





## MORE THAN 3 MILLION FLORIDIANS ARE COUNTING ON US

Florida Municipal Power Agency (FMPA) is a wholesale power agency owned by municipal electric utilities in Florida. We have 33 members and supply power at least partially to 25 of those communities. We are focused on the basics of power generation because Florida residents need electricity to be affordable and reliable, and they want it to be clean. This is part of our mission, and our members and their customers are counting on us to deliver.





# A LOT CAN HAPPEN IN 45 YEARS

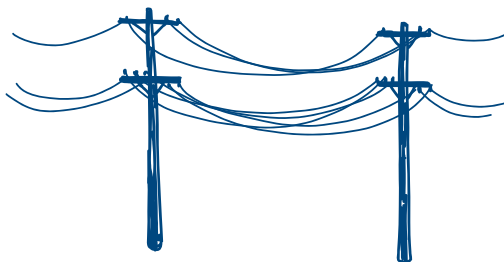
SUCCESS

Big change often brings disruption, adaptation, and eventually adoption, and, in the more than 45 years since FMPA formed on Feb. 24, 1978, we have witnessed this firsthand. In this milestone year, we are celebrating four and a half decades of change and growth with our members while always maintaining the same mission: providing reliable, low-cost energy to customers.

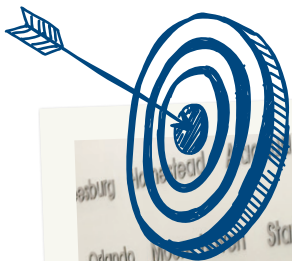
As we reflect on 2023 in this report, we acknowledge it has been a record year for FMPA for many reasons. We grew our membership to include every municipal electric utility in the state and continued to expand our investment in renewable energy sources. We celebrated reliability milestones, even when facing all-time peaks during a record-breaking summer strain. We completed purchase agreements that will double the number of plants we have operational control over by 2025. We also went on the record and stood as a leading voice among those advocating for a sustainable and reliable future for Florida's energy sector.

This report is a glimpse into what we have accomplished in 2023, as well as the challenges and opportunities the year has brought.

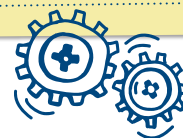
We're excited to celebrate 45 years of progress, and we're grateful to our members who continue to take those steps with us into the next 45.



# REPORT FROM MANAGEMENT



Bob Page, Barbara Quiñones, Jacob Williams, Raynetta Curry Marshall



People often say that change is the only constant in life, and Florida experienced several challenges and changes in 2023. From rapid population growth to potential regulation changes altering generation to gas prices beginning to settle, differences from the norm were all around us at FMPA.

However, each of these experiences created the opportunity for our members to come together and work toward the best possible solution for their customers and, in some cases, all Florida residents. In a year that presented unique challenges, the Agency held strong in its commitment to providing low-cost, reliable and clean energy.

### **GROWING STRONGER TOGETHER**

In May 2023, JEA joined FMPA, marking the first time all 33 municipal utilities in Florida serve as member-owners of the Agency. JEA serves an estimated 500,000 electric customers, making it the largest municipally owned utility in the state and one of the largest in the country.

“FMPA is an impressive organization that offers great benefits for its members to discuss mutual experiences and technology [and] to network,” Raynetta Curry Marshall, JEA’s chief operating officer and JEA’s director on FMPA’s Board of Directors, said. “All these things are important, especially as the industry is changing.”

“There’s rapid change in the way we’re doing business, especially as municipal utilities.”

Marshall shared that she envisions JEA continuing to develop its relationship with FMPA and leveraging opportunities to share experiences and best practices both between organizations and among FMPA’s Board members, noting that utilities of all different sizes often experience the same things. She also sees the partnership as an effective way for JEA to continue to build its public power presence in the industry and build relationships with other associations.

Working together enables members to collaborate on solutions, draw on each other’s experiences and support one another in times of need. FMPA supports these efforts through member services projects, trainings and roundtables throughout the year, which help ensure our members’ customers have access to low-cost, reliable, clean energy.

### **ENSURING RELIABLE GENERATION**

FMPA had a landmark year with its history of reliable generation. On Aug. 14, 2023, the Agency celebrated 40 years as a minority owner in the St. Lucie Unit No. 2 nuclear power plant, which is part of Florida Power and Light’s (FPL) two-unit nuclear generating operation.

St. Lucie was FMPA’s first power supply project, dating back to February 1982, and Unit No. 2 generates 984 MW of power and has achieved an 83.7% capacity factor since operations began in 1983. The unit also serves as a low-cost resource for FMPA members.

“As a small city with approximately 10,000 people and plus or minus 4,000 electrical customers, we don’t have the capacity to pull together power supply sources on our own to this scale,” Bob Page, former Green Cove Springs mayor and city council member, said of the city’s reliance on St. Lucie Unit No. 2.

This isn’t the only source of reliable generation for FMPA to set a new benchmark this year. Treasure Coast Energy Center Unit No. 1 achieved an operational milestone for the unit with 229 continuous days of operation. The operating run ended Dec. 3, 2022, when the unit was taken offline for a scheduled maintenance outage.

Related to outstanding performance, Cane Island Power Park received a Top Plant Award from POWER Magazine, making it one of only five natural gas fired plants in the world to earn this distinction in 2022.



Reliable generation sources like these supported both the Florida Municipal Power Pool (FMPP) and the Florida Reliability Coordinating Council (FRCC) which set all-time peak records in late 2023. Both organizations experienced all-time peaks during the soaring temperatures in August without experiencing any significant reliability issues. FMPP set an all-time peak Aug. 9 with 4,033 megawatts (MW). FRCC set an all-time peak the day prior with an instantaneous peak load of more than 54,000 MW for the peninsular Florida area.

Despite a challenging year for gas prices in 2022, 2023 offered a bit more stability, helping to provide a lower rate. The average rate for fiscal year 2023 was \$91.76 per megawatt hour (MWh), which is an 8% decrease from last year. This is significant, especially given rising costs among many investor-owned utilities (IOUs) and fluctuating costs last year that caused challenges for many Florida residents.

“The best accomplishment...is the fact that we were able to have a stable rate for our rate payers,” Page, who also serves as the secretary of FMPPA’s Board of Directors and All-Requirements Project (ARP) Executive Committee and chair of the Policy Makers Liaisons Committee (PMLC), said.

“It was slightly higher than we would want, but customers could plan for a meaningful life.”

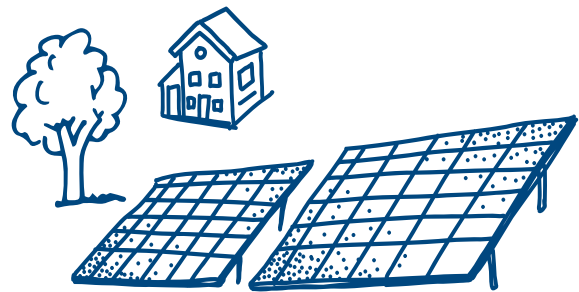
In an effort to continue providing Florida residents with affordable, reliable power, FMPPA entered agreements to purchase three natural gas-fired combined cycle generation plants. The plants, which include one in Orlando and two near Bartow, are capable of 339 MW of generation.

The Agency expects to close the acquisitions in 2024 and 2025. With the successful completion of the acquisitions, FMPPA

anticipates controlling 2,100 MW of generation resources necessary to support the needs of the utilities participating in the ARP.

Another Member Services effort completed in 2023 to assist member cities in protecting their generation involved closing on a pooled loan in November 2022 with Homestead. The loan, which is part of the Pooled Loan Program available to members to finance capital projects used to enhance their municipal electric systems, will allow the city to expand its ring bus substation and continue storm hardening projects.

### INVESTING IN AFFORDABLE, CLEAN ENERGY



FMPPA announced the Phase III expansion of the Florida Municipal Solar Project (FMSP) in July 2023, which is the largest expansion to the project. The project, which includes 20 municipal utility participants, provides cost-effective solar energy to customers. Phase III will bring four additional solar farms online, doubling the size of the project for a total of eight sites capable of generating approximately 600 MW of power by 2027.

Not only does Phase III make the FMSP one of the largest municipal-backed solar projects in the United States, but it’s also the first time several member cities, such as Green Cove Springs, will have access to solar power.

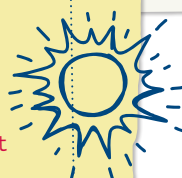
“Residents want clean, efficient power,” Page said. “As a smaller city, we were previously reluctant to take a big bite of the apple on our own, but with the Executive Committee involved, it was the right decision.”



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Ed Liberty, electric utility director for the City of Lake Worth Beach, speaks with Jan Bagnall, manager of member services development at FMPA. Under Liberty's leadership, the city was one of the first participants in the FMSP, and he serves as the Solar III Project Committee Chair, helping to guide the massive expansion.



“It’s right in our name – the city has a green cove with a nice spring. We want to be cognizant of the environment and good stewards of it.”

FMPA continues to explore ways to improve its generation mix while being conscious of environmental impact. Looking ahead, based on member interest, this may include pursuing more nuclear generation, which has proven to be successful in Florida as an emissions-conscious method of generation.

### **ADVOCATING FOR FLORIDA’S FUTURE**

Florida continues to experience rapid population growth, and other forces threaten Florida residents’ access to affordable, reliable power. In summer 2023, the Environmental Protection Agency (EPA) proposed a greenhouse gas (GHG) rule for electric utilities that targets CO<sub>2</sub> emissions from fossil fuel-fired power plants. The EPA’s proposal seeks to introduce experimental “green” hydrogen to partially fuel natural gas power plants by 2032, posing unique risks for Florida because the state depends on natural gas for 75% of its power supply.

FMPA filed comments with the EPA to express its concerns about the proposal, particularly noting the risks it creates for reliability and affordability. The Agency encouraged the EPA to delay the rulemaking and to consult with other federal agencies to learn about the unique economic and power reliability consequences of its proposed rules for Florida.

FMPA wasn’t the only organization to file comments with EPA about the proposal. The Agency joined the Florida Reliability Coordinating Council (FRCC) in filing. FRCC is a not-for-profit member services organization for Florida’s electric utilities that serves as a reliability coordinator and planning authority for these members.

“There’s a moral call to renewables, but there has to be a balance because folks want affordability,” Marshall said. “There has to be a balance with that and reliability.”

Marshall noted the unique challenges of solar and hydro energy generation in Florida, and Page also highlighted the unique position Florida is in.

“With the makeup of Florida, there’s only so much we can do to generate power, and there are so few resources to otherwise do that,” Page said. “I think it’s important to work to secure adequate natural gas pipelines to transport natural gas for generation and ensure we’re operating efficiently with what we do have.”

“It’s also important that our plans supplement the growth in Florida, especially with an estimated 1,000 new people moving to the state each day. That’s why I think nuclear generation is so important, and I’d like to see our generation grow from the current 4 to 5% to a solid double-digit percentage.”

FMPA is cognizant of the unique challenges ahead, and Marshall shared she can see FMPA being a voice for the industry, and she isn’t alone. The FRCC and Florida Electric Power Coordinating Group (FCG) both elected FMPA Chief Executive Officer and General Manager Jacob Williams as their respective chairs of each board of directors. FCG represents Florida electric utilities on industry-specific environmental issues.

### **FOCUSING ON WHAT’S NEXT**

From population growth to potential regulatory changes, the future proves to be an exciting time in the industry, especially in Florida. FMPA is prepared to advocate for Florida residents’ best interests and ability to provide for their families.



“It’s a team operation with a good balance,” Page said. “There’s an effective team with FMPA staff, leadership and day-to-day staff paired with effective people on the policy side.”

“Everyone is interested in doing what’s necessary to be the most effective organization.”

FMPA’s achievements throughout the last 45 years are a testament to the value of collaboration among the Agency and its members.

“When we do things together...it makes all the world of sense,” Marshall said. “There’s power in coordination and power in the group versus the one. All those things are a good way to go forward.”

While 2023 was a record-setting year, the accomplishments throughout the year are most significant to us because they allowed us to continue to honor our mission. Our ability to provide price stability and low-cost, reliable and clean power to more than 3 million Florida residents is the greatest feat of all, and we look toward 2024 as an opportunity to continue this by working with our members.

*Barbara Quiñones*

**Barbara Quiñones**

Chair, Board of Directors

*Jacob A. Williams*

**Jacob Williams**

General Manager and CEO



# A RECORD YEAR AT FMPA



With achievements like reducing costs, handling all-time peaks during scorching temperatures and expanding one of the largest municipal-backed solar projects in the country, FMPA had a record-setting year. Here are the 2023 fiscal year highlights by the numbers.

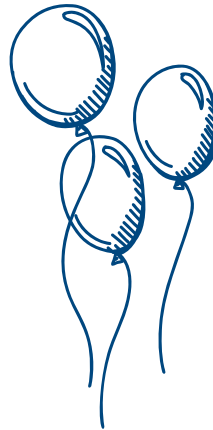
## TOP WORKPLACE

4



Orlando Sentinel named FMPA as a Top Workplace in Central Florida in 2023 based on anonymous feedback about company culture and employee engagement. This is the fourth consecutive year the Agency has earned this distinction.

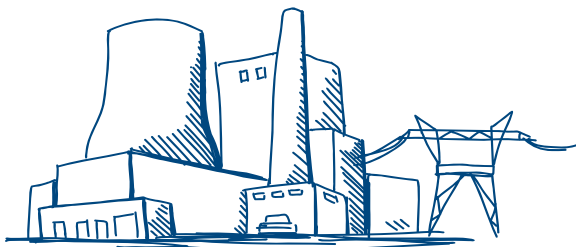
## ANNIVERSARY



45

FMPA celebrated its 45th anniversary on Feb. 24. Established in 1978, the Agency began with an interlocal agreement signed by 13 cities, which grew to 23 member cities by the organization's first meeting.

## ST. LUCIE UNIT NO. 2



40

FMPA celebrated 40 years as minority owners of St. Lucie Unit No. 2. The nuclear power plant serves as one of the most affordable generation options for FMPA's member cities and generates 984 MW.

## MEMBER PROJECTS

146



FMPA supported its members through 146 projects throughout the fiscal year. This includes leadership visits, member reliability project recommendations, community presentations, communication support projects, training sessions and roundtable discussions.

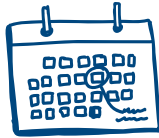
## CYBERSECURITY SUMMIT

# 120

FMPP and FMEA hosted the inaugural Florida Public Power Cybersecurity Summit in Nov. 2022. More than 120 cybersecurity professionals, utility managers and industry-leading experts met to learn about improved cybersecurity and response capabilities.

## CONTINUOUS OPERATION

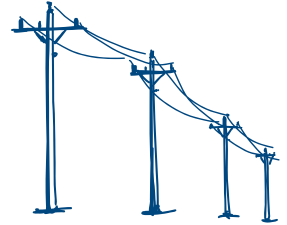
# 229



Treasure Coast Energy Center Unit No. 1 had a 229-day continuous operation run, going offline Dec. 3, 2022, for scheduled maintenance. The unit was just shy of Cane Island Unit No. 4's record of 234 continuous days of operation set in October 2021.

## PLANT ACQUISITIONS

# 339



FMPP entered agreements to purchase three gas-fired combined cycle generation power plants in Central Florida capable of generating 339 MW of power. The Agency anticipates completing the acquisitions in 2024 and 2025.

## FMPP ALL-TIME POOL PEAK



# 4,033

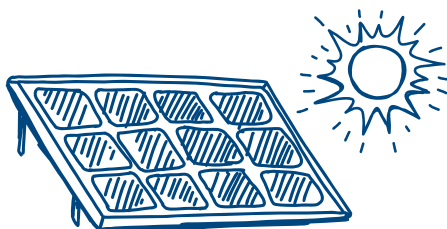
FMPP set an all-time pool peak over the summer. The pool peaked at 4,033 MW on Aug. 9 at 16:29 without any significant reliability issues.

## FRCC ALL-TIME POOL PEAK

# 54,187

FRCC set an all-time peak Aug. 8 without experiencing significant reliability issues. It achieved an instantaneous peak load of 54,187.8 MW at 16:26 and an integrated hourly load of 54,107 MWh for HE17.

## FMSP EXPANSION



# 600

FMSP announced Phase III expansion, which adds four more sites to achieve 600 MW of solar generation. The estimated 1.8 million solar panels in the entire project will generate enough solar energy to power 30,000 homes.

# FINANCIAL HIGHLIGHTS



After a previous year of challenging fuel prices, fiscal year 2023 provided a bit more stability. Here are some of the year's financial highlights.



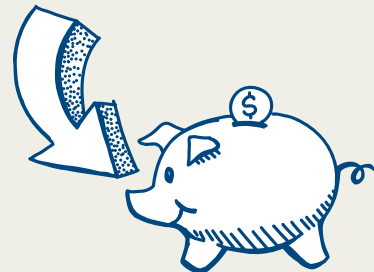
Prepaid natural gas transactions saved **\$6.3M**



Stanton II cost per MWH decreased **27%** from 2022 (\$142.26 to \$103.32)

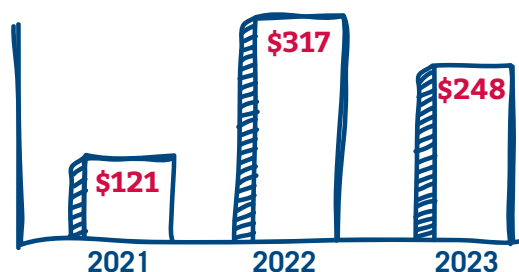


St. Lucie cost per MWH decreased **6%** from 2022 (\$57.13 to \$53.80)

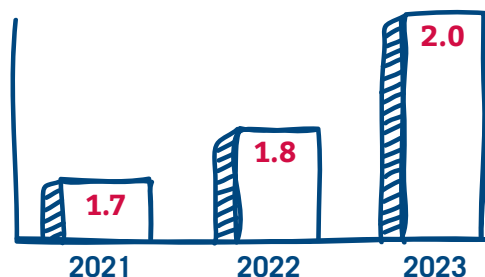


ARP cost per MWH decreased **8%** from 2022 (\$99.48 to \$91.76)

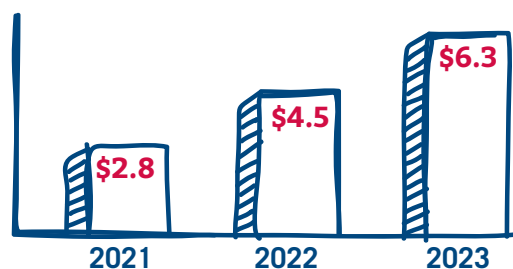
**ARP's Net Expense for Natural Gas**  
(In Millions)



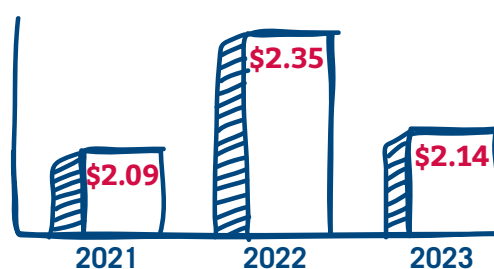
**External Energy Sales**  
(In Million Megawatt Hours)



**Savings from Prepaid Gas Contracts**  
(In Millions)



**Net Benefit to ARP from External Sales**  
(Dollars per Megawatt Hour)



	FISCAL 2022	FISCAL 2023	CHANGE
<b>All-Requirements Project: Provides the wholesale power needs for 13 members</b>			
Megawatt Hours Sold	5,963,224	6,040,569	1%
Billings to Participants	\$629,759,000	\$558,208,000	-11%
Cost per Megawatt Hour	\$99.48	\$91.33	-8%
<b>St. Lucie Project: An 8.8% ownership interest in St. Lucie Unit 2, a 984 MW nuclear power plant</b>			
Megawatt Hours Sold	716,436	726,227	1%
Billings to Participants	\$44,663,000	\$39,270,000	-12%
Cost per Megawatt Hour	\$57.13	\$53.58	-6%
<b>Stanton Project: A 14.8% ownership interest in Stanton Unit 1, a 441 MW coal-fired power plant</b>			
Megawatt Hours Sold	284,082	254,654	-10%
Billings to Participants	\$25,577,000	\$26,819,000	5%
Cost per Megawatt Hour	\$89.93	\$99.54	11%
<b>Tri-City Project: A 5.3% ownership interest in Stanton Unit 1, a 441 MW coal-fired power plant</b>			
Megawatt Hours Sold	105,451	89,186	-15%
Billings to Participants	\$10,255,000	\$11,442,000	12%
Cost per Megawatt Hour	\$97.66	\$122.47	25%
<b>Stanton II Project: A 23.2% ownership interest in Stanton Unit 2, a 453 MW coal-fired power plant</b>			
Megawatt Hours Sold	375,451	510,563	36%
Billings to Participants	\$54,597,000	\$55,198,000	1%
Cost per Megawatt Hour	\$142.26	\$103.32	-27%



# BOARD OF DIRECTORS AND EXECUTIVE COMMITTEE



## FMPA's Governing Board Officers

Left to right: Lynne Tejeda, Allen Putnam, Barbara Quiñones, Bob Page, Howard McKinnon

**Barbara Quiñones**  
Chair, Board of Directors  
Homestead

**Howard McKinnon**  
Chair, Executive Committee  
Havana

**Lynne Tejeda**  
Vice Chair  
Key West

**Allen Putnam**  
Treasurer  
Jacksonville Beach

**Bob Page**  
Secretary  
Green Cove Springs

**Rodolfo Valladares**  
Alachua

**Brad Hiers**  
Bartow

**Traci Hall**  
Blountstown

**Christina Simmons**  
Bushnell

**Robert Presnell**  
Chattahoochee

**Lynne Mila**  
Clewiston

**Javier Cisneros**  
Fort Pierce

**Dino DeLeo**  
Gainesville

**Raynetta Curry Marshall**  
Jacksonville

**Brain Horton**  
Kissimmee

**Ed Liberty**  
Lake Worth Beach

**Michael Beckham**  
Lakeland

**Brad Chase**  
Leesburg

**Steve Langley**  
Mount Dora

**Mike New**  
Newberry

**Joe Bunch**  
New Smyrna Beach

**Janice Mitchell**  
Ocala

**Ken Zambito**  
Orlando

**Rob Nixon**  
Quincy

**Kolby Urban**  
St. Cloud

**Drew Mullins**  
Starke

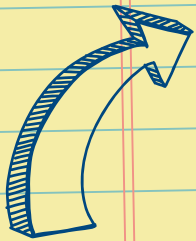
**Tony Guillen**  
Tallahassee

**James Braddock**  
Wauchula

**Terry Bovaird**  
Williston

**Dan D'Alessandro**  
Winter Park

**Vacant**  
Fort Meade  
Moore Haven



## FMPA LEADERSHIP

**Jacob A. Williams**  
General Manager and CEO

**Jody L. Finklea**  
General Counsel and CLO

**Ken Rutter**  
Chief Operating Officer



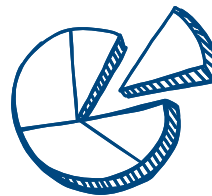
**Richard M. Popp**  
Chief Financial Officer

**Sharon L. Adams**  
Chief People and Member Services Officer

**Sue Utley**  
Executive Assistant to the CEO and Assistant  
Secretary to the Board of Directors



## GENERAL INFORMATION



### Financial Statements

Financial statements, past annual reports and more are available on the Investors section of [www.fmpa.com](http://www.fmpa.com).

### Consultants

Bond Counsel: Nixon Peabody LLP

Disclosure Counsel: Bryant Miller Olive, P.A.

Consulting Engineers: AECOM; Burns & McDonnell; Commonwealth Associates, Inc.; GDS Associates, Inc.; Leidos; nFront Consulting, LLC; Navigant Consulting, Inc.; Patterson & Dewar Engineers, Inc.; POWER Engineers, Inc.; Quanta Technology, LLC; RPA Engineering; Sargent & Lundy; Siemens; TRC; WorleyParsons

Certified Public Accountants: Purvis, Gray and Company

Financial Advisors: PFM Financial Advisors LLC; Dunlap & Associates, Inc.

### Caution Concerning Forward-Looking Statements

This document may include certain forward-looking statements. These statements are based on management's current expectations and are subject to uncertainty and changes in circumstances that may have a material effect on actual results.



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