



# Utilities Advisory Board Regular Meeting

## Agenda

**March 28, 2023 @ 12:00 pm**

City Hall - Commission Chambers

401 S. Park Avenue

Winter Park, FL

### welcome

Agendas and all backup material supporting each agenda item are accessible via the city's website at [cityofwinterpark.org/bpm](http://cityofwinterpark.org/bpm) and include virtual meeting instructions.

### assistance & appeals

Persons with disabilities needing assistance to participate in any of these proceedings should contact the City Clerk's Office ([407-599-3277](tel:407-599-3277)) at least 48 hours in advance of the meeting.

"If a person decides to appeal any decision made by the Board with respect to any matter considered at this hearing, a record of the proceedings is needed to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based." (F.S. 286.0105).

### please note

Times are projected and subject to change.

- 
1. **Call to Order**
  2. **Consent Agenda**
    - a. Approve the minutes of regular meeting February 28, 2023 1 minute
  3. **Public Comments (for items not on the agenda): Three minutes allowed for each speaker**
  4. **Action Items**
    - a. Electric, Sewer, & Water Strategic Plan - Dan D'Alessandro and David Zusi 20 minutes
    - b. Septic to Sewer Conversion - David Zusi 15 minutes
    - c. Fuel Adjustment Policy Draft - Wes Hamil 20 minutes
  5. **Non-Action Items**
    - a. Private Lift Station Policy - David Zusi 20 minutes
    - b. Discussion of joint work session with Keep Winter Park Beautiful & Sustainable Advisory Board
  6. **Staff Updates**
    - a. Electric Utility - Dan D'Alessandro 5 minutes
    - b. Water & Wastewater Utility - David Zusi 5 minutes
    - c. Performance Measurement - (attachment only) 5 minutes
  7. **Board Comments**
    - a. Broadband and Smart City Ad-Hoc Committee Update - Paul Conway
  8. **Upcoming Agenda Items**
  9. **Adjournment**



## Utilities Advisory Board

# agenda item

|                     |                     |              |                |
|---------------------|---------------------|--------------|----------------|
| item type           | Consent Agenda      | meeting date | March 28, 2023 |
| prepared by         | Tatia Ghviniashvili | approved by  |                |
| board approval      |                     |              |                |
| strategic objective |                     |              |                |

### subject

Approve the minutes of regular meeting February 28, 2023

### motion / recommendation

### background

### alternatives / other considerations

### fiscal impact

### ATTACHMENTS:

[Draft Minutes.pdf](#)



# Utilities Advisory Board Meeting Minutes

February 28, 2023 at 12:00 p.m.

City Hall, Commission Chambers  
401 S. Park Avenue | Winter Park, Florida

## Present

In person: Alison Yurko, Linda Lindsey, Paul Conway, Mary Dipboye, Leon Huffman;  
Virtually: Fred Guitton; Board Coordinator Tatia Ghviniashvili.

## Absent

Michael Poole.

## Staff Present

Director of Finance Wes Hamil; Electric Utility Operations Manager Miguel Cruz;  
Electric Utility Engineer Manager Mourad Belfakih.

### 1) Call to Order

Vice Chair Linda Lindsey called the meeting to order at 12:02 p.m.

### 2) Consent Agenda

- a. Approve the minutes of regular meeting, January 24, 2023

**Motion made by Paul Conway to approve the minutes as presented; seconded by Mary Dipboye. Motion carried unanimously with a 5-0 vote.**

### 3) Public Comments (for items not on the agenda):

Ms. Lindsey spoke of a recent interaction she'd had with a resident, indicating that the individual was not notified about electric work being done on their property. She asked staff what protocol is in place for communicating this type of information to residents.

Mr. Belfakih noted that the procedure involves leaving a flyer on the customers doorstep, as well as posting signage on both ends of the street to indicate any potential drilling, presence of city staff, etc. This process is done for large projects, but smaller, more last-minute cases (emergency-work), do not usually get notified ahead of time. Staff indicated that they had already communicated with said resident and explained the situation.

#### **4) Action Items**

- a. Electric, Sewer, & Water Strategic Plan - Dan D'Alessandro and David Zusi

Ms. Lindsey brought up concerns with the lack of information under specific agenda items. She asked staff to include supplemental materials/documents, as well as a suggested requested action from the board. Mr. Hamil will communicate with the staff responsible to make those changes/additions to the agenda packets moving forward.

The board held a brief discussion about being proactive in terms of moving the Strategic Plan along, and a consensus was made asking staff to provide a detailed report on the item in the agenda packet for the next meeting.

Action was not taken and the item was deferred due to absence of staff.

- b. Septic to Sewer Conversion - David Zusi

Item deferred to next meeting due to absence of staff.

#### **5) Non-Action Items**

- a. Private Lift Station Policy - David Zusi

The board and staff held a brief discussion about the private lift station policy, as well as the quantity of lift stations located around the city.

Further discussion of item deferred to next meeting due to absence of staff.

#### **6) Staff Updates**

- a. Electric Utility - Dan D'Alessandro

In the absence of Mr. D'Alessandro, Mr. Belfakih gave updates to electric utility and all ongoing projects (as highlighted in the agenda packet). Staff is proactively working on the undergrounding project, and installing transformers as they become available. Twenty transformers were received on February 27, which are currently in the process of being installed.

A discussion ensued about the format of the electric utility report, and Mr. Guitton asked staff to alter the way information is presented- for the purpose of clarity. The board asked various questions pertaining to the installation of transformers on residential property. Staff responded that transformers are always placed in public rights of way, but it is part of the yard the resident maintains. Staff works with

residents to place transformers in the best location that works for both the resident and the electric service.

b. Water & Wastewater Utility - David Zusi

Item deferred to next meeting due to absence of staff.

c. Performance Measurement - (attachment only)

Mr. Hamil shared some key highlights from the Utility Monthly Performance Measurements report. Call volumes have declined in December and disconnects for non-pay will resume this coming month. City staff is reaching out to customers who might be impacted, which is proving to be effective in receiving payments. The average revenue per kWh for non-fuel is consistent, averaging at around eight and a half cents. Accounts receivable over 60 days has grown to 17%, but is expected to come down once disconnects resume.

The board asked questions about the data presented, and staff made the necessary clarifications. Reliability data is currently listed as unavailable; however, staff will work to obtain it for a future meeting. A brief discussion was held regarding the water sewer utility data, and a consensus was made to report the data on a rolling-12 basis as opposed to on a monthly basis.

d. Educational Campaign - Clarissa Howard

The board held a brief discussion regarding the attachments (found in the agenda packet), pointing out that the bill comparison chart as seen in the *Winter Park Update* is housing too much data, causing the chart to look small and illegible.

Mr. Hamil shared that Winter Park's Electric utility rates for the month of January are lower than that of the Orlando Utilities Commission (OUC). Mr. Hamil also noted that staff will look into removing electric utilities that are not similar in size to Winter Park which will improve the legibility of the bill comparison chart. The same utilities will be included each month for consistency in the comparisons.

## **7) Board Comments**

a. Broadband and Smart City Ad-Hoc Committee Update - Paul Conway

Mr. Conway shared a brief update regarding the February 16 meeting, highlighting the continuing work/collaboration with Magellan.

A brief note was made by Ms. Dipboye about the March 21 joint work session with Keep Winter Park Beautiful & Sustainable Advisory Board, encouraging her fellow board members to attend.

The board held a brief discussion regarding solar panels companies and the vetting process for said companies.

Mr. Hamil presented on a detailed Fuel Adjustment Policy (requested by the board at the last meeting). He handed out copies of the policy, and explained the proposed modifications to the existing policy. The proposed policy provides for a higher balance to account for extreme changes in fuel costs and highlights 10% of the fuel budget rounded up to the next \$100,000 as the target. There is now a bottom trigger point of 5% of the fuel budget, and a top trigger point (to reduce fuel rates) of 15% of the fuel budget. In the cases where fuel rates need to be increased, the difference will be spread over six months. Conversely, when fuel rates need to be reduced, the difference will be spread over four months.

The board asked questions about the details of the proposal, and Mr. Hamil made the necessary clarifications. Staff was asked to provide a model with visual data for the next meeting to show hypotheticals of the proposal. Once the board approves the proposal, it will be presented before the City Commission in April. A brief discussion ensued.

City Manager, Randy Knight, gave quick comment on the Fuel Adjustment Policy proposal, and staff attendance to this board's monthly meetings.

## **8) Upcoming Agenda Items**

Under action items:

- Electric, Sewer & Water Strategic Plan
- Septic to Sewer Conversion
- Fuel Adjustment Policy Draft

Under non-action item:

- Private Lift Station Policy
- Discussion of joint work session with Keep Winter Park Beautiful & Sustainable Advisory Board

Staff updates/board comments will carry over for every month.

## **9) Adjournment**

**Date of next meeting- March 28, 2023.**

The meeting adjourned at 1:14 p.m.

Minutes approved by the board on \_\_\_\_\_.

/s/ Tatia Ghviniashvili, Board Coordinator.



## Utilities Advisory Board

# agenda item

|                     |                    |              |                |
|---------------------|--------------------|--------------|----------------|
| item type           | Action Items       | meeting date | March 28, 2023 |
| prepared by         | Daniel Dalessandro | approved by  |                |
| board approval      |                    |              |                |
| strategic objective |                    |              |                |

### subject

Electric, Sewer, & Water Strategic Plan - Dan D'Alessandro and David Zusi

### motion / recommendation

### background

### alternatives / other considerations

### fiscal impact



## Utilities Advisory Board

# agenda item

|                     |              |              |                |
|---------------------|--------------|--------------|----------------|
| item type           | Action Items | meeting date | March 28, 2023 |
| prepared by         | David Zusi   | approved by  |                |
| board approval      |              |              |                |
| strategic objective |              |              |                |

### subject

Septic to Sewer Conversion - David Zusi

### motion / recommendation

### background

### alternatives / other considerations

### fiscal impact



## Utilities Advisory Board

# agenda item

|                                           |                                                                         |
|-------------------------------------------|-------------------------------------------------------------------------|
| item type Action Items                    | meeting date March 28, 2023                                             |
| prepared by Wes Hamil                     | approved by Daniel Dalessandro, David Zusi, Jason Riegler, Justin Isler |
| board approval Completed                  |                                                                         |
| strategic objective Financial stewardship |                                                                         |

### subject

Fuel Adjustment Policy Draft - Wes Hamil

### motion / recommendation

Approve recommended changes to the fuel adjustment policy for presentation to the City Commission for final approval

### background

The City sets its fuel cost recovery rates to equal the fuel component of its bulk power purchases over time as well as to maintain a fuel cost stabilization fund (cumulative balance of fuel cost recovery revenues minus fuel costs) which will allow the City to smooth the impact to customers of increases and decreases in fuel costs. In 2021 and 2022, the City's fuel costs increased significantly based on the cost of natural gas. Natural gas is the largest component of fuel costs for the power the City purchases. The attached fuel cost tracking chart illustrates the volatility of these costs, how the City increased its rates in response and the impact to the fuel cost stabilization fund balance. As costs were rising in 2022, the fuel cost stabilization fund reached its lowest balance in July 2022 of (\$952,446). A second chart compares the trend of natural gas prices to the City's average fuel cost recovery rate over the same time period.

As of the end of February, the City's fuel cost stabilization fund balance was \$2,677,779 and at the same time, its electric bill for a 1,000 kWh residential customer was \$130.26 in comparison to the State municipal average of \$146.37, Duke Energy cost of \$182.84 and OUC cost of \$147.00. Further, the City reduced its rates effective March 1 for a comparable bill of \$120.88 and will be reducing rates again April 1 to bring the fuel cost stabilization fund balance into compliance with the current fuel adjustment policy. Also, implementation of the electric cost of service study rates effective April 1 will further reduce rates for residential and small commercial customers.

Low rates and a reasonable fuel cost stabilization fund balance put the City in an excellent position to revisit its fuel adjustment policy at a time when significant changes to

fuel rates are not necessary. The proposed policy sets the previous maximum fuel cost stabilization fund balance as its target balance and also provides defined trigger points for increasing and reducing rates as necessary. The proposed policy also defines time frames for returning cumulative excesses to customers through reductions in fuel rates and increasing rates when the fuel cost stabilization fund balance needs to be increased.

#### **alternatives / other considerations**

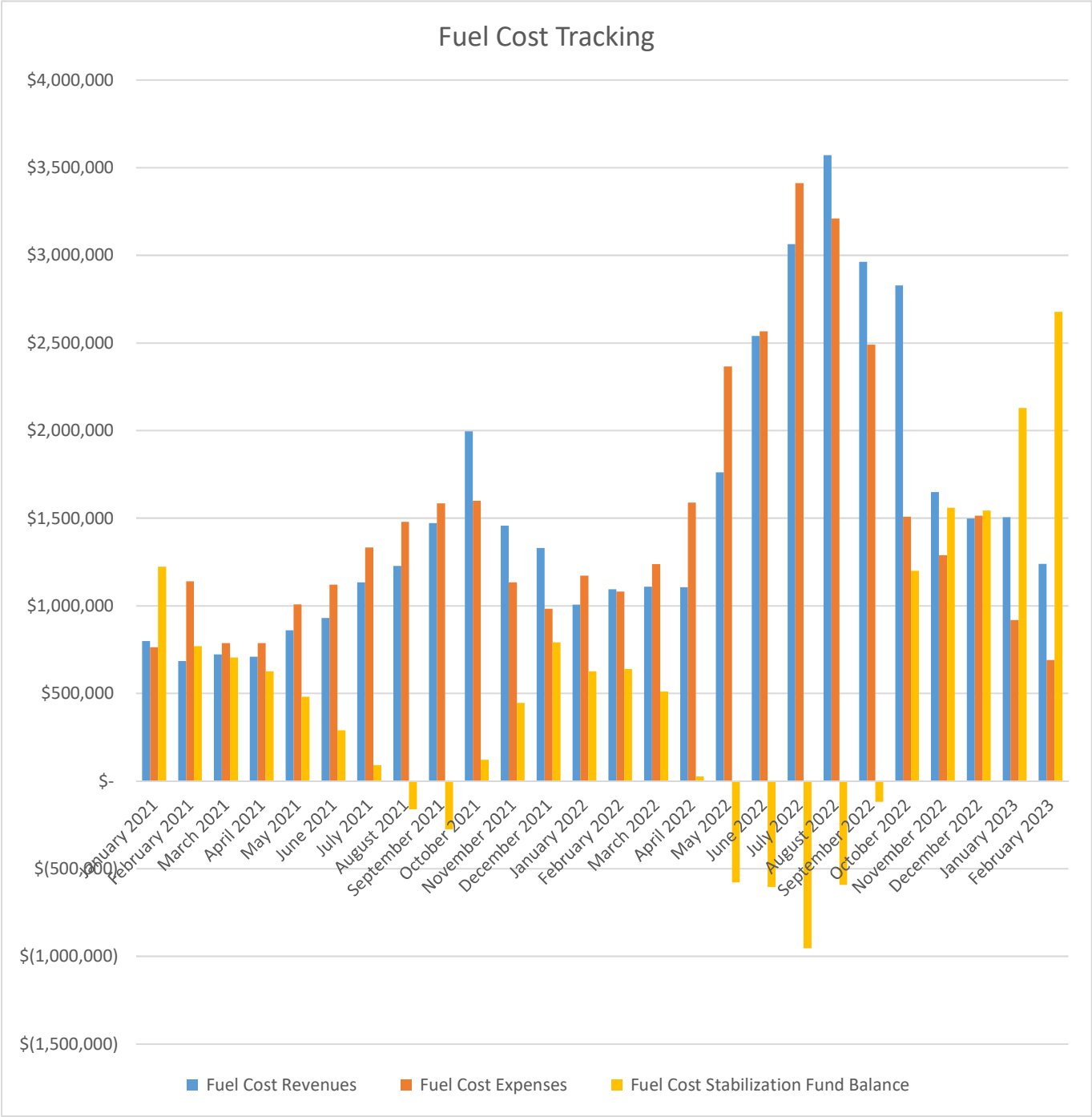
Modify the proposed policy draft prior to recommending approval to the City Commission or reject any changes to the current policy.

#### **fiscal impact**

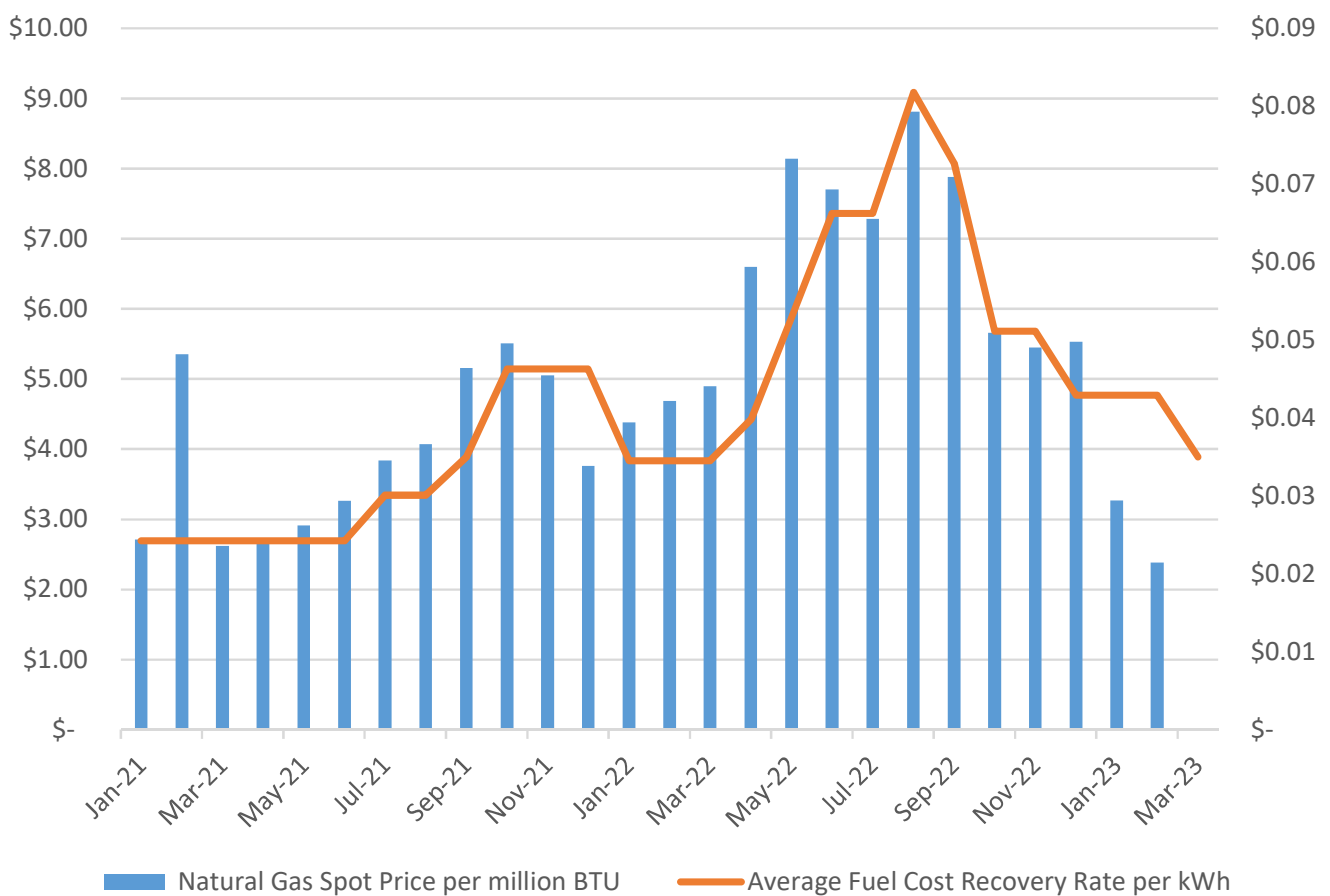
Over time, there will be no fiscal impact of any change to the fuel adjustment policy as the City's core objective will remain to recover the cost of fuel purchases.

#### **ATTACHMENTS:**

[Fuel cost item.pdf](#)



### Trend Comparison for Henry Hub Natural Gas Spot Price v Winter Park Average Fuel Cost Recovery Rate



### Fuel Adjustment Factor.

~~The Fuel Adjustment Factor will be determined periodically by the City. This~~ The Fuel Adjustment factor is designed to recover the cost of fuel that is included in the cost of ~~bulk-wholesale~~ power supply incurred by the City to provide electric service to its customers. ~~The Fuel Adjustment Factor will be determined periodically by the City.~~ Review of ~~the adequacy of the~~ Fuel Adjustment ~~adequacy~~ Factor will occur at least quarterly. ~~Generally, if~~ the fuel Adjustment Factor under-recovers fuel cost, the City will increase the Fuel Adjustment to collect the under-recovery. If the Fuel Adjustment Factor over-recovers fuel cost, the City will decrease the fuel adjustment to credit back to customers the over-recovery. In order to stabilize fluctuations in the fuel adjustment factor, the City Manager may determine to phase in such increases or decreases over time. ~~It is the intention of the City to maintain the fuel cost recovery fund balance between the minimum and maximum trigger points as defined in the table below. Specific changes to the Fuel Adjustment Factor will be made in accordance with the criteria defined in the table below: The table below outlines the parameters used to determine changes to the Fuel Adjustment Factor:~~

|                                                                        |                                                                                                                                            |
|------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|
| <u>Target Fuel Cost Stabilization Fund Balance</u>                     | <u>10% of the fiscal year's annual fuel budget rounded up to the next \$100,000 without appropriate adjustments to the fuel adjustment</u> |
| <u>Minimum Trigger point for an increase in Fuel Adjustment Factor</u> | <u>Preceding month's Fuel Cost Stabilization Fund Balance is less than half of the Target Fuel Cost Stabilization Fund Balance</u>         |
| <u>Maximum trigger point for a decrease in Fuel Adjustment Factor</u>  | <u>Preceding month's Fuel Cost Stabilization Fund Balance is more than 150% of the Target Fuel Cost Stabilization Fund Balance</u>         |

If the Fuel Cost Stabilization Fund Balance drops below the Minimum Trigger point the Fuel Adjustment Factor will be set at a rate that would project to replenish the balance to the Target Fuel Cost Stabilization Fund Balance over a six-month period. This adjustment factor may have to be modified over that six-month period to reflect actual results if they are substantially different from predicted results.

If the Fuel Cost Stabilization Fund Balance exceeds the Maximum Trigger point the Fuel Adjustment Factor will be set at a rate that would project to reduce the balance to the Target Fuel Cost Stabilization Fund Balance over a four-month period. This adjustment factor may have to be modified over that four-month period to reflect actual results if they are substantially different from predicted results.

~~In no case, however, will cumulative under or over collections be allowed to exceed 10% of the fiscal year's annual fuel budget rounded up to the next \$100,000 without appropriate adjustments to the fuel adjustment.~~



## Utilities Advisory Board

# agenda item

|                            |                             |
|----------------------------|-----------------------------|
| item type Non-Action Items | meeting date March 28, 2023 |
| prepared by David Zusi     | approved by                 |
| board approval             |                             |
| strategic objective        |                             |

### subject

Private Lift Station Policy - David Zusi

### motion / recommendation

### background

### alternatives / other considerations

### fiscal impact



## Utilities Advisory Board

# agenda item

|                            |                             |
|----------------------------|-----------------------------|
| item type Non-Action Items | meeting date March 28, 2023 |
| prepared by Pamela Bracko  | approved by                 |
| board approval             |                             |
| strategic objective        |                             |

### subject

Discussion of joint work session with Keep Winter Park Beautiful & Sustainable Advisory Board

### motion / recommendation

### background

### alternatives / other considerations

### fiscal impact



## Utilities Advisory Board

# agenda item

|                     |                    |              |                |
|---------------------|--------------------|--------------|----------------|
| item type           | Staff Updates      | meeting date | March 28, 2023 |
| prepared by         | Daniel Dalessandro | approved by  |                |
| board approval      |                    |              |                |
| strategic objective |                    |              |                |

### subject

Electric Utility - Dan D'Alessandro

### motion / recommendation

### background

### alternatives / other considerations

### fiscal impact

### ATTACHMENTS:

[Phase III Workshop.pptx](#)



# Florida Municipal Solar Project Phase III Status and Update

FMIPA Solar III Project Workshop

March 15, 2023



# Florida Municipal Solar Project

## *Phase III Discussion*

---

- Florida Municipal Solar Project Background, Update and Schedule
- Power Purchase Agreement (PPA) Structure
- Participant Local Governing Board Approvals Required
- Solar III Project – FMPSA Board Approvals
- ARP Solar III Participants – Executive Committee Approvals
- Solar III Project Governance
  - Solar III Project Committee and Charter



# Florida Municipal Solar Project Background, Update and Schedule

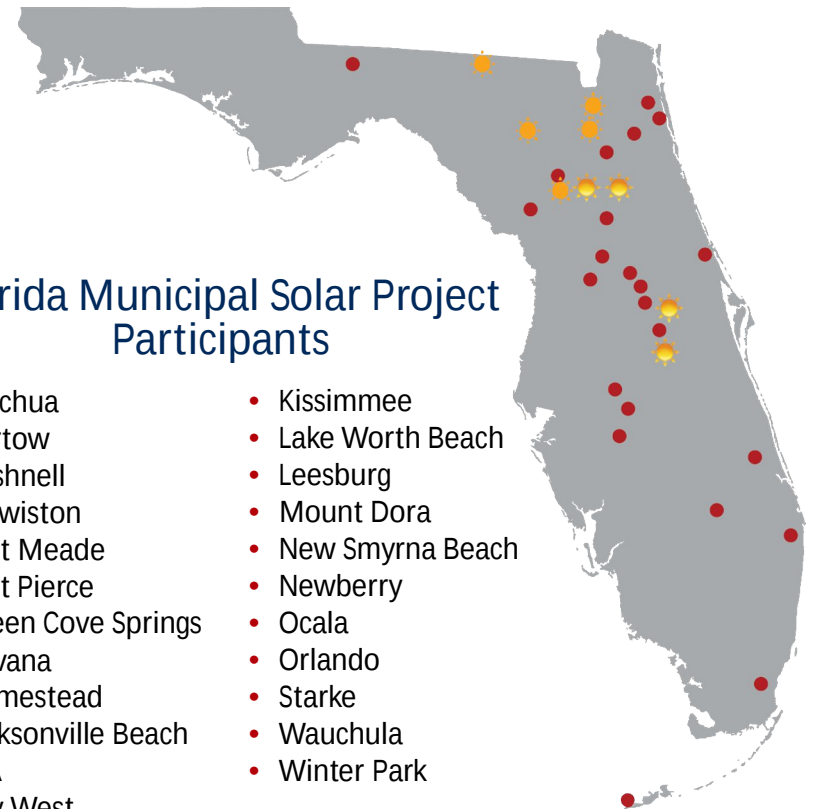
# FMPA to Provide 23 Cities Low-Cost Solar

## *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
  - Rice Creek Groundbreaking May 11
- Five additional Phase III solar sites
  - COD 2025 and 2026

### Florida Municipal Solar Project Participants

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



# Phase III Could Double the Size of the FMSP

## *Pricing Competitive with Traditional Generation*

- Power Purchase Agreement price < \$45/MWh
  - 20-year term
  - 2% annual escalation OR flat (TBD by participants)
  - Does not include incremental cost of transmission service needed for delivery
  - Nominal A&G adder
- FMSP staff recommend Origis Energy proposal
- Duke and 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                 | Megawatts |
|-----------------------------|-----------|
| Poinsett Participants       | 74.5      |
| All-Requirements Project    | 100 - 120 |
| Fort Meade                  | 1         |
| JEA*                        | 75 - 150  |
| Key West                    | 10        |
| Lake Worth Beach*           | 20        |
| Leesburg                    | 10        |
| Mount Dora*                 | 2         |
| New Smyrna Beach*           | 15 - 20   |
| Orlando (Harmony exchange)* | 40.5      |
| Starke                      | 1         |
| Winter Park*                | 10        |
| Total                       | 359+      |

\*Non-ARP Participants

## Phase III Schedule

*Target: FMPA Approvals at May Board and EC Meetings*

| Activity                                                      | Date     |
|---------------------------------------------------------------|----------|
| Solar III participant informational workshop                  | March 15 |
| Negotiation and PPA development with Origis and FRP           | March 31 |
| Member participation agreement/enabling agreement development | March 31 |
| Member local governing board approvals                        | May 17   |
| FMPA Board and Executive Committee approvals                  | May 18   |
| Final execution of PPAs                                       | May 31   |

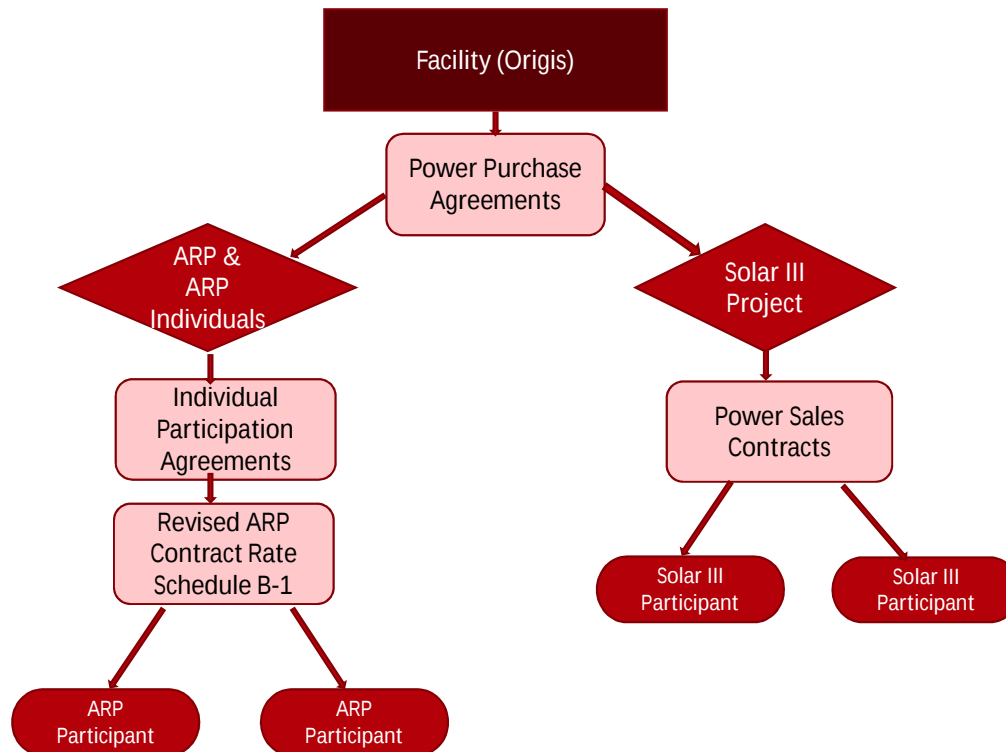
NOTE: FMPA staff available to support local governing board approvals



# Power Purchase Agreement (PPA) Structure

# Project PPA Structure

*ARP and Solar III Project will have separate PPA's*



Solar III Project to include Alachua, Bartow, JEA, Lake Worth Beach, Mount Dora, New Smyrna Beach, Orlando, Wauchula and Winter Park

## Phase III Participant Allocations Per Facility

### *Poinsett Shares Included, Optimized Based on Interconnection*

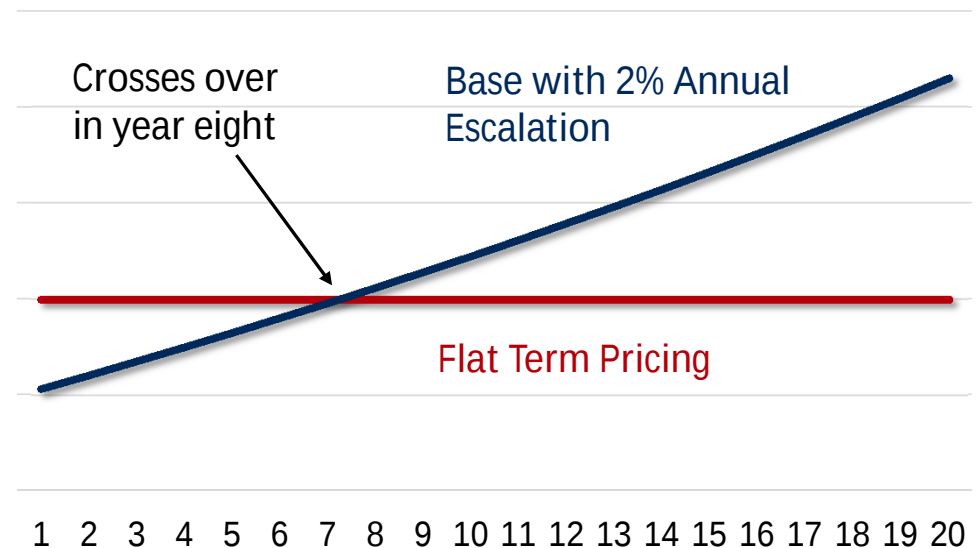
| Participant        | Facility 1<br>(FPL) | Facility 2<br>(FPL) | Facility 3<br>(Duke) | Facility 4<br>(Duke) | Facility 5<br>(Duke) | Total |
|--------------------|---------------------|---------------------|----------------------|----------------------|----------------------|-------|
| ARP                |                     |                     | 30.7                 | 30.7                 | 39.5                 | 100.8 |
| JEA                | 49.9                | 49.9                |                      |                      |                      | 99.8  |
| Alachua            |                     |                     | 3.5                  | 3.5                  |                      | 7.0   |
| Bartow             |                     |                     | 6.5                  | 6.5                  |                      | 13.0  |
| Fort Meade         |                     |                     |                      |                      | 1.0                  | 1.0   |
| Fort Pierce        |                     |                     |                      |                      | 0.9                  | 0.9   |
| Homestead          | 5.0                 | 5.0                 |                      |                      |                      | 10.0  |
| Jacksonville Beach |                     |                     |                      |                      | 3.0                  | 3.0   |
| Key West           |                     |                     |                      |                      | 7.4                  | 7.4   |
| KUA                |                     |                     |                      |                      | 9.1                  | 9.1   |
| Lake Worth Beach   | 15.0                | 15.0                |                      |                      |                      | 30.0  |
| Leesburg           |                     |                     |                      |                      | 10.0                 | 10.0  |
| Mount Dora         |                     |                     | 1.0                  | 1.0                  |                      | 2.0   |
| New Smyrna Beach   | 5.0                 | 5.0                 |                      |                      |                      | 10.0  |
| Ocala              |                     |                     |                      |                      | 3.0                  | 3.0   |
| OUC                |                     |                     | 20.25                | 20.25                |                      | 40.5  |
| Starke             |                     |                     |                      |                      | 1.0                  | 1.0   |
| Wauchula           |                     |                     | 3.0                  | 3.0                  |                      | 6.0   |
| Winter Park        |                     |                     | 10.0                 | 10.0                 |                      | 20.0  |
| Total              | 74.9                | 74.9                | 74.9                 | 74.9                 | 74.9                 | 374.5 |

# Guidance Required on Pricing through Term

## *Origis Offered Base Escalated and 20-year Flat Pricing*

- Break-even NPV discount rate is roughly 12%, as priced
- Phase I elected flat-term pricing
- Phase II elected escalating
- Year one base escalated roughly 12% below flat pricing
- Year 20 base escalated roughly 29% higher than flat pricing

Illustrative Base Escalated Vs. Flat Term Pricing  
(\$/MWh)





## Participant Local Governing Board Approvals Required

# Participant Local Board Approvals Needed

*Target: May 17 for All Participant Governing Board Approvals*

---

- Each Solar III Project participant's governing board will approve:
  - Power sales contract between FMPA and participant
  - Other associated or enabling agreements, as needed
- Each ARP Solar III (individual participant's) governing board will approve:
  - Solar III participation agreement between FMPA ARP and Solar III participants
  - Fort Meade, KEYS, Leesburg and Starke only



## Solar III Project – FMIPA Board Approvals

# 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

# PPA Key Terms

## *Pricing Terms Confidential*

| Key Term                        | Definition                                                                                               |
|---------------------------------|----------------------------------------------------------------------------------------------------------|
| 20-Year Term                    | Term extension subject to mutual agreement                                                               |
| Delivery Point                  | Three facilities Duke Interconnect; two facilities FPL Interconnect                                      |
| Commercial Operation Date (COD) | Dec. 31, 2025 or 2026 with permitted extensions; Origis pays for delays after permitted COD extensions   |
| Production Guarantee            | Damages paid for under-performance measured over rolling two years                                       |
| Network Upgrades                | Cost not included in price; If network upgrades are required, payment will be refunded by DEF and/or FPL |
| Energy Price                    | <\$45/MWh (exact pricing confidential); flat or 2% escalation over 20-year PPA term TBD by participants  |

# Solar III Project Power Sales Contract Terms

## *Approval by FMPA Board of Directors*

| Key Terms                   | Definition                                                                                                                                                                                             |
|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Power Entitlement Share     | Percent of solar energy produced by the facility                                                                                                                                                       |
| Term of Agreement           | Date of signature until termination of PPA with Origis                                                                                                                                                 |
| Costs                       | Participant pays PPA energy costs plus project related A&G costs                                                                                                                                       |
| Step-up Provision           | In the event a participant defaults, non-defaulting participants may agree to take and pay for a pro-rata share of defaulting participant's power entitlement                                          |
| Exit Provision              | If a participant wishes to exit the Solar III Project, FMPA will facilitate transfer of energy to other willing participants or sell to others. Participant remains responsible for costs not covered. |
| Solar III Project Committee | Will be created, consisting of one representative from each Solar III participant. All recommendations are subject to approval by the Board of Directors.                                              |

# Board Resolution 2023-xxx

## *Approval by Board of Directors*

---

Designates Solar III Project as a project under the Interlocal Agreement

Establishes Solar III Project participants' power entitlement share in the Solar III Project

Approves Solar III Project PPAs between FMPA (Solar III Project) and Origis Energy

Approves separate power sales contracts between FMPA and the Solar III Project participants

Designates authorized officers

Provides for severability

Provides an effective date



# ARP Solar III Participation Agreement Executive Committee Approvals

# FMPA Executive Committee Approvals

## *Documents Required for Final Approval on May 18*

---

- ARP Approvals for Individual Solar III Participants (Fort Meade, KEYS, Leesburg, and Starke):
  - 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 100 MW
- Energy Exchange Agreements as needed

# PPA Key Terms

## *Pricing Terms Confidential*

| Key Terms                       | Definition                                                                                               |
|---------------------------------|----------------------------------------------------------------------------------------------------------|
| 20-Year Term                    | Term extension subject to mutual agreement                                                               |
| Delivery Points                 | Three facilities Duke Interconnect                                                                       |
| Commercial Operation Date (COD) | Dec. 31, 2025 or 2026 with permitted extensions; Origis pays for delays after permitted COD extensions   |
| Production Guarantee            | Damages paid for under-performance measured over rolling two years                                       |
| Network Upgrades                | Cost not included in price; If network upgrades are required, payment will be refunded by DEF and/or FPL |
| Energy Price                    | <\$45/MWh (exact pricing confidential); flat or 2% escalation over 20-year PPA term, TBD by participants |

# ARP Solar III Participation Agreement Terms

## *Approval by Executive Committee*

---

| Key Terms                                 | Definition                                                                                                                                                                                                          |
|-------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Power Entitlement Share                   | Percent of solar energy produced by the facility                                                                                                                                                                    |
| Term of Agreement                         | Date of signature until termination of the PPA with Origis                                                                                                                                                          |
| Costs                                     | Participant pays PPA energy cost plus nominal project related costs (A&G)                                                                                                                                           |
| Exit Provision                            | If a participant wishes to exit the solar participation agreement, FMPPA will facilitate transfer of energy to other willing participants or sell to others. Participant remains responsible for costs not covered. |
| ARP Solar Participants Advisory Committee | Consists of one representative from each ARP solar participant. All recommendations will be subject to approval of the Executive Committee                                                                          |

# Rate Schedule B-1 (for Individual ARP Participants)

## *Approval by Executive Committee*

---

- Solar energy surcharge shall equal the difference between the adjusted energy rate and the actual monthly cost per MWh of the solar energy plus associated costs.
  - Language revised to distinguish between Phase I, Phase II and Phase III Projects and individual participants



## Solar III Project Governance



# Solar III Project Committee and Charter

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

---

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



/FloridaMunicipalPowerAgency



@FMPANews



/company/fmpa



## Utilities Advisory Board

# agenda item

|                     |               |              |                |
|---------------------|---------------|--------------|----------------|
| item type           | Staff Updates | meeting date | March 28, 2023 |
| prepared by         | David Zusi    | approved by  |                |
| board approval      |               |              |                |
| strategic objective |               |              |                |

### subject

Water & Wastewater Utility - David Zusi

### motion / recommendation

### background

### alternatives / other considerations

### fiscal impact



## Utilities Advisory Board

# agenda item

|                     |               |              |                |
|---------------------|---------------|--------------|----------------|
| item type           | Staff Updates | meeting date | March 28, 2023 |
| prepared by         | Wes Hamil     | approved by  |                |
| board approval      |               |              |                |
| strategic objective |               |              |                |

### subject

Performance Measurement - (attachment only)

### motion / recommendation

### background

### alternatives / other considerations

### fiscal impact

### ATTACHMENTS:

[Utility PM Mar2023.pdf](#)

# Utility Monthly Performance Measurements

The Utility Advisory Board identified performance measurements for the Electric and Water Utilities. These are activity and profitability measures used as management tools to set baseline performance measures to be reviewed monthly to implement strategies for improved performance on those baselines. This report organizes the performance measurements by service type.

## Both

| Service Type            | Measure                                                         | Goal       | Nov         | Dec         | Jan         | On Target    |
|-------------------------|-----------------------------------------------------------------|------------|-------------|-------------|-------------|--------------|
| <b>Customer Service</b> | Total calls to customer service queue:                          |            | 7,341       | 5,852       | 6,142       |              |
|                         | Customer hangup without selecting a queue                       |            | 1,579       | 1,273       | 1348        |              |
|                         | Turn on/off service                                             |            | 925         | 794         | 809         |              |
|                         | Billing info                                                    |            | 2,342       | 1,778       | 1705        |              |
|                         | Pay utility bill                                                |            | 1,244       | 1,033       | 1037        |              |
|                         | Paymentus information                                           |            | 356         | 290         | 219         |              |
|                         | Report power outage                                             |            | 535         | 449         | 630         |              |
|                         | System error and flow disconnect                                |            | 198         | 128         | 138         |              |
|                         | Demolition                                                      |            | 25          | 23          | 35          |              |
|                         | Commercial garbage                                              |            | 80          | 50          | 52          |              |
|                         | Transfer to water and wastewater                                |            | 57          | 34          | 25          |              |
|                         | Spectrum service                                                |            |             |             | 15          |              |
|                         | Permits                                                         |            |             |             | 129         |              |
|                         | Average wait time for customers selecting a queue               |            | 10m55s      | 9m29s       | 5m17s       |              |
|                         | Abandoned call % for customers selecting a queue                |            | 32%         | 28%         | 17%         |              |
|                         | Number of disconnects for non-pay                               |            | 0           | 0           | 0           |              |
| <b>Financial</b>        | Accounts receivable/billed revenue – FYTD                       | <8%        | 7.55%       | 7.01%       | 7.26%       | Met Goal     |
|                         | Average cost of purchased power per kWh – FYTD – Fuel           |            | \$0.0415    | \$0.0429    | \$0.327     |              |
|                         | Average cost of purchased power per kWh – FYTD – Non-Fuel       | <\$0.03    | \$0.0204    | \$0.0211    | \$0.028     | Met Goal     |
|                         | Bad debt expense/billed revenue – FYTD                          | <0.25%     | N/A         | N/A         | N/A         |              |
|                         | Debt service coverage ratios - W&S - FYTD                       | >1.5       | 4.98        | 3.21        | 3.41        | Met Goal     |
|                         | Debt service coverage ratios - Electric - FYTD                  | >1.5       | 6.53        | 5.48        | 5.56        | Met Goal     |
|                         | Percentage of utility accounts receivable over 60 days past due |            | 11.94%      | 17.00%      | 17.64%      |              |
|                         | Utility accounts receivable over 60 days past due               |            | \$970,720   | \$1,362,386 | \$1,545,961 |              |
|                         | Fuel cost stabilization fund balance                            | \$1.9M max | \$1,559,968 | \$1,544,002 | \$2,106,323 | Max exceeded |

## Electric Utility

| Service Type  | Measure                                                                                                       | Goal          | Nov         | Dec         | Jan         | On Target |
|---------------|---------------------------------------------------------------------------------------------------------------|---------------|-------------|-------------|-------------|-----------|
| Efficiency    | Rate Comparison to Duke                                                                                       | <100%         | 91.2%       | 79.8%       | 88.9%       | Met Goal  |
|               | Rate Comparison to State Avg                                                                                  | <105%         | 105.7%      | 88.7%       | 102.8%      | Met Goal  |
| Financial     | Rolling 12 month kWh                                                                                          | 418 (FY22)    | 423,847,868 | 429,277,481 | 433,619,435 | Met Goal  |
| Operational   | Heart of Florida United Way Emergency Utility Assistance Program: Assistance provided to customers            |               | \$1,345     | \$3,251     | \$6,142.00  |           |
|               | Heart of Florida United Way Emergency Utility Assistance Program: Available balance                           |               | \$45,932    | \$42,681    | \$36,539.00 |           |
|               | Heart of Florida United Way Emergency Utility Assistance Program: Number of customers approved for assistance |               | 6           | 7           | 12.00       |           |
|               | Underground System Complete (%)                                                                               |               | 73.10%      | 73.10%      | 73.10%      |           |
| Reliability   | CAIDI                                                                                                         |               | 95.46       | 102.54      | 101.75      |           |
|               | L-Bar                                                                                                         |               | 111.2       | 102.7       | 85.6        |           |
|               | L-Bar Rank to Peers (12 mo rolling)                                                                           | Top 5         | 15th/22     | 15th/22     | Unavailable |           |
|               | Outage Occurrences                                                                                            |               | 5           | 10          | 7           |           |
|               | SAIDI                                                                                                         |               | 0.1         | 3.9         | 0.6         |           |
|               | SAIDI Rank to Peers (12 mo rolling)                                                                           | Top 5         | 11th/22     | 10th/20     | Unavailable |           |
|               | SAIDI Sum                                                                                                     | < 19 Annually | 56.40       | 57.00       | 57.00       |           |
| Environmental | Total MWh generated from Aloma solar system (rolling 12 month average)                                        | >15 MWh       | 9.24        | 9.47        | 12.05       |           |
|               | Total MWh generated from WP garage solar system (rolling 12 month average)                                    |               | 8.82        | 21.82       | 27.43       |           |
|               | Total MWh generated from WP Events Center (rolling 12 month average)                                          |               | Unavailable | Unavailable | Unavailable |           |
|               | Total MWh generated from Electric Solar Awning (rolling 12 month average)                                     |               | 0.24        | 0.24        | 0.31        |           |

## Water Sewer Utility

| Service Type | Measure                                        | Goal      | Oct         | Nov         | Dec    | On Target |
|--------------|------------------------------------------------|-----------|-------------|-------------|--------|-----------|
| Environment  | Count of Rebates Processed                     |           | 3           | 0           | 2      |           |
| Operational  | Average % Water meters reporting               | >98.5%    | Unavailable | Unavailable | 97.45% | Near Goal |
|              | Count of Wastewater Incidents                  | 0         | 3*          | 7*          | 0      | Met Goal  |
|              | Wastewater Incident Overflow in 1,000s Gallons | 0         | 11.25       | 191.4       | 0      | Met Goal  |
|              | Water pumped compared to CUP allocation        | <12.4 mgd | 10.44       | 9.77        | 9.83   | Met Goal  |

*\*FMPA and FMEA data often lag 1or2 months. Count of wastewater incidents impacted by Hurricane Ian in Oct and Nicole in Nov.*

*Index Key- the monthly data text is colored green when the change from the previous month is an improvement, and red when it is not. The On Target column is highlighted comparing the most recent monthly data to the Goal: Red if below, Yellow if Near, Green if Above.*



## Utilities Advisory Board

# agenda item

|                           |                             |
|---------------------------|-----------------------------|
| item type Board Comments  | meeting date March 28, 2023 |
| prepared by Pamela Bracko | approved by                 |
| board approval            |                             |
| strategic objective       |                             |

### subject

Broadband and Smart City Ad-Hoc Committee Update - Paul Conway

### motion / recommendation

### background

### alternatives / other considerations

### fiscal impact