



POWERING ON:

Recovering from a Challenging Year

**MEAG Power
Annual Meeting
July 11, 2023**



Families and Businesses in U.S. Had A Tough Year

Energy, Food, and Housing Cost Inflation Heavy Burden to Bear



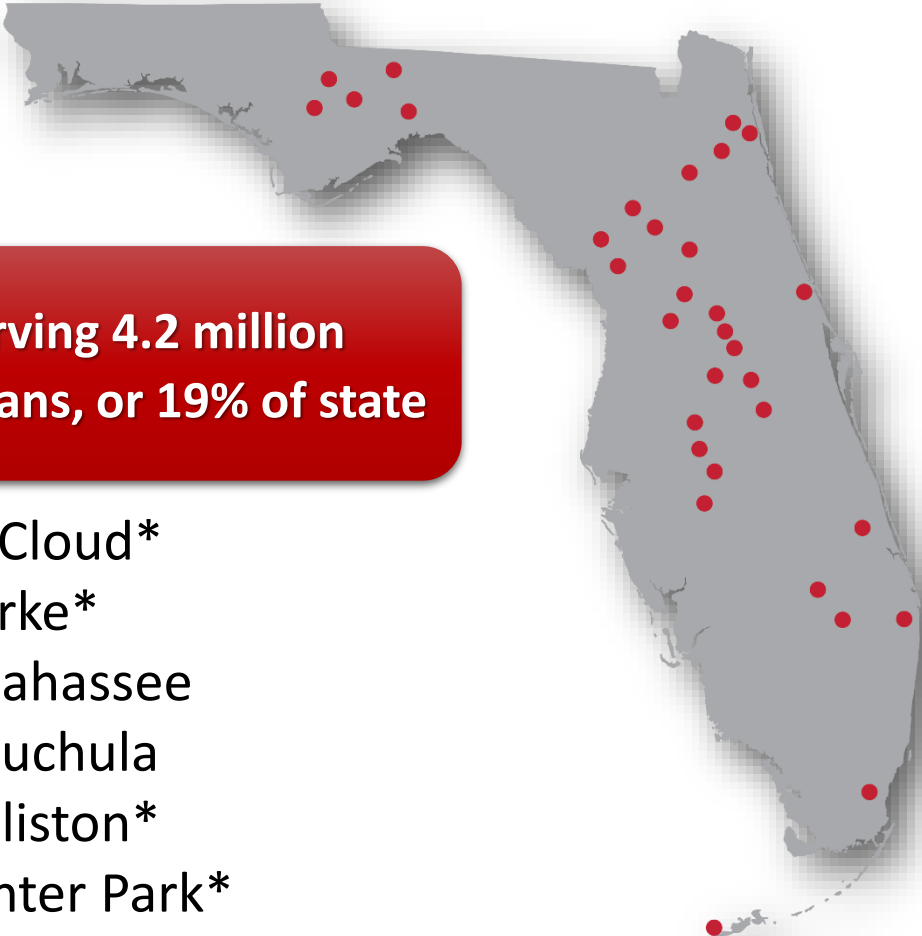
- FL highest percentage of senior citizen/elderly population in US
- Low-cost energy critical to FL economy given higher average use driven from air conditioning
- Food and housing prices impacting all households nationwide
- FL led nation in percent population growth, reinforcing state as highly attractive location to live and work

All Florida Municipals Now Members of FMMPA

JEA and Central FL Tourism Oversight District Joined In FY '23

Alachua*
Bartow*
Blountstown
Bushnell*
Chattahoochee
Clewiston*
Fort Meade*
Fort Pierce*
Gainesville
Green Cove Springs*
Town of Havana*
Homestead*
Jacksonville Beach*

JEA
Key West*
Kissimmee*
Lake Worth Beach*
Lakeland*
Leesburg*
Moore Haven*
Mount Dora
New Smyrna Beach*
Newberry*
Ocala*
Orlando*
Quincy

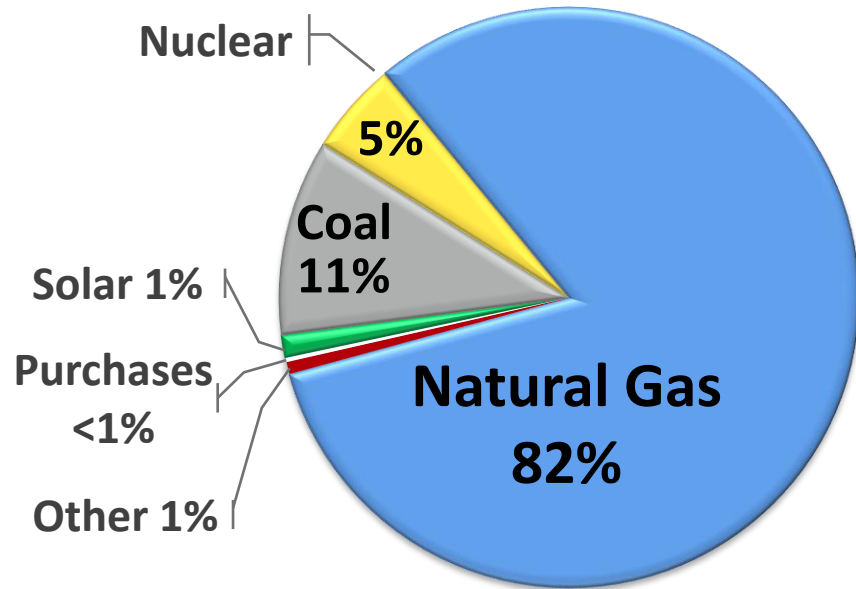


**Serving 4.2 million
Floridians, or 19% of state**

St. Cloud*
Starke*
Tallahassee
Wauchula
Williston*
Winter Park*

FMPA Will Control over 2,100 MW of Generation 2025

More than 80% of Energy from Natural Gas



FY 2022 Total FMPA ARP Generation

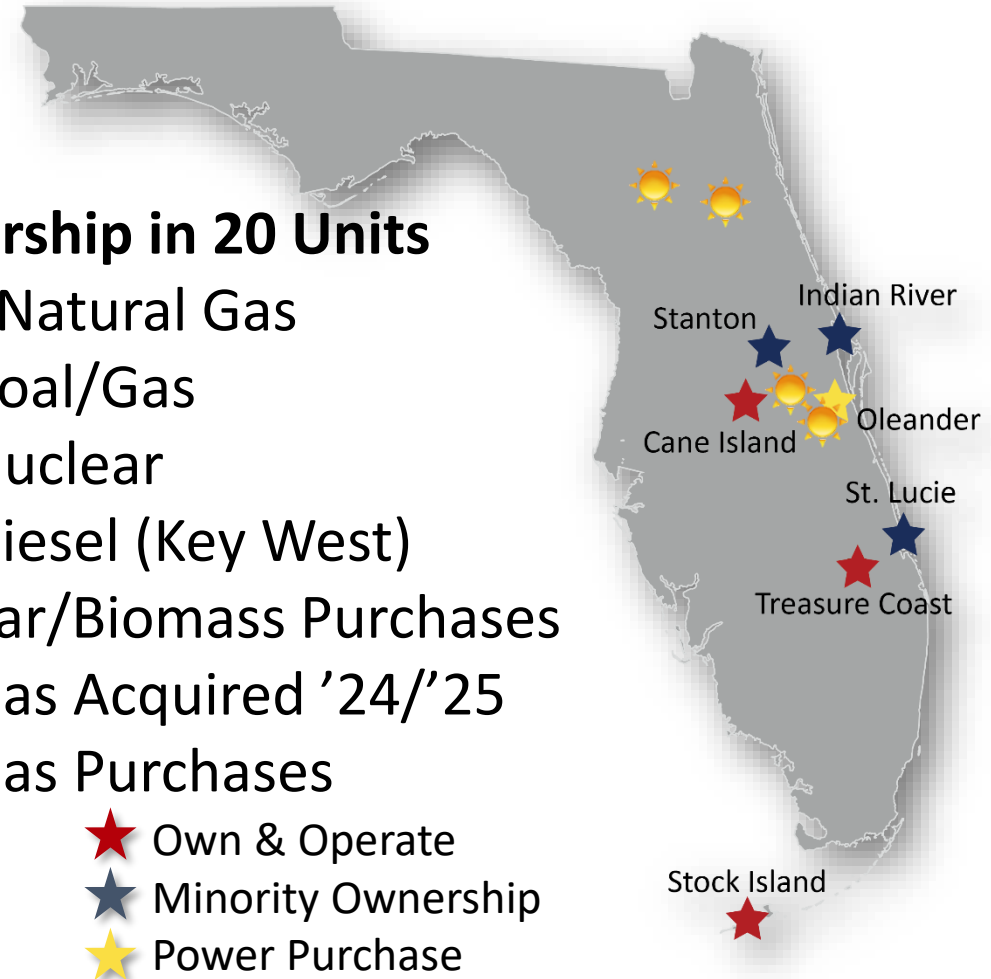


Two solar sites operational, 2 additional sites online by 2024 and 4 more by 2026

Ownership in 20 Units

- 10 Natural Gas
- 2 Coal/Gas
- 1 Nuclear
- 7 Diesel (Key West)
- Solar/Biomass Purchases
- 3 Gas Acquired '24/'25
- 2 Gas Purchases

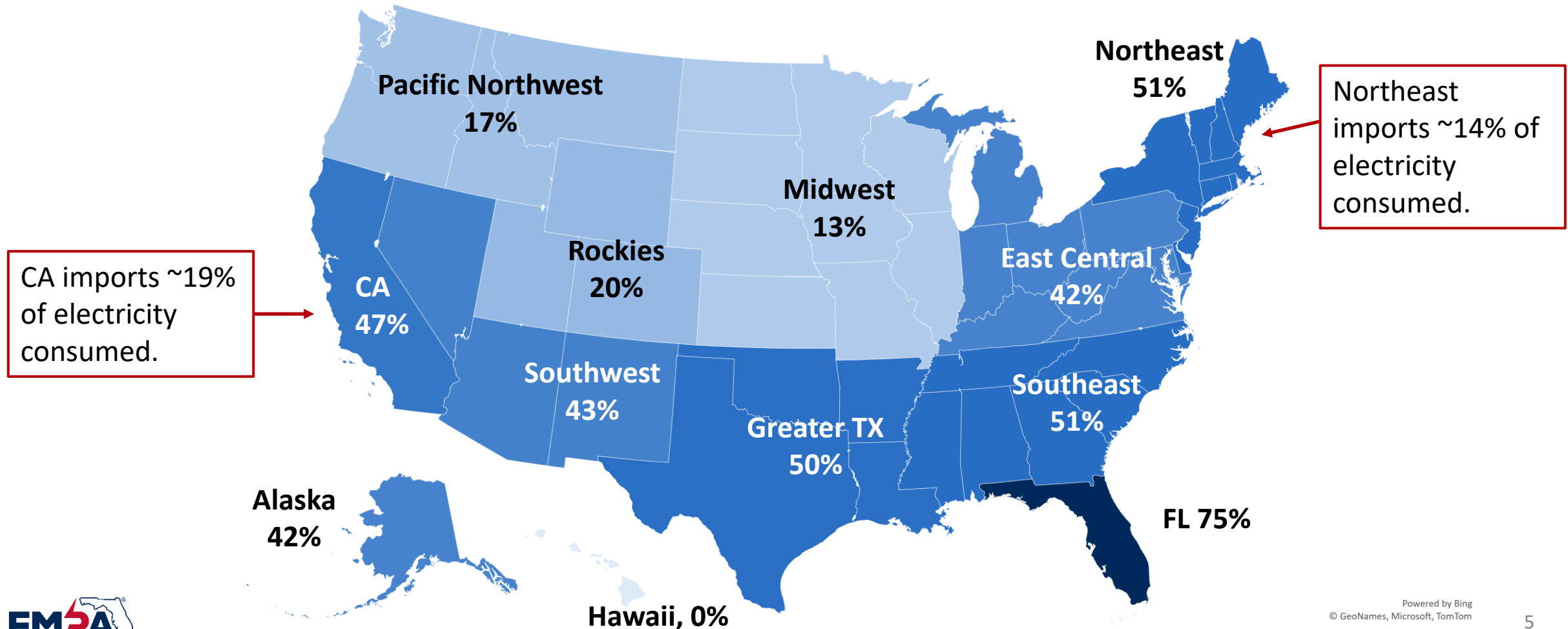
- ★ Own & Operate
- ★ Minority Ownership
- ★ Power Purchase



Florida is Most Gas-Dependent State in the Country

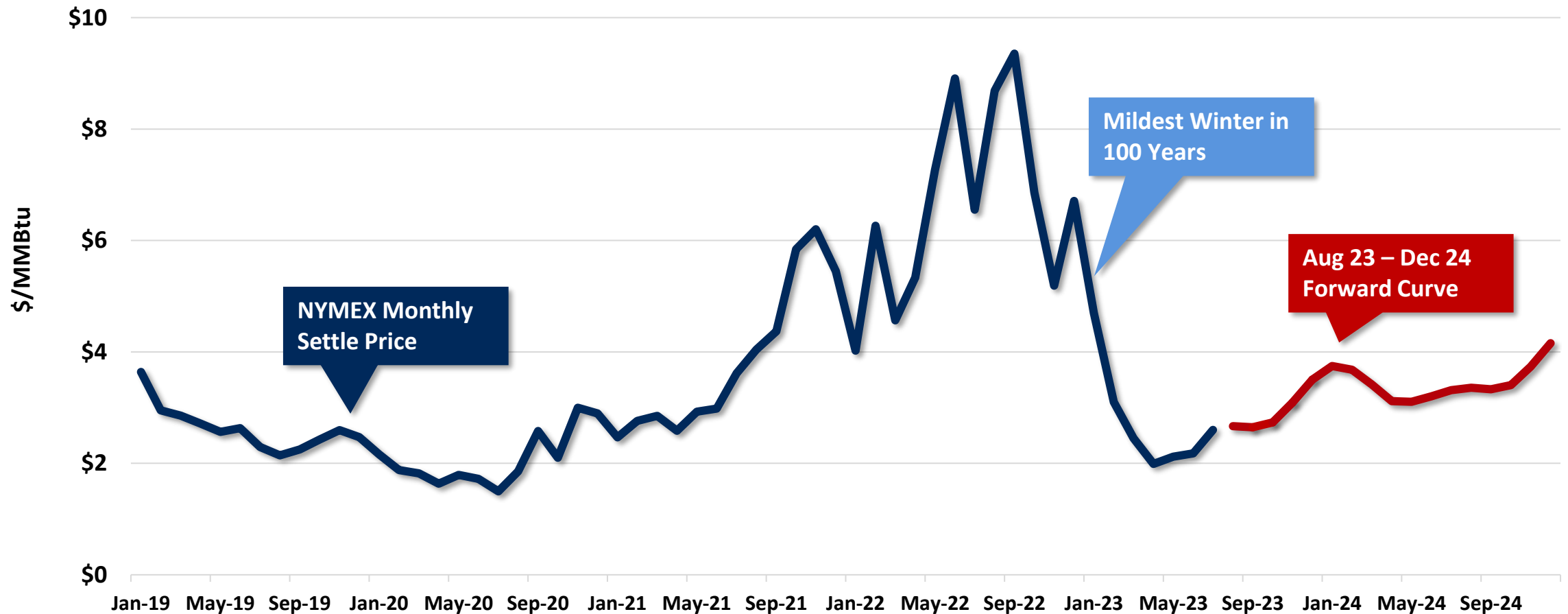
In Non-Wind or Hydro Regions, Natural Gas Dominant Fuel

Regional Electricity Generation from Natural Gas as Percentage of Total Generation (2022¹) (%)



Natural Gas Drives Electricity Prices in Florida

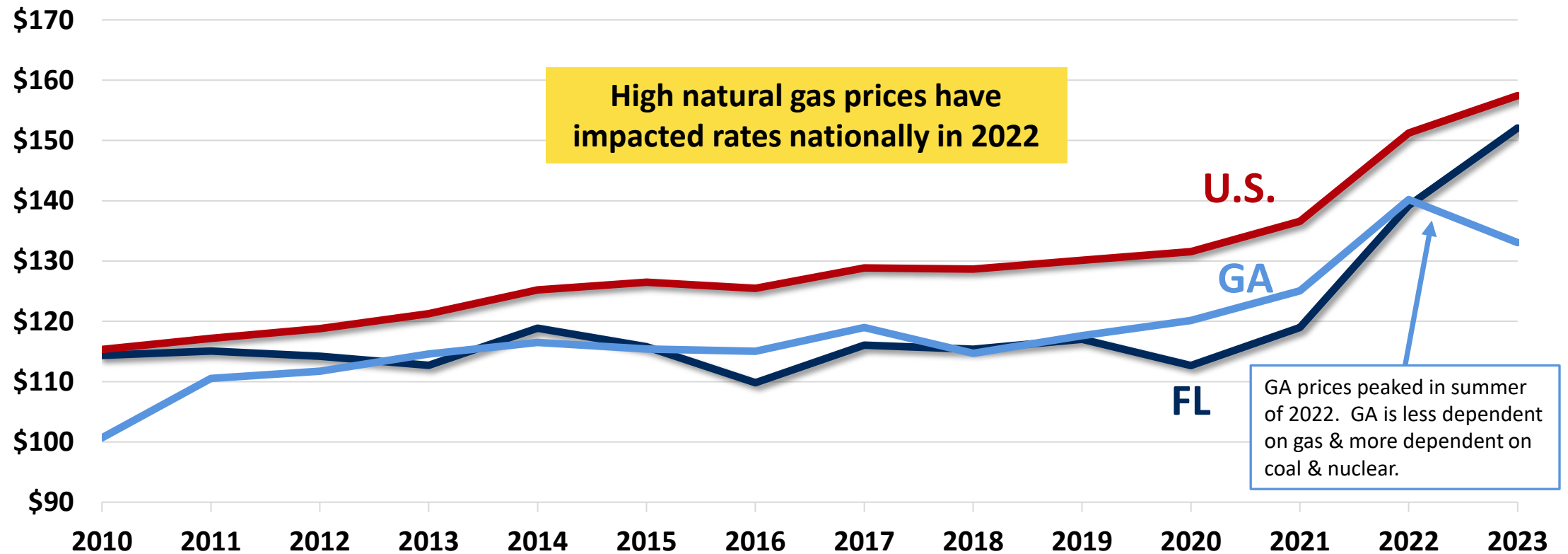
Mildest Winter in 100 Years Led to Lower Gas/Power Prices



FL Prices Rose More Than US in 2022; Driven by Gas

FL and GA Rates Still Below US Average

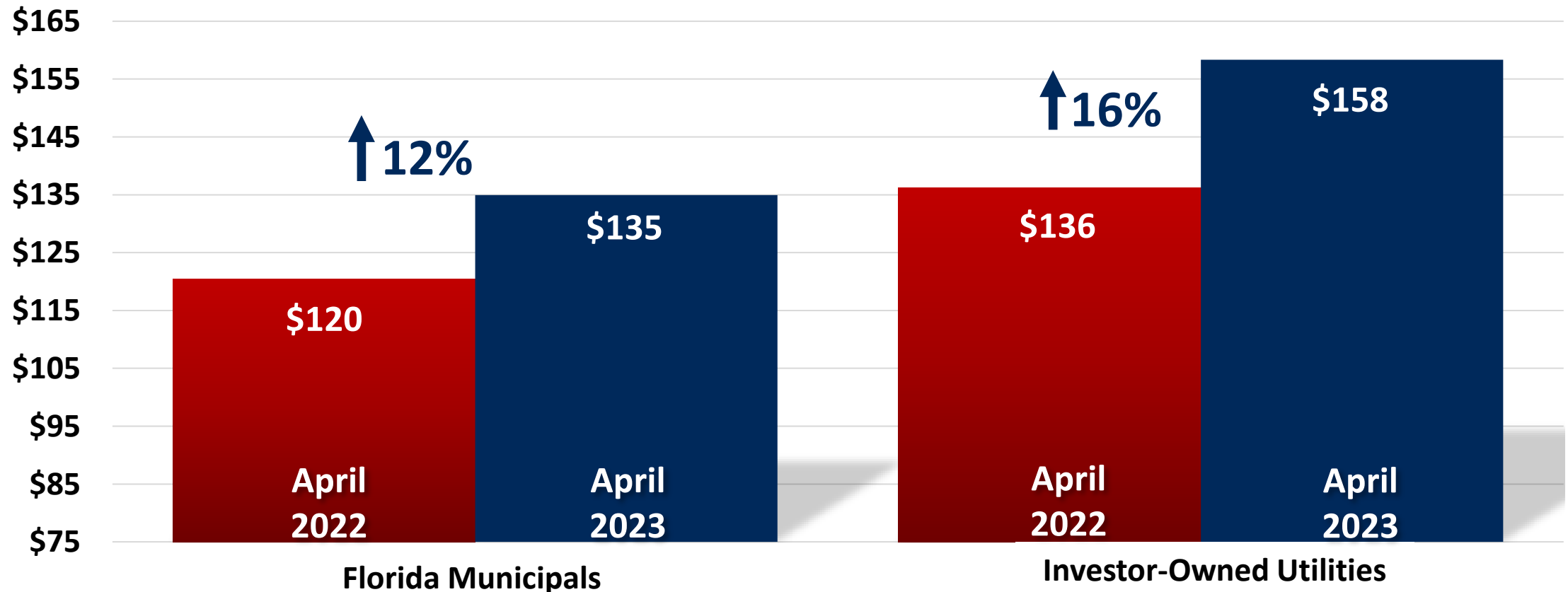
Residential Customers using 1,000 kWh/month



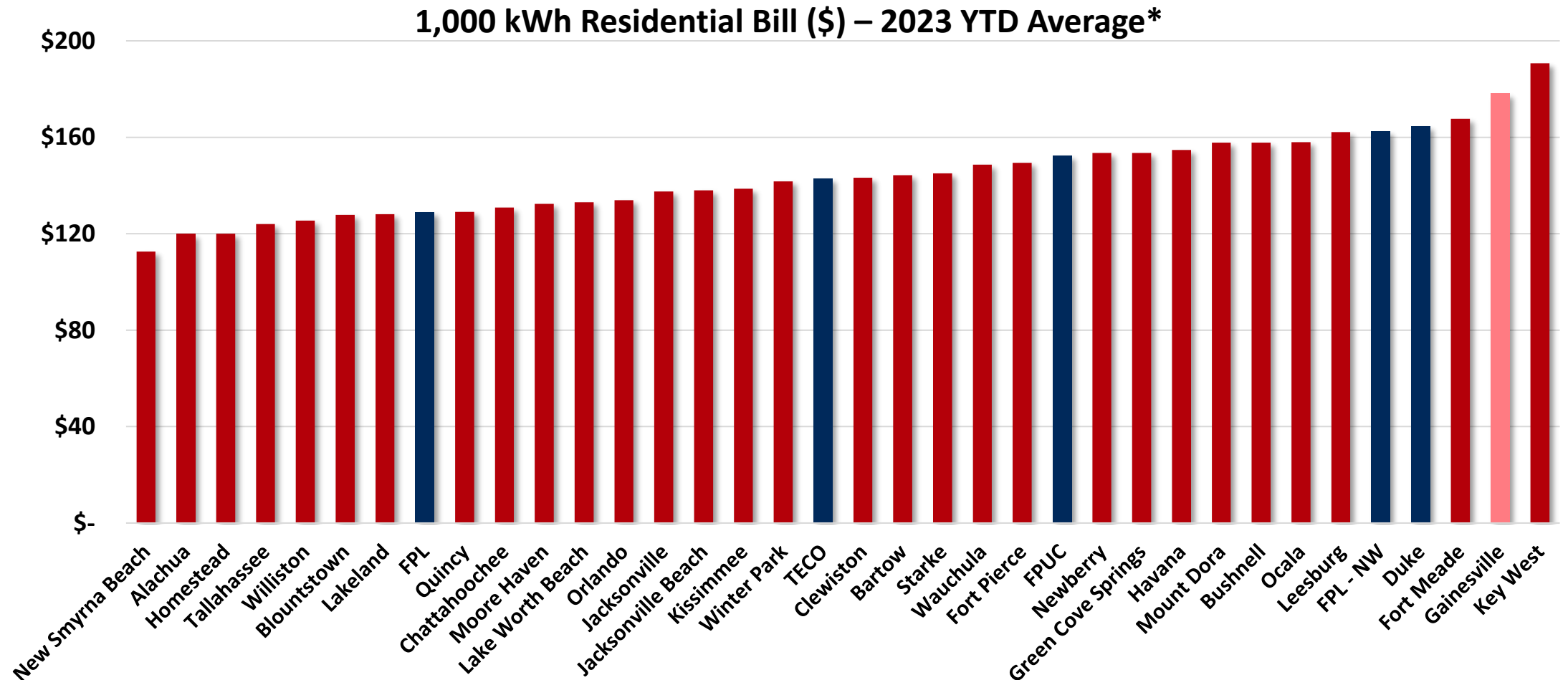
FL Municipal Electrics Continuing to Be Competitive

Price Relief Expected for Floridians

1,000 kWh Residential Bill Comparison



Municipal Price Competitiveness Critical

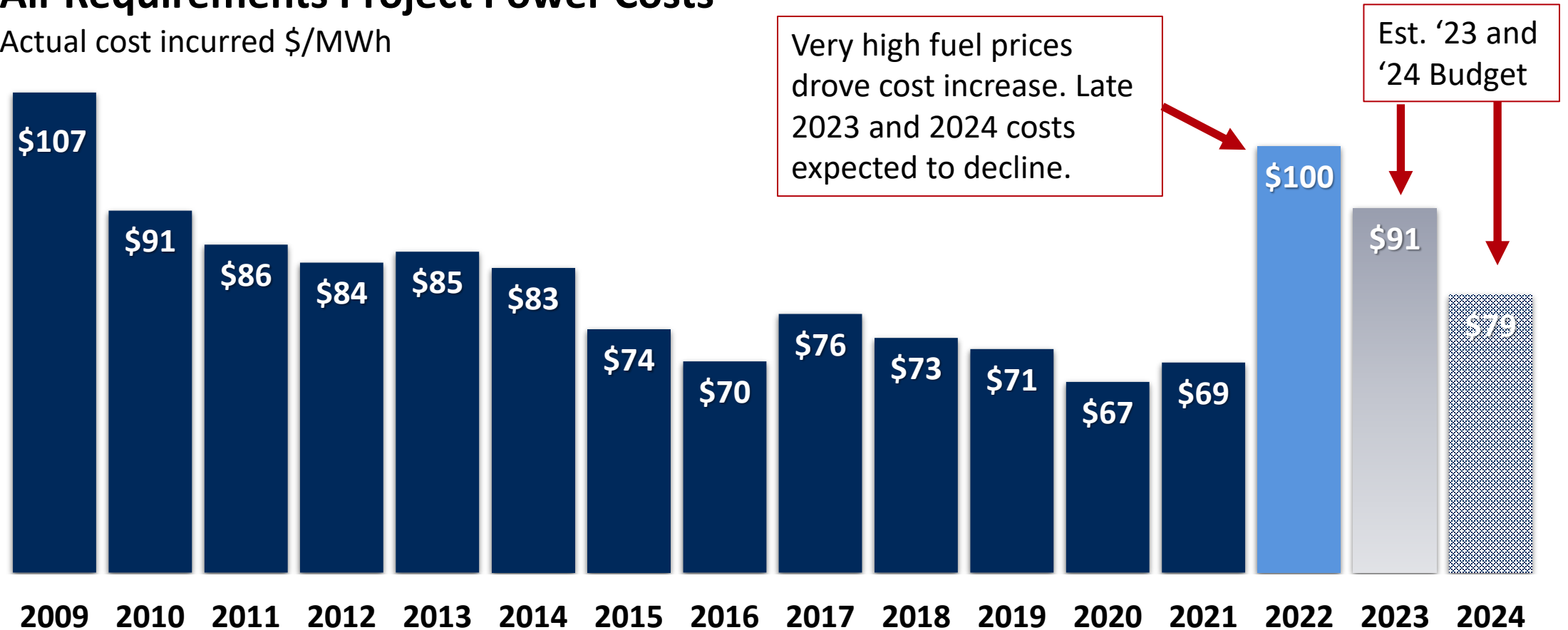


FMPA's Power Costs Up With Gas Price Increase

Costs Returning to Competitive Levels as Gas Prices Moderate

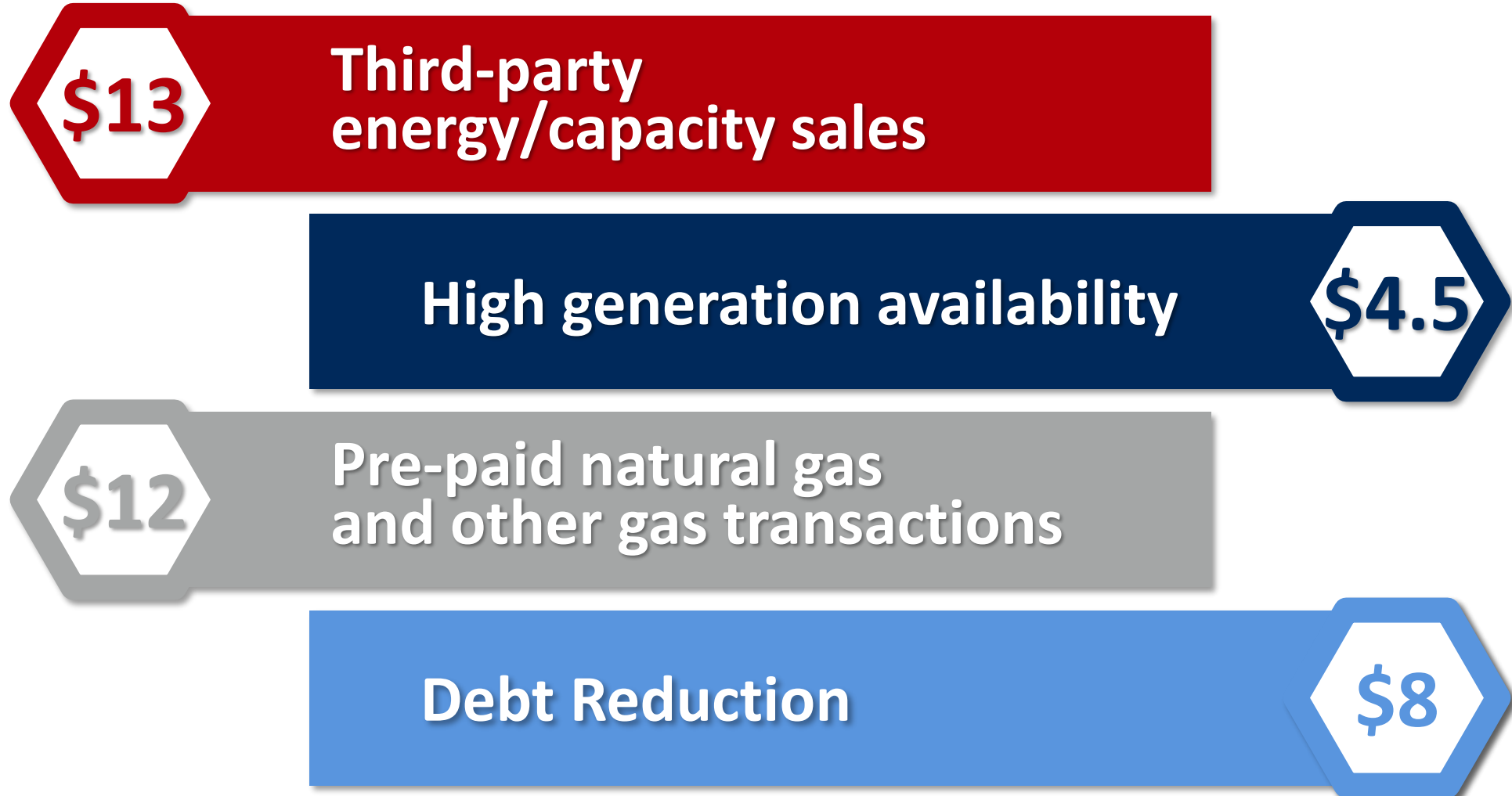
All-Requirements Project Power Costs

Actual cost incurred \$/MWh



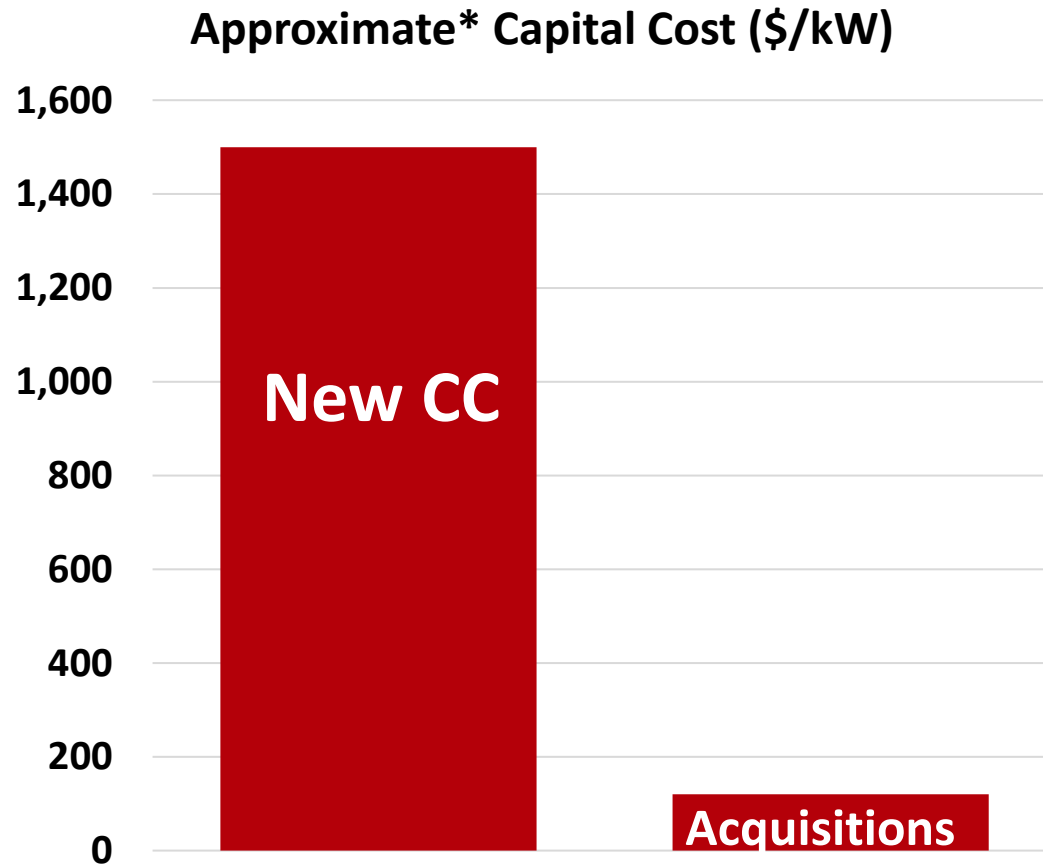
FMPA Working to Lower Costs Further in 2024

Mitigation Efforts Estimated to Reduce Cost By ~\$37.5 Million



Milestone Year for New Plant Acquisitions

Low-Cost Additions Totaling 340 MW of Natural Gas Capacity



Orange Cogen Facility



Mulberry Cogen Facility



Orlando Facility

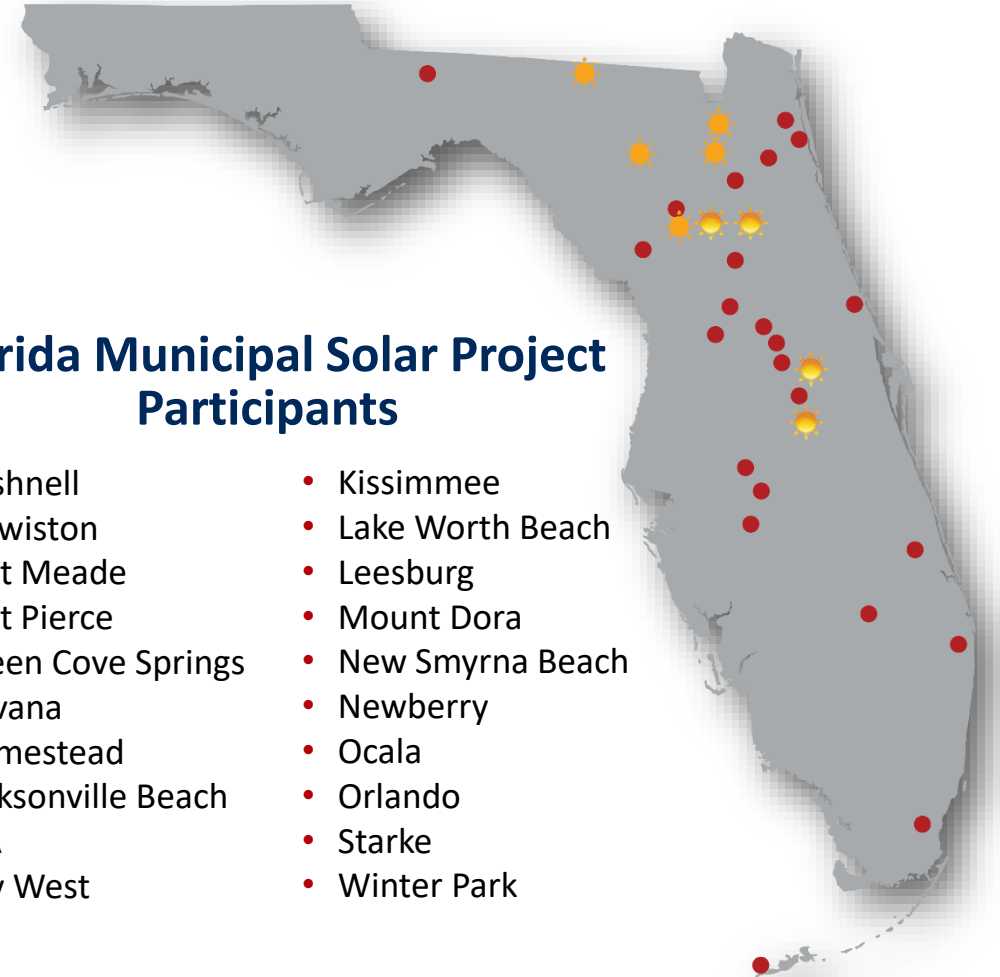
FMSP to Provide 600 MW to 20 Florida Cities

Milestone Year - Signed 300 MW of New Solar Projects

- Florida Municipal Solar Project **Phase I**
 - Two sites online totaling 149 MW
 - Enough to power 30,000 homes
- Two **Phase II** sites coming in 2023-2024
- Four additional **Phase III** solar sites coming in 2025-2026
- Large-scale solar more cost effective
- Several cities offering solar subscription service to retail customers
- On track to reduce CO₂ emissions 50% from 2005 levels by 2027

Florida Municipal Solar Project Participants

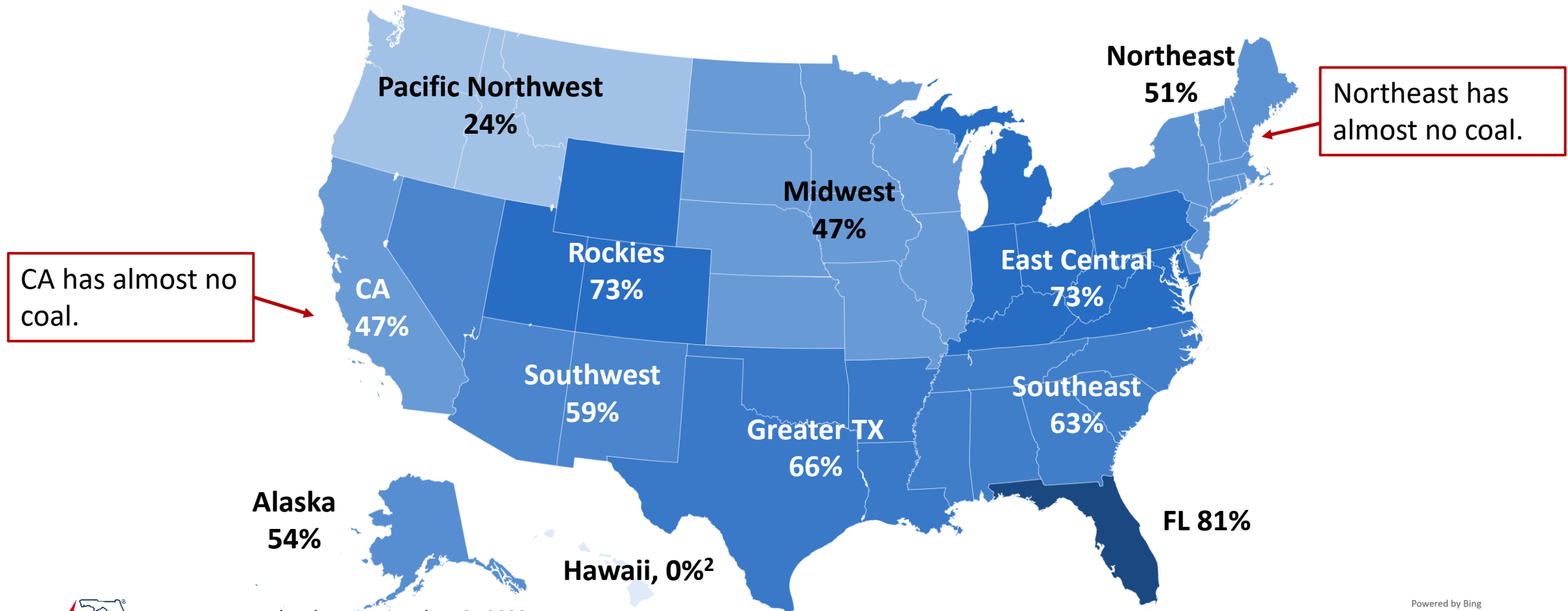
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|----------------------|--------------------|
| • Bushnell | • Kissimmee |
| • Clewiston | • Lake Worth Beach |
| • Fort Meade | • Leesburg |
| • Fort Pierce | • Mount Dora |
| • Green Cove Springs | • New Smyrna Beach |
| • Havana | • Newberry |
| • Homestead | • Ocala |
| • Jacksonville Beach | • Orlando |
| • JEA | • Starke |
| • Key West | • Winter Park |



Challenges Ahead – EPA Proposal Restructures Grid

Close Most Coal Plants and Dramatically Reduce Gas Energy

Regional Electricity Generation from Natural Gas and Coal as % of Total Generation (2022¹) (%)



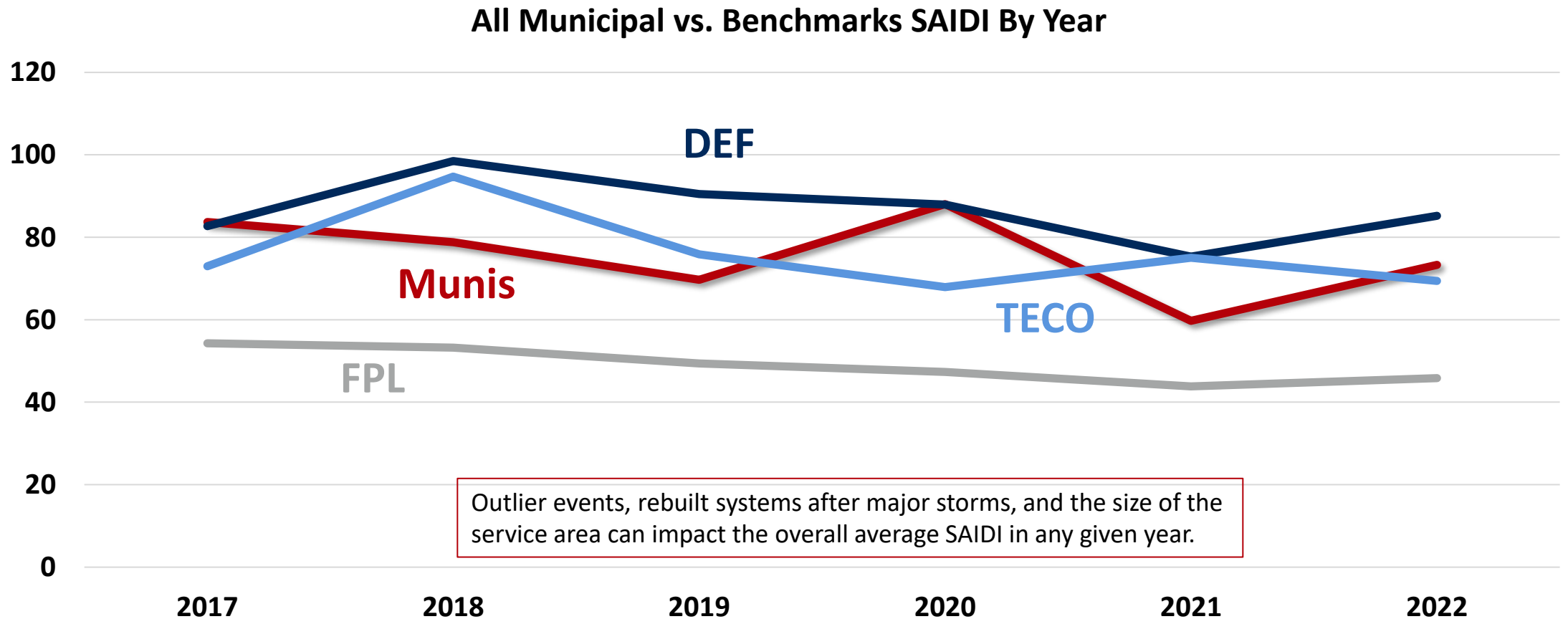
EPA Proposal Poses High Risk for Gas Dependent FL

Complete Transformation of the Bulk Power System by 2032

- Florida most impacted state in U.S.
- Close most coal units and dramatically impact natural gas, together 60% of U.S. generation
- Potential 100% - 250% increase in electricity prices
- Based on technologies not economically available
 - Carbon Capture & Storage (CCS) very high cost and only operating facility
 - "Green" hydrogen requires significant overbuild of solar generation, new hydrogen production and onsite hydrogen storage - huge permitting issue
- Ignores permitting, construction lead times and costs
- Force large, low-cost and low-emitting gas units to run less, displaced by smaller, higher-emitting gas and diesel generation

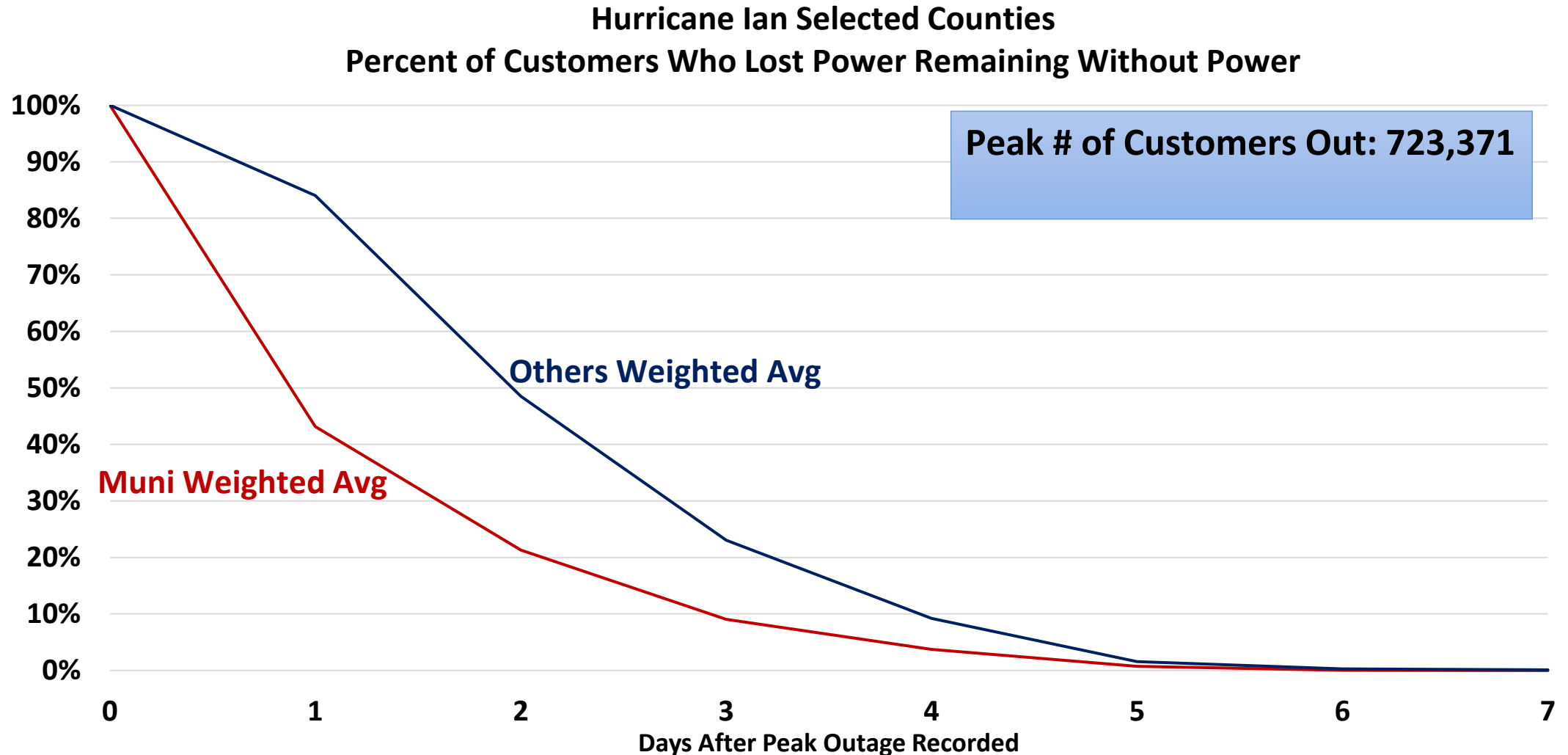
Municipal Outage Duration Improved Over Time

Active Commitment to Assist Munis to Reach 60 Min Target



Municipals Customers Restored ~1 Day Sooner After Ian

Comparing Performance in Counties Having Municipal Electrics



Starting time of outages is 9/29/22 at 9AM. Some counties experienced peak outages before or after this time.

More Work To Be Done to Lower Costs By ~\$27M/Yr.

Exploring Avenues to Enhance Fuel Diversity

- Advocating for Expanded Natural Gas Access to Keep Costs Low (~\$18M)
- Expand 3rd Party Sales Margins to Lower Costs (~\$4.5M)
- Continued focus on Generation Availability (~\$4.5M)
- Exploration of in-state nuclear potential for 2035-2040
 - Active monitoring of emerging technologies

Working So FL Families & Businesses Recover, Thrive

Our Mission Supports Providing Better Quality of Life



JOSÉ

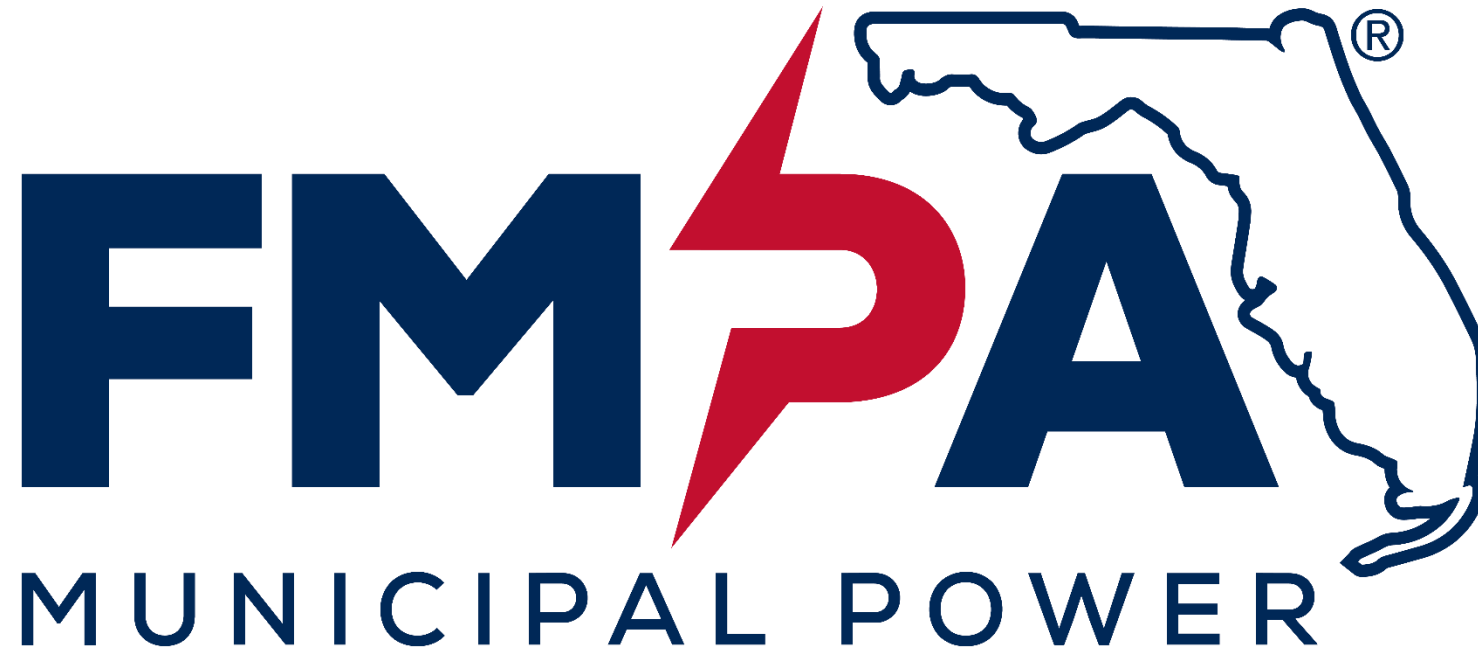


VERNAE



ANNIE

Our efforts make
life better for
customers



/FloridaMunicipalPowerAgency



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