

Commission Workshop
March 14, 2023
5:00 pm

Mayor Roberts called the workshop to order at 5:00 pm.

Members present included Mayor Scott Roberts, Commissioner Janice D. Mortimer, Commissioner Andy Redding and Commissioner Shannon Smith. Also present were City Clerk Jimmy Crosby, Deputy Clerk Lisa Heeder, Finance Director James Hughes, City Attorney Clay Martin and City Manager Drew Mullins. Commissioner Danny Nugent was absent.

Mayor Roberts said FMPA is not talked about as much as other utilities but they serve over 3 million people and they are in line with rates with everyone else. He introduced Jacob Williams CEO of FMPA. Mr. Williams introduced Susan Schumann who prepared the presentation. He said FMPA has 32 municipal members and JEA will be joining them. Mr. Williams said FMPA will be providing most of the power to Reedy Creek Florida which represents Walt Disney World. Mr. Williams said 82% of FMPA's electricity is generated using natural gas. Another 11% is generated using coal but will be going away. He said board members ranked low-cost power first, reliable power second and clean power third. Mr. Williams said the big picture is that families in Florida are spending an additional \$6,000 for energy and groceries. He said natural gas has tripled in price and the mild winter masked the cost of natural gas. Mr. Williams said the energy crisis is global but the one the US is facing is self-inflicted. He said the City of Starke uses a power cost adjustment to recover costs not included in the base rate. If the base rate goes up the fuel adjustment decreases but the bill stays the same. Mayor Roberts said they need to talk about changing the base rate. Commissioner Mortimer asked Mr. Williams to explain what an all-requirements member is. Mr. Williams said they purchase all their power from FMPA. He said Florida is moving toward solar but solar can only provide for 30% of power needs. Mr. Williams said they are looking at nuclear. Clerk Crosby asked why nuclear power costs less than before. Mr. Williams said Three Mile Island caused a change in regulations and the costs ballooned. Mark Crawford with the Telegraph asked about proposed regulation of municipalities. Mr. Williams said it is partially because of GRU. He said a local bill has been proposed to regulate GRU. Mayor Roberts asked about the letter that was sent to FMPA saying that the City of Starke might not stay with them. He said FMPA needs to know that the city is still part of FMPA. Mayor Roberts said they do a good job for us. He said 15 years ago was a bad time for the electric industry and it was the right decision back then but it needs to be looked at now. Clerk Crosby asked if the city maintained the position they have now if they would not be eligible to participate in new projects. Mr. Williams said there are participants who are not all-requirements members who need additional sources to back them up. Commissioner Mortimer said she thought a decision was made to negate the letter. Attorney Martin said a decision was made and a year or so ago and Jodie Finklea sent him the information he needed but he never brought it back to the commission. Attorney Martin said he can have it ready for the agenda for next Tuesday's meeting. Commissioner Mortimer said she would like something brought back to make it official. Commissioner Mortimer asked Mr. Williams what the future holds for the City of Starke. Mr. Williams said over the next 2 years your costs will be coming down. Commissioner Smith said a new administration in DC could help. Mr. Williams said the Mountain Valley Pipeline was close to completion and would have brought some of the lowest

cost natural gas to the Eastern Coastal market. He said it was 5 to 10 miles from completion when it was blocked by a federal judge. He said a change in administration could help with that.

A citizen asked about solar. Mr. Williams said some people think solar is cheaper but it only runs 30% of the time compared to gas plants that are always available. He said there is a part of the customer base around the state in their member cities who want more solar and don't care what the cost is. Mr. Williams said Starke has avoided that up to now. Clerk Crosby asked if we could be forced into it. Mr. Williams said yes but most cities only want a small percentage of solar.

Mayor Roberts and the commissioners thanked Mr. Williams.

Clerk Crosby went over the list of upcoming special meetings and workshops.

There being no further discussion, the workshop was adjourned at 6:15 pm.