

DISPATCH

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Envisioning a Greener Future

Strong Environmental Goals Call for Innovative Power Mix

Municipal Utilities Examine Renewable Power Resources

THE issue of global climate change has captured society's attention, and the response to this global challenge will impact many facets of our lives, especially the ways we use and produce energy.

In Florida, change is already on its way. Gov. Charlie Crist signed executive orders in July 2007 that call for Florida to move toward greater use of renewable energy, energy efficiency and conservation and lower greenhouse gas emissions. For utilities, there were two main provisions:

1. Setting a series of greenhouse gas reduction goals designed to reach an emission level in 2050 equivalent to only 20% of 1990 levels.
2. Initiating a rulemaking that would require utilities to produce at least 20% of their electricity from renewable sources.

Undertaking this major shift in generation methods will require significant investment by utilities and, ultimately, their customers. Adding to the challenge of achieving these goals is the fact that Florida's population and its power needs are growing. In fact, when comparing the projected emission reductions with the estimated population growth, the proposed goals represent a 90% reduction in per capita emissions by 2050.

FMPA members are committed to finding solutions that balance these aggressive environmental goals with the reliable, affordable power supply their communities

depend upon. It is clear that a challenge this complex requires more than a one-size-fits-all answer. FMPA is pursuing a balanced mix of power supply resources that includes proven, reliable technologies, like generators fueled by clean-burning natural gas, as well as innovative renewable energy technologies.

Clean Existing Fleet of Generation

Clean-burning natural gas is the largest component of FMPA's generation fleet. Natural gas, the cleanest fossil fuel, reduces overall emission levels and keeps the environment clean. Coal-fired generation only accounts for 20% of FMPA's total portfolio, whereas nearly 50% of the United States' electricity is generated from coal.

Modernizing Our Fleet of Generation

Like cars, some power plants use fuel more efficiently than others. And like cars, modernizing a fleet of power generating resources increases fuel efficiency. FMPA began an effort in 2003 to modernize its generation fleet. One example is FMPA's Treasure Coast Energy Center, a 300 MW natural gas-fired combined cycle power plant currently under construction. The plant is scheduled to begin operating in May 2008. When it does it will generate power 40% more efficiently than the generation it will replace. It will use less fuel, create fewer emissions per kilowatt hour and generate more power than units being retired.

Renewable Technologies

FMPA members currently receive power from two renewable power sources: a cogeneration plant fueled by a sugar by-product and a plant supplemented by landfill gas. FMPA is actively seeking to increase the role that renewable resources play in the power mix. FMPA is investigating a variety of renewable technologies:

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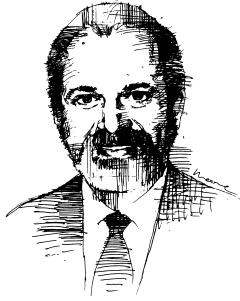
INSIDE



**Greener Communities
Greener World**
an FMPA Initiative
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Greener Communities. Greener World.

By Roger A. Fontes
General Manager and CEO



Roger A. Fontes

Spring brings warm weather, fresh growth and a sense of hope for the future. As the season's warm breezes sweep the landscape, so too has a new initiative swept into FMPA—a commitment that is inspiring new energy and creativity as we plan for the future of our industry.

That commitment is FMPA's new green initiative, which we are calling, "Greener Communities. Greener World." As the spring weather highlights the beauty of our natural world, what better time to rededicate ourselves to preserving it for future generations?

I say *re-dedicate* because environmental responsibility is not new to FMPA and its members. As community-owned utilities, being good stewards of the community and its environment is a core part of our values and business practices.

Why then did we designate a special environmental initiative? A national consensus is emerging that concludes we must all take our green efforts to the next level to solve today's environmental challenges.

Meeting the power needs of a growing population while addressing Florida's new energy policy direction is a tremendous challenge. To find balanced solutions, we must

unite the collective knowledge, skills and abilities of all our members and staff. We hope this initiative can be a catalyst to focus our efforts to create the solutions that will power our communities in the future.

The initiative's purpose is fourfold:

- Pushing each of us to focus on this important goal,
- Symbolizing the transition as we take our green efforts to the next level,

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Envisioning a Greener Future Power Supply *continued from page 1*

- **Solar:** FMPA is investigating the development of up to 100 MW of solar photovoltaic generation within the next five years. The Agency is currently identifying sites in All-Requirements member cities where solar installations could be located.
- **Biomass:** The Agency is currently investigating biomass-fueled generation opportunities and may negotiate a power purchase contract.
- **Biodiesel:** FMPA is investigating the opportunity to test the use of biodiesel in its combustion turbines at the Stock Island generating facility in Key West. If successful, the project could be a cutting-edge demonstration of how existing electrical generation can be converted to use renewable biofuels.

- **Plasma Arc Gasification:** FMPA is in early discussion stages with a firm developing a plasma arc gasification plant at a landfill in St. Lucie County, Fla. The plasma arc gasification process heats garbage with electrically generated plasma torches, converting the material to gas that can be used to generate electricity. The facility would eliminate additions to the landfill, since all waste would be incinerated or recycled.

Conservation

Reducing the consumption of electricity is also an important element of any future power supply plan. To learn more about what FMPA and its members are doing in this area, see page three of this newsletter.

Together, these resources and strategies will create a balanced power supply mix that will enable FMPA and its members to achieve their environmental goals, while also supplying the reliable, affordable power consumers depend on. ♦



Learn More

about FMPA's green initiative by visiting us online at green.fmpa.com

FMPA Employees Master the Three Rs of Green Lifestyles Reduce, Reuse, Recycle Are Core Parts of Green Initiative

FMPPA and its employees know that if FMPA and its members are to ask customers to change their habits for the greener, the Agency must lead by example. That's why an important part of FMPA's "Greener Communities. Greener World." initiative is to help FMPA's employees adopt sustainable behaviors in their lives and to demonstrate green practices in the Agency's facilities.

FMPA began implementing a broad range of green practices in day-to-day operations more than eight years ago with the construction of its energy efficient headquarters building. FMPA's building employs cost-effective, energy efficient options, such as high efficiency air conditioning, heavily insulated

roof and walls, super-efficient windows and sunshade devices to reduce glare and minimize heat gain while still reflecting light into the building.

When FMPA's office was built in 2000, it was ahead of its time in meeting standards for efficiency, and as technology has advanced, so has FMPA's commitment. A planned energy audit of FMPA's facility is expected to identify new opportunities to conserve energy and reduce operating cost.

FMPA also strives to provide a healthy indoor environment for its staff. Since 2003, the Agency has exclusively used environmentally friendly cleaning products in its facilities. When painting is necessary, FMPA uses paints low in volatile organic compounds.

FMPA's staff is also changing habits. A new, expanded office-wide recycling program launched in March makes it easier for staff to recycle many items, including paper, cardboard, cans, plastic and glass. The program also encourages reducing waste. Disposable cups at the Agency's office were replaced

with ceramic coffee mugs and biodegradable plastic cups. Kitchen items, including utensils, plates and bowls, were changed to compostable, biodegradable styles.

For many FMPA employees, the environmental commitment does not end when the work day does. FMPA's employee newsletter publishes a regular segment that features tips for implementing green practices at home.

"At FMPA, we are proud to do our part to protect the environment," said FMPA General Manager and CEO Roger Fontes. "It takes a commitment from every one of us to create greener communities and a greener world." ♦



Conservation in Your Community

Educating customers about energy efficiency and energy conservation is an important part of FMPA's environmental vision. Conservation begins at home and in the community, so local retail utilities typically take the lead on conservation campaigns. Through FMPA, municipal utilities can come together to share resources and ideas for promoting conservation. The power of joint action has produced several conservation programs implemented at utilities around the state:

- **Energy Depot:** FMPA introduced last year an online home energy audit program that enables customers to enter specific information on their homes and review specific measures they can implement to reduce energy consumption. Contact: Sharon Samuels
- **ENERGY STAR:** FMPA and its members are ENERGY STAR partners. ENERGY STAR is a joint program of the U.S. Environmental Protection Agency and the U.S. Department of Energy designed to help consumers save money and protect the environment through energy efficient products and practices. As a partner in

the program, FMPA distributes a variety of free ENERGY STAR resources to our members. Contact: Sharon Samuels

- **System Loss Reduction:** FMPA is working with interested members to review the efficiency of their local distribution systems and pinpoint opportunities to reduce losses and enhance efficiency. Contact: Mark McCain
- **Demand-Side Management:** FMPA recently issued a request for proposals seeking new demand-side management programs that could be offered to its members. In addition, FMPA is available to assist members in evaluating proposed conservation programs to assess their feasibility. Contact: Ann Beckwith

Individual members have initiated their own conservation programs including distribution of compact fluorescent light bulbs, retrofitting traffic lights, and energy saving programs for large industrial or commercial customers. To learn more about how your community can boost its conservation efforts, contact FMPA's staff. ♦

Green Initiative Launched

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Save a Tree: Go Paperless

The FMPA Dispatch is available electronically. Sign up to receive an Adobe PDF version of the newsletter by sending an e-mail to diane.burel@fmpa.com

- Uniting diverse green activities under one umbrella to help us communicate our efforts to the public, and
- Establishing community accountability for our goals.

The initiative name of “Greener Communities. Greener World.” was selected to remind each of us that we have the power to make a difference. In fact, individual responsibility and empowerment is an important part of the initiative. While we are studying innovative technologies and thinking years into our power supply future, we are also bringing environmental responsibility home to our own headquarters building in Orlando. We’re helping FMPA employees make greener choices in their every day lives both at work and at home. Seemingly small changes can lead to big results in the end.

Addressing today’s environmental challenges will take time and hard work. My hope is that our actions today will sow the seeds for a greener, cleaner future for us all. ♦

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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.

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