



ARP EXECUTIVE COMMITTEE AGENDA PACKAGE

OCTOBER 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: 266 087 864 463 6#

Committee Members

Javier Cisneros, Fort Pierce – Chair

Robert Page, Green Cove Springs – Vice Chair

Christina Farmer, Bushnell

Lynne Mila, Clewiston

Steve Doyle, Fort Meade

Leigh Davis, 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: October 08, 2026

RE: FMPA Executive Committee Meeting - **Thursday, October 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 266 087 864 463 0#**

LINK: [Join the meeting now](#)

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

Chairman Javier Cisneros, Presiding

AGENDA

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***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
October 15, 2026**

**AGENDA ITEM 2 – Set Agenda (by
Vote)**

**Executive Committee
October 15, 2026**

**AGENDA ITEM 3 – RECOGNITION OF
GUESTS**

**Executive Committee
October 15, 2026**

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

**Executive Committee
October 15, 2026**

**AGENDA ITEM 5 – COMMENTS
FROM THE CHAIR**

**Executive Committee
October 15, 2026**

**AGENDA ITEM 6 – REPORT FROM
THE GENERAL MANAGER**

**Executive Committee
October 15, 2026**

**AGENDA ITEM 7 – CONSENT
AGENDA**

- a. Approval of Meeting Minutes –
Meetings Held September 17,
2026, and ARP Telephonic Rate
Workshop Held September 15,
2026**

**Executive Committee
October 15, 2026**

CLERKS DULY NOTIFIED September 10, 2026
AGENDA PACKAGES POSTED September 10, 2026

MINUTES
EXECUTIVE COMMITTEE MEETING
THURSDAY, SEPTEMBER 17, 2026
FLORIDA MUNICIPAL POWER AGENCY
8553 COMMODITY CIRCLE
ORLANDO, FL 32819

PARTICIPANTS Christina Farmer, Bushnell (virtual)
PRESENT: Lynne Mila, Clewiston (virtual)
Javier Cisneros, Fort Pierce
Robert C. Page, Green Cove Springs
Leigh Davis, Havana (virtual)
Allen Putnam, Jacksonville Beach
Lynne Tejeda, Key West (virtual)
Jason Terry, Kissimmee
Brad Chase, Leesburg (virtual)
Jordan Marlowe, Newberry (virtual)
Doug Peebles, Ocala
Drew Mullins, Starke

OTHERS Daniel Retherford, Fort Pierce (virtual)
PRESENT Claudia Rasnick, Gainesville
Thomas R. Brown, Gainesville (virtual)
Grant Lacerte, Kissimmee (virtual)
Kevin Crawford, Kissimmee (virtual)
Scott Bishop, Lakeland (virtual)
Tory Bombard, Lakeland (virtual)
Ed Liberty, Lake Worth Beach
Brian King, Lake Worth Beach (virtual)
Efren Chavez, New Smyrna Beach (virtual)
Clint Bullock, Orlando (virtual)
Attila Miszti, Orlando (virtual)
Troy Rivera, Orlando (virtual)
James Hughes, Starke (virtual)
Erick Walters, Tallahassee (virtual)
Olivia Minshew, Wauchula (virtual)
Larry Mattern, Consultant
Michael Miller, Williston (virtual)

STAFF Jacob Williams, General Manager and CEO
PRESENT Jody Finklea, General Counsel and Chief Legal Officer
Ken Rutter, Chief Operating Officer
Rich Popp, Chief Financial Officer
Chris Gowder, Chief System Operations and Technology Officer
Dan O'Hagan, Deputy General Counsel and Manager of
Regulatory Compliance

Sharon Adams, Chief People and Member Services Officer
Sue Utley, Executive Asst. /Asst. Secy. to the Board
Lindsay Jack, Executive Assistant Support Coordinator
Susan Schumann, Public Relations and External Affairs Manager
Emily Maag, Senior Public Relations Specialist
Jason Wolfe, Financial Planning Rates and Budget Director
Navid Nowakhtar, Member Services Strategic Planning & Analytics Vice President
Liyuan Woerner, Audit Manager
Susan Schumann, Public Relations and External Affairs Manager
Tim Jackson, Vice President of Generation Planning and Organizational Development
John Bradley, Energy Business Strategist
Wallace Whiting IV, Senior Regulatory Compliance Administrator
Denise Fuentes, Budget and Financial Analyst III
Andrei Benjamin, Cloud Systems Administrator
Mike McCleary, Senior Manager of Member Services

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 10:45a.m., Thursday, September 17, 2026. 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 12 Members present out of a possible 13.

ITEM 2 – SET AGENDA (BY VOTE)

MOTION: Allen Putnam, Jacksonville Beach, moved approval of the agenda as presented. Drew Mullins, Starke, seconded the motion. Motion carried.

ITEM 3 – RECOGNITION OF GUESTS

None.

ITEM 4 – PUBLIC COMMENTS

None.

ITEM 5 – COMMENTS FROM THE CHAIRMAN

Jacob's ten-year anniversary is this month and in October, it will be 25 years for Jody, congratulations.

I had the chance to attend the Fleet Generation meeting yesterday. When you think about all the things happening at FMPA, bringing 7 power plants, six sites and building power for the future, it's impressive.

ITEM 6 – REPORT FROM GENERAL MANAGER

No additional comments.

ITEM 7 –CONSENT AGENDA

- a. Approval of Meeting Minutes – Executive Committee Meeting Held August 20, 2026 and ARP Telephonic Rate Workshop Held August 12, 2026
- b. Approval of Treasury Reports – As of July 31, 2026
- c. Approval of the Agency and All-Requirements Project Financials as of July 31, 2026
- d. ARP 12-month Capacity Reserve Margin Report

MOTION: Drew Mullins, Starke, moved approval of the Consent Agenda as presented. Allen Putnam, Jacksonville Beach, seconded the motion. Motion carried 12-0.

ITEM 8 – ACTION ITEMS:

a. Approval of FY 2027 Goals

Jacob Williams presented the FY 2027 goals.

MOTION: Allen Putnam, Jacksonville Beach, moved to approve the FY 2027 Goals as presented. Doug Peebles, Ocala, seconded the motion. Motion carried 12-0.

b. Approval of the CY 2027 Meeting Schedule.

Jacob Williams presented the CY 2027 meeting schedule.

MOTION: Allen Putnam, Jacksonville Beach, moved approval of the CY 2027 meeting schedule as presented. Drew Mullins, Starke, seconded the motion. Motion carried 12-0.

c. Approval of the Diesel Fuel Policy Requests.

Ken Rutter presented the Diesel Fuel Policy Requests.

MOTION: Drew Mullins, Starke, moved to approve the Fuel Management Policy waivers

- Staff must maintain 14-day operation inventory at Stock Island through the remainder of the 2026 hurricane season and will target replenishment of fuel inventory to the 17-day operation inventory requirement prior to the 2027 hurricane season
- Staff will replenish TCEC to the 48-hour inventory level no later than 12/15/2026

Allen Putnam, Jacksonville Beach, seconded the motion. Motion carried 12-0.

Discussion ensued.

MOTION: Drew Mullins, Starke, moved to approve the proposed Fuel Management Policy changes outlined in this presentation to the minimum 48-hour requirement for Treasure Coast Energy Center and Cane Island dual fuel units. Allen Putnam, Jacksonville Beach, seconded the motion. Motion carried 12-0.

d. Approval of FGT Pipeline Expansion Project.

Rich Popp presented the FGT pipeline expansion project.

MOTION: Jason Terry, Kissimmee, moved to approve two additional agreements for 20,000 MMBtu/Day of natural gas capacity from FGT Zone 3 point to Carthage point. Allow the CEO and Chief Legal Counsel to sign off on the specific agreement due to confidentiality. Allen Putnam, Jacksonville Beach, seconded the motion. Motion carried 12-0.

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

John Bradley presented the Natural Gas Stability Update.

MOTION: Drew Mullins, Starke, moved to approve new seasonal natural gas prices through October 2029 as presented. Doug Peebles, Ocala, seconded the motion. Motion carried 12-0.

f. Approval of Resolution 2026-EC7 – FY 2026 Budget Amendment for All-Requirements Power Supply Project.

Denise Fuentes presented the FY 2026 Budget Amendment for All- Requirements Power Supply Project.

RESOLUTION OF THE EXECUTIVE COMMITTEE OF THE
FLORIDA MUNICIPAL POWER AGENCY: (I) AMENDING THE
ALL-REQUIREMENTS POWER SUPPLY PROJECT BUDGET
FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2025, AND
ENDING SEPTEMBER 30, 2026; (II) ADOPTING THE AMENDED
BUDGET FOR THE ALL-REQUIREMENTS POWER SUPPLY
PROJECT FOR THE FISCAL YEAR BEGINNING OCTOBER 1,
2025, AND ENDING SEPTEMBER 30, 2026; AND (III) PROVIDING
AN EFFECTIVE DATE.

MOTION: Allen Putnam, Jacksonville Beach, moved approval of Resolution 2026-EC7. Drew Mullins, Starke, seconded the motion. Motion carried 12-0.

g. Approval of ARP Procurement Policy Changes.

Ken Rutter presented the ARP Procurement Policy Change.

MOTION: Allen Putnam, Jacksonville Beach, moved to approve the proposed Procurement Policy changes outlined in this presentation. Drew Mullins, Starke, seconded the motion. Motion carried 12-0.

ITEM 9 – INFORMATION ITEMS:

a. Quarterly HR Update*

Sharon Adams presented the quarterly HR update at the Board of Directors meeting.

No additional comments.

b. Quarterly Compliance Update*

Dan O’Hagan and Wallace Whiting IV presented the quarterly compliance update at the Board of Directors meeting.

No further discussion.

ITEM 10 – Member Comments

None.

ITEM 11 – Adjournment

There being no further business, the meeting was adjourned at 11:37a.m.

Javier Cisneros
Chairman, Executive Committee

Sue Utley
Assistant Secretary

Approved: _____

Seal

PUBLIC NOTICE SENT TO CLERKS..... September 08, 2026
AGENDA PACKAGES SENT TO MEMBERS September 15, 2026

**MINUTES
EXECUTIVE COMMITTEE
ALL-REQUIREMENTS POWER SUPPLY PROJECT
TELEPHONIC RATES MEETING
TUESDAY, SEPTEMBER 15, 2026
FLORIDA MUNICIPAL POWER AGENCY
8553 COMMODITY CIRCLE
ORLANDO, FLORIDA 32819**

COMMITTEE MEMBERS PRESENT VIA TELEPHONE

Lynne Mila, Clewiston
Robert C. Page, Green Cove Springs
Leigh Davis, Havana
Allen Putnam, Jacksonville Beach
Ashlie Gosset, Jacksonville Beach
Lynne Tejeda, Key West
Jason Terry, Kissimmee
Aaron Haderle, Kissimmee
Kevin Crawford, Kissimmee
Brad Chase, Leesburg
Marie Carter, Leesburg
Rance Green, Newberry
Jordan Marlowe, Newberry
Marie Brooks, Ocala
Doug Peebles, Ocala

STAFF PRESENT

Jacob Williams, General Manager and CEO
Jody Finklea, General Counsel and Chief Legal Officer
Rich Popp, Chief Financial Officer
Ken Rutter, Chief Operating Officer
Sue Utley, Executive Assistant to the CEO and Assist Sec to the BOD
Lindsay Jack, Executive Assistant Support Coordinator
Jason Wolfe, Financial Planning, Rates and Budget Director
Denise Fuentes, Budget and Financial Analyst III
John Bradley Business Development Analyst

Item 1 – Call to Order and Roll Call

Bob Page, Green Cove Springs, called the Executive Committee All-Requirements Telephonic Rate Workshop to order at 2:00 p.m. on Tuesday, September 15, 2026, 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 - Public Comments

None.

Item 3 - Review of August ARP Rate Calculation

Rich Popp discussed a few topics.

- This being the first month of the new budget cycle. The big change noted is the shape of how the sales will flow out. A verbal comparison between this budget and last budget was provided.
- The impact of the decision to return the \$14 million in excess demand revenues over an entire year vs. the \$14 million returned to members under a one-month process. This impact is about a \$20 MWh reduction in September's rate and then over the next five months about a \$5 adder. However, net, we are indifferent. We are now collecting the return of this reduction in cash in a shorter period.
- Term "delivered basis" is the price to get the natural gas to our power plants. This is the "all in cost" of doing so.

Jason Wolfe gave an update on the August natural gas markets, provided an overview of the August loads, and reviewed the August ARP rate calculation.

Item 4 – Member Comments

None.

Item 5 - Adjournment

There being no further business, the meeting was adjourned at 2:19 p.m.

Approved

LT/lj

**AGENDA ITEM 7 – CONSENT
AGENDA**

**b. Approval of Treasury Reports as
of August 31, 2026**

**Executive Committee
October 15, 2026**



AGENDA PACKAGE MEMORANDUM

TO: FMPA Executive Committee
FROM: Patrick Grogan
DATE: October 8, 2026
ITEM: EC 7(b) – Approval of the All-Requirements Project Treasury Reports as of August 31, 2026

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

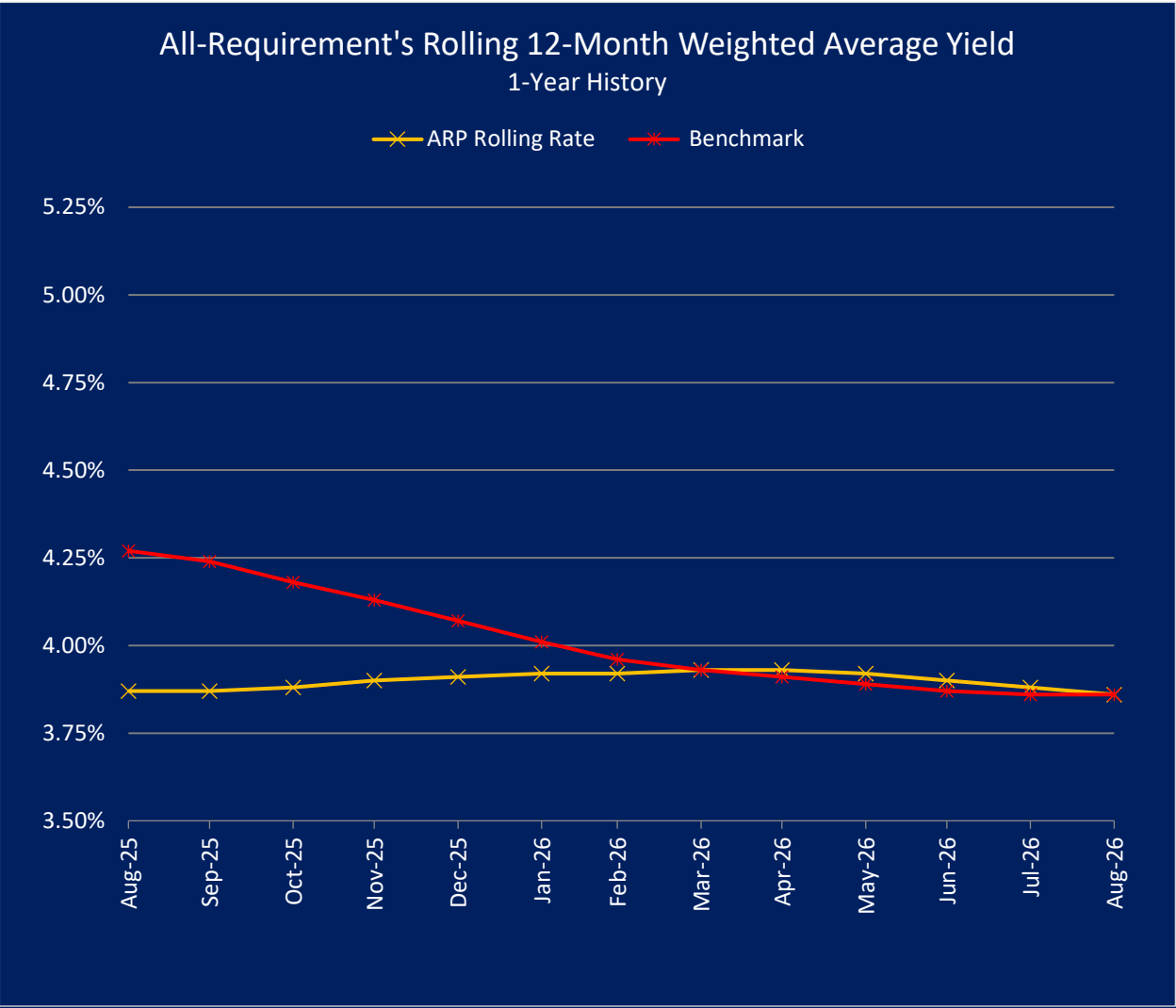
Debt Discussion

As of August 31, 2026, the All-Requirements Project has \$697,460,000 of fixed-rate debt outstanding. Following the closing of the Series 2026A and 2026B Bonds on August 13, 2026, the Project's variable-rate line of credit exposure was eliminated, and the debt portfolio is now 100% fixed rate. The estimated debt interest funding for fiscal year 2026 is \$24,521,433.

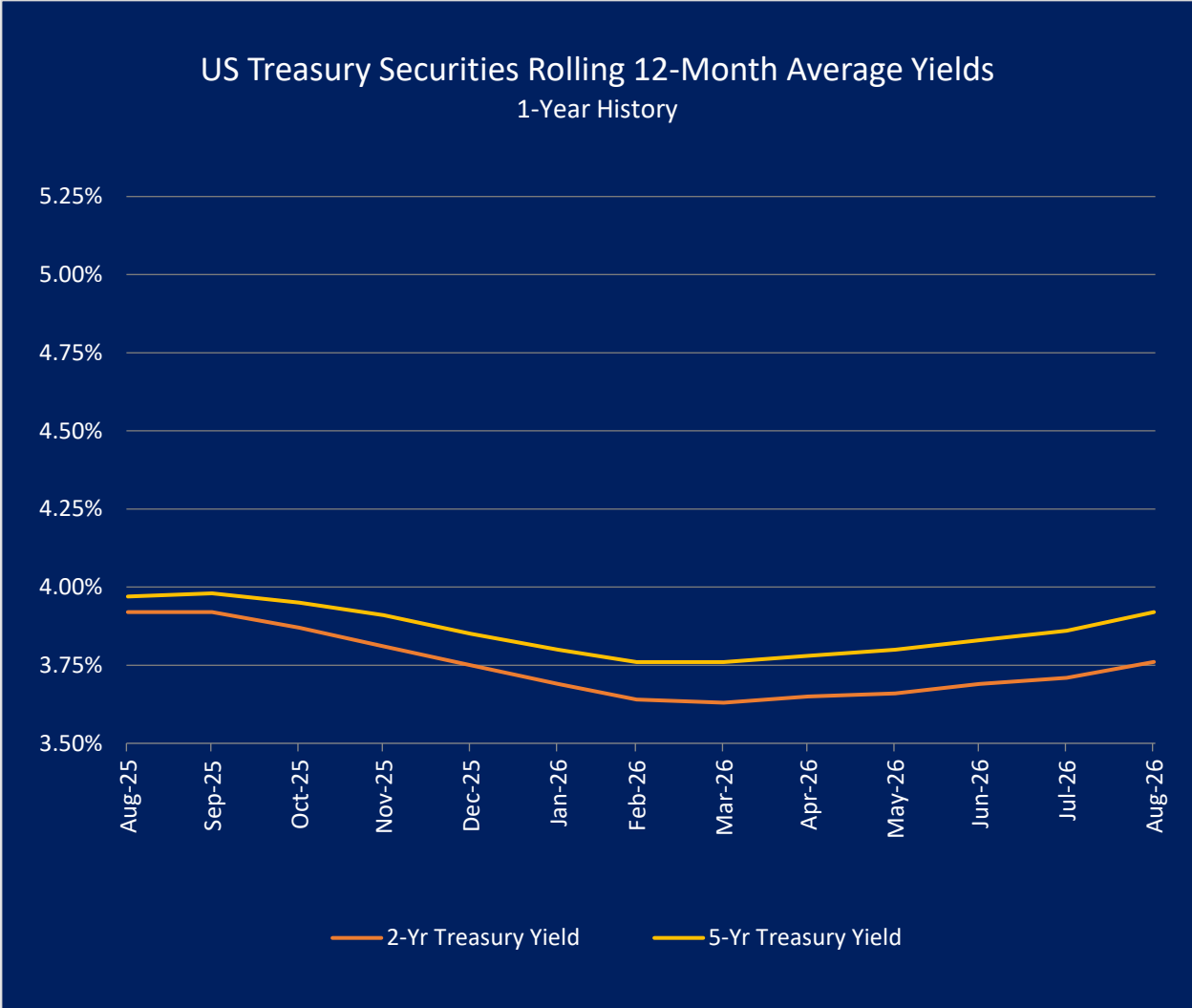
Investment Discussion

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 August 31, 2026, the All-Requirements Project investment portfolio had a rolling 12-month weighted average yield of 3.86%. This reflects a small pickup in reinvestment into higher-yielding 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 August 31, 2026, of 3.76%. The yellow line is the 5-year Treasury rolling 12-month average yield which was 3.92%.



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

Recommended
Motion

Move for approval of the Treasury Reports for August 31, 2026.

**AGENDA ITEM 7 – CONSENT
AGENDA**

- c. Approval of the Agency and All-
Requirements Project Financials
as of August 31, 2026**

**Executive Committee
October 15, 2026**



Rich Popp
Chief Financial Officer

AGENDA PACKAGE MEMORANDUM

TO: FMPA Executive Committee
FROM: Rich Popp
DATE: October 08, 2026
SUBJECT: EC 7c– Approval of the Agency and All Requirements Project Financials as of the period ended August 31, 2026

Discussion: The summary and detailed financial statements, which include GASB #62 transactions of the Agency and All Requirements Project for the period ended August 31, 2026, 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 August 31, 2026.

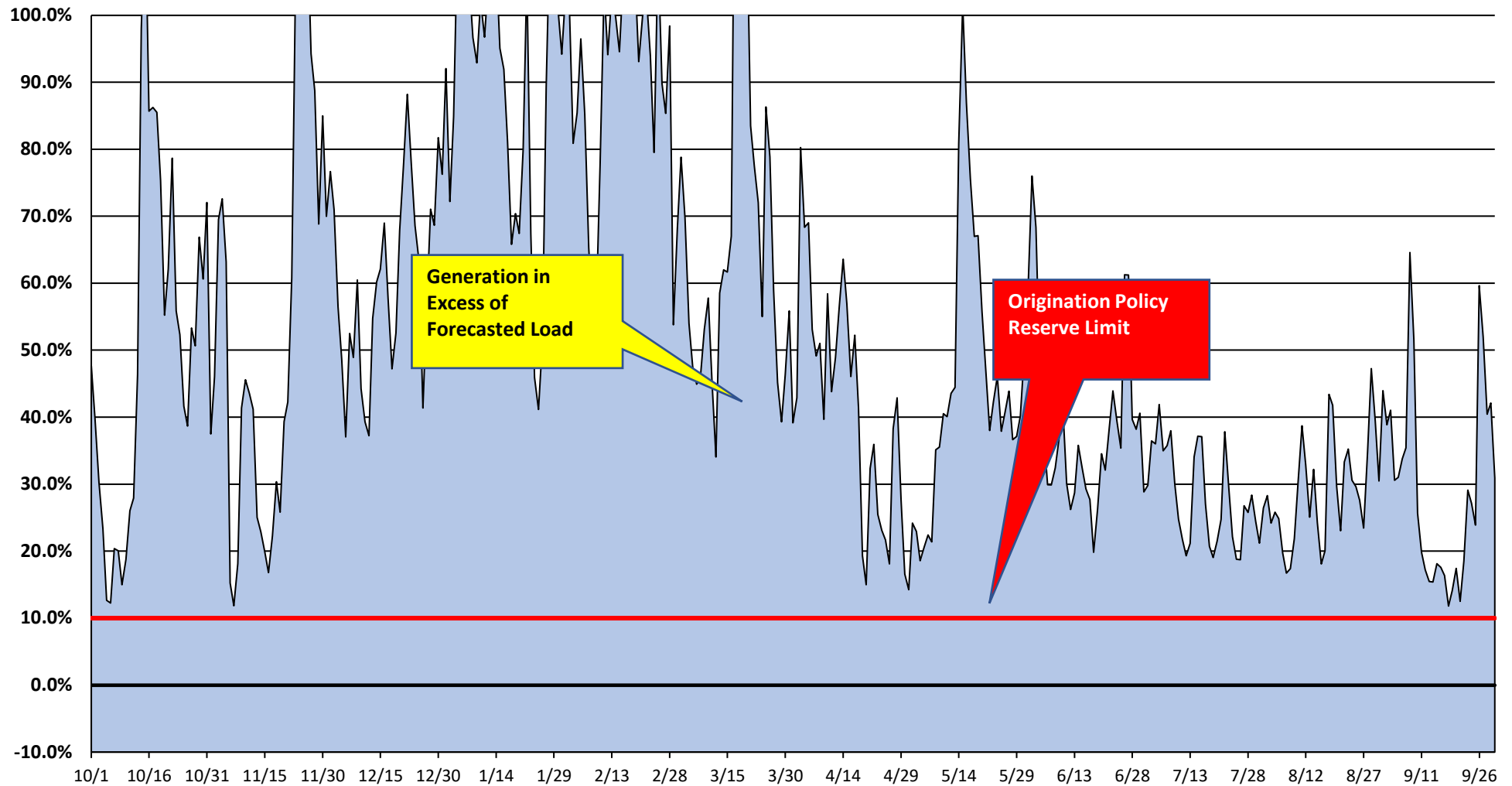
RP/GF

**AGENDA ITEM 7 – CONSENT
AGENDA**

**d. ARP 12-month Capacity Reserve
Margin Report**

**Executive Committee
October 15, 2026**

ARP Daily Reserve Margins October 2026 through September 2027



AGENDA ITEM 8 – ACTION ITEMS

- a. Approval of Bartow Energy Gas
Lateral with Gulfstream Gas
Capacity Agreements**

**Executive Committee
October 15, 2026**



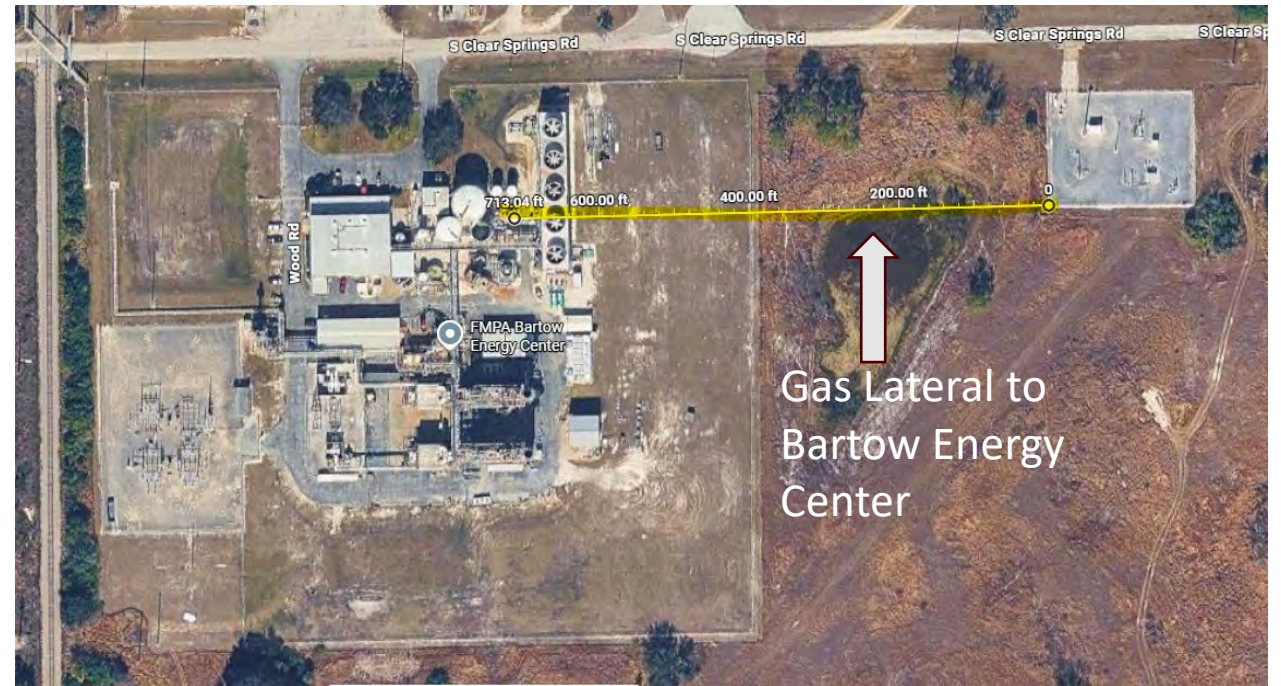
8a - Approval of Bartow Energy Gas Lateral with Gulfstream Gas Capacity Agreements

Executive Committee

October 15, 2026

Bartow Energy Center Gas Supply via 3rd Party Lateral *Supply Agreement Ended When FMPA Took Ownership*

- Chesapeake Utilities owns and operates the gas line (lateral) supplying gas to Bartow Energy Center.
 - Northern Star agreement ended on day of ownership transfer
 - We have been unable to negotiate a fair cost of service
 - Operating under a verbal extension of Northern Star agreement
 - **FMPA cannot continue without a long-term agreement**



Revised Offer More In-line with Lateral Value

Offer Is More Than Prior Agreement, Less Than Original Offer

- Chesapeake's Offers Since FMPA Ownership
 - Original offer: \$500k per year with annual escalation
 - Revised offer: \$350k per year with annual escalation
 - Prior agreement: \$155k per year with annual escalation
 - Tariff rate: \$4.4 million per year
- Alternative to Chesapeake's lateral is to build our own lateral with a connection station: estimate \$10-12 million, \$800k-\$1,000k per year

Gulfstream Gas Capacity Packaged with Lateral

Offered 5k p/d of Capacity, Able to Serve BEC or Cane Island

- Chesapeake needs FMPA to take gas capacity, so there is evidence FMPA is a customer
 - Gulfstream capacity offered at full tariff rate, \$1.3M per year
- Gulfstream is higher pressure and offers operational benefits when FGT's pressure is low
- Gulfstream capacity can be delivered to either Bartow or Cane Island
- Bartow's max gas burn day volume: 19,517 MMBtu, May 11
 - Current Firm gas capacity via FGT: 10k p/d

Summary of Chesapeake's Offer

Agreement to Continue to Operate Bartow Energy Center

- Bartow Lateral Agreement
 - Term: Seven years with one five-year extension
 - Cost: \$350k per year, ~\$2.7M for seven years
- Gulfstream Capacity Agreement
 - Term: Seven years with one five-year extension
 - Cost: \$1.3M per year, \$9.1M for seven years
- Total seven-year cost obligation: \$11.8 million or \$1.27 per kW-month

Motion to Approve

- Approve the two attached agreements, the Contract Transportation Service Agreement and the Gulfstream Pipeline Capacity Release Agreement.

**FLORIDA PUBLIC UTILITIES COMPANY
CONTRACT TRANSPORTATION SERVICE AGREEMENT**

This Contract Transportation Service Agreement (the "Agreement") is entered into this _____ day of _____, 20_____, by and between Florida Public Utilities Company, a Florida corporation (hereinafter referred to as "Company" or "FPU") and:

Company Name: Florida Municipal Power Agency (hereinafter "FMPA," or "Customer," or "Shipper")

Account Number: _____

Contact Person & Title: _____

Mailing Address: _____

Telephone Number: _____

E-mail Address: _____

FPU and FMPA may be referred to herein individually as a "Party" and collectively as the "Parties."

WITNESSETH:

WHEREAS, the Company distributes natural gas in Florida and currently provides distribution service within the area where Shipper's Polk County generation facilities are located; and

WHEREAS, Shipper has requested that the Company receive from Upstream Transporter certain quantities of Gas for Shipper's account, transport such quantities on Company's distribution system, and redeliver same to Shipper's generation facilities located in Polk County, Florida, and Company agrees to provide such service in accordance with the terms and conditions hereof and in Company's Natural Gas Tariff on file with the Florida Public Service Commission ("FPSC"), as may be amended from time to time ("Company's Tariff"); and

WHEREAS, the Company, previously d/b/a Central Florida Gas Company and the Shipper, previously d/b/a Orange Cogen Ltd., previously entered into that certain Gas Transportation Service Agreement dated July 12, 1994, as amended by that certain Amendment dated November 1, 1998 and that certain Letter Agreement dated July 15, 2010 (as amended, the "Prior Agreement"); and

WHEREAS, Company and FMPA desire to replace the Prior Agreement in its entirety to reflect their current understanding and agreement regarding the subject matter hereof and thereof; and

WHEREAS, the Parties agree and acknowledge that the availability and provision of firm transportation service to Shipper pursuant to a negotiated rate is a material inducement to Shipper to enter into and perform this Agreement, and that Shipper would not enter into this Agreement without the negotiated rate provisions hereof making transportation service available to Shipper pursuant to the aforementioned negotiated rate; and

WHEREAS, Customer has demonstrated Customer's bypass capabilities and has provided Company with a fully executed CTS Affidavit Form from Company's Tariff.

NOW, THEREFORE, in consideration of the premises and mutual covenants and agreements herein contained, the parties agree as follows:

ARTICLE I
TERM

- 1.1 Subject to all other provisions, conditions, and limitations hereof, this Agreement shall be effective on, and shall continue in full force and effect for the term defined in Exhibit A.

ARTICLE II
Duly Constituted Authorities

- 2.1 The terms and conditions of this Agreement are subject to changes as may be lawfully required or permitted by the Florida Public Service Commission ("FPSC"). The applicable rates of this Agreement are described herein. If the Company's FPSC Tariff and provisions within this Agreement conflict, the provisions in this Agreement will prevail, in the absence of an FPSC Order to the contrary.
- 2.2 All terms and conditions set forth in the Company's FPSC Tariff are incorporated herein by reference. All services are subject to the Rules and Regulations of Company's FPSC Tariff and more specifically by the conditions contained in the Company's CTS Rate Schedule. Copies of Company's FPSC Tariff are available for public reference on Company's website. Capitalized terms used but not defined herein shall have the definitions given to them in Company's Tariff.

ARTICLE III
Type of Service

- 3.1 The service contemplated hereunder is of an Industrial or commercial character and Company does not guarantee it to be free from interruption or that the chemical composition or specific gravity of the Gas delivered may not vary from time to time. The Customer agrees to provide and maintain suitable safety and control equipment on Customer's facilities and equipment and to use only equipment of a character to ensure safe utilization of Gas sold or delivered hereunder. In the event that the supply of Gas is interrupted by any cause, Company shall not be held liable for damages on account of such interruption or any consequences resulting there from or from the restoration of service thereafter.

ARTICLE IV
Full Requirements

- 4.1 Customer agrees Customer shall transport all of their natural gas quantity requirements for the facility located at 1901 Clear Spring Road Bartow, Florida 33830 through Company's distribution system.

ARTICLE V
Responsibility and Liability

- 5.1 The Company and Customer do respectively assume full liability for the maintenance and

operation of facilities operated by each party. Each party shall indemnify and save harmless the other from any and all loss or damage sustained, and from any and all liability including injury to persons and property insured, arising from any act or accident in connection with the installation, presence, maintenance and operation of facilities operated by the indemnifying party unless the same shall be due to the sole negligence of the other party, its agents, employees, contractors, guests or invitees.

ARTICLE VI

Notices

- 6.1 All correspondence and notices required under this Agreement, except notice of Gas supply interruption or restoration of service are to be addressed at the above listed address or e-mail address and to Company at Florida Public Utilities Company, Energy Logistics Department PO Box 960, Winter Haven, Florida 33882. Notices with respect to interruption or restoration of deliveries of Gas shall be sufficient if given by Company, at the Company's option, in writing or orally in person or by telephone to the person or one of the persons designated from time to time by Customer as authorized to receive such notice. If Customer shall not have made such designation or, if made, Company is unsuccessful in its effort promptly to establish communication with the person or one of the persons so designated then in any such event, said notice shall be sufficient if given by Company to any person or persons who are on said premises or who answer Customer's telephone.

ARTICLE VII

Customer Designation of Pool Manager

- 7.1 Customer shall designate a Pool Manager from Company's List of Approved Pool Managers on Company's website.

ARTICLE VIII

Point of Receipt and Point of Delivery

- 8.1 CTS Customers or Customer's Designee will cause Customer's natural Gas to be delivered to Company's Receipt Point as specified in Exhibit A. Customer has requested and Company agrees to receive and transport Customer's natural Gas up to the Customer's Maximum Daily Transportation Quantity "MDTQ" from the Company's Receipt Point to the Company's Delivery Point as specified in Exhibit A.

ARTICLE IX

Rate

- 9.1 The rate to be charged each month for transportation service provided by Company shall be as set forth in Exhibit A to this Agreement, which is incorporated herein by reference and made a part hereof. The rate, as set forth in Exhibit A, has been negotiated between the Parties and includes only Company's delivery charge per month for Gas transported and redelivered under this Agreement and does not include any charges for transportation service by any Upstream Transporter transporting Shipper's Gas prior to delivery to Company at the Receipt Point. The rate provided in

Exhibit A is subject to the continuing jurisdiction of the FPSC and may be adjusted during the term of this Agreement only by Order of the FPSC. Company shall notify Shipper as soon as it receives any notice from FPSC of a proposed rate change.

- 9.2 If, during the term of this Agreement, the Federal Government, or any State, municipality or subdivision of such Government, should increase any present tax or levy any additional tax, relating to the service provided by Company under this Agreement, any such additional tax required by law to be paid by Company shall, in Company's discretion, insofar as such discretion is provided for under applicable law, be separately stated in the bill. If, during the term of this Agreement, the Federal Government, or any State, municipality or subdivision of such Government, should decrease or eliminate any tax relating to the service provided by Company under this Agreement, the reduction in such tax required to be paid by Company shall be separately stated as a reduction in the amount of the bill retroactive to the effective date of such tax reduction.

ARTICLE X

Scheduling and Balancing Provisions

- 10.1 Shipper shall be responsible for nominating quantities of Gas to be delivered by Upstream Transporter to the Receipt Point and delivered by Company to Shipper's Facilities. Shipper shall promptly provide notice to Company of all such nominations. Such notices shall be provided to Company electronically as both parties may agree. Imbalances between quantities (i) scheduled for delivery by the Upstream Transporter to Company and/or delivery by Company to Shipper's Facilities, and (ii) actually delivered by the Upstream Transporter and/or Company hereunder, shall be resolved in accordance with the applicable provisions of Company's FPSC Natural Gas Tariff, as such provisions may be amended from time to time, subject to approval by the FPSC. Company and FMPA recognize the desirability of maintaining a uniform rate of flow of Gas to Shipper's Facility over each 24-hour period and each Day throughout each Month. Therefore, Company agrees to receive from the Upstream Transporter for Shipper's account at the Receipt Point and deliver to Company's Delivery Point up to the MDTQ as described in Exhibit A attached hereto, subject to any restrictions imposed by the Upstream Transporter and to the provisions of Articles V and IX of this Agreement, and Shipper agrees to use reasonable efforts to regulate its deliveries from Company's gas distribution system at a daily rate of flow not to exceed the applicable nomination in place subject to any additional restrictions imposed by the Upstream Transporter or by Company pursuant to Articles V and VI of this Agreement.

ARTICLE XI

Curtailment

- 11.1 This Agreement in all aspects shall be and remain subject to the applicable provisions of the Company's Curtailment Plan, as filed with the FPSC.

ARTICLE XII

Miscellaneous Provisions

- 12.1 (A) No agent or employee of Company has any power to amend or waive any of the provisions of this Agreement or to make any promise or representation contrary to, or inconsistent with, the provisions hereof. (B) This Agreement with portions included by reference constitutes the entire contract between the parties. (C) This Agreement shall not be binding upon Company until approved and accepted on its behalf by one of its executive officers in the space provided below, and thereafter shall bind and benefit the parties hereto, their successors and assigns.

ARTICLE XIII
Assignment

- 13.1 Customer shall not assign this Agreement or any portion hereof, or any of its rights and obligations under this Agreement without the express written permission of the other party.
- 13.2 The headings and captions in this Agreement are for convenience and shall not constitute a part of the Agreement or be considered interpretive of the Agreement.

ARTICLE XIV
Performance

- 14.1 The failure of either Party to insist upon strict performance of any provision of this Agreement shall not constitute a waiver of or estoppel against asserting the right to require such performance in the future, nor shall a waiver or estoppel in any one instance constitute a waiver or estoppel with respect to a later breach of a similar nature or otherwise.

ARTICLE XV
Governmental Agencies

- 15.1 Governmental agencies that are Customers under this Agreement may attach a Rider detailing matters that are required to be included by such agencies pursuant to Florida Law. The Rider is to be prepared at Customer's expense and submitted in duplicate as an attachment to this Agreement.
- 15.2 This Agreement shall be interpreted, construed, and governed by the laws of the State of Florida, without regard to principles of conflict of law.

ARTICLE XVI
Settlement of Disputes

- 16.1 The parties desire to resolve disputes arising out of this Agreement without litigation. Accordingly, except for any 1) dispute which is subject to the exclusive jurisdiction of the Florida Public Service Commission, 2) action seeking a restraining order or an injunction related to the purposes of the Agreement, and 3) suit to compel compliance with this dispute resolution process, the parties agree to use the following dispute resolution procedure as their sole remedy with respect to any controversy or claim arising out of or relating to this Agreement or its breach.

- 16.2 At the written request of a party, each party will appoint a knowledgeable, responsible representative to meet and negotiate in good faith to resolve any dispute arising under this Agreement. The parties intend that these negotiations be conducted by non-lawyer, business representatives. The location, format, frequency, duration, and conclusion of these discussions shall be left to the discretion of the representatives. Upon agreement, the representatives may utilize other alternative dispute resolution procedures such as mediation to assist in the negotiations. Discussions and correspondence among the representatives for purposes of these negotiations shall be treated as confidential information developed for the purposes of settlement, exempt from discovery and production, which shall not be admissible in the arbitration described below or in any lawsuit without the concurrence of all parties. Documents identified in or provided with such communications, which are not prepared for purposes of the negotiations, are not so exempted and may, if otherwise admissible, be admitted in evidence in the arbitration or lawsuit.
- 16.3 If the negotiations do not resolve the dispute within sixty (60) days of the initial written request, the dispute shall be submitted to binding arbitration by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association. A party may demand such arbitration in accordance with the procedures set out in those rules. Discovery shall be controlled by the arbitrator and shall be permitted to the extent set out in this section. Each party may submit in writing to a party, and that party shall so respond to, a maximum of thirty-five (35) (none of which may have subparts) of the following: interrogatories, demands to produce documents, or requests for admission. Each party is also entitled to take the oral deposition of one individual of another party. Additional discovery may be permitted upon mutual agreement of the parties. The arbitration hearing shall be commenced within sixty (60) days of the demand for arbitration. The arbitration shall be held in West Palm Beach, Florida for West Palm Beach Customers and in Debary, Florida for Mid-Florida Customers. The arbitrator shall control the scheduling so as to process the matter expeditiously. The parties may submit written briefs. The arbitrator shall rule on the dispute by issuing a written opinion within thirty (30) days after the close of hearings. The times specified in this section may be extended upon mutual agreement of the parties or by the arbitrator upon a showing of good cause. Judgement upon the award rendered by the arbitrator may be entered in any court having jurisdiction.
- 16.4 Each party shall bear its own costs of these procedures. A party seeking discovery shall reimburse the responding party the costs of production of documents (including search time and reproduction costs). The parties shall equally split the fees of the arbitration and the arbitrator.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be duly executed the day and year first written above.

SIGNATURE PAGE FOLLOWS

Florida Public Utilities Company

BY: _____

NAME: _____

TITLE: _____

DATE: _____

Attest:

BY:

NAME:

TITLE:

Florida Municipal Power Agency

BY: _____

NAME: _____

TITLE: _____

DATE: _____

Attest:

BY:

NAME:

TITLE:

EXHIBIT A

TO THE CONTRACT TRANSPORTATION SERVICE AGREEMENT BY AND BETWEEN FLORIDA PUBLIC UTILITIES COMPANY AND FLORIDA MUNICIPAL POWER AGENCY

Primary Term: 7 years starting [November 1, 2026].

Extension Term: FMPA may elect to extend the term of the Agreement for an additional 5 years upon 1 year prior written notice to FPUC.

COMPANY'S RECEIPT POINT

Customer shall deliver natural Gas to Company at:

Receipt Points: FGT Location Number 60923 & Gulfstream Location Number 8205217

Maximum Daily Transportation Quantity: 20,976 Dekatherms

Maximum Hourly Transportation Quantity: 879 Dekatherms

COMPANY'S DELIVERY POINT

Company shall deliver natural Gas to Customer at Company owned Meter located at:

Delivery Point: CUC Orange

Reservation Rate: \$29,166.67 per month escalating at 3% per for each year during the Primary Term and extension term.

Alternate Delivery: FMPA may deliver up to 50% of the Orange MDQ (20,976 x 0.5) from the Receipt Points to CUC Mulberry Cogen on an as available basis. Company shall use Commercially Reasonable Efforts to confirm an FMPA request to schedule Gas to Mulberry provided FMPA provides reasonable advance written notice and all information reasonably required by Company to review, evaluate, and confirm the requested nomination or delivery.

“Commercially Reasonable Efforts” means efforts designed to enable the Party to accomplish such objectives that are reasonable, diligent, good faith efforts as such Party would normally use to accomplish a similar objective as expeditiously as reasonably possible under similar circumstances exercising reasonable business judgement, including the exertion of efforts and utilization of resources that would be used by such Party in support of its own business.

CTS AFFIDAVIT FORM

To: Florida Public Utilities Company
 Attn: Energy Logistics Department
 208 Wildlight Avenue
 Yulee, FL 32097

From: Company Name: _____
Address: _____
Contact: _____
Telephone: _____
Service Address: _____
Receiving Offer: _____

Alternate Fuel Offer

Fuel Supplier: _____
 Fuel Type: _____
 Quantity: _____
 Term: _____
 Price per Unit: _____
 Taxes: _____
 Fuel Delivery Cost: _____
 Offer Expires: _____

Third Party Natural Gas Costs

Gas Supplier: _____
 Gas Supply Cost (Total): _____

Bypass Alternative

Distance from Interstate Pipeline: _____
 Construction Cost: _____
 Payback (Years): _____
 Quantity (Annual Therms): _____
 Bypass Avoidance Rate (per Therm): _____

As an Authorized Representative of _____, I hereby certify that the foregoing information is true, complete and correct, and that the Company has the capability to either utilize the designated Alternate Fuel in the quantities specified or bypass the Chesapeake Utilities Company, Florida Division at the above referenced facility. A copy of the Alternate Fuel Offer and the Third-Party Natural Gas Costs or the detailed Construction Costs is attached as evidence of the bona fide offer from the Alternate Fuel provider and the natural Gas costs from the third-party provider or a copy of the detailed Construction Costs is attached as evidence of the bona fide opportunity to bypass.

CTS AFFIDAVIT FORM - CONTINUED

I further certify that _____ will terminate Gas Service from the Utility on _____ unless the total price for gas service is adjusted, as provided in the Company's rate schedule rider CTS, to compete with the Alternate Fuel price or bypass price as indicated above.

Customer Name: _____

Name: _____

Title: _____

STATE OF: _____

COUNTY OF: _____

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by

_____.

_____, a _____ Corporation, who (strike

one) is personally known to me / produced _____ as identification, on behalf of said Corporation.

(NOTARY SEAL)

Notary Public Signature

Typed / Printed Notary Name

Commission No: _____

My Commission Expires: _____

PIPELINE CAPACITY RELEASE AGREEMENT

This Pipeline Capacity Release Agreement (this “Agreement”) is made and entered into this ____ day of _____, 20__ (the “Effective Date”), by and between **Florida Public Utilities Company**, a Florida corporation (“FPUC”), and Florida Municipal Power Agency (“Acquiring Party”).

RECITALS

WHEREAS, FPUC and Gulfstream Natural Gas Company (“Gulfstream”) are parties to a Firm Transportation Service Agreement (“Gulfstream FTS Agreement”) whereby FPUC holds certain rights (“Firm Transportation Capacity Rights”) to use of natural gas transportation capacity in the interstate natural gas pipeline system owned and operated by Gulfstream; and

WHEREAS, the continuing effectiveness of the Gulfstream FTS Agreement or a successor agreement thereto is a condition precedent to FPUC’s obligations hereunder in the manner set forth herein; and

WHEREAS, Gulfstream’s FERC Tariff (as hereinafter defined) contains a program providing for the release of rights to firm transportation service on Gulfstream’s interstate pipeline system; and

WHEREAS, FPUC desires to release temporarily to Acquiring Party a portion of FPUC’s Firm Transportation Capacity Rights under the Gulfstream FTS Agreement in order to permit Acquiring Party, among other things, to ship Gas purchased from various suppliers to Gulfstream Delivery Point(s) on FPUC’s distribution system; and

WHEREAS, FPUC and Acquiring Party desire to set forth the rights and obligations of the parties pertaining to, and the terms and conditions of, the release of such Firm Transportation Capacity Rights.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein set forth, the parties hereto, intending to be legally bound, hereby agree as follows:

ARTICLE I **DEFINITION OF TERMS**

Section 1.1 Definitions. For purposes of this Agreement, except where another meaning is expressly stated, the following capitalized words and phrases shall have the following meanings:

“Agreement” shall have the meaning set forth above.

“Btu” means British thermal units.

“Business Day” means Monday through Friday excluding days on which the banks in the State of Florida are closed.

“Capacity Path” means the linear pipeline on the Gulfstream pipeline system and all points between the primary receipt point and primary delivery point set forth in Exhibit A.

“Capacity Release” means the temporary release and transfer of certain quantities of capacity by FPUC on a prearranged basis in accordance with the capacity release and assignment provisions of Gulfstream’s FERC Tariff or as otherwise permitted by FERC.

“Day” means “Delivery Gas Day” as defined in Gulfstream’s FERC Tariff.

“Dth” means the thermal equivalent of 1,000 cubic feet of gas with a heat content of 1,000 Btus per cubic foot.

“FERC” means the Federal Energy Regulatory Commission or any governmental body or agency which is its successor.

“FPSC” means the Florida Public Service Commission or any governmental body or agency which is its successor.

“FPUC” has the meaning set forth in the Recitals above.

“FPUC’s FPSC Tariff” means FPUC’s natural gas tariff as approved by the FPSC and in effect from time to time during the term of this Agreement.

“Gulfstream” means Gulfstream Natural Gas Company.

“Gulfstream’s FERC Tariff” means Gulfstream’s natural gas tariff as approved by FERC and in effect from time to time during the term of this Agreement.

“Force Majeure” has the meaning set forth in Section 6.1 herein.

“FT Capacity” means the right to require Gulfstream to transport a certain quantity of natural gas in accordance with the Service Agreement under the FTS Rate Schedule of Gulfstream’s FERC Tariff.

“In-Service Date” means the date on which the Released Capacity is first made available to Acquiring Party pursuant to the Replacement Service Agreement(s).

“MDQ” means maximum daily transportation quantity of FT Capacity.

“Party” means FPUC or Acquiring Party, according to the context.

“Parties” means both FPUC and Acquiring Party.

“Released Capacity” means the MDQ of FT Capacity which FPUC agrees to temporarily transfer and relinquish and Acquiring Party agrees to temporarily acquire pursuant to this Agreement. The quantity of Released Capacity will be specified on Exhibit A.

“Release Rate” means the daily reservation charge under the Capacity Release including all current and future applicable surcharges specified in Exhibit A.

“Relinquishment Notice” means the notice of the prearranged release of the Released Capacity as contemplated under this Agreement which FPUC is required to give to Gulfstream pursuant to this Agreement and the capacity release provisions of Gulfstream’s FERC Tariff.

“Replacement Service Agreement” means an agreement entered into between Acquiring Party and Gulfstream with respect to Released Capacity acquired from FPUC pursuant to this Agreement.

“Service Agreement” means the agreement between Gulfstream and FPUC pursuant to which FPUC will hold FT Capacity on Gulfstream under its FTS Rate.

Section 1.2 Usage. The words “hereof”, “herein”, “hereunder” and words of similar import when used in this Agreement refer to the Agreement as a whole and not to any particular provision of this Agreement, and the words “Article”, “Section”, “Exhibit” and like references followed by a number and/or letter designation refer to such portions of this Agreement unless otherwise specified. Each exhibit attached hereto is made a part hereof for all purposes. Unless otherwise defined or required by the context in which used, words or phrases defined under Section 1.1 hereof shall have such defined meanings when used in each notice or other communication delivered or given from time to time under or in connection with this Agreement.

ARTICLE II

CONDITIONS TO PARTIES’ OBLIGATIONS

Section 2.1 Conditions to FPUC’s Obligations. FPUC may in its sole discretion, but acting in good faith, terminate this Agreement without any liability to Acquiring Party if any of the following conditions have not been satisfied by the date specified with respect thereto:

(a) All representations and warranties of Acquiring Party set out in Section 5.2 shall be true at and as of the date of execution hereof and on and as of the date Acquiring Party executes the Replacement Service Agreement(s) conforming to the terms and conditions of this Agreement.

(b) Acquiring Party shall have executed the Replacement Service Agreement(s) for all of the Released Capacity conforming to the terms and provisions of this Agreement within the time period required under Gulfstream's FERC Tariff after Gulfstream submits such conforming Replacement Service Agreement(s) to Acquiring Party in response to the Relinquishment Notice.

Section 2.2 Conditions to Acquiring Party's Obligations. Acquiring Party may in its sole discretion, but acting in good faith, terminate this Agreement without liability to FPUC if any of the following conditions have not been satisfied by the date specified with respect thereto:

(a) All representations and warranties of FPUC set out in Section 5.1 shall be true at and as of the date of execution hereof and on and as of the date Acquiring Party receives from Gulfstream the Replacement Service Agreement(s) conforming to the terms and conditions of this Agreement.

(b) Gulfstream shall have submitted to Acquiring Party for execution Replacement Service Agreement(s) in conformance with the General Terms and Conditions of Gulfstream's FERC Tariff.

ARTICLE III

CAPACITY RELEASE

Section 3.1 Terms of Capacity Release. Subject to the capacity release provisions of Gulfstream's FERC Tariff, FPUC agrees to temporarily transfer and relinquish to Acquiring Party FPUC's right, title and interest in the Released Capacity under the Service Agreement which is specifically described on the basis of the MDQs and receipt and delivery points set out in Exhibit A to this Agreement, at the Release Rate, and Acquiring Party agrees to temporarily acquire the Released Capacity under the Service Agreement, for a period commencing on the In-Service Date through the date defined in Exhibit A (hereinafter referred to as the "Prearranged Capacity Release transaction"). Subsequent to the release of the Pipeline Capacity by FPUC to the Acquiring Party as provided for herein, FPUC may temporarily recall Capacity from Acquiring Party or Acquiring Party's agent if FPUC determines in its reasonable judgment that such temporary recall is required pursuant to the effective FPUC's FPSC Tariff.

Section 3.2 Change of Receipt and/or Delivery Points. After the execution of a Replacement Service Agreement for the Released Capacity, Acquiring Party shall not request that Gulfstream make changes to the primary receipt points and primary delivery points for the Released Capacity, without FPUC's prior written consent.

Section 3.3 Process for Capacity Release. Subject to the terms of this Agreement, FPUC shall submit to Gulfstream a Relinquishment Notice for the Prearranged Capacity

Release transaction in conformance with the General Terms and Conditions of Gulfstream's FERC Tariff. Such Relinquishment Notice shall offer to relinquish temporarily, as a prearranged transaction, at the Release Rate, and on the terms set forth in and for the term of this Agreement, the Released Capacity.

Section 3.4 Ongoing Rights and Responsibilities With Respect to the FT Capacity and Released Capacity.

(a) Acquiring Party shall have sole responsibility for complying with (i) all provisions of the Replacement Service Agreement, and (ii) the applicable provisions of Gulfstream's FERC Tariff. Acquiring Party agrees to make all payments to Gulfstream required by the Replacement Service Agreement, Gulfstream's FERC Tariff, or under any applicable FERC rule or order, within the time and in the manner provided in such agreement, tariff, rule or order.

(b) Subsequent to the Effective Date of this Agreement, FPUC shall not seek or consent to any amendment or modification of the Service Agreement that would impair Acquiring Party's ability to use the Capacity Path, without the prior written consent of Acquiring Party, which shall not be unreasonably withheld or delayed.

(c) During the term of this Agreement, so long as Acquiring Party is not in default in the performance of its obligations under this Agreement, FPUC shall be obligated to abide by the terms of the Service Agreement and take such actions as are necessary to ensure FPUC is able to perform its obligations under this Agreement.

(d) Subsequent to any release of the Gulfstream Capacity by FPUC to Acquiring Party as provided for herein, Acquiring Party shall not, during the term of this Agreement, release the Gulfstream Capacity (or any portion thereof) unless the term of such release ends on or before the end of the Term pursuant to this agreement. and unless such release, in a manner permitted Gulfstream's FERC Tariff and/or applicable FERC regulations, prohibits the re-release of the portion of the Gulfstream Capacity so released by Acquiring Party. Subject to the foregoing provisions of this paragraph, Acquiring Party may release portions of the Gulfstream Capacity to a supplier or asset manager of Acquiring Party for use in obtaining the delivery of Gas to be consumed at a facility located on FPUC's gas distribution system, provided Acquiring Party provides a copy of the notice to be posted on Gulfstream's electronic bulletin board not less than ten (10) Days prior to the date such notice will be posted.

Section 3.5 Reallocation of Capacity. After Acquiring Party acquires the Released Capacity pursuant to this Agreement, if Acquiring Party, within 6 (six) months of the Effective Date hereof, determines in its sole discretion that it does not need a portion of the Released Capacity, FPUC agrees to recall up to 50% of such capacity on a permanent basis from Acquiring Party. Such permanent recall to FPUC shall be subject to the terms of Gulfstream's FERC Tariff and FERC regulations, and to the extent waiver of FERC

regulations or Gulfstream's FERC Tariff is required for such recall, the Parties shall cooperate to obtain such waiver.

ARTICLE IV

TERM

Section 4.1 Term. This Agreement shall become effective and the term hereof shall commence on the Effective Date hereof and, unless cancelled or terminated earlier pursuant to some other provision hereof, shall continue until January 31, 2033 ("Term").

Section 4.2 Return to Status Quo. In the event of termination of this Agreement for any reason except an act or omission of FPUC constituting an Event of Default (as defined in this Agreement), Acquiring Party shall, as soon as possible after such termination, take such commercially reasonable steps as may be required to effect the return of the Gulfstream capacity to FPUC. Subsequent to any release of the Gulfstream Capacity pursuant to this Agreement, neither party shall commit any act or omission which is reasonably likely to cause Acquiring Party to be unable to comply with this subsection

ARTICLE V

REPRESENTATIONS AND WARRANTIES

Section 5.1 Representations of FPUC. FPUC represents and warrants to Acquiring Party as follows:

(a) FPUC is a corporation incorporated in Florida and has all requisite power and authority to enter into and perform its obligations under this Agreement.

(b) The execution and delivery of this Agreement and the transactions contemplated hereby have been duly authorized by FPUC. This Agreement constitutes a legal, valid and binding obligation of FPUC, enforceable against it in accordance with its terms, provisions and conditions, subject, however, to applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and except as the enforceability thereof may be limited by applicable general principles of equity (regardless of whether considered in a proceeding in equity or at law).

(c) The execution, delivery and performance by FPUC of this Agreement and the transactions contemplated herein do not (i) violate or constitute a default under any agreement to which FPUC is a party or by which it is bound, which violation or default will have a material and adverse effect on FPUC's ability to perform its obligations hereunder; (ii) violate any existing statute or law or any judgment, decree, order, regulation or rule of any court or governmental authority applicable to FPUC, which violation or default will have a material and adverse effect on FPUC's ability to perform its obligations hereunder; or (iii) under existing law require any consent, approval or authorization of, or designation, declaration or filing with, any governmental authority on the part of FPUC,

except such authorization or filings as FPUC's performance under this Agreement may require in the ordinary course of business.

(d) There are no suits, judicial or administrative actions, proceedings or investigations (including without limitation bankruptcy, reorganization or insolvency actions) pending or, to FPUC's knowledge, threatened that (i) challenge the validity of this Agreement or the transactions contemplated hereby, (ii) seek to restrain or prevent any action taken or to be taken by FPUC in connection with this Agreement, or (iii) if adversely determined, would have a material and adverse effect on FPUC's ability to perform its obligations under this Agreement.

Section 5.2 Representations and Warranties of Acquiring Party. Acquiring Party represents and warrants to FPUC as follows:

(a) Acquiring Party is a Joint Action Agency in the State of Florida and has all requisite power and authority to enter into and perform its obligations under this Agreement.

(b) The execution and delivery of this Agreement and the transactions contemplated hereby have been duly authorized by Acquiring Party. This Agreement constitutes a legal, valid and binding obligation of Acquiring Party, enforceable against it in accordance with its terms, provisions and conditions, subject, however, to applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and except as the enforceability thereof may be limited by applicable general principles of equity (regardless of whether considered in a proceeding in equity or at law).

(c) The execution, delivery and performance by Acquiring Party of this Agreement and the transactions contemplated herein do not (i) violate or constitute a default under any agreement to which Acquiring Party is a party or by which it is bound, which violation or default will have a material and adverse effect on Acquiring Party's ability to perform its obligations hereunder; (ii) violate any existing statute or law or any judgment, decree, order, regulation or rule of any court or governmental authority applicable to Acquiring Party, which violation or default will have a material and adverse effect on Acquiring Party's ability to perform its obligations hereunder; or (iii) under existing law require any consent, approval or authorization of, or designation, declaration or filing with, any governmental authority on the part of Acquiring Party, except such authorization or filings as Acquiring Party's performance under this Agreement may require in the ordinary course of business.

(d) There are no suits, judicial or administrative actions, proceedings or investigations (including without limitation bankruptcy, reorganization or insolvency actions) pending or, to Acquiring Party's knowledge, threatened that (i) challenge the validity of this Agreement or the transactions contemplated hereby, (ii) seek to restrain or prevent any action taken or to be taken by Acquiring Party in connection with this Agreement, or (iii) if adversely determined, would have a material and adverse effect on Acquiring Party's ability to perform its obligations under this Agreement.

(e) Acquiring Party meets the creditworthiness requirements contained in Section 16 of the General Terms and Conditions of Gulfstream's FERC Tariff.

ARTICLE VI

FORCE MAJEURE

Section 6.1 Force Majeure. The obligations of each Party under this Agreement, and the performance thereof, other than a failure or delay in the payment of money due hereunder, shall be excused during such times and to the extent such performance is prevented by reason of Force Majeure. For purposes of this Agreement, "Force Majeure" means acts of God, strikes, lockouts, or other industrial disturbances, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, sinkholes, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of governments and people, civil disturbances, explosions, and any other causes, whether of the kind herein enumerated or otherwise, not within the control of the party claiming suspension and which, in each of the above cases, by the exercise of due diligence such party is unable to prevent or overcome; such term shall likewise include the inability of either party to acquire, or delays on the part of such party in acquiring, at reasonable cost and by the exercise of reasonable diligence, servitudes, rights of way, grants, permits, permissions, licenses, or required governmental orders necessary to enable such party to fulfill its obligations hereunder.

Section 6.2 Resumption of Performance. The Party whose performance is excused by an event of Force Majeure shall promptly notify the other Party of such occurrence and its estimated duration, and shall promptly remedy such Force Majeure if and to the extent reasonably possible and resume such performance when possible; provided, however, that neither Party shall be required to settle any labor dispute against its will.

ARTICLE VII

DEFAULT AND REMEDIES

Section 7.1 Event of Default. An Event of Default under this Agreement shall be deemed to exist upon the occurrence of one or more of the following events:

(a) Failure of either Party to timely perform or satisfy fully any material obligation or any condition under this Agreement to be performed or satisfied by it, and continuing for ten (10) Business Days after written notice thereof has been given to the defaulting Party.

(b) Expiration or termination of the Service Agreement prior to the effective date of the Capacity Release.

(c) If either Party during the term of the Agreement (i) becomes insolvent or is unable to pay its debts as they become due or admits in writing its inability generally to pay its debts as they become due, (ii) makes a general assignment, arrangement or

composition with or for the benefits of its creditors, (iii) institutes or has instituted against it a proceeding seeking judgment of insolvency or bankruptcy or any other such relief under bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition instituted or presented against it, if such proceeding or petition (A) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding up or liquidation or (B) is not dismissed, discharged, stayed or restrained, in each case within thirty (30) days of the institution or presentation thereof, (iv) seeks or becomes subject to the appointment of a receiver, trustee, custodian or other similar official for it or for all or substantially all of its assets, (v) has a secured party take possession of all or substantially all of its assets or has distress, execution attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all of its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within thirty (30) days thereafter, (vi) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (i) to (v) inclusive, or (vii) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts. Nothing in this provision or this Agreement shall be construed so as to prohibit the sale of all or substantially all of FPUC's assets to a third party and any such sale shall not be considered an Event of Default under this Agreement.

(d) If any representation or warranty made by a Party in this Agreement shall prove false or misleading in any material respect when made or at any time during the term of this Agreement, and the failure of such representation or warranty to be true in such material respect would be reasonably expected to have a material and adverse effect on the ability of such Party to perform its obligations under this Agreement.

Section 7.2 Remedies for Default. If an Event of Default occurs, in addition to any other remedies available to it in law or equity, the non-defaulting Party shall have the right to terminate this Agreement upon fifteen (15) days written notice to the defaulting Party.

ARTICLE VIII

NOTICES

Section 8.1 Notices. Every notice provided for in this Agreement shall be in writing directed to the Party to whom given at such Party's address as follows:

Florida Public Utilities Company
208 Wildlight Avenue
Yulee, FL 32097
Attention: Commercial Operations
Phone: 727-270-6998
E-Mail: dnoia@chpk.com

With a copy (which shall not constitute notice) to:
Chesapeake Utilities Corporation

500 Energy Lane
Dover, DE 19901
Attention: Legal Department
E-Mail: LegalTeam-CPK@chpk.com

Acquiring Party

Attention:

Any notice given under this Agreement by mail to the addressee Party's address set out above shall be deemed received by such Party at the end of the third (3rd) day after the date of mailing. If such notice is delivered by hand, overnight courier or email transmission with confirmation of receipt, it shall be deemed to have been received by the addressee Party on the date and at the time reflected on the confirmation of its delivery.

Section 8.2 Change of Address. Either Party may change its address for notices under this Agreement by notice thereof to the other Party in accordance with section 8.1.

ARTICLE IX
MISCELLANEOUS PROVISIONS

Section 9.1 Captions. The headings used throughout this Agreement are inserted for reference purpose only and are not to be considered or taken into account in construing the terms, provisions and conditions hereof, nor to be deemed in any way to qualify, modify or explain the effect of any such term, provision or condition.

Section 9.2 Preparation. This Agreement was negotiated and prepared by both Parties, with advice of counsel to the extent deemed necessary by each Party, and was not prepared by either Party to the exclusion of the other, and accordingly, should not be construed against either Party by reason of its preparation.

Section 9.3 Choice of Law. This Agreement shall be governed by, construed in accordance with, and enforced pursuant to the laws of the State of Florida, excluding any conflict of laws rule which would direct the application of the law of another jurisdiction. Venue for any action, at law or in equity, commenced by either Party against the other arising out of or in connection with this Agreement shall be located in Nassau County in the State of Florida.

Section 9.4 Other Agreements. This Agreement constitutes the entire agreement among the Parties relating to the subject matter hereof, and supersedes any other agreements, written or oral, between the Parties concerning such subject matter.

Section 9.5 Assignment. Neither Party may assign its rights in, to and under this Agreement to a third party without the express written consent of the other Party, except either Party may assign, without consent, its rights in, to and under this Agreement to an affiliate or to an entity succeeding to all or substantially all of the assigning Party's assets upon notification to the other Party pursuant to the terms of this Agreement. This Agreement shall be binding upon, and inure to the benefit of, the Parties hereto and their respective successors and permitted assigns. An assigning Party shall provide written documentation, executed by the assignee, of the assumption of the assigning Party's duties and obligations hereunder prior to the effectiveness of any assignment, including to an affiliate or successor.

Section 9.6 Binding Effect. The terms, provisions and conditions of this Agreement, and the respective rights and obligations of the Parties, shall be binding upon, and enure to the benefit of their respective successors and permitted assignees. Nothing expressed or implied is intended to confer any right on any third party with respect to this Agreement.

Section 9.7 Non-waiver of Defaults. No waiver by either Party of any default of the other Party under this Agreement shall operate as a waiver of any future default, whether of a like or different character.

Section 9.8 Written Amendments. No modification of the terms, provisions or conditions of this Agreement shall become effective except by written amendment executed by the Parties.

Section 9.9 Severability. Should any term, provision or condition of this Agreement for any reason be declared invalid or unenforceable by final and unappealable order of any court or governmental agency having jurisdiction, such decision shall not affect the validity and enforceability of the remaining portions hereof, and the remaining portions shall remain in force and effect as if this Agreement had been executed without the invalid portion(s), so long as the economic and legal substance of the transactions contemplated hereby is not affected in a manner that is materially adverse to either Party.

Section 9.10 Survival. Any term, provision or condition of this Agreement that expressly or by implication comes into or remains in force following the termination hereof shall survive such termination.

Section 9.11 Counterparts. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and the Parties hereto may execute this Agreement by signing any such counterpart.

Section 9.12 Limitations of Liability. Neither Party nor their directors, trustees, commissioners, agents, officers or employees will be liable to the other Party, its directors, trustees, commissioners, agents, officers or employees, whether as a result of breach of contract, breach of warranty, tort liability (including both negligence and strict liability), strict liability or otherwise, for any incidental, special, indirect or consequential damages

whatsoever, including without limitation loss of profits or revenue, or any nature connected with or resulting from non-performance of this Agreement.

Section 9.13 Legal Fees. In the event of litigation between the Parties hereto arising out of or in connection with this Agreement, then the reasonable attorneys' fees and costs of the Party prevailing in such litigation shall be paid by the other Party.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized officers or representatives as of the day and year above written.

FLORIDA PUBLIC UTILITIES COMPANY

By: _____
Name:
Title:

FLORIDA MUNICIPAL POWER AGENCY

By: _____
Name:
Title:

Exhibit A

(Commercial Terms Of Release)

Service Type: Rate Schedule FTS

Releasing Shipper Name: FPUC (Florida Public Utilities Company)

Acquiring Party: Florida Municipal Power Agency

Maximum Daily Transportation Quantity (MMBtu/day):

January & February: 5,000

June – August: 5,000

Release Rate: \$.7041

Primary Term: seven years, starting on November 1, 2026

Primary Receipt Point(s):

<u>Point Name</u>	<u>Location</u>	<u>MDQ</u>
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All points in the Pascagoula, MS and Mobile Bay, AL areas. 5,000 MMBtu/day

Primary Delivery Point(s):

<u>Point Name</u>	<u>Location</u>	<u>MDQ</u>
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Baseball City	M&R No. 8205219	5,000 MMBtu/day
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Clear Springs	M&R No. 8205217	5,000 MMBtu/day
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AGENDA ITEM 8 – ACTION ITEMS

- b. Approval of Revised Rate
Schedule B-1 to be Effective
October 1, 2026****

**Executive Committee
October 15, 2026**



8b – Approval of Revised Rate Schedule B-1 to Be Effective Oct. 1, 2026

Executive Committee

Oct. 15, 2026

Summary

- Each October, staff brings a revised Rate Schedule B-1 to EC for approval to update base rates to reflect new fiscal year budget
- Demand rate based on avg. of Summer CP Demands (Net of Excluded Resources) for Fiscal Years 2024 through 2026
- All other base rates as reflected in FY 2027 budget
- No changes to Rate Schedule B-1 other than updating base rates
- Redline and clean versions of Rate Schedule B-1 attached

FY 2027 ARP Rates – Based on Approved Budget

Demand Rate Reflects Final Billing Demands for FY 2027

Rate Category	FY26 Base Rate		FY 27 Base Rate
Demand	\$16.43	/kW-mo.	\$16.61 /kW-mo.
Transmission (all except KUA)	\$5.25	/kW-mo.	\$6.24 /kW-mo.
Transmission (KUA)	\$0.55	/kW-mo.	\$0.51 /kW-mo.
Energy	\$35.79	/MWh	\$31.21 /MWh

Recommended Motion

- Move approval of revised ARP Rate Schedule B-1, effective Oct. 1, 2026*

* Subject to Super Majority vote

FLORIDA MUNICIPAL POWER AGENCY
POWER SUPPLY RATE SCHEDULE
FOR
ALL-REQUIREMENTS PROJECT PARTICIPANTS

1. **Applicability.** Electric service for All-Requirements Services and Back-up and Support Services as defined in the All-Requirements Power Supply Project Contract for their own use and for resale.
2. **Availability.** This Schedule B-1 is available to the Project Participants purchasing electric capacity and energy from FMPA under the terms of the All-Requirements Power Supply Project Contracts as All-Requirements Services and, if applicable, as Back-Up and Support Services.
3. **Character of Service.** Electricity furnished under this Schedule B-1 at one or more Points of Delivery as set forth in Schedule A shall be sixty-hertz, three phase, alternating current.
4. **Billing Rate for All-Requirements Services.**
 - (a) For electricity furnished hereunder as All-Requirements Services, the charges for each month shall be determined as follows:

Customer Charge	For each Project Participant, the charge is \$1,000.00 per Point of Delivery. Notwithstanding the above, the charge for a Project Participant that has both (1) established its Contract Rate of Delivery and (2) does not receive Network Integration Transmission Service under an ARP agreement is \$0.00.
Demand Capacity Charge	\$ 16. ~~6143~~ per kilowatt ("kW") of capacity billing demand. ~~For September 2026 service only, the Demand Capacity Charge shall be \$5.52 per kW of capacity billing demand to provide for the return of approximately \$14 million of FY 2026 demand cost over-recovery to Project Participants. Effective October 1, 2026, the Demand Capacity Charge shall revert to the otherwise applicable rate.~~
Demand Transmission	\$ ~~5.256.24~~ per kilowatt ("kW") of transmission billing demand
Demand Transmission Kissimmee Utility	\$ 0.5 ~~15~~ per kilowatt ("kW") of transmission billing demand

Authority

Energy Charge \$ ~~35.79~~31.21 per megawatt-hour ("MWh") for all energy supplied as All-Requirements Services

Solar Energy Surcharge A \$ per megawatt-hour ("MWh") rate, as calculated monthly in accordance with 10 below, for all energy pursuant to the applicable solar Power Purchase Agreement(s) ("PPA"), as specifically agreed to by individual Project Participants pursuant to Solar Participant Agreements between the ARP and individual Project Participants (hereinafter "Solar Participants").

Reactive Demand Charge \$0.00 per kilo-var ("kVAR") of excess billing reactive demand

(b) Delivery Voltage Adjustment for All-Requirements Services. The Billing Rates under paragraph (a) are based on delivery of electric capacity and energy to the Project Participant at 115,000 volts or higher. Where capacity and energy are delivered at voltages less than 115,000 volts, the Billing Rates under paragraph (a) shall be increased as follows:

	Demand Charge	Energy Charge
<u>Delivery Voltage</u>	<u>Adjustment</u>	<u>Adjustment</u>
69,000 volts	\$0.000/kW	\$0.0000/kWh
12,000/25,000 volts	\$0.722/kW	\$0.0000/kWh
Under 12,000 volts	\$0.722/kW	\$0.0000/kWh

5. **Billing Metering for All-Requirements Services.** The metered demand in kW in each month shall be the individual Project Participant's total 60 minute integrated demand at the time of the highest 60 minute integrated demand for the total of all ARP system Project Participants (or corrected to a 60 minute basis if demand registers other than 60 minute demand registers are installed) measured during the month.

The metered reactive demand in kVAR in each month shall be the reactive demand, which occurred during the same 60-minute demand interval in which the metered kilowatt demand occurred.

Demand and energy meter readings shall be adjusted, if appropriate, as provided in Schedule A of the All-Requirements Power Supply Project Contract.

6. **Billing Demand-Capacity for All-Requirements Services.** The billing demand capacity in any period shall be the arithmetic average of the metered demands, as determined under paragraph 5, giving effect to all adjustments, less the Project Participant's Excluded Power Supply Resources capacity, if any, for the months of June, July, August, and September for the preceding three fiscal years. For avoidance of doubt, unless otherwise adjusted as follows in this paragraph 6, the monthly billing demand capacity for each Project Participant shall be based on the arithmetic average of 12 data points and shall remain fixed over the current fiscal year.

If a Project Participant has permanently lost a large load during the preceding three fiscal years that would cause the metered demands utilized for that Project Participant in the billing demand capacity calculation not to be representative of its current load, the metered demands utilized in the calculation for that Project Participant may be adjusted accordingly by a majority vote of the Executive Committee in its sole discretion. Such load must represent a minimum of five percent of the Project Participant's total load based on demonstrable load data. It is the responsibility of the Project Participant to notify FMPA of any such loss of load, and no adjustments shall be made to billings for months prior to the effective date of any adjustment approved by the Executive Committee.

If a Project Participant has added a large load during the preceding three years for which a demand-related financial incentive will be provided through a rider to this Rate Schedule B-1, the metered demands utilized in the calculation for that Project Participant will be adjusted as set forth in the respective rider.

Anomalous loads for an individual Project Participant may be excluded from the billing demand capacity calculation by majority vote of the Executive Committee.

7. **Billing Demand-Transmission for All-Requirements Services.** The billing demand capacity in any period shall be the metered demand for the period as determined under paragraph 5, giving effect to all adjustments, but including the Project Participant's, Excluded Power Supply Resources capacity, if any.
8. **Billing Reactive Demand for All-Requirements Services.** The billing reactive demand for any month shall be the amount of reactive demand in kVAR by which the metered reactive demand exceeds one-half of the metered kilowatt demands, or such other amount as shall be determined from time to time by FMPA.
9. **Energy Cost Adjustment for All-Requirements Services.** The monthly bill computed hereunder shall adjust the base energy rate by an

amount to the nearest one-thousandth of a cent, determined by use of the formula below:

$$ER = \$0.035793121/\text{kWh} \pm ETCA$$

Where:

ER = Energy Rate to be applied to each kWh of billed energy.

ETCA = Energy Total Cost Adjustment to be determined according to the following procedure:

1. *Energy rate adjustment:* The total projected energy costs for the current billing month, including the cost of energy and physical natural gas sold to other utilities, net of any energy revenues projected to be collected from sources other than the Energy Rate, will be computed and then divided by the total kWh energy sales for providing the All-Requirements Project power supply the current billing month. This \$/kWh rate, less the base energy rate, will become an adder (if positive) or reduction (if negative) to the base energy rate..
2. *Cash adjustment to energy rate:* Each billing month, staff will prepare a twelve-month projection, beginning with the current billing month, of total All-Requirements Project expenses, including the cost of sales to other utilities, net of any revenues projected to be collected from sources other than Project Participant rates. From this projection, staff will determine the Highest 60-Day Cash Target, defined as the maximum estimated net cash required to fund any sixty (60) consecutive days within the twelve-month projection period. The Highest 60-Day Cash Target will be compared to the current cash balance for the All-Requirements Project to determine the current amount of cash above or below the target. Amounts greater or less than the Highest 60-Day Cash Target will be modeled to be returned to or collected from Project Participants, respectively, over the current and subsequent three billing months based on projected total kWh sales for providing the All-Requirements Project power supply over that same period. The resulting \$/kWh rate will be added to the sum of the base energy rate and the energy rate adjustment.

10. Solar Energy Surcharge.

The Solar Energy Surcharge shall equal the difference between the adjusted energy rate calculated in 9 above (ER) and the actual monthly cost per MWh of the solar energy (note the surcharge could be negative). The following provisions shall apply to the calculation of the surcharge:

1. Solar energy costs shall equal the sum of the applicable solar PPA charges, FMPA A&G charges allocated to the solar PPA(s), the return to the Agency Development Fund of the costs advanced to enter into and implement the solar PPA(s), and other costs or charges that the ARP may incur related to utilizing solar energy as part of its resource portfolio, e.g. increased regulation charges assessed by the ARP's Balancing Authority.
2. The following All-Requirements Project Participants have responsibility for solar energy (MWh) in each hour that solar energy is produced under the applicable solar PPA(s):

Phase I solar PPAs between the ARP and NextEra Florida Renewables, or its successor or assigns:

The City of Jacksonville Beach	17.241%
Fort Pierce Utilities Authority	5.173%
Utility Board, City of Key West	8.621%
Kissimmee Utility Authority	51.724%
The City of Ocala	17.241%

Phase II solar Rice Creek PPA between the ARP and Origis Energy, or its successors or assigns:

The City of Jacksonville Beach	15.584%
Fort Pierce Utilities Authority	15.584%
The Town of Havana	0.260%
Utility Board, City of Key West	25.975%
Kissimmee Utility Authority	20.779%
The City of Newberry	1.039%
The City of Ocala	20.779%

Phase II solar Whistling Duck PPA between the ARP and Origis Energy, or its successors or assigns:

Utility Board, City of Key West	100.000%
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3. In the event that one or more of the Solar Participants defaults by not paying the Solar Energy Surcharge, the defaulting Project Participant(s) shall remain liable for all payments to be made on its part pursuant to this

Rate Schedule B-1. In such event, each non-defaulting Solar Participant's All-Requirements bill shall be increased, on a pro rata basis based on its respective Solar Energy Surcharge percentage of the applicable solar PPA(s), the amount in default unless and until FMPA shall recover from the defaulting Solar Participant(s) all amounts owed, upon which FMPA shall reimburse the non-defaulting Solar Participants. If all Solar Participants default by not paying the Solar Energy Surcharge, the All-Requirements Project will be obligated for the applicable Power Purchase Agreement(s) and the solar costs will become part of the Energy Rate (ER) above applicable to all All-Requirements Project Participants, including the defaulting Solar Participants, unless and until FMPA shall recover from at least one of the defaulting Solar Participants all amounts owed by all Solar Participants, upon which FMPA shall reimburse the All-Requirements Project Participants either through rates or through such other method as directed by the Executive Committee

4. A Solar Participant may only exit from the financial obligation to pay the Solar Energy Surcharge if one of the following four conditions are met, subject to approval of the Executive Committee:
 - a. One or more Solar Participants assumes the exiting Solar Participant's entire Solar Energy Surcharge financial obligation to the ARP;
 - b. One or more All-Requirements Project Participants assumes the exiting Solar Participant's entire Solar Energy Surcharge financial obligation to the ARP;
 - c. One or more FMPA Members that is not an All-Requirements Project Participant assumes the financial entitlement to the Solar Participant's percentage share of the applicable solar PPA(s) and commits that it will take on the (i) associated financial obligation and (ii) obligation to take solar energy, in a form suitable to the ARP; or
 - d. Pay stranded cost obligations, as determined by FMPA in its sole discretion, to hold the other Solar Participants harmless from the costs associated with the Solar Participant's exit.

Stranded cost obligations are defined as an estimate of the solar energy costs (defined in 10.1) that the ARP will pay for the exiting Solar Participant's solar energy entitlement during each remaining month of the remaining term of the applicable solar PPA(s) based on (i) a forecast of expected solar production and

(ii) a reasonable assessment of unforeseen costs, and are to be paid at the time of exit. The forecast of expected solar production is defined as a P50 (probability of exceedance is 50 percent) production estimate under typical meteorological year conditions using an industry standard modeling tool (PV Syst or its successor/peer products) reflective of a degradation rate of 0.3% per year relative to the original nominal alternating current capacity of the solar resource in the current year (prorated over a partial year as applicable) and each subsequent remaining year of the applicable solar PPA(s) term.

11. Demand Cost True-up for All-Requirements Services.

Each Project Participant shall be charged or credited, as applicable, during the twelve months commencing with the billing for October service of a subsequent fiscal year by a dollar amount equal to one twelfth of the dollar amount share of the difference between the Project Participant's actual demand costs (excluding transmission) and the demand charges collected during the previous fiscal year. The amount to be charged or credited to each Project Participant shall be calculated on the basis of each Project Participant's demand costs (excluding transmission) collected during the previous fiscal year as a percentage of the total demand costs collected from all Project Participants.

12. Transmission Cost Adjustment for All-Requirements Services.

The monthly bill computed hereunder shall adjust the base demand transmission capacity rate by an amount to the nearest one-thousandth of a cent, determined by use of the formula below:

$$TR = \text{Transmission per kW/month} \pm TTCA$$

Where:

TR = Demand Transmission Rate to be applied to each kW of billed transmission demand.

TTCA = Transmission Total Cost Adjustment to be determined based on the current All-Requirements Project over-recovery or under-recovery balance for transmission expenses as listed in the All-Requirements Project Comparative Statement of Net Asset report. This balance will be applied over the current and subsequent three billing months based on projected total kW transmission sales (excluding Kissimmee Utility Authority) for providing the All-Requirements Project power supply.

13. Funding for Participants' Load Retention Programs.

Each Participant shall be credited with an amount equal to the Participants monthly billing energy times \$0.30 per MWh. This credit may be used by the

Participant to fund Load Retention Programs approved by the Participants' governing body, or for other lawful usage.

14. Tax Adjustment Clause for All-Requirements Services.

In the event of the imposition of any tax, or payment in lieu thereof, by any lawful authority on FMPA for production, transmission, or sale of electricity, the charges hereunder may be increased to pass on to the Project Participant its share of such tax or payment in lieu thereof.

15. Late Payment Charge. FMPA may impose a late payment charge on the unpaid balance of any amount not paid when due. Such charge shall be equal to the interest on the unpaid balance from the due date to the date of payment, with the interest rate being the arithmetic mean, to the nearest one-hundredth of one percent (.01%) of the prime rate values published in the Federal Reserve Bulletin for the fourth, third, and second months prior to the due date. The interest required to be paid under this clause will be compounded monthly.

16. Month. The month shall be in accordance with a schedule established by FMPA.

17. Special Jacksonville Beach Charge. In the event that FMPA pays or is billed for any amounts by the JEA for back-up transmission capability and/or transmission services and /or back-up electric service supplied by JEA for the City of Jacksonville Beach, such amounts shall be added to any amounts otherwise billed to the City of Jacksonville Beach by FMPA pursuant to this Schedule B-1, less one-third of such amounts, at such times as FMPA shall determine.

**REVISIONS APPROVED BY THE FMPA EXECUTIVE COMMITTEE ON ~~AUGUST 20~~October 15,
2026**

FLORIDA MUNICIPAL POWER AGENCY
POWER SUPPLY RATE SCHEDULE
FOR
ALL-REQUIREMENTS PROJECT PARTICIPANTS

1. **Applicability.** Electric service for All-Requirements Services and Back-up and Support Services as defined in the All-Requirements Power Supply Project Contract for their own use and for resale.
2. **Availability.** This Schedule B-1 is available to the Project Participants purchasing electric capacity and energy from FMPA under the terms of the All-Requirements Power Supply Project Contracts as All-Requirements Services and, if applicable, as Back-Up and Support Services.
3. **Character of Service.** Electricity furnished under this Schedule B-1 at one or more Points of Delivery as set forth in Schedule A shall be sixty-hertz, three phase, alternating current.
4. **Billing Rate for All-Requirements Services.**
 - (a) For electricity furnished hereunder as All-Requirements Services, the charges for each month shall be determined as follows:

Customer Charge	For each Project Participant, the charge is \$1,000.00 per Point of Delivery. Notwithstanding the above, the charge for a Project Participant that has both (1) established its Contract Rate of Delivery and (2) does not receive Network Integration Transmission Service under an ARP agreement is \$0.00.
Demand Capacity Charge	\$ 16.61 per kilowatt ("kW") of capacity billing demand.
Demand Transmission	\$ 6.24 per kilowatt ("kW") of transmission billing demand
Demand Transmission Kissimmee Utility Authority	\$ 0.51 per kilowatt ("kW") of transmission billing demand
Energy Charge	\$ 31.21 per megawatt-hour ("MWh") for all energy supplied as All-Requirements Services

RATE SCHEDULE B-1
PAGE 2 of 8
EFFECTIVE: October 1, 2026

Solar Energy Surcharge	A \$ per megawatt-hour ("MWh") rate, as calculated monthly in accordance with 10 below, for all energy pursuant to the applicable solar Power Purchase Agreement(s) ("PPA"), as specifically agreed to by individual Project Participants pursuant to Solar Participant Agreements between the ARP and individual Project Participants (hereinafter "Solar Participants").
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Reactive Demand Charge	\$0.00 per kilo-var ("kVAR") of excess billing reactive demand
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- (b) **Delivery Voltage Adjustment for All-Requirements Services.** The Billing Rates under paragraph (a) are based on delivery of electric capacity and energy to the Project Participant at 115,000 volts or higher. Where capacity and energy are delivered at voltages less than 115,000 volts, the Billing Rates under paragraph (a) shall be increased as follows:

<u>Delivery Voltage</u>	<u>Demand Charge Adjustment</u>	<u>Energy Charge Adjustment</u>
69,000 volts	\$0.000/kW	\$0.0000/kWh
12,000/25,000 volts	\$0.722/kW	\$0.0000/kWh
Under 12,000 volts	\$0.722/kW	\$0.0000/kWh

5. **Billing Metering for All-Requirements Services.** The metered demand in kW in each month shall be the individual Project Participant's total 60 minute integrated demand at the time of the highest 60 minute integrated demand for the total of all ARP system Project Participants (or corrected to a 60 minute basis if demand registers other than 60 minute demand registers are installed) measured during the month.

The metered reactive demand in kVAR in each month shall be the reactive demand, which occurred during the same 60-minute demand interval in which the metered kilowatt demand occurred.

Demand and energy meter readings shall be adjusted, if appropriate, as provided in Schedule A of the All-Requirements Power Supply Project Contract.

6. **Billing Demand-Capacity for All-Requirements Services.** The billing demand capacity in any period shall be the arithmetic average of the metered demands, as determined under paragraph 5, giving effect to all adjustments, less the Project Participant's Excluded Power Supply Resources capacity, if any, for the months of June, July, August, and September for the preceding three fiscal years. For avoidance of doubt, unless otherwise adjusted as follows in this

paragraph 6, the monthly billing demand capacity for each Project Participant shall be based on the arithmetic average of 12 data points and shall remain fixed over the current fiscal year.

If a Project Participant has permanently lost a large load during the preceding three fiscal years that would cause the metered demands utilized for that Project Participant in the billing demand capacity calculation not to be representative of its current load, the metered demands utilized in the calculation for that Project Participant may be adjusted accordingly by a majority vote of the Executive Committee in its sole discretion. Such load must represent a minimum of five percent of the Project Participant's total load based on demonstrable load data. It is the responsibility of the Project Participant to notify FMPA of any such loss of load, and no adjustments shall be made to billings for months prior to the effective date of any adjustment approved by the Executive Committee.

If a Project Participant has added a large load during the preceding three years for which a demand-related financial incentive will be provided through a rider to this Rate Schedule B-1, the metered demands utilized in the calculation for that Project Participant will be adjusted as set forth in the respective rider.

Anomalous loads for an individual Project Participant may be excluded from the billing demand capacity calculation by majority vote of the Executive Committee.

7. **Billing Demand-Transmission for All-Requirements Services.** The billing demand capacity in any period shall be the metered demand for the period as determined under paragraph 5, giving effect to all adjustments, but including the Project Participant's, Excluded Power Supply Resources capacity, if any.
8. **Billing Reactive Demand for All-Requirements Services.**
The billing reactive demand for any month shall be the amount of reactive demand in kVAR by which the metered reactive demand exceeds one-half of the metered kilowatt demands, or such other amount as shall be determined from time to time by FMPA.
9. **Energy Cost Adjustment for All-Requirements Services.**
The monthly bill computed hereunder shall adjust the base energy rate by an amount to the nearest one-thousandth of a cent, determined by use of the formula below:

$$ER = \$0.03121/\text{kWh} \pm \text{ETCA}$$

Where:

ER = Energy Rate to be applied to each kWh of billed energy.

ETCA = Energy Total Cost Adjustment to be determined according to the following procedure:

1. *Energy rate adjustment:* The total projected energy costs for the current billing month, including the cost of energy and physical natural gas sold to other utilities, net of any energy revenues projected to be collected from sources other than the Energy Rate, will be computed and then divided by the total kWh energy sales for providing the All-Requirements Project power supply the current billing month. This \$/kWh rate, less the base energy rate, will become an adder (if positive) or reduction (if negative) to the base energy rate..
2. *Cash adjustment to energy rate:* Each billing month, staff will prepare a twelve-month projection, beginning with the current billing month, of total All-Requirements Project expenses, including the cost of sales to other utilities, net of any revenues projected to be collected from sources other than Project Participant rates. From this projection, staff will determine the Highest 60-Day Cash Target, defined as the maximum estimated net cash required to fund any sixty (60) consecutive days within the twelve-month projection period. The Highest 60-Day Cash Target will be compared to the current cash balance for the All-Requirements Project to determine the current amount of cash above or below the target. Amounts greater or less than the Highest 60-Day Cash Target will be modeled to be returned to or collected from Project Participants, respectively, over the current and subsequent three billing months based on projected total kWh sales for providing the All-Requirements Project power supply over that same period. The resulting \$/kWh rate will be added to the sum of the base energy rate and the energy rate adjustment.

10. Solar Energy Surcharge.

The Solar Energy Surcharge shall equal the difference between the adjusted energy rate calculated in 9 above (ER) and the actual monthly cost per MWh of the solar energy (note the surcharge could be negative). The following provisions shall apply to the calculation of the surcharge:

1. Solar energy costs shall equal the sum of the applicable solar PPA charges, FMPA A&G charges allocated to the solar PPA(s), the return to the Agency Development Fund of the costs advanced to enter into and implement the solar PPA(s), and other costs or charges that the ARP may incur related to utilizing solar energy as part of its resource portfolio, e.g. increased regulation charges assessed by the ARP's Balancing Authority.
2. The following All-Requirements Project Participants have responsibility for solar energy (MWh) in each hour that solar energy is produced under the applicable solar PPA(s):

RATE SCHEDULE B-1
PAGE 5 of 8
EFFECTIVE: October 1, 2026

Phase I solar PPAs between the ARP and NextEra Florida Renewables, or its successor or assigns:

The City of Jacksonville Beach	17.241%
Fort Pierce Utilities Authority	5.173%
Utility Board, City of Key West	8.621%
Kissimmee Utility Authority	51.724%
The City of Ocala	17.241%

Phase II solar Rice Creek PPA between the ARP and Origis Energy, or its successors or assigns:

The City of Jacksonville Beach	15.584%
Fort Pierce Utilities Authority	15.584%
The Town of Havana	0.260%
Utility Board, City of Key West	25.975%
Kissimmee Utility Authority	20.779%
The City of Newberry	1.039%
The City of Ocala	20.779%

Phase II solar Whistling Duck PPA between the ARP and Origis Energy, or its successors or assigns:

Utility Board, City of Key West	100.000%
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3. In the event that one or more of the Solar Participants defaults by not paying the Solar Energy Surcharge, the defaulting Project Participant(s) shall remain liable for all payments to be made on its part pursuant to this Rate Schedule B-1. In such event, each non-defaulting Solar Participant's All-Requirements bill shall be increased, on a pro rata basis based on its respective Solar Energy Surcharge percentage of the applicable solar PPA(s), the amount in default unless and until FMPA shall recover from the defaulting Solar Participant(s) all amounts owed, upon which FMPA shall reimburse the non-defaulting Solar Participants. If all Solar Participants default by not paying the Solar Energy Surcharge, the All-Requirements Project will be obligated for the applicable Power Purchase Agreement(s) and the solar costs will become part of the Energy Rate (ER) above applicable to all All-Requirements Project Participants, including the defaulting Solar Participants, unless and until FMPA shall recover from at least one of the defaulting Solar Participants all amounts

owed by all Solar Participants, upon which FMPA shall reimburse the All-Requirements Project Participants either through rates or through such other method as directed by the Executive Committee

4. A Solar Participant may only exit from the financial obligation to pay the Solar Energy Surcharge if one of the following four conditions are met, subject to approval of the Executive Committee:
 - a. One or more Solar Participants assumes the exiting Solar Participant's entire Solar Energy Surcharge financial obligation to the ARP;
 - b. One or more All-Requirements Project Participants assumes the exiting Solar Participant's entire Solar Energy Surcharge financial obligation to the ARP;
 - c. One or more FMPA Members that is not an All-Requirements Project Participant assumes the financial entitlement to the Solar Participant's percentage share of the applicable solar PPA(s) and commits that it will take on the (i) associated financial obligation and (ii) obligation to take solar energy, in a form suitable to the ARP; or
 - d. Pay stranded cost obligations, as determined by FMPA in its sole discretion, to hold the other Solar Participants harmless from the costs associated with the Solar Participant's exit.

Stranded cost obligations are defined as an estimate of the solar energy costs (defined in 10.1) that the ARP will pay for the exiting Solar Participant's solar energy entitlement during each remaining month of the remaining term of the applicable solar PPA(s) based on (i) a forecast of expected solar production and (ii) a reasonable assessment of unforeseen costs, and are to be paid at the time of exit. The forecast of expected solar production is defined as a P50 (probability of exceedance is 50 percent) production estimate under typical meteorological year conditions using an industry standard modeling tool (PV Syst or its successor/peer products) reflective of a degradation rate of 0.3% per year relative to the original nominal alternating current capacity of the solar resource in the current year (prorated over a partial year as applicable) and each subsequent remaining year of the applicable solar PPA(s) term.

11. **Demand Cost True-up for All-Requirements Services.**
Each Project Participant shall be charged or credited, as applicable, during the

twelve months commencing with the billing for October service of a subsequent fiscal year by a dollar amount equal to one twelfth of the dollar amount share of the difference between the Project Participant's actual demand costs (excluding transmission) and the demand charges collected during the previous fiscal year. The amount to be charged or credited to each Project Participant shall be calculated on the basis of each Project Participant's demand costs (excluding transmission) collected during the previous fiscal year as a percentage of the total demand costs collected from all Project Participants.

12. Transmission Cost Adjustment for All-Requirements Services.

The monthly bill computed hereunder shall adjust the base demand transmission capacity rate by an amount to the nearest one-thousandth of a cent, determined by use of the formula below:

$$TR = \text{Transmission per kW/month} \pm TTCA$$

Where:

TR = Demand Transmission Rate to be applied to each kW of billed transmission demand.

TTCA = Transmission Total Cost Adjustment to be determined based on the current All-Requirements Project over-recovery or under-recovery balance for transmission expenses as listed in the All-Requirements Project Comparative Statement of Net Asset report. This balance will be applied over the current and subsequent three billing months based on projected total kW transmission sales (excluding Kissimmee Utility Authority) for providing the All-Requirements Project power supply.

13. Funding for Participants' Load Retention Programs.

Each Participant shall be credited with an amount equal to the Participants monthly billing energy times \$0.30 per MWh. This credit may be used by the Participant to fund Load Retention Programs approved by the Participants' governing body, or for other lawful usage.

14. Tax Adjustment Clause for All-Requirements Services.

In the event of the imposition of any tax, or payment in lieu thereof, by any lawful authority on FMPA for production, transmission, or sale of electricity, the charges hereunder may be increased to pass on to the Project Participant its share of such tax or payment in lieu thereof.

15. Late Payment Charge. FMPA may impose a late payment charge on the unpaid balance of any amount not paid when due. Such charge shall be equal to the interest on the unpaid balance from the due date to the date of payment, with the interest rate being the arithmetic mean, to the nearest one-hundredth of one percent (.01%) of the prime rate values published in the Federal Reserve Bulletin

for the fourth, third, and second months prior to the due date. The interest required to be paid under this clause will be compounded monthly.

16. **Month.** The month shall be in accordance with a schedule established by FMPA.
17. **Special Jacksonville Beach Charge.** In the event that FMPA pays or is billed for any amounts by the JEA for back-up transmission capability and/or transmission services and /or back-up electric service supplied by JEA for the City of Jacksonville Beach, such amounts shall be added to any amounts otherwise billed to the City of Jacksonville Beach by FMPA pursuant to this Schedule B-1, less one-third of such amounts, at such times as FMPA shall determine.

REVISIONS APPROVED BY THE FMPA EXECUTIVE COMMITTEE ON October 15, 2026

**AGENDA ITEM 9 – INFORMATION
ITEMS**

a. Generation Financial Exceptions

**Executive Committee
October 15, 2026**



9a – Generation Financial Exceptions

Executive Committee

October 15, 2026

Strengthening Generation Fiscal Management and Transparency

Expanded Fleet Advancing Processes Within Financially Disciplined Culture

- Generation Operations continues to improve financial accountability
 - Increased emphasis on accurate budgeting for larger fleet
 - Rigorous evaluation of returns, payback and strategic value on projects >\$1M
 - Improving monthly budget-to-actual reporting discipline & accountability
 - Enhancing inventory optimization through controlled recurring reviews
 - Identification of surplus or obsolete assets
- In FY26, 3 unbudgeted projects exceeded \$200k disclosure level
- Roughly 90% of \$68M FY26 budgeted & unbudgeted capital projects completed
- \$7.3M of FY26 projects carrying forward to FY27
- FY26 non-labor O&M actual spend roughly 3% below budget

\$7.3M Capital Projects Must Carry Forward to FY27

Schedule Conflicts and Lead Times Delayed Completion in FY26

FY26 Budgeted Capital Projects Completing in FY27* >\$100k

Cane Island Power Park:

- \$3.3M Sabal Trail pipeline connection
- \$0.4M Generator breaker overhaul
- \$2.3M for refurbishment of Mulberry parts for CI2

Treasure Coast Energy Center:

- \$0.2M Fire Pump House

Bartow Energy Center:

- \$0.2M Foxboro DCS, PLC5 & HMI upgrades

Mulberry Energy Center:

- \$0.1M Cooling tower gearbox
- \$0.1M HP & IP feedwater piping work & insulation

Stock Island Generation Facility:

- \$0.1M EP2 Control system
- \$0.1M SI2&3 Replacement of SSS clutches

Sand Lake Energy Center:

- \$0.1M 15kV breaker replacement
- \$0.1M Controls supply on SF6 breaker

- No rate impacts due to FY27 roll over
- Multiple drivers led to delays:
 - Material lead times increased
 - Contractor scheduling conflicts/delays
 - Vendor hasn't invoiced progress payments
 - Pipeline work dependent on county roadwork
 - Increased scope required rebids
 - FMPP outage changes impacted projects
- Generation coordinates with Finance to ensure transparency & fiscal management
- All rolled projects to be completed FY27

Three Unplanned Capital Projects Exceeded \$200k

Each Project Deemed Necessary to Sustain Reliable Operation

- Every year plants face unanticipated asset failures that must be addressed
- Policy requires unbudgeted capex items >\$200k to be disclosed to EC

Bartow Energy Center	Sand Lake Energy Center	Stock Island Generation Facility
\$261K	\$295K	\$355K
Gas Compressor PLC controls upgrade	Generator Breaker Replacement	EP2 Control System Replacement
Obsolete equipment, cannot source parts	Moisture discovered during routine testing	Cannot source i/o cards
Scheduled Fall 26 outage	Replacement Completed	Deposit: \$259K
		Scheduled Fall 26 Outage

Framework For Disposition of Obsolete/Surplus Equipment

FMPA as an Operating Company Needs Method to Sell Assets

- Structuring first sale of obsolete/surplus assets
- Target offering date in November
- FMPA must offer equipment simultaneously, only once every 6 months to avoid tax issues
- Offering on FMPA website and potentially reverse auction/sale sites
- Avoiding sales through brokers to avoid commission fees
- Staff will reach out directly to relevant brokers to inform of listed assets
- Each asset has stated minimum reserve price
- Additional offering planned for summer 2027

Illustrative List of Assets to Be Offered for Sale

- ***Mulberry Energy Center:***
 - Surplus Frame 5 turbine and related equipment not usable at Stock Island
- ***Bartow Energy Center:***
 - Auxiliary transformer replaced in 2024
 - Incompatible lube oil pumps
- ***Treasure Coast Energy Center:***
 - R-0 blades replaced with upgraded equipment
 - Aged large industrial air compressors, replaced last outage
- ***Sand Lake Energy Center***
 - Ultimately 3 spare GSU transformers, ordering new larger single unit to support capacity upgrades
- ***All Sites***
 - Ultimately trucks, forklifts, UTVs etc

**AGENDA ITEM 9 – INFORMATION
ITEMS**

**b. Excess Power Sales and
Expansion Discussions Update**

**Executive Committee
October 15, 2026**



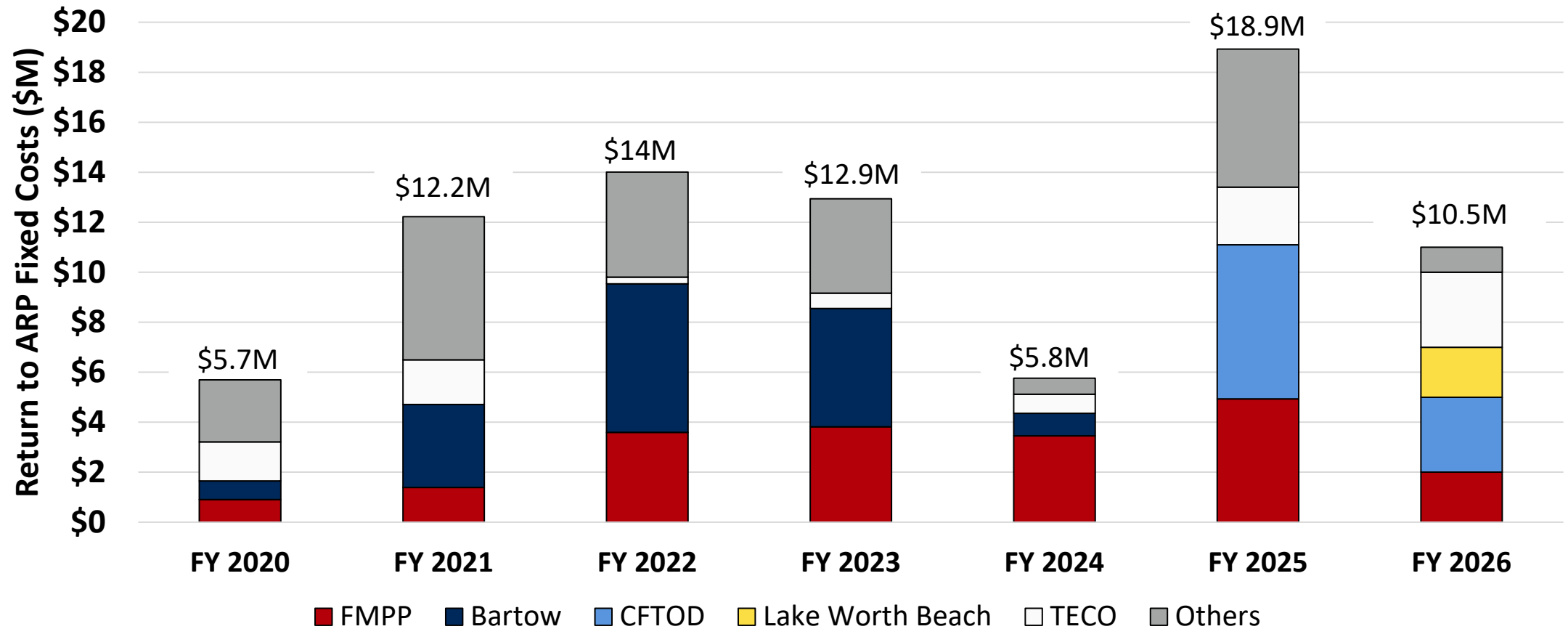
9b - Excess Power Sales and Expansion Discussions Update

Executive Committee

October 15, 2026

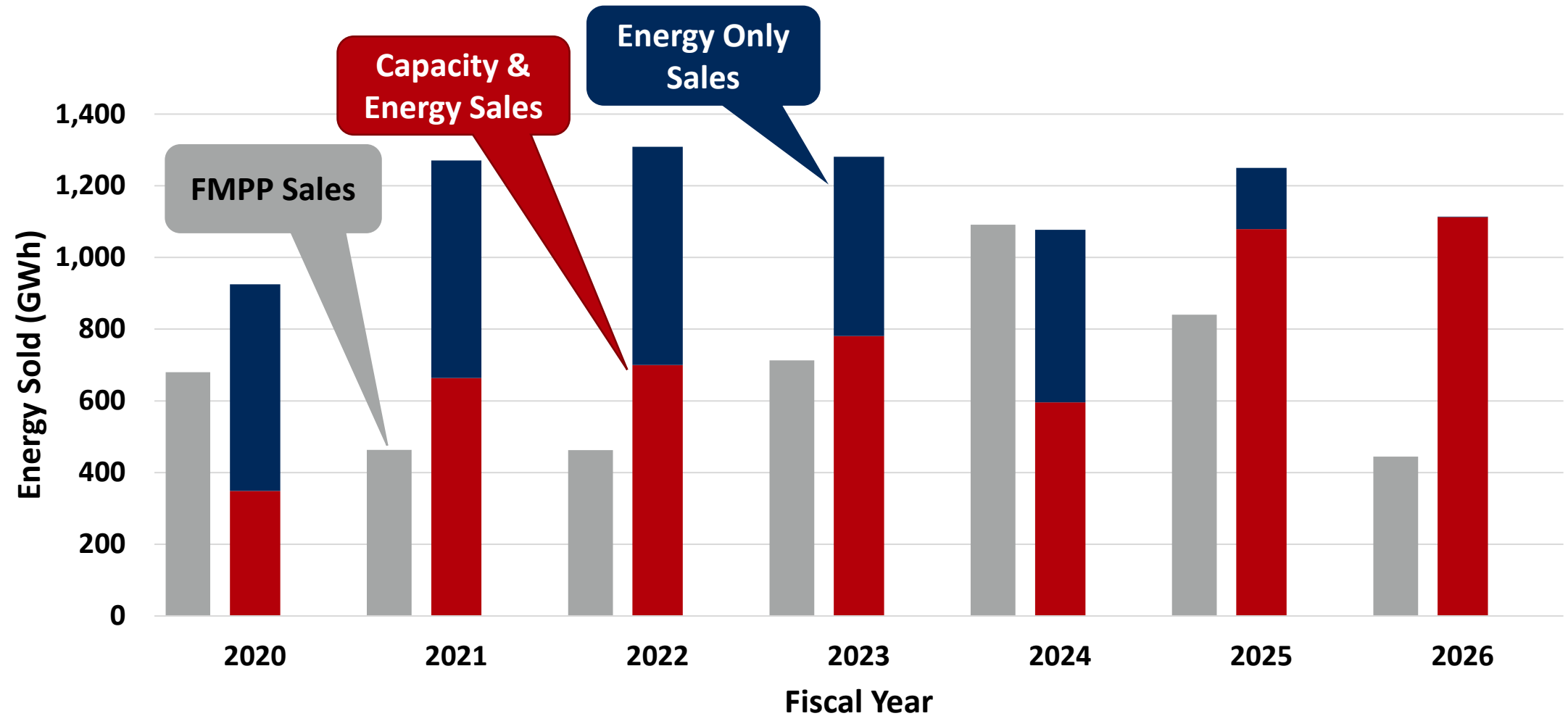
Excess Sales ~\$1.66/MWh Benefit for FY 2026

Below Target - FERN and Delivered Gas Cost – Changes Made



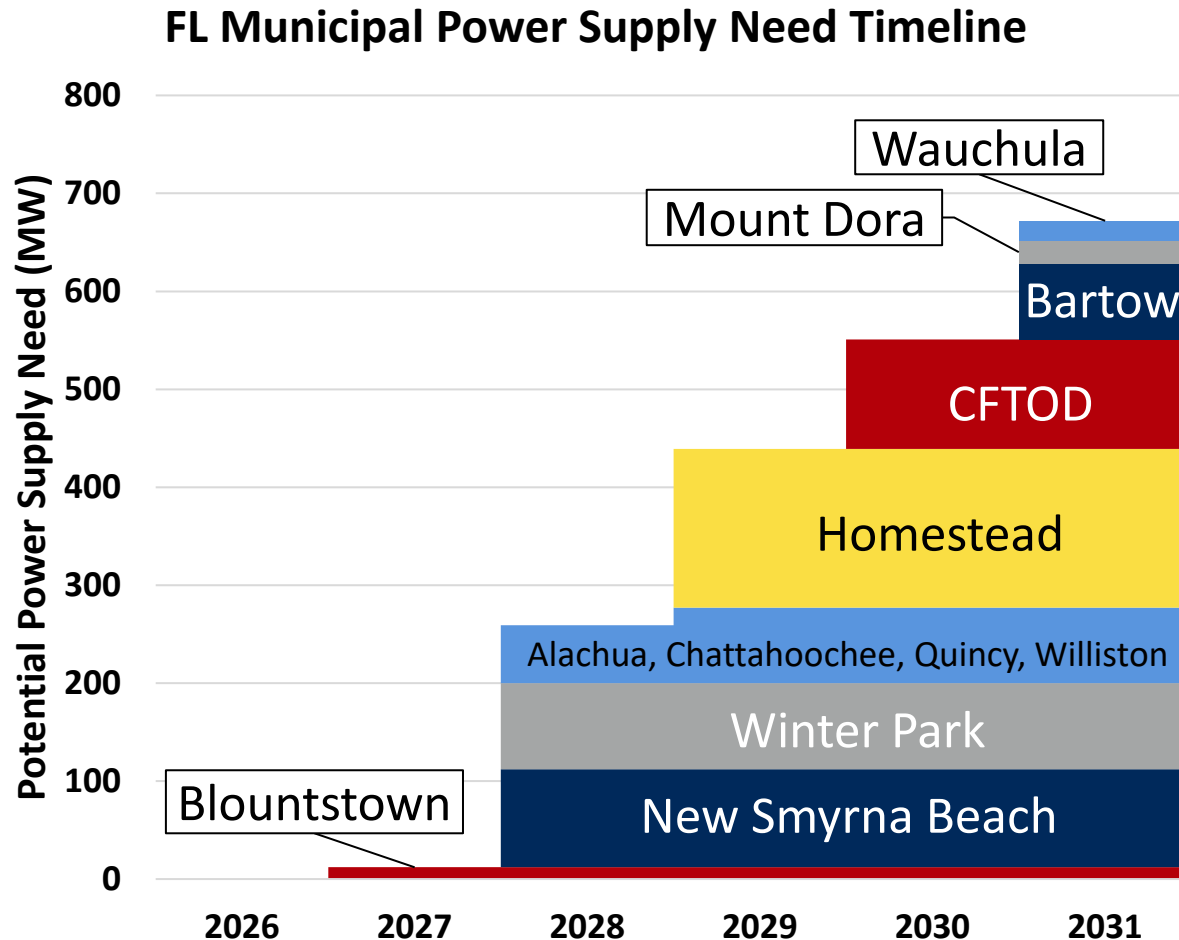
ARP Generated Energy Serving More ARP Load

Energy Sold to Pool ~50% Compared to Last Year



Discussing ARP Membership vs PPA with Several Cities

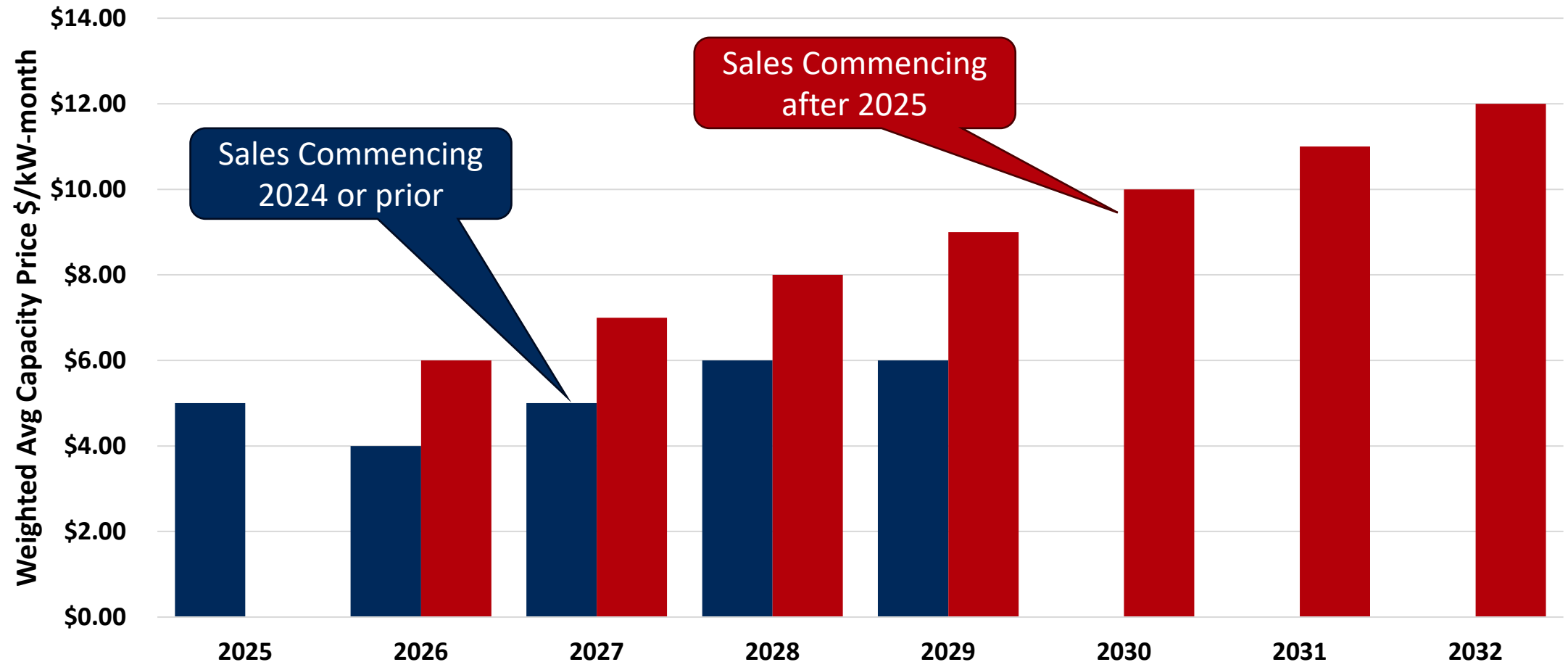
Long-Term Participation of Interest vs Short-Term Market



- ARP discussions ongoing with:
 - Alachua
 - Bartow
 - Blountstown
 - Chattahoochee
 - Lake Worth Beach
 - Williston
 - Winter Park
- FMPA not selected in Blountstown RFP, FPL only other bidder
- Alachua issued RFP for ~50% needs
 - FMPA PPA expires end of 2027

ARP One of Two Bidding on Wholesale Power Supply

ARP Winning Capacity Sales Offers at a Higher Capacity Price

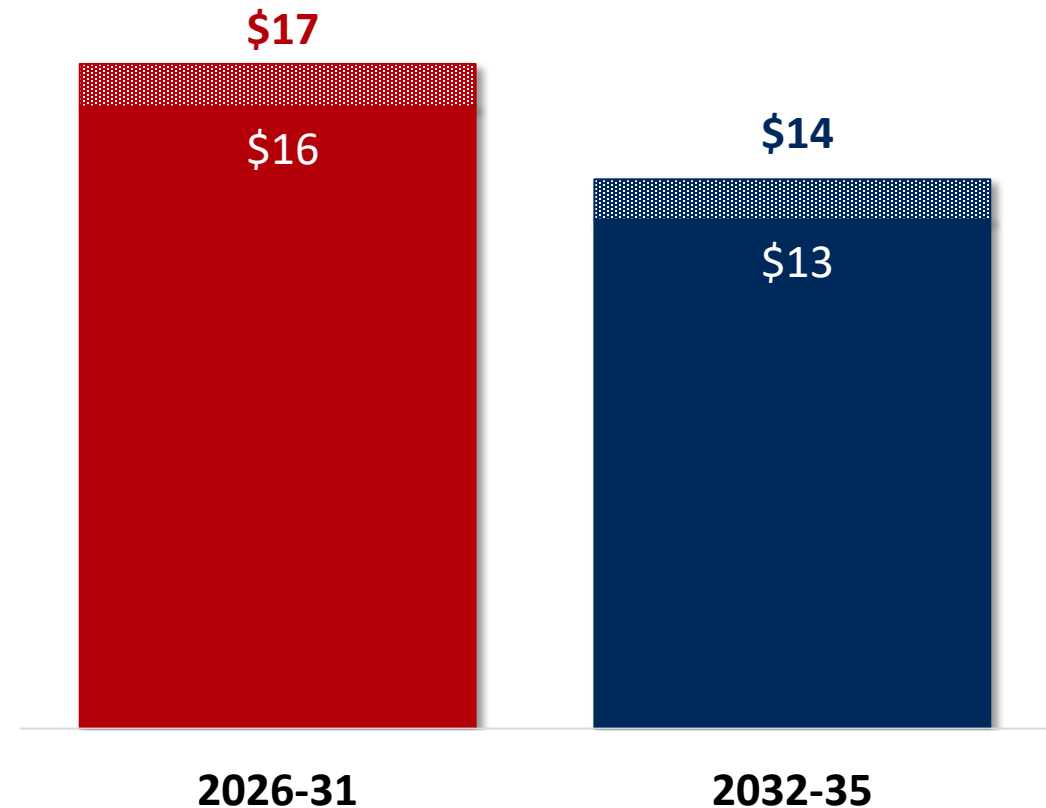


Market & ARP Demand Rates Converging Mid-2030s

Fewer Bidders More Conservative With Excess MWs

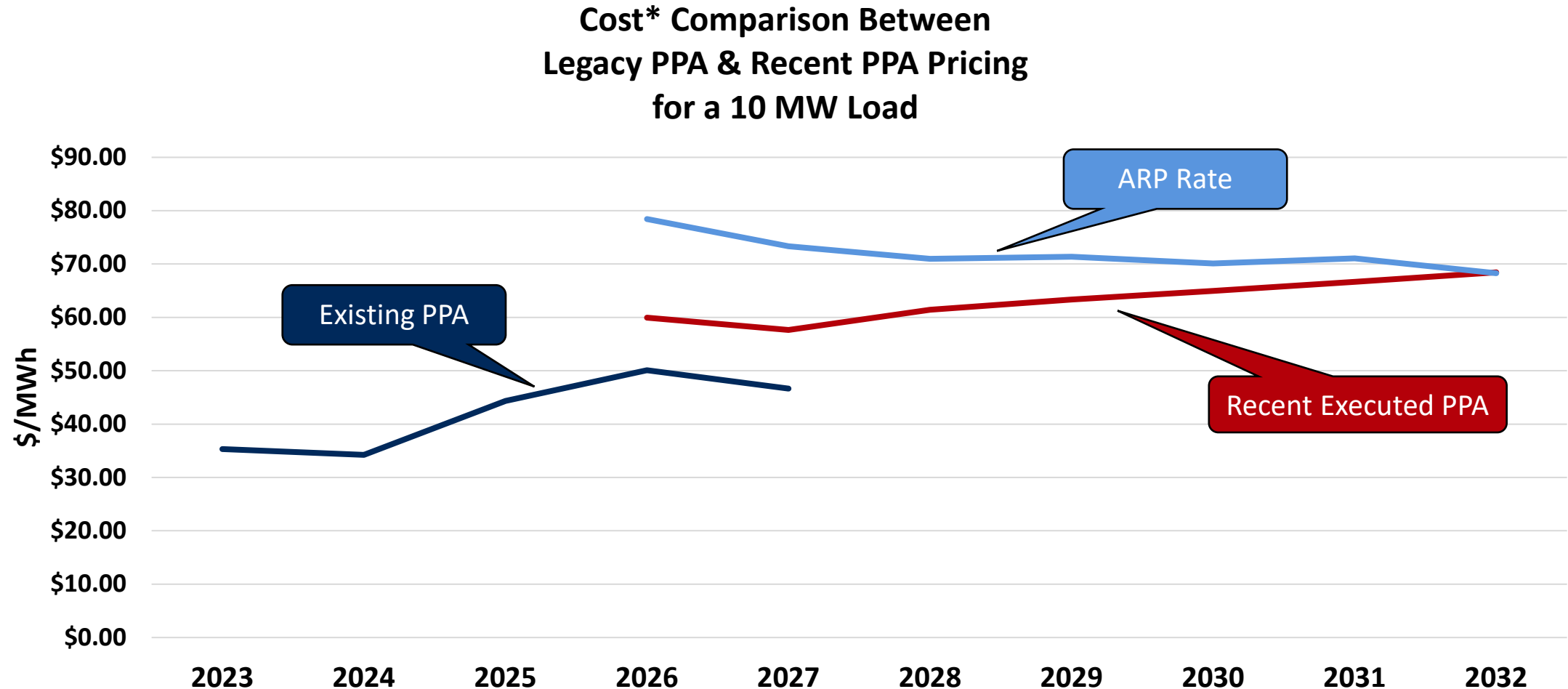
- Only 2 bidders on Lake Worth Beach & Blountstown RFPs
 - Recent FPL bid estimated in the \$12-13/kW-mo range
- Battery additions may set the market on demand rates, cap offers
 - Battery PPA capacity costs currently in \$13-14/kW-mo range
 - Exploring cost of ownership at existing sites
- 10-yr Site Plans shows cheap available energy from solar buildout. New capacity from battery and natural gas

Projected ARP Demand Rate Ranges (\$/kW-mo.)



Wholesale Pricing Increased as Tightness Appeared

Market Rates Approaching Parity with ARP Ownership Options



Excess Generation Available to Market in Near Term

Room Available to Bridge Transitions Through Early 2030s

- Staff planning to respond to Alachua RFP
 - Traditional PPA offer
 - Long-term alternative of ARP membership
- Working with Williston on presentation to their council
 - Power supply landscape and what ARP is all about
- Others will want further information to evaluate
 - Buy-in requirement, existing contract handling, timing considerations, solar treatment, etc.

Summer Excess	Base Case w/ 15% Reserves (MW)
2026	140
2027	126
2028	120
2029	101
2030	55
2031	29
2032	15
2033	94
2034	81
2035	68
2036	56
2037	45

**AGENDA ITEM 9 – INFORMATION
ITEMS**

**c. Potential Coordinated Customer
Demand-Side Management
Program**

**Executive Committee
October 15, 2026**



9c – Potential Coordinated Customer Demand-Side Management Program

Executive Committee

October 15, 2026

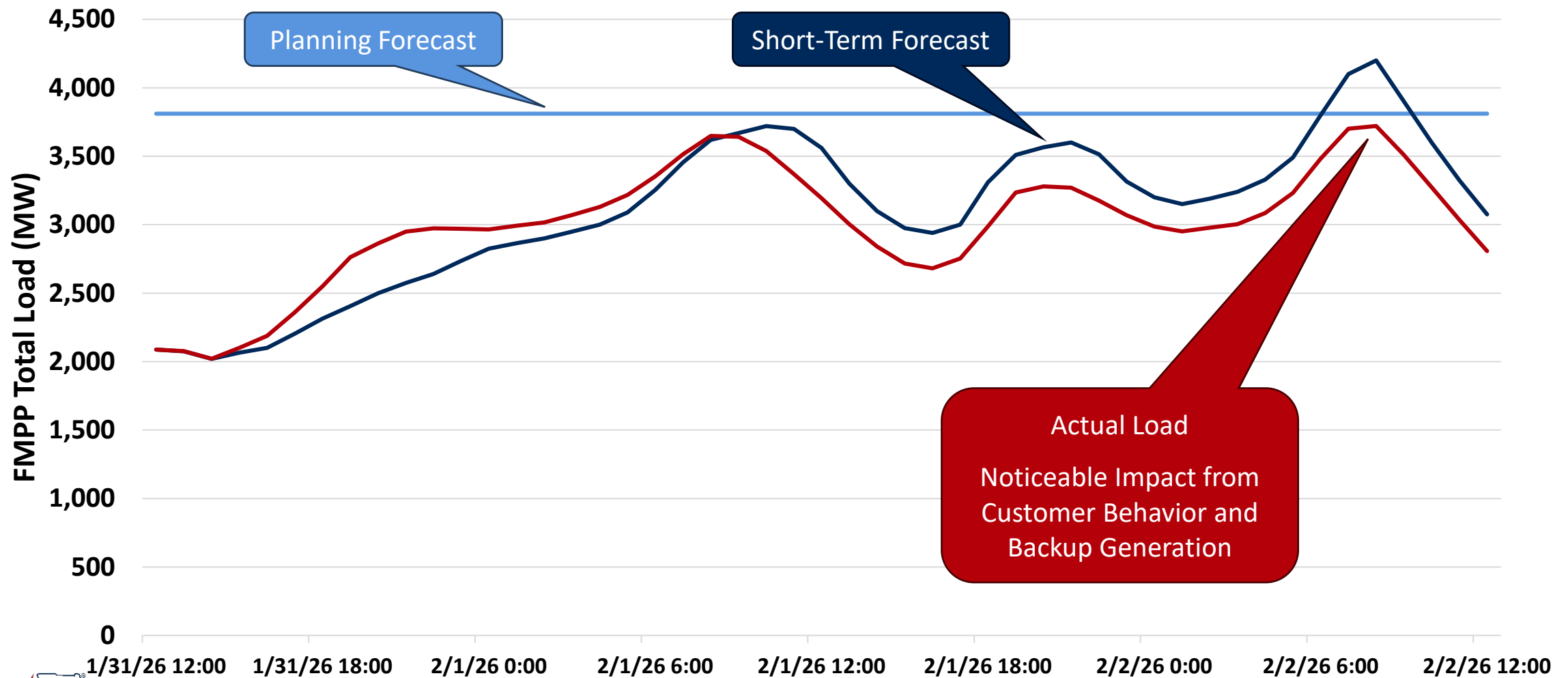
Continuing to Explore Options to Meet Future Needs

Demand-Side Management May Avoid New Resource Capacity

- Winter Storm Fern showed customer response can be meaningful
- Reliable “capacity” requires formal, coordinated load control program
- A Virtual Power Plant (VPP) aggregates customer devices into a single dispatchable resource through a common platform to reduce system demand within minutes during critical periods
 - Smart thermostats, Water heaters, EV chargers, Wall batteries, etc.
- Successful program results from strong customer engagement, simple enrollment, attractive incentives, reliable technology and measurable performance

Customer Shifts/Backup Gen Can Help When Needed

Leave in Back Pocket or Include in Planned Reserve Margins?



Direct Retail Control ~7-14 MW Potential For ARP

5-Year Total Net Value in Range of -\$3M to \$1.5M

- Virtual Peaker and staff developed VPP financial valuation model
- Analyzed ARP Participant zip code potential, assumed aggressive penetration ~15%-20%
- Several scenarios designed to capture range of impacts
- Annual net value derived depends on capacity valuation approach and/or frequency of high-priced emergency energy avoidance
- Program startup costs recovered sooner with stronger enrollment (faster or more devices) versus 5-year forecast

Operating and Incentives Costs \$.5M-\$1M per Year

Excludes Customer Relations, Admin, Security, Logistics Costs

- Setup fees, annual licensing fees, and program incentives paid to customers (both up front and annually) required to maintain platform
- Voluntary participation with bounded tolerance for strike days/hours
 - Measurement & verification generally not perfect science
 - Actual response could be irregular or more like non-firm energy
- Real cash rate impacts with potential for avoided costs only when utilized and subject to actual response
- Could be viewed as insurance against challenging grid conditions

What To Do Next?

Feedback Needed To Advance Or Defer

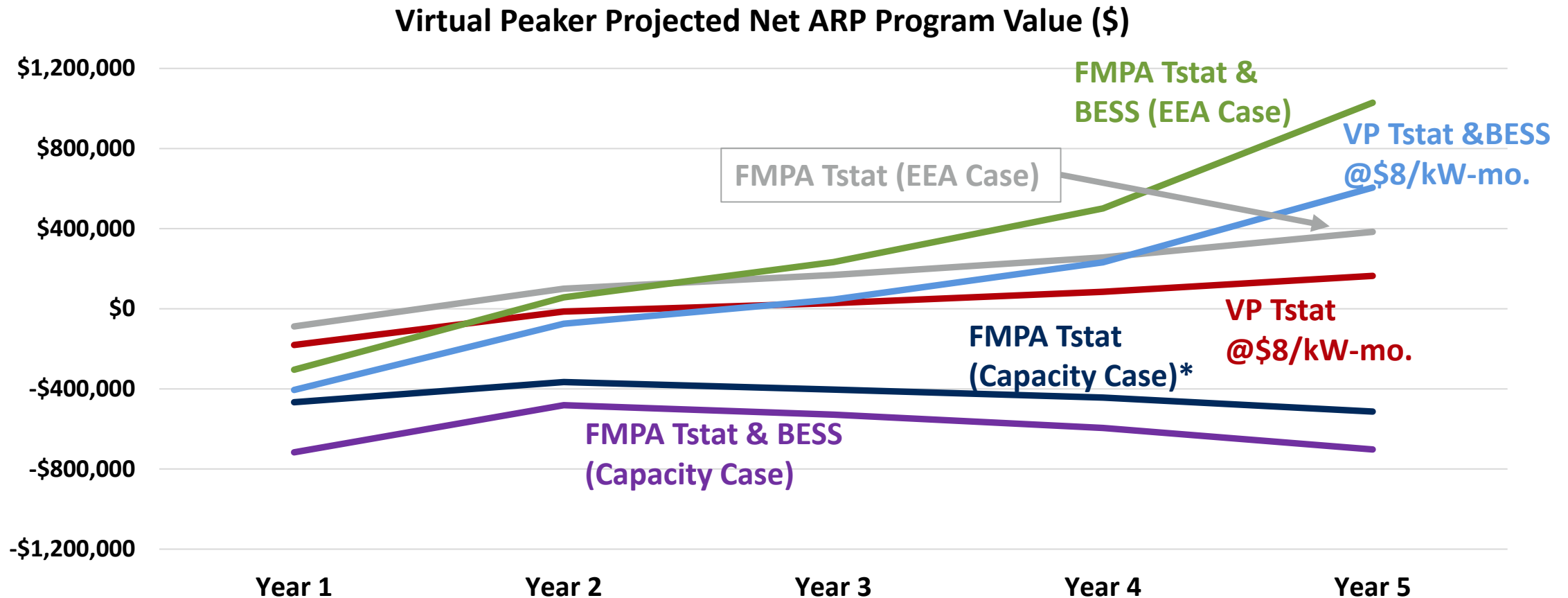
- Interest in formalizing demand-side management (DSM) as part of portfolio?
 - Alternatively count on customer response upon request in extreme events informally
- Willingness to engage and incentivize customers?
- Timing and other design considerations?
 - Takes time to stand up larger program and achieve beneficial participation levels



Backup

Net Annual Value Depends On Several Factors

\$5k/MWh For 6 4Hr Strikes, ~11k Devices For ~\$1M Yr 5 Value



*\$11/kW-mo. value for 2 critical peak months per year w/5% growth per year in capacity value. No other value assigned. VP cases assume year-round capacity value also growing at 5% per year.

**AGENDA ITEM 9 – INFORMATION
ITEMS**

**d. Section 29 Withdrawal Payment
Estimates for 2026**

**Executive Committee
October 15, 2026**



9d - Section 29 Withdrawal Payment Estimates for 2026

Executive Committee

October 15, 2026

Section 29 – Early Termination of ARP Contract

Withdrawal May Occur w/ 3-Years Notice, Payments Required

- ARP contract allows participants to withdraw from ARP with three-years notice, but must pay to keep bondholders and remaining participants whole
- Only Section 29 withdrawal to date was Vero Beach in December 2018 w/ ~\$30M withdrawal payment
- In 2016, FMPA committed to providing each participant with biennial estimate of its Section 29 withdrawal cost
- In August 2016, EC approved a set of “Protocols” to guide the calculation of the withdrawal payment
- Withdrawal cost estimates provided to all participants biennially based on the approved Protocols
- 2026 withdrawal payment estimates emailed to participants in September

Two Components to Withdrawal Payment

Methodology Set Forth in Section 29(c)

- 29(c)1: Load ratio share of outstanding ARP Bonds
- 29(c)2: “Stranded costs” over remaining term of withdrawing Participant's ARP Contract

Section 29(c)1 Costs Are Debt Costs

Ensures Bondholders Recover Exiting Participant's Share of Outstanding Debt

- Costs include:
 - Principal amounts of ARP revenue bonds projected to be outstanding after withdrawal date, excluded principal amounts already accrued through rates
 - Interest on bonds until the earliest projected call date
 - Outstanding balances on lines of credit
- Costs assigned to withdrawing participant based on load ratio share

Section 29(c)2 Costs Referred to as “Stranded Costs”

Contract Not Prescriptive on Methodology for Stranded Costs

- Per ARP Contract, stranded costs are computed:
 - Over “term specified in such Project Participant’s All-Requirements Power Supply Project Contract (as determined on the anticipated withdrawal date)”
 - Assuming that “FMPPA was unable to make use of or sell any generating, transmission or other resources (or portions thereof) which FMPPA had anticipated would be used to supply, or had acquired with the intention of supplying, all or any portion of the withdrawing Project Participant's electric load.”
- Stranded costs allocated based on a load ratio share basis, with specific allocation based on timing and purpose of the resource acquisition
- Projected stranded costs are present valued to withdrawal date at a contractually-specified 6% discount rate

Cost Categories Included in Stranded Costs

Included Feedback from Baker Tilly

- Generating resource operation and maintenance costs
- Generating resource capital addition costs
- Generating resource decommissioning costs
- Fixed natural gas transportation costs
- Firm Point-to-Point transmission costs
- Fixed purchased power costs
- Member Project capacity costs (Stanton, Tri-City, Stanton II Projects)
- Debt related costs (other than Bonds)
- Direct charges & other

Payment Calculation Is Not a Market Valuation

FMPA Manages Risk for Members in Calculating Withdrawal Payment

- Section 29 withdrawal payment must protect bondholders, credit support providers, and non-withdrawing Participants from financial harm
- One-time payment with no clawback provision if FMPA under collects withdrawal costs, so must estimate in FMPA's favor
- Payment calculation is not an analysis of whether ARP assets are above or below market value
- Note if FMPA achieves “Additional Benefits” as a result of Participant's withdrawal, FMPA must refund such amounts to Participant, up to 90% of 29(c)2 withdrawal payment (Section 29(f))

Additional Notes on Estimates

- Estimates assume participant gave Section 29 withdrawal notice no later than 9/30/2026, for 9/30/2029 withdrawal date
- Withdrawal cost estimates are not additive across participants
 - Each estimate calculated as if only that participant withdraws
- Solar costs reflected for those cities participating in ARP solar commitments
- Estimates do not include additional costs that may be specific to certain participants if they withdraw
 - e.g., certain costs to KUA and Keys pursuant to TARP agreements
- Estimates are subject to change; actual withdrawal costs would be computed at time of participant's withdrawal

2026 Section 29 Withdrawal Cost Estimates (\$Millions)

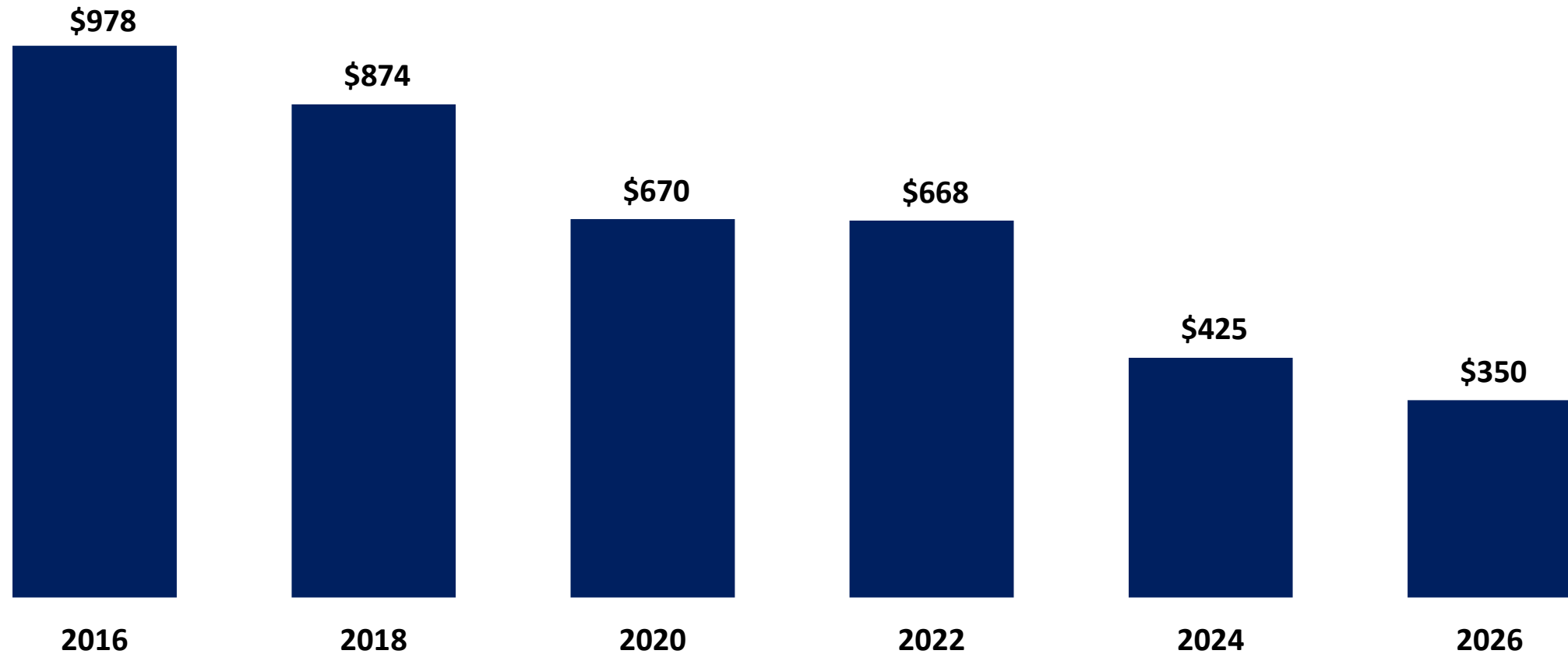
Member	Section 29(c)1	Section 29(c)2	2026 Total	2024 Total
Bushnell	3.4	29.4	32.9	31.6
Clewiston	5.1	54.1	59.2	60.5
Ft Meade	2.6	16.1	18.7	20.4
Ft Pierce	26.9	302.6	329.5	314.1
GCS	6.4	34.1	40.5	45.5
Havana	1.1	14.0	15.1	15.3
Jax Bch	40.1	492.6	532.7	523.8
Keys	37.1	385.2	422.3	422.6
KUA	104.4	1,153.3	1,257.7	1,185.4
LWU	-	48.0	48.0	47.4
Leesburg	30.9	315.0	345.8	337.2
Newberry	3.4	35.2	38.6	32.9
Ocala	84.8	929.4	1,014.3	990.0
Starke	3.4	34.0	37.4	38.2

Estimated Withdrawal Costs Higher than 2024 Estimates

- 8 of 14 participants had higher estimated total Section 29 withdrawal payments from 2024 estimates
 - Average was 1% increase
 - Clewiston, Fort Meade, Green Cove Springs, Havana, Keys, & Starke decreased
- Less ARP debt outstanding reduced average Section 29(c)1 costs 19% from 2024 estimates
 - All participants had reduced 29(c)1 estimate from 2024 (Lake Worth is \$0)
- Only Fort Meade & Green Cove Springs had lower estimated Section 29(c)2 costs than 2024 estimates
- Newberry had highest Section 29(c)2 percent cost increase due to load growth
- Largest driver of higher Section 29(c)2 costs was addition of FGT Phase IX gas capacity

Debt Portion of Section 29 Estimates Declining Over Time

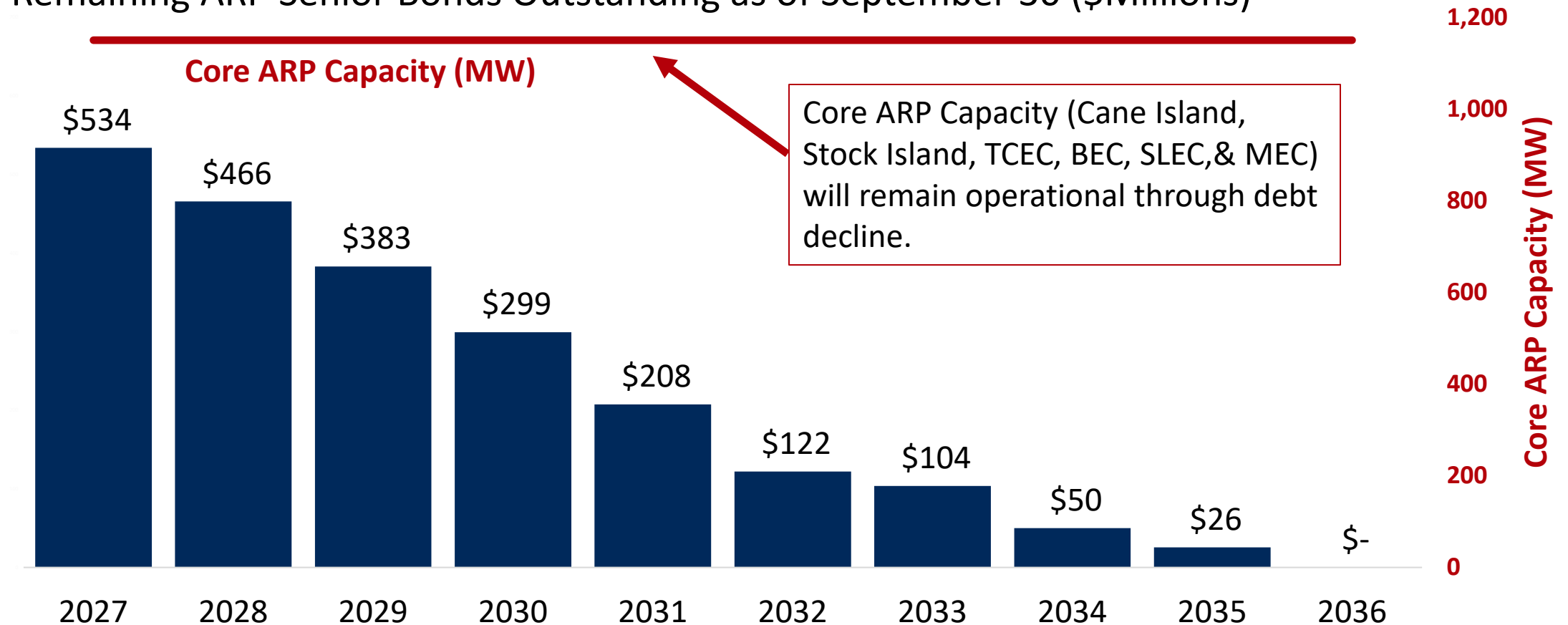
Total Biennial Section 29(c)1 Estimates (\$Millions)



91% of Current Senior Debt Paid Off After FY 2033

Core ARP Generating Resources Useful Lives Well Beyond Debt Payoff

Remaining ARP Senior Bonds Outstanding as of September 30 (\$Millions)



Are Biennial Estimates Still Desired?

EC Feedback Requested

- Seeing feedback from EC on whether staff should continue developing biennial Section 29 withdrawal estimates
- Significant staff effort (> 1 person-month) required to develop estimates
- Do members find sufficient value in biennial estimates, or should interval between estimates be increased?



Supplemental Information

Contract Requirements for Section 29(c)1. Payment (Bonds)

The amount necessary to call (including payment of any required call premiums and interest to the call date or dates), on the first permissible call date or dates, a percentage of FMPA's then outstanding Bonds (other than Bonds issued to finance additions to the System which FMPA committed to after the receipt of the Project Participant's withdrawal notice) equal to the greater of the Project Participant's share of the All-Requirements Power Supply Project's total electric load on the date of receipt of the withdrawal notice or such share on the withdrawal date. Such amount shall be calculated on the assumption that the Bonds to be called will be the applicable percentage of each series of such Bonds and of each maturity within each such series.

Contract Requirements for Section 29(c)2. Payment (“Stranded Costs”)

An amount equal to the present value on the Withdrawal Date, calculated at the rate of 6% per annum, of all of the additional costs reasonably paid or incurred, reasonably anticipated to be paid or incurred, or reasonably projected to be incurred by FMPA (as determined by FMPA in its sole discretion) as a result of the withdrawal of the Project Participant, over the term specified in such Project Participant’s All-Requirements Power Supply Project Contract (as determined on the anticipated withdrawal date). Such costs shall be determined on the assumption that, during the remaining term of such Project Participant’s All-Requirements Power Supply Project Contract, FMPA was unable to make use of or sell any generating, transmission or other resources (or portions thereof) which FMPA had anticipated would be used to supply, or had acquired with the intention of supplying, all or any portion of the withdrawing Project Participant’s electric load.

“Stranded Cost” Cost Categories

- Generating Resource O&M Costs
- Generating Resource Capital Additions Costs
- Generating Resource Decommissioning Costs
- Fixed Natural Gas Transportation Costs
- Fixed Point-to-Point Transmission Costs
- Fixed Purchased Power Costs
- Member Project Capacity Costs
- Debt Related Costs (Other than Bonds)
- Direct Charges & Other

“Stranded Cost” Calculation Periods

Participant	Withdrawal Date	Stranded Cost End Date	# of Years
Bushnell	09/30/2027	09/30/2058	31
Clewiston	09/30/2027	09/30/2058	31
Fort Meade	09/30/2027	09/30/2041*	14
Fort Pierce	09/30/2027	09/30/2058	31
Green Cove Springs	09/30/2027	09/30/2037*	10
Havana	09/30/2027	09/30/2058	31
Jacksonville Beach	09/30/2027	09/30/2058	31
Key West	09/30/2027	09/30/2058	31
KUA	09/30/2027	09/30/2058	31
Lake Worth	09/30/2027	09/30/2058	31
Leesburg	09/30/2027	09/30/2058	31
Newberry	09/30/2027	09/30/2058	31
Ocala	09/30/2027	09/30/2058	31
Starke	09/30/2027	09/30/2058	31

**AGENDA ITEM 9 – INFORMATION
ITEMS**

**e. Transco Natural Gas Delivered
Capacity Renewal**

**Executive Committee
October 15, 2026**



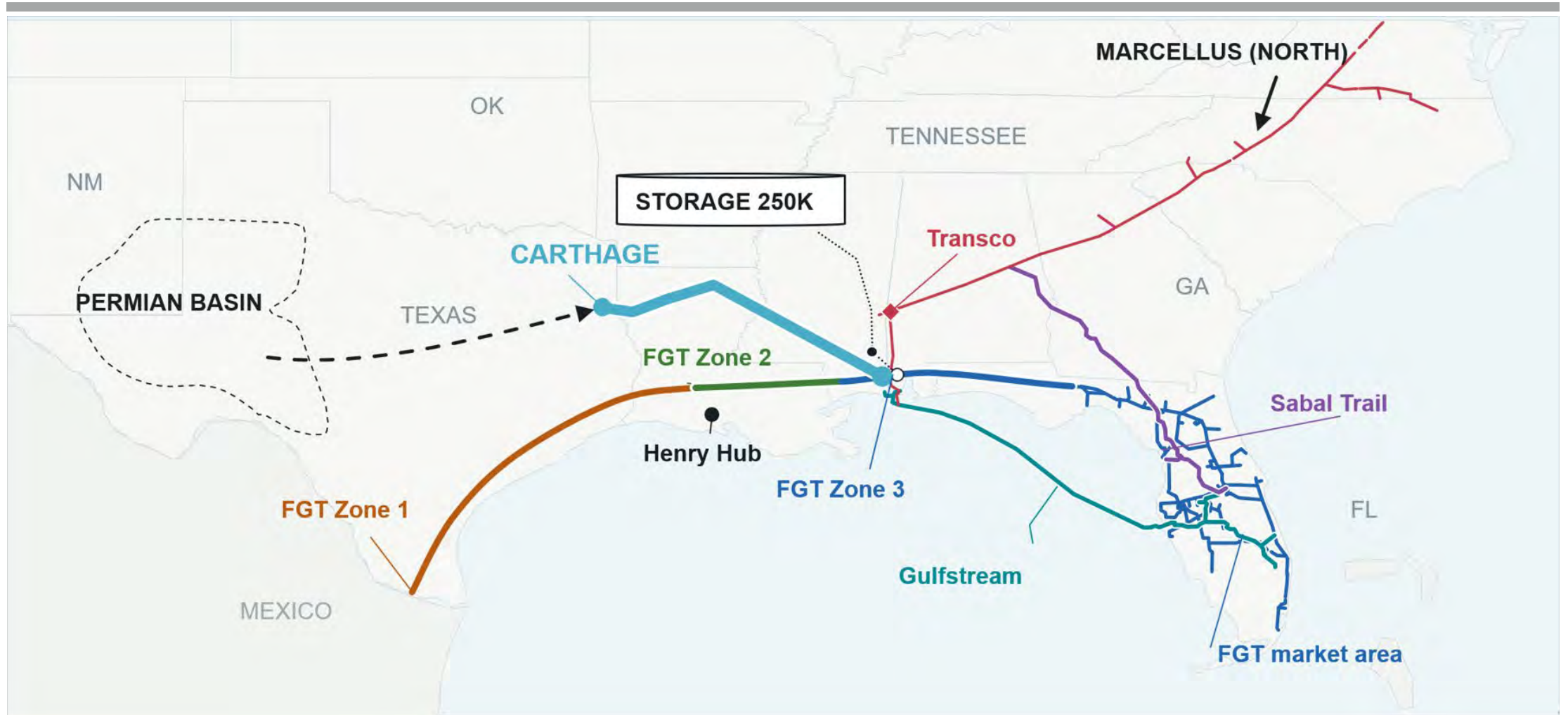
9e – Transco Natural Gas Capacity Renewal

Executive Committee

October 15, 2026

Transco Gas Capacity: Alternative to FGT Zone 3

Flexibility to Supply Gas Gives Options in Constrained Market



Transco Capacity Services, Storage, Gulfstream, and FGT Z3

44k p/d of Capacity for 10 Year Renewal Extension

- ARP Transco Station 85 Gas Capacity last renewal 2010
 - Connected to Southern Pines gas storage; ends in 2030
 - Alternative Gas Supply away from FGT Zone 3
 - Reservation cost: 11 cents per MMBtu all-in; \$1.77M per year
 - Last 90 days: average 10-cent discount to FGT Zone 3
 - Can deliver to ARP's ~15k p/d Gulfstream capacity
 - Can deliver to the Sabal Trail pipeline when the connection completed
- ***Extension Agreement will be on next month's consent agenda for Approval***

**AGENDA ITEM 10 – MEMBER
COMMENTS**

**Executive Committee
October 15, 2026**

AGENDA ITEM 11 – ADJOURNMENT

**Executive Committee
October 15, 2026**