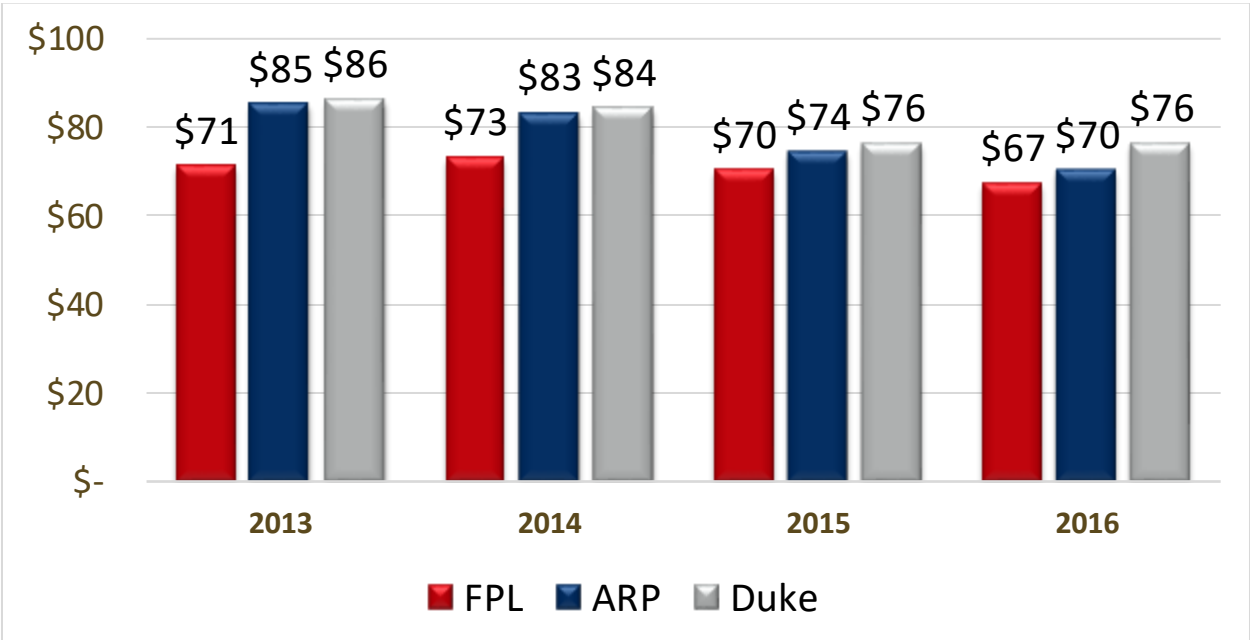


Questions and Responses related to RFP #2018-221 (ARP Series 2019A Bonds)

1. Are there any additional near-term opportunities to sell FMPA ARP excess capacity? What methods are used to find prospects to purchase excess capacity?
 - FMPA members who do not currently purchase all their wholesale needs from the ARP are frequently in the market for power supply. FMPA evaluates each opportunity as it arises to make use of ARP excess capacity to lower costs for the current ARP participants.
 - FMPA has recently won the bid to serve Bartow and Winter Park. By 2020, these deals will absorb most of FMPA's excess.
2. What are the uses of Vero Beach sale proceeds outside of the 2008C debt paydown? How was the whole process managed to keep the rates to remaining members neutral?
 - The ARP will receive \$105.4 million from Vero Beach in a December 2018 closing. Approximately \$78 million (subject to a potential small reduction due to the delayed closing) will be used to pay off existing ARP bonds and swaps. The remaining proceeds will be placed into a new Rate Protection Account. Debt savings from the use of the \$78 million will still be collected through rates and will be deposited monthly into the Rate Protection Account, and increased costs to the ARP associated with the Vero Beach entitlements will be withdrawn monthly from the Rate Protection Account, with the goal of keeping rates to Participants neutral due to the Vero Beach transaction.
3. Has there been any update regarding the OPPAGA Study ordered at the request of Senator Mayfield? Has the study commenced and what is the expected timeframe for completion?
 - The OPPAGA Study request from Senator Mayfield is still open, however the OPPAGA staff has done nothing to initiate work on a study of FMPA.
4. Are there any upcoming material capital requirements for its power generating facilities that would impact member rates or require additional debt? Is a multi-year capital plan available?
 - Capital expenses for at least the next five fiscal years are anticipated to be funded through the Renewal and Replacement Account.
 - Current budget is available by going to <https://portal.fmpa.com>. From there, select the "Annual Budgets" button and then the "Fiscal 2019 All-Requirements Project Budget."
5. Are there any anticipated environmental regulations/mandates that would impact rates/member capital requirements?
 - FMPA monitors regulatory matters on an ongoing basis and makes changes as needed. FMPA is not aware of any major regulations on the immediate horizon that would impact rates of member capital requirements.
6. How does FMPA's wholesale rates currently compare to Florida's investor owned utilities?
 - See chart below
7. With regard to the contracts your members have with FMPA, how is overall member satisfaction and usage on supply?
 - Overall member satisfaction – see #7 below
 - Supply – see response to question #1 above

8. How does the exercise of CROD option affect the utilization and rates for other ARP members?
 - Not sure we fully understand question, but in general, the impact would vary by Participant based on 1) the size of the Participant, 2) the amount of Excluded Resource and other existing Participant capacity resources that could be used to reduce the CROD obligation, and 3) the +/- 15% adjustment to the CROD amount that may be made by the Executive Committee at its sole discretion.
9. Was there any damage to FMPA or member assets from Hurricane Michael? How are affected cities managing temporary liquidity issues brought about by the storm? What is the status of members on applications for FEMA reimbursements?
 - Yes, several of our members were impacted by Hurricane Michael. The most affected members were Blountstown, Quincy, Havana and Tallahassee. FMPA's assets were not damaged.
 - Members are getting liquidity through their own internal funds or bank financing
 - Affected members intend to seek FEMA reimbursement for allowable costs. However, we believe FEMA reimbursement may take 1 to 2 years or longer.
10. Are there any legislative proposals this year that could impact FMPA or its members?
 - FMPA is not aware of any current legislative proposals that materially, negatively affect FMPA or its members.
11. Please provide company prepared/draft audit FY 6/30/18 financial for FMPA in total and for the All Requirements Project on its own.
 - 2018 Audited Financial Statements are not available
12. Per "Section I, Proposal Options-Item #3, we are asked to structure the refunding transaction with principal amortizing on October 1, 2025 through October 1, 2030. However, Addendum #1 shows principal amortizing from October 1, 2025 through October 1, 2033. Please confirm that we should be using the assumed amortization in Addendum #1
 - Amortize from 10/1/25 to 10/1/2033

Question #6 - Cost comparison



Member Satisfaction Hits New Heights

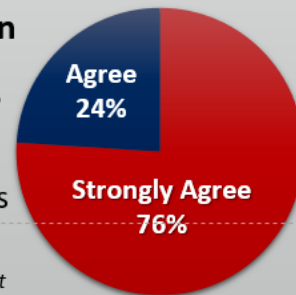
All Agree FMPA Headed in Right Direction

- Member satisfaction remains high overall
- Most measures higher than historic averages
- Four measures reached all-time highs
- All respondents said FMPA headed in right direction

Overall Satisfaction

- SCORING HIGHLIGHTS
- 3.76 for 2018
 - All-time high
 - 3.39 over 18 years
 - Up 5% since 2016

Scale of 0 to 4 with 4 the best



FMPA Right Direction

- SCORING HIGHLIGHTS
- 100% agree 2018
 - 95% over 4 years
 - Up 4% since 2016

