



Green Cove Springs Leidos Rate Study and Electric Rates Ordinance – 2nd Read

Green Cove Springs

May 20, 2025

All 33 Florida Municipals Are Members of FMPA

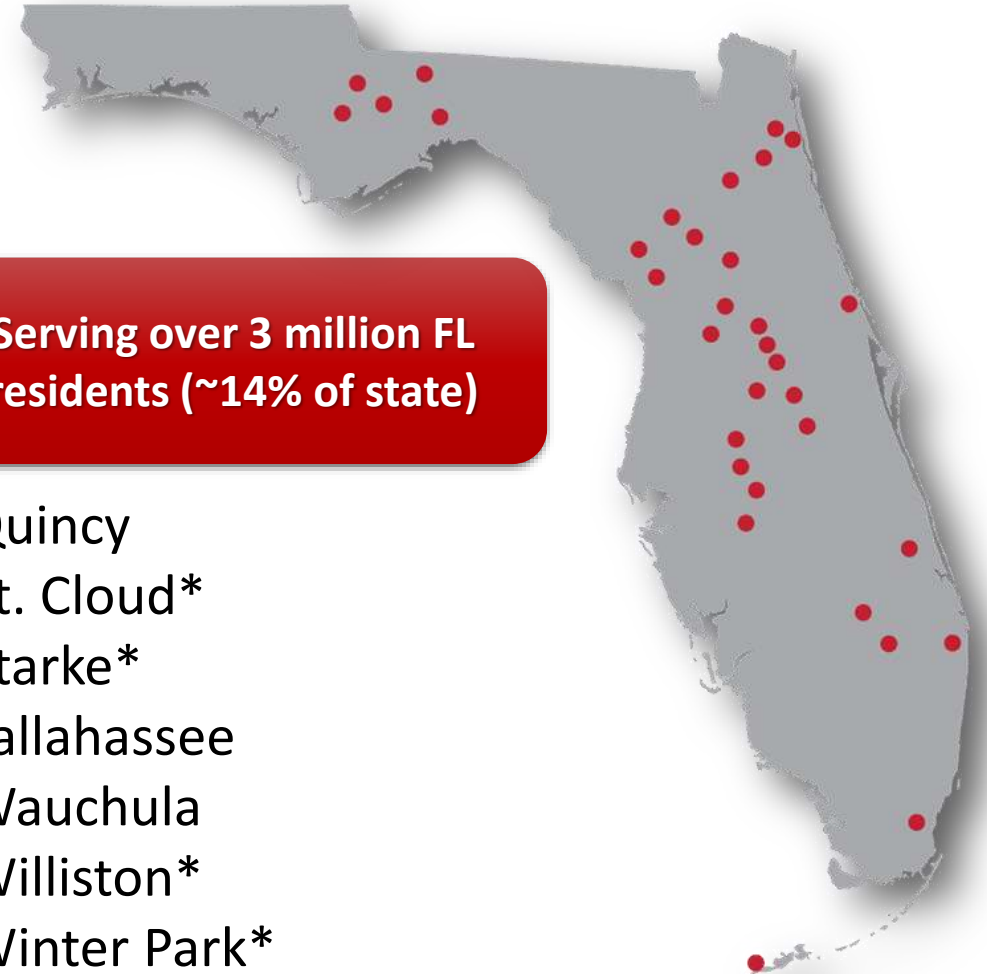
Provides Full Long-Term to 13 and Partial Power Supply to 12

Alachua*
Bartow
Blountstown
Bushnell*
CFTOD*
Chattahoochee
Clewiston*
Fort Meade*
Fort Pierce*
Gainesville
Green Cove Springs*
Town of Havana*
Homestead*

Jacksonville
Jacksonville Beach*
Key West*
Kissimmee*
Lake Worth Beach*
Lakeland*
Leesburg*
Moore Haven*
Mount Dora*
New Smyrna Beach*
Newberry*
Ocala*
Orlando*

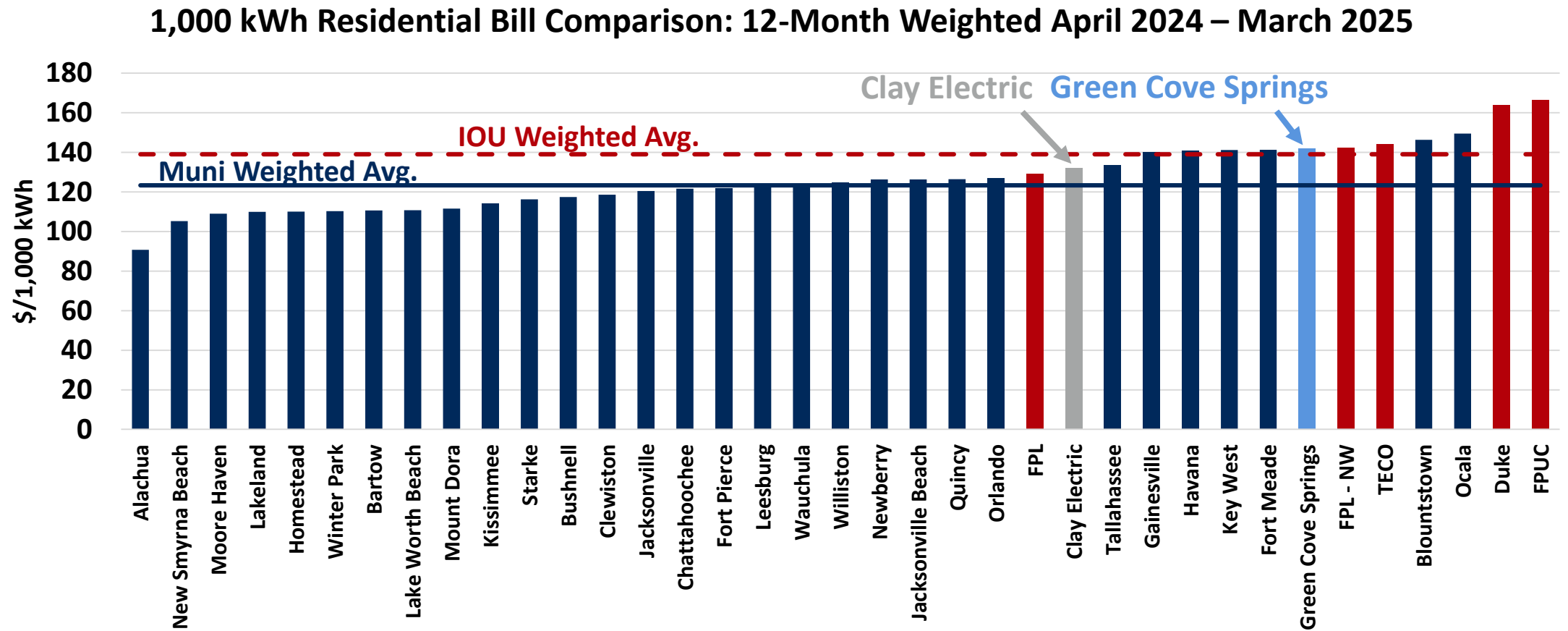
Serving over 3 million FL
residents (~14% of state)

Quincy
St. Cloud*
Starke*
Tallahassee
Wauchula
Williston*
Winter Park*



Green Cove Springs Rates Competitive

Recent Rate Adjustments Completed, PCAs Vary Across State

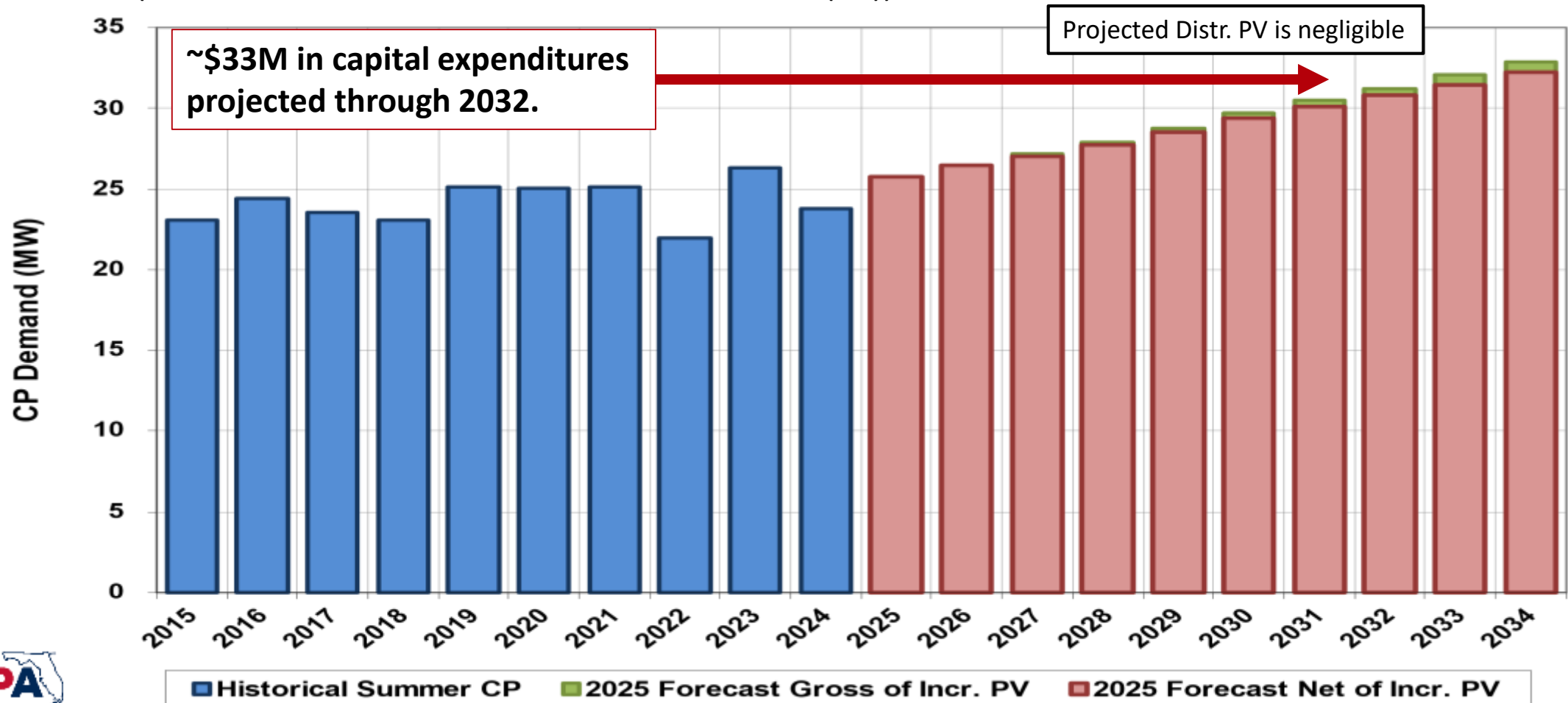


Future Load Growth Expectations Drive Investments

Must Proactively Plan Infrastructure To Support Needs

Projected GCS Delivered Summer Coincident Peak Demand

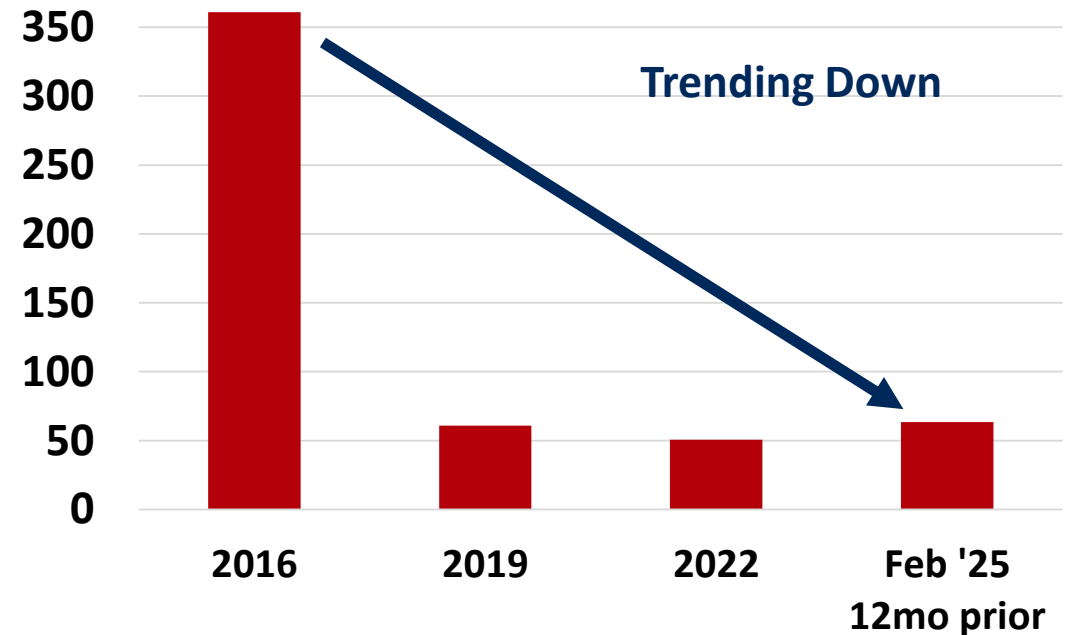
Base Case (Gross and Net of Incremental Distributed Solar (PV))



Reliability and Key Capital Projects Support Utility Growth and System Reliability Focused Efforts

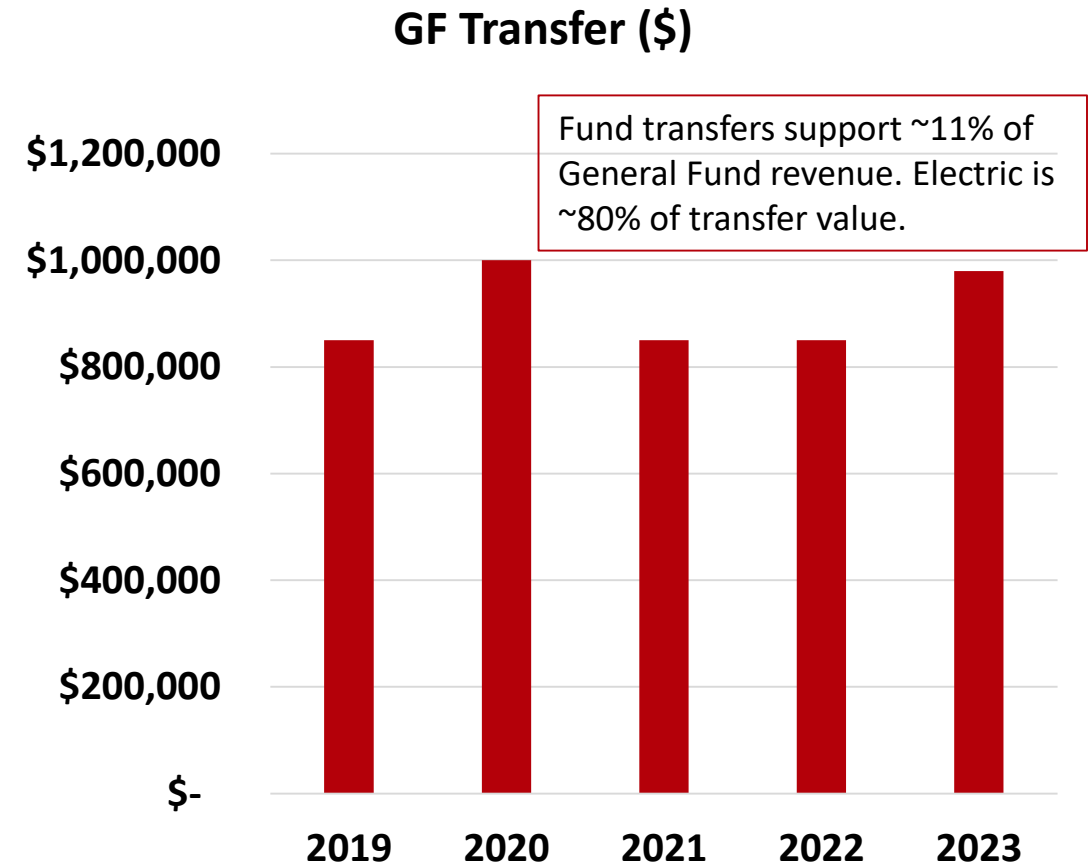
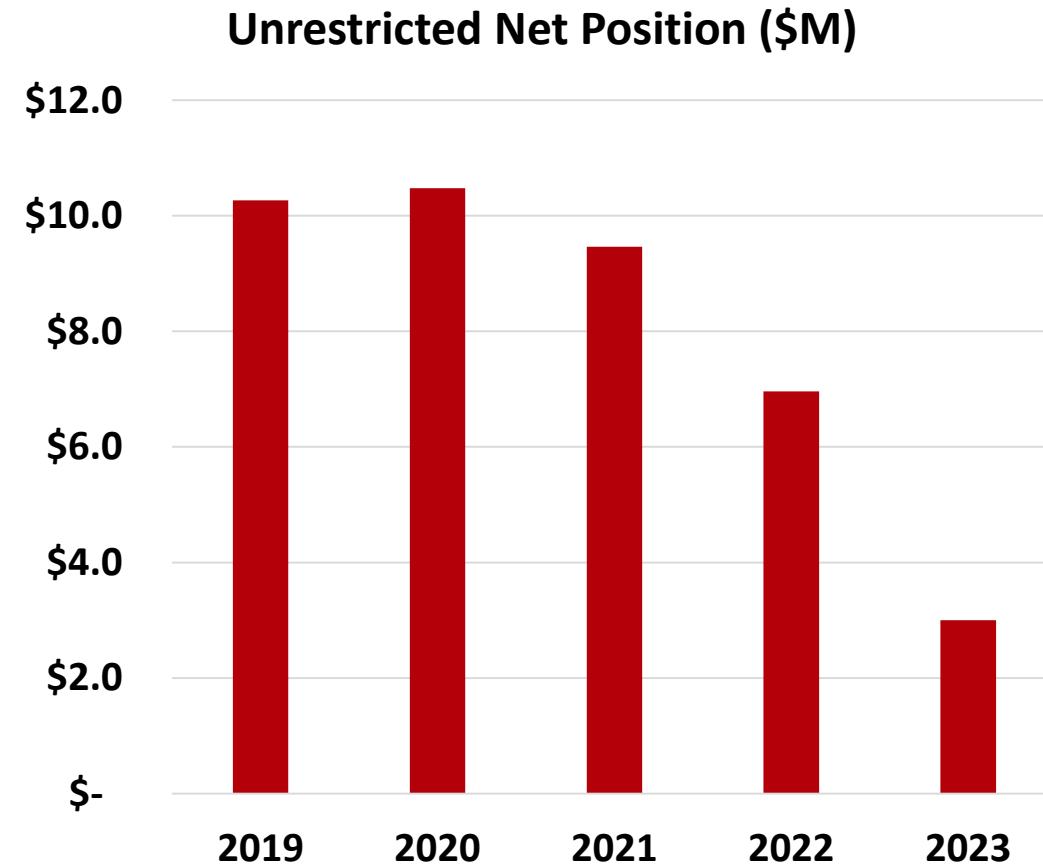
- Reliability capital improvements
 - Working to lower outage durations
 - North end of town voltage conversion
 - Replacing older transformers
- Preparing for growth
 - Rookery subdivision project
 - Magnolia Ave. North feed extension
- Continual improvement to the system benefits all current and new residents

Green Cove Springs Annual and Near-Term Rolling 12-Mo. Average SAIDI (Minutes)



Recent Revenues Insufficient To Cover Electric Cost

Net Position Declining, Electric Transfers ~80% of Total



Leidos Review of Rates Drives Revenue Sufficiency

Capital/O&M Plan With No “Plan of Finance” Rarely Gets Accomplished



Rate study looks across entire electric business to answer key questions to support prioritized plan with sufficient detail.



What are the crucial capital expenditure needs of the enterprise? How will funds be secured?



What new technologies do we want to deploy? Are they high priority?



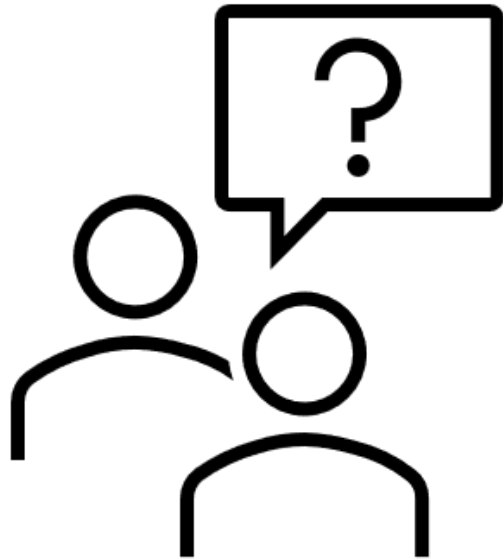
What are the administrative and general costs we expect?



Do we have enough revenue to accomplish our goals?

Impact On Rates Reviewed Iteratively in Leidos Model

Priorities, Timing, Customer Rate Impacts All Part of Equation



As wholesale power costs evolve, model adjusts to ensure break-even on power costs via PCA.



How do rates compare with neighbors? What can we afford, or can expenditures be smoothed?



Are strategic priorities part of adjusted rate structure?

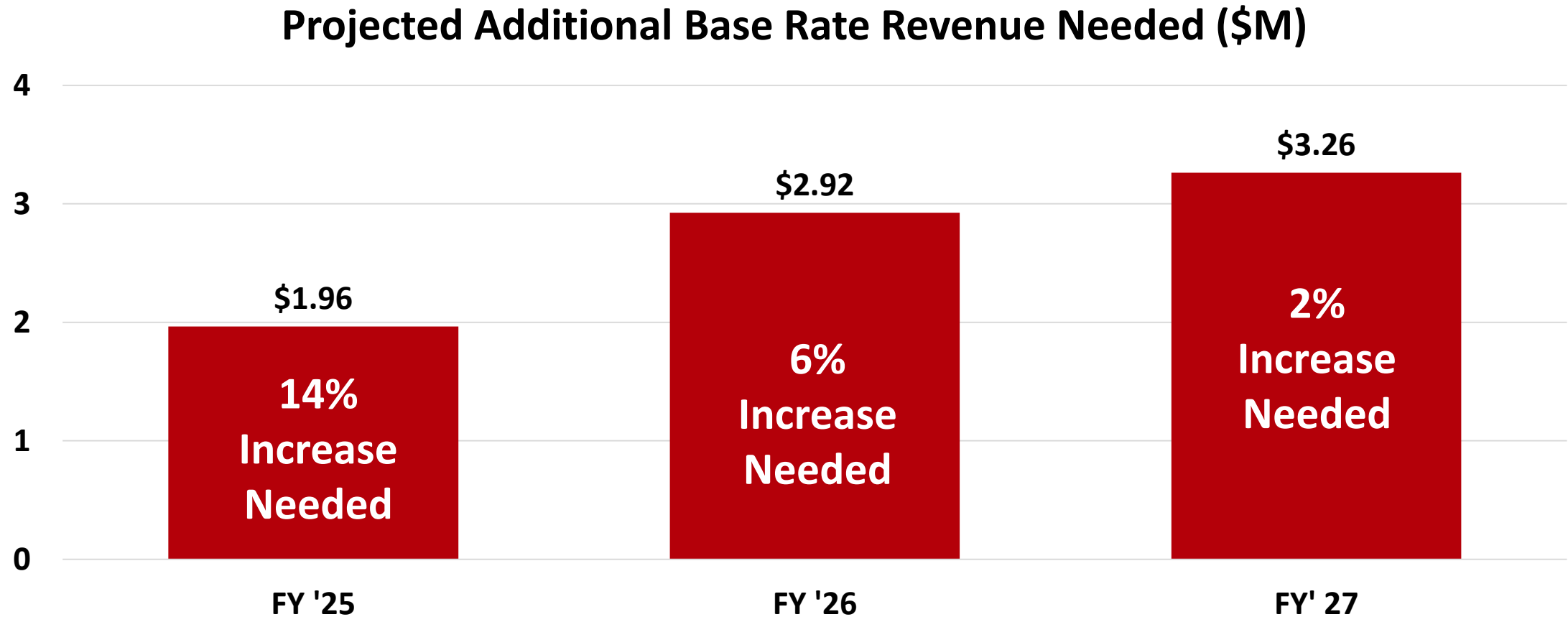
Leidos Rate Study Sought Ideal State for Electric Utility

Key Driving Assumptions Impact Revenue Requirements

- **Retain Utility Value Delivery** - General Fund transfer modeled per electric tariff as 13% of prior year base revenues per year
- **Conservative Basis for Retail Sales** - flat load forecast
- **Accurate Starting Point for Modeling**
 - Capital improvement trust balance adjusted for FY'25
 - FY '24 trued up to reflect actual performance
- **Adequate Funding for Future Capital** - CIP/R&R Fund build modeled as 3% of base revenues in FY '26 – results in ~\$500k per year to R&R and capital reserve

Base Rate Revenue Needed Drives Rate Increases

Based on Modeling By Leidos Over Full Fiscal Year Periods



Base Rate (14%) Increase Maintains Competitiveness

IOU Rate Increases Expected, PCA Strategy Varies By Entity

Utility & Period (Historical or Projected)	Residential Base Charges (\$/MWh) (1,000 kWh)	PCA (\$/MWh)	Total (\$/MWh) (1,000 kWh)
Clay Electric 12-Mo. Avg ³	\$116.00	\$16.00	\$132.00
FPL March 2025 ²	\$110.06	\$24.08	\$134.14
GCS March 2025	\$135.19	\$10.00	\$145.19
FPL NW March 2025 ¹	\$124.20	\$24.08	\$148.28
FPUC March 2025 ¹	\$86.61	\$76.26	\$162.87
GCS Proj. Summer 2025	\$154.12	\$10.00	\$164.12
DEF March 2025 ¹	\$148.13	\$36.30	\$184.43

1 – FMEA rate comparison

2 – FPL website

3 – Clay Electric based on the FKEC Board Book and other public information.

Alternative Option For Rates – First 1,000 kWh Res.

CITY OF GREEN COVE SPRINGS, FLORIDA Electric Cost of Service Study Update

Comparison of Existing and Proposed Residential Service Rates [1]

			Residential Service				
			Existing	Option 2			
Customer Charge		(\$)	\$16.50	\$18.81			14.00%
Energy Charge	First 1,000 kWh	(\$/kWh)	\$0.11869	\$0.13054			10.00%
Energy Charge	Additional kWh	(\$/kWh)	\$0.12344	\$0.15430			25.00%
BCPA [2]	All kWh	(\$/kWh)	\$0.00000	\$0.00000			

Usage (kWh)	Existing		Option 2		Difference		
	Amount (\$)	Unit Cost (Cents/kWh)	Amount (\$)	Unit Cost (Cents/kWh)	Amount (\$)	Unit Cost (Cents/kWh)	Percent (%)
500	75.85	15.169	84.08	16.816	8.23	1.647	10.85%
600	87.71	14.619	97.13	16.189	9.42	1.570	10.74%
700	99.58	14.226	110.19	15.741	10.60	1.515	10.65%
800	111.45	13.932	123.24	15.405	11.79	1.473	10.58%
900	123.32	13.702	136.29	15.144	12.97	1.441	10.52%
1,000	135.19	13.519	149.35	14.935	14.16	1.416	10.47%
1,100	147.53	13.412	164.78	14.980	17.24	1.567	11.69%
1,200	159.88	13.323	180.21	15.017	20.33	1.694	12.71%
1,300	172.22	13.248	195.64	15.049	23.41	1.801	13.60%
1,400	184.57	13.183	211.07	15.076	26.50	1.893	14.36%
1,500	196.91	13.127	226.50	15.100	29.59	1.972	15.03%
2,000	258.63	12.932	303.65	15.182	45.02	2.251	17.41%
2,500	320.35	12.814	380.80	15.232	60.45	2.418	18.87%
3,000	382.07	12.736	457.95	15.265	75.88	2.529	19.86%

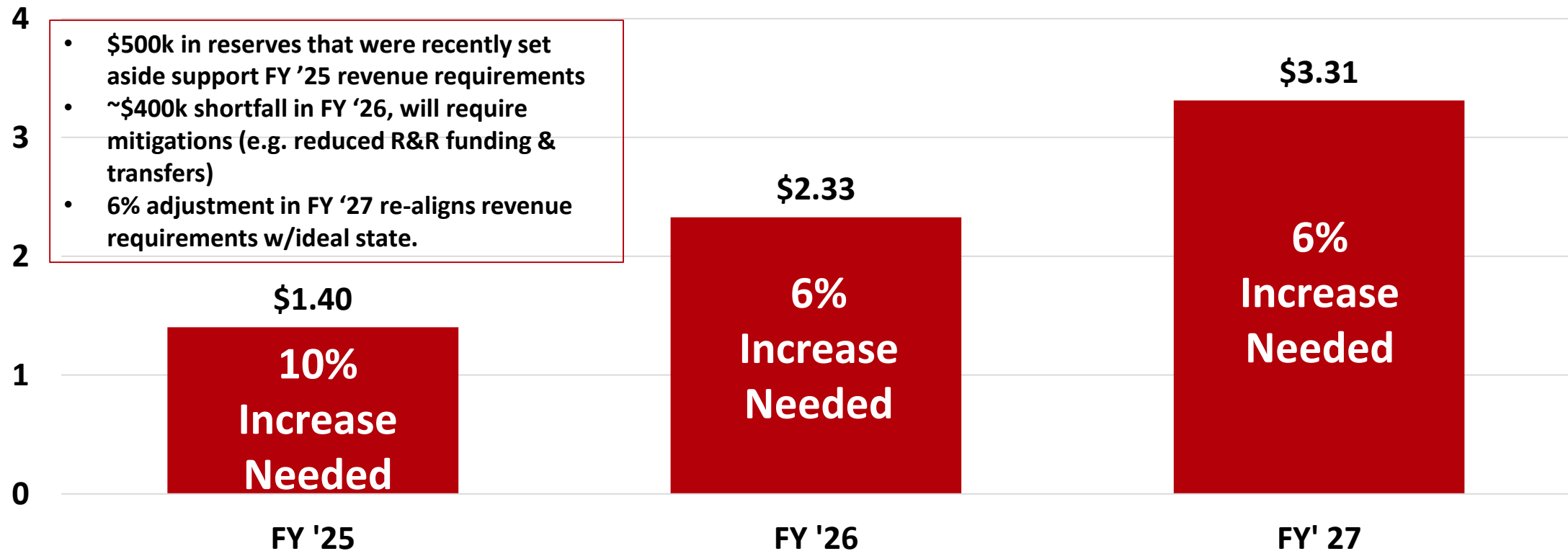
[1] Amounts shown reflect single phase, inside the City service.

[2] Projected Bulk Power Cost Adjustment.

Base Rate Revenue Alternative Option From Leidos

General Reserve Utilization in FY '25, Smooths Rates

Projected Additional Base Rate Revenue Needed (\$M)



Base Rate (10%) Increase Maintains Competitiveness

IOU Rate Increases Expected, PCA Strategy Varies By Entity

Utility & Period (Historical or Projected)	Residential Base Charges (\$/MWh) (1,000 kWh)	PCA (\$/MWh)	Total (\$/MWh) (1,000 kWh)
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Smoothed Option For Rates – First 1,000 kWh Res.

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Customer Charge		(\$)	\$16.50	\$18.15			10.0%
Energy Charge	First 1,000 kWh	(\$/kWh)	\$0.11869	\$0.12581			6.0%
Energy Charge	Additional kWh	(\$/kWh)	\$0.12344	\$0.14936			21.0%
BPCA [2]	All kWh	(\$/kWh)	\$0.00000	\$0.00000			

Usage (kWh)	Existing		Option 2		Difference		
	Amount (\$)	Unit Cost (Cents/kWh)	Amount (\$)	Unit Cost (Cents/kWh)	Amount (\$)	Unit Cost (Cents/kWh)	Percent (%)
500	75.85	15.169	81.06	16.211	5.21	1.042	6.9%
600	87.71	14.619	93.64	15.606	5.92	0.987	6.8%
700	99.58	14.226	106.22	15.174	6.63	0.948	6.7%
800	111.45	13.932	118.80	14.850	7.35	0.918	6.6%
900	123.32	13.702	131.38	14.598	8.06	0.895	6.5%
1,000	135.19	13.519	143.96	14.396	8.77	0.877	6.5%
1,100	147.53	13.412	158.90	14.445	11.36	1.033	7.7%
1,200	159.88	13.323	173.83	14.486	13.95	1.163	8.7%
1,300	172.22	13.248	188.77	14.521	16.55	1.273	9.6%
1,400	184.57	13.183	203.70	14.550	19.14	1.367	10.4%
1,500	196.91	13.127	218.64	14.576	21.73	1.449	11.0%
2,000	258.63	12.932	293.32	14.666	34.69	1.735	13.4%
2,500	320.35	12.814	368.00	14.720	47.65	1.906	14.9%
3,000	382.07	12.736	442.68	14.756	60.61	2.020	15.9%

[1] Amounts shown reflect single phase, inside the City service.

[2] Projected Bulk Power Cost Adjustment.

Additional Energy Saving Resources

Visit greencovesprings.com For A Comprehensive List

- Reduce electric usage to offset rate increases
 - Turn up your thermostat
 - Warm or cold water for washing clothes
 - Run dishwasher when it is fully loaded; turn off heated dry cycle
- Explore energy rebate options for qualifying ENERGY STAR® equipment and/or appliances
 - Details and documentation available at greencovesprings.com
- Budget Billing Program applications available
 - Applicants must be ages 65 and older, 100% military-disabled, or on permanent/total social security disability
 - Proof of age and disability are required to participate in this program