

FACT SHEET

FMPA Provides Option to Help Vero Beach Exit FMPA Projects

Feb. 7, 2017

Florida Municipal Power Agency (FMPA) provided preliminary information to its member cities on Feb. 7, 2017, that outlines an option for Vero Beach to transfer its FMPA power projects to other cities so that Vero Beach can sell its electric system. Below are some background facts.

Vero Beach Has 51 Megawatts (MW) of Power Entitlements from FMPA

FMPA Projects	Generating Unit	Fuel Type	Participating Cities	Vero's Share
St. Lucie Project	Unit 2	Nuclear	15	13 MW
Stanton Project	Unit 1	Coal	6	21 MW
Stanton II Project	Unit 2	Coal	7	17 MW
TOTAL				51 MW

Project Costs Projected to Remain Above Market over Analysis Period

Average Annual Projected Project Costs vs. Market



Market price fuel assumption utilized the natural gas forward curve from Jan. 10, 2017.

Market price is based on supply and demand and current fuel costs, as experienced by the Florida Municipal Power Pool.

Projected Hold-Harmless Payment by Vero Beach to FMPA Cities

10/1/18 Close	
Net Present Value of Vero's Entitlement Above Projected Market ¹	\$76 million
Additional Risk	\$32 million
TOTAL	\$108 million

¹ Amount does not include any risk adjustment

Market-Price Differential Is Similar on a Dollar-Per-MW Basis to FPL's Coal Plant Purchases

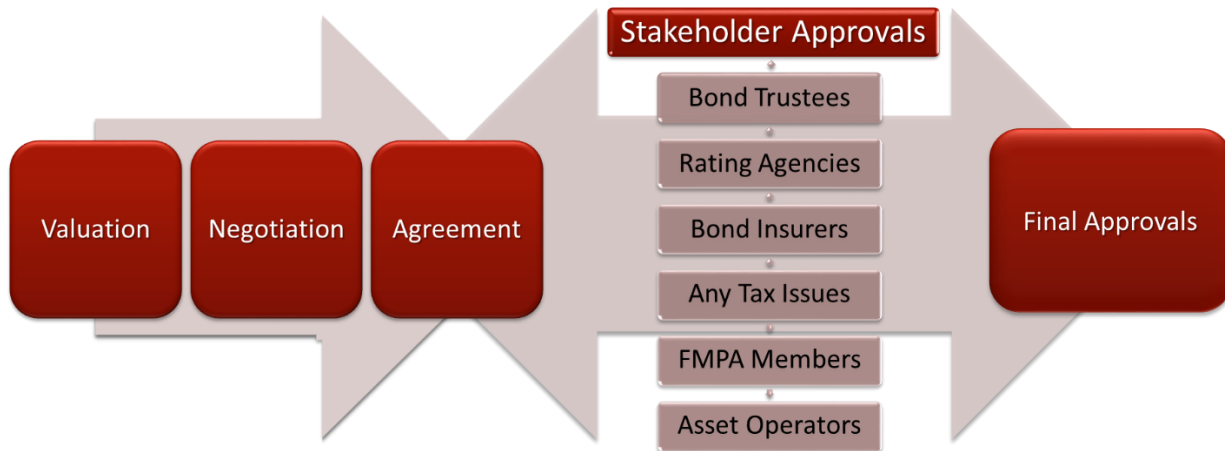
Plant	Contract Expires	Capacity	Purchase Price	Price per MW
Cedar Bay	2024	250 MW	\$520.5 million	\$2.1 million
Indiantown	2025	330 MW	\$451 million	\$1.4 million
TOTAL		580 MW	\$971.5 million	\$1.7 million

Vero Beach Is a Partner with 19 Other Municipal Utilities in FMPA Projects

	FMPA POWER SUPPLY PROJECTS			
	All-Requirements	St. Lucie	Stanton	Stanton II
1. Alachua		X		
2. Bushnell	X			
3. Clewiston	X	X		
4. Fort Meade	X	X		
5. Fort Pierce	X	X	X	X
6. Green Cove Springs	X	X		
7. Havana	X			
8. Homestead		X	X	X
9. Jacksonville Beach	X	X		
10. Key West	X			X
11. Kissimmee	X	X	X	X
12. Lake Worth	X ¹	X	X	
13. Leesburg	X	X		
14. Moore Haven		X		
15. New Smyrna Beach		X		
16. Newberry	X	X		
17. Ocala	X			
18. St. Cloud				X
19. Starke	X	X	X	X
20. Vero Beach	X ¹	X	X	X

¹ Lake Worth and Vero Beach are Participants that have opted to limit their purchases to zero MW.

Timeline for Final Agreement and Approvals Could Take 12 Months or More



FMPA Supplies 27% of Vero Beach’s Generation Capacity

Power Generation Capacity	MW	Percent
St. Lucie Project	13	7%
Stanton Project	21	11%
Stanton II Project	17	9%
Orlando Utilities Commission	139	73%
TOTAL	191	100%

Based on capacity, including reserves, for fiscal 2016.