

EXECUTIVE BRIEF UTILITY MEETING

AGENDA DATE: June 28, 2022

DEPARTMENT: Electric Utility

TITLE:

Electric Utility Integrated Resource Planning Process Presentation and Discussion

SUMMARY:

Development of an Integrated Resource Plan (IRP) for City's Electric Utility

BACKGROUND AND JUSTIFICATION:

Resource Plans are an important element in planning for future sources of energy and capacity by an electric utility. Integrated Resource Plans blend both supply-side options with demand-side options to develop a roadmap of preferred options for meeting customer needs and serve as a guide in building the utility's portfolio. Factors considered while developing an IRP include system load growth, carbon reduction goals, generation and demand reduction technology alternatives and costs, fuel availability and prices, market capacity and energy prices, market economics, operations and maintenance costs, etc.

In 2018 City's electric utility developed a Resource Plan as a part of its Generation and Transmission Improvement Program (GTIP) which served as a roadmap for types of electric generation technologies that were available in the market and identified a recommended path forward for the City's electric utility supply portfolio. At that time City's electric utility had no formal resource plan and time was of the essence in formalizing a path forward in response to deteriorating transmission system and power plant reliability. The 2018 Resource Plan identified solar photovoltaic energy as a preferred resource option and served as a significant driver in City's subsequent decision to contract for 36.55 MW of solar power from the Florida Municipal Power Agency (FMPA). The 2018 Resource Plan also recognized the need for the electric utility to implement a second tie line to the regional transmission grid as a preferred alternative to improve transmission reliability, a project which is underway today.

It has now been four years since the completion of the 2018 Resource Plan. Resource Plans are not static tools however and should be refreshed from time to time allow for corrections in course that may be warranted as new technologies emerge, economic conditions change, customer needs change, etc. The next evolution of the plan is to include demand-side options to allow for a plan that recognizes demand-side alternative as a contributor to meeting future system needs.

City's electric utility staff will be working with the authors of the 2018 Plan to develop the 2022 Integrated Resource Plan.

MOTION:

N/A

ATTACHMENT(S):

Presentation by Horizons Energy & Staff

FISCAL IMPACT ANALYSIS:

N/A