



MEETING AGENDA PACKAGE

Policy Makers Liaisons Committee

April 19, 2023
12:30 p.m. to 2:00 p.m.

Meeting Being Held at:

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

**Dial-in information: 321-299-0575, Access Code 219
017 218 608#**

Link: [Click here to join the meeting](#)

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Policy Makers Liaisons Committee

- Robert Page, Green Cove Springs –Chair
- Mike Eastburn, Bushnell
- Vacant, Clewiston
- Vacant, Fort Meade
- Michael Broderick, Fort Pierce
- Javier Cisneros, Fort Pierce Alternate
- Vacant, Town of Havana
- George Forbes, Jacksonville Beach
- Tim Root, Key West
- Robert Barrios, Key West Alternate
- Ethel Urbina, Kissimmee
- Rae Hemphill, Kissimmee, Alternate
- Jimmy Burry, Leesburg
- Vacant, Newberry
- Jim Hilty, Ocala – Vice Chair
- Kolby Urban, St. Cloud
- Scott Roberts, Starke

Community Power **+** Statewide Strength

MEMORANDUM

TO: Policy Makers Liaisons Committee
FROM: Susan Schumann
DATE: April 12, 2023
RE: Policy Makers Liaisons Committee Meeting
Wednesday, April 19, 2023 at 12:30 p.m. [NOTE TIME]
PLACE: FMPA, 8553 Commodity Circle, Orlando, FL, Board Room
TEAMS: In-Person and Telephonic/Teams – 321-299-0575
Meeting Number 219 017 218 608#
Link: [Click here to join the meeting](#)
(If you have trouble connecting, please call 407-355-7767)

Chair Bob Page, Presiding

The mission of the Committee is to facilitate the education of elected or appointed governing body members of FMPA's member utility systems, and to foster opportunities for greater communication and knowledge among governing body members regarding the business and projects of FMPA.

AGENDA

1. Call to Order, Roll Call, Declaration of Quorum
2. Set Agenda (by vote)
3. Consent Agenda
 - a. Approval of the Minutes for the Meeting Held January 18, 2023
4. Action Items
 - a. None
5. Report from the General Manager and CEO (Jacob Williams)
6. Information Items
 - a. Review of Board of Directors and Executive Committee Strategic Plan (Jacob Williams)
 - b. Energy Markets & Regulatory Update (Jacob Williams)
 - c. Florida Municipal Solar Project Update (Susan Schumann)
 - d. Power Plant Acquisitions (Ken Rutter)
 - e. Florida State Legislative Update and Opportunity for Utility Boards and Governing Bodies (Ryan Matthews / Jody Finklea)

7. Member Comments
8. Announcements
 - a. Next Meeting Thursday, July 20, 2023 at FMEA Annual Conference, The Vinoy® Renaissance St. Petersburg Resort & Golf Club, 501 5th Ave. NE, St. Petersburg, FL 33701
9. Adjourn

One or more participants in the above referenced public meeting may participate by telephone. At the above location there will be a speaker telephone so that any interested person can attend this public meeting and be fully informed of the discussions taking place either in person or by telephone communication. If anyone chooses to appeal any decision that may be made at this public meeting, such person will need a record of the proceedings and should accordingly ensure that a verbatim record of the proceedings is made, which includes the oral statements and evidence upon which such appeal is based. This public meeting may be continued to a date and time certain, which will be announced at the meeting. Any person requiring a special accommodation to participate in this public meeting because of a disability, should contact FMPA at (407) 355-7767 or 1-(888)-774-7606, at least two (2) business days in advance to make appropriate arrangements.

**QUORUM REQUIREMENT
(MAJORITY OF AVERAGE NUMBER OF MEMBERS PRESENT FROM LAST
4 PMLC MEETINGS)**

April 20, 2022 – 6 present

July 14, 2022 – 8 present

October 19, 2022 – 7 present

January 18, 2023 – 7 present

Quorum needed: 7 Members

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

**Policy Makers Liaisons Committee Meeting
April 19, 2023**

**AGENDA ITEM 2 – SET AGENDA (by
vote)**

**Policy Makers Liaisons Committee Meeting
April 19, 2023**

AGENDA ITEM 3 – CONSENT AGENDA

- a. Approval of Minutes for the Meeting
Held January 18, 2023**

**Policy Makers Liaisons Committee Meeting
April 19, 2023**

MINUTES
FMPA POLICY MAKERS LIAISONS COMMITTEE MEETING
FLORIDA MUNICIPAL POWER AGENCY
8553 COMMODITY CIRCLE
ORLANDO, FL 32819
DATE: WEDNESDAY, JANUARY 18, 2023
TIME: 12:30 P.M.

**MEMBERS
PRESENT**

Javier Cisneros, Fort Pierce (via telephone)
Bob Page, Green Cove Springs
George Forbes, Jacksonville Beach
Robert Barrios, Key West (via telephone)
Rae Hemphill, Kissimmee
Jimmy Burry, Leesburg
Jim Hilty, Ocala

**OTHERS
PRESENT**

Cindy Clemmons, Lakeland
Commissioner Stephanie, Madden, Lakeland
Julio J. Torrado, Keys Energy
Steve Langley, Mt. Dora
Jim Williams, Leesburg
Peter Lee, Ocala

**STAFF
PRESENT**

Jacob Williams, General Manager & CEO
Ken Rutter, Chief Operating Officer
Sharon Adams, Chief People and Member Services Officer
Linda Howard, Chief Financial Officer
Navid Nowakhtar, Resource and Strategic Planning
Robert Nelcoski, Senior Energy Analyst
Veda Sharma, Auditor II
Jody Finklea, General Counsel & CLO
Mike McCleary, Manager of Member Services
Sue Utley, Executive Assistant to CEO / Asst. Secretary to Board
Ellen Leatherman, Senior Accountant
Jaye Godin, Accounts Payable Coordinator
Gary Fisk, Accountant III
Liyuan Woerner, Audit Manager
Rachel Ilardi, Public Relations Specialist
Victor Gaines, Auditor II
Ryan Dumas, Senior Public Relations Specialist
LaKenya VanNorman, Regulatory Compliance Specialist
Lindsay Jack, Administrative Specialist
Andrei Benjamin, Cloud Systems Administrator

Danyel Sullivan-Marrero, Controller
Wayne Koback, IT Manager
Susan Schumann, Public Relations and External Affairs
Manager

Item 1 – Call to Order, Roll Call, Declaration of Quorum

Chair Bob Page, called the meeting to order at 12:30p.m. on Wednesday, January 18, 2023, at Florida Municipal Power Agency, 8553 Commodity Circle, Orlando, Florida. A roll call was taken and 7 Members were present.

Item 2 – Set Agenda (By Vote)

MOTION: Rae Hemphill, Kissimmee, moved to set the agenda as presented. Robert Barrios, Key West, seconded the motion. Motion carried 7-0.

Item 3 – Consent Agenda

- a. Approval of the Minutes for the Meeting Held October 19, 2022

MOTION: Jim Hilty, Ocala, moved to approve the minutes of the October 19, 2022 Meeting. George Forbes, Jacksonville Beach, seconded the motion. Motion carried 7-0.

Item 4 – Action Items

- a. None

Item 5 – Report from the General Manager and CEO

Jacob Williams presented the Goals Scorecard and Gas Price fluctuations.

Item 6 – Information Items

- a. Presentation on Renewables, Hydrocarbons and the Future of the Electric Grid

Robert Bryce Presented on Renewables, Hydrocarbons and the Future of the Electric Grid.

Item 7 – Member Comments

None.

Item 8 – Announcements

- a. Next Meeting: Wednesday, April 19, 2023 at FMPA, 8553 Commodity Circle, Orlando, FL

Item 9 - Adjourn

There being no further business, the meeting was adjourned at 1:59 p.m.

Bob Page
Chairman

Sue Utley
Assistant Secretary

Date Approved _____

DR/su

AGENDA ITEM 4 – ACTION ITEMS

- a. None**

**Policy Makers Liaisons Committee Meeting
April 19, 2023**

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

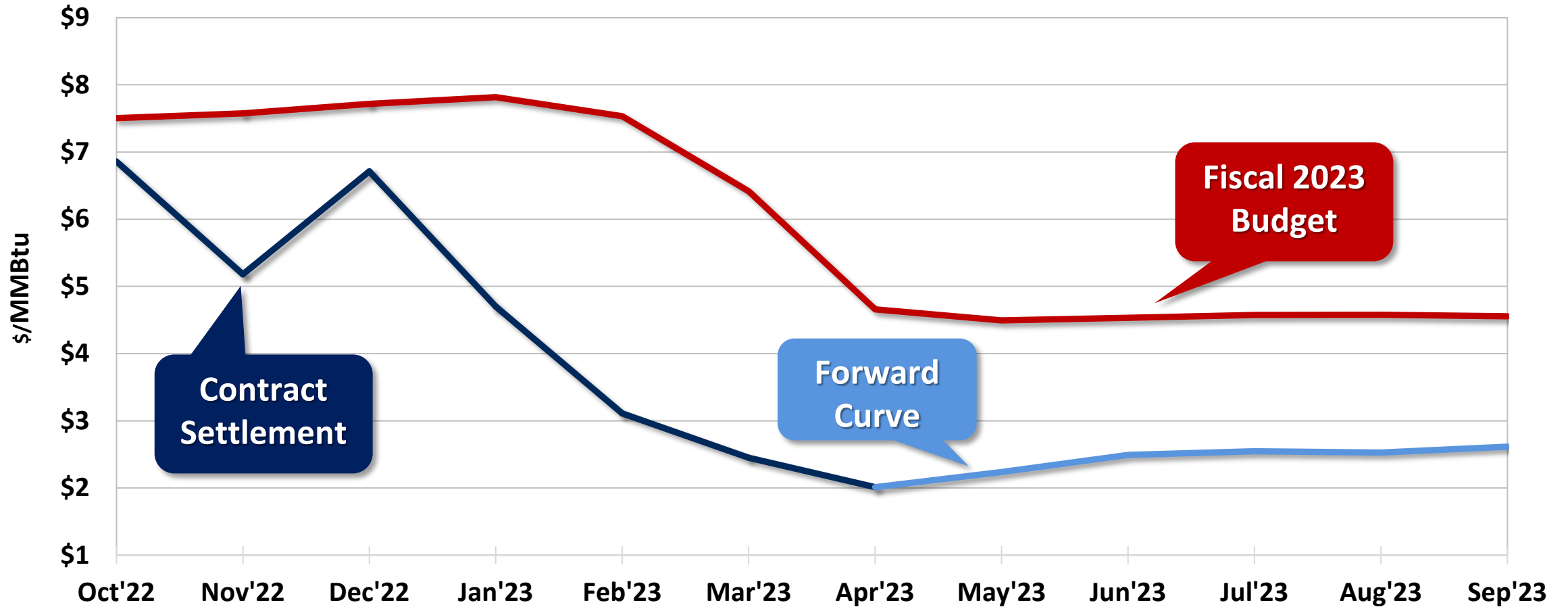
**Policy Makers Liaisons Committee Meeting
April 19, 2023**

Fiscal Year 2023 Management Goals – March Data

| Goal | Status | Actual | YTD Actual | YTD Target | FY 2023 Target | Comment |
|---|--|--------|------------|------------|------------------|--|
| 1. Safety | Lost-time Accidents | 0 | 0 | 0 | 0 | No lost-time accidents |
| | OSHA Recordables | 0 | 0 | 0 | 0 | |
| 2. Compliance | Environmental | 0 | 0 | 0 | 0 | |
| | Financial | 0 | 0 | 0 | 0 | |
| | Regulatory | 0 | 0 | 0 | 0 | |
| 3. Low Cost (\$/MWh) | Fiscal Year 2023 Rate Objective | 116.29 | 121.61 | 124.49 | < \$105.99 | <ul style="list-style-type: none"> Managed Fuel costs > target due to margin recovery Market-exposed fuel < target is a combination of declining prices and margins on gas sales Non-fuel costs at YTD target primarily due to capacity sales > target |
| | Managed Fuel | 44.96 | 49.91 | 39.01 | \$29.40 | |
| | Market-Exposed Fuel | 9.77 | 16.41 | 30.05 | \$26.92 | |
| | Non-Fuel | 61.57 | 55.30 | 55.43 | \$49.67 | |
| 4. Natural Gas Rate Stability Plan | Discuss need & goals for a structured plan | | | | Complete by June | Workshop conducted on programmatic effort for natural gas/power price stability. Will revisit in the spring after strategic plan and winter impacts are clear. |

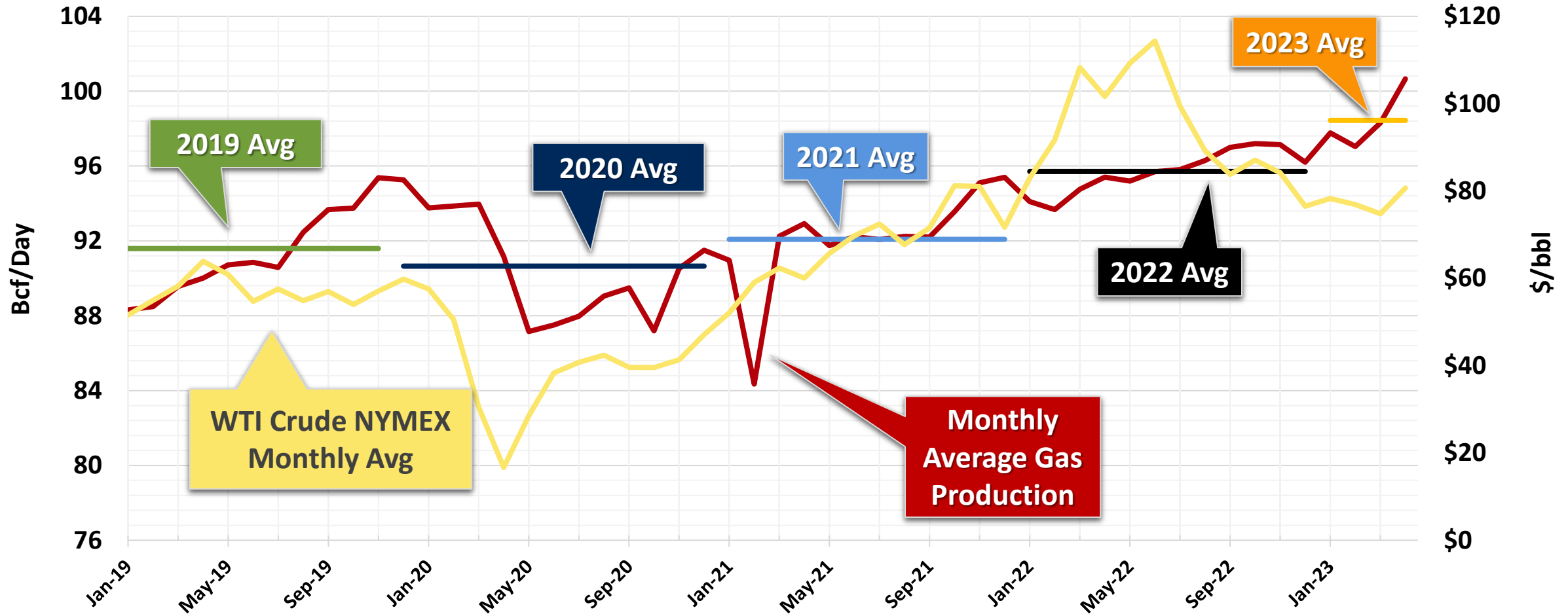
NYMEX Settlement \$2.65/MMBtu Below Budget FYTD

Forward Natural Gas Curve as of April 7



Natural Gas Production Finally Above 2019 Peaks

Gas Demand Up 6 Bcf/Day Over 2019, Continued Tight Market

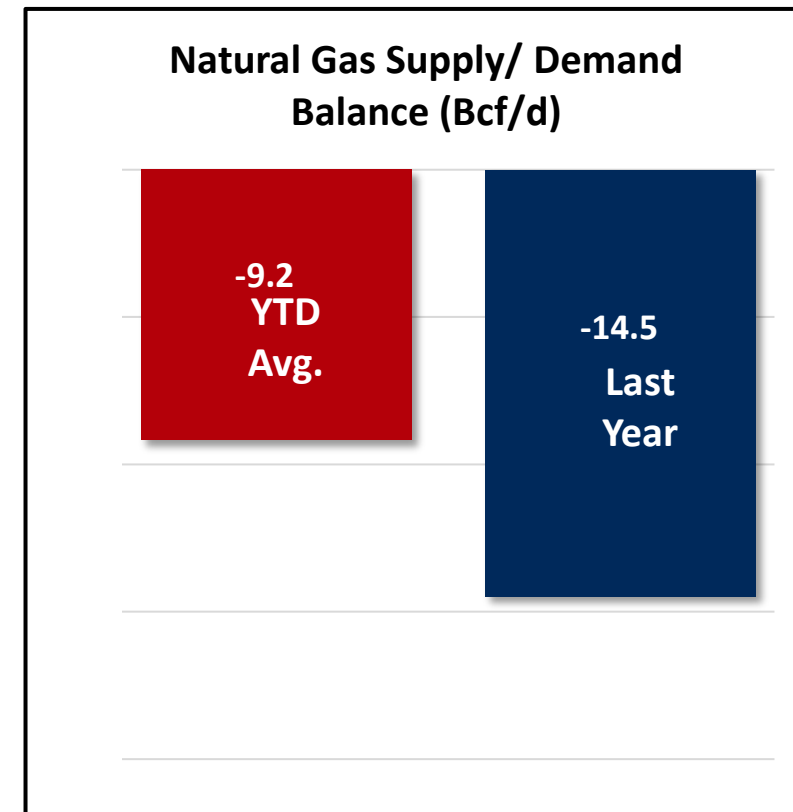


Natural Gas Demand Growth Outpacing Supply Growth

Supply Up 1.8 Bcf/Day, Demand Down 3.5 Bcf/Day

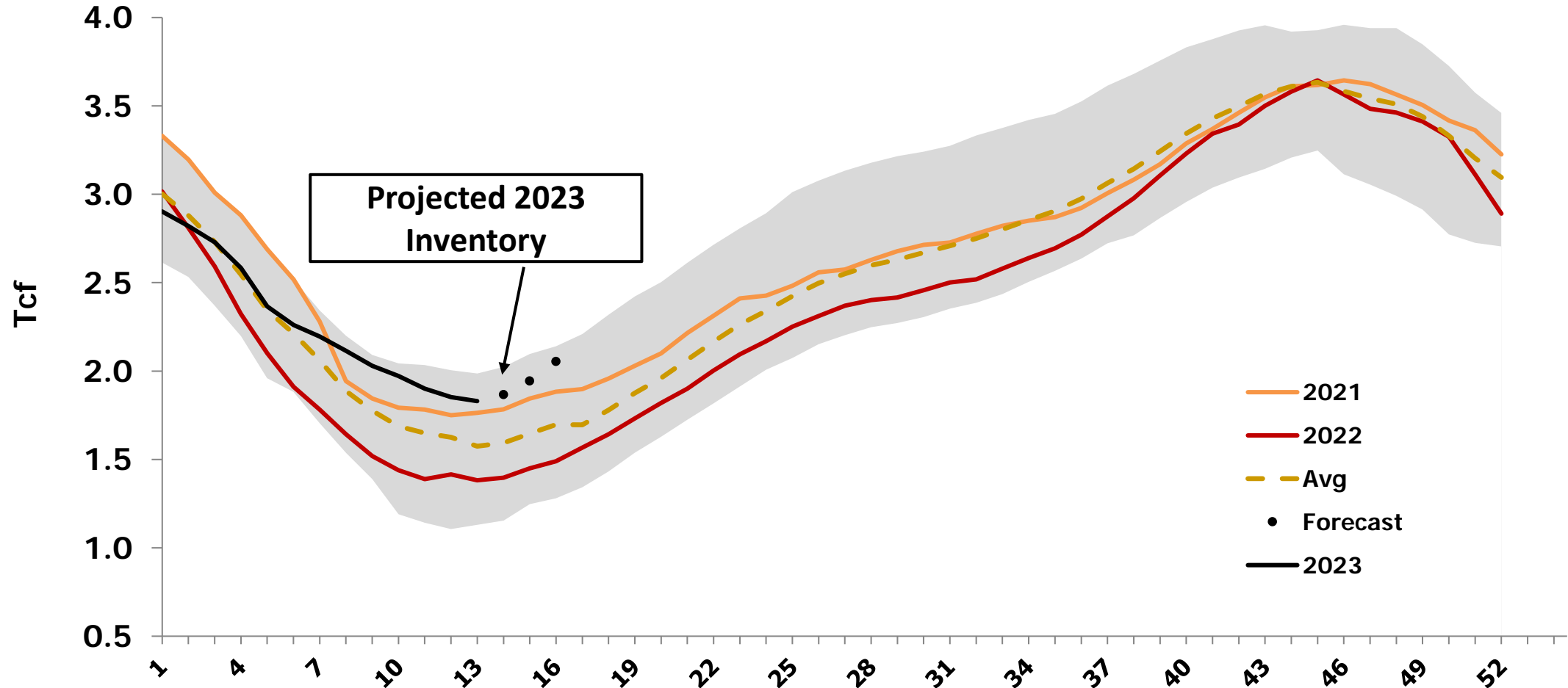
U.S. Gas Generation Increase Driving Growth

| Supply / Demand Detail (Bcf/day) | | |
|----------------------------------|---------------|---------------|
| Updated as of 4/7/2023 | | |
| | YTD Avg | YTD Last Year |
| Production | 97.9 | 95.2 |
| Imports | 5.2 | 6.0 |
| Total Supply | 103.1 | 101.3 |
| Power Demand | -29.3 | -28.0 |
| Industrial Demand | -24.1 | -24.7 |
| Res / Com Demand | -37.7 | -42.2 |
| Exports | -21.2 | -20.9 |
| Total Demand | -112.3 | -115.7 |
| Net Surplus for Storage | -9.2 | -14.5 |



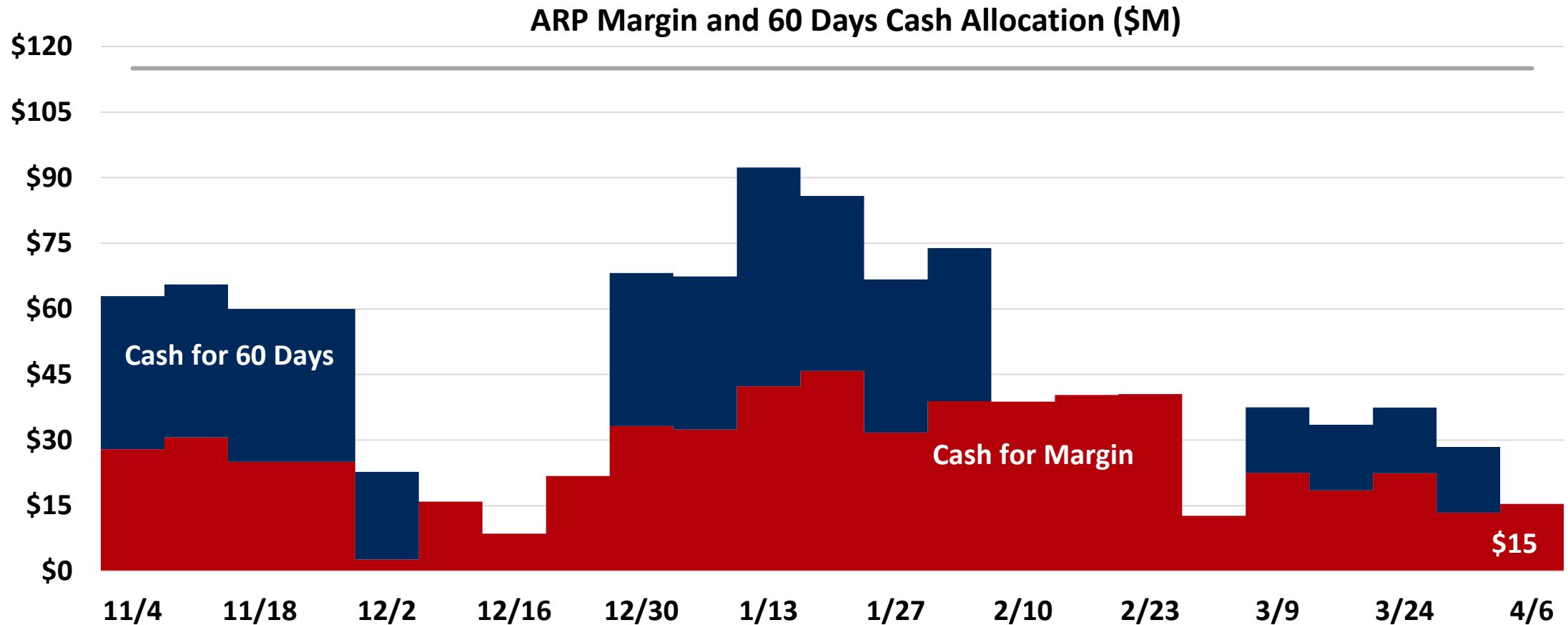
Gas Storage Inventory as of Week Ending April 7

March Storage Averaged 443 bcf Over its Five-year Average



ARP Funding to Manage Margin/Cash Now \$115M

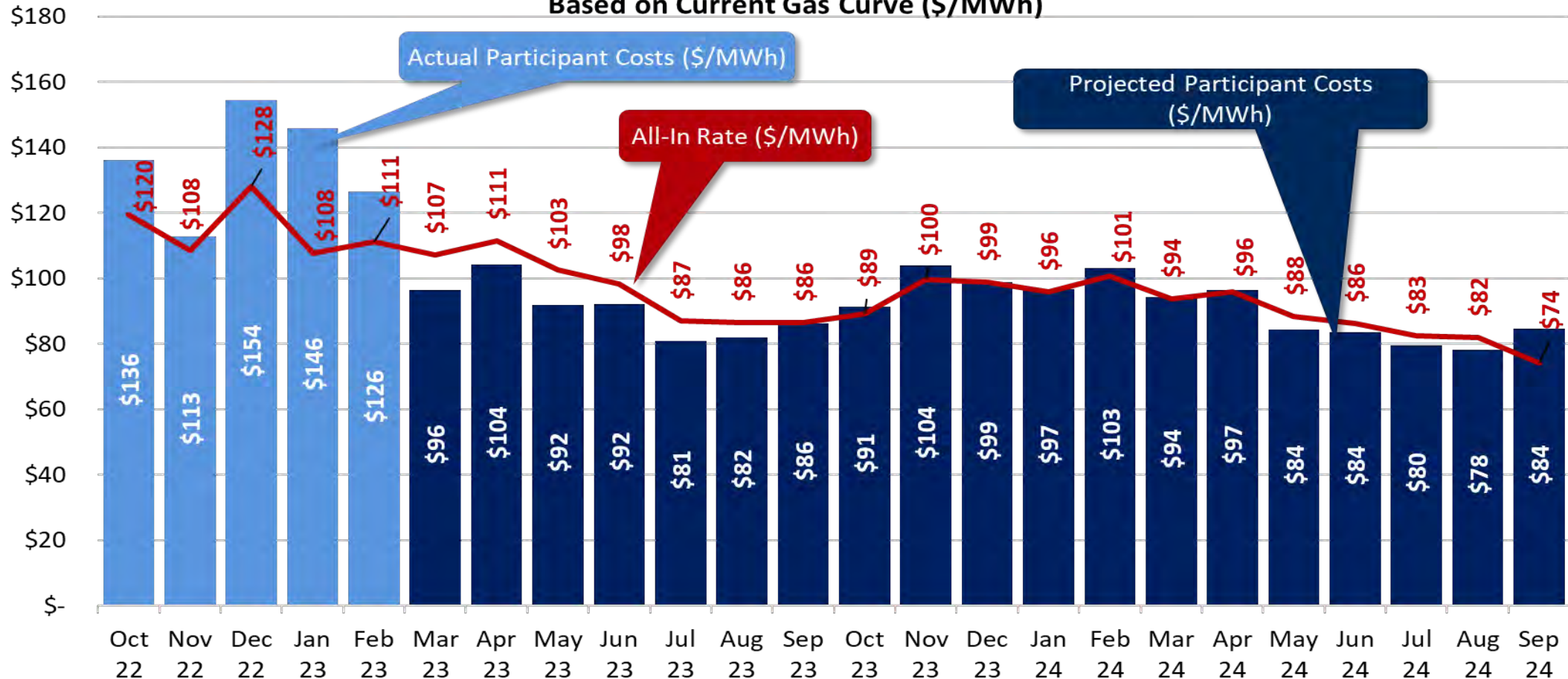
Approved Funding Sufficient to Manage Margin Plus 60 Days



Monthly Participant Rates Forecasted < \$115/MWh

No Cash Support Used From Bond Proceeds

Actual & Projected ARP Avg. Monthly Participant Costs & Rates
Based on Current Gas Curve (\$/MWh)



| Goal | | Status | Actual | YTD Actual | YTD Target | FY 2023 Target | Comment |
|-----------------------|---|--------|--------|------------|------------|----------------|--|
| 5. Cyber-security | Breaches | | 0 | 0 | 0 | 0 | |
| | Advance phishing tests | | 2.9% | 2.8% | 5% | < 10% | 2 clicks in March campaign about an IT internet outage, 12 clicks total YTD |
| 6. Reliability | Large CC EAF | | 71.9% | 83.8% | 86.2% | 90% | TCEC in planned outage |
| | SI EAF | | 97.4% | 86.3% | 88.1% | 92% | Extended planned outages for controls upgrade on MSD 1 and 2 |
| | SI black start and trans. backup | | - | - | - | 100% | No units operated |
| 7. Member Reliability | Project recommendations Major >8 hrs | | 1 | 6 | 6 | 12 | <ul style="list-style-type: none"> Mount Dora Substation Asset Management - MinMax |
| | Projects recommendations Minor < 8 hrs | | 1 | 9 | 9 | 18 | <ul style="list-style-type: none"> Winter Park – Relay Alarm Response |
| 8. Member Services | Leadership member visits | | 15 | 44 | 37.5 | 75 | 15 Member visits in March |
| | Member/Community presentations, communications & social media support | | 2 | 12 | 10 | 20 | 11 presentations
1 communication support
(March – PSC Commissioners LaRosa and Clark to Cane Island) |

| Goal | Status | Actual | YTD Actual | YTD Target | FY 2023 Target | Comment |
|--|--------|--------|------------|------------|------------------|---|
| 9. Strategic Plan & IRP
Staff will complete IRP for 20-year planning horizon | | | | | Complete by EOFY | <ul style="list-style-type: none"> Key assumptions for IRP agreed upon by EC during strategic plan Staff conducted Phase 2 kickoff with Burns & McDonnell |
| 10. Financing
Complete Member Pooled Loans
Complete Gas Prepays | | 1
3 | 1
3 | | 1
0 | Homestead pooled loan closed Nov. 18.
Prepay of 4K(W)/24K(S) at average \$0.61/MMBtu discount |
| 11. Solar Phase III
Complete contract negotiations on Phase III sites | | | | | Complete by EOFY | Four sites, 10 members + ARP for Phase III. Member approvals in progress; target FMPPA approvals at May BOD and EC meetings. |
| 12. People
Complete All Team In-House Training Sessions | | 2 | 2 | 1 | 3 | All managers attended training for "Managing a remote workforce" in December. 20 Team members attended 7 habits |

**AGENDA ITEM 6 – INFORMATION
ITEMS**

- a. Review of Board of Directors and
Executive Committee Strategic Plan**

**Policy Makers Liaisons Committee Meeting
April 19, 2023**



6a –Strategic Planning Workshop Report

Policy Makers Liaisons Committee

April 19, 2023

FMPA's Vision and Mission Statements Reviewed

Great Support for Existing Statements With No Changes

VISION

To sustainably be the lowest cost, and a reliable and clean wholesale power provider in Florida.

MISSION

To provide low-cost, reliable and clean power plus value-added services for FMPA's owner-customers that benefit their communities and customers.

FMPA's Value Statements Reviewed and Discussed

Board Chose to Emphasize 'Low Cost' By Adding It to Values

VALUES

- A culture that values both our employees and operating agents and their safety
- Teamwork among our employees and our public power member-owner-customers
- Trust built through honesty, integrity, transparency, open communications and respect
- Employee development, recognition, reward and empowerment
- Low-cost electricity for all customers
- Environmentally responsible operations and consider impacts of raw materials/processing thereof in new resources decisions
- Member and employee diversity and inclusion
- Innovation and excellence
- The individual needs and desires of FMPA's owner-customers shall be given the strongest consideration consistent with the best interests of all owner-customers

Board of Directors' Top-Ranked Strategic Priorities

Top 6 of 8 Strategic Priorities Ranked in Priority Order

| | Board of Directors' Top Strategic Priorities | Score |
|---|--|--------------|
| 1 | Advocate for abundant natural gas supply and pipeline expansions to keep costs low | 6.60 |
| 2 | Begin engaging in discussions to explore viable nuclear resource opportunities | 6.27 |
| 3 | Explore expanding membership in the Florida Municipal Power Pool | 4.87 |
| 4 | Evaluate capital funding strategies that align debt utilization with competitive rates | 4.07 |
| 5 | Continue gradual pursuit of new solar and battery opportunities | 3.80 |
| 6 | Identify our retail customers' energy priorities regarding electricity needs | 3.73 |

15 Board members responded

Executive Committee's Top-Ranked Strategic Priorities

Top 4 of 6 Strategic Priorities Ranked in Priority Order

| | Executive Committee's Top Strategic Priorities | Score |
|---|--|-------|
| 1 | Develop systematic approach to reducing exposure to natural gas for power-cost stability | 5.00 |
| 2 | Continue high availability for FMPPA's low-cost generating resources | 4.18 |
| 3 | Maximize asset value/minimize costs with significant expansion of the Florida Municipal Power Pool | 4.00 |
| 4 | Pursue more municipal third-party sales that add value to ARP and municipal customers | 3.46 |

11 Executive Committee members responded

**AGENDA ITEM 6 – INFORMATION
ITEMS**

b. Energy Markets and Regulatory Update

**Policy Makers Liaisons Committee Meeting
April 19, 2023**



6b - Energy Markets and Regulatory Update

Policy Makers Liaisons Committee

April 19, 2023

Energy Market Update

Mild Winter in North America and Europe “Saved” Consumers

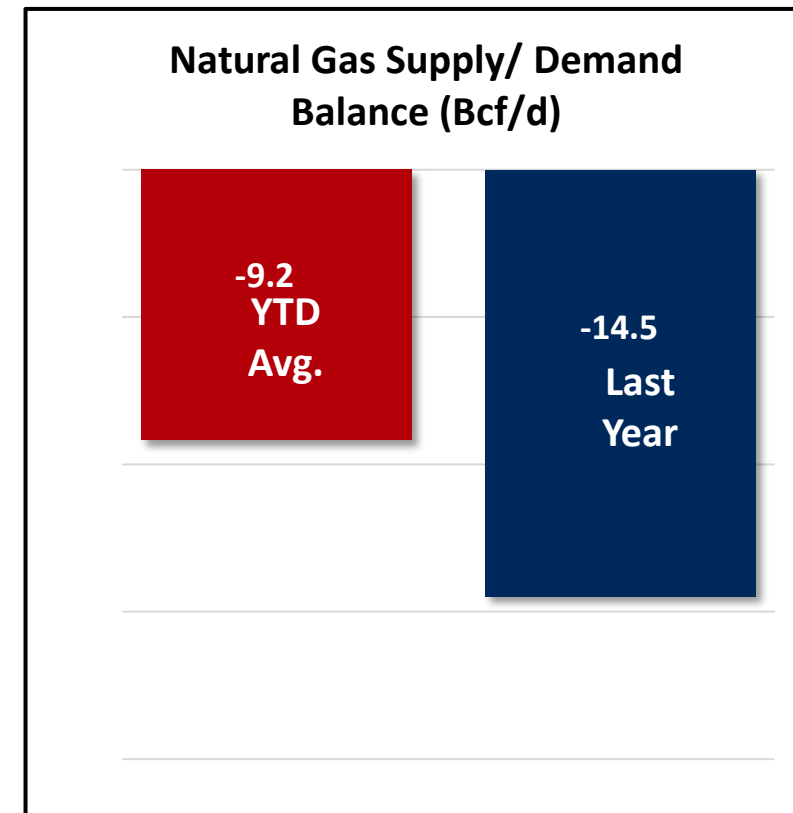
- Mildest winter in 100 years in North America and mild winter in Europe significantly reduced natural gas demand
- U.S. home/business heating from natural gas off 4.9 Bcf/day
- U.S. natural gas net supply only grew 1.9 Bcf/day
- U.S. Henry Hub gas prices fell 68% from late December to today
- European natural gas prices fell from \$43.03/MMBtu in December to \$13.84/MMBtu in April
- U.S. coal power plants continue to close leading to higher gas burns for power
- LNG export growth continues over next 3 years
- U.S. forward prices for 2024 are ~\$1.35/MMBtu above current spot prices and rising thereafter

Mild Winter Lead to Price Declines

Demand Down 3.5 Bcf/Day, Supply Up 1.8 Bcf/Day,

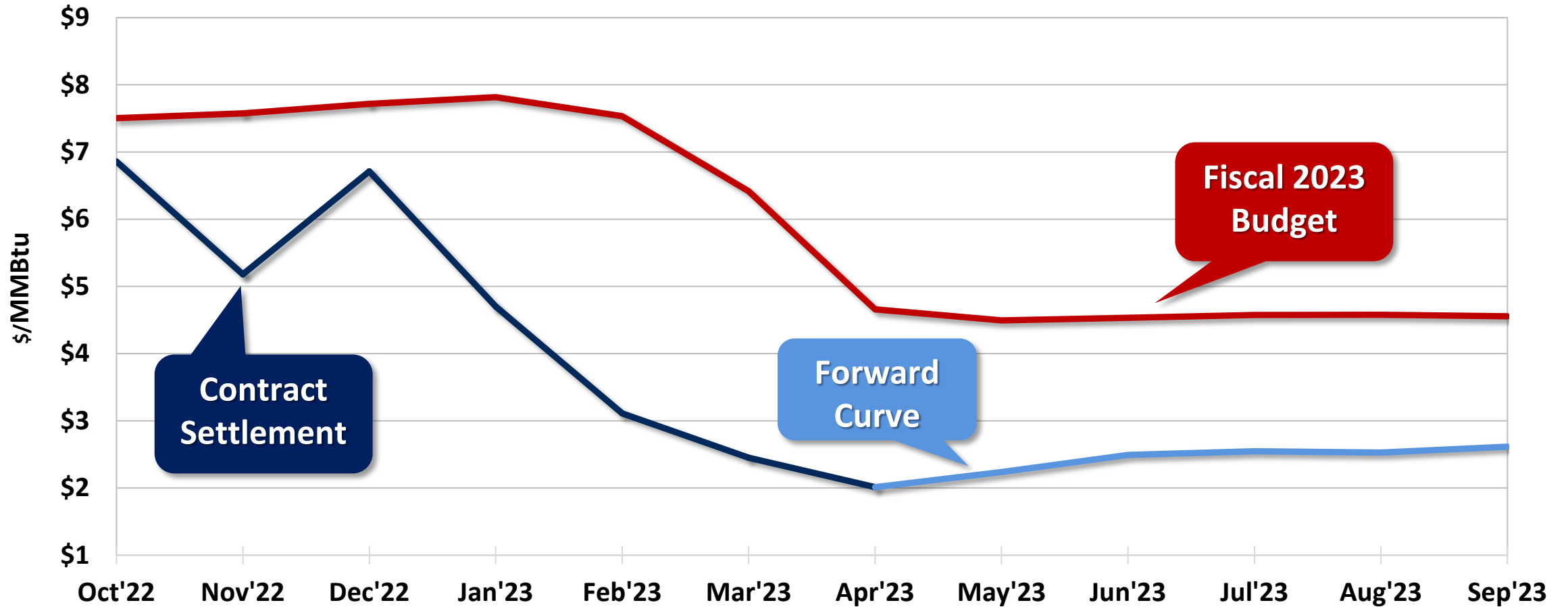
U.S. Gas Generation Increase Driving Growth

| Supply / Demand Detail (Bcf/day) | | |
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| Updated as of 4/7/2023 | | |
| | YTD Avg | YTD Last Year |
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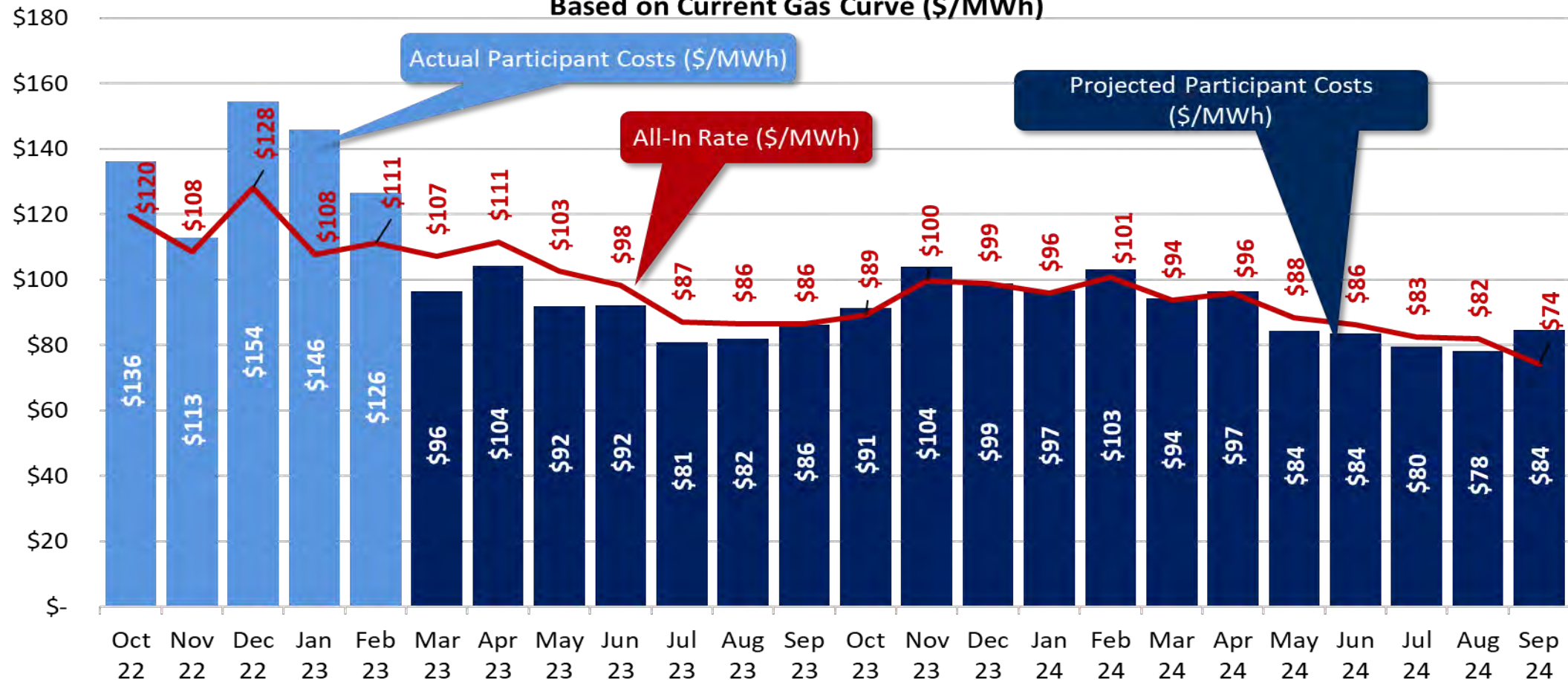
Forward Natural Gas Curve as of April 7



ARP Rates Declining to Under \$90/MWh by July

Rates Thereafter Reflect Forward Gas Prices

Actual & Projected ARP Avg. Monthly Participant Costs & Rates
Based on Current Gas Curve (\$/MWh)



U.S. Energy Policy Challenging

Permitting Reform Being Discussed

- Federal government limiting new leases for oil and gas reserves in Western U.S., Gulf of Mexico and Alaska
- Pipeline approvals still being held up in federal court
 - Mountain Valley Pipeline's West Virginia permit again denied by 4th Appellate court
- House passes permit reform legislation without bipartisan support
- Sen. Manchin still working on Senate support for permitting reform
- Possible trade of increase in Debt Ceiling for Permit Reform possible
 - Would include pipelines, transmission lines, “green” energy siting, etc
- Saudi's cut oil production to support prices
 - U.S. Strategic Petroleum Reserves low – have not been refilled from last year

**AGENDA ITEM 6 – INFORMATION
ITEMS**

c. Florida Municipal Solar Project Update

**Policy Makers Liaisons Committee Meeting
April 19, 2023**



6c – Florida Municipal Solar Project Phase III Update

Policy Makers Liaisons Committee

April 19, 2023

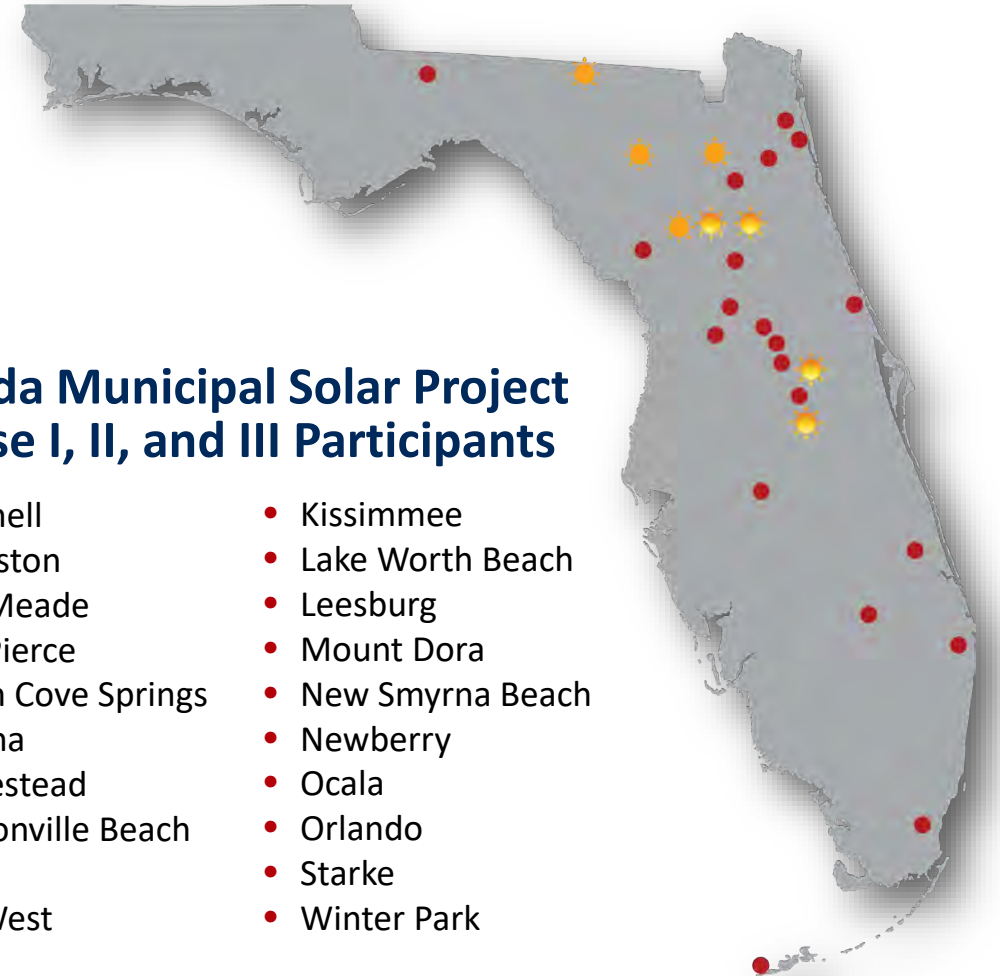
FMPA to Provide 20 Cities Low-Cost Solar

Growing Solar from 1% Today to 7% by 2027

- Florida Municipal Solar Project **Phase I**
 - Two sites totaling 149 MW
 - Enough to power 30,000 homes
- Two **Phase II** sites coming in 2023-2024
- Four additional **Phase III** solar sites
 - COD 2025 and 2026

Florida Municipal Solar Project Phase I, II, and III Participants

- | | |
|----------------------|--------------------|
| • Bushnell | • Kissimmee |
| • Clewiston | • Lake Worth Beach |
| • Fort Meade | • Leesburg |
| • Fort Pierce | • Mount Dora |
| • Green Cove Springs | • New Smyrna Beach |
| • Havana | • Newberry |
| • Homestead | • Ocala |
| • Jacksonville Beach | • Orlando |
| • JEA | • Starke |
| • Key West | • Winter Park |



Phase III Would More than Double the Size of FMSP

Pricing Competitive with Traditional Generation

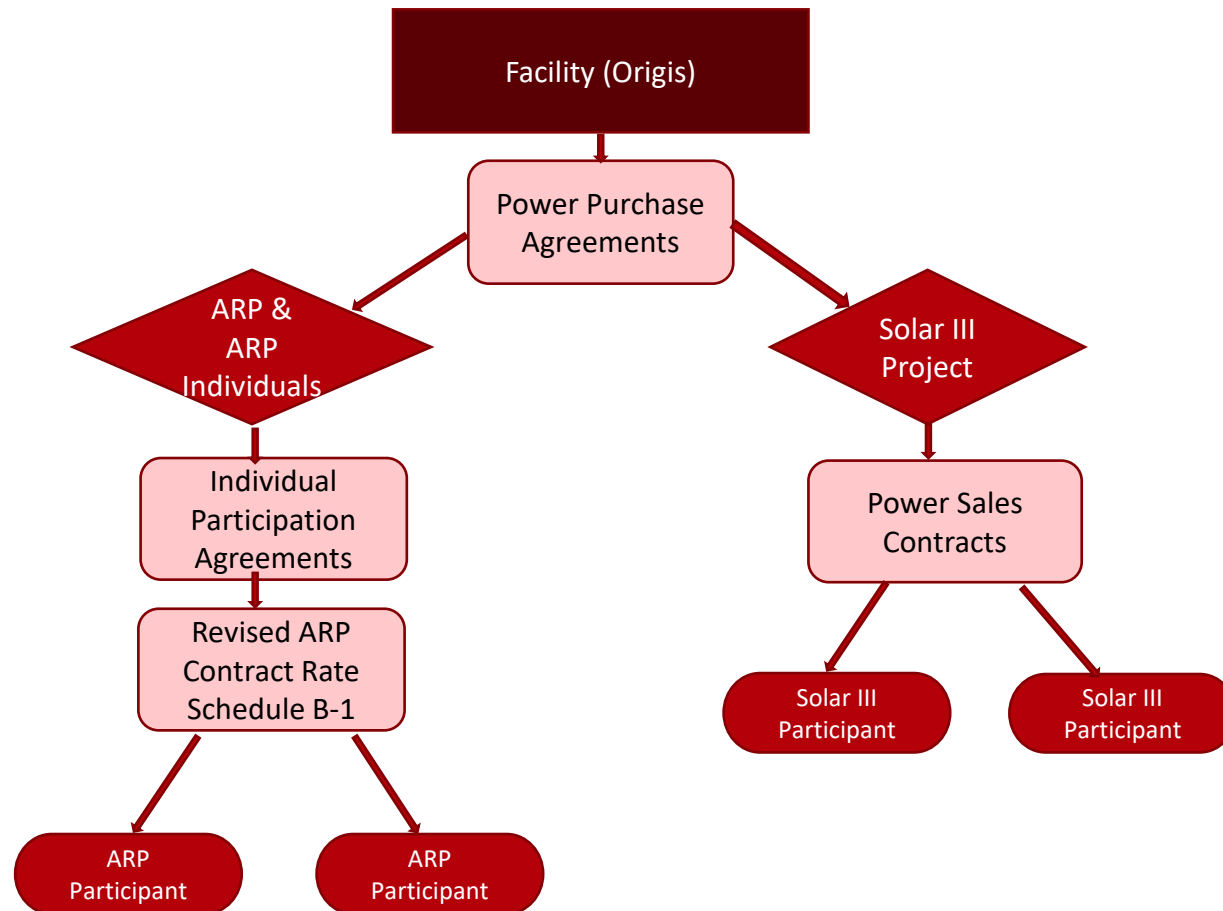
- Power Purchase Agreement price < \$45/MWh
 - 20-year term
 - 2% annual escalation for term of PPA
 - Does not include incremental cost of transmission service needed for delivery, e.g. point-to-point for JEA
 - Nominal FMPA A&G adder
- Developed by Origis Energy
- Three Duke and two FPL-interconnected facilities
- Network upgrade costs (if any) paid by project, refundable from transmission provider
- Five proposed facilities with diverse geographical locations
- COD Dec. 2025 (Duke), Dec. 2026 (FPL)

| Participant | Total MW |
|----------------------|----------|
| FMPA Board / ARP | 110 |
| Fort Meade | 1.0 |
| Fort Pierce** | 0.9 |
| Homestead* ** | 10.0 |
| JEA* | 149.8 |
| Key West** | 7.7 |
| KUA** | 9.1 |
| Lake Worth Beach* ** | 30.0 |
| Leesburg | 10.0 |
| Ocala** | 3.0 |
| Winter Park* ** | 20.0 |

Non-ARP Participant *
Former Poinsett Participant **

Project PPA Structure

ARP and Solar III Project Will Have Separate PPA's



Solar III Project to include Homestead, JEA, Lake Worth Beach and Winter Park

Participant Local Board Approvals Needed

Target: May 17 for Participant Governing Board Approvals

- Each **Solar III Project** (4 participants) governing board will approve:
 - **Power sales contract** between FMPA and participant
 - Other associated or enabling agreements, as needed
 - Homestead, JEA, Lake Worth Beach, Winter Park
- Each **ARP Solar III** (6 individual participants) governing board will approve:
 - **Solar III participation agreement** between FMPA ARP and Solar III participants
 - FPUA, Fort Meade, KEYS, KUA, Leesburg, Ocala (includes former Poinsett participants)

FMPA Board Approvals

Documents Required for Final Approval on May 18

Board Approvals:

- **Power Purchase Agreements** between FMPA Solar Project III and Origis
- Solar Project **Power Sales Contracts** between FMPA and Solar Project III participants (following confirmation of individual member approvals)
- **Resolution 2023-XXX** to form FMPA Solar Project III

FMPA Executive Committee Approvals

Documents Required for Final Approval on May 18

- ARP Approvals for Individual Solar III Participants (Fort Pierce, Fort Meade, Jax Beach, KEYS, KUA, Leesburg, Ocala):
 - **Power Purchase Agreements** between FMPA ARP and Origis
 - **Solar III Participation Agreements** between ARP and Solar Project III Participants (Following confirmation of individual Member approvals)
 - **ARP Rate Schedule B-1**
- Executive Committee Approval for ARP participation of ~110 MW
- Energy Exchange Agreements (ARP / JEA)

Solar III Project Committee and Charter

Key Terms (Based on Solar I and Solar II Project Templates)

- Key Terms:
 1. Purpose – to govern project
 2. Mission – oversee administration and establish budget
 3. Organization and Term – termination of Solar Power Sales Contracts
 4. Membership – representative for each participating member
 5. Meetings – public notice, frequency and details determined by Committee members
 6. Quorum – Discretionary Term Decisions (in PPA), budget, minutes, other Committee business
 7. Voting – Discretionary Term Decisions, other decisions
 8. Election of Chair – selection, term of service
 9. Changes to Charter – unanimous consent of Committee

- All Committee recommendations subject to Board and/or Executive Committee final approval

**AGENDA ITEM 6 – INFORMATION
ITEMS**

d. Power Plant Acquisitions

**Policy Makers Liaisons Committee Meeting
April 19, 2023**



6d – Power Plant Acquisitions

Policy Makers Liaisons Committee

April 19, 2023

Plant Acquisitions Provides Mid-Term Value to FMPA

Overall Fixed Costs Range from \$2.60-\$4 Per kW Per Month

- Expecting 10–15-years of life post acquisition
- Total cost for acquisitions expected to be below \$40 million
- Long-term value for natural gas pipeline capacity at all sites
- Long-term value for Duke interconnection at all sites
- Owning and operating provides multiple options and flexibility
- Intermediate plants more valuable than traditional peaking units
- Sites potentially viable for new generation after existing assets retire
- Integration activities have begun

Orlando Strong Performing Asset in Optimal Location

Thorough Review of Asset Performance, Property and Risks Ongoing

- 119 MW online since 1993, operates as baseload unit with 98% capacity factor in 2022
- 2022 availability was 100%
- Heat rate of 8,150 btu/kWh
- Last major outage occurs immediately before close
- Available March 1, 2024
- Permitted and operating site for transmission, water, natural gas and emissions
- Future environmental upgrades require additional review



| | |
|---------------------------------|--|
| Location: | Orlando, Florida |
| Net Capacity: | 119 MW |
| Equipment: | 1 - Alstom GT11NMC with EV Burner
1 - Siemens VAX Steam Turbine |
| Fuel: | Natural Gas |
| Power Purchasers: | Duke Energy Florida |
| Electrical Transmission: | Duke Energy Florida |
| NSG Interest: | 50% |

Agreements for Purchase of Other Assets Completed

220 Megawatts of Intermediate Natural Gas Plants

- FMPA and Northern Star signed the Mulberry and Orange asset purchase agreements on Oct 14, 2022
- 220 MW of intermediate capacity
- High plant availabilities over their history
- Heat rates are 8,550 and 87,660 btu/kWh
- Final close August 2024 and December 2025 – confirmatory due diligence six months prior to close
- Plants within 40 miles of Cane Island Power Park
- FMPA staff will have access to monthly reports and visits during planned outages



Orange Cogen Facility



Mulberry Cogen Facility

Successful Integration Dependent on Team Effort

Less Than 12 Months Until Close & Potential FMPP Dispatch

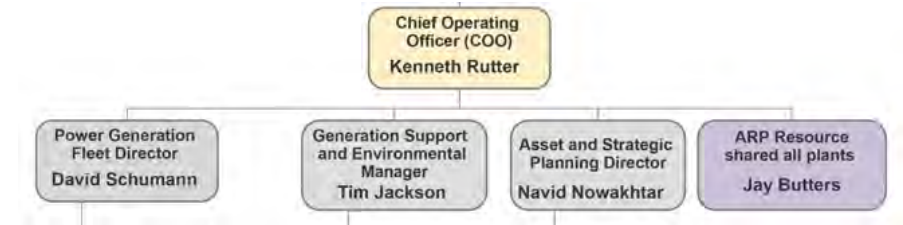
- Anticipated close date 3/1/2024
- Integration efforts kicked off 3/20/2023
- All areas of FMPP impacted by integration
- Integration Plan divided into **Pre-close** and **Post-close** tasks
- Communication essential to success
- Team will work with PR on site branding near-term to help create joined identity
- Integration of IPP & FMPP culture also key area of focus
- Team tasked to look for synergies in form of process improvements

Integration Objective: Safely & successfully integrate new Teammates & Orlando assets as a fully available site capable of FMPP dispatch upon close with long-term reliable, economic & compliant operation

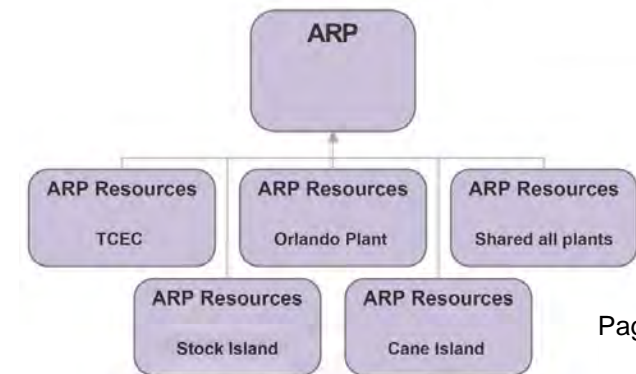
Team Restructured To Support Integration Requirements

Key Position Added to Team in FY24 With Focus on Operations Integration

- Jay Butters brings 39 years of plant operation experience to team
 - NS plants transition from baseload or daily operation to intermediate unit operation
 - Prioritization of key capital investments
- Generation Director will remain focused on existing plants while assisting with key projects for new plants
- Generation Support & Environmental function will ensure focus remains on budgets and compliance
 - Reviewing NS processes for environmental compliance
- Human resources will reallocate an existing resource to support team growth
- Other FMPA service functions anticipated to manage within existing team structures



| Site | Total Employees | FMPA Employees |
|-------------------|-----------------|----------------|
| Stock Island | 10 | 0 |
| Cane Island | 45.5 | 0 |
| Orlando Plant | 11 | 11 |
| TCEC | 17 | 4 |
| Shared all plants | 3 | 3 |
| Total | 88 | 18 |



VERBAL REPORT

AGENDA ITEM 6 – INFORMATION ITEMS

- e. Florida State Legislative Update and
Opportunity for Utility Boards and
Governing Bodies**

**Policy Makers Liaisons Committee Meeting
April 19, 2023**

AGENDA ITEM 7 – MEMBER COMMENTS

**Policy Makers Liaisons Committee Meeting
April 19, 2023**

AGENDA ITEM 8 – ANNOUNCEMENTS

- a. **Next Meeting: Thursday, July 20, 2023 at the FMEA Annual Conference, The Vinoy® Renaissance St. Petersburg Resort & Golf Club, 501 5th Ave. NE, St. Petersburg, FL 33701**

**Policy Makers Liaisons Committee Meeting
April 19, 2023**

AGENDA ITEM 9 – ADJOURN

**Policy Makers Liaisons Committee Meeting
April 19, 2023**