DATE: August 9, 2022
ITEM: 7b – Approval of Projects’ Financials as of June 30, 2022

Discussion: The summary financial statements and detailed financial statements, which include GASB #62 transactions, of the Projects for the period ended June 30, 2022 are posted on the Document Portal section of FMPA’s website.

Recommended: Move approval of the Projects’ Financial Reports for the month ended June 30, 2022.

LH/GF

**AGENDA ITEM 7 – CONSENT
AGENDA**

**c. Approval of the Treasury Reports
as of June 30, 2022**

**Board of Directors Meeting
June 23, 2022**



AGENDA PACKAGE MEMORANDUM

TO: FMPA Board of Directors
 FROM: Sena Mitchell
 DATE: August 16, 2022
 ITEM: BOD 7(c) – Approval of Treasury Reports as of June 30, 2022

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

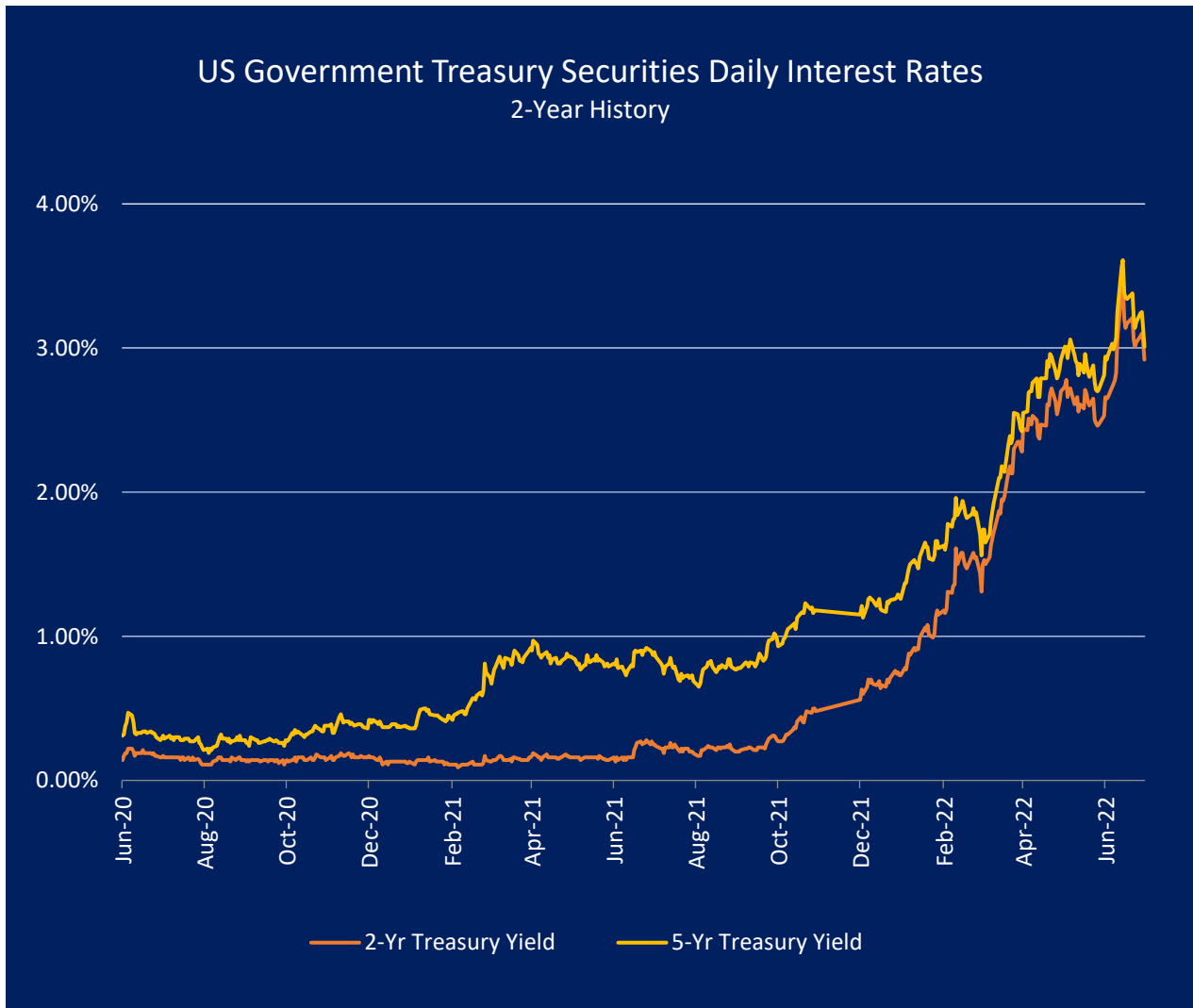
The Treasury Department reports for June are posted in the member portal section of FMPA’s website.

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 June 30, 2022.

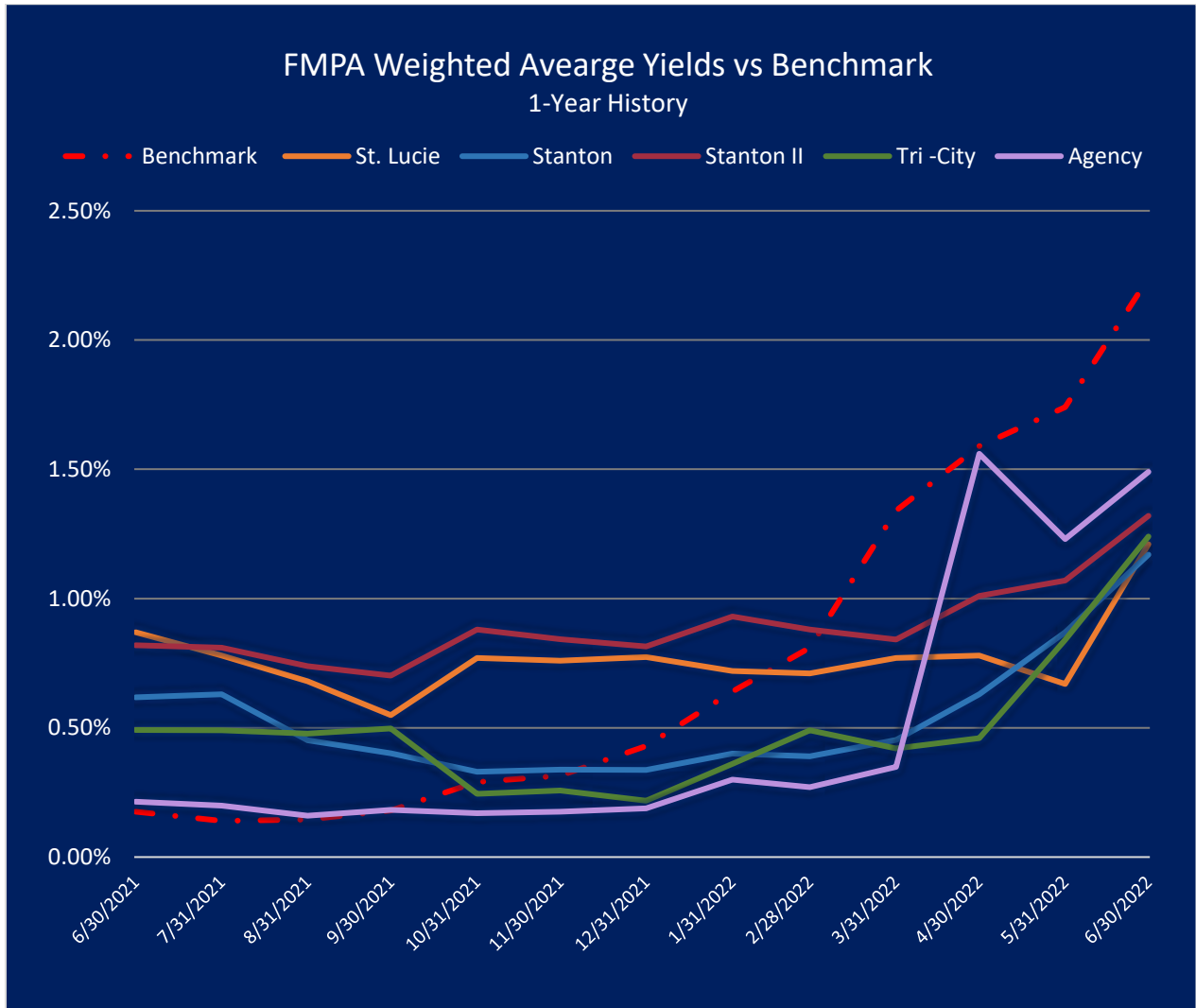
	Total debt Outstanding	Fixed Rate	Variable Rate	Synthetically Fixed
Agency	0.00	0%	0%	0%
St Lucie	80,790,000	100%	0%	0%
Stanton	0.00	0%	0%	0%
Stanton II	89,548,354	100%	0%	0%
Tri City	0.00	0%	0%	0%

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 June at 2.92%. The yellow line is the 5-year Treasury which was 3.01%.



The weighted average yields on investments earned as of June 30, 2022, 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 June 30, 2022.

AGENDA ITEM 8 – ACTION ITEMS

- a. Approval of Resolution 2022-B6 –
Budget Amendment for Stanton II
Project**

**Board of Directors Meeting
June 23, 2022**



8a – Approval of Resolution 2022-B6 – Budget Amendment for Stanton II Project

Board of Directors

Aug. 18, 2022

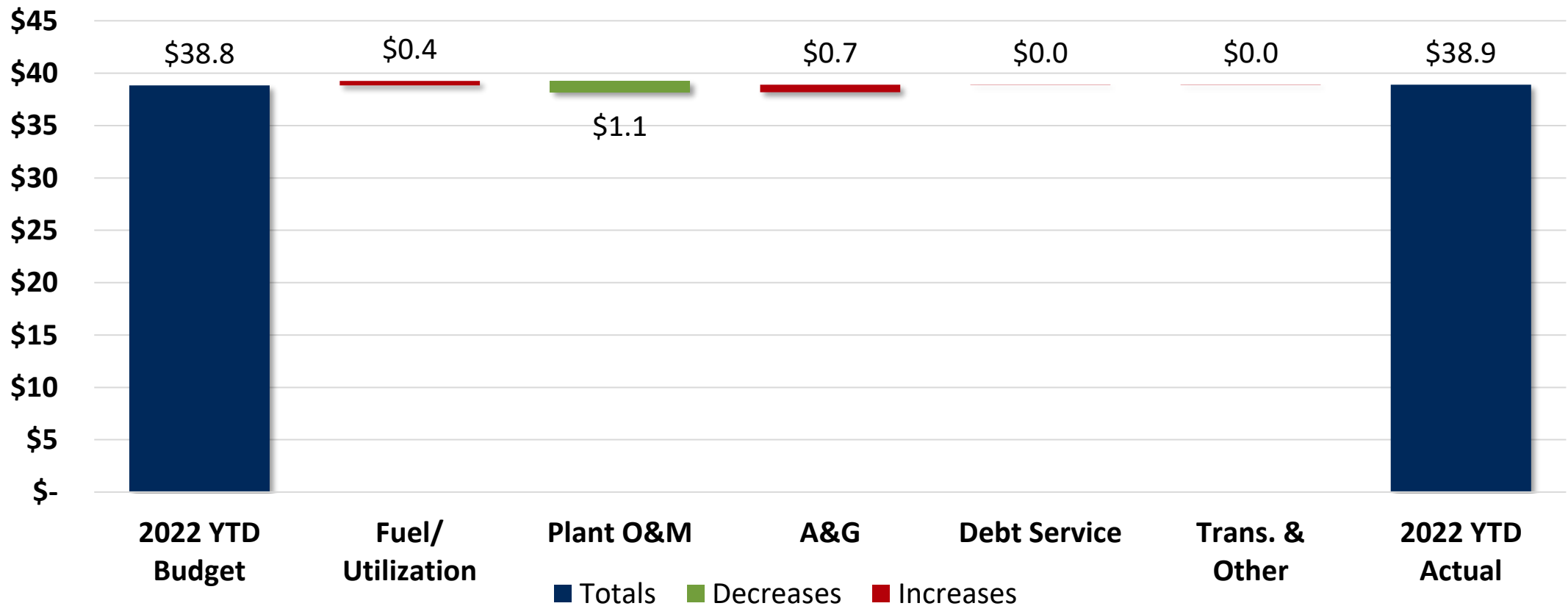
FY 2022 Budget Increase Requested for Stanton II Project

- Stanton II Project needs budget amendment to ensure FMPA has sufficient spending authority to pay project expenses
- Fuel expense above budget is primary driver of need for additional spending authority, despite generation being 31% below budget
- Based on current projections, Stanton II will exceed currently authorized spending limit on same day as September Board meeting
- Additional requested funds do not impact demand or transmission billings to participants; energy billings reflect actual costs

Stanton II Project YTD Expenses ~ Target

Fuel Costs \$0.4M > Target Despite YTD Generation 31% < Target

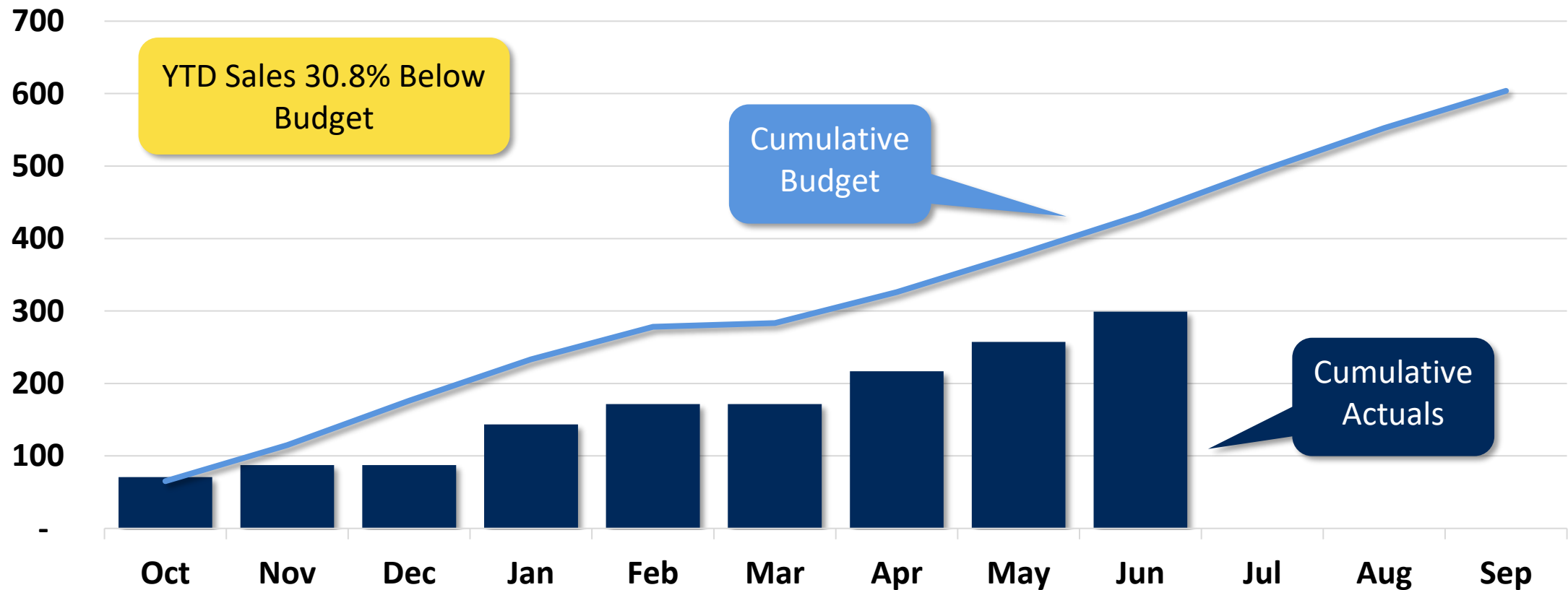
Stanton II Project Budget vs. Actual Expenses through June (\$Millions)



Stanton II Project Sales 31% < Target Through June

Due to Coal Conservation and Planned Outage in Spring

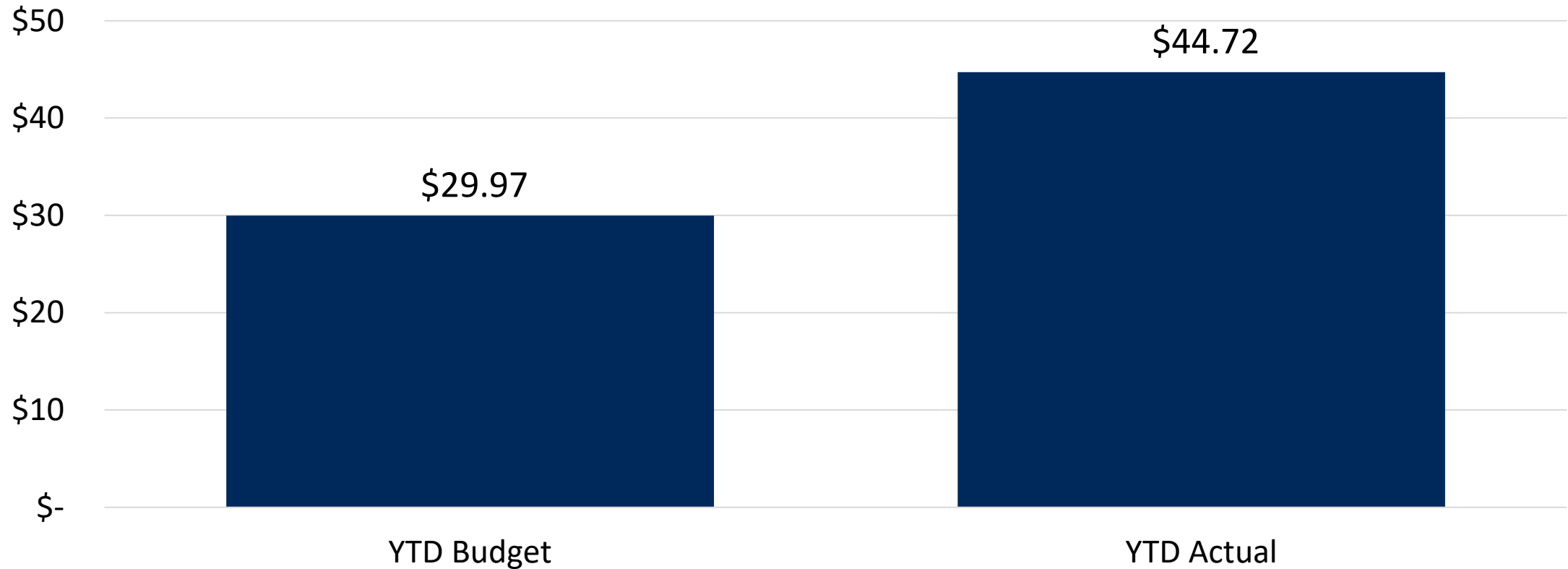
Stanton II Project FY 2022 Cumulative Sales (GWh)



YTD \$/MWh Fuel Costs 49% Above Budget

Driven by Significant Increases in Coal and Natural Gas Prices

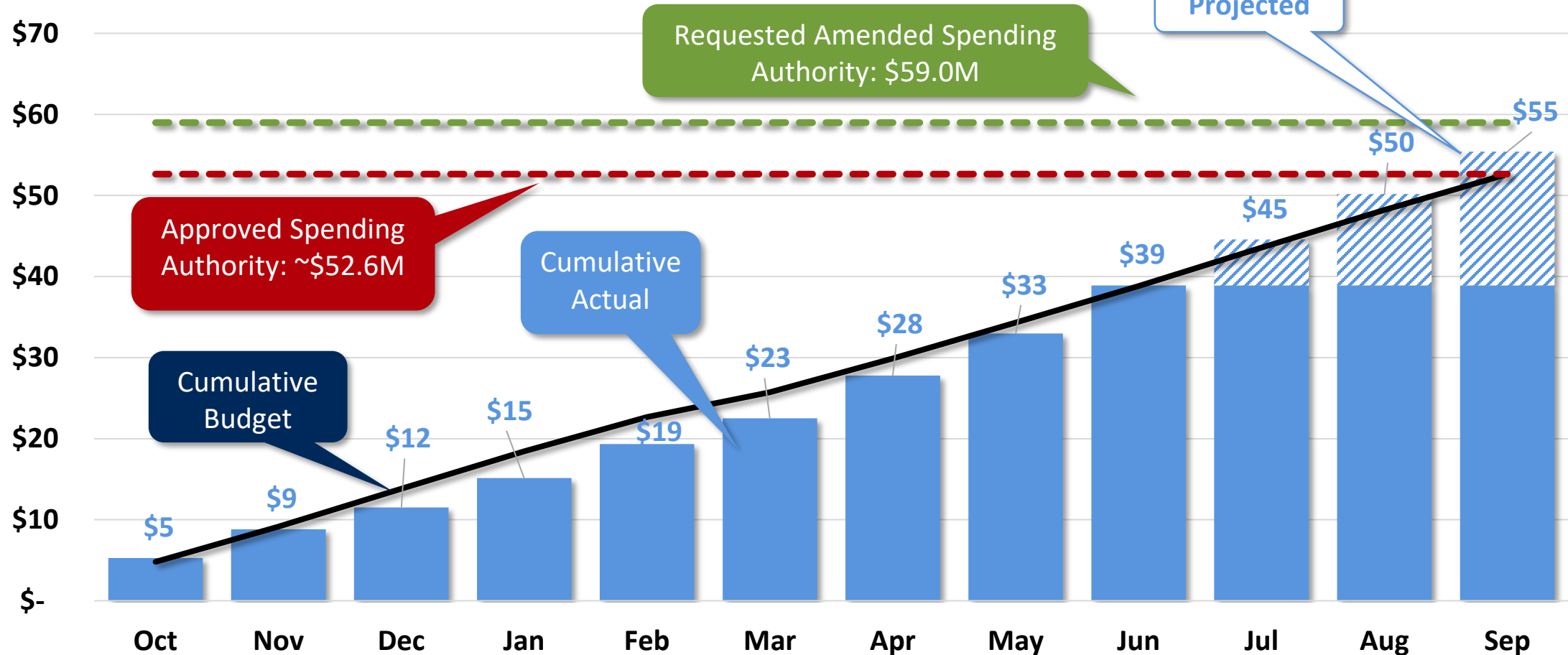
Stanton II Project Fuel Cost (\$/MWh)



~\$6.4 Million Spending Authority Increase Requested

Total Amended Spending Authority Would Be \$59 Million

Stanton II Project Cumulative Budget vs. Actual Expenses (\$Millions)



Recommended Motion

- Move approval of Resolution 2022-B6 to increase Fiscal Year 2022 Stanton Project budget spending authority by \$6,374,000.

RESOLUTION OF THE BOARD OF DIRECTORS OF THE FLORIDA MUNICIPAL POWER AGENCY: (I) AMENDING THE STANTON II PROJECT BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2021, AND ENDING SEPTEMBER 30, 2022; (II) ADOPTING THE AMENDED BUDGET FOR THE STANTON II PROJECT FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2021, AND ENDING SEPTEMBER 30, 2022; AND (III) PROVIDING AN EFFECTIVE DATE.

Whereas, pursuant to resolution 2021-B1 adopted on June 10, 2021, the Board of Directors of the Florida Municipal Power Agency (the “**Agency**”) adopted the Stanton II Project budget for the fiscal year beginning October 1, 2021, and ending September 30, 2022 (“**Fiscal Year 2022**”) authorizing total expenditures of \$52,626,000;

Whereas, pursuant to Section III of resolution 2021-B1, a proposed amendment to the Fiscal Year 2022 budget for the Stanton II Project has been duly submitted to the Board of Directors for approval; and

Whereas, the Board of Directors hereby finds and determines that the proposed budget amendment of \$6,374,000 is needed to adjust expenditures for higher-than-expected fuel and other costs from the Stanton II Project.

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE FLORIDA MUNICIPAL POWER AGENCY THAT:

SECTION I. **Amendment to Stanton II Project Budget.** The Stanton II Project budget for Fiscal Year 2022 is hereby amended from total expenses of \$52,626,000 to total expenses of \$59,000,000.

SECTION II. **Adoption of Budget Amendment.** The Stanton II Project budget for Fiscal Year 2022 as amended by Section I of this resolution is hereby approved and adopted.

SECTION III. **Effective Date.** This resolution shall take effect immediately upon its adoption.

This Resolution 2022-B6 is hereby approved and adopted by the Board of Directors of the Florida Municipal Power Agency on August 18, 2022.

Chair of the Board of Directors

I HEREBY CERTIFY that on August 18, 2022, the above Resolution 2022-B6 was approved and adopted by the Board of Directors of the Florida Municipal Power Agency, and that this is a true and conformed copy of Resolution 2022-B6.

ATTEST:

Secretary or Assistant Secretary

SEAL

**AGENDA ITEM 9 – INFORMATION
ITEMS**

- a. Solar I Poinsett Proposal and
Solar II Letter of Intent with Origis
Energy**

**Board of Directors Meeting
June 23, 2022**



9a - Solar I Poinsett Proposal and Solar II Letter of Intent

Board of Directors & Executive Committee

Aug. 18, 2022

FRP and Origis Proposals for Phase I and Phase II

Pricing Increases Due to Market and Inflationary Activity

- Participants provided direction to staff at June and August Joint Solar Committee meetings
 - Work with FRP to:
 - Request to honor Phase I pricing or pay delay damages to terminate PPA
 - If terminated or litigated, replace Phase I facility with Origis Phase III facility
 - Work with Origis to:
 - Accept Phase II pricing update (in conjunction with the following items)
 - Accept offer to assume network upgrade funding
 - Provide letter of intent to contract for two new facilities under Phase III
 - Enough interest identified for at least two additional facilities

Florida Renewable Partners Final Proposal

Poinsett Replacement and Phase III Facility

- Move Poinsett to new site with Duke interconnect
 - Delay COD until October 2024 or December 2025
 - Increase pricing defined in PPA by ~\$5/MWh or ~\$4/MWh, depending on COD
 - FRP responsible for all network upgrade costs
- Reduce base pricing for future Phase III facility
 - FRP allowed to increase pricing up to \$3/MWh cap if capital cost exceeds estimate
- FRP's proposed pricing for Poinsett replacement and Phase III new facility less favorable than other options
 - Poinsett participants rejected FRP proposals, directed staff to notify FRP

Letter of Intent Between FMPA and Origis

Letter of Intent Principal Terms – Pricing below \$35/MWh

- Parties agree to principal terms, pending member approval:
 - Parties to amend Rice Creek and Whistling Duck PPA's to change starting year pricing
 - Origis to refund Whistling Duck network upgrade funding (~\$13M) to FMPA and assume funding with Duke Energy Florida
 - Parties to commence good faith negotiation of two (or more) new solar power purchase agreements (Phase III)
- Rice Creek, Whistling Duck and Phase III facilities pricing below \$35/MWh
- FMPA Staff and Origis already working on these items

Additional Considerations for Renewable Pricing

Renewable Energy Purchase and Tax Credits – Details TBD

- Renewable Energy “Bridge” Product with FPL
 - Potential to purchase “bridge” to receive renewable energy until solar facility COD
 - Cost potentially \$10 - \$12 / MWh higher than solar PPA costs
 - Discussions with FPL in progress; staff will provide updates to interested members
- The Inflation Reduction Act – Senate approved Aug. 7
 - \$369 billion total investment in energy and climate initiatives
 - Extends Investment Tax Credit and expands Production Tax Credit to include solar projects
 - FMPA will continue to work with developers to determine benefits and advantages
 - Includes "Comparable Incentives" for tax exempt entities for renewable credits
 - Working with project partners to get a "buyout option" post COD and will evaluate opportunity

Recommended Motions for Board

Approved by Solar I, Solar II and ARP Solar Participants

- Move approval for FMPA staff to reject FRP's best and final pricing for alternative site to Poinsett.
- Move approval for FMPA to enter into letter of intent with Origis and to move forward with activities specified in the principal terms.

[FMPA Letterhead]

[date]

[name]

[Title]

[Address]

[Address]

[name]

In the furtherance of recent discussions, Florida Municipal Power Agency (“**FMPA**”) and Origis Development LLC (“**Origis**”) hereby desire to enter into this letter of intent (“**LOI**”) regarding the amendment(s) of certain existing solar power purchase and network upgrade funding agreements described below and the negotiation of new solar power purchase agreements, all as more fully described below (the “**Solar PPA Negotiations**”).

FMPA, on behalf of the All-Requirements Power Supply Project, and Origis’s affiliate, FL Solar 7, LLC (“**FL7**”), entered into a Solar Power Purchase Agreement dated as of December 12, 2019 (the “**ARP Rice Creek PPA**”), whereby FL7 agreed to construct, own, and operate a 74.9 MW solar energy generation facility in Putnam County, Florida, and deliver the output thereof to FMPA, and FMPA agreed to purchase and receive a portion of such solar energy output.

FMPA, on behalf of FMPA’s Solar II Project, and FL7 entered into the Solar Power Purchase Agreement dated as of December 12, 2019 (the “**Solar II Project Rice Creek PPA**” and together with the ARP Rice Creek PPA, the “**Rice Creek PPAs**”), whereby FL7 agreed to construct, own, and operate a 74.9 MW solar energy generation facility in Putnam County, Florida, and deliver the output thereof to FMPA, and FMPA agreed to purchase and receive a portion of such solar energy output.

FMPA, on behalf of FMPA’s All-Requirements Power Supply Project, and Origis’s affiliate, FL Solar 8, LLC (“**FL8**”), entered into a Solar Power Purchase Agreement dated as of December 12, 2019 (the “**ARP Whistling Duck PPA**”), whereby FL8 agreed to construct, own, and operate a 74.9 MW solar energy generation facility in Alachua County, Florida, and deliver the output thereof to FMPA, and FMPA agreed to purchase and receive a portion of such solar energy output.

FMPA, on behalf of FMPA’s Solar II Project, and FL8 entered into the Solar Power Purchase Agreement dated as of December 12, 2019 (the “**Solar II Project Whistling Duck PPA**” and together with the ARP Whistling Duck PPA, the “**Whistling Duck PPAs**”), whereby FL8 agreed to construct, own, and operate a 74.9 MW solar energy generation facility in Alachua County, Florida, and deliver the output thereof to FMPA, and FMPA agreed to purchase and receive a portion of such solar energy output.

FL8 and FMPA entered into the Network Upgrade Funding Agreement, dated as of December 18, 2021, as amended by the First Amendment to Network Upgrade Funding Agreement dated January 25, 2022 (the “**NUF Agreement**”), whereby FMPA agreed to fund the network

upgrade collateral required pursuant to the Large Generator Interconnection Agreement between FL8 and Duke Energy Florida (“**LGIA**”) necessary to interconnect the Whistling Duck solar facility to the Duke Energy transmission system. In exchange for the network upgrade collateral, FL8 assigned its rights under the LGIA to network upgrade refund credits to FMPA. On February 22, 2022, FMPA provided Duke Energy with \$13,245,775 as network upgrade collateral (the “**Whistling Duck Network Upgrade Collateral**”).

FL7, FL8, and Origis are collectively referred to as the “**Origis Entities**” for purposes of this LOI. Together, the Origis Entities and FMPA are referred to as the “**Parties**.”

Since the execution of the Rice Creek PPAs, Whistling Duck PPAs, and the NUF Agreement, market conditions affecting the acquisition of solar photovoltaic panels necessary to construct the Rice Creek and Whistling Duck facilities have changed, impacting Origis’ ability to commercially perform its obligations pursuant to the Rice Creek PPAs and Whistling Duck PPAs. As a result, the Origis Entities have requested FMPA consider a price increase to the Rice Creek PPAs and Whistling Duck PPAs.

In addition to seeing the completion of the Rice Creek and Whistling Duck solar facilities, FMPA is interested in entering into additional solar power purchase agreements on behalf of its members.

This LOI confirms FMPA’s and the Origis Entities’ common interest in continuing the Solar PPA Negotiations to work towards reaching agreement on mutually agreeable terms and conditions, embodied in legally binding contracts or other commitments (although, it is hereby agreed and acknowledged that this LOI does not bind either party to ultimately enter into any such legally binding contract or other commitment), and will serve as the basis for the good faith negotiation of amendments to the Rice Creek PPA and Whistling Duck PPA, FL8’s refund to FMPA of the Whistling Duck Network Upgrade Collateral, amendment and/or early termination of the NUF Agreement, and negotiation of New Solar PPAs as described below. Notwithstanding anything else in this LOI, this LOI is not intended to be a binding agreement except as expressly set forth in Section 5 below. The Parties hereby propose the following summary of the principal terms of the Solar PPA Negotiations:

Section 1. Principal Terms

- FMPA and the Origis Entities shall begin good faith negotiations to amend the Rice Creek PPAs and Whistling Duck PPAs to change starting year pricing to [REDACTED] for the Rice Creek PPA and [REDACTED] for the Whistling Duck PPA. The Parties acknowledge that such amendments shall require individual participating FMPA Member governing body approvals as well as FMPA Board of Directors and FMPA Executive Committee approvals. The Parties intend that all negotiations and necessary approvals be complete, and amendments executed, by the end of calendar year 2022.
- FL8 shall replace with its own funds the Whistling Duck Network Upgrade Collateral, and provide for the prompt return of FMPA’s \$13,245,775 in its entirety by either DEF directly to FMPA, or FL8 if refunded by DEF to FL8. Upon return of the Whistling Duck Network

Upgrade Collateral to FMPA, FMPA will relinquish and reassign to Origis its rights to network upgrade refund credits from DEF. The Network Upgrade Funding Agreement will be terminated or further amended to reflect these changes. The Parties intend all of the above network upgrade collateral funding tasks be complete by September 30, 2022 (as may be extended due to DEF-caused delays).

- The Parties shall commence good faith negotiation of two (or more) new solar power purchase agreements in accordance with FMPA's Request For Proposals for Solar Generation issued January 14, 2022.¹ As of the date of this LOI, FMPA has not identified the FMPA Members that will be participants under these potential New Solar PPAs, which will be determined as negotiations of the New Solar PPAs progress. If such negotiations result in mutually agreeable new solar PPAs, the Parties intend the individual participating FMPA Member governing body approvals and FMPA Board of Directors and Executive Committee approvals, and the New Solar PPAs be executed by the end of calendar year 2022.

Section 2. Interrelation of Principal Terms

This Letter of Intent contemplates three distinct principal terms to be initially undertaken and negotiated as a single package. However, the Parties acknowledge and agree that once any or all of these actions is complete and codified by a final executed agreement, the resulting agreement(s) of each of these actions shall be independent from completion of the remaining principal terms, and shall be irrevocable, except as provided for in such final executed agreement(s). Any consideration of any future actions with respect to the individual agreements will be irrespective of the other agreements, except as may be expressly set forth in such final, executed agreement(s).

Section 3. Termination.

Unless the Parties otherwise agree in writing, this LOI will automatically terminate and be of no further force and effect upon the earliest of (a) final execution of all agreements, amendments, or both, contemplated by and necessary to effectuate the Solar PPA Negotiations (b) mutual agreement of FMPA and Origis, or (c) July 1, 2023. Notwithstanding the previous sentence, Sections 4 through 6 hereof shall survive the termination of this LOI, and the termination of this LOI shall not affect any rights any party has with respect to the breach of this LOI by the other party prior to such termination.

Section 4. Expenses.

¹ The selection of Origis for negotiation of two (or more) new solar PPAs has been made in full accord with FMPA's procurement policy and the review process delineated in the RFP for Solar Generation issued January 14, 2022. Nothing in this letter of intent shall be interpreted as a circumvention of good faith negotiations with Origis as originally intended in the RFP, and furthermore, any rights reserved by FMPA within said RFP continue unabated as it relates to the negotiation process.

FMPA and the Origis Entities will each pay their own transaction expenses, including the fees and expenses of investment bankers, lawyers, and other advisors, incurred in connection with the proposed Solar PPA Negotiations, whether or not final agreements contemplated by the Solar PPA Negotiations are executed.

Section 5. No Binding Agreement.

This LOI reflects the intention of the Parties for use in the Solar PPA Negotiations. For the avoidance of doubt, this LOI is not intended to create nor should it be construed as creating any legal obligation to conclude the proposed Solar PPA Negotiations under the terms outlined herein or on any other terms, and neither this LOI nor its acceptance shall give rise to any legally binding or enforceable obligation on any of the Parties, except with regard to Sections 3 through 6 hereof, which shall be binding on the Parties. No contract or agreement providing for any proposed Solar PPA Negotiations shall be deemed to exist among the Parties unless and to the extent final agreements contemplated as part of the Solar PPA Negotiations have been duly executed and delivered by all parties thereto. Each of FMPA and the Origis Entities expressly agrees that no negotiations, presentation or exchange of drafts, preliminary agreements with respect to any particular provisions in draft contracts, press releases by any party, disclosures or other statements by any party (oral or written), execution of any letter of intent, agreement in principle or similar document, action by any representative of any party, or resolution or authorization by any governing body of any party shall evidence an intent to be bound unless and until one or more mutually agreed upon final executed agreements contemplated by the Solar PPA Negotiations is finally completed and duly executed and delivered by all parties thereto.

Section 6. Miscellaneous.

This LOI shall be governed by and construed in accordance with laws of the State of Florida, without giving effect to provisions which could cause the laws of another jurisdiction to apply. This LOI reflects the negotiated terms of the Parties. Accordingly, this LOI is to be construed as if the Parties jointly prepared it, and no presumption shall be made as to whether FMPA or any of the Origis Entities prepared this LOI for purposes of interpreting or construing any of the provisions of this LOI or otherwise. The headings of the various sections of this LOI have been inserted for reference only and shall not be deemed to be a part of this LOI. This LOI may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one agreement. PDF, e-mail or other electronic copies of signature pages shall constitute originals for all purposes. The Parties will treat the commercial terms of this LOI as confidential information and will use reasonable care not to divulge this or other confidential information that the Parties may acquire from one another in the Solar PPA Negotiations, except as required by law. The Parties do not intend for this LOI to, and this LOI shall not, create any joint venture, partnership, association taxable as a corporation, or other entity for the conduct of any business for profit.

[Signature page follows.]

If the Origis Entities are in agreement with the terms set forth above and desire to proceed with the proposed Solar PPA Negotiations on that basis, please sign this LOI in the space provided below and return a fully executed copy to the attention of the undersigned. This LOI shall have no effect unless it has been accepted by you and a fully-executed copy delivered to the undersigned no later than [date].

Very truly yours,

FLORIDA MUNICIPAL POWER AGENCY

Name: _____
Title: _____

Agreed to and accepted as of [date]:

ORIGIS DEVELOPMENT LLC,
for the Origis Entities

Name: _____
Title: _____

**AGENDA ITEM 9 – INFORMATION
ITEMS**

- b. Review Final Numbers from
Forward Delivery Transactions**

**Board of Directors Meeting
June 23, 2022**



9b – Review Final Numbers from Forward Delivery Transactions

Board of Directors

August 15, 2022

Two Forward Delivery Transactions Closed In July

Stanton II and St. Lucie Achieved Expected Savings

- Stanton II Series 2022A
 - Counterparty: Raymond James
 - Refinanced 2012A of \$36,244,000
 - 2022A Par Amount \$25,308,550
 - Used \$10,835,450 of Project cash (Debt Service Fund , DS Reserve, General Reserve)
 - Total “All-In” Costs 1.860434%
- Achieve Present Value Savings of \$2,015,545 or 7.9%

Two Forward Delivery Transactions Closed In July

Stanton II and St. Lucie Achieved Expected Savings

- St. Lucie Series 2021B
 - Counterparty: Bank of America
 - Refinanced 2012A of \$58,870,000
 - 2022A Par Amount \$33,920,000
 - Used \$20,000,000 of Project cash (Debt Service Fund , DS Reserve, General Reserve)
 - Total “All-In” Costs 1.85%
- Achieve Present Value Savings of \$6,966,968 or 11.83%

**AGENDA ITEM 9 – INFORMATION
ITEMS**

**c. Summary of Finance Committee
Items**

**Board of Directors Meeting
June 23, 2022**



9c – Summary of Finance Committee Items

Board of Directors

Aug. 18, 2022

Other Items

Review and/or Approval Required

- Gas hedging strategy update/use of 2021B Bond proceeds (EC)
- Budget updates/amendments as necessary
- Approval of Risk Policy changes
- Updates on ESG discussion/ratings indications
- Update on \$13M investment in solar project
- External audit process underway

**AGENDA ITEM 9 – INFORMATION
ITEMS**

d. Member Services Update

**Board of Directors Meeting
June 23, 2022**



9d – Member Services 2021 Year in Review

Board of Directors

Aug. 16, 2022

FMPA Provides a Variety of Member Services

Traditional Services, Technical Support, Professional Support

- Operations Support
- Purchasing
- Professional Training
- Roundtables
- Legal Support
- Compliance Support
- Transmission Support
- Human Resources Support
- IT Assessments
- Substation Maintenance
- Accounting & Finance
- Public Relations

Traditional Services

Operations, Purchasing, Technical Training, Roundtables

Operations Support

Distribution Reliability Measurement Program

Peer Review or Operational Review

Power Quality Investigations

Hurricane Assistance

Substation Services

Technical Training

Lineworker Safety Program

Lineworker, craft and management training

Substation Training

Safety Compliance

Customized training upon request

Purchasing

Joint Purchasing Projects

Joint Services Procurement

AURSI support (procurement platform)

FEMA compliance support

Roundtables

Human Resources

Purchasing

Meter Technician

Lineworkers

Regional Crew Leader

Distribution Reliability

System Control Operator

Other Services

Legal, Regulatory, Transmission, Roundtables

Legal Support

Territory issues

Contract review and negotiations

Regulatory issues

Tax and Retail Rate Structures

Legal presentations

Regulatory Compliance

Bi-Weekly calls

Peer reviews

Compliance workshops

Standard review and voting

Coordinates communications among members

Transmission Support

Interconnections and transmission scenarios

Short circuit requests and protection evaluations

NERC compliance support

IT Support

Phishing campaigns

365 Office migrations

Vulnerability studies

Tabletop exercises

Corporate and Operational Cyber Security

Professional Services

Accounting & Finance, Rate Services, PR and Human Resources

Accounting & Finance

Audits

Closing year end

Bank reconciliations

Backup accounting support

Public Relations

Presentations for Member Cities

Social media assistance

Prepare materials to message gas prices

Utility Rates Services

Rate reviews

Cost of service study

PCA Process Review

Human Resources

Job Postings

Salary Survey

Interviewing assistance

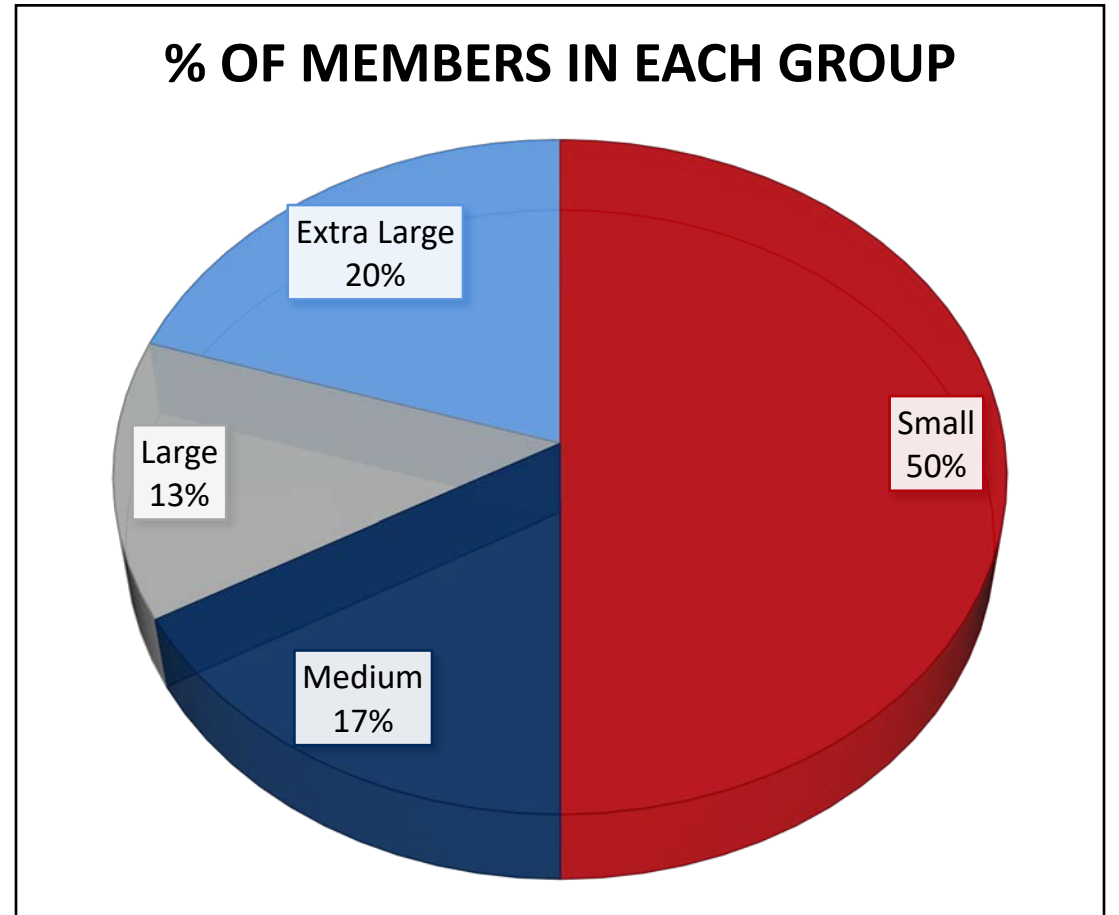
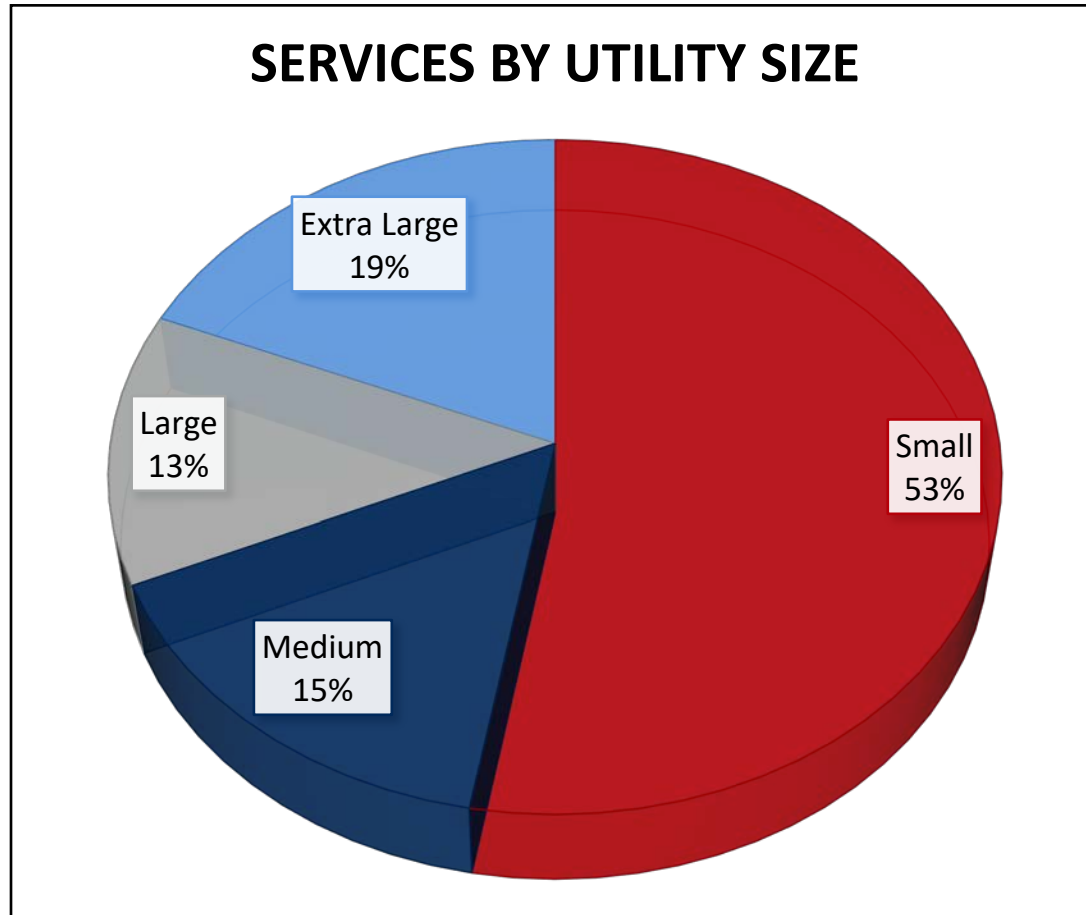
Policy development

Joint Purchase and Contracts Services

3 Phase Transformers	CEMS	Call Center Support Services	Concrete Poles	Debris Removal Services	Disposal & Recycling of Utility Wood poles, Pallets and Reels
Ductile Iron Poles	Heavy Equipment \$ Utility-Related Services	Overhead Transformers	PCB Disposal	Pole Inspection & Treatment	Pole Line Hardware
Refurbish, Repair, Disposal of Transformers	Single Phase Pad mount Transformers	Substation Maintenance	Substation Painting Services	T&D Construction and Maintenance	Thermal Infrared & Imaging
Transformer Painting & Inspection	Tree Trimming & Vegetation Management	Utility Rate Services	Wastewater Pipes, Valves and Fittings	Wire & Cable	Wood Poles

Individual Services Provided to Members of All Sizes

Breakdown of Services by Utility Size Mirrors FMPA's Members



**AGENDA ITEM 9 – INFORMATION
ITEMS**

e. New Benefits for 2023

**Board of Directors Meeting
June 23, 2022**



9e - Proposed New Benefits

Board of Directors

Aug. 18,2022

Proposed New Benefit - Vacation Buy Back

Team Members Compensated When Unable to Use PTO

- Current policy allows for two times annual accrual
- Use it or lose it
- Team member has the option of being paid out up to two weeks of vacation annually
- Participant must use at least one week of vacation in a calendar year
- Cannot drop below one year accrual, if requesting vacation buy back
- ~30 employees that would be eligible
- Budget impact could be ~\$150,000 if all used
- FY 2023 budget approved by the EC with this \$150k included
- No long-term increase in costs

Proposed New Benefit – Employee Dental Premiums

Employees Currently Pay 100%

Up to 5 years of service	<ul style="list-style-type: none"> Employee pays 100%
5 – 10 years of service	<ul style="list-style-type: none"> FMPA pays 25% of premium
10 – 15 years of service	<ul style="list-style-type: none"> FMPA pays 50% of premium
15 + years of service	<ul style="list-style-type: none"> FMPA pays 100%

Years of service	FMPA Annual Premium	Number of employees	Budget Impact*
0-5	0	33	\$0
5-10	\$145	10	\$1,450
10-15	\$290	12	\$3,480
15+	\$581	19	\$11,039

*No budget increase needed

Proposed New Benefit – Roth 457 Contribution

Additional Retirement Benefit for Team Members

- No budget impact
- Roth after tax option to all team members
- Taxes higher in the future make this more attractive
- Tax free accumulations more valuable than pre-tax accumulations
- Annual contribution of \$20,500 or \$27,000 catch up

**AGENDA ITEM 9 – INFORMATION
ITEMS**

**f. 2022 Member Relations Survey
Results**

**Board of Directors Meeting
June 23, 2022**



9f - 2022 Member Relations Survey Results

FMIPA Board of Directors

August 18, 2022

Survey Measured Member Relations with Staff

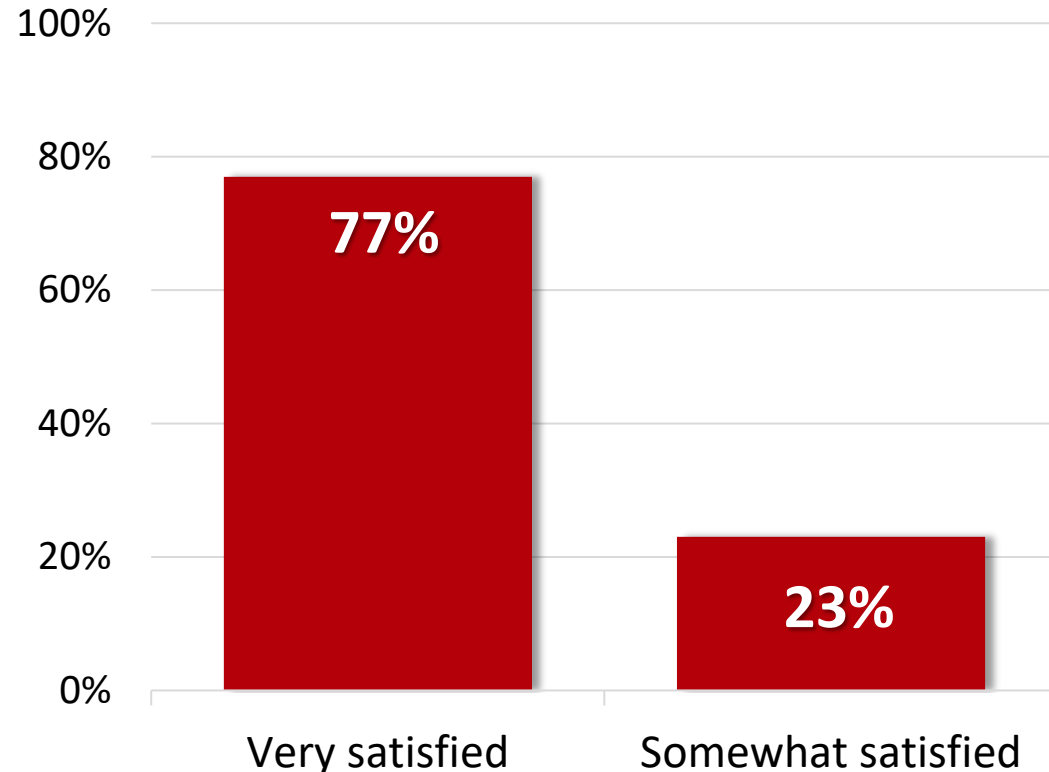
Satisfaction Remains High, Agency Focused on Members' Needs

- 26 people from 11 known member cities responded to biennial survey, compared to 34 respondents from 13 cities in 2020 – Survey open less time in 2022
- Distributed to Board of Directors, Executive Committee, Finance Committee, PMLC and other interested parties
- Purpose to measure relationship between members and staff, confidence in Agency direction and alignment with member priorities
- Respondents said: FMPA headed in the right direction, and they're generally satisfied with FMPA
- Members appreciate FMPA's services, suggest areas for improvement

Overall, Members Satisfied with FMPA

77% of Respondents Report Being Very Satisfied

How would you rate your overall satisfaction with FMPA in meeting your utility's needs?



“ FMPA's plans to purchase more generation facilities is gaining the attention of current municipal utilities' IOU bulk suppliers. Thank you for this vision into the future supporting Florida public power utilities. ”

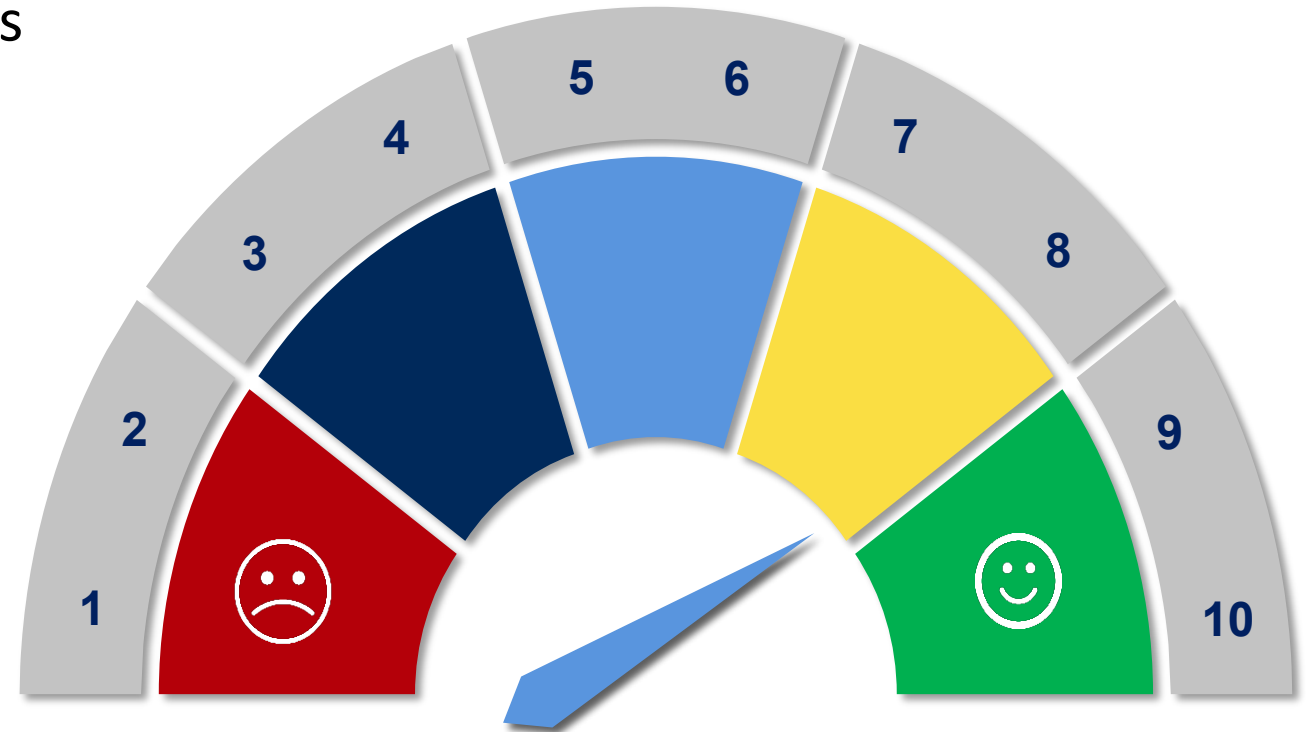
“ I can't think of a time when we requested support and not received it. Support is always swift and of good quality. ”

“ FMPA's service to member cities is very good. The ability to have a one stop shop for any needs in the city, not only electric needs, is invaluable. ”

FMPA's Member Services Valuable in Meeting Mission

More than Half Give FMPA a Score of 9 or Higher

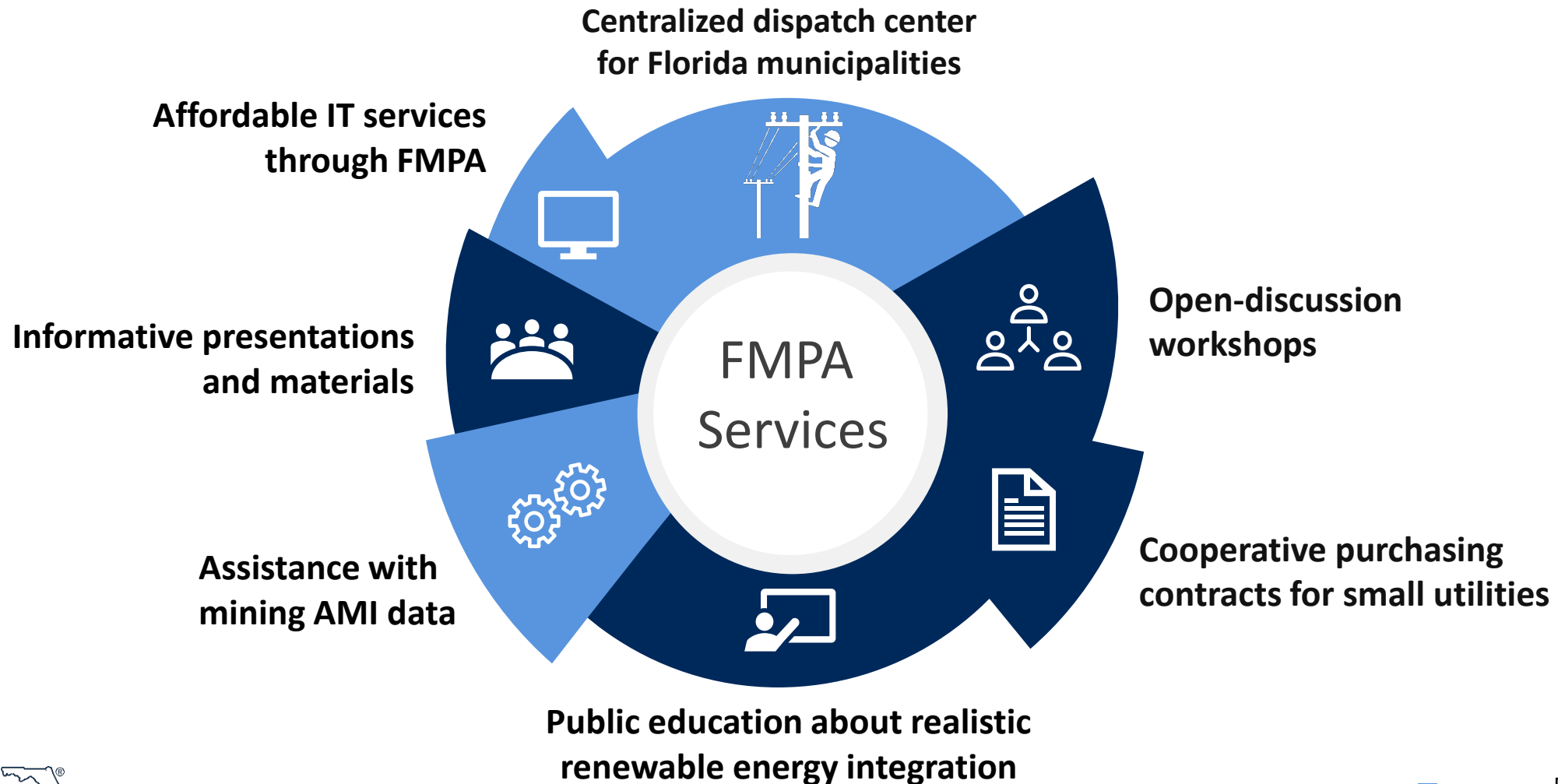
- Members rated the value of FMPA's member services high in providing low-cost, reliable and clean power
- Average score of eight shows members highly value FMPA
- No response lower than a 5



How would you rate the value of FMPA's member services in providing low-cost, reliable and clean electricity?

Members Suggest Services to Continue and Consider

Costs, Communication and Collaboration Key Focus Areas

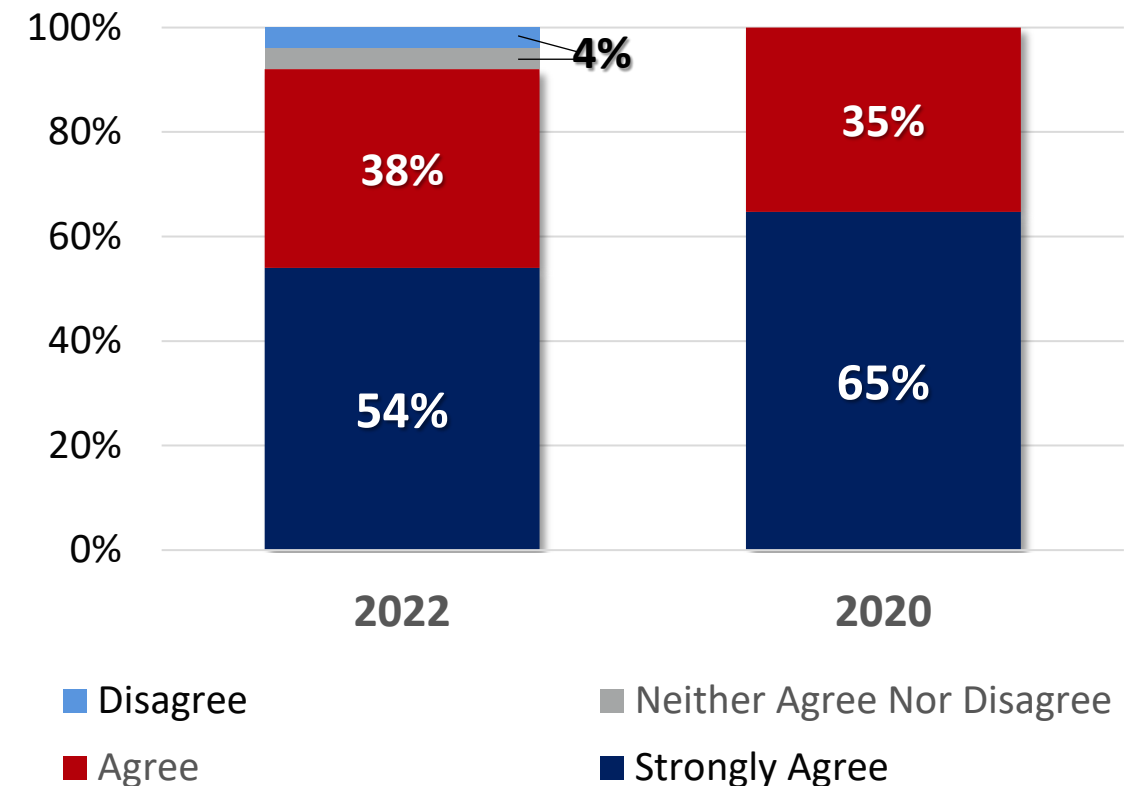


FMPA's Strategic Priorities Align with Members' Needs

92% Agreed, Only Two Outlying Responses

- Majority agree FMPA's current strategic priorities align with utility needs
- One response of "neither agree nor disagree" and one "disagree"

FMPA's current strategic priorities align with my utility's needs.

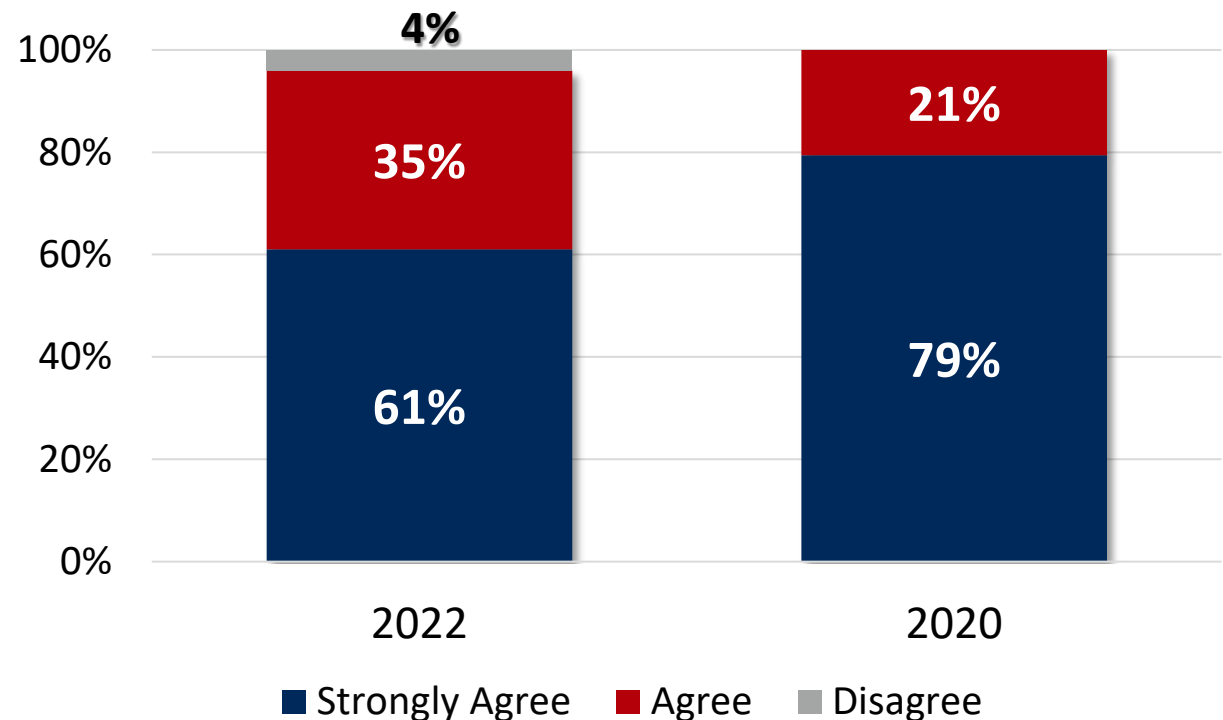


Members Believe FMPA is Headed in Right Direction

Majority of 26 Respondents Agree

- FMPA is headed in the right direction, with 61% strongly agreeing
- Only one respondent disagreed

“All in all, FMPA is generally headed in the right direction.”



Members Suggested Ways to Enhance Relations

Continue to Focus on Education and Support of Member Needs

- Educational and discussion opportunities such as workshops and April's PMLC environmental presentation
- Research centralized buying initiative to support smaller utilities in cost-saving equipment purchases
- Plan and prepare for future generation needs
- Provide presentations to support communications with utility governing bodies
- Support a balanced approach to replacing baseload generation with solar



Enhancements for 2024 Survey

Changes will Provide Clarity and Understanding of Responses

- Enable respondents to provide feedback to statements that they do not agree with or score ≤ 5 , so there is a clear understanding
 - Rating value of FMPA's services on scale of 1 to 10
 - Rating FMPA staff on integrity, competence and dependability
 - Asking if the Agency is headed in the right direction
 - Asking if the Agency's strategic priorities align with a utility's needs
- Change final identification question to name utility only and make response required



PRESENTATION BY BRYANT MILLER OLIVE

AGENDA ITEM 9 – INFORMATION ITEMS

- g. Annual Disclosure Training for the
Board of Directors and Executive
Committee**

**Board of Directors Meeting
June 23, 2022**

**AGENDA ITEM 10 – MEMBER
COMMENTS**

**Board of Directors Meeting
June 23, 2022**

AGENDA ITEM 11 – ADJOURNMENT

**Board of Directors Meeting
June 23, 2022**