

# STAFF REPORT UTILITY MEETING

**AGENDA DATE:** August 27, 2024

**DEPARTMENT:** Electric Utility

**TITLE:**

Florida Municipal Power Agency (FMPA) to provide Transmission Operations Support for certain limited Transmission Operator Activities

**SUMMARY:**

Request for approval of contracted support services from FMPA required to successfully operate under and comply with additional federal regulatory requirements associated with the City's electric utility's second interconnection to the Florida Power and Light ("FPL") high voltage transmission system.

**BACKGROUND AND JUSTIFICATION:**

The City of Lake Worth Beach, FL ("City") power delivery architecture has historically been comprised of a single radial interconnection to the FPL high voltage transmission system. City's electric utility and FPL are currently underway with construction of a second interconnection between the City's electric utility's electric transmission system and the FPL high voltage transmission system. When completed, the second interconnection will improve the reliability of the City's electric utility's electric transmission and distribution system. Preceding the completion of this construction, the City's electric utility must prepare for increased regulatory compliance responsibilities arising from the revised transmission configuration, which require Lake Worth Beach's electric utility to register as a Transmission Operator (TOP) as defined by the North American Reliability Corporation (NERC).

To support these requirements, City has executed a Transmission Operator Alliance Agreement with Orlando Utilities Commission (OUC), Kissimmee Utility Authority (KUA), and the City of Jacksonville Beach (Beaches Energy) under which OUC will provide certain TOP responsibilities on behalf of the Alliance participants such that the participants will jointly share in certain federally required operating and regulatory compliance activities. However, certain technical compliance responsibilities will remain with the City related to electric transmission operations planning. Currently, the Florida Municipal Power Agency (FMPA) serves as City's Transmission Planner and has offered to expand its support to provide transmission operations support for certain limited CTOP activities required of the City. Budget appropriations will commence in fiscal year 2025.

**MOTION:**

Move to approve/disapprove Florida Municipal Power Agency (FMPA) to provide Transmission Operations Support for certain limited Transmission Operator Activities

**ATTACHMENT(S):**

Fiscal Impact Analysis

Letter Agreement for Transmission Operations Support of Certain Limited CTOP Activities

**FISCAL IMPACT ANALYSIS**

Five Year Summary of Fiscal Impact:

<b>Fiscal Years</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
<b>Inflows/Revenues</b>					
Appropriated (Budgeted)	0	0	0	0	0
Program Income	0	0	0	0	0
Grants	0	0	0	0	0
In Kind	0	0	0	0	0
<b>Outflows/Expenditures</b>					
Appropriated (Budgeted)	0	0	0	0	0
Operating	0	\$70,000	\$70,000	\$70,000	\$70,000
Capital	0	0	0	0	0
<b>Net Fiscal Impact</b>					
<i>(If not budgeted)</i>	0	0	0	0	0
<b>No. of Addn'l Full-Time</b>					
<b>Employee Positions</b>	0	0	0	0	0

<b>New Appropriation (Not Budgeted) Fiscal Impact:</b>	
	<b>Revenue Source</b>
<b>Department</b>	<b>Expenditure</b>
	Electric Utility
<b>Division</b>	System Operations
<b>GL Description</b>	Contractual Services
<b>GL Account Number</b>	401-6033-531.31.90
<b>Project Number</b>	N/A
<b>Requested Funds</b>	\$70,000
<b>Remaining Balance</b>	N/A