

**LAKELAND UTILITY COMMITTEE**  
**January 5, 2008**

The Lakeland Utility Committee met in the City Commission chambers. Members Stacy Campbell-Domineck, Paula Druen, Terry Simmers, Dave Curry, and Tom Joyner were present. George Lindsey had a scheduling conflict. Commissioners Jim Verplanck, Howard Wiggs, Gow Fields, Edie Yates, and Mayor Fletcher were present. Commissioner Justin Troller had a scheduling conflict. Commissioner Higgins was absent.

Mayor Fletcher called the meeting to order at 1 p.m.

Jim Stanfield announced this would be a short meeting as there was only one presentation. He distributed a DVD on climate change to all members. He encouraged them to watch the DVD to hear the other side of the global warming issue. There would be a similar presentation on January 20, 2009 on the impacts to Lakeland from proposals addressing climate change. It was time for the Utility Committee to inform officials of their opinion on these matters.

Mayor Fletcher introduced Dave Curry. He was the new board member.

**Technical Support FY08 Achievements**

Farzie Shelton made this presentation, a copy of which is on file in the City Clerks Office. She gave an overview of the Technical Support division and its achievements in FY2008. Technical Support included:

- System Planning
- Fuel Purchasing & Fuel Management
- Wholesale Energy Management Alternative Energy
- Environmental Permitting
- Technology Strategy and Planning

She reviewed each division's service statement, activities, and FY 2009 Goals.

**Discussion**

A PPR is a Personnel Performance Review and an IDP is an Individual Development Plan.

Tim McCausland announced there were two items approved by the Commission this morning on the Consent Agenda. He reviewed those two items for the Utility Committee.

The meeting adjourned at 1:26 p.m.

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Ralph L. Fletcher, Mayor

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Kelly S. Koos, CMC, City Clerk

# Technical Support

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# FY08 Achievements

Farzie Shelton

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January 5, 2009



# Overview

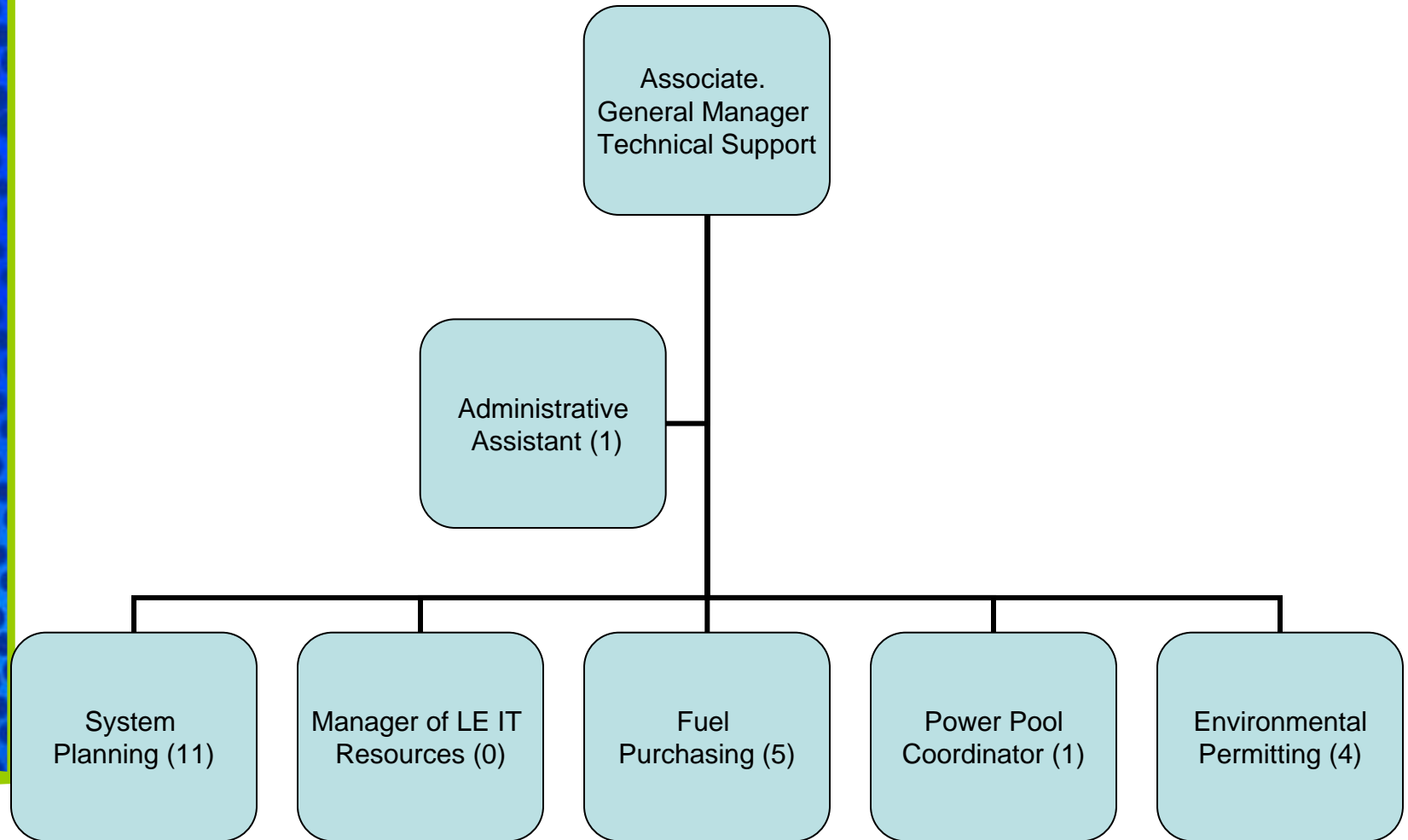
Technical Support (TS) division is the most diverse division consisting of :

- System Planning.
- Fuel Purchasing & Fuel Management.
- Wholesale Energy Management.
- Alternative Energy
- Environmental Permitting.
- Technology Strategy and Planning.

# Mission

- The TS staff are focused to anticipate, provide, and support other LE division's technical needs in order to support LE's, and COL's vision, mission, and achieve the Key Success Indicators (KSI) identified for success of LE operation, promoting:
  - **Interdivisional team work.**
  - **communication.**
  - **cooperation.**
- To that end TS staff will cooperate, and collaborate, with all COL and LE's departments to achieve its aims in providing its customer with excellent services.

# FY08 TS Organization



# System Planning

## Service Statement:

- To provide forecasting and infrastructure addition recommendations to cost effectively serve our electric customers with safe and reliable electric power and energy in accordance with national, state, and Lakeland Electric standards, guides, criteria, and directives.

# System Planning

## Activity Description:

The System Planning Section performs:

- Load and energy forecasting, electric resource planning.
- Transmission system planning.
- Distribution system planning.
- System statistics reporting and analysis, and regulatory compliance functions.
- Staff represents LE and participates in various state wide utility forecasting, reliability, coordination, and planning committees and task forces.

# LE IT Resources

Currently performed by LE Technology Steering Committee

## Service Statement:

Develop and implement a Technology Strategy that is in line with COL strategy and supports Lakeland Electric's Vision, Mission, Values and Strategic Plans.

# LE IT Resources

Currently performed by LE Technology Steering Committee

## Activities and Task:

1. Develop a Framework which establishes a consistent method for project selection, control, and evaluation based on alignment with LE's Technology Strategy.
2. Evaluate, assess, validate and approve existing improvements, or new technology requests from all divisions within LE.
3. Prioritize, provide input and submit all technological initiatives to LE's Executive Management Team for approval (or as specified by the General Manager of Lakeland Electric).

# Fuel Purchasing

## Service Statement:

The Fuels Group provides reliable, cost effective fuel purchasing and delivery services for the generating plants to service the electric needs of Lakeland Electric's customers.

# Power Pool Coordinator

## Service Statement:

To provide electric reliability at the best value for LE's Customers, through capacity and energy purchases and maximization of revenues on assets to the City of Lakeland through capacity and energy sales.

LE's day to day representation at the FMPP

# Power Pool Coordinator

## Activity Description:

1. Overseeing bulk power purchases and sales for Lakeland Electric.
2. Responsible for emergency purchases of energy to supplement Lakeland Electric's generating units.
3. Perform planning and forecasting of Power Pool short-term load.
4. Forecast bulk power trades and unit generation commitments at the Florida Municipal Power Pool (FMPP).

# Environmental Permitting

## Service Statement:

- Obtain all workable permits necessary for the operation of the LE with permit conditions which is cost effective for our customers with minimum interruptions to operation.
- Provide environmental training for LE's personnel to foster appreciation for the importance of Environmental Laws, Regulation and compliance.

# Environmental Permitting

## Activities and Task:

1. Compliance monitoring and reporting.
2. Obtain construction and operation permits for LE.
3. Monitor and participate in environmental legislations.
4. Monitor and participate in environmental regulations.
5. Represent LE in various local, state, and federal environmental rule making.

# Technical Support

## FY08 Achievements

### Process Improvement:

1. Formed and chaired LE Technology Steering Committee (LETSC).
2. Developed a tracking system for memorializing the mitigation of excess natural gas capacity on the FGT and Gulfstream pipelines.
3. Instituted electronic file management for environmental permitting library files.
4. Began a weekly cross-training program for the Fuels Coordinators and Statistician.

# Technical Support FY08 Achievements

## Cost Savings:

1. Operated \$0.5M below its intended approved budget for 2008.
2. In compliance with CAIR obtained timely permit for installation of SCR at LE's option to/not operate this pollution control device; with the remand of CAIR this permit saved LE approximately \$1M annually in O&M.

# Technical Support FY08 Achievements (cont.)

## Cost Savings:

3. Purchased energy - 187 Mw at a cost of \$17,710 and avoided estimated pre-scheduled energy and capacity payments of \$67,750.
4. Negotiated purchase power agreement with Ridge Energy.
5. Participated in daily and monthly discussion with other FMPP fuel agents to better coordinate and optimize natural gas usage in the pool.

# Technical Support

## FY08 Achievements (cont.)

### Cost Savings:

6. Worked with FGT to move natural gas receipt points to “firm supply” points we can use for the natural gas prepayment transaction being worked on by the Department
7. Purchased approximately 40% of the summer gas supply, in advance, at a price discounted to NYMEX.
8. Solar / Green Pricing Projects:
  - *Utility photovoltaic initiative (Sun Edison).*
  - *Solar hot water program expansion (Regenesis Power).*

# Technical Support FY08 Achievements

## Teamwork:

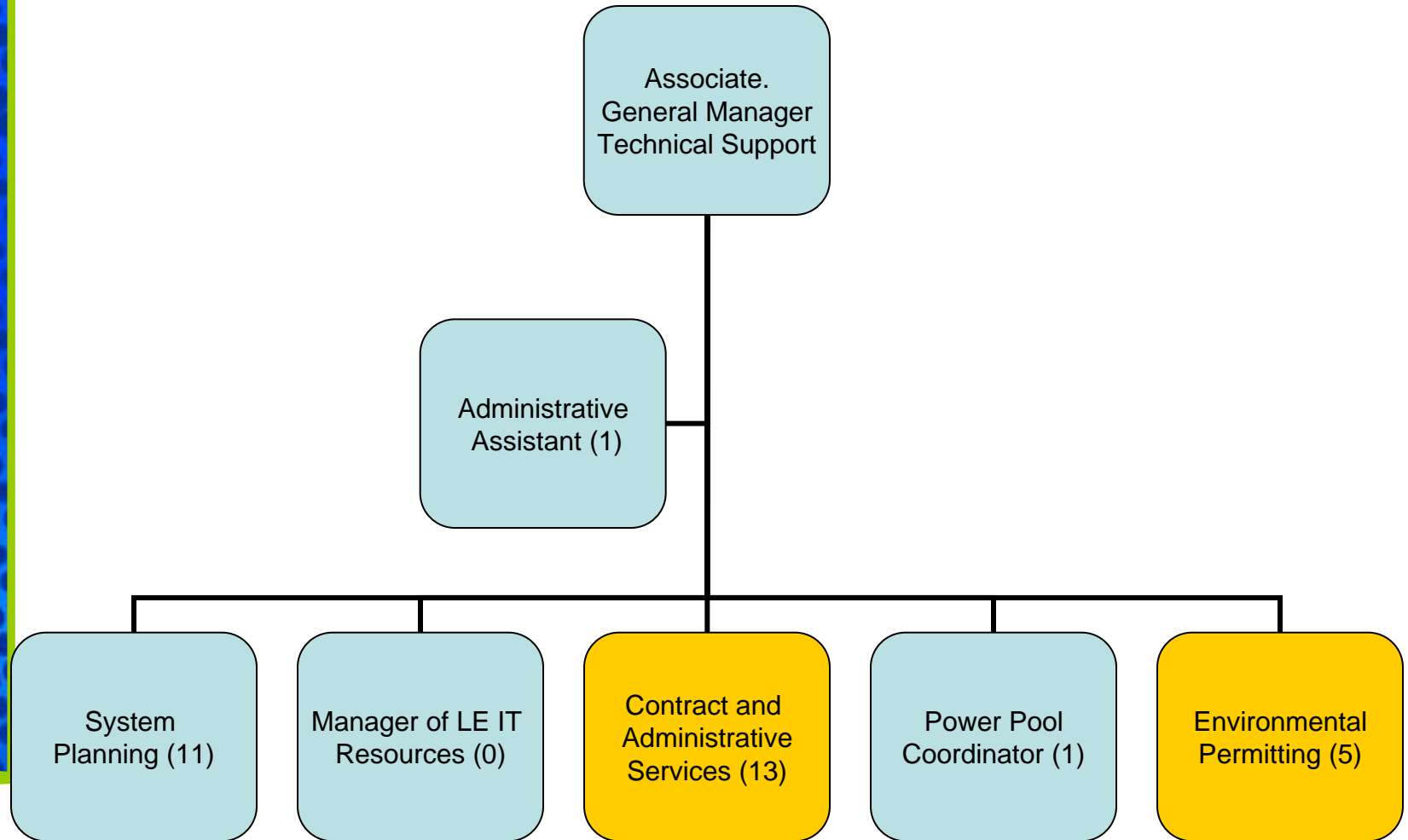
1. Participated in the 2007 FRCC/NERC compliance audit with zero discrepancies in the area of system planning.
2. Mace Hunter Organized the Municipal Sector of the Florida Cost Based Broker System and was elected Chair of the group.

# Technical Support FY08 Achievements (cont.)

## Teamwork:

4. Formed and chaired LE Technology Steering Committee (LETSC) to meet one of LE's KSI for "*Efficiently integrate technology into LE's business operations.*"
5. Worked with the Production Group to balance and control the coal inventory at McIntosh Plant.

# FY09 TS Organization



# Technical Support FY09 Goals

1. Install 0.5 MW Photovoltaic.
2. Install 200 Solar Hot Water heaters.
3. Establish and update the 3YR LE Technology project plan (measure progress performance).
4. Utility IT benchmarking and establish performance measures.

# Technical Support FY09 Goals (cont.)

5. Request all divisions for input for improving the services provided by the “Admin Services group” including any additional cost saving services which will help these divisions productivity.
6. Shipping & Receiving Rapid Process Improvement (RPI) Project.
7. Purchase capacity and energy to supplement LE’s energy production to serve our customers.

# Technical Support FY09 Goals (cont.)

8. Environmental Permitting to establish a task force with Production and Delivery to provide timely and cost effective environmental oversight for these divisions.
9. Complete one IDP action item for each employee.
10. Complete PPR for all employees in timely manner.
11. Prepare budget and control costs.

# Questions

