

DISPATCH

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Taking Charge of Power Costs

Conservation Reduces Bills, Benefits the Environment

Municipals Pledge \$1 Million To Help Customers Conserve

CONSUMER-OWNED electric utilities are teaming up through FMPA to help customers take charge of their power bills.

Conditions in the utility industry, including rising fuel prices and more stringent environmental standards, have increased power costs for consumers nationwide. FMPA and its members are doing all they can to minimize how these factors impact customers. The reality of today's energy market is that electricity is simply too precious to waste, and utilities must do all they can to help customers develop more energy-efficient habits.

In addition to the rising cost of electricity, environmental concerns are a high priority for Florida utilities and their customers. Energy conservation is, again, an important part of the solution.

"Whether they want to save dollars or save the planet, our member communities are ready to start saving electricity; it's our job to teach them how," said FMPA General Manager and CEO Roger Fontes.

The 15 member cities in FMPA's All-Requirements Project have made a major commitment to this cause. The 2008 Integrated Resource Plan, FMPA's long-term power supply blueprint, projects that energy efficiency and conservation programs could reduce the All-Requirements Project's energy requirements 4 percent by 2018.

All-Requirements members created a \$1 million fund in July to pay for programs to educate and encourage customers to conserve electricity. Each city can use its share of

the fund for energy conservation programs of its choosing.

"The conservation fund isn't a one-size-fits-all program. Instead, it's highly flexible and adaptable to meet our member communities' diverse needs," said Fontes.

Conservation programs under development include:

- **Rebates for Energy Efficient Products:** Replacing old, energy-hogging appliances or upgrading a home's heating and cooling systems can create major savings of energy and money. To help customers make the investment in energy efficient appliances and equipment, some FMPA members plan to offer rebates for qualified, energy-efficient products. Examples include solar water heaters, programmable thermostats and high-efficiency refrigerators, clothes washers and heating and cooling systems.
- **Compact Fluorescent Light Bulbs:** Replacing standard incandescent light bulbs with energy efficient compact fluorescent light bulbs (CFLs) can reduce a household's lighting costs by up to 75 percent. Plus, CFLs can last 10-times longer than regular light bulbs. Some FMPA members are easing the transition to CFLs by providing discounted or complimentary bulbs to customers.
- **Educational Materials:** FMPA will also be working to help its members get the word out about the importance of conservation and what consumers can do about it. One significant project currently under development is an educational video that could be distributed to customers on DVD or via the city's Web site. Other materials will be developed, based on members' needs and requests.



A million-dollar conservation fund will sponsor programs that help consumers conserve electricity.

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Never Stop Trying
by Roger A. Fontes

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Never Stop Trying

By Roger A. Fontes
General Manager and CEO



Roger A. Fontes

A few months ago, I saw a simple thing that left a big impression on me. My wife and I were on vacation enjoying breakfast together at a small local coffee shop. We were also doing some people-watching, and one of the restaurant's patrons, in particular, caught my eye. The gentleman was wearing a shirt that said, "No can reach. No try."

It was just a simple novelty T-shirt, to be sure, but it shocked me to see someone displaying such an attitude with pride. The converse also instantly reminded me of what is special about FMPA and its people. The team at FMPA doesn't believe in, "No try." No, their philosophy is more like mine, "Never stop trying."

A perfect example is the Agency's response to Gov. Charlie Crist's executive orders announced last year. These orders set highly ambitious goals for reducing greenhouse gas emissions, increasing the use of renewable energy, energy efficiency and conservation. These are difficult goals, imposed upon us by an outside entity, and at first they appeared unreachable. But FMPA's members and staff are not the type to sit around wringing their hands when there's work to be done. Instead, we immediately launched FMPA's most ambitious and sophisticated power supply study to date, the 2008 Integrated Resource Plan.

The plan we produced, just a year later, is nothing short of amazing. The 2008 Integrated Resource Plan provides a road map to help FMPA and the All-Requirements Project balance reliability, affordability and environmental responsibility. Most importantly, the

plan tells us that we *can* reach the state's first emissions reduction goal. By 2017, FMPA will be able to reduce its CO₂ emissions to year 2000 levels, a feat made even more impressive when you take into consideration Florida's rapid population growth this decade.

This is just one example of the FMPA team's innovation and ingenuity. In fact, the Agency's entire history is filled with stories of people working together to achieve seemingly impossible goals. Implementing the 2008 Integrated Resource Plan will undoubtedly

bring new challenges, but I know that FMPA will find a way to make its plans a reality and create a future just as impressive as its past.

That's why, as I prepare for my retirement from FMPA on Sept. 5, I have nothing but confidence in the team of employees at FMPA. The creativity and perseverance of FMPA's members and employees have left a lasting impression on me that I will never forget. Moreover, my time at FMPA has enabled me to be a part of important initiatives I will always be proud of. From growing the All-Requirements Project to be among the largest municipal utility

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systems in the state, to building a nationally recognized risk management program from scratch, to making the leap from a "project taker" to a "project maker," who would have dreamed that, together, we could have accomplished so much in just seven short years?

I will always look back on my time here with pride and admiration for what we've accomplished. As I move into retirement, please know that I will eagerly watch FMPA to see what "impossible" goals our outstanding team will accomplish next. ♦

FMPA, Customers Partner Up To Support Renewable Power Customer-Owned Generation Can Supply Power to the Grid

ENVIRONMENTALLY passionate customers can now work hand-in-hand with FMPA and its members to bring more power from renewable sources into their community.

Municipal electric utilities in FMPA's All-Requirements Project recently adopted a policy that allows customers with small renewable generation, like solar panels, to sell excess generation to the All-Requirements Project. The program is a win-win that provides financial incentives for customers to offset their electric needs with their own renewable generation and provides another clean power source to the utilities.

"Nurturing the growth of customer-owned renewable generation is something

utilities, like FMPA and its members, must begin to evaluate, and this policy is an important first step," said FMPA General Manager and CEO Roger Fontes.

This type of policy, commonly known as "net metering," is part of Florida's plan for the state's energy and environmental future. Legislation passed in 2008 encouraged the state's electric utilities, including municipal electric utilities, to bring net metering to their customers.

All-Requirements members had a unique challenge in implementing this rule, as they are required to purchase all their electricity from the All-Requirements Project. The solution was a three-way agreement that enables customers to sell their excess generation directly to the All-Requirements Project, while allowing the local utility to administer the program and distribute payments for generation as a credit on customers' bills.

Installing solar photovoltaic generation is a significant investment for a residential household or small business, so an important

consideration is the length of time it will take for the reduced electric bills or financial incentives to offset the cost of the installation. Credits for generation to the grid should speed up the return on investment, and more incentives may be on the way.

As the state of Florida develops a renewable energy portfolio standard for utilities, it appears that there will be a provision for a system of tradable renewable energy credits. The structure of FMPA's net metering policy provides for the negotiation of further incentives for any renewable energy credits generated by the customer's system. ♦

Solar Technology Comes to FMPA's Member Cities

Florida may soon capitalize on its nickname, "The Sunshine State." Solar generation is popping up all over the state, and it may come to a municipal utility near you.

FMPA signed a letter of intent in June with SunEdison, North America's largest solar energy services provider, for a 20-year power purchase agreement. The agreement would provide up to 10 megawatts of solar photovoltaic capacity in FMPA member cities.

"This is an important first step in bringing the benefits of solar generation to FMPA's member communities," said FMPA General Manager and CEO Roger Fontes. "We are excited that large-scale solar power is becoming a reality in The Sunshine State."

Members of FMPA's All-Requirements Project were invited to offer sites for installation of solar panels. Sites in several cities are being considered in locations ranging

from Key West to Jacksonville Beach. Site selections will be announced later this year. SunEdison could break ground at some sites as early as December 2008.

Once completed, the photovoltaic systems are estimated to deliver 12.8 million kilowatt hours of solar energy in the first year of operation, powering more than 1,200 homes. This clean new source of electricity will offset 17 million pounds of carbon, the equivalent of removing 1,670 cars from the road annually.

The project is part of the All-Requirements Project's plan to achieve Florida's greenhouse gas reduction goals. Through a combination of highly efficient natural gas generation, renewable projects, such as solar and

energy conservation, FMPA will be able to reduce its 2017 emissions to year 2000 levels, even as its member communities continue to grow. ♦



Taking Charge of Power Costs Conservation *continued from page 1*

The new programs and tools developed through the conservation fund will complement existing conservation programs offered by FMPA's Member Services Department. These programs include:

- **Energy Depot:** This online home energy audit program enables customers to enter specific information on their homes and receive a report with specific measures they can implement to reduce energy consumption.
- **ENERGY STAR:** FMPA and its members are ENERGY STAR partners. Through this partnership, FMPA distributes a variety of free ENERGY STAR resources to its members.

"Energy conservation is a solution that addresses our dual goals of providing affordable electricity in an environmentally responsible manner," said Fontes. "Working together through joint action will help ensure FMPA's members are successful in these very important pursuits." ♦



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The FMPA Dispatch is published by the Florida Municipal Power Agency. FMPA is a wholesale power company owned by municipal electric utilities. FMPA provides economies of scale in power generation and related services to support community-owned electric utilities.

FMPA's members include Alachua, Bartow, Blountstown, Bushnell, Chattahoochee, Clewiston, Fort Meade, Fort Pierce, Gainesville, Green Cove Springs, Havana, Homestead, Jacksonville Beach, Key West, Kissimmee, Lake Worth, Lakeland, Leesburg, Moore Haven, Mount Dora, New Smyrna Beach, Newberry, Ocala, Orlando, Quincy, St. Cloud, Starke, Vero Beach, Wauchula and Williston.

General Manager and CEO: *Roger A. Fontes*
Dispatch Writer/Editor: *Diane Nelson*

T. (407) 355-7767
F. (407) 355-5794

(888) 774-7606
www.fmpa.com

