ARP EXECUTIVE COMMITTEE AGENDA PACKAGE

JANUARY 15, 2026

9:15 a.m. [NOTE TIME] (or immediately following the Board of Directors meeting)

Dial-in info: 1-321-299-0575

Meeting ID Number: 245 160 561 130 1#

Committee Members

Javier Cisneros, Fort Pierce – Chair
Robert Page, Green Cove Springs – Vice Chair

Christina Farmer, Bushnell
Lynne Mila, Clewiston
Steve Doyle, Fort Meade
Kendrah Wilkerson, Havana
Allen Putnam, Jacksonville Beach
Lynne Tejeda, Key West
Brian Horton, Kissimmee
Brad Chase, Leesburg
Rance Green, Newberry
Doug Peebles, Ocala
Drew Mullins, Starke

Meeting Location
Florida Municipal Power Agency
8553 Commodity Circle
Orlando, FL 32819
(407) 355-7767

MEMORANDUM

TO: FMPA Executive Committee

FROM: Jacob A. Williams, General Manager and CEO

DATE: Thursday, January 08, 2026

RE: FMPA Executive Committee Meeting - **Thursday, January 15, 2026 at 9:15 a.m. [NOTE TIME]**
(or immediately following the Board of Directors meeting)

PLACE: Florida Municipal Power Agency
8553 Commodity Circle, Orlando, FL 32819
Fredrick M. Bryant Board Room

DIAL-IN: **321-299-0575, Meeting Number 245 160 561 130 1#**

LINK: Join the meeting now

(If you have trouble connecting via phone or internet, call 407-355-7767)

Chairman Javier Cisneros, Presiding

AGENDA

***Item also on the Board of Directors Agenda.**

**** Item(s) Subject to Super Majority Vote**

NOTE: One or more participants in the above referenced public meeting may participate by telephone. At the above location there will be a speaker telephone so that any interested person can attend this public meeting and be fully informed of the discussions taking place either in person or by telephone communication. If anyone chooses to appeal any decision that may be made at this public meeting, such person will need a record of the proceedings and should accordingly ensure that a verbatim record of the proceedings is made, which includes the oral statements and evidence upon which such appeal is based. This public meeting may be continued to a date and time certain, which will be announced at the meeting. Any person requiring a special accommodation to participate in this public meeting because of a disability, should contact FMPA at (407) 355-7767 or (888) 774-7606, at least two (2) business days in advance to make appropriate arrangements.

AGENDA ITEM 1 - CALL TO ORDER, ROLL CALL, DECLARATION OF QUORUM

Executive Committee
January 15, 2026

AGENDA ITEM 2 – Set Agenda (by Vote)

Executive Committee
January 15, 2026

AGENDA ITEM 3 – RECOGNITION OF GUESTS

Executive Committee
January 15, 2026

AGENDA ITEM 4 – PUBLIC COMMENTS (INDIVIDUAL COMMENTS TO BE LIMITED TO 3 MINUTES)

Executive Committee
January 15, 2026

AGENDA ITEM 5 – COMMENTS FROM THE CHAIR

Executive Committee
January 15, 2026

AGENDA ITEM 6 – REPORT FROM THE GENERAL MANAGER

Executive Committee
January 15, 2026

AGENDA ITEM 7 – CONSENT AGENDA

a. Approval of Meeting Minutes – Meetings Held December 11, 2025 and ARP Telephonic Rate Workshop Held December 16, 2025

Executive Committee
January 15, 2026

CLERKS DULY NOTIFIED .... December 03, 2025
AGENDA PACKAGES POSTED... December 04, 2025

MINUTES
EXECUTIVE COMMITTEE MEETING
THURSDAY, DECEMBER 11, 2025
FLORIDA MUNICIPAL POWER AGENCY
8553 COMMODITY CIRCLE
ORLANDO, FL 32819

PARTICIPANTS PRESENT:	Javier Cisneros, Fort Pierce Robert C. Page, Green Cove Springs Allen Putnam, Jacksonville Beach Lynne Tejeda, Key West Brian Horton, Kissimmee (virtual) Doug Peebles, Ocala (virtual) Drew Mullins, Starke
OTHERS PRESENT	Michael Poucher, Bartow Robert Presnell, Chattahoochee (virtual) Danny Retherford, Fort Pierce (virtual) Jason Terry, Kissimmee Jennifer Gonzalez, Kissimmee (virtual) Grant Lacerte, Kissimmee Jason Terry, Kissimmee Ed Liberty, Lake Worth Beach Jonathan Nunes, nFront Consulting Steven Stein, nFront Consulting Rob Taylor, GDS Associates (virtual) Robert Begley, Speaking with Purpose LLC Paul Matteo, PFM Mike Mace, PFM JoLinda Herring, Bryant Miller Olive P.A. (virtual)
STAFF PRESENT	Jacob Williams, General Manager and CEO Jody Finklea, General Counsel and Chief Legal Officer Ken Rutter, Chief Operating Officer Chris Gowder, Chief System Operations and Technology Officer Dan O'Hagan, Deputy General Counsel and Manager of Regulatory Compliance Sue Utley, Executive Asst. /Asst. Secy. to the Board Sharon Adams, Chief People and Member Services Officer Susan Schumann, Public Relations and External Affairs Manager Emily Maag, Public Relations Specialist Jason Wolfe, Financial Planning Rates and Budget Director Navid Nowakhtar, Member Services Strategic Planning & Analytics Director Mary Kathryn Patterson, Senior Public Relations Specialist Lindsay Jack, Executive Assistant Support Coordinator

Andrei Benjamin, Cloud Systems Administrator
Paul Brunfelt, Keys Energy Plant Manager

ITEM 1 - CALL TO ORDER, ROLL CALL, AND DECLARATION OF QUORUM

Chair Javier Cisneros, Fort Pierce, called the FMPA Executive Committee meeting to order at 11:10a.m., Thursday, December 11, 2025. A video and audio connection for public attendance and participation was broadcast in the Frederick M. Bryant Board Room at Florida Municipal Power Agency, 8553 Commodity Circle, Orlando, Florida. The roll was taken, and a quorum was declared with 7 Members present out of a possible 13.

ITEM 2 – SET AGENDA (BY VOTE)

MOTION: Brian Horton, Kissimmee, moved approval of the agenda as presented. Allen Putnam, Jacksonville Beach, seconded the motion. Motion carried 7-0.

ITEM 3 – RECOGNITION OF GUESTS

None

ITEM 4 – PUBLIC COMMENTS

None

ITEM 5 – COMMENTS FROM THE CHAIRMAN

Chair Javier Cisneros thanked FMPA for accomplishing goals, specifically the Member Services department for efforts on the 38kv transmission line and thanked all FMPA staff for their continued support of the Members.

ITEM 6 – REPORT FROM GENERAL MANAGER

Recognized Navid Nowakhtar promotion to Vice President, Member Services Strategic Planning & Analytics and Jaye Godin on her retirement in January 2026.

ITEM 7 –CONSENT AGENDA

a. Approval of Meeting Minutes – Meetings Held November 13, 2025, and ARP Telephonic Rate Workshop Held November 11, 2025

b Approval of Treasury Reports – As of October 31, 2025

c Approval of the Agency and All-Requirements Project Financials as of October 31, 2025

d ARP 12-month Capacity Reserve Margin Report

MOTION: Lynne Tejeda, Key West, moved approval of the Consent Agenda as presented. Allen Putnam, Jacksonville Beach, seconded the motion. Motion carried 7-0.

ITEM 8 – ACTION ITEMS:

a. Approval of FGT Capacity Contract Extension.

John Bradley presented the FGT Capacity Contract Extension

MOTION: Brian Horton, Kissimmee, moved approval of the FGT Capacity Contract Extension. Allen Putnam, Jacksonville Beach, seconded the motion. Motion carried 7-0.

b. Approval of Natural Gas Price Stability Program Quarterly Update.

John Bradley presented the Natural Gas Price Stability Program Quarterly Update.

MOTION: Allen Putnam, Jacksonville Beach, moved approval of the Natural Gas Price Stability Program Quarterly recommendations that were approved in September. Robert C. Page, Green Cove Springs, seconded the motion. Motion carried 7-0.

c. Approval of FMPP PCI Software Maintenance and Support Agreement

Chris Gowder presented the FMPP PCI Software Maintenance and Support Agreement

MOTION: Drew Mullins, Starke, moved approval of the FMPP PCI Software Maintenance and Support Agreement. Allen Putnam, Jacksonville Beach, seconded the motion. Motion carried 7-0.

d. Approval of Stanton 1 Interim Agreements with OUC *

This item was discussed and approved at the Board of Directors meeting.

MOTION: Allen Putnam, Jacksonville Beach, moved approval of Stanton 1 Interim Agreement with OUC. Drew Mullins, Starke, seconded the motion. Motion carried 7-0.

e. Approval of Purchase of New Smyrna Beach Turbine Engines

MOTION: Lynne Tejeda, Key West, moved approval of Purchase of New Smyrna Beach Turbine Engines. Brian Horton, Kissimmee, seconded the motion. Motion carried 7-0.

ITEM 9 – INFORMATION ITEMS:

a. ARP Expansion Scenarios

Jacob Williams presented the ARP Expansion Scenarios

b. Quarterly Compliance Update*

Dan O'Hagan & LaKenya VanNorman presented the Quarterly Compliance Update.

c. Quarterly HR Update*

Sharon Adams provided the Quarterly HR Update.

ITEM 10 – Member Comments

None

ITEM 11 – Adjournment

There being no further business, the meeting was adjourned at 12:29p.m.

______________________________	______________________________
Javier Cisneros	Sue Utley
Chairman, Executive Committee	Assistant Secretary

Approved: ______________________ Seal

PUBLIC NOTICE SENT TO CLERKS.. December 09, 2025
AGENDA PACKAGES SENT TO MEMBERS .... December 15, 2025

MINUTES
EXECUTIVE COMMITTEE
ALL-REQUIREMENTS POWER SUPPLY PROJECT
TELEPHONIC RATES MEETING
TUESDAY, DECEMBER 16, 2025
FLORIDA MUNICIPAL POWER AGENCY
8553 COMMODITY CIRCLE
ORLANDO, FLORIDA 32819

COMMITTEE MEMBERS PRESENT VIA TELEPHONE

Lynne Mila, Clewiston
Allen Putnam, Jacksonville Beach
Jessie Perloff, Key West
Jason Terry, Kissimmee
Aaron Haderle, Kissimmee
Justin Buckamn, Kissimmee
Larry Mattern, Kissimmee
Marie Brooks, Ocala
Doug Peebles, Ocala

STAFF PRESENT

Jacob Williams, General Manager and CEO
Sharon Adams, Chief People and Member Services Officer
Ken Rutter, Chief Operating Officer
Jody Finklea, General Counsel and Chief Legal Officer
Sue Utley, Executive Assistant to General Manager and CEO / Asst. Secy. to the Board
Lindsay Jack, Executive Assistant Support Coordinator
Jason Wolfe, Financial Planning, Rates and Budget Director
Denise Fuentes, Budget and Financial Analyst III

Item 1 – Call to Order and Roll Call

Allen Putnam, Jacksonville Beach, called the Executive Committee All-Requirements Telephonic Rate Workshop to order at 2:00p.m. on Tuesday, December 16, 2025, via telephone. A speaker telephone for public attendance and participation was located in the Executive Conference Room at Florida Municipal Power Agency, 8553 Commodity Circle, Orlando, Florida.

Item 2 – Review of November ARP Rate Calculation

Denise Fuentes gave an update on the November natural gas markets, provided an overview of the November loads, and reviewed the November ARP rate calculation.

Item 3 – Member Comments

None

Item 4 - Adjournment

There being no further business, the meeting was adjourned at 2:06p.m.

____
Approved

LT/lj

AGENDA ITEM 7 – CONSENT AGENDA

b. Approval of Treasury Reports as of November 30, 2025

Executive Committee
January 15, 2026

AGENDA PACKAGE MEMORANDUM

TO: FMPA Executive Committee

FROM: Patrick Grogan

DATE: January 8, 2026

ITEM: EC 7(b) – Approval of the All-Requirements Project Treasury Reports as of November 30, 2025

Introduction

- This report is a quick summary update on the Treasury Department's functions.
- The Treasury Department reports for November are posted in the member portal section of FMPA's website.

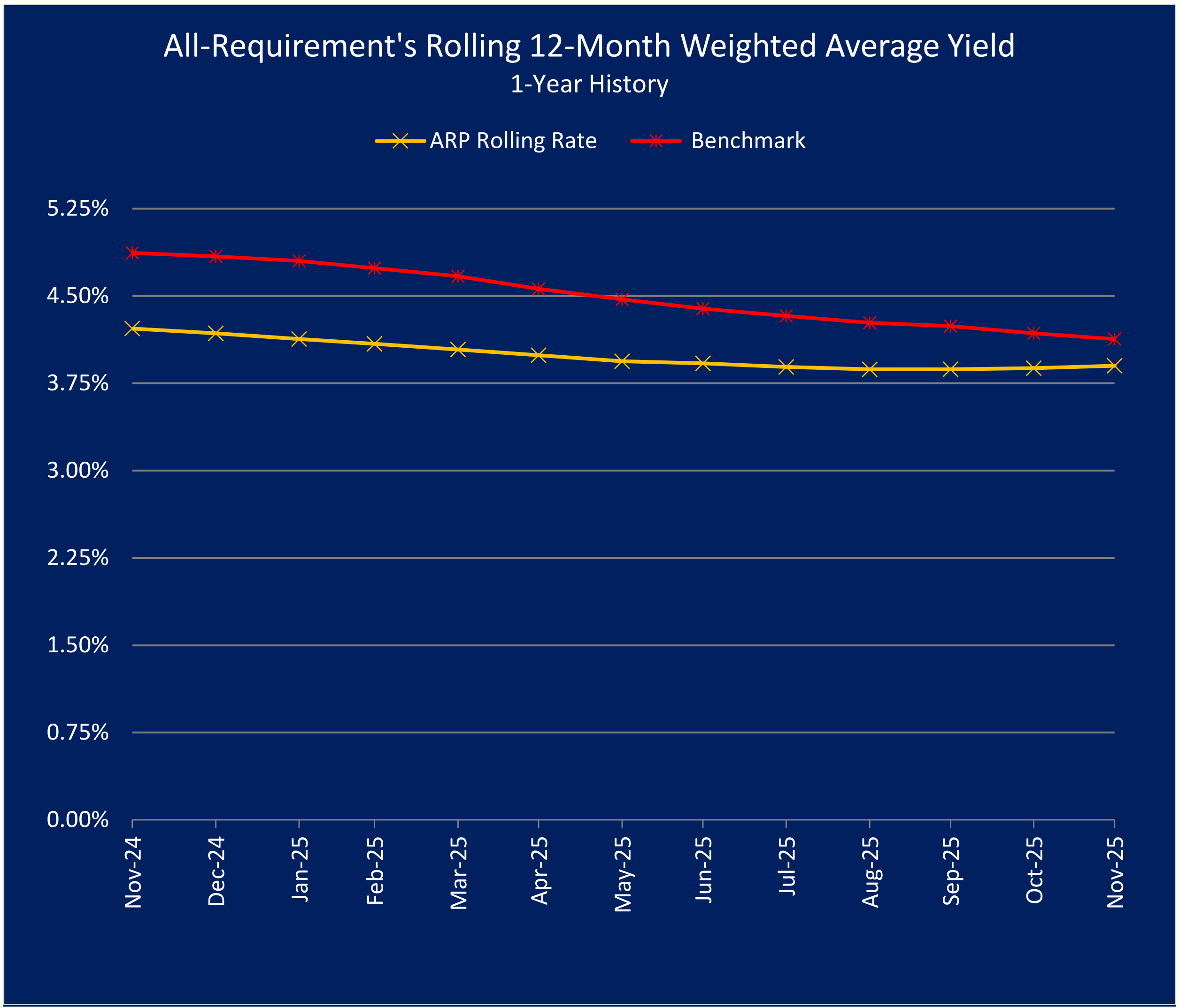
Debt Discussion

The All-Requirements Project's debt is entirely fixed-rate. The estimated debt interest funding for fiscal year 2026 as of November 30, 2025, is $25,493,652. The total amount of debt outstanding is $667,235,000.

Investment Discussion

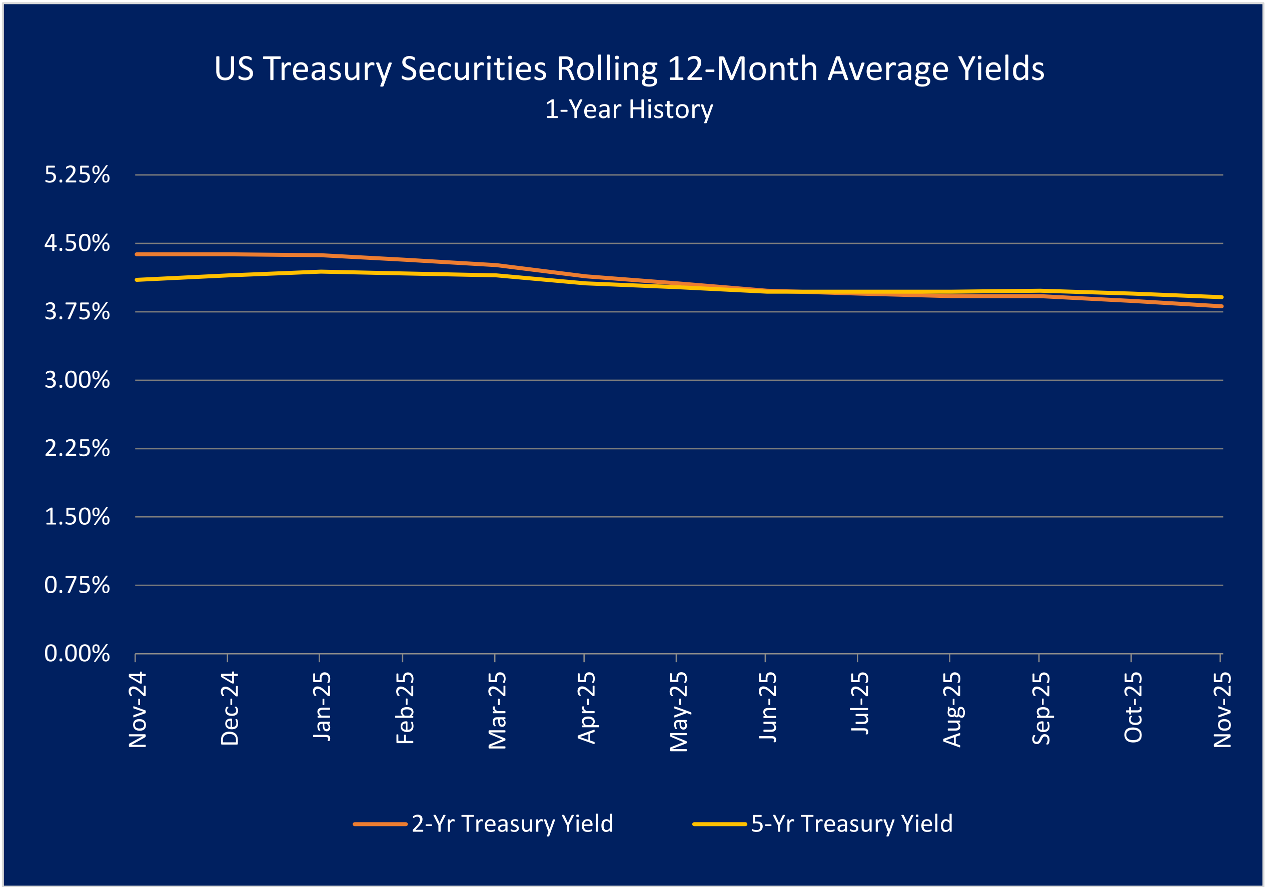
The investments in the Project are comprised of debt from the government-sponsored enterprises such as the Federal Farm Credit Bank, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation (Freddie Mac), and Federal National Mortgage Association (Fannie Mae), as well as investments in U.S. Treasuries, Municipal Bonds, Certificates of Deposits, Corporate Notes, Commercial Paper, Local Government Investment Pools, and Money Market Mutual Funds.

As of November 30, 2025, the All-Requirements Project investment portfolio had a rolling 12-month weighted average yield of 3.90%. This reflects slower reinvestment into higheryielding securities as longer-term bonds mature. The benchmarks (SBA's Florida Prime Fund and the 2-year US Treasury Note) and the Project's rolling 12-month weighted average yields are graphed below:



Below is a graph of the rolling 12-month average US Treasury yields for the past year. The orange line is the 2-year Treasury which had a rolling 12-month average yield on

November 30, 2025, of 3.81%. The yellow line is the 5-year Treasury rolling 12-month average yield which was 3.91%.



The Investment Report for November is posted in the “Member Portal” section of FMPA’s website.

Recommended Motion

Move for approval of the Treasury Reports for November 30, 2025

AGENDA ITEM 7 – CONSENT AGENDA

c. Approval of the Agency and All-Requirements Project Financials as of November 30, 2025

Executive Committee
January 15, 2026

FMPA
MUNICIPAL POWER

Rich Popp
Chief Financial Officer

AGENDA PACKAGE MEMORANDUM

TO: **FMPA Executive Committee**

FROM: **Rich Popp**

DATE: **January 8, 2026**

SUBJECT: **EC 7c– Approval of the Agency and All Requirements Project Financials as of the period ended November 30, 2025**

Discussion: The summary and detailed financial statements, which include GASB #62 transactions, of the Agency and All Requirements Project for the period ended November 30, 2025, are posted on the Document Portal section of FMPA's website.

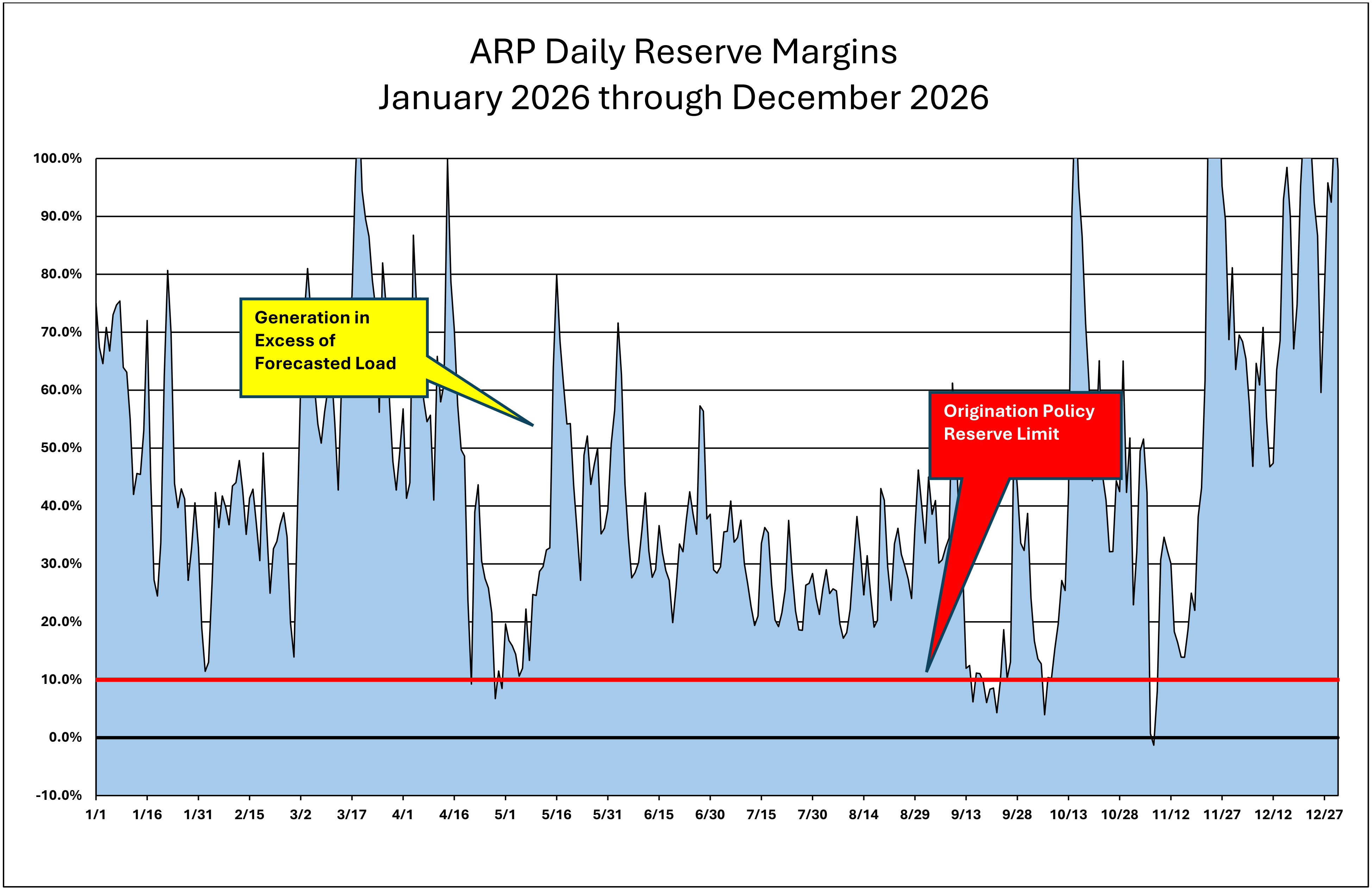
Recommended: Move approval of the Agency and All-Requirements Project Financial Reports for the month ended November 30, 2025.

RP/GF

AGENDA ITEM 7 – CONSENT AGENDA

d. ARP 12-month Capacity Reserve Margin Report

Executive Committee
January 15, 2026


ARP Daily Reserve Margins
January 2026 through December 2026
100.0%
90.0%
80.0%
70.0%
60.0%
50.0%
40.0%
30.0%
20.0%
10.0%
0.0%
-10.0%
1/1
1/16
1/31
2/15
3/2
3/17
4/1
4/16
5/1
5/16
5/31
6/15
6/30
7/15
7/30
8/14
8/29
9/13
9/28
10/13
10/28
11/12
11/27
12/12
12/27
Generation in Excess of Forecasted Load
Origination Policy Reserve Limit

AGENDA ITEM 7 – CONSENT AGENDA

e. Approval of Procurement Policy Documentation

Executive Committee
January 15, 2026

7e – Approval of Procurement Policy Documentation

Executive Committee

Jan. 15, 2026

Increased Procurement Thresholds were Previously Approved

- In September of 2024:
  - The Finance Committee Approved the Revised Procurement & Spending Authority Thresholds
  - The Executive Committee Approved the Revised Spending Authority Thresholds
  - The Board of Directors Approved the Revised Procurement Thresholds

The Procurement Policy has been updated to reflect these changes

- Finance Committee Approved the Revised Procurement Policy Documentation January 14th

FMPA MUNICIPAL POWER

Recommended Motion

- Move approval of the revised Procurement Policy

Procurement Policy~~(procedure)~~ & Procedures

The purpose of this Procurement Policy (this Policy) is to provide general assistance for employees of the Florida Municipal Power Agency (FMPA) involved in requesting and ordering Goods and Services for the Agency.

Applicability

Procurement by FMPA for Goods and Services identified in the Policy shall be made in accordance with this Policy, unless otherwise determined, in writing, to be in the best interest of FMPA by the General Manager or his/her designee(s). This Policy shall not control the purchase of Goods and Services in times of emergency, as determined in the sole discretion of FMPA senior management. Further, this Policy shall not limit the FMPA Board of Directors and/or

Executive Committee in exercising its full discretion to take actions or make policy decisions determined to be the best interests of FMPA. Solicitation of professional services as defined in Section 287.005, Florida Statutes, shall be governed by the Consultants Competitive Negotiation Act, as amended.

As used in this Policy, the term "Goods and Services" shall include all those items of tangible personal property and/or services purchased by FMPA in the course of its normal business operations, except the following:

A. Expert witnesses, consultants or other outside service providers for any legal, regulatory, or legislative proceeding or process;

B. Unless otherwise required to be competitively selected pursuant to Florida law, outside legal, engineering, accounting, economic, communications or other professional consulting services for any FMPA business purpose;

C. Fuel; transmission services (including ancillary services); wholesale power purchases (such as from the Power Pool); insurance coverage; goods and services necessary to keep the power plants, meters, RTUs and other "steel in the ground" properly maintained and operated (including maintenance, inspection, sustaining capital additions, and other services); and wholesale power supplies or other services or tangible personal property, and similar goods and services necessary or desirable to provide capacity and/or energy to FMPA's members;

D. Utilities, dues, subscriptions, time-sensitive facility repairs/service calls, software support services, advertising, training, trainers, and tuition reimbursement.

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Policy

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FMPA will comply with all applicable state laws requiring competitive selection for the purchase of Goods and Services. However, nothing in this Policy shall, directly or indirectly, cause any otherwise inapplicable state law to be applicable to FMPA. Further, the General Manager or his/her designee(s) shall have the ability and right to authorize, in writing, and/or confirm a deviation from any part of this Policy, where the General Manager, or Board of Directors or Executive Committee determines such deviation to be in FMPA's best interest; provided, however, if the General Manager or is/her designee(s) exercises such authority, it must be reported at the next available Board of Directors or Executive Committee meeting, as appropriate. The procedures are designed to facilitate the fair and equitable treatment of all persons involved in providing Goods or Services to FMPA in accordance with this Policy.

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Procurement Ethics

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The objectives of public procurement include conserving public funds and inspiring public confidence. Any erosion of honesty, integrity, and openness is more injurious to public procurement than to most other public pursuits. The appearance of a conflict of interest may be as harmful to public confidence in its government as an actual case of misconduct. For that reason, all personnel involved directly or indirectly in procurement transactions, from the original purchase to the ultimate disposal, should be guided by the highest standards of conduct.

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Responsibility

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The General Manager exercises overall responsibility for FMPA's purchasing system, and has discretion to allow for and/or confirm any deviation, in whole or in part, from this policy, where the General Manager or his/her designee(s) determines, in writing, such a deviation is in the best interest of FMPA; provided, however, exercises of such discretion must be reported to the Board of Directors or Executive Committee, as appropriate, as provided above.

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Managers and supervisors are responsible for their subordinates' adherence to this Policy.

Violation of this Policy may be grounds for disciplinary action up to and including termination.

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Sole Source Criteria

If one or more of the following criteria are met, the purchasing thresholds (1) through (4) shown below are not applicable, and the Goods and Services may be purchased without a competitive process from a single supplier:

- The provider is the original manufacturer of the good and/or there are no regional distributors;
- The goods requested are not interchangeable with similar goods available from another manufacturer;
- No other Goods and Services are available that will meet the specialized needs of FMPA or perform the intended function;
- Detailed justification is available which establishes that the provider is the only source practicably available to provide the Goods and Services required; or
- An FMPA senior manager determines that Goods or Services must be purchased on an expedited or emergency basis that does not allow sufficient time for a competitive selection process to be completed, shown for the purchasing thresholds (1) through (4) below; provided, however, if an FMPA senior manager makes such a determination to purchase Goods or Services as a sole source on an expedited or emergency basis, the Board of Directors or Executive Committee, as appropriate, will be informed of the particulars of his or her decision at the next regularly scheduled meeting of such governing body, including the circumstances requiring the expedited or emergency purchase and the total price of the purchased Good and Services.

Click here for Sole Source Justification Form

Purchasing Thresholds

The following threshold amounts should govern the purchasing process for FMPA. Purchases should not be split solely for the purpose of moving from one threshold level to a lower one. These purchasing thresholds apply to new obligations of the Agency, but not to approvals of regular or other payments under approved contracts. Payments under approved contracts are a matter of contract administration and are done to verify that payments are in accord with contract terms.

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For Agency

1. Competition is not required for small purchases of Goods or Services with a value of equal to or less than $~~5,000~~7,500.

2. Unless the criteria for Sole Source apply, purchases of Goods or Services with a value of equal to or more than $~~5,001~~7,501 but equal to or less than $~~10~~15,000 require requests for a minimum of three (3) quotes. These quotes may be obtained via the Internet, email, written, or verbal communication (requires documentation). Contracts or Purchase Orders are not required.

~~3. Unless the criteria for Sole Source apply, purchases of Goods or Services with a value of equal to or more than $10,001 but equal to or less than $50,000 require requests for three (3) written quotes.~~

Click here for 3 Quotes Form – Agency

3.~~If applicable, written work authorizations are required.~~

4~~.~~ Unless the criteria for Sole Source apply, purchases of Goods or Services with a value of equal to or more than $15,001 but equal to or less than $75,000 require requests for three (3) written quotes. If applicable, written work authorizations are required.~~50~~

Click here for 3 Written Quotes Form – Agency

4. Unless the criteria for Sole Source apply, purchases of Goods or Services with a value of equal to or more than $75,001 require requests for three (3) formal bids or proposals, unless less than three (3) bids or proposals are received. If less than three (3) bids or proposals are received, consideration may be given to modifying the specification or bidding process to provide for the minimum number of bids or proposals.

Click here to contact Procurement Lead - begin the Formal Bid process

****

For ARP & Generation

1. Competition is not required for small purchases of Goods or Services with a value of equal to or less than $10,000.

2. Unless the criteria for Sole Source apply, purchases of Goods or Services with a value of equal to or more than $10,001 but equal to or less than $20,000 require requests for a minimum of three (3) quotes. These quotes may be obtained via the Internet, email, written, or verbal communication (requires documentation). Contracts or Purchase Orders are not required.

Click Here for 3 Quotes Form – Generation

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3. Unless the criteria for Sole Source apply, purchases of Goods or Services with a value of equal to or more than $20,001 but equal to or less than $100,000 require requests for three (3) written quotes. If applicable, written work authorizations are required.

Click Here for 3 Written Quotes Form - Generation

4. Unless the criteria for Sole Source apply, purchases of Goods or Services with a value of equal to or more than $100,001 require requests for three (3) formal bids or proposals, unless less than three (3) bids or proposals are received. If less than three (3) bids or proposals are received, consideration may be given to modifying the specification or bidding process to provide for the minimum number of bids or proposals.

Click here to contact Procurement Lead - begin the Formal Bid process

The formal bid or proposal process may include the following:

- Issuance of a written Invitation ~~for~~to Bid (~~IFB~~ITB), Request for Proposal (RFP), or Request for Qualifications (RFQ);
- Public notice of the ~~IFB~~ITB/RFP by advertising in a local newspaper or distribution to a list of pre-qualified bidders, as appropriate;
- Public opening at the date and time advertised, and announcement of all bids received;
- Evaluation of bids based upon the requirements set forth in the ~~IFB~~ITB or RFP;
- Award to the bidder determined to be in the best interests of FMPA meeting the specifications set forth in the ~~IFB~~ITB/RFP, unless waived, in whole or in part, by FMPA.

Cooperative and Piggyback Purchasing

The purchase of goods or services under a contract with a federal, state or municipal government or any other governmental agency, political subdivision or cooperative purchasing venture, or government-related association, may be "piggybacked" or purchased based on existing contracts of these entities without the need for an independent competitive selection process, providing that staff has determined that the piggyback purchase is in the best interest of FMPA or its members by satisfying each of the following requirements:

1. The goods or services available under the originating contract meet FMPA's needs and specifications.

2. All terms and conditions, including the effective term, of the resulting agreement can be negotiated to the satisfaction of FMPA and its internal policies.

3. The purchasing agent has performed and documented an informal solicitation (including but not limited to Internet, email, written or documented verbal quotes) to determine that the prices are fair and reasonable.

4. The purchasing agent determines that an independent competitive selection process would not result in more favorable prices or terms for FMPA and its members.

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5. The purchasing agent documents the reasons that an independent competitive selection process is not required.

6. The purchase is otherwise in accordance with FMPA's Procurement Policy.

This piggyback provision shall not apply to the purchase of goods or services valued at more than $~~200~~250,000 without approval from the Board of Directors or the Executive Committee, as appropriate.

Authority for Specifications

Since the purpose of specifications is to translate FMPA's need into the delivery of Goods and Services, the development of specifications shall be completed, to the extent practicable, by FMPA personnel closely related to the Goods and Services to be received.

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Procurement Policy & Procedures

The purpose of this Procurement Policy (this Policy) is to provide general assistance for employees of the Florida Municipal Power Agency (FMPA) involved in requesting and ordering Goods and Services for the Agency.

Applicability

Procurement by FMPA for Goods and Services identified in the Policy shall be made in accordance with this Policy, unless otherwise determined, in writing, to be in the best interest of FMPA by the General Manager or his/her designee(s). This Policy shall not control the purchase of Goods and Services in times of emergency, as determined in the sole discretion of FMPA senior management. Further, this Policy shall not limit the FMPA Board of Directors and/or

Executive Committee in exercising its full discretion to take actions or make policy decisions determined to be the best interests of FMPA. Solicitation of professional services as defined in Section 287.005, Florida Statutes, shall be governed by the Consultants Competitive Negotiation Act, as amended.

As used in this Policy, the term “Goods and Services” shall include all those items of tangible personal property and/or services purchased by FMPA in the course of its normal business operations, except the following:

A. Expert witnesses, consultants or other outside service providers for any legal, regulatory, or legislative proceeding or process;

B. Unless otherwise required to be competitively selected pursuant to Florida law, outside legal, engineering, accounting, economic, communications or other professional consulting services for any FMPA business purpose;

C. Fuel; transmission services (including ancillary services); wholesale power purchases (such as from the Power Pool); insurance coverage; goods and services necessary to keep the power plants, meters, RTUs and other “steel in the ground” properly maintained and operated (including maintenance, inspection, sustaining capital additions, and other services); and wholesale power supplies or other services or tangible personal property, and similar goods and services necessary or desirable to provide capacity and/or energy to FMPA’s members;

D. Utilities, dues, subscriptions, time-sensitive facility repairs/service calls, software support services, advertising, training, trainers, and tuition reimbursement.

Policy

FMPA will comply with all applicable state laws requiring competitive selection for the purchase of Goods and Services. However, nothing in this Policy shall, directly or indirectly, cause any otherwise inapplicable state law to be applicable to FMPA. Further, the General Manager or his/her designee(s) shall have the ability and right to authorize, in writing, and/or confirm a deviation from any part of this Policy, where the General Manager, or Board of Directors or Executive Committee determines such deviation to be in FMPA's best interest; provided, however, if the General Manager or is/her designee(s) exercises such authority, it must be reported at the next available Board of Directors or Executive Committee meeting, as appropriate. The procedures are designed to facilitate the fair and equitable treatment of all persons involved in providing Goods or Services to FMPA in accordance with this Policy.

Procurement Ethics

The objectives of public procurement include conserving public funds and inspiring public confidence. Any erosion of honesty, integrity, and openness is more injurious to public procurement than to most other public pursuits. The appearance of a conflict of interest may be as harmful to public confidence in its government as an actual case of misconduct. For that reason, all personnel involved directly or indirectly in procurement transactions, from the original purchase to the ultimate disposal, should be guided by the highest standards of conduct.

Responsibility

The General Manager exercises overall responsibility for FMPA's purchasing system, and has discretion to allow for and/or confirm any deviation, in whole or in part, from this policy, where the General Manager or his/her designee(s) determines, in writing, such a deviation is in the best interest of FMPA; provided, however, exercises of such discretion must be reported to the Board of Directors or Executive Committee, as appropriate, as provided above.

Managers and supervisors are responsible for their subordinates' adherence to this Policy.

Violation of this Policy may be grounds for disciplinary action up to and including termination.

Sole Source Criteria

If one or more of the following criteria are met, the purchasing thresholds (1) through (4) shown below are not applicable, and the Goods and Services may be purchased without a competitive process from a single supplier:

- The provider is the original manufacturer of the good and/or there are no regional distributors;
- The goods requested are not interchangeable with similar goods available from another manufacturer;
- No other Goods and Services are available that will meet the specialized needs of FMPA or perform the intended function;
- Detailed justification is available which establishes that the provider is the only source practicably available to provide the Goods and Services required; or
- An FMPA senior manager determines that Goods or Services must be purchased on an expedited or emergency basis that does not allow sufficient time for a competitive selection process to be completed, shown for the purchasing thresholds (1) through (4) below; provided, however, if an FMPA senior manager makes such a determination to purchase Goods or Services as a sole source on an expedited or emergency basis, the Board of Directors or Executive Committee, as appropriate, will be informed of the particulars of his or her decision at the next regularly scheduled meeting of such governing body, including the circumstances requiring the expedited or emergency purchase and the total price of the purchased Good and Services.

Click here for Sole Source Justification Form

Purchasing Thresholds

The following threshold amounts should govern the purchasing process for FMPA. Purchases should not be split solely for the purpose of moving from one threshold level to a lower one. These purchasing thresholds apply to new obligations of the Agency, but not to approvals of regular or other payments under approved contracts. Payments under approved contracts are a matter of contract administration and are done to verify that payments are in accord with contract terms.

For Agency

1. Competition is not required for small purchases of Goods or Services with a value of equal to or less than $7,500.

2. Unless the criteria for Sole Source apply, purchases of Goods or Services with a value of equal to or more than $7,501 but equal to or less than $15,000 require requests for a minimum of three (3) quotes. These quotes may be obtained via the Internet, email, written, or verbal communication (requires documentation). Contracts or Purchase Orders are not required.

Click here for 3 Quotes Form – Agency

3. Unless the criteria for Sole Source apply, purchases of Goods or Services with a value of equal to or more than $15,001 but equal to or less than $75,000 require requests for three (3) written quotes. If applicable, written work authorizations are required.

Click here for 3 Written Quotes Form – Agency

4. Unless the criteria for Sole Source apply, purchases of Goods or Services with a value of equal to or more than $75,001 require requests for three (3) formal bids or proposals, unless less than three (3) bids or proposals are received. If less than three (3) bids or proposals are received, consideration may be given to modifying the specification or bidding process to provide for the minimum number of bids or proposals.

Click here to contact Procurement Lead - begin the Formal Bid process

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For ARP & Generation

1. Competition is not required for small purchases of Goods or Services with a value of equal to or less than $10,000.

2. Unless the criteria for Sole Source apply, purchases of Goods or Services with a value of equal to or more than $10,001 but equal to or less than $20,000 require requests for a minimum of three (3) quotes. These quotes may be obtained via the Internet, email, written, or verbal communication (requires documentation). Contracts or Purchase Orders are not required.

Click Here for 3 Quotes Form – Generation

3. Unless the criteria for Sole Source apply, purchases of Goods or Services with a value of equal to or more than $20,001 but equal to or less than $100,000 require requests for three (3) written quotes. If applicable, written work authorizations are required.

Click Here for 3 Written Quotes Form - Generation

4. Unless the criteria for Sole Source apply, purchases of Goods or Services with a value of equal to or more than $100,001 require requests for three (3) formal bids or proposals, unless less than three (3) bids or proposals are received. If less than three (3) bids or proposals are received, consideration may be given to modifying the specification or bidding process to provide for the minimum number of bids or proposals.

Click here to contact Procurement Lead - begin the Formal Bid process

The formal bid or proposal process may include the following:

- Issuance of a written Invitation to Bid (ITB), Request for Proposal (RFP), or Request for Qualifications (RFQ);
- Public notice of the ITB/RFP by advertising in a local newspaper or distribution to a list of pre-qualified bidders, as appropriate;
- Public opening at the date and time advertised, and announcement of all bids received;
- Evaluation of bids based upon the requirements set forth in the ITB or RFP;
- Award to the bidder determined to be in the best interests of FMPA meeting the specifications set forth in the ITB/RFP, unless waived, in whole or in part, by FMPA.

Cooperative and Piggyback Purchasing

The purchase of goods or services under a contract with a federal, state or municipal government or any other governmental agency, political subdivision or cooperative purchasing venture, or government-related association, may be "piggybacked" or purchased based on existing contracts of these entities without the need for an independent competitive selection process, providing that staff has determined that the piggyback purchase is in the best interest of FMPA or its members by satisfying each of the following requirements:

1. The goods or services available under the originating contract meet FMPA's needs and specifications.

2. All terms and conditions, including the effective term, of the resulting agreement can be negotiated to the satisfaction of FMPA and its internal policies.

3. The purchasing agent has performed and documented an informal solicitation (including but not limited to Internet, email, written or documented verbal quotes) to determine that the prices are fair and reasonable.

4. The purchasing agent determines that an independent competitive selection process would not result in more favorable prices or terms for FMPA and its members.

5. The purchasing agent documents the reasons that an independent competitive selection process is not required.

6. The purchase is otherwise in accordance with FMPA's Procurement Policy.

This piggyback provision shall not apply to the purchase of goods or services valued at more than $250,000 without approval from the Board of Directors or the Executive Committee, as appropriate.

Authority for Specifications

Since the purpose of specifications is to translate FMPA's need into the delivery of Goods and Services, the development of specifications shall be completed, to the extent practicable, by FMPA personnel closely related to the Goods and Services to be received.

AGENDA ITEM 8 – ACTION ITEMS

a. Approval of Risk Management Policy Update

Executive Committee
January 15, 2026

8a – Update for Risk Management Policy

Executive Committee

September 18, 2025

Summary of Policy Updates

- **Purpose:**
  - Review and approve correction to FMPA's Fuel Portfolio Risk Management Policy
  - Brings Policy into compliance with prior EC Approvals
  - This update raises the quality of oversight without increasing meeting noise.
  - Reporting is more forward-looking risk control.

What Changed?

- Before:
  - All detailed metrics were implied to be reported at every FC or EC meeting
  - Generic “margin risk” language
- Now:
  - Monthly Meetings cover any additions to positions
  - The Quarterly Report, is the comprehensive report covering the Price Stability Program is explicitly required
  - Historical margin requirements by quarter

Motion to Approve

- Move to approve the corrected Risk Management Policy - Appendix A Fuel Portfolio Management Policy.

FLORIDA MUNICIPAL POWER AGENCY

RISK MANAGEMENT POLICY - APPENDIX A

FUEL PORTFOLIO MANAGEMENT POLICY

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FUEL PORTFOLIO RISK MANAGEMENT POLICY FOR FLORIDA MUNICIPAL POWER AGENCY

This Fuel Portfolio Risk Management Policy (the "Policy") and any effective subordinate procedures establish the governance, framework and controls under which Florida Municipal Power Agency ("FMPA" or "Agency") may engage in activities to identify, measure and minimize future business risk impacting the All Requirements Power Supply Project ("ARP") resulting from price and/or supply uncertainty in the natural gas and fuel oil markets. This Policy is Appendix A of the FMPA Risk Management Policy.

1.0 Policy Statement

The Executive Committee ("EC") of FMPA recognizes that FMPA is exposed to various risks specific to generation fuel as an integral aspect of the normal course of business activities. There may be times when FMPA will determine that certain risks are above the risk tolerance levels expressed by FMPA's members. As such, FMPA staff is hereby authorized to implement various mechanisms, such as those more fully described throughout Sections 5 and 6 of this Policy, which will control, transfer, or mitigate these risks to help safeguard the Agency's ability to provide reliable power.

The design standards of this Policy ensure that the risk control oversight functions are independent from any asset management or daily operational activities. Further, any and all actions taken by FMPA are strictly to provide reliable power to the ARP members and manage any associated risks deemed appropriate by the ARP members and will not be speculative in nature to achieve additional monetary gain using the commodity market.

The following summarizes the Policy of the EC:

- FMPA is granted authority to enter into natural gas transportation contracts, storage agreements, physical purchase and sales contract commitments, or financial purchase and sales contracts, subject to the details on authorized products which are contained in Section 5.0 of this policy.
- FMPA is authorized to enter into "Enabling Agreements" that define the terms and conditions of any subsequent transaction agreements related to generation fuel commodity purchases, sales, storage, transportation or risk mitigation transactions. Details of these authorized Enabling Agreements are contained in Section 5.4 of this policy.

- ❖ FMPA may undertake natural gas or fuel oil risk mitigation transactions with the specific prior approval of the EC.
- ❖ Section 5.4.4 of this Policy sets defined limits for purchased physical natural gas volumes.
- ❖ Section 6.2 of this Policy sets defined limits for purchased fuel oil quantities.
- ❖ Section 6.1 of this Policy sets defined limits for natural gas storage quantities.
- ❖ Section 6.3 of this Policy sets defined limits for natural gas entitlement capacity.
- ❖ All individuals authorized to execute trades shall be approved by the CEO and reported to the and Finance Committee ("FC").
- ❖ Authority is delegated to the Chief Financial Officer (CFO) (or designee) to cause the creation of and subsequent administration of any underlying procedures defined by this Policy and deemed appropriate and/or necessary.
- ❖ Deviations from this Policy shall be reported to the FC as prescribed in Section 4.1 of the FMPA Risk Management Policy.

2.0 Scope

FMPA is exposed to risk by its participation in the physical natural gas and fuel oil commodity market and the corresponding financial derivative market for each respective underlying commodity. FMPA participates in various mitigation efforts in order to manage exposure to these risks. Without risk management, FMPA's ARP is subject to potentially significant energy rate volatility and operational reliability limitations that result from generation fuel cost changes, fuel receipt/delivery constraints, and cash flow requirements to meet operational cost liabilities and obligations.

Mitigation efforts would consist of executing physical and financial transactions designed to reduce the ARP's exposure to energy rate volatility and operating risks associated with its need to participate in the physical commodity market to ensure delivery of generator fuel, as required, for generating power to meets its obligations and commitments.

3.0 Objectives

The objective of the risk management program described in this Policy is to identify risk exposures; to understand their potential impact on the ARP's financial statements and continued economic well-being; to measure and report these impacts; and to take appropriate steps to manage or mitigate any adverse effect to an acceptable level as specified by the EC. This will be accomplished through the use of operational techniques and trading instruments which are consistent with this policy.

3.1 Manage Generation Fuel Requirement Projections:

FMPA shall strive to effectively manage its natural gas and fuel oil programs. It is expressly understood that risk management is intended to mitigate exposure to adverse outcomes and is not intended to result in increased financial profitability or result in the lowest cost for natural gas and fuel oil. The purpose of this Policy is to ensure that planning and control methods are in place and utilized to manage generation fuel supply reliability with consideration to a reasonable outage of FGT Zone 3 pipeline or seasonal weather event.

3.2 Manage Volumetric Exposure:

FMPA shall only manage its physical natural gas and fuel oil volumetric requirements related to serving the needs of the ARP or other firm obligations. Fuel volume requirements are based on dynamically changing variables such as load forecasts, weather forecasts, generation resource availability, and projections of optimal generation unit dispatch. Changes in any of these variables will impact the ARP's required quantities of natural gas and/or fuel oil and inhibit the intended effectiveness of this Policy. To mitigate these impacts, this Policy defines review and update parameters to revise volumetric exposure projections in Section 0.

3.3 Maintaining Balance between Cost and Reliability:

FMPA's efforts strive to control costs and ensure reliable delivery of electric power to its members and other commitments, if any. Ensuring the highest level of reliability is in opposition to achieving the lowest possible cost. Equilibrium between cost and reliability to achieve the desired balance is defined and established by the EC. Staff will bring forward long-term strategic decisions of fuel consideration to EC.

4.0 Types of Risk

This Policy establishes minimum standards to support an Agency-wide atmosphere of risk control measures to provide reliable power at market prices. The CFO will ensure that procedures, as needed, are created and followed specific to the areas of risk noted below and define ways for measuring and controlling these risks to within defined levels of exposure as established by the EC. The FMPA Risk Management Policy identifies ten areas comprising FMPA's key risk areas. While not intended to be a comprehensive listing of all risks encountered in its normal business cycle by FMPA, the framework provides insight into the major areas of exposure. The following identified areas are the risks most typically faced when managing any commodity intensive business like the power generation industry.

4.1 Market Risk:

The risk of potential change in the value of an asset caused by adverse changes in market factors. An example is the commodity price risk that occurs when FMPA purchases fuel, usually natural gas, for its generating facilities. The timing and unit price of these fuel purchases expose FMPA to potential adverse or beneficial cost impacts with changing market conditions.

4.1.1 Price Risk:

The uncertainty associated with changes in the unit price of an underlying commodity. For example:

> A fixed price fuel purchase can create market risk. The fixed purchase price set for a future delivery period may not reflect the then current market price when delivery is made. If the market price is less than the pre-established purchase price, the purchase cost would be higher than market. Conversely, if the market price was higher, then the purchase cost would be less than market.

Price risk can be caused by any one or a combination of the following:

1) Changes in the value of wholesale energy transactions (i.e. $/MWh),
2) Commodity fuel costs (i.e. $/MMBtu),
3) Basis exposure due to the value difference of a commodity at different geographic locations (i.e. gas price at a pipeline receipt point versus the pipeline delivery point),

4) Index Price Risk is the exposure created by the process to establish a unit index value of an underlying commodity at a given location. This generally entails surveys of buyers and sellers at that location and weighing the results to determine the "Index" value,
5) Intra-Month Price Risk is the daily changes in the unit price of a commodity at a given geographic location during a given month of flow (the monthly index price vs the daily index price, etc.).

4.1.2 Liquidity Risk:

The risk associated with a constrained or limited ability for transacting trades, causing a potential inability to acquire a commodity when needed or to liquidate a previously acquired commodity that is no longer needed. For example:

> In the fixed price fuel purchase example above, finding a buyer of the fuel purchase might prove difficult to find if, prior to the delivery period, it was desired to eliminate the purchase obligation. In general, a physical trade has greater liquidity risk than a financial trade.

4.1.3 Margin Risk:

The risk that a portfolio's overall net value might decrease to certain predetermined credit exposure thresholds that requires the portfolio holder to post collateral. This can be measured by margin-at-risk metrics which gauge 1) the probability that a portfolio's value will adversely change sufficiently to initiate a margin call and 2) the magnitude of any resulting required collateral posting.

4.1.4 Volumetric Risk:

The risk that the quantity of fuel supply projected to be required during a future period is either over or underestimated from actual requirements during the period. For example:

> Volume risk occurs when a sudden change in the daily fuel needs, resulting from a forced outage of a generation facility, causes a fuel quantity surplus. Volume risk can also include circumstances where supply was acquired using a previous longer-term forecast that later exceeds the defined limits of this Policy as a result of reductions of fuel needs in subsequent forecasts.

4.1.5 Calendar Risk:

The risk associated with differences of unit commodity value resulting from the time disparity between the settlement date of a financial instrument (contract index posting, swap, option, etc.) and the actual market price of the underlying physical commodity at time of delivery.

4.2 Credit Risk:

The potential for financial loss due to adverse changes to the credit rating of a counterparty that increases the potential of their inability to fulfill the terms of a contract or financial commitment. An example of this type of risk would be the exposure of a counterparty failing to pay the financial gains due that resulted from the settlement of a financial transaction. FMPA would be exposed to the current market price for the corresponding quantity defined by the transaction in addition to the costs related to establishing the transaction's position(s), if any (i.e. broker fees, transport commitments, etc.).

Credit risk exposure is significantly lower when transacting on the New York Mercantile Exchange (NYMEX) versus transacting via the Over the Counter (OTC) market, though there are exceptions. The credit risk associated with exchange traded instruments is mitigated since the government regulated institutional exchanges guarantee financial performance through margin posting and are further backed up by the actual exchange members, if necessary.

Credit risk exposure does exist for OTC traded transactions because the financial integrity of the trade is totally dependent upon the counterparty's ability or willingness to perform. Credit risk primarily applies to physical commodity transactions. The failure to deliver or receive purchased natural gas or fuel oil under a long-term commitment could expose FMPA to purchasing/selling quantities above or below cost, especially during periods of fuel shortages and/or surplus.

4.3 Administrative Risk:

The potential of financial loss arising from deficiencies of internal control structures and/or management reporting resulting from human error, fraud and/or system failures. An example would be failing to implement the necessary accounting system modifications required by changes in generally accepted accounting practices (GAAP) and any associated reporting requirements. The Agency must ensure that proper accounting treatment is being used for booking transactions and that processes comply with changes in applicable financial accounting standards that impact the timing of financial recognition and/or rate determination.

5.0 Fuel Portfolio Risk Management and Price Stability Program

The natural gas and fuel oil risk management program will be based on the following components:

The stability program uses a tiered strategy for natural gas procurement based on the time horizon, with a recommended distinct maximum, target, and minimum hedging levels specified for each year over a three-year period. Procurement activities shall be data-driven, considering current market trends, natural gas price forecasts, and the ARP's operational needs and financial objectives.

5.1 Authorized Strategies:

FMPA as authorized by the Executive Committee ("EC"), adopts a tiered natural gas procurement strategy over a rolling three-year horizon. Distinct hedging ranges and target levels are established for each season within each year.

Procurement activities shall be data-driven and shall consider prevailing market conditions, natural gas price forecasts, and the All-Requirements Project's operational requirements and financial objectives. All transactions shall be executed at a weighted-average cost less than or equal to EC-approved price target thresholds.

Trade sizing for each transaction shall be at the discretion of an authorized trader, subject to the hedging ranges and target levels referenced above and all applicable internal controls and approvals.

5.2 Price Stability Program:

FMPA's approach to long-term natural gas procurement for the ARP is intended to balance the need for price stability with the flexibility to reflect on market conditions. This is accomplished through a structured, tiered strategy that sets out specific hedging ranges for each year, allowing for adjustments based on market conditions and the FMPA's rate expectations.

5.2.1Year 1 (0 - 12 Months)

The intent is to ensure a recommended minimum, 60% (sixty percent) of the estimated All Requirements Project (ARP) usage of natural gas to serve native load is procured, with a maximum limit not to exceed 75% (seventy-five percent).

To accommodate seasonal variations in natural gas usage and market conditions, the following seasonal procurement ranges are established:

Summer Range: During the summer months, defined as April 1st through October 31st, the ARP intent should not be less than 65% (sixty-five percent) and not more than 75% (seventy-five percent) of the estimated ARP usage for the period.

Winter Range: During the winter months, defined as November 1st through March 31st, the ARP shall consider and restricted to not more than 75% (seventy-five percent) of the estimated ARP usage for the period.

5.2.2 Year 2 (13 - 24 Months)

The intent for year two, natural gas procurement shall target a recommended minimum of 25% (twenty-five percent) and a maximum of 50% (fifty percent) of the estimated ARP usage. This adjustment aims to provide more mid-term flexibility in response to anticipated market volatility and to optimize cost efficiency over time.

To accommodate seasonal variations in natural gas usage and market conditions, the following seasonal procurement ranges are established:

Summer Range: During the summer months, defined as April 1st through October 31st, the ARP intent should not be less than 40% (forty percent) and restricted to not more than 50% (fifty percent) of the estimated ARP usage for the period.

Winter Range: During the winter months, defined as November 1st through March 31st, the ARP intent should not be less than not more than 50% (fifty percent) of the estimated ARP usage for the period.

5.2.3 Year 3 (25 - 36 Months)

The intent for year three, natural gas procurement shall target a recommended minimum of 0% (zero percent) and a maximum of 25% (twenty-five percent) of the estimated ARP usage. This adjustment aims to provide more long-term flexibility in response to anticipated market volatility and to optimize cost efficiency over time.

To accommodate seasonal variations in natural gas usage and market conditions, the following seasonal procurement ranges are established:

Summer Range: During the summer months, defined as April 1st through October 31st, the ARP intent should not be less than 5% (five percent) and not more than 25% (twenty-five percent) of the estimated ARP usage for the period.

Winter Range: During the winter months, defined as November 1st through March 31st, the ARP intent should not be less than 0% (zero percent) and restricted to not more than 25% (twenty-five percent) of the estimated ARP usage for the period.

5.3 Discretionary Buying

The discretionary buying authority vested in the CFO or a duly designated representative is critical to the ARP's flexible approach to natural gas procurement. This authority enables the execution of futures, International Swaps and Derivatives Association (ISDA) agreements, swaps, and firm fixed physical natural gas transactions.

5.3.1 Authority and Responsibilities

The CFO, or designated representative, is empowered to execute natural gas transactions within the established hedging ranges and currently approved price targets without requiring additional approvals.

5.3.2 Decision-Making Criteria

Prior to executing any transaction, the authorized individual must perform an analysis of current market conditions. This includes assessing supply and demand forecasts, geopolitical factors influencing the natural gas markets, and any other information offered by authorized traders.

5.3.3 Oversight and Separation of Duty

The Strategic Planning department, through the development and maintenance of production simulation models, will provide guidance on the volume of ARP gas forecasted to be burned to supply native load for each month over the stability program's time horizon. These models will be updated not less than semi-annually to reflect the most current forecasts of loads, generation operations, fuel costs, and other factors that could impact forecasted gas burns.

An audit will review the number of contracts hedged and any other relevant market activities to ensure compliance with the policy guidelines.

5.3.4 Reporting and Transparency

The CFO is required to submit a comprehensive report to the Executive Committee on a quarterly basis. This report must detail all transactions conducted under this discretionary authority, analyze the outcomes, assess the effectiveness of the strategies employed, and, if necessary, recommend adjustments to the previously approved volumes or prices.

5.3.5 Training and Competency

FMPA will provide ongoing training and resources to the CFO and any designated representatives to ensure they are well-versed in the latest market insights, risk management strategies, and ethical considerations relevant to the exercise of discretionary buying power.

The training will include, but is not limited to, advanced market analysis techniques, ethical procurement practices, utilization of market trading software, and updates on regulatory changes affecting the natural gas market. Training entities may include, for example, the Florida Gas Utility (FGU) and The Energy Authority (TEA).

5.4 Enabling Agreements:

Master Agreements or enabling agreements establish the general terms and conditions that govern any subsequent commodity or derivative product transaction with a counterparty. These Master Agreements are a prerequisite for doing business in today's commodity marketplace. They, by their very nature, only define general terms and conditions and do not commit FMPA to any form of financial or physical obligation. As such, FMPA is authorized to execute these types of enabling agreements without individual EC approval and their execution is governed pursuant to the Contract Management Risk Policy. All other aspects of any subsequent transaction are governed by the Origination Risk Policy. Types of these enabling agreements include utility interchange agreements, NAESB form contracts, EEI form contracts, and ISDA form contracts.

5.5 Authorized Transactions:

The following types of risk mitigation instrument transactions are authorized by the EC but are limited to only the purchase or sale of these instruments solely for near term price risk mitigation of projected physical fuel requirements and/or financial exposure to the fuel purchase requirements of others for serving FMPA generation assets (Stanton A would be an example of this exposure where OUC manages the fuel supply) and/or long-term energy supply purchase commitments.

5.5.1 Exchange Based Futures:

FMPA is authorized to set up accounts with one or more licensed brokerage firms in order to purchase or sell futures contracts or other exchange offered products through a recognized exchange such as the NYMEX. Alternatively, FMPA is authorized to designate an agent through which to transact exchange traded products.

5.5.2 Over-the-Counter Transactions (OTC):

FMPA is authorized to negotiate and execute ISDA agreements (refer to Section 0) and subsequently, pursuant to an approved risk mitigation program (refer to Section 0), transact with counterparties in order to purchase and/or sell derivative products such as forwards, swaps, and options on forwards or any combination of the same.

A comparison is included in Exhibit B of the characteristic features of Exchange versus OTC transactions.

New and existing transactions using the OTC market are subject to the Credit Risk Policy, Appendix E of the FMPA Risk Management Policy.

5.5.3 Forward Physical Purchases:

FMPA is authorized to negotiate, contract with, and purchase physical quantities of natural gas and fuel oil pursuant to the Credit Risk Policy and the Origination Risk Policy.

All physical purchases of natural gas shall be coordinated through an FMPA designated fuel agent to schedule, receive, transport and deliver such purchased gas volumes. Any forward purchases of natural gas or fuel oil must be limited to the physical volume requirements forecast for only serving the energy requirements of the ARP and its obligations, if any.

Any natural gas purchases or sales greater than a one-month (thirty-one days) duration shall be pursuant to the approval process defined by the Origination Policy prior to any commitment, i.e. the defined approval authority of the FMPA staff member making such commitment.

5.5.4 Physical Natural Gas Purchases:

Physical natural gas purchases with a term of one month (thirty-one days) or greater will not exceed 75% of the respective native ARP and firm obligations monthly fuel needs based upon the most recent load forecast and generation dispatch projection at the time of the commitment of such purchases.

To ensure monthly fuel needs are as current as possible, each month an updated load forecast/dispatch projection will be generated no later than five (5) business days prior to the beginning of the following month. This forecast projection will be the basis for determining the 75% fuel need maximum described above. Pre-paid gas transactions are exempt from this cap and shall comply with EC-approved pre-pay limits and approvals.

5.5.5 Fixed Price Physical Natural Gas Purchases:

Any fixed price purchase with a duration of greater than one month is viewed as a near term price risk mitigation transaction and requires the approval of the EC prior to commitment unless such fixed price purchase is pursuant to an approved price risk mitigation strategy as described in Section 0 above.

5.5.6 Natural Gas Storage:

Upon approval of both the FC and the EC, FMPA may enter into natural gas storage agreements. Counterparties are subject to the Credit Risk Policy. The primary purpose of any natural gas storage agreement shall be to ensure the reliability of natural gas supplies. Secondarily, natural gas storage may be used as an operational pipeline balancing tool or in conjunction with other authorized energy management transactions when financially advantageous for the ARP, as determined by a storage management agent if no such agent is authorized.

5.5.7 Fuel Oil Storage:

The primary purpose for maintaining a minimum amount of fuel oil shall be to ensure that a reasonable level of alternate fuel is available for dual fuel fired generating units in the event, natural gas deliveries are reduced or interrupted due to supply and/or pipeline constraints. Recognizing that the Stock Island generating units operate solely with fuel oil, the minimum inventory criteria apply to the Island's fuel oil storage inventory as well.

5.5.8 Natural Gas Entitlement Capacity:

Natural Gas Entitlement Capacity is needed to secure firm delivery of natural gas to generation assets. Natural gas pipeline companies generally offer two basic forms of service for the transportation of gas from receipt point(s) to the desired delivery locations. The first type is referred to as "interruptible", where a shipper's scheduled volumes submitted are subject to being curtailed anytime the pipeline becomes capacity constrained even if gas has been delivered at the receipt points. The shipper is only charged for this service based upon the quantity of gas that was successfully delivered. The pipeline has no obligation to ensure delivery of gas volumes when using this form of transportation service.

The second form of service is referred to as “firm”, where the shipper pays the pipeline a reservation fee (commonly referred to as a capacity or demand charge) each month based upon the daily delivery obligation of the pipeline. When a shipper contracts for this form of “firm” service, the pipeline has committed to the obligation to deliver whatever quantity that has been scheduled up to the contracted capacity quantity. If the pipeline becomes capacity constrained, then each firm shipper would have their scheduled volume curtailed on a pro-rata basis.

FMPA has contracted firm service primarily upon Florida Gas Transmission (FGT) for the delivery of natural gas fuel to its generating assets to ensure that each gas fired unit is able to operate when needed. FMPA also has the ability to receive gas volumes from Gulf Stream Natural Gas System at the Cane Island Power Park.
The combination of these two arrangements ensures that FMPA can ensure delivery of natural gas as required to generate power in a reliable manner as needed to meet its load serving obligations to its members.

5.5.9 Pre-pay Physical Natural Gas Renewals:

For any existing pre-pay physical natural gas agreements where the “Put” period renews and/or resets, staff shall have the authority to extend the agreement once up to the original term (30 years) if the expected monthly discount exceeds $0.08 MMBtu as compared to the remaining term of the original renewal period. This authorization shall remain in effect until September 30, 2029.

6.0 Risk Limits and Measurement

FMPA may only enter into transactions to manage risks associated with the physical and financial exposure related to meeting the ARP’s forecast fuel requirements of natural gas and/or fuel oil related only to fulfilling all applicable native ARP and firm obligations.

Proactive monitoring of current market performance, existing and potential risk exposure, risk management alternatives (acquiring or liquidating positions), and evaluation of prior strategic results are necessary to ensure the goals and expectations defined by this Policy are achieved.

shall use the following limits and measurements, as calculated using applicable reference pricing, to monitor the performance of and compliance with current approved risk management strategies and procedures.

Before any transaction is executed, the individual executing the transaction is required to ensure that it is compliant with the parameters of this Policy, any approved price risk mitigation program, if any, and respective periodic reviews by the CFO . This requirement will be fulfilled by analyzing the natural gas portfolio and any associated risk mitigation transactions to ensure that the resulting incremental credit and market exposures do not exceed any defined limits set forth in this Policy.

6.1 Natural Gas Storage Limits:

The requirement for storage limits should be applied only if there is more than 500,000 MMBtu of capacity available to ARP. If storage capacity is below 500,000 MMBtu, there will not be any minimum requirements as outlined in section 6.0.

The minimum inventory volume of natural gas in storage during the primary hurricane season (June through November) shall be 50% of FMPA's contracted storage capacity. During all other months the minimum level of storage inventory shall be 10% of contracted storage capacity.

6.1.1 Outsourcing:

FMPA may outsource the management of its natural gas storage capacity for optimizing this asset by issuing a Request for Proposal ("RFP"). Final selection of the qualified storage management agent ("Agent") must be approved by the FC and EC.

The Agent must comply with FMPA Directives and the terms and conditions of FMPA's managed natural gas storage contracts and all applicable tariffs and other legal requirements. The agent will be granted access to trading platforms or other needed counterparty information required to execute transactions within FMPA's contractual relationships. The Agent must agree to the obligations of this Policy and FMPA's respective counterparty trading account(s) requirements.

6.1.2 Annual Storage Plan:

The Agent must provide an Annual Storage Plan for the upcoming fiscal year to FMPA by August 1 of each year for approval by EC

6.1.3 Storage Optimization Restrictions:

Storage management activities shall strive to generally maintain a net zero optimization position. Net zero optimization is when all physical gas stored in the ground (Storage) and/or financial long/short positions (i.e. purchased/sold NYMEX natural gas contracts or their equivalent) representing volumes to be injected/withdrawn in a forward period has an off-setting financial long/short position (i.e. purchased/sold NYMEX natural gas contracts or their equivalent) representing volumes to be withdrawn/injected in a forward period (Transaction)).

1) Any "net zero" tolerance deviation greater than 10,000 MMBtu and less than 50,001 MMBtu ("Minor Tolerance Deviation") must be corrected by the end of the fifth (5^{th}) business day following the day on which it occurred and must be reported by the Agent on a monthly basis, with sufficient details to explain why the Minor Tolerance Deviation occurred.
2) Any "net zero" tolerance deviation greater than 50,000 MMBtu ("Major Tolerance Deviation"), must be reported by the Agent. Such Major Tolerance Deviation report will be in writing detailing the circumstances of the deviation within three business days of the occurrence.

FMPA's CEO must authorize any net zero imbalance outside of approved limits.

6.1.4 Optimization Trade Period:

Storage management transactions are restricted for the settlement date to be no more than 24 months into the future from the transaction date of the trade.

6.1.5 Inventory Limit Deviations:

Storage inventory levels may deviate outside of the above stated limits only when required to meet FMPA's operational requirements ("Reliability Event"). The Agent shall inform FMPA's CFO immediately after any such Reliability Event. Within 3 business days after such Reliability Event, the Agent shall provide FMPA's CFO with a written action plan to reestablish the pre-Reliability Event inventory level unless such level has already been achieved.

6.1.6 Storage Management Reports:

The Agent shall provide storage management reports for each FC meeting. These reports shall include physical gas inventory and any optimization transactions.

6.1.7 Cash Flow Report:

The Agent shall provide, by the fifth of each month, a cash flow report detailing the impacts of existing and projected storage management activities for review by the. If directed, the Agent must contractually agree to adjust storage inventory to meet FMPA's liquidity requirements.

6.2 Fuel Oil Storage Limits:

The Agency shall maintain, as conditions warrant, a fuel oil inventory of no less than 50% and no more than 100% of available storage tank capacity located at Cane Island Power Park and Treasure Coast Energy Center. In the event that the fuel oil inventory falls below 50% at a generation site, the Power Generation Fleet Director will implement an action plan to achieve the minimum 50% inventory level within a reasonable period of time or provide justification for a reduced inventory level. This plan or justification will be provided to FMPA's CFO for review and approval.
Agency shall maintain, as conditions warrant, fuel oil inventory at Stock Island Generating Facility, which will support the 17-day historical hurricane restoration operations load curve developed by staff or approximately 2,800,000 gallons. Staff will ensure this required minimum volume is in place before hurricane season, June 1st. In the event that the fuel oil inventory falls below 50% of the 17-day benchmark, the Power Generation Fleet Director will implement an action plan to achieve the minimum 50% inventory level within a reasonable period of time or provide justification for a reduced inventory level. This plan or justification will be provided to and the CFO for review and approval.

Processes will be implemented and maintained to minimize the environmental risk at all the generating sites. These procedures, at a minimum, will consist of:

- Fuel inventory management
- Thorough tank inspections
- Timely and accurate fuel inventory accounting records

- Dynamic fuel oil measurement
- Delivery of fuel oil by tanker truck only

6.3 Natural Gas Entitlement Capacity

Long-term NGEC shall be reviewed for adequacy as part of the planning process for major changes to the generation portfolio. To ensure a high level of reliability, staff shall target acquiring and maintaining NGEC for at least 70% of the monthly system demand projected. Monthly system demand may be derived from the average of the daily demand projections for each month.

Short-term NGEC management, up to one year, will allow for daily or monthly NGEC sales to be in excess of the expected daily or monthly maximum system demand.

7.0 Internal Controls

The, CFO and shall be responsible for the establishment of appropriate internal controls and segregation of duties to facilitate proper execution of the natural gas and fuel oil risk mitigation program, consistent with this Policy and in accordance with all policies and procedures established by the FMPA Risk Management Policy, or by NERC and FERC regulations.

7.1 Segregation of Duties:

Individuals responsible for legally binding the organization to a transaction will not also perform confirmation, clearing and/or accounting functions related to those transactions. The official book of record of FMPA shall also be maintained by a person(s) other than those executing such transactions. This maintenance responsibility includes the valuation of mark-to-market positions (when applicable) and the calculation of applicable risk metric(s). Clear separation of duties shall be maintained between the front office (marketing functions and transaction execution), the middle office (confirmation, valuation, and reporting functions), and the back office (processing, accounting, invoicing and reconciliation activities).

7.2 Policy Compliance:

The Internal Audit Manager shall ensure that compliance with this Policy and associated Procedures are monitored on an ongoing basis. Any unresolved compliance issues will be presented to the FC by at the next regularly scheduled meeting.

7.3 Conflicts of Interest:

Personnel responsible for executing and managing the Agency's trading activity shall not engage in any activity that could pose a conflict of interest and interfere with the proper execution of Agency risk mitigation activities or which could impair their ability to make impartial and objective trading decisions. Such personnel shall disclose to the any personal financial interests in any financial institutions, firms, or other entities that conduct business with FMPA.

7.4 Policy Questions:

The is authorized to provide clarification and explanation on any questions regarding this Policy. All legal matters stemming from this Policy will be referred to the Agency's Office of the General Counsel.

7.5 Training:

Appropriate training on the risks associated with different market conditions, financial products and physical products shall be provided as needed to educate appropriate FMPA staff and governing body members.

8.0 Reporting

Current market conditions affecting FMPA's natural gas and fuel oil costs, risk management programs, or FMPA's current financial and physical risk management strategies shall be reported during each meeting of the FC and/or EC. Then on a quarterly basis a full report of the Fuel Portfolio Risk Management and Price Stability Program shall be provided. This report should include but not limited to: The volume of all natural gas positions, past quarters margin requirements, and the current percent mitigated to the EC target numbers. As well as, any additional relevant information about FMPA's natural gas and fuel oil risk management program and activities.

Acceptance of the reported information by the FC and/or the EC is required

The shall report any deviations from this Policy according to the guidelines set forth in the FMPA Risk Management Policy, Section 4.1. The shall cause an annual report to be completed on the operation and effectiveness of this Fuel Portfolio Risk Management Policy as described in the FMPA Risk Management Policy, Section 7.0.

9.0 Oversight Structure

Any material deviations from this Policy to be reported according to the guidelines set forth in Section 4.1 of the FMPA Risk Management Policy. An annual report on the operation and effectiveness of this Policy shall be presented to the Finance Committee as described in Section 7.0 of the FMPA Risk Management Policy.

Appendix A

Florida Municipal Power Agency Risk Management Reporting Calendar Natural Gas and Fuel Oil Risk Management Planning Reporting Requirements				
Reporting Item	**Frequency Of Report**	**Responsible Party**	**Policy Reference**	**Policy Reference**
Volumetric Projection Update	Monthly	Business Development and System Operations Director	Section 0	5.5.4 Physical Natural Gas Purchases:
Annual Storage Plan and Update*	Annually	Agent	Section 0	6.1.2 Annual Storage Plan:
Storage Balance Restriction Deviations*	As Needed	Agent	Section 0	6.1.3 Storage Optimization Restrictions:
Reliability Event*	As Needed	Agent	Section 0	6.1.5 Inventory Limit Deviations:
Storage Report*	Each FC Meeting	Agent	Section 0	6.1.6 Storage Management Reports:
Storage Cash Flow*	Monthly	Agent	Section 0	6.1.7 Cash Flow Report:
External Review	Every five years	Agent	Section 7.2	7.2 Policy Compliance:
Fuel Oil Action Plan	As Needed	Power Generation Fleet Director	Section 6.2	6.2 Fuel Oil Storage Limits:
Market Conditions	Each FC Meeting	Agent	Section 8.0	Reporting
Fuel Portfolio Risk Management and Price Stability Program	Quarterly	Agent	Section 8.0	Reporting
Policy Operation & Effectiveness	Annually	Agent	Section 8.0	Reporting
Policy Compliance Deviations	As Needed	Internal Audit Manager	Section 7.2	7.2 Policy Compliance:
*these reports are required only if there is more than 500,000 MMBtu of capacity available to ARP.				

Appendix B

Features of Exchange Traded vs. Over-The-Counter Traded Products

FEATURES	Exchange Traded	Over-The-Counter
Examples	Futures and Options	Swaps, Caps, Floors, Collars, etc.
Market	Organized exchanges in Chicago, New York, Kansas City, and other commodity markets around the world.	Networks consisting of market makers who exchange information, provide bids/offers, and negotiate transactions.
Agreements	Standardized contracts.	Custom-tailored to meet any specific needs of the counterparties within accepted guidelines (NAESB, EEI, ISDA).
Risk	Guaranteed contract performance.	Performance, default and/or credit risk to the counterparties.
Regulation	U.S. exchanges regulated by Commodity Futures Trading Commission CFTC).	Not formally regulated.
Ability to Value	Market transparency resulting from the electronic posting of daily settlement and intra-day prices. All prices are generally based upon a single geographic location.	- Varies by market and location. No standardized or consistent methodology. - Some have electronic posting or periodic publications, - Some require individual inquiry and valuation.

FLORIDA MUNICIPAL POWER AGENCY

RISK MANAGEMENT POLICY - APPENDIX A

FUEL PORTFOLIO MANAGEMENT POLICY

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FUEL PORTFOLIO RISK MANAGEMENT POLICY FOR FLORIDA MUNICIPAL POWER AGENCY

This Fuel Portfolio Risk Management Policy (the "Policy") and any effective subordinate procedures establish the governance, framework and controls under which Florida Municipal Power Agency ("FMPA" or "Agency") may engage in activities to identify, measure and minimize future business risk impacting the All Requirements Power Supply Project ("ARP") resulting from price and/or supply uncertainty in the natural gas and fuel oil markets. This Policy is Appendix A of the FMPA Risk Management Policy.

1.0 Policy Statement

The Executive Committee ("EC") of FMPA recognizes that FMPA is exposed to various risks specific to generation fuel as an integral aspect of the normal course of business activities. There may be times when FMPA will determine that certain risks are above the risk tolerance levels expressed by FMPA's members. As such, FMPA staff is hereby authorized to implement various mechanisms, such as those more fully described throughout Sections 5 and 6 of this Policy, which will control, transfer, or mitigate these risks to help safeguard the Agency's ability to provide reliable power.

The design standards of this Policy ensure that the risk control oversight functions are independent from any asset management or daily operational activities. Further, any and all actions taken by FMPA are strictly to provide reliable power to the ARP members and manage any associated risks deemed appropriate by the ARP members and will not be speculative in nature to achieve additional monetary gain using the commodity market.

Commented [A1]: The very nature of hedging is speculative in nature. Should we reword or delete this?

The following summarizes the Policy of the EC:

- ❖ FMPA is granted authority to enter into natural gas transportation contracts, storage agreements, physical purchase and sales contract commitments, or financial purchase and sales contracts, subject to the details on authorized products which are contained in Section 5.0 of this policy.
- ❖ FMPA is authorized to enter into "Enabling Agreements" that define the terms and conditions of any subsequent transaction agreements related to generation fuel commodity purchases, sales, storage, transportation or risk mitigation transactions. Details of these authorized Enabling Agreements are contained in Section 5.4 of this policy.

Commented [A2]: Might need to update section

- FMPA may undertake natural gas or fuel oil risk mitigation transactions with the specific prior approval of the EC.
- Section 5.4.4 of this Policy sets defined limits for purchased physical natural gas volumes.
- Section 6.2 of this Policy sets defined limits for purchased fuel oil quantities.
- Section 6.1 of this Policy sets defined limits for natural gas storage quantities.
- Section 6.3 of this Policy sets defined limits for natural gas entitlement capacity.
- All individuals authorized to execute trades shall be approved by the CEO and reported to the and Finance Committee ("FC").
- Authority is delegated to the Chief Financial Officer (CFO) (or designee) to cause the creation of and subsequent administration of any underlying procedures defined by this Policy and deemed appropriate and/or necessary.
- Deviations from this Policy shall be reported to the FC as prescribed in Section 4.1 of the FMPA Risk Management Policy.

Commented [A3]: Update section

2.0 Scope

FMPA is exposed to risk by its participation in the physical natural gas and fuel oil commodity market and the corresponding financial derivative market for each respective underlying commodity. FMPA participates in various mitigation efforts in order to manage exposure to these risks. Without risk management, FMPA's ARP is subject to potentially significant energy rate volatility and operational reliability limitations that result from generation fuel cost changes, fuel receipt/delivery constraints, and cash flow requirements to meet operational cost liabilities and obligations.

Mitigation efforts would consist of executing physical and financial transactions designed to reduce the ARP's exposure to energy rate volatility and operating risks associated with its need to participate in the physical commodity market to ensure delivery of generator fuel, as required, for generating power to meets its obligations and commitments.

3.0 Objectives

The objective of the risk management program described in this Policy is to identify risk exposures; to understand their potential impact on the ARP's financial statements and continued economic well-being; to measure and report these impacts; and to take appropriate steps to manage or mitigate any adverse effect to an acceptable level as specified by the EC. This will be accomplished through the use of operational techniques and trading instruments which are consistent with this policy.

3.1 Manage Generation Fuel Requirement Projections:

FMPA shall strive to effectively manage its natural gas and fuel oil programs. It is expressly understood that risk management is intended to mitigate exposure to adverse outcomes and is not intended to result in increased financial profitability or result in the lowest cost for natural gas and fuel oil. The purpose of this Policy is to ensure that planning and control methods are in place and utilized to manage generation fuel supply reliability with consideration to a reasonable outage of FGT Zone 3 pipeline or seasonal weather event.

Commented [A4]: Should we add something to talk to price stability?

3.2 Manage Volumetric Exposure:

FMPA shall only manage its physical natural gas and fuel oil volumetric requirements related to serving the needs of the ARP or other firm obligations. Fuel volume requirements are based on dynamically changing variables such as load forecasts, weather forecasts, generation resource availability, and projections of optimal generation unit dispatch. Changes in any of these variables will impact the ARP's required quantities of natural gas and/or fuel oil and inhibit the intended effectiveness of this Policy. To mitigate these impacts, this Policy defines review and update parameters to revise volumetric exposure projections in Section 0.

3.3 Maintaining Balance between Cost and Reliability:

FMPA's efforts strive to control costs and ensure reliable delivery of electric power to its members and other commitments, if any. Ensuring the highest level of reliability is in opposition to achieving the lowest possible cost. Equilibrium between cost and reliability to achieve the desired balance is defined and established by the EC. Staff will bring forward long-term strategic decisions of fuel consideration to EC.

4.0 Types of Risk

This Policy establishes minimum standards to support an Agency-wide atmosphere of risk control measures to provide reliable power at market prices. The CFO will ensure that procedures, as needed, are created and followed specific to the areas of risk noted below and define ways for measuring and controlling these risks to within defined levels of exposure as established by the EC. The FMPA Risk Management Policy identifies ten areas comprising FMPA's key risk areas. While not intended to be a comprehensive listing of all risks encountered in its normal business cycle by FMPA, the framework provides insight into the major areas of exposure. The following identified areas are the risks most typically faced when managing any commodity intensive business like the power generation industry.

4.1 Market Risk:

The risk of potential change in the value of an asset caused by adverse changes in market factors. An example is the commodity price risk that occurs when FMPA purchases fuel, usually natural gas, for its generating facilities. The timing and unit price of these fuel purchases expose FMPA to potential adverse or beneficial cost impacts with changing market conditions.

4.1.1 Price Risk:

The uncertainty associated with changes in the unit price of an underlying commodity. For example:

> A fixed price fuel purchase can create market risk. The fixed purchase price set for a future delivery period may not reflect the then current market price when delivery is made. If the market price is less than the pre-established purchase price, the purchase cost would be higher than market. Conversely, if the market price was higher, then the purchase cost would be less than market.

Price risk can be caused by any one or a combination of the following:

1) Changes in the value of wholesale energy transactions (i.e. $/MWh),
2) Commodity fuel costs (i.e. $/MMBtu),
3) Basis exposure due to the value difference of a commodity at different geographic locations (i.e. gas price at a pipeline receipt point versus the pipeline delivery point),

4) Index Price Risk is the exposure created by the process to establish a unit index value of an underlying commodity at a given location. This generally entails surveys of buyers and sellers at that location and weighing the results to determine the "Index" value,
5) Intra-Month Price Risk is the daily changes in the unit price of a commodity at a given geographic location during a given month of flow (the monthly index price vs the daily index price, etc.).

4.1.2 Liquidity Risk:

The risk associated with a constrained or limited ability for transacting trades, causing a potential inability to acquire a commodity when needed or to liquidate a previously acquired commodity that is no longer needed. For example:

> In the fixed price fuel purchase example above, finding a buyer of the fuel purchase might prove difficult to find if, prior to the delivery period, it was desired to eliminate the purchase obligation. In general, a physical trade has greater liquidity risk than a financial trade.

4.1.3 Margin Risk:

The risk that a portfolio's overall net value might decrease to certain predetermined credit exposure thresholds that requires the portfolio holder to post collateral. This can be measured by margin-at-risk metrics which gauge 1) the probability that a portfolio's value will adversely change sufficiently to initiate a margin call and 2) the magnitude of any resulting required collateral posting.

4.1.4 Volumetric Risk:

The risk that the quantity of fuel supply projected to be required during a future period is either over or underestimated from actual requirements during the period. For example:

> Volume risk occurs when a sudden change in the daily fuel needs, resulting from a forced outage of a generation facility, causes a fuel quantity surplus. Volume risk can also include circumstances where supply was acquired using a previous longer-term forecast that later exceeds the defined limits of this Policy as a result of reductions of fuel needs in subsequent forecasts.

4.1.5 Calendar Risk:

The risk associated with differences of unit commodity value resulting from the time disparity between the settlement date of a financial instrument (contract index posting, swap, option, etc.) and the actual market price of the underlying physical commodity at time of delivery.

4.2 Credit Risk:

The potential for financial loss due to adverse changes to the credit rating of a counterparty that increases the potential of their inability to fulfill the terms of a contract or financial commitment. An example of this type of risk would be the exposure of a counterparty failing to pay the financial gains due that resulted from the settlement of a financial transaction. FMPA would be exposed to the current market price for the corresponding quantity defined by the transaction in addition to the costs related to establishing the transaction's position(s), if any (i.e. broker fees, transport commitments, etc.).

Credit risk exposure is significantly lower when transacting on the New York Mercantile Exchange (NYMEX) versus transacting via the Over the Counter (OTC) market, though there are exceptions. The credit risk associated with exchange traded instruments is mitigated since the government regulated institutional exchanges guarantee financial performance through margin posting and are further backed up by the actual exchange members, if necessary.

Credit risk exposure does exist for OTC traded transactions because the financial integrity of the trade is totally dependent upon the counterparty's ability or willingness to perform. Credit risk primarily applies to physical commodity transactions. The failure to deliver or receive purchased natural gas or fuel oil under a long-term commitment could expose FMPA to purchasing/selling quantities above or below cost, especially during periods of fuel shortages and/or surplus.

4.3 Administrative Risk:

The potential of financial loss arising from deficiencies of internal control structures and/or management reporting resulting from human error, fraud and/or system failures. An example would be failing to implement the necessary accounting system modifications required by changes in generally accepted accounting practices (GAAP) and any associated reporting requirements. The Agency must ensure that proper accounting treatment is being used for booking transactions and that processes comply with changes in applicable financial accounting standards that impact the timing of financial recognition and/or rate determination.

5.0 Fuel Portfolio Risk Management and Price Stability Program

The natural gas and fuel oil risk management program will be based on the following components:

The stability program uses a tiered strategy for natural gas procurement based on the time horizon, with a recommended distinct maximum, target, and minimum hedging levels specified for each year over a three-year period. Procurement activities shall be data-driven, considering current market trends, natural gas price forecasts, and the ARP's operational needs and financial objectives.

5.1 Authorized Strategies:

FMPA as authorized by the Executive Committee ("EC"), adopts a tiered natural gas procurement strategy over a rolling three-year horizon. Distinct hedging ranges and target levels are established for each season within each year.

Procurement activities shall be data-driven and shall consider prevailing market conditions, natural gas price forecasts, and the All-Requirements Project's operational requirements and financial objectives. All transactions shall be executed at a weighted-average cost less than or equal to EC-approved price target thresholds.

Trade sizing for each transaction shall be at the discretion of an authorized trader, subject to the hedging ranges and target levels referenced above and all applicable internal controls and approvals.

5.2 Price Stability Program:

FMPA's approach to long-term natural gas procurement for the ARP is intended to balance the need for price stability with the flexibility to reflect on market conditions. This is accomplished through a structured, tiered strategy that sets out specific hedging ranges for each year, allowing for adjustments based on market conditions and the FMPA's rate expectations.

5.2.1Year 1 (0 - 12 Months)

The intent is to ensure a recommended minimum, 60% (sixty percent) of the estimated All Requirements Project (ARP) usage of natural gas to serve native load is procured, with a maximum limit not to exceed 75% (seventy-five percent).

Commented [A5]: Since we're doing these purchases now, should we rewrite this to be "FMPA or an authorized agent"? See 5.5.1

To accommodate seasonal variations in natural gas usage and market conditions, the following seasonal procurement ranges are established:

Summer Range: During the summer months, defined as April 1st through October 31st, the ARP intent should not be less than 65% (sixty-five percent) and not more than 75% (seventy-five percent) of the estimated ARP usage for the period.

Winter Range: During the winter months, defined as November 1st through March 31st, the ARP shall consider and restricted to not more than 75% (seventy-five percent) of the estimated ARP usage for the period.

5.2.2 Year 2 (13 - 24 Months)

The intent for year two, natural gas procurement shall target a recommended minimum of 25% (twenty-five percent) and a maximum of 50% (fifty percent) of the estimated ARP usage. This adjustment aims to provide more mid-term flexibility in response to anticipated market volatility and to optimize cost efficiency over time.

To accommodate seasonal variations in natural gas usage and market conditions, the following seasonal procurement ranges are established:

Summer Range: During the summer months, defined as April 1st through October 31st, the ARP intent should not be less than 40% (forty percent) and restricted to not more than 50% (fifty percent) of the estimated ARP usage for the period.

Winter Range: During the winter months, defined as November 1st through March 31st, the ARP intent should not be less than not more than 50% (fifty percent) of the estimated ARP usage for the period.

5.2.3 Year 3 (25 - 36 Months)

The intent for year three, the authorized agent for natural gas procurement shall target a recommended minimum of 0% (zero percent) and a maximum of 25% (twenty-five percent) of the estimated ARP usage. This adjustment aims to provide more long-term flexibility in response to anticipated market volatility and to optimize cost efficiency over time.

Commented [A6]: same as prior comment

To accommodate seasonal variations in natural gas usage and market conditions, the following seasonal procurement ranges are established:

Summer Range: During the summer months, defined as April 1st through October 31st, the ARP intent should not be less than 5% (five percent) and not more than 25% (twenty-five percent) of the estimated ARP usage for the period.

Winter Range: During the winter months, defined as November 1st through March 31st, the ARP intent should not be less than 0% (zero percent) and restricted to not more than 25% (twenty-five percent) of the estimated ARP usage for the period.

5.3 Discretionary Buying

The discretionary buying authority vested in the CFO or a duly designated representative is critical to the ARP's flexible approach to natural gas procurement. This authority enables the execution of futures, International Swaps and Derivatives Association (ISDA) agreements, swaps, and firm fixed physical natural gas transactions.

5.3.1 Authority and Responsibilities

The CFO, or designated representative, is empowered to execute natural gas transactions within the established hedging ranges and currently approved price targets without requiring additional approvals.

5.3.2 Decision-Making Criteria

Prior to executing any transaction, the authorized individual must perform an analysis of current market conditions. This includes assessing supply and demand forecasts, geopolitical factors influencing the natural gas markets, and any other information offered by authorized traders.

5.3.3 Oversight and Separation of Duty

The Strategic Planning department, through the development and maintenance of production simulation models, will provide guidance on the volume of ARP gas forecasted to be burned to supply native load for each month over the stability program's time horizon. These models will be updated not less than semi-annually to reflect the most current forecasts of loads, generation operations, fuel costs, and other factors that could impact forecasted gas burns.

An audit will review the number of contracts hedged and any other relevant market activities to ensure compliance with the policy guidelines.

5.3.4 Reporting and Transparency

The CFO is required to submit a comprehensive report to the Executive Committee on a quarterly basis. This report must detail all transactions conducted under this discretionary authority, analyze the outcomes, assess the effectiveness of the strategies employed, and, if necessary, recommend adjustments to the previously approved volumes or prices.

5.3.5 Training and Competency

Commented [A7]: Do we need to specify any tangible requirements here?

FMPA will provide ongoing training and resources to the CFO and any designated representatives to ensure they are well-versed in the latest market insights, risk management strategies, and ethical considerations relevant to the exercise of discretionary buying power.

The training will include, but is not limited to, advanced market analysis techniques, ethical procurement practices, utilization of market trading software, and updates on regulatory changes affecting the natural gas market. Training entities may include, for example, the Florida Gas Utility (FGU) and The Energy Authority (TEA).

5.4 Enabling Agreements:

Master Agreements or enabling agreements establish the general terms and conditions that govern any subsequent commodity or derivative product transaction with a counterparty. These Master Agreements are a prerequisite for doing business in today's commodity marketplace. They, by their very nature, only define general terms and conditions and do not commit FMPA to any form of financial or physical obligation. As such, FMPA is authorized to execute these types of enabling agreements without individual EC approval and their execution is governed pursuant to the Contract Management Risk Policy. All other aspects of any subsequent transaction are governed by the Origination Risk Policy. Types of these enabling agreements include utility interchange agreements, NAESB form contracts, EEI form contracts, and ISDA form contracts.

5.5 Authorized Transactions:

The following types of risk mitigation instrument transactions are authorized by the EC but are limited to only the purchase or sale of these instruments solely for near term price risk mitigation of projected physical fuel requirements and/or financial exposure to the fuel purchase requirements of others for serving FMPA generation assets (Stanton A would be an example of this exposure where OUC manages the fuel supply) and/or long-term energy supply purchase commitments.

5.5.1 Exchange Based Futures:

FMPA is authorized to set up accounts with one or more licensed brokerage firms in order to purchase or sell futures contracts or other exchange offered products through a recognized exchange such as the NYMEX. Alternatively, FMPA is authorized to designate an agent through which to transact exchange traded products.

5.5.2 Over-the-Counter Transactions (OTC):

FMPA is authorized to negotiate and execute ISDA agreements (refer to Section 0) and subsequently, pursuant to an approved risk mitigation program (refer to Section 0), transact with counterparties in order to purchase and/or sell derivative products such as forwards, swaps, and options on forwards or any combination of the same.

A comparison is included in Exhibit B of the characteristic features of Exchange versus OTC transactions.

New and existing transactions using the OTC market are subject to the Credit Risk Policy, Appendix E of the FMPA Risk Management Policy.

5.5.3 Forward Physical Purchases:

FMPA is authorized to negotiate, contract with, and purchase physical quantities of natural gas and fuel oil pursuant to the Credit Risk Policy and the Origination Risk Policy.

All physical purchases of natural gas shall be coordinated through an FMPA designated fuel agent to schedule, receive, transport and deliver such purchased gas volumes. Any forward purchases of natural gas or fuel oil must be limited to the physical volume requirements forecast for only serving the energy requirements of the ARP and its obligations, if any.

Any natural gas purchases or sales greater than a one-month (thirty-one days) duration shall be pursuant to the approval process defined by the Origination Policy prior to any commitment, i.e. the defined approval authority of the FMPA staff member making such commitment.

5.5.4 Physical Natural Gas Purchases:

Physical natural gas purchases with a term of one month (thirty-one days) or greater will not exceed 75% of the respective native ARP and firm obligations monthly fuel needs based upon the most recent load forecast and generation dispatch projection at the time of the commitment of such purchases.

To ensure monthly fuel needs are as current as possible, each month an updated load forecast/dispatch projection will be generated no later than five (5) business days prior to the beginning of the following month. This forecast projection will be the basis for determining the 75% fuel need maximum described above. Pre-paid gas transactions are exempt from this cap and shall comply with EC-approved pre-pay limits and approvals.

5.5.5 Fixed Price Physical Natural Gas Purchases:

Any fixed price purchase with a duration of greater than one month is viewed as a near term price risk mitigation transaction and requires the approval of the EC prior to commitment unless such fixed price purchase is pursuant to an approved price risk mitigation strategy as described in Section 0 above.

5.5.6 Natural Gas Storage:

Upon approval of both the FC and the EC, FMPA may enter into natural gas storage agreements. Counterparties are subject to the Credit Risk Policy. The primary purpose of any natural gas storage agreement shall be to ensure the reliability of natural gas supplies. Secondarily, natural gas storage may be used as an operational pipeline balancing tool or in conjunction with other authorized energy management transactions when financially advantageous for the ARP, as determined by a storage management agent if no such agent is authorized.

5.5.7 Fuel Oil Storage:

Commented [A8]: How do we recognize the fact that fuel oil is still under Power Resources?

The primary purpose for maintaining a minimum amount of fuel oil shall be to ensure that a reasonable level of alternate fuel is available for dual fuel fired generating units in the event, natural gas deliveries are reduced or interrupted due to supply and/or pipeline constraints. Recognizing that the Stock Island generating units operate solely with fuel oil, the minimum inventory criteria apply to the Island’s fuel oil storage inventory as well.

5.5.8 Natural Gas Entitlement Capacity:

Natural Gas Entitlement Capacity is needed to secure firm delivery of natural gas to generation assets. Natural gas pipeline companies generally offer two basic forms of service for the transportation of gas from receipt point(s) to the desired delivery locations. The first type is referred to as "interruptible", where a shipper's scheduled volumes submitted are subject to being curtailed anytime the pipeline becomes capacity constrained even if gas has been delivered at the receipt points. The shipper is only charged for this service based upon the quantity of gas that was successfully delivered. The pipeline has no obligation to ensure delivery of gas volumes when using this form of transportation service.

The second form of service is referred to as "firm", where the shipper pays the pipeline a reservation fee (commonly referred to as a capacity or demand charge) each month based upon the daily delivery obligation of the pipeline. When a shipper contracts for this form of "firm" service, the pipeline has committed to the obligation to deliver whatever quantity that has been scheduled up to the contracted capacity quantity. If the pipeline becomes capacity constrained, then each firm shipper would have their scheduled volume curtailed on a pro-rata basis.

FMPA has contracted firm service primarily upon Florida Gas Transmission (FGT) for the delivery of natural gas fuel to its generating assets to ensure that each gas fired unit is able to operate when needed. FMPA also has the ability to receive gas volumes from Gulf Stream Natural Gas System at the Cane Island Power Park.
The combination of these two arrangements ensures that FMPA can ensure delivery of natural gas as required to generate power in a reliable manner as needed to meet its load serving obligations to its members.

5.5.9 Pre-pay Physical Natural Gas Renewals:

For any existing pre-pay physical natural gas agreements where the "Put" period renews and/or resets, staff shall have the authority to extend the agreement once up to the original term (30 years) if the expected monthly discount exceeds $0.08 MMBtu as compared to the remaining term of the original renewal period. This authorization shall remain in effect until September 30, 2029.

6.0 Risk Limits and Measurement

FMPA may only enter into transactions to manage risks associated with the physical and financial exposure related to meeting the ARP's forecast fuel requirements of natural gas and/or fuel oil related only to fulfilling all applicable native ARP and firm obligations.

Proactive monitoring of current market performance, existing and potential risk exposure, risk management alternatives (acquiring or liquidating positions), and evaluation of prior strategic results are necessary to ensure the goals and expectations defined by this Policy are achieved.

shall use the following limits and measurements, as calculated using applicable reference pricing, to monitor the performance of and compliance with current approved risk management strategies and procedures.

Before any transaction is executed, the individual executing the transaction is required to ensure that it is compliant with the parameters of this Policy, any approved price risk mitigation program, if any, and respective periodic reviews by the CFO . This requirement will be fulfilled by analyzing the natural gas portfolio and any associated risk mitigation transactions to ensure that the resulting incremental credit and market exposures do not exceed any defined limits set forth in this Policy.

6.1 Natural Gas Storage Limits:

The requirement for storage limits should be applied only if there is more than 500,000 MMBtu of capacity available to ARP. If storage capacity is below 500,000 MMBtu, there will not be any minimum requirements as outlined in section 6.0.

The minimum inventory volume of natural gas in storage during the primary hurricane season (June through November) shall be 50% of FMPA's contracted storage capacity. During all other months the minimum level of storage inventory shall be 10% of contracted storage capacity.

6.1.1 Outsourcing:

FMPA may outsource the management of its natural gas storage capacity for optimizing this asset by issuing a Request for Proposal ("RFP"). Final selection of the qualified storage management agent ("Agent") must be approved by the FC and EC.

The Agent shall provide information to the The Agent must comply with FMPA Directives and the terms and conditions of FMPA's managed natural gas storage contracts and all applicable tariffs and other legal requirements. The agent will be granted access to trading platforms or other needed counterparty information required to execute transactions within FMPA's contractual relationships. The Agent must agree to the obligations of this Policy and FMPA's respective counterparty trading account(s) requirements.

Commented [A9]: Is something missing, or was the intent to delete the entire sentence?

6.1.2 Annual Storage Plan:

The Agent must provide an Annual Storage Plan for the upcoming fiscal year to FMPA by August 1 of each year for approval by EC

Commented [A10]: ?

6.1.3 Storage Optimization Restrictions:

Storage management activities shall strive to generally maintain a net zero optimization position. Net zero optimization is when all physical gas stored in the ground (Storage) and/or financial long/short positions (i.e. purchased/sold NYMEX natural gas contracts or their equivalent) representing volumes to be injected/withdrawn in a forward period has an off-setting financial long/short position (i.e. purchased/sold NYMEX natural gas contracts or their equivalent) representing volumes to be withdrawn/injected in a forward period (Transaction)).

1) Any "net zero" tolerance deviation greater than 10,000 MMBtu and less than 50,001 MMBtu ("Minor Tolerance Deviation") must be corrected by the end of the fifth (5th) business day following the day on which it occurred and must be reported by the Agent on a monthly basis, with sufficient details to explain why the Minor Tolerance Deviation occurred.
2) Any "net zero" tolerance deviation greater than 50,000 MMBtu ("Major Tolerance Deviation"), must be reported by the Agent. Such Major Tolerance Deviation report will be in writing detailing the circumstances of the deviation within three business days of the occurrence.

FMPA's CEO must authorize any net zero imbalance outside of approved limits.

6.1.4 Optimization Trade Period:

Storage management transactions are restricted for the settlement date to be no more than 24 months into the future from the transaction date of the trade.

6.1.5 Inventory Limit Deviations:

Storage inventory levels may deviate outside of the above stated limits only when required to meet FMPA’s operational requirements (“Reliability Event”). The Agent shall inform FMPA’s CFO immediately after any such Reliability Event. Within 3 business days after such Reliability Event, the Agent shall provide FMPA’s CFO with a written action plan to reestablish the pre-Reliability Event inventory level unless such level has already been achieved.

6.1.6 Storage Management Reports:

The Agent shall provide storage management reports for each FC meeting. These reports shall include physical gas inventory and any optimization transactions.

6.1.7 Cash Flow Report:

The Agent shall provide, by the fifth of each month, a cash flow report detailing the impacts of existing and projected storage management activities for review by the. If directed, the Agent must contractually agree to adjust storage inventory to meet FMPA’s liquidity requirements.

6.2 Fuel Oil Storage Limits:

The Agency shall maintain, as conditions warrant, a fuel oil inventory of no less than 50% and no more than 100% of available storage tank capacity located at Cane Island Power Park and Treasure Coast Energy Center. In the event that the fuel oil inventory falls below 50% at a generation site, the Power Generation Fleet Director will implement an action plan to achieve the minimum 50% inventory level within a reasonable period of time or provide justification for a reduced inventory level. This plan or justification will be provided to FMPA’s CFO for review and approval.

Agency shall maintain, as conditions warrant, fuel oil inventory at Stock Island Generating Facility, which will support the 17-day historical hurricane restoration operations load curve developed by staff or approximately 2,800,000 gallons. Staff will ensure this required minimum volume is in place before hurricane season, June 1st. In the event that the fuel oil inventory falls below 50% of the 17-day benchmark, the Power Generation Fleet Director will implement an action plan to achieve the minimum 50% inventory level within a reasonable period of time or provide justification for a reduced inventory level. This plan or justification will be provided to and the CFO for review and approval.

Processes will be implemented and maintained to minimize the environmental risk at all the generating sites. These procedures, at a minimum, will consist of:

- Fuel inventory management
- Thorough tank inspections
- Timely and accurate fuel inventory accounting records
- Dynamic fuel oil measurement
- Delivery of fuel oil by tanker truck only

6.3 Natural Gas Entitlement Capacity

Long-term NGEC shall be reviewed for adequacy as part of the planning process for major changes to the generation portfolio. To ensure a high level of reliability, staff shall target acquiring and maintaining NGEC for at least 70% of the monthly system demand projected. Monthly system demand may be derived from the average of the daily demand projections for each month.

Short-term NGEC management, up to one year, will allow for daily or monthly NGEC sales to be in excess of the expected daily or monthly maximum system demand.

7.0 Internal Controls

The, CFO and shall be responsible for the establishment of appropriate internal controls and segregation of duties to facilitate proper execution of the natural gas and fuel oil risk mitigation program, consistent with this Policy and in accordance with all policies and procedures established by the FMPA Risk Management Policy, or by NERC and FERC regulations.

7.1 Segregation of Duties:

Individuals responsible for legally binding the organization to a transaction will not also perform confirmation, clearing and/or accounting functions related to those transactions. The official book of record of FMPA shall also be maintained by a person(s) other than those executing such transactions. This maintenance responsibility includes the valuation of mark-to-market positions (when applicable) and the calculation of applicable risk metric(s). Clear separation of duties shall be maintained between the front office (marketing functions and transaction execution), the middle office (confirmation, valuation, and reporting functions), and the back office (processing, accounting, invoicing and reconciliation activities).

7.2 Policy Compliance:

The Internal Audit Manager shall ensure that compliance with this Policy and associated Procedures are monitored on an ongoing basis. Any unresolved compliance issues will be presented to the FC by at the next regularly scheduled meeting.

7.3 Conflicts of Interest:

Personnel responsible for executing and managing the Agency's trading activity shall not engage in any activity that could pose a conflict of interest and interfere with the proper execution of Agency risk mitigation activities or which could impair their ability to make impartial and objective trading decisions. Such personnel shall disclose to the any personal financial interests in any financial institutions, firms, or other entities that conduct business with FMPA.

7.4 Policy Questions:

The is authorized to provide clarification and explanation on any questions regarding this Policy. All legal matters stemming from this Policy will be referred to the Agency's Office of the General Counsel.

7.5 Training:

Appropriate training on the risks associated with different market conditions, financial products and physical products shall be provided as needed to educate appropriate FMPA staff and governing body members.

8.0 Reporting

Current market conditions affecting FMPA's natural gas and fuel oil costs, risk management programs, or FMPA's current financial and physical risk management strategies shall be reported during each meeting of the FC and/or EC.
~~The following information shall be reported at each meeting of the FC and/or EC: The volume of all natural gas portfolios. Margin Risk. Monthly financial natural gas portfolio gains or losses.~~
Then on a quarterly basis a full report of the Fuel Portfolio Risk Management and Price Stability Program shall be provided. This report shall include but is not limited to the volume of all natural gas positions, past quarters' margin requirements, the current percent mitigated relative to EC target numbers, and any additional relevant information about FMPA's natural gas and fuel oil risk management program and activities may also be included.

Acceptance of the reported information by the FC and/or the EC is required. Any deviations from this Policy according to the guidelines set forth in the FMPA Risk Management Policy, Section 4.1. An annual report to be completed on the operation and effectiveness of this Fuel Portfolio Risk Management Policy as described in the FMPA Risk Management Policy, Section 7.0.

9.0 Oversight Structure

Any material deviations from this Policy to be reported according to the guidelines set forth in Section 4.1 of the FMPA Risk Management Policy. An annual report on the operation and effectiveness of this Policy shall be presented to the Finance Committee as described in Section 7.0 of the FMPA Risk Management Policy.

Appendix A

Florida Municipal Power Agency Risk Management Reporting Calendar Natural Gas and Fuel Oil Risk Management Planning Reporting Requirements				
Reporting Item	**Frequency Of Report**	**Responsible Party**	**Policy Reference**	**Policy Reference**
Volumetric Projection Update	Monthly	Business Development and System Operations Director	Section 0	5.5.4 Physical Natural Gas Purchases:
Annual Storage Plan and Update*	Annually	Agent	Section 0	6.1.2 Annual Storage Plan:
Storage Balance Restriction Deviations*	As Needed	Agent	Section 0	6.1.3 Storage Optimization Restrictions:
Reliability Event*	As Needed	Agent	Section 0	6.1.5 Inventory Limit Deviations:
Storage Report*	Each FC Meeting	Agent	Section 0	6.1.6 Storage Management Reports:
Storage Cash Flow*	Monthly	Agent	Section 0	6.1.7 Cash Flow Report:
External Review	Every five years	Agent	Section 7.2	7.2 Policy Compliance:
Fuel Oil Action Plan	As Needed	Power Generation Fleet Director	Section 6.2	6.2 Fuel Oil Storage Limits:
Market Conditions	Each FC Meeting	Agent	Section 8.0	Reporting
Fuel Portfolio Risk Management and Price Stability Program	Quarterly	Agent	Section 8.0	Reporting
Policy Operation & Effectiveness	Annually	Agent	Section 8.0	Reporting
Policy Compliance Deviations	As Needed	Internal Audit Manager	Section 7.2	7.2 Policy Compliance:
*these reports are required only if there is more than 500,000 MMBtu of capacity available to ARP.				

Appendix B

Features of Exchange Traded vs. Over-The-Counter Traded Products

FEATURES	Exchange Traded	Over-The-Counter
Examples	Futures and Options	Swaps, Caps, Floors, Collars, etc.
Market	Organized exchanges in Chicago, New York, Kansas City, and other commodity markets around the world.	Networks consisting of market makers who exchange information, provide bids/offers, and negotiate transactions.
Agreements	Standardized contracts.	Custom-tailored to meet any specific needs of the counterparties within accepted guidelines (NAESB, EEI, ISDA).
Risk	Guaranteed contract performance.	Performance, default and/or credit risk to the counterparties.
Regulation	U.S. exchanges regulated by Commodity Futures Trading Commission CFTC).	Not formally regulated.
Ability to Value	Market transparency resulting from the electronic posting of daily settlement and intra-day prices. All prices are generally based upon a single geographic location.	- Varies by market and location. No standardized or consistent methodology. - Some have electronic posting or periodic publications, - Some require individual inquiry and valuation.

AGENDA ITEM 8 – ACTION ITEMS

b. Approval of PFM Contract Extension

Executive Committee
January 15, 2026

EC 8b – Approval of PFM Contract Extension

Executive Committee

January 15, 2025

PFM Engagement Overview

Background and Contract Structure

- PFM began serving as co-financial advisor in April 2018, sharing the role with a Dunlap & Associates
  - Served as sole managing financial advisor since April 2025
- Current agreement with PFM expires in April 2026
- We have a contractual option to extend the agreement for an additional two years

PFM’s Contributions to FMPA

Performance and Value

- Supported our recent financing activities, with meaningful impact to FMPA
  - Establishment of new Pooled Loan Credit Provider
  - Negotiate terms of $100M Line of Credit
  - Secured Underwriting team – increase efficiency across transactions
  - Closing on ARP Series 2025A Bonds
  - Working with Fuel's Team for Price Risk Management ISDA agreements.
- Provided dependable analysis, market insight, and transaction support
- Built institutional knowledge and continuity within a short time as sole FA
- Positioned FMPA well for upcoming planned financings in 2026 and 2028

Recommended Extension

Rationale for Two-Year Contract Extension

- Proposed Contract Terms:
  - Annual fee increase: $10,000 per year
  - Travel fees: No change
  - Consistent with prior year adjustments and represents a modest increase relative to current scope
- Maintains continuity with an advisor who has demonstrated value
- Avoids transition risk ahead of ahead of upcoming debt financings
- Seeking to extend PFM’s contract for two additional years, effective April 2026

Recommended Motion

- Move Approval of a two-year extension for PFM Financial Advisory Services.

FIRST AMENDMENT TO FINANCIAL ADVISOR PROFESSIONAL SERVICES CONTRACT

This first amendment to financial advisor services contract is dated as of January __, 2026, between FLORIDA MUNICIPAL POWER AGENCY, a governmental legal entity created and existing pursuant to Florida law ("**FMPA**") and PFM FINANCIAL ADVISORS LLC, a Pennsylvania limited liability company ("**Financial Advisor**").

FMPA and Financial Advisor are parties that certain Financial Advisor Professional Services Contract, dated as of April 1, 2023 (the "**Underlying Contract**"), which the parties now desire to amend to extend the term of the Underlying Contract for an additional two years, as provided for in this first amendment.

FMPA and Financial Advisor therefore agree as follows:

1. **Amendment to Section 2**. Section 2(a) of the Underlying Contract is hereby amended by deleting "and" at the end of clause (2), deleting the period at the end of clause (3) and replacing it with a semi-colon, and adding clauses (4) and (5) as set forth below:

(4) $210,000 for the period of April 1, 2026 to March 31, 2027; and
(5) $220,000 for the period of April 1, 2027 to March 31, 2028.

2. **Amendment to Section 8**. The first sentence of section 8(a) of the Underlying Contract is hereby amended and restated in full as follows: "The term of this contract begins on the date stated in the introductory clause an ends on March 31, 2028, unless terminated by either party pursuant to the terms of this contract."

3. **Remaining Terms Unchanged**. Except as expressly modified in this first amendment, all other terms and conditions of the Underlying Contract remain unchanged.

4. **Counterparts**. This first amendment may be executed in counterparts, including both counterparts that are executed on paper and counterparts that are in the form of electronic records and are executed electronically. An electronic signature means any electronic sound, symbol, or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including e-mail electronic signatures (including electronically imaged signatures provided by DocuSign, Adobe Sign, or other technology). All executed counterparts shall be regarded for all purposes as an original, and such counterparts shall constitute, but one and the same instrument, it being understood that both parties need not sign the same counterpart. The signature page of any counterpart, and facsimiles and photocopies thereof, may be appended to any other counterpart and when so appended shall constitute an original. The parties hereby acknowledge and agree that electronic records and electronic signatures may be used in connection with the execution of this first amendment and electronic signatures or signatures transmitted by electronic mail in so-called .pdf format shall be legal and binding and shall have the same full force and effect as if a paper original of this agreement had been delivered and signed using a handwritten signature.

The parties are signing this first amendment to financial advisor services contract as of the date stated in the introductory clause.

FLORIDA MUNICIPAL POWER AGENCY

By: ______________________________
Jacob A. Williams
General Manager and CEO

PFM FINANCIAL ADVISORS LLC

By: ______________________________
Michael Mace
Senior Director

By: ______________________________
____
Managing Director

AGENDA ITEM 8 – ACTION ITEMS

c. Approval of Audited Financial Statements

Executive Committee
January 15, 2026

8c – Approval of Audited FY2025 Financial Statements

Executive Committee

Jan. 15, 2026

Recommended Motion

- Move approval of the FY2025 external audit report and audited financial statements.

Florida Municipal Power Agency

Financial Statement Audit Results
September 30, 2025

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CERTIFIED PUBLIC ACCOUNTANTS
purvisgray.com

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Auditor’s Reports

Matter	<u>Anticipated</u> Conclusion
Auditor’s Opinion on Financial Statements and Notes	• Fairly stated in all material respects • Unmodified Opinion (“Clean” Opinion)
Internal Control, Compliance, and Other Matters (*Governmental Auditing Standards*)	• No material weaknesses in internal control over financial reporting were reported under Government Auditing Standards • No instances of non-compliance or other matters required to be reported under Government Auditing Standards

Auditor's Reports

Matter	Anticipated Conclusion
Compliance with F.S. Sec 218.415	• The Agency complied, in all material respects, with compliance requirements for local government investments
Management Letter Rules of the Auditor General 10.550	• No prior audit findings • No findings of deteriorating financial condition or financial emergency • No noted non-compliance with contracts or grants, which would have a significant effect on the financial statements

Significant Transactions or Events

Matter	Conclusion
New Plant Purchase	• On track to finalize a purchase agreement for one peaking resource, with service beginning in 2026
2025A Bond Issuance	• Used to defease and refund 2015A bonds ~$64m • Conduct tender offer to refund a portion of 2016A bonds~ $111m • Provide funding for capital improvements~ $55m
Stanton I	• Updated useful lives to end 12/31/25 • Negations related to future involvement • Expected to be completed early 2026

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Significant Transactions or Events

Matter	Conclusion
Gas Price Stability/Predictability (Hedging)	• The Agency held multiple futures contracts with maturities through 2028, evaluated by an FMPA-engaged specialist and deemed "effective" under GASB 53. A deferred unrealized loss of $506k remained at 9/30/25. In 2023, the Agency prepaid $70 million to close the FGU hedging positions, with the remaining $3.7 million amortized to expense in FY 2025.
KUA- TARP	• Amendment to the TARP agreement was completed in Sept. 2025, adding payments with a present value of $5M through 2033.
GASB 101- *Compensated Absences*	• Implemented updated compensated-absence measurement; resulted in a ~$1M Agency Fund restatement with no material effect on ARP.

Other Audit Matters – Anticipated Results

Matter	Conclusion
Accounting Policies	• No transactions noted for which there is a lack of authoritative guidance
Financial statement disclosures	• The disclosures are neutral, consistent, and clear
Adjustments detected by the audit process	• All adjustments were recorded • None of the adjustments detected during our audit procedures were material, either individually or in the aggregate
Difficulties encountered in performing our audit	• We encountered no significant difficulties in dealing with management in performing and completing our audit

Solely for the use of FMPA, including management and those charged with governance

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FMPA
MUNICIPAL POWER

Financial Statements
For The Fiscal Year Ended September 30, 2025

Member Cities

- Alachua
- Bartow
- Blountstown
- Bushnell
- Chattahoochee
- Clewiston
- Fort Meade
- Fort Pierce
- Gainesville
- Green Cove Springs
- Havana
- Homestead
- Jacksonville
- Jacksonville Beach
- Key West
- Kissimmee
- Lake Worth Beach
- Lakeland
- Leesburg
- Moore Haven
- Mount Dora
- New Smyrna Beach
- Newberry
- Ocala
- Orlando
- Quincy
- St. Cloud
- Starke
- Tallahassee
- Wauchula
- Williston
- Winter Park

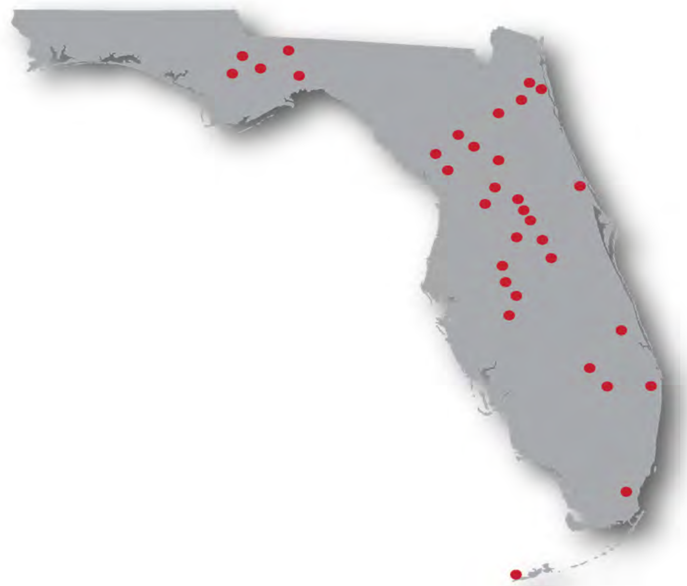


Table of Contents

PURVIS GRAY

INDEPENDENT AUDITOR'S REPORT

Board of Directors and Executive Committee
Florida Municipal Power Agency
Orlando, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities, each major fund, and the aggregate remaining fund information of the Florida Municipal Power Agency (the Agency) as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, each major fund, and the aggregate remaining fund information of the Agency as of September 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of a Matter

As described in Note I to the financial statements, the Agency adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Board of Directors and Executive Committee
Florida Municipal Power Agency
Orlando, Florida

INDEPENDENT AUDITOR'S REPORT

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that management's discussion and analysis information and the schedule of changes in the Agency's net other postemployment benefits liability and related ratios, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and,

although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the amounts due (from) to participants and the five-year trend analysis compliance reports, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2025, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

Purvis Gray

December 19, 2025
Ocala, Florida

MANAGEMENT'S DISCUSSION & ANALYSIS

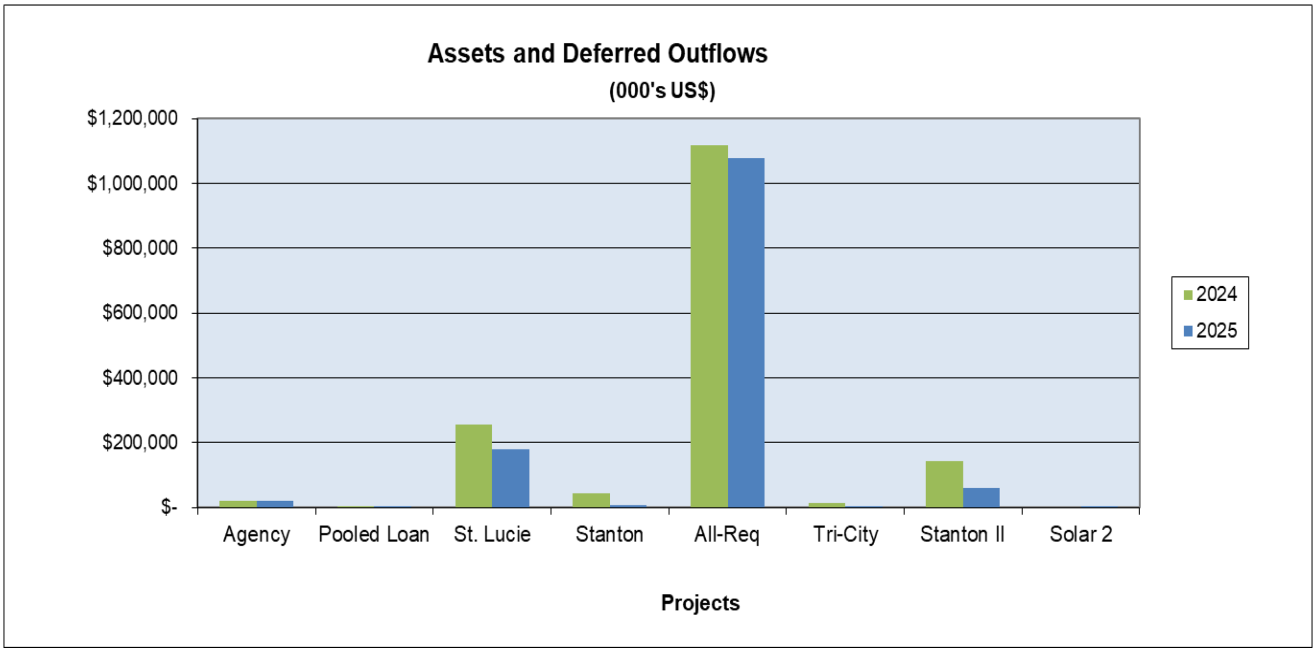
For Fiscal Year Ended September 30, 2025

This discussion and analysis is intended to serve as an introduction to Florida Municipal Power Agency's (FMPA's) basic financial statements, which are comprised of individual project or fund financial statements and the notes to those financial statements.

FMPA's financial statements are designed to provide readers with a broad overview of FMPA's financial condition in a manner similar to a private-sector business. It is important to note that, due to contractual arrangements which are the basis of each power project, no monies are shared among the projects, except that, as of the sale of the Vero Beach electric system to FPL in December 2018, the ARP has taken a transfer and assignment of Vero Beach's interests, as a project participant, in the Stanton, Stanton II and St. Lucie Projects.

FINANCIAL HIGHLIGHTS

Total Assets and Deferred Outflows at September 30, 2025, of FMPA's Agency Fund and other projects decreased $26.3 million from the prior year



Assets and Deferred Outflows (000's US$)									
Year	Agency	Pooled Loan	St. Lucie	Stanton	All-Req	Tri-City	Stanton II	Solar II	Total
2024	$ 20,737	$ 3,764	$ 254,392	$ 43,805	$ 1,117,988	$ 13,739	$ 144,030	$ -	$ 1,598,455
2025	$ 21,713	$ 3,294	$ 276,927	$ 35,708	$ 1,076,503	$ 12,702	$ 145,025	$ 277	$ 1,572,149
Variance	$ 976	$ (470)	$ 22,535	$ (8,097)	$ (41,485)	$ (1,037)	$ 995	$ 277	$ (26,306)

FINANCIAL HIGHLIGHTS (CONTINUED)

Total Liabilities and Deferred Inflows at September 30, 2025, for FMPA's Agency Fund and other projects decreased by $26.5 million during the current fiscal year.

Long-Term Liability balance outstanding at September 30, 2025, for FMPA's Agency Fund and Projects was $1.1 billion, which is about the same as last fiscal year.

Long-Term Bonds balance, less current portion, was $898 million, including All-Requirements balance of $812 million.

Total Revenue for Agency and all projects increased by $95 million for the current fiscal year, primarily due to increased billings related to natural gas prices.

Comparative years' Assets, Liabilities and Net Position, as well as Revenues, Expenses are summarized on the following pages.

FINANCIAL HIGHLIGHTS (CONTINUED)

Statement of Net Position
Proprietary funds
September 30, 2025
(000's US$)

2025	Business-Type Activities- Proprietary Funds								
	Agency Fund	Pooled Loan Fund	St. Lucie Project	Stanton Project	All-Requirements Project	Tri-City Project	Stanton II Project	Solar II Project	Totals
Assets:									
Capital Assets, Net	$ 2,673	$ -	$ 60,075	$ 8,717	$ 592,584	$ 3,273	$ 70,599	$ -	$ 737,921
Current Unrestricted Assets	18,004	844	69,489	20,296	389,158	6,233	62,930	239	567,193
Non-Current Restricted Assets	308	2,433	147,061	5,282	38,159	2,826	7,974	-	204,043
Other Non Current Assets	728	17	-	411	48,508	11	937	38	50,650
Deferred Outflows of Resources	-	-	302	1,002	8,094	359	2,585	-	12,342
Total Assets & Deferred Outflows	$ 21,713	$ 3,294	$ 276,927	$ 35,708	$ 1,076,503	$ 12,702	$ 145,025	$ 277	$ 1,572,149
Liabilities:									
Long-Term Liabilities	$ 5,342	$ 1,501	$ 172,079	$ 5,449	$ 837,427	$ 1,951	$ 45,811	$ 125	$ 1,069,685
Current Liabilities	4,037	1,793	6,992	1,880	197,434	700	15,806	152	228,794
Deferred Inflows of Resources	-	-	97,856	28,379	41,642	10,051	83,408	-	261,336
Total Liabilities & Deferred Inflows	$ 9,379	$ 3,294	$ 276,927	$ 35,708	$ 1,076,503	$ 12,702	$ 145,025	$ 277	$ 1,559,815
Net Position:									
Investment in capital assets	$ 2,674	$ -	$ 7,997	$ 8,717	$ (282,590)	$ 3,273	$ 22,240	$ -	$ (237,689)
Restricted	540	1,211	27,362	5,282	96,068	2,826	20,107	-	153,396
Unrestricted	9,120	(1,211)	(35,359)	(13,999)	186,522	(6,099)	(42,347)	-	96,627
Total Net Position	$ 12,334	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 12,334

Statement of Net Position
Proprietary funds
September 30, 2024
(000's US$)

2024	Business-Type Activities- Proprietary Funds							
	Agency Fund	Pooled Loan Fund	St. Lucie Project	Stanton Project	All-Requirements Project	Tri-City Project	Stanton II Project	Totals
Assets:								
Capital Assets, Net	$ 3,351	$ -	$ 53,249	$ 13,434	$ 595,254	$ 5,088	$ 73,905	$ 744,281
Current Unrestricted Assets	17,001	718	60,603	22,230	273,313	5,427	57,458	436,750
Non-Current Restricted Assets	-	3,046	140,080	7,139	120,340	2,865	9,379	282,849
Other Non Current Assets	385	-	-	-	103,860	-	-	104,245
Deferred Outflows of Resources	-	-	460	1,002	25,221	359	3,288	30,330
Total Assets & Deferred Outflows	$ 20,737	$ 3,764	$ 254,392	$ 43,805	$ 1,117,988	$ 13,739	$ 144,030	$ 1,598,455
Liabilities:								
Long-Term Liabilities	$ 5,841	$ 2,274	$ 171,036	$ 5,059	$ 871,987	$ 1,811	$ 57,314	$ 1,115,322
Current Liabilities	2,838	1,490	5,417	1,894	196,970	735	15,554	224,898
Deferred Inflows of Resources	-		77,939	36,852	49,031	11,193	71,162	246,177
Total Liabilities & Deferred Inflows	$ 8,679	$ 3,764	$ 254,392	$ 43,805	$ 1,117,988	$ 13,739	$ 144,030	$ 1,586,397
Net Position:								
Investment in capital assets	$ 3,351	$ -	$ (3,103)	$ 13,434	$ (216,752)	$ 5,088	$ 13,992	$ (183,990)
Restricted	100	-	25,856	7,139	102,963	2,865	21,624	160,547
Unrestricted	8,607	-	(22,753)	(20,573)	113,789	(7,953)	(35,616)	35,501
Total Net Position	$ 12,058	$ -	$ -	$ -	$ -	$ -	$ -	$ 12,058

FINANCIAL HIGHLIGHTS (CONTINUED)

Statements of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For Fiscal Year Ended September 30, 2025

2025	Business-Type Activities- Proprietary Funds								
	Agency Fund	Pooled Loan Fund	St. Lucie Project	Stanton Project	All-Requirements Project	Tri-City Project	Stanton II Project	Solar II Project	Totals
Revenues:									
Billings to participants	$ 18,746	$ 42	$ 38,906	$ 17,400	$ 501,125	$ 8,838	$ 53,377	$ 1,557	$ 639,991
Sales to others	85	-	2,704	132	141,422	47	207		144,597
Amounts to be recovered from									-
(refunded to) participants	-	40	(2,590)	411	(15,514)	11	937	38	(16,667)
Investment Income (loss)	577	52	9,211	1,028	10,069	299	2,376		23,612
Total Revenue	$ 19,408	$ 134	$ 48,231	$ 18,971	$ 637,102	$ 9,195	$ 56,897	$ 1,595	$ 791,533
Expenses:									
Operation & Maintenance	$ -	$ -	$ 8,557	$ 4,417	$ 87,127	$ 1,581	$ 8,020	$ -	$ 109,702
Nuclear Fuel Amortization		-	4,489	-	-	-	-		4,489
Purchased power, Transmission									-
& Fuel Costs	-	-	3,622	14,067	384,656	5,099	24,730	1,595	433,769
Administrative & General	17,056	38	2,766	2,114	31,806	1,079	3,044	-	57,903
Depreciation & Decommissioning	818	-	8,042	6,846	48,658	2,577	7,061	-	74,002
Interest & Amortization	164	96	838		29,395	-	1,796	-	32,289
Environmental remediation costs - net of Insurance	-	-	-	-	-	-	-	-	-
Total Expense	$ 18,038	$ 134	$ 28,314	$ 27,444	$ 581,642	$ 10,336	$ 44,651	$ -	$ 712,154
Change in net position before regulatory asset adjustment	$ 1,370	$ -	$ 19,917	$ (8,473)	$ 55,460	$ (1,141)	$ 12,246	$ -	$ 79,379
Net cost recoverable (refundable)/future Participant billings	-	-	(19,917)	8,473	(55,460)	1,141	(12,246)	-	(78,009)
Change in Net Positon After Regulatory Adj	$ 1,370	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,370
Net position at beginning of year	12,058	-	-	-	-	-	-	-	12,058
Restatement	(1,094)	-	-	-	-	-	-	-	(1,094)
Net position at end of year	$ 12,334	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 12,334

Statements of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For Fiscal Year Ended September 30, 2024
(000's US$)

2024	Business-Type Activities- Proprietary Funds							
	Agency Fund	Pooled Loan Fund	St. Lucie Project	Stanton Project	All-Requirements Project	Tri-City Project	Stanton II Project	Totals
Revenues:								
Billings to participants	$ 17,627	$ 42	$ 36,319	$ 18,608	$ 464,065	$ 6,349	$ 45,518	$ 588,528
Sales to others	-	-	2,089	449	101,824	161	704	105,227
Amounts to be recovered from								
(refunded to) participants	-	(1)	(1,230)	(942)	(25,825)	(371)	(1,121)	(29,490)
Investment Income (loss)	732	1,093	11,524	1,416	14,272	392	3,163	32,592
Total Revenue	$ 18,359	$ 1,134	$ 48,702	$ 19,531	$ 554,336	$ 6,531	$ 48,264	$ 696,857
Expenses:								
Operation & Maintenance	$ -	$ -	$ 10,618	$ 4,968	$ 76,968	$ 1,777	$ 8,091	$ 102,422
Nuclear Fuel Amortization	-	-	4,283	$ -	$ -	$ -	$ -	4,283
Purchased power, Transmission								
& Fuel Costs	-	-	3,752	10,551	349,415	3,805	22,790	390,313
Administrative & General	16,453	44	3,968	1,850	28,784	965	2,653	54,717
Depreciation & Decommissioning	968	-	6,737	4,542	43,542	1,723	6,770	64,282
Interest & Amortization	30	1,090	892	-	31,869	-	2,092	35,973
Environmental Remediation Costs	-	-	-	-	-	-	-	-
Total Expense	$ 17,451	$ 1,134	$ 30,250	$ 21,911	$ 530,578	$ 8,270	$ 42,396	$ 549,568
Change in net position before regulatory asset adjustment	$ 908	$ -	$ 18,452	$ (2,380)	$ 23,758	$ (1,739)	$ 5,868	$ 44,867
Net cost recoverable (refundable)/future Participant billings	-	-	(18,452)	2,380	(23,758)	1,739	(5,868)	(43,959)
Change in Net Positon After Regulatory Adj	$ 908	$ -	$ -	$ -	$ -	$ -	$ -	$ 908
Net position at beginning of year	11,150	-	-	-	-	-	-	11,150
Net position at end of year	$ 12,058	$ -	$ -	$ -	$ -	$ -	$ -	$ 12,058

MANAGEMENT'S DISCUSSION & ANALYSIS

For Fiscal Year Ended September 30, 2025

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to FMPA's basic financial statements, which are comprised of two components: (1) individual project or fund financial statements and (2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

FMPA's **Entity-Wide Financial Statements** are designed to provide readers with a broad overview of FMPA's finances in a manner similar to a private-sector business. It is very important to note that, due to contractual arrangements that are the basis of each power project, no monies can be shared among projects, except that, as of the sale of the Vero Beach electric system to FPL in December 2018, the ARP has taken a transfer and assignment of Vero Beach's interests, as a project participant, in the Stanton, Stanton II and St. Lucie Projects.

The cash flow of one power project, although presented with all others in the financial statement presentation as required by financial reporting requirements, cannot and should not be considered available for any other project. Management encourages readers of this report, when evaluating the financial condition of FMPA, to remember that each power project or fund is a financially independent entity.

The **Statements of Net Position** presents information on all of FMPA's assets and liabilities,deferred inflows and outflows with the difference between the two reported as Net Position. As a result of a decision by the governing bodies of FMPA, billings and revenues in excess (deficient) of actual costs are returned to (collected from) the participants in the form of billing credits (charges). The assets within the Agency Fund represent those required for staff operations, which coordinate all of the power projects described herein.

The **Statements of Revenues, Expenses and Changes in Fund Net Position** present information regarding how FMPA's net position has changed during the fiscal year ended September 30, 2025. All changes in net position are reported as the underlying event giving rise to the change as it occurs, regardless of the timing of related cash flows. Therefore, some revenues and expenses that are reported in these statements for some items will only result in cash flows in future fiscal periods, such as unrealized gains or losses from investment activities, uncollected billings and earned but unused vacation.

The **Statements of Cash Flows** provide information about FMPA's Agency Fund and each project's cash receipts and disbursements during the fiscal year. These statements report cash receipts, cash payments and net changes in cash resulting from operating, investing and capital & related financing activities.

All of the activities of FMPA are of an enterprise type, or fiduciary type as compared to governmental activities. FMPA has no component units to report. The Financial Statements can be found on pages 14 through 18 of this report.

The **Fund Financial Statements** are comprised of a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. FMPA, like governments and other special agencies or districts, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of FMPA are reported on the proprietary basis.

FMPA maintains two types of Funds, the Enterprise Fund type, and the Fiduciary Fund type. Enterprise Funds are used to report the same functions presented as business-type activities in the financial statements. FMPA uses enterprise funds to account for all of its power projects, as well as the Agency business operations. Each of the funds is considered a "major fund" according to specific accounting rules. A summary of FMPA's activities for years 2025 and 2024 is shown on pages 8 and 9. A more detailed version of the major fund proprietary financial statements can be found on pages 14 through 18 of this report. The Fiduciary Fund statements provide information about the financial relationships in which the Agency acts solely as a trustee or agent for the benefit of other governments. The Fiduciary Fund financial statements can be found on pages 19 and 20 of this report.

The Notes to Financial Statements provide additional information that is essential to understanding the data provided in both the government-wide and fund financial statements. The Notes to the Financial Statements can be found on pages 21 through 70 of this report.

MANAGEMENT'S DISCUSSION & ANALYSIS
For Fiscal Year Ended September 30, 2025

ENTITY-WIDE FINANCIAL ANALYSIS

As noted earlier, when readers use the financial presentations to evaluate FMPA's financial position and results of operations, it is essential to remember the legal separation that exists among the projects. Nevertheless, broad patterns and trends may be observed at this level that should lead the reader to carefully study the financial statements of each fund and project. For example, total revenues increased $95 million primarily due to increased billings due to natural gas prices.

FINANCIAL ANALYSIS OF FMPA'S FUNDS AND PROJECTS

FMPA uses fund accounting, Federal Energy Regulatory Commission accounting and special utility industry terminology to ensure and demonstrate compliance with finance-related legal requirements. The projects and funds are presented below and in the financial statements in the order in which they were established.

The **Agency Fund** accounts for the administrative activities of FMPA. The expenses incurred while operating the projects and administrative activities are allocated to the power projects, net of any miscellaneous receipts. Total General and Administrative expenses increased $0.6 million from fiscal year 2024 to fiscal year 2025.

The **Pooled Loan Fund** was re-established during the 2019 fiscal year and has made loans to four members. As required by the Governmental Accounting Standards Board Statement 91 they are recognized as conduit debt and the corresponding receivable and payable are not included on the statement of Net Position. The Pooled loan fund made three loans to FMPA Projects; the Stanton II Project, the All-Requirements Project, and the Agency Fund which are included on the Statement of Net Position. The All-Requirements Project loan was paid off during fiscal year 2024.

The **St. Lucie Project** consists of an 8.806% undivided ownership interest in St. Lucie Unit 2. This unit is a nuclear power plant primarily owned and operated by Florida Power & Light (FPL). FPL requested and received an initial 20-year extension of the operating license from the Nuclear Regulatory Commission (NRC) for Units 1 and 2. The license will allow Unit 1 to operate until 2035 and Unit 2 to operate until 2043. FPL has applied for a subsequent 20-year extension of the operating licenses.

The Project billed 715,652 Megawatt-hours (MWh) in fiscal year 2025. The average all-inclusive billing rate, which includes budgeted Demand, Energy and Transmission expenses, decreased (1.4)% to $54.36 in fiscal year 2025.

The **Stanton Project** derives its power from a 14.8193% ownership interest in Stanton Unit 1, a 441 Megawatt coal-fired power plant operated by its primary owner, Orlando Utilities Commission (OUC).

The Project billed 219,909 MWh in fiscal year 2025. The average all-inclusive billing rate, which includes budgeted Demand, Energy and Transmission expenses decreased (29)% to $79.12 per MWh in fiscal year 2025 due to lower coal and natural gas utilized by the plant and an increase of MWhs sold.

The **All-Requirements Project** (ARP) consists of 13 active participants. The ARP energy resources are part of the Florida Municipal Power Pool (FMPP), a consortium of three municipal energy suppliers - ARP, Lakeland Electric and OUC - which have agreed to dispatch resources on an economic cost and availability basis in order to meet combined loads. The average all-inclusive billed rate to ARP member cities increased 6.0% to $80.40 per MWh in fiscal year 2025, which is all-inclusive of Energy, Demand and Transmission expenses. The billed Megawatt hours for fiscal year 2025 were 6,232,822.

The All-Requirements participant net cost of power increased to $77.91 per MWh in fiscal year 2025, a 8.8% increase from fiscal year 2024. This increase was primarily due to higher natural gas expenses. The fuel supply mix was 82.7% for natural gas, 10.1% for coal, .1% for oil 2.9% for purchases 1.3% nuclear and 2.9% for renewables.

FINANCIAL ANALYSIS OF FMPA'S FUNDS AND PROJECTS (CONTINUED)

After consideration of amounts to be refunded to or recovered from Project participants, the net position of the All-Requirements Project was zero (by design) again in fiscal year 2025. The All-Requirements project adjusts the Energy, and Transmission rates each month based on the current expenses, estimated future expenses, and over/under collections to meet its 60-day cash target. The over/under collection amounts are shown in the Statements of Revenues, Expenses and Changes in Fund Net Position as an addition or reduction to "Billings to Participants" and as "Due from Participants" or "Due to Participants" in the accompanying Statement of Net Position.

The **Tri-City Project** consists of a 5.3012% ownership interest in Stanton Unit 1. The Project billed 79,859 MWh in fiscal year 2025. The average all-inclusive billing rate, which includes budgeted Demand, Energy and Transmission expenses, increased 7.8% to $110.67 per MWh during fiscal year 2025 primarily due to higher coal and natural gas prices utilized by the plant.

The **Stanton II Project** consists of a 23.2367% ownership interest in Stanton Unit 2, a coal-fired power plant operated by its primary owner; Orlando Utilities Commission (OUC). The Project billed 427,198 MWh in fiscal year 2025. The average all-inclusive billing rate, which includes budgeted Demand, Energy, and Transmission expenses, increased by 9.5% to $124.95 per MWh in fiscal year 2025 primarily due to higher coal and natural gas prices utilized by the plant.

The **Solar II Project** consists of a 20-year power purchase agreement for a total of 53.55 MW-AC of solar energy, divided equally between two 74.9 MW-AC solar facilities, Rice Creek and Whistling Duck. Whistling Duck is expected to be operational in December of 2025 and Rice Creek became operational in December of 2024. Revenues for fiscal year 2025 were $1.6 million.

BUDGETARY HIGHLIGHTS

The FMPA Board of Directors approves the budgets for projects, other than the All-Requirements Project, and the Executive Committee approves the Agency and All-Requirements Project budgets, establishing legal boundaries for expenditures. Due to higher than budgeted sales to others, budget amendments for the Stanton I project for an increase of $4.3 million, Tri-City project for an increase of $1.8 million,and Stanton II project for an increase of $7.9 million were approved in June 2025.

CAPITAL ASSETS AND LONG-TERM DEBT

FMPA's investment in Capital Assets**,** as of September 30, 2025, was $738 million, net of accumulated depreciation and inclusive of work-in-process and development projects. This investment in capital assets includes operational and construction projects in progress of generation facilities, transmission systems, land, buildings, improvements, and machinery and equipment.

FMPA's investment in capital assets for fiscal year 2025 decreased by 1.13% or $6.4 million, primarily due to asset depreciation outpacing capital investments. Depreciation was originally computed using the straight-line method over the expected useful life of the plant assets, which was originally computed to be 40 years. In fiscal year 2025, management shortened the useful life to 38.5 years for the Stanton I and Tri-City projects due to the decision to exit these projects on December 31, 2025.

At September 30, 2025, FMPA had Long-term debt of $0.9 billion in notes, loans, and bonds payable. The remaining principal payments on Long-term debt less current portion, net of unamortized premium and discount, and deferred outflows are as follows:

Project	Amount (000's US $)	
Agency	$	658
Pooled Loan Fund		1,501
St. Lucie Project		49,490
All-Requirements Project		812,166
Stanton II Project		37,239
Total	$	901,054

See **Note VIII** to the Notes to Financial Statements for further information.

MANAGEMENT'S DISCUSSION & ANALYSIS
For Fiscal Year Ended September 30, 2025

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Multi-year operational and financial modeling was conducted to arrive at the fiscal year 2025 budget. Expenses were estimated using current market conditions for fuel and estimated member loads which take into consideration the member cities' economies that have shown varying impacts on loads in both demand and energy due to current economic conditions. Rates are set in order to cover all costs and based on the member loads. Additionally, All-Requirements rates are adjusted monthly to maintain cash at a 60 day target as approved by the Executive Committee.

REQUEST FOR INFORMATION

Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the *Chief Financial Officer, Florida Municipal Power Agency, 8553 Commodity Circle, Orlando, FL 32819.*

FLORIDA MUNICIPAL POWER AGENCY
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2025
(000's US$)

	Business-Type Activities				
	Agency Fund	Pooled Loan Fund	St. Lucie Project	Stanton Project	All-Requirements Project
ASSETS & DEFERRED OUTFLOWS					
Current Assets:					
Cash and cash equivalents	$ 6,276	$ 5	$ 13,506	$ 6,545	$ 160,769
Investments	8,455	-	48,716	9,468	53,022
Participant accounts receivable	1,879	-	2,355	1,566	41,648
Fuel stock and material inventory	-	-	-	2,693	55,577
Other current assets	1,129	-	860	24	13,556
Restricted assets available for current liabilities	264	839	4,052	-	64,586
Total Current Assets	18,003	844	69,489	20,296	389,158
Non-Current Assets:					
Restricted Assets:					
Cash and cash equivalents	572	1,263	22,853	1,985	72,782
Investments	-	-	127,090	3,297	29,882
Accrued interest	-	-	1,170	-	81
Loans to Project	-	2,009	-	-	-
Less: Portion Classified as Current	(264)	(839)	(4,052)	-	(64,586)
Total Restricted Assets	308	2,433	147,061	5,282	38,159
Utility Plant:					
Electric plant	-	-	343,872	100,614	1,505,151
General plant	12,903	-	52,577	21	13,144
Less accumulated depreciation and amortization	(10,229)	-	(337,583)	(91,918)	(929,268)
Net utility plant	2,674	-	58,866	8,717	589,027
Construction work in progress	-	-	1,209	-	3,557
Total Utility Plant, net	2,674	-	60,075	8,717	592,584
Other Assets:					
Net costs recoverable/future participant billilngs	-	17	-	411	47,853
Other	728	-	-	-	655
Total Other Assets	728	17	-	411	48,508
Total Assets	21,713	3,294	276,625	34,706	1,068,409
Deferred Outflows of Resources					
Deferred Outflows from Asset Retirement Obligations	-	-	-	1,002	1,116
Deferred Outflows Natural Gas Hedges	-	-	-	-	506
Unamortized Loss on Advanced Refunding	-	-	302	-	6,472
Total Deferred Outflows	-	-	302	1,002	8,094
Total Assets & Deferred Outflows	21,713	3,294	276,927	35,708	1,076,503
LIABILITIES, DEFERRED INFLOWS & NET POSITION					
Current Liabilities:					
Payable from unrestricted assets:					
Accounts payable & Accrued Liabilities	3,773	954	350	1,880	44,213
Due to Participants	-	-	2,590	-	76,112
Current Portion of Lease	-	-	-	-	12,523
Total Current Liabilities Payable from Unrestricted Assets	3,773	954	2,940	1,880	132,848
Payable from Restricted Assets:					
Current portion of long-term debt	232	782	2,890	-	53,400
Accrued interest on long-term debt	32	57	1,162	-	11,186
Total Liabilities Payable from Restricted Assets	264	839	4,052	-	64,586
Total Current Liabilities	4,037	1,793	6,992	1,880	197,434
Long-Term Liabilities Payable from Restricted Assets:					
Accrued Decommissioning Liability	-	-	122,589	-	-
Total Liabilities Payable from Restricted Assets	-	-	122,589	-	-
Long-Term Liabilities Less Current Portion:					
Long-term debt	-	-	49,490	-	812,166
Pooled Loan Fund Non-Conduit Debt	658	1,501	-	-	-
Other Post-employment Benefits	4,684	-	-	-	-
Landfill Closure & Asset Retirement Obligations	-	-	-	5,449	6,067
FMV Derivative Instruments	-	-	-	-	506
Advances from Participants	-	-	-	-	18,688
Total Long-Term Liabilities	5,342	1,501	49,490	5,449	837,427
Deferred Inflows of Resources					
Net cost refundable/future participant billings	-	-	97,856	28,379	-
Acquisition Adjustment - Vero Beach Entitlements	-	-	-	-	41,642
Total Deferred Inflows of Resources	-	-	97,856	28,379	41,642
Total Long-Term Liabilities & Deferred Inflows	5,342	1,501	269,935	33,828	879,069
Total Liabilities and Deferred Inflows	9,379	3,294	276,927	35,708	1,076,503
Net Position:					
Net Investment in Capital Assets	2,674	-	7,997	8,717	(282,590)
Restricted	540	1,211	27,362	5,282	96,068
Unrestricted	9,120	(1,211)	(35,359)	(13,999)	186,522
Total Net Position	12,334	-	-	-	-
Total Liabilities and Net Position	$ 21,713	$ 3,294	$ 276,927	$ 35,708	$ 1,076,503

The accompanying notes are an integral part of these financial statements

FLORIDA MUNICIPAL POWER AGENCY
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2025
(000's US$)

	Business-Type Activities			
	Tri-City Project	Stanton II Project	Solar II Project	Totals
ASSETS & DEFERRED OUTFLOWS				
Current Assets:				
Cash and cash equivalents	$ 2,156	$ 8,484	$ 98	$ 197,839
Investments	2,296	33,012	-	154,969
Participant accounts receivable	804	4,524	-	52,776
Fuel stock and material inventory	963	4,131	-	63,364
Other current assets	14	119	141	15,843
Restricted assets available for current liabilities	-	12,660	-	82,401
Total Current Assets	6,233	62,930	239	567,192
Non-Current Assets:				
Restricted Assets:				
Cash and cash equivalents	577	14,146	-	114,178
Investments	2,244	6,477	-	168,990
Accrued interest	5	11	-	1,267
Loans to Project	-	-	-	2,009
Less: Portion Classified as Current	-	(12,660)	-	(82,401)
Total Restricted Assets	2,826	7,974	-	204,043
Utility Plant:				
Electric plant	39,772	219,726	-	2,209,135
General plant	36	91	-	78,772
Less accumulated depreciation and amortization	(36,535)	(149,218)	-	(1,554,751)
Net utility plant	3,273	70,599	-	733,156
Construction work in progress	-	-	-	4,766
Total Utility Plant, net	3,273	70,599	-	737,922
Other Assets:				
Net costs recoverable/future participant billilngs	11	937	38	49,267
Other	-	-	-	1,383
Total Other Assets	11	937	38	50,650
Total Assets	12,343	142,440	277	1,559,807
Deferred Outflows of Resources				
Deferred Outflows from Asset Retirement Obligations	359	1,572	-	4,049
Deferred Outflows Natural Gas Hedges	-	-	-	506
Unamortized Loss on Advanced Refunding	-	1,013	-	7,787
Total Deferred Outflows	359	2,585	-	12,342
Total Assets & Deferred Outflows	12,702	145,025	277	1,572,149
LIABILITIES, DEFERRED INFLOWS & NET POSITION				
Current Liabilities:				
Payable from unrestricted assets:				
Accounts payable & Accrued Liabilities	700	3,146	152	55,168
Due to Participants	-	-	-	78,702
Current Portion of Lease	-	-	-	12,523
Total Current Liabilities Payable from Unrestricted Assets	700	3,146	152	146,393
Payable from Restricted Assets:				
Current portion of long-term debt	-	12,133	-	69,437
Accrued interest on long-term debt	-	527	-	12,964
Total Liabilities Payable from Restricted Assets	-	12,660	-	82,401
Total Current Liabilities	700	15,806	152	228,794
Long-Term Liabilities Payable from Restricted Assets:				
Accrued Decommissioning Liability	-	-	-	122,589
Total Liabilities Payable from Restricted Assets	-	-	-	122,589
Long-Term Liabilities Less Current Portion:				
Long-term debt	-	36,117	-	897,773
Pooled Loan Fund Non-Conduit Debt	-	1,122	-	3,281
Other Post-employment Benefits	-	-	-	4,684
Landfill Closure & Asset Retirement Obligations	1,951	8,572	-	22,039
FMV Derivative Instruments	-	-	-	506
Advances from Participants	-	-	125	18,813
Total Long-Term Liabilities	1,951	45,811	125	947,096
Deferred Inflows of Resources				
Net cost refundable/future participant billings	10,051	83,408	-	219,694
Acquisition Adjustment - Vero Beach Entitlements	-	-	-	41,642
Total Deferred Inflows of Resources	10,051	83,408	-	261,336
Total Long-Term Liabilities & Deferred Inflows	12,002	129,219	125	1,331,021
Total Liabilities and Deferred Inflows	12,702	145,025	277	1,559,815
Net Position:				
Net Investment in Capital Assets	3,273	22,240	-	(237,689)
Restricted	2,826	20,107	-	153,396
Unrestricted	(6,099)	(42,347)	-	96,627
Total Net Position	-	-	-	12,334
Total Liabilities and Net Position	$ 12,702	$ 145,025	$ 277	$ 1,572,149

The accompanying notes are an integral part of these financial statements

FLORIDA MUNICIPAL POWER AGENCY
STATEMENT OF REVENUE, EXPENSES, AND CHANGE IN FUND NET POSITION
PROPIETARY FUNDS
For the fiscal year ended September 30, 2025
(000's US$)

	Business-Type Activities				
	Agency Fund	Pooled Loan Fund	St. Lucie Project	Stanton Project	All-Requirements Project
Operating Revenue:					
Billings to participants	$ 18,746	$ 42	$ 38,906	$ 17,400	$ 501,125
Interchange Sales	-	-	-	-	30,394
Sales to others	85	-	2,704	132	103,638
Amortization of Vero Beach Acquisition Adj.	-	-	-	-	7,390
Amounts to be recovered from (refunded to) participants	-	40	(2,590)	411	(15,514)
Total Operating Revenue	18,831	82	39,020	17,943	627,033
Operating Expenses:					
Operation and maintenance	-	-	8,557	4,417	87,127
Fuel expense	-	-	-	12,391	296,456
Nuclear fuel amortization	-	-	4,489	-	-
Purchased power	-	-	3,408	-	36,132
Transmission services	-	-	214	1,676	52,068
General and administrative	17,056	38	2,766	2,114	31,806
Depreciation and amortization	818	-	2,467	6,846	48,658
Decommissioning	-	-	5,575	-	-
Total Operating Expense	17,874	38	27,476	27,444	552,247
Total Operating Income	957	44	11,544	(9,501)	74,786
Non-Operating Income (Expense):					
Interest expense	(164)	(96)	(680)	-	(24,396)
Debt issuance costs	-	-	-	-	(1,481)
Investment earnings (losses)	577	52	9,211	1,028	10,069
Amortization of Loss on Advanced Refunding	-	-	(158)	-	(3,518)
Total Non-Operating Income (Expenses)	413	(44)	8,373	1,028	(19,326)
Change in net assets before regulatory asset adjustment	1,370	-	19,917	(8,473)	55,460
Net cost recoverable (refundable)/future participant billings	-	-	(19,917)	8,473	(55,460)
Change in Net Position After Regulatory Adj	1,370	-	-	-	-
Net Position at beginning of year, as previously presented	12,058	-	-	-	-
Restatements	(1,094)	-	-	-	-
Net Position at beginning of year, as restated	10,964	-	-	-	-
Net Position at end of year	$ 12,334	$ -	$ -	$ -	$ -

The accompanying notes are an integral part of these financial statements

FLORIDA MUNICIPAL POWER AGENCY
STATEMENT OF REVENUE, EXPENSES, AND CHANGE IN FUND NET POSITION
PROPIETARY FUNDS
For the fiscal year ended September 30, 2025
(000's US$)

	Business-Type Activities			
	Tri-City Project	Stanton II Project	Solar II Project	Totals
Operating Revenue:				
Billings to participants	$ 8,838	$ 53,377	$ 1,557	$ 639,991
Interchange Sales	-	-	-	30,394
Sales to others	47	207	-	106,813
Amortization of Vero Beach Acquisition Adj.	-	-	-	7,390
Amounts to be recovered from (refunded to) participants	11	937	38	(16,667)
Total Operating Revenue	8,896	54,521	1,595	767,921
Operating Expenses:				
Operation and maintenance	1,581	8,020	-	109,702
Fuel expense	4,499	22,004	-	335,350
Nuclear fuel amortization	-	-	-	4,489
Purchased power	-	-	1,595	41,135
Transmission services	600	2,726	-	57,284
General and administrative	1,079	3,044	-	57,903
Depreciation and amortization	2,577	7,061	-	68,427
Decommissioning	-	-	-	5,575
Total Operating Expense	10,336	42,855	1,595	679,865
Total Operating Income	(1,440)	11,666	-	88,056
Non-Operating Income (Expense):				
Interest expense	-	(1,093)	-	(26,429)
Debt issuance costs	-	-	-	(1,481)
Investment earnings (losses)	299	2,376	-	23,612
Amortization of Loss on Advanced Refunding	-	(703)	-	(4,379)
Total Non-Operating Income (Expenses)	299	580	-	(8,677)
Change in net assets before regulatory asset adjustment	(1,141)	12,246	-	79,379
Net cost recoverable (refundable)/future participant billings	1,141	(12,246)	-	(78,009)
Change in Net Position After Regulatory Adj	-	-	-	1,370
Net Position at beginning of year, as previously presented	-	-	-	12,058
Restatements	-	-	-	(1,094)
Net Position at beginning of year, as restated	-	-	-	10,964
Net Position at end of year	$ -	$ -	$ -	$ 12,334

The accompanying notes are an integral part of these financial statements

FLORIDA MUNICIPAL POWER AGENCY

Statement of Cash Flows
Proprietary Funds
For the fiscal year ended September 30, 2025
(000's US$)

	Business-Type Activities- Proprietary Funds								
	Agency Fund	Pooled Loan	St. Lucie Project	Stanton Project	All Requirements Project	Tri-City Project	Stanton II Project	Solar 2 Project	Totals
Cash Flows From Operating Activities:									
Cash Received From Customers	$ 18,435	$ 203	$ 40,212	$ 17,081	$ 620,608	$ 8,300	$ 52,541	$ 1,682	$ 757,380
Cash Paid to Suppliers	(6,063)	-	(15,225)	(19,632)	(495,867)	(7,423)	(34,303)	(1,584)	(578,513)
Cash Paid to Employees	(10,585)	-	-	-	(5,069)	-	-	-	(15,654)
Net Cash Provided by (Used in) Operating Activities	$ 1,787	$ 203	$ 24,987	$ (2,551)	$ 119,672	$ 877	$ 18,238	$ 98	$ 163,213
Cash Flows From Investing Activities:									
Proceeds From Sales and Maturities Of Investments	$ 13,071	$ 656	$ 126,332	$ 48,927	$ 314,453	$ 5,824	$ 48,167	$ -	$ 557,430
Purchases of Investments	(12,613)	-	(132,290)	(46,660)	(274,651)	(6,491)	(52,289)	-	(524,994)
Income received on Investments - Less Losses	597	52	9,228	1,141	8,809	328	2,377	-	22,532
Net Cash Provided by (Used in) Investment Activities	$ 1,055	$ 708	$ 3,270	$ 3,408	$ 48,611	$ (339)	$ (1,745)	$ -	$ 54,968
Cash Flows From Capital & Related Financing Activities:									
Proceeds from Issuance of Bonds, Loans & Leases	$ -	$ 6,500	$ -	$ -	$ 229,443	$ -	$ -	$ -	$ 235,943
Debt Issuance Costs	-	-	-	-	(1,481)	-	-	-	(1,481)
Capital Expenditures - Utility Plant	(141)	-	(13,782)	(2,129)	(45,988)	(762)	(3,755)	-	(66,557)
Principal Payments - Long Term Debt	(110)	(7,151)	(2,789)	-	(243,027)	-	(11,997)		(265,074)
Interest paid on Debt	(132)	(91)	(2,376)	-	(30,769)	-	(1,197)	-	(34,565)
Development Project (Charges) Refunds	(343)	-	-	-	(108)	-	-	-	(451)
Net Cash Provided (Used in) Capital & Related Financing Activities	$ (726)	$ (742)	$ (18,947)	$ (2,129)	$ (91,930)	$ (762)	$ (16,949)	$ -	$ (132,185)
Net Increase (Decrease) in Cash and Cash Equivalents	$ 2,116	$ 169	$ 9,310	$ (1,272)	$ 76,353	$ (224)	$ (455)	$ 98	$ 85,997
Cash and Cash Equivalents - Beginning	4,732	1,099	27,049	9,802	157,198	2,957	23,085		225,922
Cash and Cash Equivalents - Ending	$ 6,848	$ 1,268	$ 36,359	$ 8,530	$ 233,551	$ 2,733	$ 22,630	$ 98	$ 311,919
Consisting of:									
Unrestricted	$ 6,276	$ 5	$ 13,506	$ 6,545	$ 160,769	$ 2,156	$ 8,484	$ 98	$ 197,741
Restricted	572	1,263	22,853	1,985	72,782	577	14,146	-	114,178
Total	$ 6,848	$ 1,268	$ 36,359	$ 8,530	$ 233,551	$ 2,733	$ 22,630	$ 98	$ 311,919
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities:									
Operating Income (Loss)	$ 957	$ 44	$ 11,544	$ (9,501)	$ 74,786	$ (1,440)	$ 11,666	$ -	$ 88,056
Adjustment to Reconcile Net Operating Income to Net Cash Provided by (Used In) Operating Activities:									
Depreciation	818	-	2,467	6,846	48,658	2,577	7,061	-	68,427
Decommissioning	-	-	5,575	-		-	-	-	5,575
Amortization of Nuclear Fuel	-	-	4,489	-	-	-	-	-	4,489
Amortization of Vero Exit Payment	-	-	-	-	(7,390)	-	-	-	(7,390)
Changes in Assests and Liabilities Which Provided (Used) Cash:									
Inventory	-	-	-	(364)	(1,822)	(130)	(586)	-	(2,902)
Receivables From (Payable to) Participants	(396)	(43)	1,192	(862)	965	(596)	(1,979)	87	(1,719)
Prepaids	724	-	(448)	13	4,108	(10)	105	(141)	4,492
Accounts Payable and Accrued Expense	(316)	202	168	1,317	367	476	1,971	152	4,185
Net Cash Provided By (Used In) Operating Activities	$ 1,787	$ 203	$ 24,987	$ (2,551)	$ 119,672	$ 877	$ 18,238	$ 98	$ 163,213
Noncash Investing, capital and financing activities:									
Increase (Decrease) in mark to market values Investments	$ (20)	$ -	$ 156	$ (59)	$ 1,594	$ (16)	$ 37	$ -	$ 1,692

The accompanying notes are an integral part of these financial statements

FLORIDA MUNICIPAL POWER AGENCY
STATEMENT OF FIDUCIARY NET POSITION
September 30, 2025
(000's US$)

		Custodial Funds
ASSETS		
Current Assets:		
Cash and cash equivalents	$	21,813
Investments		3,193
Due from participants		43
Total Assets		25,049
LIABILITIES		
Accrued Arbitrage Rebate Liability	$	252
Total liabilities		252
Net Position		
Restricted for other governments	$	24,797

The accompanying notes are an integral part of these financial statements

FLORIDA MUNICIPAL POWER AGENCY
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Year Ended September 30, 2025
(000's US$)

Additions		
Contributions		
Received from other governments - Loan Proceeds and issue costs	$	6,500
Received from other governments - Rate Stabilization		10,000
Investment Income		1,017
Total additions	$	17,517
Deductions		
Paid to other governments - Investment Returned		14,972
Paid to other governments - Rate Stabilization		10,000
Bank Charges		48
Total deductions	$	25,020
Change in net position	$	(7,503)
Net position, beginning of year		32,300
Net position, end of year	$	24,797

The accompanying notes are an integral part of these financial statements

I. Summary of Significant Accounting Policies

A. Reporting Entity

Florida Municipal Power Agency (FMPA or Agency) was created on February 24, 1978, pursuant to the terms of an Interlocal Agreement signed by the governing bodies of 25 Florida municipal corporations or utility commissions chartered by the State of Florida.

The Florida Interlocal Cooperation Act of 1969 authorizes local government units to enter together into mutually advantageous agreements which create separate legal entities for certain specified purposes. FMPA, as one such entity, was authorized under the Florida Interlocal Cooperation Act and the Joint Power Act to finance, acquire, construct, manage, operate, or own electric power projects or to accomplish these same purposes jointly with other public or private utilities. An amendment to the Florida Interlocal Cooperation Act in 1985 and an amendment to the Interlocal Agreement in 1986 authorized FMPA to implement a pooled financing or borrowing program for electric, water, wastewater, waste refuse disposal, gas, or other utility projects for FMPA and its members. FMPA established itself as a project-oriented agency.

This structure allows each member the option of whether to participate in a project, to participate in more than one project, or not to participate in any project. Each of the projects are financially independent from the others and the project bond resolutions specify that no revenues or funds from one project can be used to pay the costs of any other project, except that, as of the sale of the Vero Beach electric system to FPL, the ARP has taken a transfer and assignment of Vero Beach's interests, as a project participant, in the Stanton, Stanton II and St. Lucie Projects. As of September 30, 2025, FMPA has 33 members.

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The Agency Fund and each of the projects are maintained using the Governmental Accounting Standards Board (GASB), the Uniform System of Accounts of the Federal Energy Regulatory Commission (FERC) and Generally Accepted Accounting Principles of the United States (GAAP) using the economic resources measurement focus and the accrual basis of accounting. Application of the accounting methods for regulatory operations is also included in these financial statements. This accounting guidance relates to the deferral of revenues and expenses to future periods in which the revenues are earned, or the expenses are recovered through the rate-making process, which is governed by the Executive Committee and the Board of Directors.

The Agency's General Bond Resolution requires that its rate structure be designed to produce revenues sufficient to pay operating, debt service and other specified costs. The Agency's Board of Directors, which is comprised of one director representing each member city, and Executive Committee, which is comprised of one representative from each of the active All-Requirements Project members, are responsible for reviewing and approving the rate structures. The application of a given rate structure to a given period's electricity sales may produce revenues not intended to pay that period's costs and conversely, that period's costs may not be intended to be recovered in that period's revenues. The affected revenues and/or costs are, in such cases, deferred for future recognition. The recognition of deferred items is correlated with specific future events, primarily payment of debt principal.

FMPA considers electric revenues and costs that are directly related to generation, purchases, transmission, and distribution of electricity to be operating revenues and expenses. Revenues are recorded when they are earned and expenses are recorded when a liability is incurred, following GAAP.

I. Summary of Significant Accounting Policies (continued)

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

1. Fund Accounting

FMPA maintains its accounts on a fund/project basis, in compliance with appropriate bond resolutions, and operates its various projects in a manner similar to private business. Operations of each project are accounted for as a proprietary fund and as such, inter-project transactions, revenues and expenses are not eliminated.

The Agency operates the following major funds:

- The Agency Fund, which accounts for general operations beneficial to all members and projects.
- The Pooled Loan Fund was re-established during the fiscal year 2019 and will loan funds to member utilities or FMPA projects.
- The St. Lucie Project, which accounts for ownership interest in the St. Lucie Unit 2 nuclear generating facility.
- The Stanton Project and the Tri-City Project, which account for respective ownership interests in the Stanton Energy Center (SEC) Unit 1, a coal-fired generation facility,
- The All-Requirements Project, which accounts for ownership interests in Stanton Energy Center Unit 1, Stanton Energy Center Unit 2, Stanton Unit A, and Indian River Combustion Turbine Units A, B, C and D. In FY2024, FMPA purchased the Orlando Co-Gen power plant in Orlando, renamed the Sand Lake Energy Center and the Polk Power Partners power plant in Bartow, renamed the Mulberry Energy Center. Also included in the All-Requirements Project is the purchase of power for resale to the participants and 100% ownership or ownership cost responsibility (for jointly owned and participant-owned units) of Treasure Coast Energy Center, Cane Island Units 1, 2, 3 and 4, FMPA's Key West Combustion Turbine Units 1, 2, 3 and 4 and Key West Stock Island MS Units 1 & 2. The project also assumed the participant interest of Vero Beach in the St. Lucie, Stanton, and Stanton II Projects. Some of the All- Requirements participants subscribed to the output of a solar farm that came online in July of 2020.
- The Stanton II Project, which accounts for an ownership interest in SEC Unit 2.
- The Solar Project which comprises two twenty year power purchase agreements for the purchase of solar energy from the Whistling Duck facility in Levy county and the Rice Creek facility in Putnam county, Florida.
- The Fiduciary Fund accounts for assets held by the Agency as a trustee for other governmental units.

Certain accounts within these funds are grouped and classified in the manner established by respective bond resolutions and/or debt instruments.

All funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary or business fund's principal on-going operations. The principal operating revenues of FMPA's proprietary or business funds are charges to participants for sales and services. Operating expenses for proprietary or business funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is FMPA's policy to use restricted funds for their intended purposes only, based on the bond resolutions. Unrestricted resources are used as they are needed in a hierarchical manner from the General Reserve accounts to the Operations and Maintenance accounts.

Certain direct and indirect expenses allocable to FMPA's fully owned and undivided ownership in the St. Lucie Project, the Stanton Project, the All-Requirements Project, the Tri-City Project, and the Stanton II Project are capitalized as part of the cost of acquiring or constructing the respective utility plant. Direct and indirect expenses not associated with these projects are capitalized as part of the cost of Development Projects in Progress in the Agency Fund. Electric Plant in Service is depreciated using the straight-line method over the assets' respective estimated useful lives. Estimated useful lives for electric plant assets range from 15 years to 40 years.

I. Summary of Significant Accounting Policies (continued)

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

2. Capital Assets
The cost of major replacements of assets in excess of $5,000 is capitalized to the utility plant accounts. The cost of maintenance, repairs and replacements of minor items are expensed as incurred.

3. Inventory
Coal, oil, and natural gas inventory is stated at weighted average cost. Parts inventory for the generating plants is also stated at weighted average cost. Nuclear fuel is carried at cost and is amortized on the units of production basis.

4. Cash & Cash Equivalents
FMPA considers the following highly liquid investments (including restricted assets) to be cash equivalents for the statement of cash flows:

- Demand deposits (not including certificates of deposits)
- Money market funds

5. Investments
Florida Statutes authorize FMPA to invest in the Local Government Investment Pools, U.S. Treasury Obligations, Money Market Funds, U.S. Government and Agency Securities, Certificates of Deposit, commercial Paper and Repurchase agreements fully collateralized by all the items listed above. In addition to the above, Florida law also allows FMPA to adopt its own investment policy, subject to certain restrictions. FMPA's policy authorizes the investment in certain corporate and municipal bonds, bankers' acceptances, prime commercial paper, guaranteed investment contracts and other investments with a rating confirmation issued by a rating agency.

Investments are stated at fair value based on quoted market prices and using third party pricing models for thinly traded investments that don't have readily available market values. Investment income includes changes in the fair value of these investments. Interest on investments is accrued at the Statement of Net Position date. All of FMPA's project and fund investments can be sold at any point due to cash flow needs, changes in market trends or risk management strategies.

6. Debt-Related Costs
Debt issuance costs are expensed as incurred. Gains and losses on the refunding of bonds are deferred and amortized over the life of the refunding bonds or the life of the refunded bonds, whichever is shorter, using the bonds outstanding method. This method is used for the St. Lucie Project, the All-Requirements Project, and the Stanton II Project.

7. Compensated Absences

Effective October 1, 2024, the Agency implemented GASB Statement No. 101. Compensated Absences. GASB 101 establishes a revised recognition and measurement model that requires governments to record a liability for leave when it is attributable to services already rendered, accumulates, and can be used for time off or otherwise paid or settled. The liability for compensated absences includes amounts expected to be paid as either paid time off or cash payments to employees. The liability is measured using current pay rates and includes applicable salary related payments.

Application of GASB 101 resulted in a material increase to the compensated absences liability for the Agency fund, requiring a restatement of beginning net position. The All-Requirements fund was not materially affected and did not require restatement.

I. Summary of Significant Accounting Policies (continued)

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

7. Compensated Absences (continued)

Prior Period Adjustment for the Agency Fund:

Net Position - Beginning, as Previously Reported	$12,058,335
Increase in compensated absences liability under GASB 101	($1,094,235)
Net Position - Beginning, as Restated	$10,964,100

As of September 30, 2025, the compensated absences liability totaled $2,697,034 for the Agency fund & $855,849 for the All Requirements fund.

8. Allocation of Agency Fund Expenses

General and administrative operating expenses of the Agency Fund are allocated based on direct labor hours of specific positions and certain other minimum allocations to each of the projects. Any remaining expenses are allocated to the All-Requirements Project.

9. Billing to Participants

Participant billings are designed to systematically provide revenue sufficient to recover costs. Rates and budgets can be amended by the Board of Directors or the Executive Committee at any time.

For the All-Requirements Project, energy rate adjustments are driven by the Project's Operation and Maintenance (O & M) Fund month-end cash balance and the cash balance needed to meet the targeted balance of 60 days of cash within the O & M Fund. If it is determined that the O & M Fund balance is over the 60 days O & M Fund cash balance target amount, the energy rate adjustment will result in a lower billing rate relative to projected expenses and thereby reduce the future O & M Fund balance. Likewise, if the O & M Fund balance is below the 60 day cash target, the energy rate adjustment will result in a higher billing rate relative to projected expenses and thereby increase the future O & M Fund balance. Through September 30, 2025, the 60-day cash target was based on the projected cash need for the current 60-day horizon. To reduce seasonal fluctuations in cash holdings and to provide for additional working capital to support the ARP's peak cash needs, effective October 1, 2025, the Executive Committee voted to modify the cash target to be based on the highest projected 60-day cash need over a rolling 12-month forecast.

Amounts due from participants are deemed to be entirely collectible and as such, no allowance for uncollectible accounts has been recorded.

For the St. Lucie Project, the Stanton Project, the Tri-City Project and the Stanton II Project, variances in current fiscal year billings and actual project costs are computed and compared to the current year budget target under or over recovery and under the terms of the project contract, net excesses or deficiencies are credited or charged to future participant billings or may be paid from the General Reserve Fund, as approved by the Board of Directors, or Executive Committee as appropriate.

10. Income Taxes

FMPA is a local governmental entity and therefore is exempt from federal and state income taxes.

I. Summary of Significant Accounting Policies (continued)

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

11. Use of Estimates

The management of FMPA has made a number of estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these financial statements in conformity with GAAP. Examples of major areas where estimates are used include the estimate for useful lives of property, plant and equipment and the estimate for the nuclear decommissioning liability. Other examples include using third party pricing models for pricing of thinly traded investments, and use of estimates when computing the OPEB liability, asset retirement obligations, landfill closure costs, derivative financial instruments, and pollution remediation obligations. Actual results could differ from those estimates.

12. Derivative Financial Instruments

FMPA used commodity futures contracts to hedge the effects of fluctuations in the price of natural gas storage. Additionally, FMPA utilizes derivative instruments - fair value hedges to hedge financial exposure and mitigate risk related to daily price changes in the natural gas supply market, as further disclosed in Note VI.

I. Summary of Significant Accounting Policies (continued)

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

13. Deferred Inflows and Deferred Outflows

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. FMPA has three items that qualify for reporting in this category, the deferred portion of Asset Retirement Obligations, the Unamortized Loss on Refunding, and hedging derivative instruments. The deferred Asset Retirement Obligation costs will be collected from participants as determined by the Board and Executive Committee during the budget process. A deferred Loss on Refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. For effective hedging derivative instruments, the changes in fair values are reported as deferred inflows and outflows. The amount is deferred until the gain or loss is realized.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. FMPA has two items that qualify for reporting in this category, the Net Cost Refundable/Future Participant Billings, and the Acquisition Adjustment - Vero Beach Entitlements. The net Costs Refundable/Future Participant Billings are recognized as a rate benefit in future periods through the rate-making process. The Acquisition Adjustment – Vero Beach Entitlements are being amortized to income to offset the additional annual costs to the All-Requirements project for the assumption of the Project obligations acquired.

14. Financial Reporting for Pension Plans

FMPA has a Defined Contribution Pension Plan and therefore the impacts of reporting for pension plans are minimal compared to entities that have a Defined Benefit Pension Plan. The impacts on accounting and reporting for FMPA are disclosed in **footnote XII.A**.

15. Financial Reporting for Postemployment Benefits Other Than Pensions

The Governmental Accounting Standards Board Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB) was adopted by FMPA for reporting the employer's OPEB Plan Liability. The accounting and reporting for FMPA and additional disclosures are provided in **footnote XII.B** and in the Required Supplementary Information section.

16. Landfill Closure and Post Closure Maintenance Cost

In accordance with Governmental Accounting Standards Board Statement No. 18, Accounting for Landfill Closure and Post Closure Maintenance Cost was implemented beginning with the fiscal year ending September 30, 2018, for reporting the Stanton, Stanton II, Tri-City and All Requirements Projects liability for the fly ash landfill at the Stanton Energy Center.

I. Summary of Significant Accounting Policies (continued)

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

17. Fair Value Measurement and Application

Investments for FMPA are stated at fair value. The fair value framework uses a hierarchy that prioritizes the inputs to the valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

- **Level 1 inputs**-are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- **Level 2 inputs**-are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly. Agency Obligation securities are recorded at fair value based upon Bloomberg pricing models using observable inputs and as such are presented as level 2 in the GASB 72 hierarchy in footnote V.
- **Level 3 inputs**-are unobservable inputs for an asset or liability. The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs.

II. Nuclear Decommissioning Liability

St. Lucie Project

The U.S. Nuclear Regulatory Commission (NRC) requires that each licensee of a commercial nuclear power reactor furnish to the NRC a certification of its financial capability to meet the costs of nuclear decommissioning at the end of the useful life of the licensee's facility. As a co-licensee of St. Lucie Unit 2, FMPA's St. Lucie Project is subject to these requirements and therefore has complied with the NRC regulations.

To comply with the NRC's financial capability regulations, FMPA established an external trust fund (Decommissioning Trust) pursuant to a trust agreement. Funds deposited, together with investment earnings in the Trust, are anticipated to result in sufficient funds in the Decommissioning Trust at the expiration of the license extension to meet the Project's share of the decommissioning costs. This is reflected in the St. Lucie Project's Statement of Net Position as Restricted Cash and Investments ($125 million) and Accrued Decommissioning Liability ($123 million) at September 30, 2025. These amounts are to be used for the sole purpose of paying the St. Lucie nuclear decommissioning costs. Based on a site-specific study approved by the Florida Public Service Commission in 2020, Unit 2's future net decommissioning costs are estimated to be $1.7 billion or $674 million in 2020 dollars, and FMPA's share of the future net decommissioning costs is estimated to be $146 million or $59 million in 2020 dollars. A new study will be completed and made available in December 2025. The Decommissioning Trust is irrevocable, and funds may be withdrawn from the Trust solely for the purpose of paying the St. Lucie Project's share of costs for nuclear decommissioning. Also, under NRC regulations, the Trust is required to be segregated from other FMPA assets and outside FMPA's administrative control. FMPA has complied with these regulations.

III. Landfill Closure and Post Closure Maintenance Liability and Asset Retirement Obligations

In accordance with Governmental Accounting Standard No. 18, the ownership share of the landfill closure and post closure maintenance costs of the Stanton Energy Center Units 1 & 2, including the proportionate closure and post closure maintenance costs of $17.99 million as of September 30, 2025, was recognized across FMPA's All Requirements, Stanton, Stanton II and Tri-City Projects. FMPA expects to recognize the remaining share of its estimated closure and post closure costs of $8.52 million over the remaining useful life of the landfill. As of September 30, 2024, and 2025, 85.9% and 90.9%, respective, of the total landfill capacity has been used. As of 2025, it is estimated that two years remain on the landfill life based on annual usage of the landfill.

An update for 2023 was received which recognized more stringent requirements for the landfill, resulting in a significant increase of aproximately $18 million in estimated closure and post closure costs across the FMPA Projects in fiscal year 2023. This increase also encompassed heightened requirements for previously closed landfill cells. The landfill operator has put aside the necessary funds to meet the requirements of the State of Florida. In 2025, an updated cost estimate was received, increasing the estimated closure and post closure costs by $2.3 million.

In accordance with Governmental Accounting Standard No. 83, Asset Retirement Obligation have been calculated for each of the generating sites owned by FMPA. Significant assumptions used in the calculation of the Obligations are as follows:

> There are no pollution events that need to be addressed. If a pollution event occurs it will be cleaned up as soon as practicable and the expense will be recognized at the time of the event.
>
> Scrap and salvage values for the natural gas plants exceed the cost to retire the units therefore, no obligation is accrued for these assets.
>
> Coal plant retirement obligations are based on an EPRI study, removing costs for asbestos abatement. All ash disposal is included in the Landfill Closure Cost estimate.

The impact for each of FMPA Projects as of September 30, 2025 is:

	Stanton Project	All-Req Project	Tri-City Project	Stanton II Project	Total
Landfill Closure Costs					
Total Exposure	$ 4,893	$ 5,447	$ 1,750	$ 7,700	$ 19,790
Remaining Liability	(446)	(496)	(158)	(700)	(1,800)
Total Liability at September 30	$ 4,447	$ 4,951	$ 1,592	$ 7,000	$ 17,990
Closure Liability	$ 2,105	$ 2,344	$ 753	$ 3,314	$ 8,516
Post Closure Liability	2,342	2,607	839	3,686	9,474
Asset Retirement Obligation	1,002	1,116	359	1,572	4,049
Total Landfill Closure and Asset Retirement Obligation	$ 5,449	$ 6,067	$ 1,951	$ 8,572	$ 22,039

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IV. Capital Assets

A description and summary as of September 30, 2025, of Capital Assets by fund and project, is as follows:

The column labeled "Increases" reflects new capital undertakings and depreciation expense. The column labeled "Decreases" reflects retirements of those assets.

A. Agency Fund

The Agency Fund contains the general plant assets of the Agency that are not associated with specific projects. Depreciation of general plant assets is computed by using the straight-line method over the expected useful life of the asset. Expected lives of the different types of general plant assets are as follows:

- Structures & Improvements 25 years
- Furniture & Fixtures 8 years
- Office Equipment 5 years
- Automobiles, Computers, and Software 3 years

New capital undertakings are accounted for in the Construction Work in Process account and included in the Utility Plant Assets section of the Statement of Net Position. Depending on whether these undertakings become a project, costs are either capitalized or expensed. The activity for the Agency's general plant assets for the year ended September 30, 2025 was as follows:

	September 30, 2025			
	Beginning Balance	Increases*	Decreases*	Ending Balance
	(000's US$)			
Land	$ 653	$ -	$ -	$ 653
General Plant	11,550	78	-	11,628
Subscription Based IT Agreements	559	63	-	622
General Plant in Service	$ 12,762	$ 141	$ -	$ 12,903
Less Accumulated Depreciation	(8,951)	(725)	-	(9,676)
Less Accumulated Amortization on SBITA	$ (460)	$ (93)		(553)
Total Accumulated Deprn and Amort	$ (9,411)	$ (818)	$ -	$ (10,229)
General Plant in Service, Net	$ 3,351	$ (677)	$ -	$ 2,674

* Includes Retirements Less Salvage

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IV. Capital Assets (continued)

B. St. Lucie Project

The St. Lucie Project consists of an 8.806% undivided ownership interest in St. Lucie Unit 2, a nuclear power plant primarily owned and operated by Florida Power & Light (FPL).

Depreciation was originally computed using the straight-line method over the expected useful life of the asset, which was originally computed to be 34.6 years. In FYE 2021, management extended the useful life to 60 years based on the extended operating license for St. Lucie Unit 2. Nuclear fuel is amortized on a units of production basis. St. Lucie plant asset activity for the year ended September 30, 2025, was as follows:

	September 30, 2025			
	Beginning Balance	Increases	Decreases*	Ending Balance
	(000's US$)			
Land	$ 75	$ -	$ -	$ 75
Electric Plant	335,513	8,284	-	343,797
General Plant	1,208	-	-	1,208
Nuclear Fuel	45,339	6,030	-	51,369
Construction work in process	2,699		(1,490)	1,209
Electric Utility Plant in Service	$ 384,834	$ 14,314	$ (1,490)	$ 397,658
Less Accumulated Depreciation	(330,756)	(6,956)	129	(337,583)
Utility Plant in Service, Net	$ 54,078	$ 7,358	$ (1,361)	$ 60,075

* Includes Retirements Less Salvage

Construction work in process is recorded on an estimate basis and reversed 3 months later when actual amounts are determined.

C. Stanton Project

The Stanton Project consists of an undivided 14.8193% ownership in Stanton Energy Center Unit 1, a coal-fired power plant. Asset retirements and additions for the plant are decided by Orlando Utilities Commission (OUC), the primary owner and operator of the plant.

Depreciation was originally computed using the straight-line method over the expected useful life of the plant assets, which was originally computed to be 40 years. In FYE 2025, management shortened the useful life to 38.5 years due to the decision to exit the project on December 31, 2025. Expected useful lives of the assets are as follows:

- Electric Plant 38.5 years
- Computer Equipment 9 years

Stanton Unit 1 plant asset activity for the year ended September 30, 2025, was as follows:

	September 30, 2025			
	Beginning Balance	Increases	Decreases*	Ending Balance
	(000's US$)			
Land	$ 125	$ -	$ -	$ 125
Electric Plant	98,360	2,129	-	100,489
General Plant	21	-	-	21
Electric Utility Plant in Service	$ 98,506	$ 2,129	$ -	$ 100,635
Less Accumulated Depreciation	(85,072)	(6,846)	-	(91,918)
Utility Plant in Service, Net	$ 13,434	$ (4,717)	$ -	$ 8,717

* Includes Retirements Less Salvage

IV. Capital Assets (continued)

D. All-Requirements Project

The All-Requirements Project's current utility plant assets include varying ownership interests in Stanton Energy Center Units 1 and 2; Indian River Combustion Turbines A, B, C and D; and Stanton A. The All-Requirements Project's current utility plant assets also consist of 100% ownership or ownership cost responsibility (for jointly owned and participant owned units) in the Treasure Coast Energy Center, Mulberry Energy Center, Sand Lake Energy Center, Cane Island Units 1, 2, 3 and 4, Key West Units 1, 2, 3 and 4, and Stock Island MSD Units 1 & 2, with the exception of the KUA – TARP Lease Obligation. See footnote IX.A.5 for more detail on the KUA – TARP Lease Obligation.

Retirements and additions for the All-Requirements Project assets are decided by the All-Requirements members.

Depreciation of plant assets and amortization of leases is computed using the straight- line method over the expected useful life of the asset. Expected lives of the different plant assets are as follows:

- Stanton Energy Center Uni 2 — 40 years
- Stanton Energy Center Unit 1 — 38.5 years
- Stanton Energy Center Unit A — 35 years
- Treasure Coast Energy Center — 35 years
- Cane Island Unit 1 — 25 years
- Cane Island Units 2, 3 — 30 years
- Cane Island Unit 4 — 35 years
- Key West Units 1, 2 and 3 — 25 years
- Key West Stock Island Units 1 and 2 — 25 years
- Key West Stock Island Unit 4 — 23 years
- Indian River Units A, B, C and D — 23 years *
- Mulberry Energy Center — 15 years
- Sand Lake Energy Center — 15 years
- Computer Equipment — 9 years

** Indian River Units A, B, C and D, reached the end of their useful lives. Management has extended the useful life by 5 years for new capital additions.*

***The useful life of the Stanton Energy Center Unit 1 was shortened to 38.5 years. Management has decided to exit the project on December 31, 2025.*

All-Requirements plant asset activity for the year ended September 30, 2025, was as follows:

	September 30, 2025			
	Beginning Balance	Increases	Decreases*	Ending Balance
	(000's US$)			
Land	$ 29,179	$ -	$ -	$ 29,179
Electric Plant	1,461,865	14,107	-	1,475,972
General Plant	13,019	66	(6)	13,079
Subscription Based IT Agreements	57	8	-	65
Construction Work in Process	7,601		(4,044)	3,557
Electric Utility Plant in Service	$ 1,511,721	$ 14,181	$ (4,050)	$ 1,521,852
Less Accumulated Depreciation	$ (880,553)	$ (48,656)	$ -	$ (929,209)
Less Accumulated Amortization SBITA	$ (57)	(2)	$ -	(59)
Total Accumulated Deprn and Amort	$ (880,610)	$ (48,658)	$ -	$ (929,268)
Utility Plant in Service, Net	$ 631,111	$ (34,477)	$ (4,050)	$ 592,584

*Includes Retirements Less Salvage

IV. Capital Assets (continued)

A. Tri-City Project

The Tri-City Project consists of an undivided 5.3012% ownership interest in Stanton Unit 1, a coal-fired power plant. Retirements and additions for Stanton Unit 1 are determined by OUC, the primary owner and operator.

Depreciation was computed using the straight-line method over the expected useful life of the assets, which was originally computed to be 40 years. in FYE 2025, management shortened the useful life to 38.5 years due to the decision to exit the project on December 31, 2025. Expected useful lives of the assets are as follows:

- Electric Plant 38.5 years
- Computer Equipment 9 years

Tri-City Project plant asset activity for the year ended September 30, 2025, was as follows:

	September 30, 2025			
	Beginning Balance	Increases	Decreases*	Ending Balance
	(000's US$)			
Land	$ 48	$ -	$ -	$ 48
Electric Plant	39,717	24	(17)	39,724
General Plant	36	-	-	36
Electric Utility Plant in Service	$ 39,801	$ 24	$ (17)	$ 39,808
Less Accumulated Depreciation	(33,958)	(2,577)	-	(36,535)
Utility Plant in Service, Net	$ 5,843	$ (2,553)	$ (17)	$ 3,273

B. Stanton II Project

The Stanton II Project consists of an undivided 23.2367% ownership interest in Stanton Unit 2, a coal-fired power plant. Retirements and additions for Stanton Unit 2 are determined by OUC, the primary owner and operator.

Depreciation of plant assets is computed using the straight-line method over the expected useful life of the different assets. Expected useful lives of the assets are as follows:

- Electric Plant 39 years

Stanton Unit 2 plant asset activity for the year ended September 30, 2025, was as follows:

	September 30, 2025			
	Beginning Balance	Increases	Decreases*	Ending Balance
	(000's US$)			
Land	$ 217	$ -	$ -	$ 217
Electric Plant	219,402	107	-	219,509
General Plant	91	-	-	91
Electric Utility Plant in Service	$ 219,710	$ 107	$ -	$ 219,817
Less Accumulated Depreciation	(142,157)	(7,061)	-	(149,218)
Utility Plant in Service, Net	$ 77,553	$ (6,954)	$ -	$ 70,599

* Includes Retirements Less Salvage

V. Cash, Cash Equivalents, and Investment

A. Cash and Cash Equivalents

At September 30, 2025, FMPA's Cash and Cash Equivalents consisted of demand deposit accounts, money market accounts, and funds that are held with a fiscal agent. Demand deposit and money market accounts are authorized under FMPA bond resolutions. These funds are held at five financial institutions. All of FMPA's demand deposits at September 30, 2025, were insured by Federal Depository Insurance Corporation (FDIC) or collateralized pursuant to the Public Depository Security Act of the State of Florida. Current unrestricted cash and cash equivalents are used in FMPA's funds' and projects' day-to-day operations.

B. Investments

FMPA adheres to a Board and Executive Committee-adopted investment policy based on the requirements of the bond resolutions. The policy requires diversification based upon investment type, issuing institutions, and duration. All of the fund and project accounts have specified requirements with respect to investments selected and the length of allowable investment.

Investments at September 30, 2025 were insured or registered and held by its agent in FMPA's name. Changes in the fair value of investments are reported in current period revenues and expenses. All of FMPA's fund and project investments can be sold at any point due to cash flow needs, changes in market trends or risk management strategies.

Credit Risk

FMPA's investment policy sets minimum credit rating standards for rated fixed income securities. Corporate notes must have minimum credit rating of A, irrespective of any gradation within that rating. Municipat bonds and commercial paper must be rated within the two highest rating categories, while money market funds are required to be rated in the highest rating category. US Treasuries and Agency investments, recognized as some of the safest fixed income securities, presently carry Aa1 ratings from Moody's and AA+ ratings from Standard & Poor's, and AA+ by Fitch. Moreover, FMPA imposes diversification limits to mitigate the risk of excessive credit exposure in any singular investment or asset category.

Custodial Credit Risk

All investment security transactions, including collateral for repurchase agreements, entered into by FMPA are settled on a delivery versus payment (DVP) basis. Securities are held by a third party Custodian or Trustee and evidenced by trade confirmations and bank statements. All securities purchased by FMPA are properly designated as an asset of the Agency or its Projects and held by a third party Custodial or Trustee institution.

Foreign Currency Risk

FMPA's investments are not exposed to foreign currency risk.

Interest-Rate Risk

FMPA's investment policy requires that funds generally be invested to match anticipated cash flow. All fund and project accounts have a specified maximum maturity for investments and, the majority of FMPA's funds are required to be invested for less than five years. All project funds and accounts are monitored using weighted average maturity analysis as well as maturity date restrictions.

Concentration of Credit Risk

Each project is separate from the others, and as such, each project is evaluated individually to assess credit and interest rate risks. FMPA's investment policy imposes specific limits on the types and concentrations of investments. Commercial paper and municipal bonds cannot exceed 50% of any project's investments. Investments in corporate notes, money markets and other investment funds are also restricted to 30% of a project's assets. Exposure to any single issuer is limited to 25% for money markets and agencies, 20% for municipal bonds, and 10% for commercial paper, corporate notes, and CDs. As of September 30, 2025, the All-Requirements Project temporarily exceeded its money market concentration limit by 5% due to upcoming cash needs for the October 1st debt service needs. The exception lasted six days and remained fully within the policy's 30-day grace period, returning to

V. Cash, Cash Equivalents, and Investments (continued)

B. Investments (continued)

compliance on October 1 once all payments were made. No other project exceeded concentration limits by investment type or issuer as of September 30, 2025.

FMPA maintains all assets other than demand deposit accounts within a trust department of a bank. All cash and investments, other than demand deposit accounts, are held in the name of a custodian or a trustee for the Agency and its projects.

1. Agency Fund

Cash, cash equivalents and investments on deposit for the Agency at September 30, 2025, are as follows:

	September 30, 2025	Weighted Average Maturity (Days)	Credit Rating *
	(000's US$)		
Restricted			
Cash and Cash Equivalents	$ 572		
Unrestricted			
Cash and Cash Equivalents	$ 6,276		
US Gov't/Agency Securities*	5,505	458	Aa1/AA+/AA+
Commercial Paper	994	133	P-1/A-1/F1
Corporate Notes	1,956	478	Aa1 to Aa3/AA+/AA+
Total Unrestricted	$ 14,731		
Total	$ 15,303		

* Moody's/S&P/Fitch

Investments measured at Fair Value for the Agency at September 30, 2025, are as follows:

Investment Assets by Fair Value Level	Quoted Prices in Active Markets (Level 1) *(000's US$)*	Significant Other Observable Inputs (Level 2) *(000's US$)*	Significant Unobservable Inputs (Level 3) *(000's US$)*
Agency Obligations	$ -	$ 2,006	$ -
US Treasury Obligations	3,499	-	-
Corporate Notes	-	1,956	-
Total By Level	$ 3,499	$ 3,962	$ -
Money Market and Mutual Fund Instruments Not Subject to Fair Value Disclosure			
Cash Equivalents	$ 6,848		
Commercial Paper	994		
Accrued Interest	26		
Total Money Market and Mutual Fund Instruments	$ 7,868		
Total Market Value of Assets	$ 15,329		
Accrued Interest (including portion within other current assets of Unrestricted Assets)	(26)		
Market value (less) Accrued Interest	$ 15,303		

V. Cash, Cash Equivalents, and Investments (continued)

B. Investments (continued)

2. Pooled Loan Fund

Cash, cash equivalents and investments on deposit for Pooled Loans at September 30, 2025, are as follows:

	September 30, 2025	Weighted Average Maturity (Days)	Credit Rating
	(000's US$)		
Restricted			
Cash and Cash Equivalents	$ 1,263		
Total Restricted	$ 1,263		
Unrestricted			
Cash and Cash Equivalents	$ 5		
Total Unrestricted	$ 5		
Total	$ 1,268		

Money Market and Mutual Fund Instruments Not Subject to Fair Value Disclosure	
Cash Equivalents	$ 1,268
Total Money Market and Mutual Fund Instruments	$ 1,268
Total Market Value of Assets	$ 1,268
Accrued Interest (including portion within other current assets of Unrestricted Assets)	
Market value (less) Accrued Interest	$ 1,268

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V. Cash, Cash Equivalents, and Investments (continued)

B. Investments (continued)

3. St. Lucie Project

In addition to normal operational cash needs for the project, investments are being accumulated in order to pay-off the balloon maturity of the Project's debt in 2026. Cash, cash equivalents and investments for the St. Lucie Project at September 30, 2025, are as follows:

	September 30, 2025 (000's US$)	Weighted Average Maturity (Days)	Credit Rating *
Restricted			
Cash and Cash Equivalents	$ 22,853		
US Gov't/Agency Securities	33,099	805	Aa1/AA+/AA+
Municipal Bonds	8,489	816	Aa2 to Aa3/AA+ to AA/AA+ to AA
Commercial Paper	9,781	23	P-1/A-1/F1
Corporate Notes	75,721	895	Aa3 to A3/AA- to A-/AA to A-
Total Restricted	$ 149,943		
Unrestricted			
Cash and Cash Equivalents	$ 13,506		
US Gov't/Agency Securities*	17,567	730	Aa1/AA+/AA+
Municipal Bonds	3,488	963	Aa1 to Aa2/AAA to AA/AAA to AA
Commercial Paper	8,962	71	P-1/A-1+ to A-1/F1
Corporate Notes	18,699	460	Aaa to A1/AA+ to A-/AAA to A+
Total Unrestricted	$ 62,222		
Total	$ 212,165		

* Moody's/S&P/Fitch

Investments measured at Fair Value for the St. Lucie Project at September 30, 2025, are as follows:

Investment Assets by Fair Value Level	Quoted Prices in Active Markets (Level 1) (000's US$)	Significant Other Observable Inputs (Level 2) (000's US$)	Significant Unobservable Inputs (Level 3) (000's US$)
Agency Obligations	$ -	$ 16,150	$ -
US Treasury Obligations	34,516	-	-
Municipal Bonds	-	11,977	-
Corporate Notes	-	94,420	-
Total By Level	$ 34,516	$ 122,547	$ -

Money Market and Mutual Fund Instruments Not Subject to Fair Value Disclosure

Cash Equivalents	$ 36,359
Commercial Paper	18,743
Accrued Interest	1,572
Total Money Market and Mutual Fund Instruments	$ 56,674
Total Market Value of Assets	$ 213,737
Accrued Interest (including portion within other current assets of Unrestricted Assets)	(1,572)
Market value (less) Accrued Interest	$ 212,165

V. Cash, Cash Equivalents, and Investments (continued)

B. Investments (continued)

4. Stanton Project

Cash, cash equivalents and investments for the Stanton Project at September 30, 2025, are as follows:

	September 30, 2025 (000's US$)	Weighted Average Maturity (Days)	Credit Rating *
Restricted			
Cash and Cash Equivalents	$ 1,985		
US Gov't/Agency Securities	1,798	5	Aa1/AA+/AA+
Commercial Paper	1,499	6	P1/A-1/F1
Total Restricted	$ 5,282		
Unrestricted			
Cash and Cash Equivalents	$ 6,545		
US Gov't/Agency Securities*	6,482	88	Aa1/AA+/AA+
Commericial Paper	2,986	54	P-1/A-1/F1
Total Unrestricted	$ 16,013		
Total	$ 21,295		

* Moody's/S&P/Fitch

Investments measured at Fair Value for the Stanton Project at September 30, 2025, are as follows:

Investment Assets by Fair Value Level	Quoted Prices in Active Markets (Level 1) (000's US$)	Significant Other Observable Inputs (Level 2) (000's US$)	Significant Unobservable Inputs (Level 3) (000's US$)
Agency Obligations	$ -	$ 1,492	$ -
US Treasury Obligations	6,788	-	-
Total By Level	$ 6,788	$ 1,492	$ -
Money Market and Mutual Fund Instruments Not Subject to Fair Value Disclosure			
Cash Equivalents	$ 8,530		
Commercial Paper	4,485		
Accrued Interest	24		
Total Money Market and Mutual Fund Instruments	$ 13,039		
Total Market Value of Assets	$ 21,319		
Accrued Interest (including portion within other current assets of Unrestricted Assets)	(24)		
Market value (less) Accrued Interest	$ 21,295		

V. Cash, Cash Equivalents, and Investments (continued)

B. Investments (continued)

5. All-Requirements Project

Cash, cash equivalents and investments for the All-Requirements Project at September 30, 2025, are as follows:

	September 30, 2025	Weighted Average Maturity (Days)	Credit Rating *
	(000's US$)		
Restricted			
Cash and Cash Equivalents	$ 123,634		
US Gov't/Agency Securities	11,502	492	Aa1/AA+/AA+
Municipal Bonds	1,448	32	Aa1/AAA /AAA
Commercial Paper	14,926	71	P-1/A-1+ to A-1/F1
Corporate Notes	2,006	192	Aa3/AA+/AA+
Total Restricted	$ 153,516		
Unrestricted			
Cash and Cash Equivalents	$ 109,918		
US Gov't/Agency Securities*	20,582	853	Aa1/AA+/AA+
Municipal Bonds	979	639	Aa2/AA/AA
Commercial Paper	20,936	36	P-1/A-1/F1
Corporate Notes	10,525	213	AAA to A3/AA+ to A-/AA+ to AA-
Total Unrestricted	$ 162,940		
Total	$ 316,456		

* Moody's/S&P/Fitch

Investments measured at Fair Value for the All-Requirements Project at September 30, 2025, are as follows:

Investment Assets by Fair Value Level	Quoted Prices in Active Markets (Level 1) *(000's US$)*	Significant Other Observable Inputs (Level 2) *(000's US$)*	Significant Unobservable Inputs (Level 3) *(000's US$)*
Agency Obligations	$ -	$ 8,502	$ -
US Treasury Obligations	23,582	-	-
Municipal Bonds	-	2,427	-
Corporate Notes	-	12,531	-
Total By Level	$ 23,582	$ 23,460	$ -

Money Market and Mutual Fund Instruments Not Subject to Fair Value Disclosure

Cash Equivalents	$ 233,552
Commercial Paper	35,862
Accrued Interest	441
Total Money Market and Mutual Fund Instruments	$ 269,855
Total Market Value of Assets	$ 316,897
Accrued Interest (including portion within other current assets of Unrestricted Assets)	(441)
Market value (less) Accrued Interest	$ 316,456

V. Cash, Cash Equivalents, and Investments (continued)

B. Investments (continued)

6. Tri-City Project

Cash, cash equivalents and investments for the Tri-City Project at September 30, 2025, are as follows:

	September 30, 2025 (000's US$)	Weighted Average Maturity (Days)	Credit Rating *
Restricted			
Cash and Cash Equivalents	$ 577		
US Gov't/Agency Securities	799	243	Aa1/AA+/AA+
Commercial Paper	1,445	172	P-1/A-1/F1+ to F1
Total Restricted	$ 2,821		
Unrestricted			
Cash and Cash Equivalents	$ 2,156		
US Gov't/Agency Securities	2,296	235	Aa1/AA+/AA+
Total Unrestricted	$ 4,452		
Total	$ 7,273		

* Moody's/S&P/Fitch

Investments measured at Fair Value for the Tri-City Project at September 30, 2025, are as follows:

Investment Assets by Fair Value Level	Quoted Prices in Active Markets (Level 1) (000's US$)	Significant Other Observable Inputs (Level 2) (000's US$)	Significant Unobservable Inputs (Level 3) (000's US$)
Agency Obligations	$ -	$ 249	$ -
US Treasury Obligations	2,846	-	-
Total By Level	$ 2,846	$ 249	$ -
Money Market and Mutual Fund Instruments Not Subject to Fair Value Disclosure			
Cash Equivalents	$ 2,733		
Commercial Paper	1,445		
Accrued Interest	20		
Total Money Market and Mutual Fund Instruments	$ 4,198		
Total Market Value of Assets	$ 7,293		
Accrued Interest (including portion within other current assets of Unrestricted Assets)	(20)		
Market value (less) Accrued Interest	$ 7,273		

V. Cash, Cash Equivalents, and Investments (continued)

B. Investments (continued)

7. Stanton II Project

Cash, cash equivalents and investments for the Stanton II Project at September 30, 2025, are as follows:

	September 30, 2025 (000's US$)	Weighted Average Maturity (Days)	Credit Rating *
Restricted			
Cash and Cash Equivalents	$ 14,146		
US Gov't/Agency Securities	2,989	89	Aa1/AA+/AA+
Commercial Paper	2,485	69	P-1/A-1/F1
Corporate Notes	1,003	101	A3/A-/NA
Total Restricted	$ 20,623		
Unrestricted			
Cash and Cash Equivalents	$ 8,484		
US Gov't/Agency Securities	15,545	85	Aa1/AA+/AA+
Commercial Paper	9,464	66	P-1/A-1+ to A-1/F1
Corporate Notes	8,003	255	Aaa to A3/AA+ to A-/A+
Total Unrestricted	$ 41,496		
Total	$ 62,119		

* Moody's/S&P/Fitch

Investments measured at Fair Value for the Stanton II Project at September 30, 2025, are as follows:

Investment Assets by Fair Value Level	Quoted Prices in Active Markets (Level 1) (000's US$)	Significant Other Observable Inputs (Level 2) (000's US$)	Significant Unobservable Inputs (Level 3) (000's US$)
Agency Obligations	$ -	$ 5,059	$ -
US Treasury Obligations	13,475	-	-
Corporate Notes	-	9,006	-
Total By Level	$ 13,475	$ 14,065	$ -

Money Market and Mutual Fund Instruments Not Subject to Fair Value Disclosure

Cash Equivalents	$ 22,630
Commercial Paper	11,949
Accrued Interest	125
Total Money Market and Mutual Fund Instruments	$ 34,704
Total Market Value of Assets	$ 62,244
Accrued Interest (including portion within other current assets of Unrestricted Assets)	(125)
Market value (less) Accrued Interest	$ 62,119

V. V. Cash, Cash Equivalents, and Investments (continued)

B. Investments (continued)

5. Solar II Project

Cash, cash equivalents and investments for the Solar II Project at September 30, 2025, are as follows:

	September 30, 2025 (000's US$)	Weighted Average Maturity (Days)	Credit Rating *
Un Restricted			
Cash and Cash Equivalents	$ 98		
Total Un Restricted	$ 98		

* Moody's/S&P/Fitch

Investments measured at Fair Value for the Solar II Project at September 30, 2025, are as follows:

Investment Assets by Fair Value Level	Quoted Prices in Active Markets (Level 1) (000's US$)	Significant Other Observable Inputs (Level 2) (000's US$)	Significant Unobservable Inputs (Level 3) (000's US$)
Agency Obligations	$ -	$ -	$ -
US Treasury Obligations	-	-	-
Corporate Notes	-	-	-
Total By Level	$ -	$ -	$ -

Money Market and Mutual Fund Instruments Not Subject to Fair Value Disclosure	
Cash Equivalents	$ 98
Commercial Paper	-
Accrued Interest	-
Total Money Market and Mutual Fund Instruments	$ 98
Total Market Value of Assets	$ 98
Accrued Interest (including portion within other current assets of Unrestricted Assets)	-
Market value (less) Accrued Interest	$ 98

V. Cash, Cash Equivalents, and Investments (continued)

B. Investments (continued)

6. Fiduciary Activities

Cash, cash equivalents and investments for Fiduciary Activities at September 30, 2025, are as follows:

	September 30, 2025	Weighted Average Maturity (Days)	Credit Rating *
	(000's US$)		
Restricted			
Cash and Cash Equivalents	$ 21,813		
Commercial Paper	3,193	27	P-1/A-1+/NA
Total Restricted	$ 25,006		

* Moody's/S&P/Fitch

Investments measured at Fair Value for Fiduciary Activities at September 30, 2025, are as follows:

Investment Assets by Fair Value Level	Quoted Prices in Active Markets (Level 1) *(000's US$)*	Significant Other Observable Inputs (Level 2) *(000's US$)*	Significant Unobservable Inputs (Level 3) *(000's US$)*
Agency Obligations	$ -	$ -	$ -
US Treasury Obligations	-	-	-
Total By Level	$ -	$ -	$ -
Money Market and Mutual Fund Instruments Not Subject to Fair Value Disclosure			
Cash Equivalents	$ 21,813		
Commercial Paper	3,193		
Accrued Interest	-		
Total Money Market and Mutual Fund Instruments	$ 25,006		
Total Market Value of Assets	$ 25,006		
Accrued Interest (including portion within other current assets of Unrestricted Assets)	-		
Market value (less) Accrued Interest	$ 25,006		

VI. Derivative Financial Instruments

Natural Gas Futures Contracts

FMPA's approach to long-term natural gas procurement is to balance the need for price stability with the flexibility to capitalize on market opportunities. Through a structured, tiered strategy that sets out specific hedging ranges for each year, allowing for adjustments based on market conditions and the FMPA's rate expectations.

In FYE 2024 the Executive Committee established pricing thresholds for natural gas, instructing staff to secure future contracts based on market conditions. For the next twelve months, the direction is to secure a substantial portion of the anticipated All Requirements Project natural gas consumption if thresholds are met. In months thirteen through twenty four, the target range decreases to a moderate portion, and in months twenty five through thirty six , contracts may cover only a small fraction of expected usage. This phased strategy ensures a balanced approach.

FMPA also used a single fixed-price firm physical purchases of natural gas as a tool to establish the cost of natural gas at Zone 3 delivered. At September 30, 2024 the Project held a single fixed price contract for future purchases of natural gas. The contract was for 15,000 MMbtu's of gas per day through April 30, 2025, at a price of $6.30 per MMbtu.

FMPA also uses New York Mercantile Exchange (NYMEX) natural gas futures contracts as a tool to establish the cost on natural gas that will be needed by the All-Requirements Project in the future (next month or several years from now). NYMEX contracts can be used to obtain physical gas supplies, however, all futures contracts that FMPA enters into will be financially settled before physical settlement is required by the Exchange. Any gain or loss of value in these futures contracts are ultimately rolled into the price of the natural gas burned in the Project's electric generators.

Risks Associated with Derivative Instruments:

- Basis Risk is the financial risk taken when a position is hedged by entering into a contrary position in a derivative. The risk arises in the case of an imperfect hedge when the hedge cannot offset losses in an investment. The NYMEX-based commodity hedging transactions are subject to locational basis risk. NYMEX-based derivative instruments are based on pricing at the Henry Hub delivery point.
- Rollover Risk is the risk on hedging derivative instruments that mature or may be terminated. When these derivative instruments terminate, FMPA will be re-exposed to the risks being hedged by the derivative instrument.
- Custodial Credit Risk is the risk of the failure of the counterparty. In the event of a failure of a counterparty, FMPA will not be able to recover the value of deposits that are in possession of an outside party. These funds are uninsured and unregistered securities held on behalf of FMPA.

VI. Derivative Financial Instruments (continued)

Natural Gas Futures Contracts (continued)

All transactions are entered into as hedges against the volatility of natural gas prices. The All-Requirements Project as of September 30, 2025, had futures contracts outstanding in the following amounts, covering the fiscal years 2026 through 2028. These hedges have been tested and deemed effective using the quantitative regression analysis method under GASB 53 comparing the Henry Hub pricing to each FGT Zone where the All-Requirements Project purchases natural gas. The related unrealized gains or losses for effective hedges are deferred. As of September 30, 2025, unrealized losses are approximately $506 thousand. Realized gains and losses on these transactions are recognized as the instruments are settled.

Fiscal Year Ending	Thousands of MMbtu's	Fair Market Value $(000's) at 9/30/2025
2026	18,982	(1,292)
2027	5,075	642
2028	975	144
Total	25,032	$ (506)

In order to move the futures contracts into an account controlled by FMPA, in FY 2023 a prepayment of $70 million was made to close out the positions in the Florida Gas Utility hedging account and FMPA immediately repurchased the positions at the current market price preserving the hedging effect of the positions. $3.7 million was amortized to expense over the first 7 months of FY 2025.

VII. Regulatory Operations (Net Costs Recoverable (Refundable)/Future Participant Billings)

FMPA has elected to apply the accounting methods for regulatory operations of GASB No. 62. Billing rates are established by the Board of Directors or Executive Committee and are designed to fully recover each project's costs over the life of the project, but not necessarily in the same year that costs are recognized under generally accepted accounting principles (GAAP). Instead of GAAP costs, annual participant billing rates are structured to systematically recover current debt service requirements, operating costs and certain reserves that provide a level rate structure over the life of the project which is equal to the amortization period. Accordingly, certain project costs are classified as an asset on the accompanying Statement of Net Position as a regulatory asset, titled "Net costs recoverable/future participant billings," until such time as they are recovered in future rates. Types of deferred costs include depreciation and amortization in excess of bond principal payments, and prior capital construction interest costs.

In addition, certain billings recovering costs of future periods have been recorded as a regulatory liability, titled "Net costs refundable/future participant billings", or as a reduction of deferred assets on the accompanying Statement of Net Position. Types of deferred revenues include billings for certain reserve funds and related interest earnings in excess of expenditures from those funds, and billings for nuclear fuel purchases in advance of their use.

VIII. Restricted Net Position

Bond resolutions require that certain designated amounts from bond proceeds and project revenues be deposited into designated funds. These funds are to be used for specific purposes and certain restrictions define the order in which available funds may be used. Other restrictions require minimum balances or accumulation of balances for specific purposes. At September 30, 2025, all FMPA projects were in compliance with requirements of the bond resolution.

Segregated restricted net position at September 30, 2025, are as follows:

	(000's US$)							
	Agency Fund	Pooled Loan Fund	St. Lucie Project	Stanton Project	All-Req Project	Tri-City Project	Stanton II Project	Total
Debt Service Funds	$ 405	$ 1,268	$ 4,052	$ -	$ 64,656	$ -	$ 12,112	$ 82,493
Reserve & Contingency Funds	167	-	22,171	5,282	37,543	2,826	8,522	76,511
Posted for Margin - Hedging					5,055			5,055
Decomissioning Fund	-	-	124,890	-	-	-	-	124,890
Accrued Interest on Long-Term Debt	(32)	(57)	(1,162)	-	(11,186)	-	(527)	(12,964)
Accrued Decommissioning Expenses			(122,589)					(122,589)
Total Restricted Net Assets	$ 540	$ 1,211	$ 27,362	$ 5,282	$ 96,068	$ 2,826	$ 20,107	$ 153,396

Restrictions of the various bank funds are as follows:

- Debt service funds include the Debt Service Account, which is restricted for payment of the current portion of the bond principal and interest and the Debt Service Reserve Account, which includes sufficient funds to cover one half of the maximum annual principal and interest requirement of the specific fixed rate issues or 10% of the original bond proceeds.
- Reserve and Contingency Funds are restricted for payment of major renewals, replacements, repairs, additions, betterments, and improvements for capital assets.
- If, at any time, the Debt Service Fund is below the current debt requirement and there are not adequate funds in the General Reserve Fund to resolve the deficiency, funds will be transferred from the Reserve and Contingency Fund to the Debt Service Fund.
- Decommissioning Funds are restricted and are funded for the payment of costs related to the decommissioning, removal, and disposal of FMPA's ownership on nuclear power plants.
- Project Funds are used for acquisitions and construction, as specified by the participants.
- Revenue Funds are restricted under the terms of outstanding resolutions.

IX. Long-Term Debt

A. Debt

FMPA enters into Long-term debt to fund different projects. The type of Long-term debt differs among each of the projects. A description and summary of Long-term debt at September 30, 2025, is as follows:

1. Agency Fund

Business-Type Activities	2025 (000's US$) Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Direct Placement Debt					
Pooled Loan	$ 1,000	$ -	$ 110	$ 890	$ 232

The Agency Fund borrowed $1.0 Million from the Pooled Loan Fund to fund Information Technology upgrades in FY2024. The loan is at 7.25% for 5 years.

2. Pooled Loan Fund

Business-Type Activities	2025 (000's US$) Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Direct Placement Debt					
Total Horizon Loans	$ 24,252	-	$ (2,064)	$ 22,188	$ 2,241
Total Truist Loans	-	$ 6,500	-	6,500	255
Less Conduit Loan - Bushnell	(6,265)	-	353	(5,912)	(363)
Less Conduit Loan - Homestead	(7,700)	-	362	(7,338)	(369)
Less Conduit Loan - Homestead #2	(6,203)	-	615	(5,588)	(643)
Less Conduit Loan - Clewiston	(1,150)	-	83	(1,067)	(84)
Less Conduit Loan - Bartow	$ -	$ (6,500)	$ -	(6,500)	$ (255)
Non-Conduit Pooled Loans	$ 2,934	$ -	$ (651)	$ 2,283	$ 782

Loan Payable to First Horizon Bank

The Pooled Loan was re-established in FY 2019 under a credit facility from First Horizon Bank fka Capital Bank. The credit facility will allow FMPA to sponsor loans to FMPA members or FMPA projects. The maximum capacity was increased from $25 million to $50 million in 2022. In September 2019 the City of Bushnell drew $7.9 million at 2.56% for 10 years, in June 2021 the City of Homestead drew $8.6 million at 1.95% for 10 years and in September 2021 the City of Clewiston drew $1.4 million at 1.77% for 10 years. In November 2022, Homestead drew $6.5 million at a fixed rate of 4.6% for 10 years. Loans to member cities are conduit debt instruments. In June 2020 the Stanton II project drew $3.9 million at 1.77% for 7.25 years. In October 2024 the Agency Fund drew $1.0 million at 7.25%.

In September 2024, The Board of Directors approved Truist Bank as a new credit provider for the Pooled Loan Program. Truist Bank offers an uncommitted line of credit up to $50 million, with terms extending up to 20 years, available for FMPA members or projects. In May 2025, Bartow drew $6.5 million at 4.5% for 15 years.

IX. Long-Term Debt (continued)

A. Debt (continued)

3. St. Lucie Project

Business-Type Activities	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
	2025 (000's US$)				
Revenue Bonds					
Bonds 2021A	$ 12,280	$ -	$ (1,360)	$ 10,920	$ 1,425
Direct Placement Debt					
Bonds 2013A	4,400	-	(1,430)	2,970	1,465
Bonds 2021B	33,920	-	-	33,920	$ -
Total Principal	$ 50,600	$ -	$ (2,790)	$ 47,810	$ 2,890
Deferred Premiums And Discounts	6,212	- -	(1,642) -	4,570 -	-
Total Revenue Bonds	$ 56,812	$ -	$ (4,432)	$ 52,380	$ 2,890
Unamortized loss on advanced refunding	$ (460)	$ -	$ 158	$ (302)	$ -

The 2013A bonds have a fixed interest rate of 2.73%, and mature in 2026.

The 2021A Bonds were issued with a fixed interest rate of 5% and mature in 2031. The 2021A bonds are not subject to redemption prior to maturity.

The 2021B bonds were issued with a fixed interest rate of 5% with a maturity date of 2030. At the election of FMPA, on or after October 1, 2028, bonds may be redeemed at a call rate of 100%.

4. Stanton Project

The Stanton Project paid off all long-term debt during the fiscal year ended September 30, 2020.

IX. Long-Term Debt (continued)

A. Debt (continued)

5. All-Requirements Project

Business-Type Activities	2025 (000's US$) Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Revenue Bonds					
Bonds 2015B	$ 71,950	$ -	$ (71,950)	$ -	-
Bonds 2016A	290,680	-	(140,740)	149,940	-
Bonds 2017A	69,625	-	-	69,625	22,785
Bonds 2017B	29,930	-	(9,065)	20,865	20,865
Bonds 2018A	57,790	-	-	57,790	-
Bonds 2019A	75,220	-	-	75,220	8,600
Bonds 2021A	36,720	-	-	36,720	-
Bonds 2021B	100,495	-	-	100,495	-
Bonds 2025A	-	208,830	-	208,830	1,150
Direct Placement Debt					
Total Principal	$ 732,410	$ 208,830	$ (221,755)	$ 719,485	$ 53,400
Leases and Other Debt					
KUA - TARP	$ 122,140	$ 4,939	$ (13,752)	$ 113,327	$ 11,850
Gas Storage Lease	3,832	-	(656)	3,176	673
St. Lucie County	71	-	(71)	-	-
Total Other Liabilities	$ 126,043	$ 4,939	$ (14,479)	$ 116,503	$ 12,523
Total Bonds, Leases and Other Debt	$ 858,453	$ 213,769	$ (236,234)	$ 835,988	$ 65,923
Deferred Premiums And Discounts	$ 43,639	$ 20,613	$ (22,151)	$ 42,101	$ -
Total Revenue Bonds & Leases and other debt	$ 902,092	$ 234,382	$ (258,385)	$ 878,089	$ 65,923
Unamortized loss on advanced refunding	$ (18,066)	$ -	$ 11,594	$ (6,472)	$ -

The 2015B bonds were used to pay the Taylor Swap termination fees. They were issued with interest rates varying from 3% to 5% and, at the election of FMPA, on or after October 1, 2025, bonds may be redeemed at a call rate of 100%. These bonds were defeased in August 2025 for redemption on October 1, 2025.

The 2016A bonds refunded 2008A and 2009A bonds. They were issued with interest rates varying from 3% to 5% and are callable, at the option of FMPA, on or after October 1, 2026, at a redemption price of 100%. In August 2025, FMPA conducted a tender offer for a portion of the outstanding bonds. This achieved a high level of bondholder participation at 78%, resulting in a reduction of bond liability of approximately $111 million.

The 2017A Bonds were used to refund the 2011A-1 and 2011B bonds and associated swaps. They were issued with an interest rate of 5% and, are not subject to redemption prior to maturity.

The 2017B Bonds were use to refund the 2011A-2 bonds and associated swaps. They were issued with interest rates varying from 2.197% to 3.059% and, at the election of FMPA, the bonds may be redeemed at the greater of a call rate of 100% or the present value of the bonds using a discount rate of the Treasury Rate plus 15 basis points.

The 2018A Bonds were used to refund all outstanding 2008A bonds maturing on and after October 1, 2020. They were issued with interest rates varying from 3% to 4% and, at the election of FMPA, on or after October 1, 2027, bonds may be redeemed at a call rate of 100%.

IX. Long-Term Debt (continued)

A. Debt (continued)

5. All-Requirements Project

The 2019B Bonds were used to refund th 2013A bonds. They were issued with interest rates varying from 1.966% to 2.178% and, are not subject to redemption prior to maturity.

The 2021A Bonds were issued to provide for 3 years of capital projects. They were issued with an interest rate of 3% and, at the election of FMPA, on or after October 1, 2028, bonds may be redeemed at a call rate of 100%.

The 2021B Bonds were issued to provide liquidity previously provided by lines of credit. They were issued with an interest rate of 1.425%. At the election of FMPA, the bonds may be redeemed at the present value of the bonds using a discount rate of the Treasury Rate plus 10 basis points if called before October 1, 2025, or 100% of the principal amount after October 1, 2025.

The 2025 Bonds were issued in August 2025 and used to defease and refund the 2015A bonds, to refund a portion of the 2016A bonds, and to provide funding for capital improvements at various power plants. These refundings resulted in a present value savings of $11.4 million. A loss of $525 thousand was recognized for the partial refunding of the 2016A bonds and a gain of $3 million was recognized for the refunding of the 2015A bonds. The 2025 bonds were issued with an interest rate of 5%, with a final maturity date of October 1, 2035, and with a call option on or after October 1, 2033.

KUA – TARP Financed purchase obligation
Effective October 1, 2008, the Capacity and Energy Sales Contract with KUA was revised and on July 1, 2019 was amended to provide additional payments with a present value of $10.7 million. During fiscal year ended September 30, 2023 the Contract was again amended to provide additional payments with a present value of $73.2 million. Under the revised and amended contract, KUA receives agreed upon-fixed payments over preset periods. In 2025, a third amendment was approved to address the retirement of Stanton Unit 1 and to provide additional payments with a present value of $5 million through fiscal year 2033, reflecting increased capacity market prices.

Payments remaining under the agreement at September 30, 2025, amount to $139.3 million and the present value of these payments is $113.3 million.

SG Resources Lease Obligation
Effective April 1, 2024, the project entered into a contract with SG Resources Mississippi LLC, for 250,000 MMbtu of natural gas storage capacity. Payments remaining under the agreement at September 30, 2025 amount to $3.4 million and the present value of these payments, discounted at 3.35% is $3.2 million. The capital asset at September 30, 2025 is a storage asset of $4.2 million less accumulated amortization of $1.04 million resulting in a net book value of $3.12 million.

St. Lucie County
As a condition of obtaining its conditional use permit for the construction and operation of the Treasure Coast Energy Center, the All-Requirements project agreed to pay St. Lucie County, Florida $75,000 a year for a period of 20 years. Upon commercial operation of the plant, the unpaid amounts were discounted at a rate of 5.3% and capitalized to plant. The final payment was made September 2025.

IX. Long-Term Debt (continued)

A. Debt (continued)

6. Tri-City Project

The Tri-City Project paid off all long-term debt during the fiscal year ended September 30, 2020.

7. Stanton II Project

	2025 (000's US$)				
Business-Type Activities	**Beginning Balance**	**Increases**	**Decreases**	**Ending Balance**	**Amounts Due Within One Year**
Direct Placement Debt					
Refunding 2017A	$ 19,566	$ -	$ (387)	$ 19,179	$ 387
Refunding 2017B	20,469		(5,151)	15,318	5,226
Refunding 2022A	19,670		(5,915)	13,755	5,970
Pooled Loan	1,664		(544)	1,120	550
Total Principal	$ 61,369	$ -	$ (11,997)	$ 49,372	$ 12,133
Deferred Premiums And Discounts	(9)	-	9	-	-
Total Bonds and Loans	$ 61,360	$ -	$ (11,988)	$ 49,372	$ 12,133
Unamortized loss on advanced refunding	$ (1,716)	$ -	$ 703	$ (1,013)	$ -

The 2017A and 2017B revenue bonds are fixed, and have a maturity date of 2027. The rate for the 2017A bonds is 2.53% and the 2017B bonds is 2.32%. The Series 2017A and 2017B are subject to redemption in whole or part prior to maturity at the call rate of 100%. The pooled loan has a fixed rate of 1.77% and a final maturity of 2027. The 2022A bonds were issued at par in July 2022 with a fixed rate of 1.58%. The bonds are callable on or after October 1, 2023 with final maturity of October 2027.

IX. Long-Term Debt (continued)

B. Major Debt Provisions (All Projects)

Principal and accrued interest payments on bonds may be accelerated on certain events of default. Events of default include failure to pay scheduled principal or interest payments and certain events of bankruptcy or insolvency of FMPA. Bond holders must give written notice of default and FMPA has 90 days to cure the default. The acceleration requires approval of holders of at least 25% of the principal amount of the outstanding bonds.

Bonds, which are special obligations of FMPA, are payable solely from (1) revenues less operating expenses (both as defined by the respective bond resolutions) and (2) other monies and securities pledged for payment thereof by the respective bond resolutions. The respective resolutions require FMPA to deposit into special funds all proceeds of bonds issued and all revenues generated as a result of the projects' respective Power Sales and Power Support Contracts or the Power Supply Contract. The purpose of the individual funds is also specifically defined in the respective bond resolutions.

Investments are generally restricted to those types described in Note I. Additional restrictions that apply to maturity dates are defined in the respective bond resolutions and FMPA's investment policy.

IX. Long-Term Debt (continued)

C. Annual Requirements

The annual cash flow debt service requirements to amortize the long-term **bonded** and **direct placement** debt outstanding as of September 30, 2025, are as follows:

Fiscal Year Ending September	Agency Fund		St. Lucie Project		All-Req Project		Stanton II Project		
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Totals
Revenue Bonds									
2026			1,425	2,206	53,400	25,065			82,096
2027			6,385	2,011	163,450	25,494			197,340
2028			6,695	1,684	69,110	21,498			98,987
2029			7,035	1,340	83,340	17,780			109,495
2030			7,395	980	84,535	13,869			106,779
2031-2036			15,905	805	265,650	23,940			306,300
Total Revenue Bonds	$ -	$ -	$ 44,840	$ 9,026	$ 719,485	$ 127,646	$ -	$ -	$ 900,997
Direct Placement Debt									
2026	232	60	1,465	61			12,133	968	14,919
2027	249	43	1,505	20			12,349	730	14,896
2028	268	25					24,890	304	25,487
2029	141	5							146
Total Direct Placement Debt	$ 890	$ 133	$ 2,970	$ 81	$ -	$ -	$ 49,372	$ 2,002	$ 55,448
Total Principal & Interest	$ 890	$ 133	$ 47,810	$ 9,107	$ 719,485	$ 127,646	$ 49,372	$ 2,002	$ 956,445
Less:									
Interest		(133)		(9,107)		(127,646)		(2,002)	(138,888)
Unamortized loss on refunding			(302)		(6,472)		(1,013)		(7,787)
Add:									
Unamortized Premium (Discount), net			4,570		42,101				46,671
Total Net Debt Service Requirement at September 30, 2025	$ 890	$ -	$ 52,078	$ -	$ 755,114	$ -	$ 48,359	$ -	$ 856,441

The annual cash flow debt service requirements to amortize **all** long-term debt and leases outstanding as of September 30, 2025, are as follows:

Fiscal Year Ending September	Agency Fund		St. Lucie Project		All-Req Project		Stanton II Project		
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Totals
2026	232	60	2,890	2,267	65,923	30,863	12,133	968	115,336
2027	249	43	7,890	2,031	176,087	30,643	12,349	730	230,022
2028	268	25	6,695	1,684	82,831	25,983	24,890	304	142,680
2029	141	5	7,035	1,341	97,799	21,526			127,847
2030			7,395	980	99,384	16,851			124,610
2031 - 2036			15,905	805	313,964	27,993			358,667
Total Principal & Interest	$ 890	$ 133	$ 47,810	$ 9,108	$ 835,988	$ 153,859	$ 49,372	$ 2,002	$ 1,099,162

X. Commitments and Contingencies

A. Participation Agreements

FMPA has entered into participation agreements, and acquired through leases, individual ownership of generating facilities as follows:

Project	Operating Utility	Joint Ownership Interest	Commercial Operation Date
St. Lucie	Florida Power & Light	8.806% of St. Lucie Unit 2 nuclear plant	August 1983
Stanton*	Orlando Utilities Commission (OUC)	14.8193% of Stanton Energy Center (SEC) Unit 1 coal-fired plant	July 1987
All-Requirements*	OUC	11.3253% of SEC Unit 1	July 1987
Tri-City*	OUC	5.3012% of SEC Unit 1	July 1987
All-Requirements	OUC	51.2% of Indian River Units A & B combustion turbines	A - June 1989 B - July 1989
All-Requirements	OUC	21% of Indian River Units C & D combustion turbines	C - August 1992 D - October 1992
All-Requirements	OUC	5.1724% of SEC Unit 2 coal-fired plant	June 1996
Stanton II	OUC	23.2367% of SEC Unit 2	June 1996
All-Requirements	Stanton Clean Energy LLC	7% of Stanton Unit A combined cycle	October 2003

*OUC has the contractual right to unilaterally make any retirement decision for SEC Unit 1 beginning in 2017, however FMPA is negotiating agreements to exit the participation agreement for Unit 1 effective December 31, 2025.

Operational control of the electric generation plants rests with the operating utility and includes the authority to enter into long-term purchase obligations with suppliers. FMPA is liable under its participation agreements for its ownership interest of total construction and operating costs. Further contracts with Orlando Utilities Commission (OUC) include commitments for purchases of coal. According to information provided by OUC, such existing commitments are currently scheduled to terminate on December 31, 2029. Through participation with OUC, FMPA's estimated cost share of the existing purchases by project for the next five fiscal years is summarized below.

			000's US$		
Project	**2026**	**2027**	**2028**	**2029**	**2030**
All-Requirements Project	4,725	4,392	1,616	1,109	-
Stanton II Project	21,225	19,732	7,262	4,983	-

In August 2025, FMPA and OUC entered into a conceptual agreement that covers FMPA's full interest in the Stanton Unit 1 (direct ownership, Vero Beach entitlement through the All-Requirements Project, the Stanton Project, and the Tri-City Project). Under the terms, the current ownership and capacity/energy obligations would be retired via conveyance of FMPA's ownership interest back to OUC, elimination of future capacity and energy obligations, and establishment of an interim cost-sharing arrangement in the event definitive amendments to the participation agreements are not executed by March 31, 2026. FMPA also revised the useful life of Stanton Unit 1 accordingly, with depreciation ending December 31, 2025. As of fiscal year end, the definitive amendments remain in development and no accounting recognition of the transfer has been recorded.

X. Commitments and Contingencies (continued)

B. Public Gas Partners, Inc.

Public Gas Partners, Inc. (PGP) is a nonprofit corporation of the State of Georgia, duly created and existing under the Georgia Nonprofit Corporation Code, O.C.G.A Sections 14-3-101 through 14-3- 1703, as amended. Pursuant to its Articles of Incorporation and by-laws, PGP's purpose is to acquire and manage reliable and economical natural gas supplies through the acquisition of interests in natural gas producing properties and other long-term sources of natural gas supplies for the benefit of participating joint action agencies and large public natural gas and power systems.

On November 16, 2004, FMPA signed an agreement with six other public gas and electric utilities in five different states to form PGP. The initial members of PGP, along with FMPA, included Municipal Gas Authority of Georgia, Florida Gas Utility, Lower Alabama Gas District, Patriots Energy Group, Southeast Alabama Gas District and Tennessee Energy Acquisition Corporation. Florida Gas Utility has left the organization, and their interest was acquired by all members, except for FMPA and the Tennessee Energy Acquisition Corporation, as of May 2008. Lower Alabama Gas District has assigned its interest in each Pool to the Gas Authority effective October 2013.

FMPA has entered into two separate Production Sharing Agreements (PSAs) that obligate FMPA to pay as a component of gas operations expense its share of all costs incurred by the related PGP Pool until all related PGP or participant debt has been paid and the last volumes have been delivered. In addition, PGP has the option, with at least six month notice, to require FMPA to prepay for its share of pool costs, which may be financed by FMPA through the issuance of bonds or some other form of long-term financing. The PSAs include a step-up provision that could obligate FMPA to increase its participation share in the pool by up to 25% in the event of default by another member.

On November 1, 2004, FMPA entered into a PSA as a 22.04% participant of PGP Gas Supply Pool No. 1 (PGP Pool #1). PGP Pool #1 was formed by all of the participants. PGP Pool #1 had targeted an initial supply portfolio capable of producing 68,000 MMBtu per day of natural gas or 493 Bcf over a 20-year period. The acquisition period for PGP Pool #1 has closed after acquiring a supply currently estimated to be 140 Bcf.

On October 1, 2005, FMPA entered into a PSA as a 25.90% participant of PGP Gas Supply Pool No. 2 (PGP Pool #2). PGP Pool #2 was formed to participate in specific transactions that have different acquisition criteria than PGP Pool #1. PGP Pool #2 had a total expenditure limit of $200 million, with FMPA's share being $52 million as authorized by the Board (before step-up provisions which would increase ARP's commitment to a maximum of $65 million). The other members of PGP Pool #2, along with FMPA, include Municipal Gas Authority of Georgia, Patriots Energy Group, Southeast Alabama Gas District and Tennessee Energy Acquisition Corporation. FMPA entered into a separate agreement with Fort Pierce Utilities Authority whereby FMPA agreed to sell to FPUA 3.474903% of the benefits that FMPA receives from its participation in PGP Pool #2. The acquisition period for PGP Pool #2 has closed after acquiring a supply currently estimated to be 42 Bcf.

FMPA's share of the total investment costs amounts to approximately $105 million for PGP Pool #1, and $29 million for PGP Pool #2 as of September 30, 2025. During FYE 2020 year, the operating committees for Pool #1 and Pool #2 made the decision to sell the Pool 1 and 2 portfolios and close the Pools, an activity that is still in progress. Accordingly, the project was written down to zero as of September 30, 2021. Any future net revenue from the Pools will be shown as an offset or addition to fuel expense. Pool 1 currently anticipates final the sales process will be completed if FYE 2026, and the final sale of Pool 2 assets was completed effective October 1, 2025.

X. Commitments and Contingencies (continued)

C. Contractual Service Agreements

The All-Requirements Project has signed, or accepted assignment of, Contractual Service Agreements (CSAs) with GE Vernova International, LLC for the Treasure Coast Energy Center, Cane Island 3 and Cane Island 4 combustion turbines, steam turbines and generators. The CSAs cover specified monitoring and maintenance activities to be performed by GE over the contract term, which is the earlier of a specified contract end date, or a performance end date based on reaching certain operating milestones of either Factor Fired Hours or Factored Starts on the combustion turbines. GE or FMPA may terminate the agreements for the breach of the other party. The defaulting party pays the termination amount based on the performance metric specified in the contract.

On March 31, 2016 Cane Island Unit 2 CSA was transitioned to a Managed Maintenance Program (MMP). The MMP did not have a factored starts or hours based payment, and maintenance is paid for at the time it's incurred at pre-negotiated discounts. This agreement terminated in November of 2024.

The following is a summary of the contract status.

	Treasure Coast	Cane Island Unit 2	Cane Island Unit 3	Cane Island Unit 4
Original Effective Date	1/30/2007	3/31/2016	12/12/2003	12/22/2010
Last Amendment Effective Date	7/19/2022		7/19/2022	7/19/2022
Cumulative Factor Fired Hours	139,190	121,057	162,749	109,761
Estimated Hours at Performance End Date	207,000		236,000	175,000
Current Termination Amount (000's USD)	$ 2,339		$ 2,559	$ 2,275
Specified Contract End Date	11/21/2037		11/21/2037	11/21/2037
Estimated Performance End Date	FYE 2034		FYE 2036	FYE 2034

In November 2017, FMPA and General Electric negotiated a revised CSA to combine Cane Island Units 3 & 4 and Treasure Coast under one service agreement.

D. Other Agreements

FMPA has entered into certain long-term contracts for transmission services for its projects. These amounts are recoverable from participants in the projects (except the All-Requirements Project) through the Power Sales and Project Support Contracts. FMPA has entered into Power Sales and Project Support Contracts with each of the project participants for entitlement shares aggregating 100% of FMPA's joint ownership interest. In the case of the All-Requirements Project, a Power Supply Contract was entered into providing for the participant's total power requirements (except for certain excluded resources). Revenues received under these individual project contracts are expected to be sufficient to pay all of the related project costs.

X. Commitments and Contingencies (continued)

D. Other Agreements (continued)

1. St. Lucie Project (continued)

- FMPA has entered into a Reliability Exchange Agreement and a Replacement Power Agreement with FPL. The Reliability Exchange agreement results in FMPA exchanging 50% of its share of the output from St. Lucie Unit 2 for a like amount from the St. Lucie Unit 1. This agreement's original expiration was on October 1, 2017. In 2017,the Parties mutually agreed to extend the expiration date to October 1, 2022. On October 1, 2022 the agreement was again extended until the retirement of the units, however either party may terminate the agreement with 60 days written notice. The Replacement Power Agreement provides for replacement power and energy to be made available to FMPA if FPL voluntarily ceases to operate or reduces output from St. Lucie Unit 2 or St. Lucie Unit 1 for economic reasons or valley-load conditions.

- The St. Lucie Project, a joint owner of St. Lucie Unit 2, is subject to the Price-Anderson Act, which limits the liability of nuclear reactor owners to the amount of insurance available from both private sources and an industry retrospective payment plan. In accordance with this Act, FPL maintains $450 million of private liability insurance for the St. Lucie Plant, which is the maximum obtainable, and participates in a secondary financial protection system, which provides up to $12.6 billion of liability insurance coverage per incident at any nuclear reactor in the U.S. Under the secondary financial protection system, St. Lucie Unit 2 is subject to retrospective assessments of up to approximately $127.3 million, plus any applicable taxes, per incident at any nuclear reactor in the U.S., payable at a rate not to exceed approximately $19.0 million per incident per year. FMPA is contractually liable for its ownership interest of any assessment made against St. Lucie Unit 2 under this plan.

- FPL further participates in a nuclear insurance mutual company that provides $2.75 billion of limited insurance coverage per occurrence per site for property damage, decontamination, and premature decommissioning risks at the St. Lucie plant and a sublimit of $1.5 billion for non-nuclear perils. The proceeds from such insurance, however, must first be used for reactor stabilization and site decontamination before they can be used for plant repair. FPL also participates in an insurance program that provides limited coverage for replacement power costs if St. Lucie Unit 2 is out of service for an extended period of time because of an accident. In the event of an accident at one of FPL's or another participating insured's nuclear plants, St. Lucie Unit 2 could be assessed up to approximately $27 million, plus any applicable taxes, in retrospective premiums in a policy year. FPL is contractually entitled to recover FMPA's ownership share of any such assessment made against St. Lucie 2.

X. Commitments and Contingencies (continued)

D. Other Agreements (continued)

2. All-Requirements Project

- FMPA supplies all of the wholesale power needs, unless limited to a contract rate of delivery, of the All-Requirements Project participants (except for certain excluded resources). In addition to its ownership facilities, FMPA has entered into interchange and power purchase contracts with minimum future payments as detailed below.

Supplier	End of Contract	Minimum Contract Liability (000's US$)
Oleander Power Project LP, LLC - Unit 5 PPA	12/16/2027	$ 19,272
Power Holding LLC - Oleander Unit 1 PPA 1/1/2024	12/31/2029	8,943
Total Minimum Liability		$ 28,215

- In October 2003, FMPA executed contracts for a $10 million investment in a brine water processing plant and other water facilities at the Stanton Energy Center in Orlando, Florida.

- The Stanton Unit A combined cycle generator receives cooling water treatment services from the brine plant and associated facilities. The owners of Stanton Unit A (Stanton Clean Energy LLC (formerly Southern Company Florida), FMPA, KUA and Orlando Utilities Commission) pay the owners of Stanton Energy Center Units 1 and 2 (including FMPA's Stanton, Stanton II, Tri-City and All-Requirements Projects) a fixed and a variable operation and maintenance charge for services received from this facility.

- The All-Requirements Project has several commitments/entitlements for natural gas transportation services to supply fuel to its owned and leased generation facilities. Below were the current commitments/entitlements during the past year.

Pipeline	Ave Daily Volume (mmBtu/day)	Annual Cost (000's US$)	Expiration	Primary Delivery Receiving Point
Fl Gas Transmission FTS-1	21,984	$ 4,304	Various	Cane Island Treasure Coast
Fl Gas Transmission FTS-2	61,488	15,104	Various	Cane Island Treasure Coast
Fl Gas Transmission FTS-2 Stanton A	14,950	3,423	Various	Stanton A
Transco	50,000	1,811	4/30/2026	FGT
TECO-Peoples Gas	0	750	12/31/2033	Treasure Coast
TECO-Peoples Gas	0	750	12/31/2033	Cane Island/Oleander
		$ 26,142		

X. Commitments and Contingencies (continued)

D. Other Agreements (continued)

2. All Requirements (continued)

- The All-Requirements Project is under a contractual arrangement to have generation facilities in Key West, Florida, at a minimum level of 60% of the island utility's weather normalized annual peak capacity requirements. With installed capacity of 112 MW located in the Key West service territory, the All-Requirements Project believes it has sufficient existing generating capacity to fulfill the 60% on-island generation requirement well beyond the next decade.

- FMPA has entered into the Florida Municipal Power Pool (FMPP) Agreement, as amended, with the FMPP members. Pursuant to Amendment 7, executed November of 2020, the term of the agreement is three years, with automatically-renewed three-year term extensions. Any party wishing to withdraw from the agreement must provide at least three years notice to the other FMPP members. The FMPP Agreement documents, among other things, how FMPP operating costs are accounted for and allocated among the members, and liability between the FMPP members.

- In 2020 Florida Gas Utilities (FGU), on behalf of the All-Requirements Project (ARP), entered into thirty-year natural gas supply agreements with the Black Belt Energy Gas District (Black Belt Energy) for the purchase of specified amounts of natural gas at discounted prices that FGU expects to supply to the ARP. The ARP's weighted average discount from these transactions is $0.32 per MMBtu on 10,000 MMBtu per day.

- In 2020, FGU also entered into thirty year agreements on behalf for the ARP with the Municipal Gas Authority of Georgia (MGAG) for the purchase of specified amounts of natural gas. The ARP's weighted average discount from these transactions is $0.32 per MMBtu on 13,250 MMBtu per Day. In 2022, additional thirty-year agreements were executed for an average of 7,279 MMBtu per day with an average discount of .32 per MMBtu.

- In 2022, FGU entered into agreements, with various counter parties on behalf of the ARP, for the purchase of additional specified amounts of natural gas at discounted prices. An agreement with Peak/BP Energy was executed for a four year discount of .08 per MMBtu on 3,000 MMBtu per day. An agreement with Tennessee Energy/Goldman Sachs is a thirty-year contract with a discount of .34 per MMBtu on 5,000 MMBtu per day. The agreement with BBE/Goldman Sachs is a thirty-year contract with a discount of .35 per MMBtu for an average of 2,721 MMBtu per day. The agreement with Minnesota Gas Agency/RBC is a thirty-year contract with a discount of .30 per MMBtu on 15,000 MMBtu per day, during the summer months.

- In 2024, FGU entered into three agreements, with various counter parties on behalf of the ARP, for the purchase of additional specified amounts of natural gas at discounted prices. An agreement with MGAG/Citibank is a contract for an average of 6,917 MMBTU per month with a discount of $.63 per MMBtu. An agreement with BBE/Goldman Sachs for 11,000 MMBtu per month with discount of $.55 per MMBtu. An agreement with MGAG/Citibank for 5,000 MMBtu per month with a discount of $.57 per MMBtu. Each of these agreements are for thirty years.

- In 2025, FMPA entered into an agreement with FGU, with Mainstreet being the counterparty, to secure 2,500 MMbtu summer natural gas transactions with a $.60 discount per MMBtu. The term of the agreement is 30 years, with deliveries scheduled to commence in April 2026.

X. Commitments and Contingencies (continued)

D. Other Agreements (continued)

2. All Requirements (continued)

- The All-Requirements Project has signed contracts with Fort Pierce Utilities Authority (FPUA), Kissimmee Utility Authority (KUA) and Keys Energy Services (KES) to operate and maintain Treasure Coast Energy Center, Cane Island Power Park and Stock Island generation facilities, respectively. The contracts provide for reimbursement of direct and indirect costs incurred by FPUA, KUA and KES, for operating the plants. The All-Requirements Project, in consultation with FPUA, KUA and KES, sets staffing levels, operating and capital budgets, and operating parameters for the plants.

- The City of Vero Beach sold their system to Florida Power and Light and for a payment of $105.4 million the All-Requirements Project assumed Vero Beach's Power Project Entitlement Shares and has transferred remaining liability for 32.521%, 16.489% and 15.202% of Vero's participant entitlement shares of the Stanton, Stanton II and St. Lucie Projects, respectively.

- The City of Lake Worth has limited its All-Requirements Service to a contract rate of delivery (CROD), as permitted in Section 3 of the All-Requirements Power Supply Contract. The limitation commenced January 1, 2014. The amount of capacity and energy the City is obligated to purchase under this conversion of their contract was determined to be zero in December 2013. Additionally, effective January 1, 2014, the Capacity and Energy Sales Contract between the City and FMPA terminated.

- The City of Fort Meade has limited its All-Requirements Service to a (CROD), as permitted in Section 3 of the All-Requirements Power Supply Contract. The limitation commenced January 1, 2015. Based on the city's usage between December 2013 and November 2014, and Executive Committee action in December 2014, the maximum hourly obligation was established at 10.360 MW. Concurrently with its notice of limitation, the City gave FMPA notice pursuant to Section 2 of the All-Requirements Power Supply Contract that the term of its contract will stop renewing automatically each year. The term of the City's contract is now fixed and will terminate on October 1, 2041. In March 2021, FMPA and Fort Meade entered into a Supplemental Power and Ancillary Services Agreement (Fort Meade Supplemental Agreement). Effective September 1, 2020, the ARP now serves Fort Meade with any additional power needed to serve its total requirements above its St. Lucie Project entitlement and CROD. The Supplemental Agreement is set to expire on September 30, 2027 with automatic five-year renewals until the termination of their All-Requirements contract in 2041.

- The ARP also provides Fort Meade with transmission and ancillary services as if CROD had not been implemented. The effect of this arrangement is that Fort Meade is served and billed as if it was a full-requirements ARP Participant. The initial term of the Fort Meade Supplemental Agreement runs through September 30, 2027 and includes 5-year automatic renewals until the termination of Fort Meade's ARP contract. Concurrent with the approval of the Fort Meade Supplemental Agreement, the Executive Committee approved a reduction of Fort Meade's CROD amount from 10.360 MW to 9.009 MW. If the Fort Meade Supplemental Agreement is terminated prior to the termination of Fort Meade's ARP contract, Fort Meade will be served at the lower CROD amount.

X. Commitments and Contingencies (continued)

D. Other Agreements (continued)

2. All Requirements (continued)

- Green Cove Springs notified FMPA of its election to limit its All-Requirements Service, as permitted in the Power Supply Contract, to a CROD. Beginning January 1, 2020 and continuing for the term of the Power Supply Contract, the All-Requirements Power Supply Project will serve Green Cove Springs with a maximum hourly obligation which was calculated in December 2019 as 23.608 MW. Green Cove Springs has also given FMPA notice pursuant to Section 2 of the Power Supply Contract that the term of its contract will not automatically renew each year and the term of Green Cove Springs' contract is now fixed and will terminate on October 1, 2037. In 2019, Green Cove Springs approved a supplemental power sales agreement with the All-Requirements Power Supply Project, effective January 1, 2020,for a minimum of 10 years, such that the All-Requirements Power Supply Project will provide capacity and energy to Green Cove Springs as if Green Cove Springs had not effectuated CROD. The agreement may be extended beyond the initial 10-year term.

- The All-Requirements Project has entered into power sales agreement with the following cities with the indicated capacity and time periods indicated:

    - City of Alachua, partial requirements of approximately 10 MW from April 2022 through December 2027.
    - City of Winter Park, partial requirements of about 70MW from 2020 through 2027.
    - City of Homestead, partial requirements of 15MW from 2020 through 2026.
    - City of Williston, full power supply requirements of 8MW from 2021 through 2026.
    - The Central Florida Tourism Oversight District has a variable, partial requirement for 2024-2029.
    - City of Lake Worth Beach, partial requirements of approximately 50MW beginning January 1, 2026 through December 2032.
    - Other short-term sales for which the Project does not receive a capacity payment.

- During 2008, the All-Requirements Project entered into a Revised, Amended and Restated Capacity and Energy Sales Contract for KUA whereby the All-Requirements Project has assumed all cost liability and operational management of all KUA-owned generation assets and will pay to KUA agreed-upon fixed payments over preset periods relating to each asset. On July 1, 2019 the agreement was amended to extend payments on the assets due to anticipated extension of the operating life of the assets.The agreement was again amended in FYE 2023 extending the payments over a longer estimated life of the units. A third amendment was approved in FYE 2025 to address the retirement of Stanton Unit 1 to eliminate payments to KUA that were required through FY2027. Due to increased capacity market prices, the All Requirements Project has agreed to pay an increased NPV of $5 million through FY2033. Any asset retirement and replacement at Cane Island Power Park that is implemented prior to the end of FY2033, will be mutually determined by KUA & FMPA. Any retirement and replacement at Cane Island Power Park that is implemented after 2033, will be at FMPA's sole discretion.

- Effective January 1, 2011, the All-Requirements Project entered into a Revised, Amended and Restated Capacity and Energy Sales Contract for Key West whereby the All-Requirements Project has assumed all cost liability and operational management of all Key West owned generation assets and paid to Key West fixed annual payments of $670,000 each January 1 from 2011 through 2021. The revised, amended, and restated contract provides the All-Requirements Project the right to retire Keys generation assets at any time during the term of the contract, subject to the 60% on-island capacity requirement, without shortening the fixed payment term.

X. Commitments and Contingencies (continued)

D. Other Agreements (continued)

2. All Requirements (continued)

- In the normal course of its business, FMPA has had claims or assertions made against it. In the opinion of management, the ultimate disposition of these currently asserted claims is either not substantiated or will not have a material impact on FMPA's financial statements.

E. Solar Projects

The FMPA Board of Directors has approved the establishment of additional power supply projects in which FMPA members have participated to purchase solar power as group to achieve economies of scale. The ARP also purchases power from some of the same solar facilities on behalf of specific ARP Participants, enabling further economies of scale, however the ARP solar power purchases are under separate agreements from the solar power supply project purchases. The ARP has authorized the creation of the ARP Solar Project Advisory Committee, which includes one representative from each ARP Participant who has committed to pay for the costs of the ARP solar power purchases. The committee serves in an advisory capacity to the Executive Committee to address matters involving ARP solar power purchases.

The Solar II Project, established by the FMPA Board of Directors in December 2019, is the only solar power supply project currently active. It was contracted as a 20-year Power Purchase Agreements (PPA) for a total of 53.55 MW-AC of solar energy divided equally between two 74.9 MW-AC solar facilities, Rice Creek and Whistling Duck, originally expected to be operational by the end of 2023. The projects experienced interconnection delays necessitating Amendment No. 1 to the PPAs to extend the expected commercial operation dates and increase the contract price. In September of 2024, the FMPA Board of Directors approved Amendment No. 2 to the Solar II PPA for the Whistling Duck facility. This amendment increased the Solar II Project's Whistling Duck allocation from 26.775 MW-AC to 47.9 MW-AC and again increased the contract price for the Whistling Duck PPA. The Solar II Project, as amended, is contracted as two 20-year PPAs for a total of 74.675 MW-AC, distributed between Rice Creek (26.775 MW-AC) and Whistling Duck (47.9 MW-AC). Rice Creek became operational in December 2024 while Whistling Duck is expected to be operational in December 2025.

The Solar Project, that was approved by the FMPA Board of Directors in March 2019 to provide 57 MW-AC of solar energy from one facility to its participants, was terminated in FY2023 due to unfavorable site conditions and development cost pressures.

The Solar III Project, that was approved by the FMPA Board of Directors in May 2023 to provide 203.15 MW-AC of solar energy from three facilities to its participants, was terminated in FY2025 due to construction delays and development cost pressures.

F. Committment to Purchase Power Plants

FMPA continuously evaluates opportunities for low-cost resources to ensure reliable sources of long-term power supply for the All-Requirements project. With the anticipated retirement of Stanton I, FMPA entered into purchase agreements for three resources connected to the Duke Energy Florida transmission system. FMPA acquired two sites in fiscal year 2024 and the remaining site is anticipated to be acquired in fiscal year 2026. The natural gas units are located in Orlando and Bartow, Florida, with estimated total capacity of 340 net MWs.

XI. Mutual Aid Agreement

The All-Requirements Project has agreed to participate in a mutual aid agreement with six other utilities for extended generator outages of defined base-load generating units. The parties of this agreement are the city of Tallahassee, Gainesville Regional Utilities, JEA, Lakeland Electric, Orlando Utilities Commission, and Municipal Electric Authority of Georgia. The All-Requirements Project has designated 120 MWs of Cane Island Unit 3, 140 MWs of Cane Island 4, and 200 MWs of the Treasure Coast Energy Center, 60 MW of Stanton Unit 1, and 60 MW of Stanton Unit 2. In the case of a qualifying failure, the All-Requirements Project will have the option to receive either 50% or 100% of the replacement of the designated MWs of the failed unit. The cost of replacement energy will be based on an identified gas index or coal index and heat rate in the agreement. In the event of any extended outage from any other participant, the All-Requirements Project would provide between 12 MWs and 76 MWs (based on the designation of the participant) for a maximum of ten months. The agreement term automatically renewed on October 1, 2022 for an additional five years. The next automatic renewal will occur on October 1, 2027, unless FMPA (1) has not received energy under the agreement during the current term, and (2) provides at least 90 days' notice prior to the end of the current term that it does not elect to renew its participation.

XII. Employment Benefits

A. Retirement Benefits

A Deferred Compensation Plan (in accordance with the Internal Revenue Code Section 457) and a Defined Contribution (money purchase) Plan (under the Internal Revenue Code Section 401(a) are offered to the Agency's employees who are scheduled to work more than 1700 hours per year. The plan was established by the Board of Director's in 1984 and the Board of Directors has the authority to amend the plan. FMPA's contribution is 10% of the employee's gross base salary for the 401(a) plan, except for the General Counselor whose contribution is governed by his employment agreement with FMPA. Total payroll for the year ended September 30, 2025, was $14.56 million, which approximates covered payroll. The 401(a) defined contribution plan has 105 active members with a plan balance.

The Agency's contribution may be made to either plan at the discretion of the employee. Additionally, an employee generally may contribute to the Deferred Compensation Plan, so that the combined annual contribution does not exceed the IRS annual maximum. Assets of both plans are held by Mission Square Retirement; the Plan Administrator and Trustee.

Agency contributions to the Defined Contribution Plan resulted in expenses for the fiscal year 2025 of $1.45 million. Funds from these plans are not available to employees until termination or retirement, however funds from either plan can be made available, allowing an employee to borrow up to the lower of $50,000 or one half of their balance in the form of a loan.

B. Post-Employment Benefits other than Retirement

The Agency's Retiree Health Care Plan (Plan) is a single-employer defined benefit post-employment health care plan that covers eligible retired employees of the Agency. The Plan, which is administered by the Agency, allows employees who retire and meet retirement eligibility requirements to continue medical insurance coverage as a participant in the Agency's plan. As of September 30, 2024, the plan membership consisted of the following participants:

	9/30/2024
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	19
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	0
Active Plan Members	10
	29

The Agency pays 100% of the cost of employee-only coverage for employees hired prior to October 1, 2004 who retire upon meeting the retirement eligibility requirement, which is that age combined with service must exceed 900 months. This subsidy applies to the healthcare plan premiums for Pre-65 retirees as well as any Medicare supplement plan purchased by Post-65 retirees.

The Agency also provides up to $3,000 in HRA funds to all eligible members for life. If those members elect to cover their spouse or have handicapped dependents, the HRA benefit limit is increased to $6,000. These funds are made available to cover retirees' out-of-pocket medical expenses, and therefore are included in the Agency's Pay-As-You-Go plan costs. No assets are accumulated in a trust to cover these benefits.

Employees hired after October 1, 2004 are ineligible for any Agency subsidies, nor are they allowed to continue to participate in the plan after retirement.

No implicit benefit was valued in this valuation.

The measurement date is September 30, 2025. The measurement period for the OPEB expense was October 1, 2024 to September 30, 2025. The reporting period is October 1, 2024 through September 30, 2025. The Sponsor's Total OPEB Liability was measured as of September 30, 2025 using a discount rate of 4.50%.

XII. Employment Benefits (continued)

B. Post-Employment Benefits other than Retirement (continued)

Actuarial Assumptions:
Total OPEB Liability for The Agency's ledger adjustment was measured as of September 30, 2025 using a discount rate of 4.50%.

The Total OPEB Liability was determined by an actuarial valuation as of September 30, 2025 (measurement date) using the following actuarial assumptions:

Inflation	2.50%
Salary Increases	2.50%
Discount Rate	4.50%
Initial Trend Rate	6.75%
Ultimate Trend Rate	4.00%
Years to Ultimate	50

For all lives, mortality rates were Pub G-2010 Mortality Tables projected to the valuation date using Projection Scale MP-2019.

Discount Rate:
Given the Agency's decision not to establish a trust for the program, all future benefit payments were discounted using a high-quality municipal bond rate of 4.50%. The high-quality municipal bond rate was based on the measurement date of the S&P Municipal Bond 20 Year High Grade Rate Index as published by S&P Dow Jones Indices. The S&P Municipal 20 Year High Grade Rate Index consists of bonds in the S&P Municipal Bond Index with a maturity of 20 Years. Eligible bonds must be rated at least AA by Standard and Poor's Ratings Services, Aa2 by Moody's, or AA by Fitch. If there are multiple ratings, the lowest rating is used.

OPEB Expense:
For the year ended September 30, 2025, the Agency will recognize OPEB Expense/(Revenue) of ($16,025).

XII. Employment Benefits

B. Post-Employment Benefits other than Retirement (continued)

Total OPEB Liability as of the Measurement Date is:

Description		(000's US$) Amount
Reporting Period Ending September 30, 2024	$	4,951
Service Cost		21
Interest		197
Differences between Expected and Actual Experience		-
Changes in Assumptions		(235)
Benefits Payments		(250)
Reporting Period Ending September 30, 2025	$	4,684

Changes of assumptions reflect a change in the discount rate from 4.06% for the reporting period ended September 30, 2024, to 4.50% for the reporting period ended September 30, 2025. Also reflected as assumption changes are updated mortality rates, updated health care costs and premiums, and updated health care cost trend rates.

Sensitivity of the Total OPEB Liability to changes in the Discount Rate:
The following presents the Total OPEB Liability of the Agency, as well as what the Agency's Total OPEB Liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
	3.50%	4.50%	5.50%
Total OPEB Liability (000's US$)	$ 5,246	$ 4,684	$ 4,209

Sensitivity of the Total OPEB Liability to changes in the Healthcare Cost Trend Rates:
The following presents the Total OPEB Liability of the Agency, as well as what the Agency's Total OPEB Liability would be if it were calculated using healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
	3.00% - 5.75%	4.00% - 6.75%	5.00% - 7.75%
Total OPEB Liability (000's US$)	$ 4,337	$ 4,684	$ 5,091

Under GASB 75 as it applies to plans that qualify for the Alternative Measurement Method, changes in the Total OPEB Liability are not permitted to be included in deferred outflows of resources or deferred inflows of resources related to OPEB. These changes will be immediately recognized through OPEB Expense.

As of September 30, 2025, the most recent valuation date, the Total OPEB Plan Liability was $4.68 million, and assets held in trust were $0, resulting in a funded ratio of 0 percent. The covered payroll (annual payroll of active participating employees) was $1.9 million, and the ratio of the Total OPEB Plan Liability to the covered payroll was 252 percent.

The OPEB Plan contribution requirements of Florida Municipal Power Agency are established and may be amended through action of its Board of Directors.

XIII. Risk Management

The Agency is exposed to various risks of loss related to torts, theft, damage and destruction of assets, errors and omissions, injuries to employees and the public and damage to property of others. In addition, FMPA enters into contracts with third parties, some of whom are empowered to act as its agents in order to carry out the purpose of the contracts.

These contracts subject FMPA to varying degrees and types of risk. The Agency has purchased commercial insurance that management believes is adequate to cover these various risks. FMPA has elected to self-insure the Agency's risk for general liability. It is the opinion of General Counsel that FMPA may enjoy sovereign immunity in the same manner as a municipality, as allowed by Florida Common Law. Under such Florida Law, the limit of liability for judgments by one person for tort is $200,000 or a maximum of $300,000 for the same incident or occurrence. At no point have settlements exceeded coverage in the past two fiscal years.

The Agency has established a Finance Committee (FC) composed of representatives from FMPA's Board of Directors and Executive Committee. Corporate risk management is assigned to the Chief Financial Officer (CFO), who oversees the Risk Management area and reports directly to the Chief Executive Officer (CEO). The primary objective of the Agency's Enterprise Risk Management (ERM) program is to identify, measure, monitor, and report risks to mitigate unfavorable financial and strategic impacts.

FMPA's Risk Management Policy addresses key risk areas including, but not limited to, fuel, generation, debt, investments, insurance, credit, and contracts.

XIV. Related Party Transactions

A. Governing Members and Committees

Each of the members of FMPA appoints a director and one or more alternatives to serve on FMPA's Board of Directors. Total membership of the Agency is 33. The Board has responsibility for developing and approving FMPA's non All-Requirements Project budgets, hiring of the General Manager and General Counsel and establishing the Agency's bylaws, which govern how FMPA operates and the policies which implement such bylaws. The Board also authorizes all non-All-Requirements Project debt issued by FMPA and allocates the Agency Fund burden to each of the Projects. The Board elects an Agency Chairman, Vice-Chairman, Secretary and Treasurer.

The Executive Committee consists of representatives from the active members of the All-Requirements Project. The Executive Committee elects a Chairperson and Vice-Chairperson. The Board's Secretary and Treasurer serve in the same capacity on the Executive Committee. The Executive committee has sole responsibility for developing and approving FMPA's Agency Fund and All-Requirements Project budgets, and authorizes all debt issued by the All-Requirements Project.

In order to facilitate the project decision making process, there are project committees for the St. Lucie, Stanton, Stanton II, Tri-City, and Solar Project which are comprised of one representative from each participant in a project. The project committees serve in an advisory capacity, and all decisions concerning the project are decided by the FMPA Board of Directors, except for the All-Requirements Project, in which all decisions are made by the Executive Committee.

The Executive Committee has authorized the creation of Phase I, II, and III ARP Solar Participant Advisory Committees, which are Executive Committee subcommittees that will address related matters involving ARP participants. The Solar III project was terminated in 2025.

B. Florida Gas Utility (FGU)

The All-Requirements Project has a contractual agreement to purchase natural gas from Florida Gas Utility (FGU), which accounts for approximately 80-85% of FGU's total throughput of natural gas. FMPA and the following All-Requirements member cities have representatives on the FGU Board of Directors: Ft. Pierce, KUA, Leesburg Jacksonville Beach and Starke.

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XV. Subsequent Events

On October 30, 2025, Energy Southeast closed on its Energy Supply Revenue Bonds 2025 Series A, a prepaid transaction with Goldman Sachs as the funding provider. The prepay agreements provide for the delivery of specified quantities of energy to Energy Southeast at designated delivery points for sale to the Project Participants. The All-Requirements Project is one of three project participants in this transaction. ARP has committed to nominating its solar purchase power agreements with Origis Energy's Whistling Duck and Rice Creek facilities. ARP has also committed to taking delivery of natural gas with a daily average monthly volume of 4,200 MMBtus. The obligation will start in March 2026.

Required Supplementary Information (unaudited)

Schedule of Changes in Agency's Net OPEB Liability and Related Ratios
Last Ten Years
(000's US$)

Reporting Period Ending	9/30/2025	9/30/2024	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018
Measurement Date	9/30/2025	9/30/2024	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018
Total OPEB Liability								
Service Cost	$ 21	$ 23	$ 22	$ 59	$ 63	$ 56	$ 47	$ 53
Interest	197	230	228	145	133	201	215	201
Differences Between Expected and Actual Experience	-	(285)		221	-	-	-	-
Changes in Assumptions	(235)	418	(56)	(1,305)	(235)	674	410	(374)
Benefit Payments	(250)	(268)	(249)	(241)	(225)	(326)	(233)	(214)
Net Change in Total OPEB Liability	$ (267)	$ 118	$ (55)	$ (1,121)	$ (264)	$ 605	$ 439	$ (334)
Total OPEB Liability - Beginnning of Year	4,951	4,833	4,888	6,009	6,273	5,668	5,229	5,563
Total OPEB Liabilty - End of Year	$ 4,684	$ 4,951	$ 4,833	$ 4,888	$ 6,009	$ 6,273	$ 5,668	$ 5,229
Trust Fiduciary Net Position as a % of Total OPEB Liability	0%	0%	0%	0%	0%	0%	0%	0%
Covered Employee Payroll	1,856	1,772	1,665	1,734	2,190	2,126	2,321	2,167
Agency's Net OPEB Liability as a % of Covered Employee Payroll	252%	279%	290%	282%	274%	295%	244%	241%

* GASB Statement 75 was implemented as of September 30, 2018. Information from 2015 - 2017 is not available and this schedule will be presented on a prospective basis.

Notes to Schedule:

Changes of Assumptions. Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

Fiscal Year Ending September 30, 2025: 4.50%
Fiscal Year Ending September 30, 2024: 4.06%
Fiscal Year Ending September 30, 2023: 4.87%
Fiscal Year Ending September 30, 2022: 4.77%
Fiscal Year Ending September 30, 2021: 2.43%
Fiscal Year Ending September 30, 2020: 2.14%
Fiscal Year Ending September 30, 2019: 3.58%
Fiscal Year Ending September 30, 2018: 4.18%

See footnote XII.B for further information.

Other Information (unaudited)

SCHEDULE OF
AMOUNTS DUE TO (FROM) PARTICIPANTS
RESULTING FROM BUDGET/ACTUAL VARIANCES
YEAR ENDED SEPTEMBER 30, 2025
(000's US$)

	Amended Budget	Actual	Variance Over / (Under) Budget
Agency Fund			
Received from projects	$ 19,145	$ 18,728	$ (417)
Received from member assessments	114	18	(96)
Interest income	547	597	50
Other income	-	85	85
	$ 19,806	$ 19,428	$ (378)
General and administrative	$ 18,323	$ 17,064	$ (1,259)
Invested in Capital Assets	137	81	(56)
Pooled Loan Principal (Advance) Payment	-	475	475
Pooled Loan Interest	69	164	95
Other Adjustments	800	633	(167)
	$ 19,329	$ 18,417	$ (912)
Net Revenue	$ 477	$ 1,011	$ 534
St. Lucie Project			
Participant billing	$ 37,503	$ 37,503	$ -
Reliability exchange contract sales	3,720	4,108	388
Interest income	374	695	321
	$ 41,597	$ 42,306	$ 709
Operation and maintenance	$ 9,987	$ 8,819	$ (1,168)
Fuel Acquisition	-	337	$ 337
Purchased power	3,747	3,408	(339)
Transmission service	381	214	(167)
General and administrative	2,971	2,504	(467)
Deposit to renewal and replacement fund	10,000	10,000	-
Deposit to general reserve fund & FSA	-	-	-
Deposit to Nuclear Fuel Fund	4,000	4,000	-
Deposit to debt service fund	5,213	5,136	(77)
	$ 36,299	$ 34,418	$ (1,881)
Net Due to (from) Participants Resulting from Budget/Actual Variances	$ 5,298	$ 7,888	$ 2,590

Note: These schedules are prepared on budgetary basis and as such do not present the results of operations in accordance with generally accepted accounting principles.

SCHEDULE OF
AMOUNTS DUE TO (FROM) PARTICIPANTS
RESULTING FROM BUDGET/ACTUAL VARIANCES
YEAR ENDED SEPTEMBER 30, 2025
(000's US$)

	Amended Budget	Actual	Variance Over/ (Under) Budget
Stanton Project			
Participant billing & sales to others	$ 17,871	$ 17,532	$ (339)
Interest income	337	274	(63)
Other income	-	-	-
	$ 18,208	$ 17,806	$ (402)
Operation and maintenance, fuel	$ 16,646	$ 16,418	$ (228)
Transmission service	1,686	1,676	(10)
General and administrative	1,860	2,110	250
Deposits to debt service and other funds	17	14	(3)
	$ 20,209	$ 20,218	$ 9
Net Due to (from) Participants Resulting from Budget/Actual Variances	$ (2,001)	$ (2,412)	$ (411)
All-Requirements Project			
Participant billing & sales to others	$ 621,016	$ 635,157	$ 14,141
Transfer from Rate Protection	-	-	-
Interest Income	8,984	7,183	(1,801)
	$ 630,000	$ 642,340	$ 12,340
Member Capacity	$ 35,665	$ 33,655	$ (2,010)
Contract Capacity	18,123	22,077	3,954
ARP Owned Capacity	58,808	57,173	(1,635)
Debt & Leases	129,066	127,487	(1,579)
Direct Charges & Other	32,023	29,137	(2,886)
Gas Transportation	24,477	28,723	4,246
Fuels	271,748	262,483	(9,265)
Purchased Power	8,428	13,170	4,742
Transmission	51,662	52,921	1,259
	$ 630,000	$ 626,826	$ (3,174)
Net Due to (from) Participants Resulting from Budget/Actual Variances	$ -	$ 15,514	$ 15,514

Note: These schedules are prepared on budgetary basis and as such do not present the results of operations in accordance with generally accepted accounting principles.

SCHEDULE OF
AMOUNTS DUE TO (FROM) PARTICIPANTS
RESULTING FROM BUDGET/ACTUAL VARIANCES
YEAR ENDED SEPTEMBER 30, 2025
(000's US$)

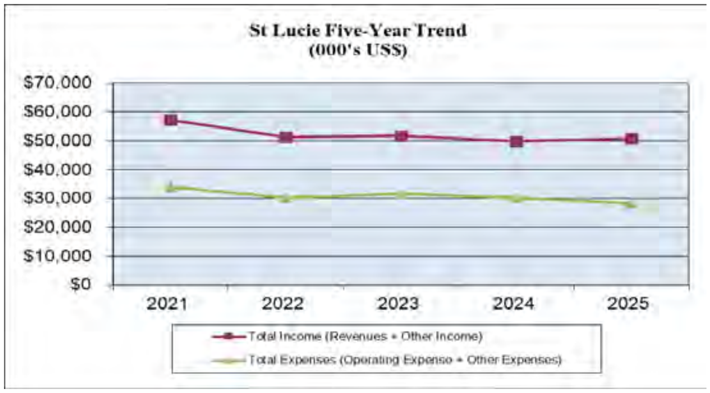
	Amended Budget	Actual	Variance Over/ (Under) Budget
Tri-City Project			
Participant billing & sales to others	$ 9,182	$ 8,886	$ (296)
Interest income	3	108	105
	$ 9,185	$ 8,994	$ (191)
Operation and maintenance, fuel	$ 6,193	$ 5,941	$ (252)
Transmission service	604	600	(4)
General and administrative	983	1,069	86
Deposits to debt service and other funds	919	909	(10)
	$ 8,699	$ 8,519	$ (180)
Net Due to (from) Participants Resulting from Budget/Actual Variances	$ 486	$ 475	$ (11)
Stanton II Project			
Participant billing & sales to others	$ 56,411	$ 53,584	$ (2,827)
Interest Income	468	648	180
Other Income	-	-	-
	$ 56,879	$ 54,232	$ (2,647)
Operation and maintenance, fuel	$ 31,124	$ 29,409	$ (1,715)
Transmission service	2,743	2,726	(17)
General and administrative	2,635	3,013	378
Deposits to debt service and other funds	16,299	15,943	(356)
	$ 52,801	$ 51,091	$ (1,710)
Net Due to (from) Participants Resulting from Budget/Actual Variances	$ 4,078	$ 3,141	$ (937)
Solar II Project			
Participant billing & sales to others	$ 2,084	$ 1,557	$ (527)
Interest Income	-	-	-
Other Income	-	-	-
	$ 2,084	$ 1,557	$ (527)
Purchased Power	$ 1,902	$ 1,595	$ (307)
General and administrative	99	-	(99)
Deposits to other funds	83	-	(83)
	$ 2,084	$ 1,595	$ (489)
Net Due to (from) Participants Resulting from Budget/Actual Variances	$ -	$ (38)	$ (38)

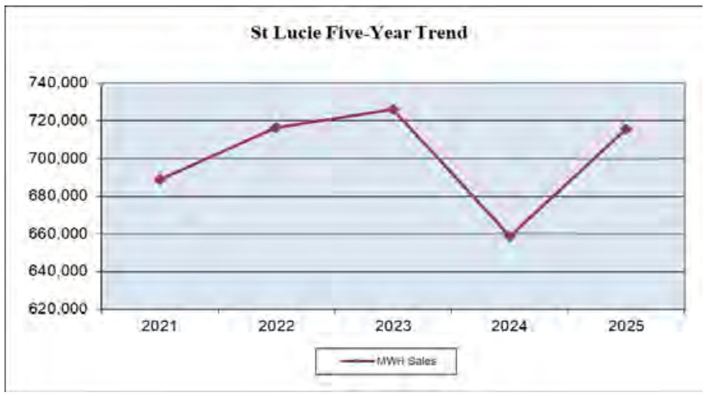
Note: These schedules are prepared on budgetary basis and as such do not present the results of operations in accordance with generally accepted accounting principles.

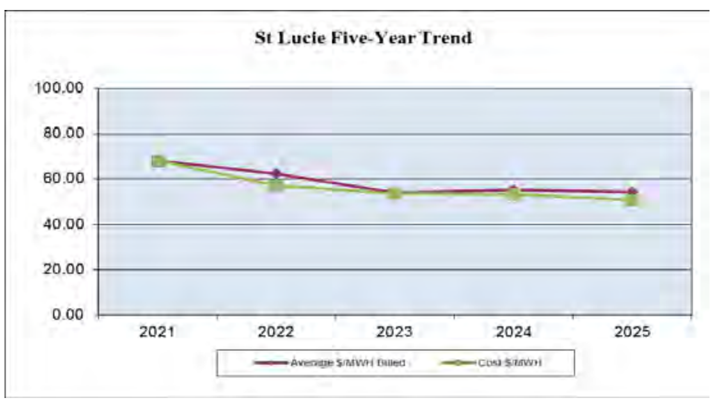
FIVE-YEAR TREND ANALYSIS

	2021	2022	2023	2024	2025
(000's US$ except for MWH Sales and Average $/MWH)					
St. Lucie Project					
Capital Assets	$ 34,977	$ 41,172	$ 50,072	$ 53,249	$ 60,075
Total Assets & Deferred Outflows	$ 216,817	$ 215,870	$ 234,727	$ 254,392	$ 276,927
Long-Term Liabilities	$ 87,714	$ 58,941	$ 58,506	$ 54,022	$ 49,490
Total Liabilities & Deferred Inflows	$ 216,817	$ 177,611	$ 234,727	$ 254,392	$ 276,927
Billings to Participants	$ 46,920	$ 44,663	$ 39,270	$ 36,319	$ 38,906
Sales to Others	3,860	2,077	3,806	2,089	2,704
Total Operating Revenues	$ 50,780	$ 46,740	$ 43,076	$ 38,408	$ 41,610
Purchased Power	$ 3,435	$ 3,242	$ 3,267	$ 3,261	$ 3,408
Production-Nuclear O&M	11,131	8,523	11,249	10,618	8,557
Nuclear Fuel Amortization	4,046	4,225	4,391	4,283	4,489
Transmission	429	490	466	491	214
General & Administrative	3,501	2,872	3,351	3,968	2,766
Depreciation & Decommissioning	6,839	7,937	7,909	6,737	8,042
Total Operating Expenses	$ 29,381	$ 27,289	$ 30,633	$ 29,358	$ 27,476
Net Operating Revenues	$ 21,399	$ 19,451	$ 12,443	$ 9,050	$ 14,134
Investment Income	$ 6,463	$ 4,472	$ 8,648	$ 11,524	$ 9,211
Total Other Income	$ 6,463	$ 4,472	$ 8,648	$ 11,524	$ 9,211
Interest Expense	$ 3,507	$ 2,091	$ 791	$ 736	$ 680
Amortization & Other Expense	1,150	885	155	156	158
Total Other Expenses	$ 4,657	$ 2,976	$ 946	$ 892	$ 838
Net Income (Loss)	$ 23,205	$ 20,947	$ 20,145	$ 19,682	$ 22,507
Net Cost Recovered (Credited) in the Future	(23,277)	(17,212)	(19,789)	(18,452)	(19,917)
Due from (to) Participants	72	(3,735)	(356)	(1,230)	(2,590)
Total Income	$ -	$ -	$ -	$ -	$ -
MWH Sales	688,960	716,436	726,227	658,607	715,652
Average $/MWH Billed	$ 68.10	$ 62.34	$ 54.07	$ 55.15	$ 54.36
Cost $/MWH	68.21	57.13	53.58	53.28	50.75

FIVE-YEAR TREND ANALYSIS



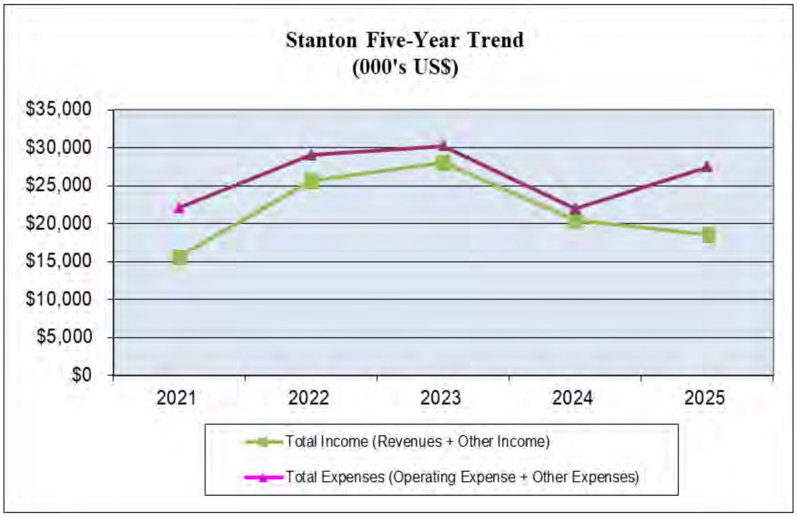


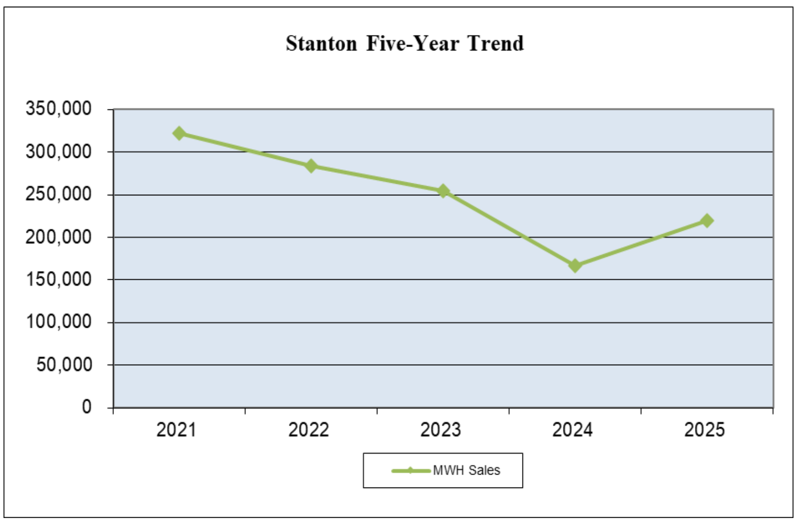


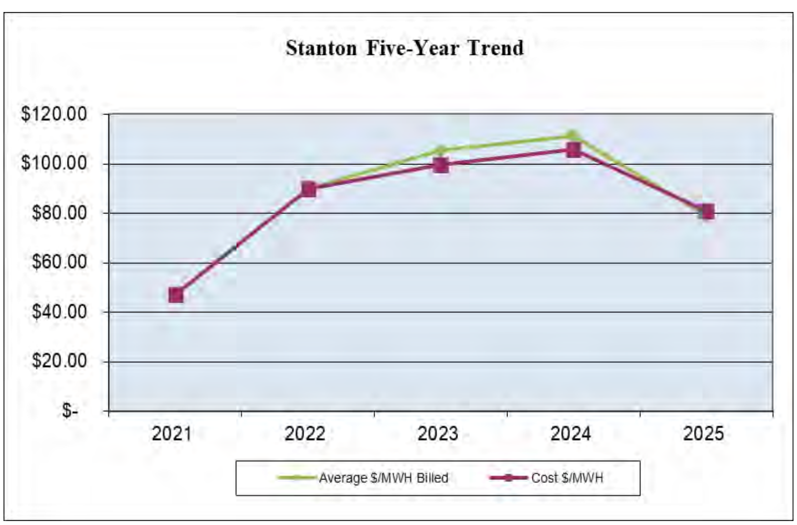
FIVE-YEAR TREND ANALYSIS

	2021	2022	2023	2024	2025
(000's US$ except for MWH Sales and Average $/MWH)					
Stanton Project					
Capital Assets	$ 24,138	$ 20,855	$ 16,916	$ 13,434	$ 8,717
Total Assets & Deferred Outflows	$ 49,790	$ 47,139	$ 7,343	$ 43,805	$ 35,708
Long-Term Debt	$ 1,203	$ 1,371	$ 4,823	$ 5,059	$ 5,449
Total Liabilities & Deferred Inflows	$ 49,790	$ 47,139	$ 7,343	$ 43,805	$ 35,708
Billings to Participants	$ 15,237	$ 25,577	$ 26,819	$ 18,608	$ 17,400
Sales to Others	384	369	432	449	132
Total Operating Revenues	$ 15,621	$ 25,946	$ 27,251	$ 19,057	$ 17,532
Production-Steam O&M	$ 3,933	$ 4,800	$ 8,383	$ 4,968	$ 4,417
Fuel Expense	11,366	16,534	14,450	8,977	12,391
Transmission	1,417	1,518	1,574	1,574	1,676
General & Administrative	1,344	1,945	1,460	1,850	2,114
Depreciation & Decommissioning	4,052	4,234	4,349	4,542	6,846
Total Operating Expenses	$ 22,112	$ 29,031	$ 30,216	$ 21,911	$ 27,444
Net Operating Revenues	$ (6,491)	$ (3,085)	$ (2,965)	$ (2,854)	$ (9,912)
Investment Income	$ 70	$ (309)	$ 766	$ 1,416	$ 1,028
Total Other Income	$ 70	$ (309)	$ 766	$ 1,416	$ 1,028
Interest Expense	$ -	$ -	$ -	$ -	$ -
Amortization & Other Expense	-	-	-	-	-
Total Other Expenses	$ -	$ -	$ -	$ -	$ -
Net Income (Loss)	$ (6,421)	$ (3,394)	$ (2,199)	$ (1,438)	$ (8,884)
Net Cost Recovered (Credited) in the Future	6,504	3,424	3,670	2,380	8,473
Due from (to) Participants	(83)	(30)	(1,471)	(942)	411
Total Income	$ -	$ -	$ -	$ -	$ -
MWH Sales	321,529	284,082	254,654	167,002	219,909
Average $/MWH Billed	$ 47.39	$ 90.03	$ 105.32	$ 111.42	$ 79.12
Cost $/MWH	$ 47.13	$ 89.93	$ 99.54	$ 105.78	$ 80.99

FIVE-YEAR TREND ANALYSIS



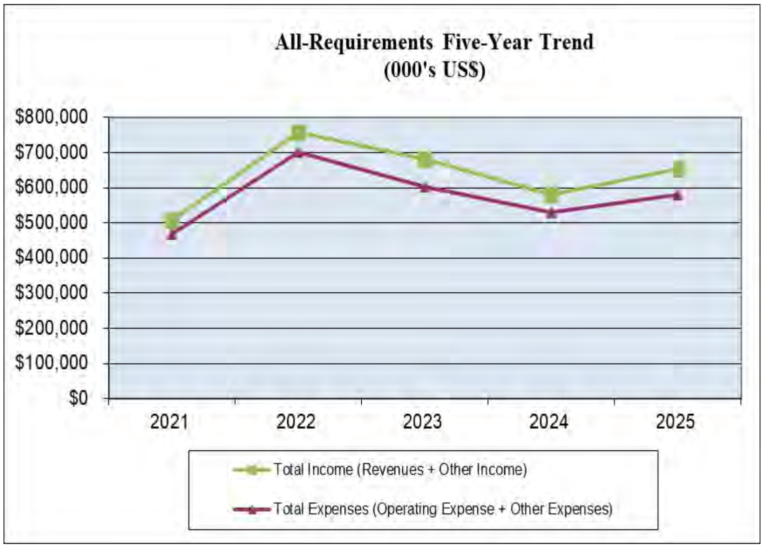


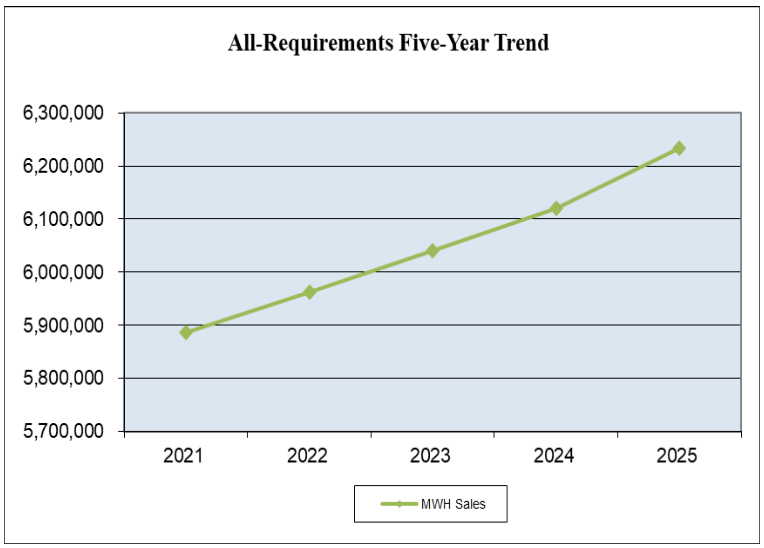


FIVE-YEAR TREND ANALYSIS

	2021	2022	2023	2024	2025
(000's US$ except for MWH Sales and Average $/MWH)					
All-Requirements Project					
Capital Assets	$ 558,414	$ 532,828	$ 591,939	$ 595,254	$ 592,584
Total Assets & Deferred Outflows	$ 1,242,104	$ 1,242,647	$ 1,197,745	$ 1,117,988	$ 1,076,503
Long-Term Liabilities	$ 993,268	$ 960,361	$ 951,823	$ 871,987	$ 837,427
Total Liabilities & Deferred Inflows	$ 1,242,104	$ 1,242,647	$ 1,197,745	$ 1,117,988	$ 1,076,503
Billings to Participants **	$ 419,512	$ 629,759	$ 558,208	$ 464,065	$ 501,125
Sales to Others	85,989	137,442	113,787	101,824	141,422
Total Operating Revenues	$ 505,501	$ 767,201	$ 671,995	$ 565,889	$ 642,547
Purchased Power	$ 37,314	$ 49,849	$ 37,987	$ 28,796	$ 36,132
O&M Production-Steam	64,733	75,310	87,715	76,968	87,127
Fuel Expense	229,393	426,331	337,413	272,264	296,456
Transmission	35,394	43,434	45,301	48,355	52,068
General & Administrative	23,837	26,019	26,133	28,784	31,806
Depreciation & Decommissioning	38,808	46,867	39,723	43,542	48,658
Total Operating Expenses	$ 429,479	$ 667,810	$ 574,272	$ 498,709	$ 552,247
Net Operating Revenues	$ 76,022	$ 99,391	$ 97,723	$ 67,180	$ 90,300
Investment Income	$ 2,671	$ (9,781)	$ 9,333	$ 14,272	$ 10,069
Total Other Income	$ 2,671	$ (9,781)	$ 9,333	$ 14,272	$ 10,069
Interest Expense	$ 27,425	$ 26,362	$ 25,162	$ 27,229	$ 24,396
Amortization & Other Expense	10,258	7,570	3,999	4,640	4,999
Total Other Expenses	$ 37,683	$ 33,932	$ 29,161	$ 31,869	$ 29,395
Net Income (Loss)	$ 41,010	$ 55,678	$ 77,895	$ 49,583	$ 70,974
Net Cost Recovered (Credited) in the Future	(31,320)	(19,125)	(71,358)	(23,758)	(55,460)
Due from (to) Participants	(9,690)	(36,553)	(6,537)	(25,825)	(15,514)
Total Income	$ -	$ -	$ -	$ -	$ -
MWH Sales	5,885,763	5,963,224	6,040,569	6,119,617	6,232,822
Average $/MWH Billed	$ 71.28	$ 105.61	$ 92.41	$ 75.83	$ 80.40
Cost $/MWH	$ 69.63	$ 99.48	$ 91.33	$ 71.61	$ 77.91

FIVE-YEAR TREND ANALYSIS

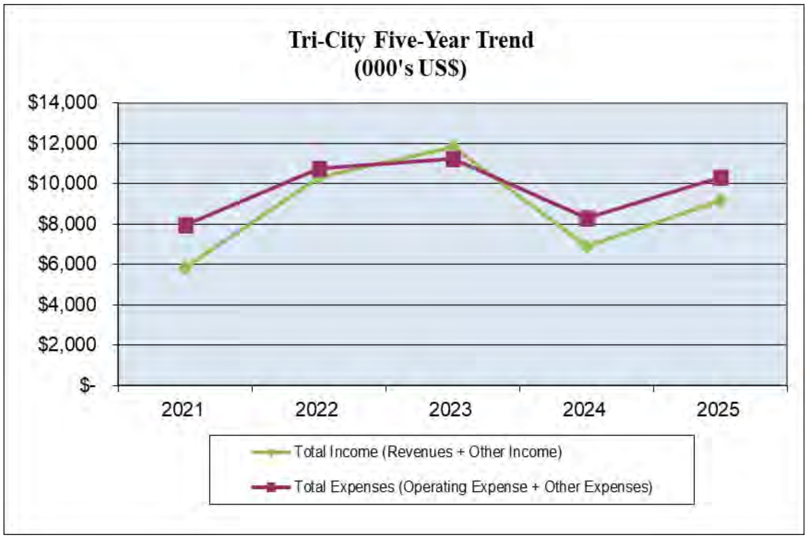


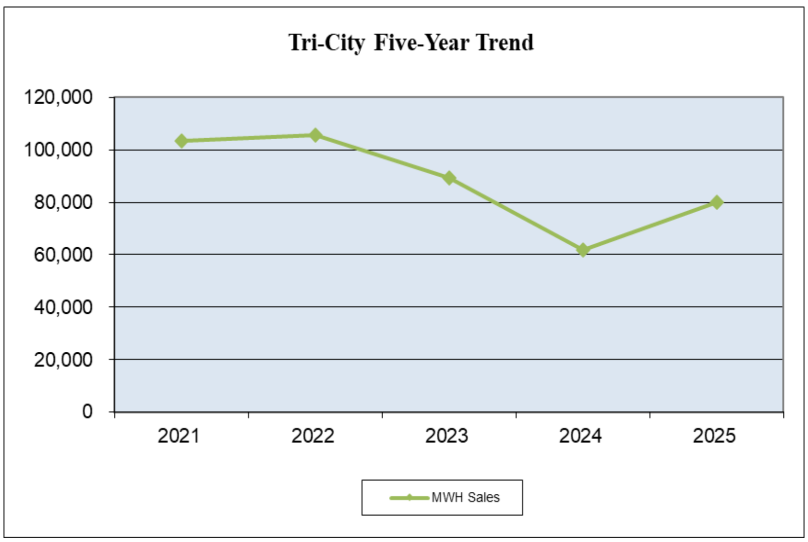


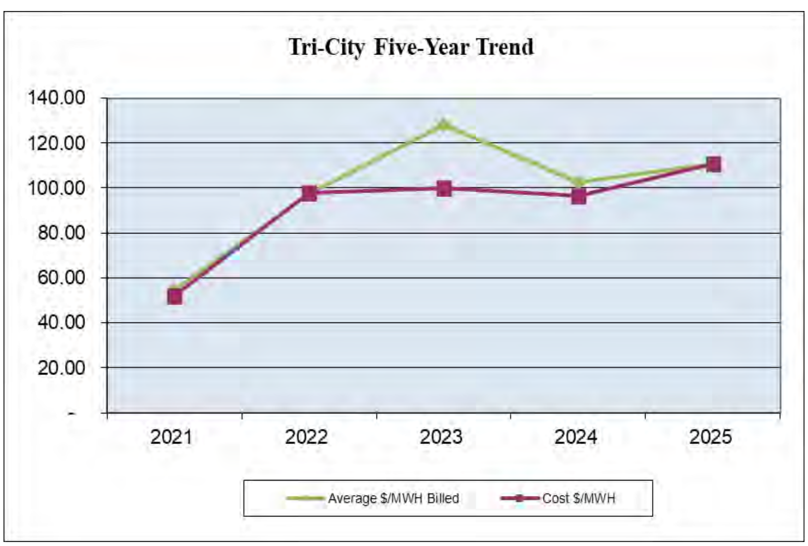
FIVE-YEAR TREND ANALYSIS

	2021	2022	2023	2024	2025
(000's US$ except for MWH Sales and Average $/MWH)					
Tri-City Project					
Capital Assets	$ 9,212	$ 7,939	$ 6,433	$ 5,088	$ 3,273
Total Assets & Deferred Outflows	$ 14,767	$ 14,392	$ 15,576	$ 13,739	$ 12,691
Long-Term Debt	$ 432	$ 492	$ 1,727	$ 1,811	$ 1,951
Total Liabilities & Deferred Inflows	$ 14,767	$ 14,392	$ 2,645	$ 13,739	$ 12,702
Billings to Participants	$ 5,657	$ 10,255	$ 11,442	$ 6,349	$ 8,838
Sales to Others	137	131	155	161	47
Total Operating Revenues	$ 5,794	$ 10,386	$ 11,597	$ 6,510	$ 8,885
Production-Steam O&M	$ 1,396	$ 1,717	$ 2,999	$ 1,777	$ 1,581
Fuel Expense	3,751	5,904	5,189	3,241	4,499
Transmission	505	544	564	564	600
General & Administrative	738	976	808	965	1,079
Depreciation & Decommissioning	1,548	1,613	1,654	1,723	2,577
Total Operating Expenses	$ 7,938	$ 10,754	$ 11,214	$ 8,270	$ 10,336
Net Operating Revenues	$ (2,144)	$ (368)	$ 383	$ (1,760)	$ (1,451)
Investment Income	$ 28	$ (53)	$ 204	$ 392	$ 299
Total Other Income	$ 28	$ (53)	$ 204	$ 392	$ 299
Interest Expense	$ -	$ -	$ -	$ -	$ -
Amortization & Other Expense	-	-	-	-	-
Total Other Expenses	$ -	$ -	$ -	$ -	$ -
Net Income (Loss)	$ (2,116)	$ (421)	$ 587	$ (1,368)	$ (1,152)
Net Cost Recovered (Credited) in the Future	2,410	378	1,943	1,739	1,141
Due from (to) Participants	(294)	43	(2,530)	(371)	11
Total Income	$ -	$ -	$ -	$ -	$ -
MWH Sales	103,371	105,451	89,186	61,829	79,859
Average $/MWH Billed	$ 54.73	$ 97.25	$ 128.29	$ 102.69	$ 110.67
Cost $/MWH	$ 51.88	$ 97.66	$ 99.93	$ 96.69	$ 110.81

FIVE-YEAR TREND ANALYSIS



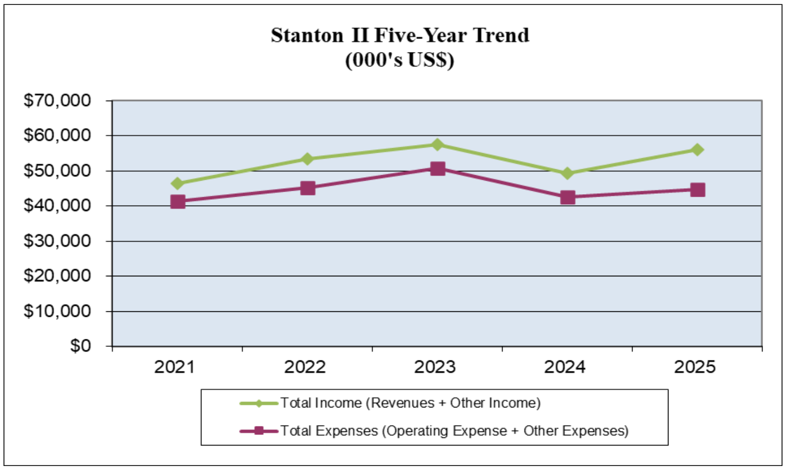


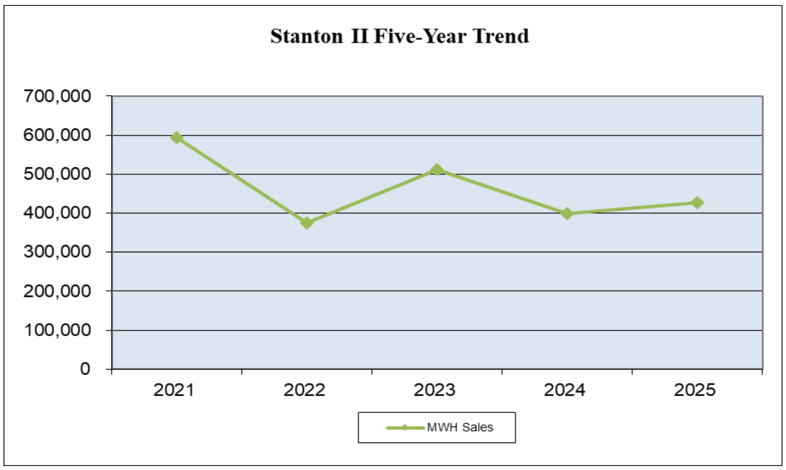


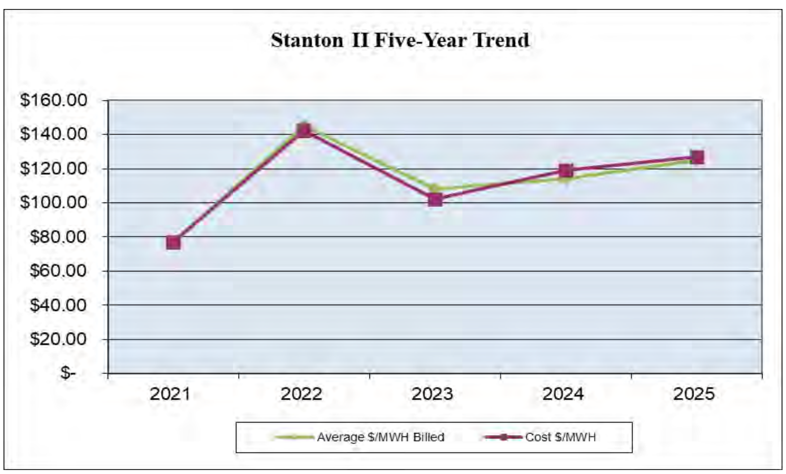
FIVE-YEAR TREND ANALYSIS

	2021	2022	2023	2024	2025
(000's US$ except for MWH Sales and Average $/MWH)					
Stanton II Project					
Capital Assets	$ 88,917	$ 84,226	$ 78,446	$ 73,905	$ 70,599
Total Assets & Deferred Outflows	$ 163,836	$ 149,239	$ 151,119	$ 144,030	$ 144,088
Long-Term Debt	$ 91,564	$ 73,422	$ 68,936	$ 47,702	$ 45,811
Total Liabilities & Deferred Inflows	$ 163,836	$ 149,239	$ 85,824	$ 144,030	$ 145,025
Billings to Participants	$ 45,316	$ 54,597	$ 55,198	$ 45,518	$ 53,377
Sales to Others	602	580	678	704	207
Total Operating Revenues	$ 45,918	$ 55,177	$ 55,876	$ 46,222	$ 53,584
Production-Steam O&M	$ 6,671	$ 7,000	$ 11,685	$ 8,091	$ 8,020
Fuel Expense	19,524	22,660	25,342	20,229	22,004
Transmission	2,297	2,469	2,561	2,561	2,726
General & Administrative	2,057	3,012	2,075	2,653	3,044
Depreciation & Decommissioning	6,369	6,507	6,628	6,770	7,061
Total Operating Expenses	$ 36,918	$ 41,648	$ 48,291	$ 40,304	$ 42,855
Net Operating Revenues	$ 9,000	$ 13,529	$ 7,585	$ 5,918	$ 10,729
Investment Income	$ 379	$ (1,841)	$ 1,718	$ 3,163	$ 2,376
Total Other Income	$ 379	$ (1,841)	$ 1,718	$ 3,163	$ 2,376
Interest Expense	$ 2,600	$ 2,143	$ 1,566	$ 1,331	$ 1,093
Amortization & Other Expense	1,737	1,341	817	761	703
Total Other Expenses	$ 4,337	$ 3,566	$ 2,383	$ 2,092	$ 1,796
Net Income (Loss)	$ 5,042	$ 8,122	$ 6,920	$ 6,989	$ 11,309
Net Cost Recovered (Credited) in the Future	(5,321)	(6,938)	(3,961)	(5,868)	(12,246)
Due from (to) Participants	279	(1,184)	(2,959)	(1,121)	937
Total Income	$ -	$ -	$ -	$ -	$ -
MWH Sales	593,865	375,451	510,563	398,871	427,198
Average $/MWH Billed	$ 76.31	$ 145.42	$ 108.11	$ 114.12	$ 124.95
Cost $/MWH	$ 76.78	$ 142.26	$ 102.32	$ 111.31	$ 127.14

FIVE-YEAR TREND ANALYSIS

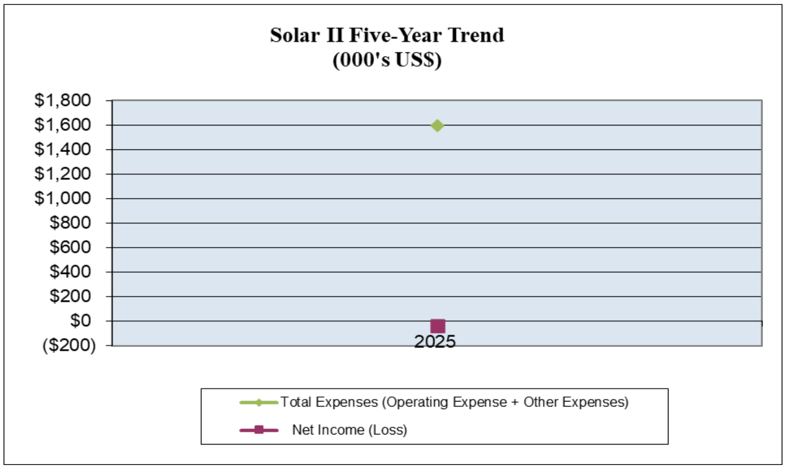






(000's US$)		2025
Solar II Project		
Capital Assets	$	-
Total Assets & Deferred Outflows	$	239
Long-Term Debt	$	125
Total Liabilities & Deferred Inflows	$	277
Billings to Participants	$	1,557
Sales to Others		-
Total Operating Revenues	$	1,557
Purchased Power	$	1,595
Transmission		-
General & Administrative		-
Depreciation & Decommissioning		-
Total Operating Expenses	$	1,595
Net Operating Revenues	$	(38)
Investment Income	$	-
Total Other Income	$	-
Interest Expense	$	-
Amortization & Other Expense		-
Total Other Expenses	$	-
Net Income (Loss)	$	(38)
Net Cost Recovered (Credited) in the Future		-
Due from (to) Participants		38
Total Income	$	-

FIVE-YEAR TREND ANALYSIS



Compliance Report

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors and Executive Committee
Florida Municipal Power Agency
Orlando, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the business-type activities, each major fund, and the aggregate remaining fund information of the Florida Municipal Power Agency (the Agency), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated December 19, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the basic financial statements, we considered the Agency's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Agency's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Board of Directors and Executive Committee
Florida Municipal Power Agency
Orlando, Florida

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Report on Compliance and Other Matters
As part of obtaining reasonable assurance about whether the Agency's basic financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Purvis Gray

December 19, 2025
Ocala, Florida

PURVIS GRAY

MANAGEMENT LETTER

Board of Directors and Executive Committee
Florida Municipal Power Agency
Orlando, Florida

Report on the Financial Statements

We have audited the financial statements of the Florida Municipal Power Agency (the Agency) as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated December 19, 2025.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, *Rules of the Auditor General*.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with the American Institute of Certified Public Accountants *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated December 19, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. We noted no prior year management letter recommendations.

Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information has been disclosed in Note I of the Agency's September 30, 2025, financial statements. There are no component units related to the Agency.

Board of Directors and Executive Committee
Florida Municipal Power Agency
Orlando, Florida

MANAGEMENT LETTER

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the Agency has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the Agency did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures for the Agency. It is management's responsibility to monitor the Agency's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate non-compliance with provisions of contracts or grant agreements, or fraud, waste or abuse, that has occurred or is likely to has occurred, that have an effect on the financial statements, that is less than material, but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, the Agency's Executive Committee, the Board of Directors, the Finance Committee, and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of our audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Purvis Gray

December 19, 2025
Ocala, Florida

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH FLORIDA STATUTES, SECTION 218.415 - INVESTMENT OF PUBLIC FUNDS

Board of Directors and Executive Committee
Florida Municipal Power Agency
Orlando, Florida

We have examined Florida Municipal Power Agency's (the Agency) compliance with Section 218.415, Florida Statutes, during the fiscal year ended September 30, 2025. The Agency's management is responsible for the Agency's compliance with those requirements. Our responsibility is to express an opinion on the Agency's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Agency complied, in all material respects, with the requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Agency complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material non-compliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

Our examination does not provide a legal determination on the Agency's compliance with specified requirements.

In our opinion, the Agency complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2025.

This report is intended solely for the information and use of the Florida Auditor General, the Agency's Executive Committee, the Board of Directors, the Finance Committee, and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

December 19, 2025
Ocala, Florida

AGENDA ITEM 9 – INFORMATION ITEMS

a. ARP Resource Changes and Expansion Update

Executive Committee
January 15, 2026

EC 9a - ARP Resource Changes and Expansion Update

Executive Committee

January 15, 2026

Many Changes Effective With the New Year

Preparation for New Resources and Loads Occurred in Parallel

Dec. 29, 2025

- ✓ Whistling Duck Solar reached commercial operation

Jan. 1, 2026

- ✓ Stanton and Tri-City Project participation ended
- ✓ Bartow Energy Center acquired, available for dispatch
- ✓ Began serving Lake Worth Beach partial-requirements

January 2026

- ❑ Homestead sale increase pending amendment execution

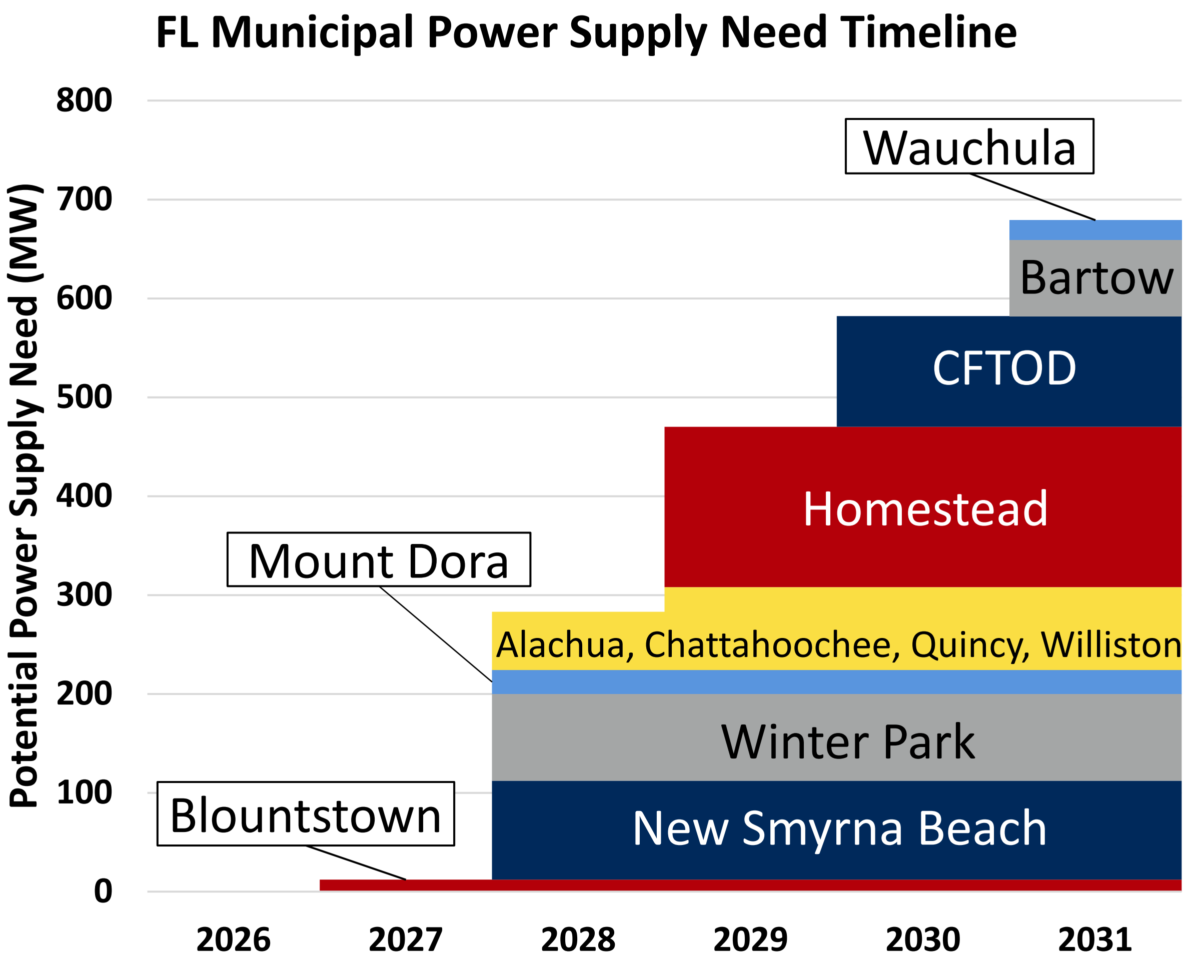
Feb. 1, 2026

- ❑ PPA for purchase from Reworld's 10 MW Lake Waste-to-Energy facility expected to start

FMPA MUNICIPAL POWER

Pursuing ARP Membership Expansion Candidates

Several Opportunities As Short-Term PPAs Near Expiration



- Introductory discussions held with 3 Members of various sizes
- Will look to gauge interest of an additional 3-4 Members focusing on those with nearer-term needs
- Total potential candidate load in 40 – 150 MW range for 2028

FMPA MUNICIPAL POWER

Initial Discussion with Data Center in Member Area

150 – 300 MW with Data Center Ultimately Providing On-Site "Reserves"

- First direct discussion with potential significant data center in Member area
- 150 – 300 MW initial development that would ultimately provide on-site "reserves" to cover capacity
- Potentially allows excess energy sales knowing generation on-site to backstop
- Starting as early as 2028 with speed to market critical with "reserves" shortly following initial start-up
- Transmission interconnection study initiated by developer
- Guiding principle – Will not add cost to ARP Members and would not be sold at discount to ARP prices
- Exploring "reserves" being controlled/operated by FMPA taking advantage of efficiencies with existing fleet/geography

AGENDA ITEM 10 – MEMBER COMMENTS

Executive Committee
January 15, 2026

AGENDA ITEM 11 – ADJOURNMENT

Executive Committee
January 15, 2026