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FIRST QUARTER FISCAL 2002

FMPA Announces First Quarter Results

Introduction	Florida Municipal Power Agency (FMPA) released financial results for the first quarter ended Dec. 31, 2001. Highlights are as follows.
All-Requirements	<ul style="list-style-type: none">• Energy was 1,123,561 MWh for the fiscal year to date, a 10% increase compared to the same period a year ago.• Demand was 803 MW in the first quarter, a 13.4% decrease compared to the same quarter a year ago due to milder weather.• Revenue was \$52.7 million for the fiscal year to date, a 8% decrease compared to the same period last year due primarily to lower demand.• Power costs were \$46.91/MWh for the fiscal year to date, a 16.4% decrease over the same period a year ago due to lower fuel prices and increased energy sales
St. Lucie Project	<ul style="list-style-type: none">• Capacity factor of the project was 80.6% for the fiscal year to date. The project's lifetime average is now 82.1%. Unit 2 was off line one month during the quarter for refueling.• Billed power costs were \$64.15/MWh for the fiscal year to date, a 1.8% increase over the same period a year ago. The fiscal 2002 budget projection with average transmission costs included is \$69.40/MWh.
Stanton & Tri-City	<ul style="list-style-type: none">• Availability factor of Stanton Unit 1 was 68.7% for the fiscal year to date because it was off line during the first quarter for a planned maintenance outage. Unit 1's lifetime average is now 86.4%.• Billed power costs for the Stanton Project were \$48.08/MWh for the fiscal year to date, a 5.7% increase from the same period a year ago due to a longer maintenance outage and less energy production this year. The fiscal 2002 budget projection with average transmission costs included is \$43.97/MWh.• Billed power costs for the Tri-City Project were \$59.47/MWh for the fiscal year to date, a 6.8% increase from the same period a year ago due to a longer maintenance outage and less energy production this year. The fiscal 2002 budget projection with average transmission costs included is \$50.58/MWh.
Stanton II Project	<ul style="list-style-type: none">• Availability factor of Stanton Unit 2 was 98% for the fiscal year to date. Unit 2's lifetime average is now 90.9%.• Billed power costs were \$39.70/MWh for the fiscal year to date, a 2.1% increase over the same period a year ago. The fiscal 2002 budget projection with average transmission costs included is \$46.43/MWh.

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Balance Sheet

Unaudited
(thousands omitted)

<i>December 31, 2001</i>	Agency		Pooled Loan Project		St. Lucie Project	
	2002	2001	2002	2001	2002	2001
Assets						
Net Utility Plant	\$7,539	\$7,044			\$95,751	\$101,559
Restricted Assets			\$81,794	\$84,901	53,673	50,061
Current Assets	3,709	4,493			33,991	26,581
Other Assets	1,747	828			108,017	115,166
<i>TOTAL ASSETS</i>	\$12,995	\$12,365	\$81,794	\$84,901	\$291,432	\$293,367
Equity and Liabilities						
Equity	\$8,168	\$7,314				
Long-Term Debt	3,805	3,995			\$262,636	\$269,495
Restricted Liabilities			\$81,794	\$84,901	24,487	20,738
Current Liabilities	1,022	1,056			4,107	2,850
Other Liabilities					202	284
<i>TOTAL EQUITY AND LIABILITIES</i>	\$12,995	\$12,365	\$81,794	\$84,901	\$291,432	\$293,367

Statement of Revenues and Expenses and Changes in Retained Earnings

Unaudited
(thousands omitted)

<i>Three Months Ended December 31, 2001</i>	Agency		Pooled Loan Project		St. Lucie Project	
	2002	2001	2002	2001	2002	2001
Operating Revenues			\$454	\$1,120	\$7,370	\$11,083
Operating Expenses	\$1,716	\$1,675	521	1,067	2,539	2,993
Amounts Capitalized or Charged to Other Projects	1,742	1,725				
<i>OPERATING INCOME (LOSS)</i>	26	50	(67)	53	4,831	8,090
Other (Charges) and Credits	158	168	67	(53)	(5,845)	(4,138)
Net Costs Recoverable from Participant Billings					1,014	(3,952)
<i>EXCESS OF REVENUES OVER EXPENSES</i>	184	218				
Retained Earnings at Beginning of Period	5,259	4,370				
<i>RETAINED EARNINGS AT END OF PERIOD</i>	\$5,443	\$4,588	\$ -	\$ -	\$ -	\$ -

Each FMPA project is independent from the others, so no revenues or funds available from one project can be used to pay the costs of any other project. These unaudited financial statements should be read in conjunction with the Notes to Combining Financial Statements in FMPA's fiscal year 2001 Annual Report.

Stanton Project		All-Requirements Project		Tri-City Project		StantonII Project		Totals	
2002	2001	2002	2001	2002	2001	2002	2001	2002	2001
\$42,054	\$43,515	\$198,828	\$175,344	\$17,486	\$18,103	\$133,778	\$137,695	\$495,436	\$483,260
5,589	6,684	22,050	32,085	4,620	4,761	23,820	24,592	191,546	203,084
15,566	12,375	85,732	78,822	5,153	4,559	28,189	24,192	172,340	151,022
27,153	30,021	17,789	18,404	17,954	19,035	31,019	34,014	203,679	217,468
\$90,362	\$92,595	\$324,399	\$304,655	\$45,213	\$46,458	\$216,806	\$220,493	\$1,063,001	\$1,054,834

\$88,635	\$91,173	\$282,915	\$276,438	\$44,049	\$45,380	\$214,369	\$218,079	\$8,168	\$7,314
312	506	2,096	2,187	596	614	1,144	1,254	896,409	904,560
1,415	916	36,618	24,268	568	464	1,293	1,160	110,429	110,200
		2,770	1,762					45,023	30,714
\$90,362	\$92,595	\$324,399	\$304,655	\$45,213	\$46,458	\$216,806	\$220,493	2,972	2,046
								\$1,063,001	\$1,054,834

Stanton Project		All-Requirements Project		Tri-City Project		StantonII Project		Totals	
2002	2001	2002	2001	2002	2001	2002	2001	2002	2001
\$3,547	\$4,239	\$52,719	\$57,737	\$1,661	\$1,844	\$7,696	\$7,942	\$73,447	\$83,965
2,058	2,425	49,088	53,595	706	867	4,290	4,433	60,918	67,055
								1,742	1,725
1,489	1,814	3,631	4,142	955	977	3,406	3,509	14,271	18,635
(979)	(1,239)	(3,915)	(3,177)	(876)	(689)	(2,901)	(3,006)	(14,291)	(12,134)
(510)	(575)	284	(965)	(79)	(288)	(505)	(503)	204	(6,283)
								184	218
								5,259	4,370
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$5,443	\$4,588

Comments FMPA General Manager and CEO Roger Fontes commented: “Our power supply projects met our expectations during the first quarter. In particular, we are pleased to see the power costs for our All-Requirements Project back in line with its historic average, as compared to a year ago when prices for natural gas rose dramatically and caused electric rates to rise. FMPA is implementing fuel hedging techniques and risk management strategies to protect against price exposure due to the potential for significant natural gas price increases.”

- News of Interest**
- FMPA members approved a two-step rate decrease Dec. 14 that will reduce the fuel portion of All-Requirements Project bills. The energy rate was reduced from \$38.50 per Megawatt-hour (MWh) to \$36.50 effective Feb. 1, 2002. For the average city that purchases 45,000 MWh per month, the total price of wholesale power for a typical month will decrease from approximately \$2.4 million to \$2.3 million. A second rate decrease effective June 1, 2002, will reduce the energy rate further from \$36.50 per MWh to \$34.50, which will drop the typical monthly cost to \$2.2 million.
 - Florida Power & Light (FPL) submitted an application to the Nuclear Regulatory Commission (NRC) seeking to extend the operating licenses by 20 years for St. Lucie Units 1 and 2. The application was filed Nov. 30, seven months ahead of schedule. The NRC’s review and decision is expected to take two years to complete. The NRC has granted several similar life extensions. License extension would be a benefit to FMPA’s St. Lucie Project. Lengthening the plant’s operating life could enable FMPA to refinance the project’s debt over a longer operating life, and thereby decrease the monthly cost of power to FMPA’s members from this 838 MW nuclear unit.
 - A new high efficiency generating unit began commercial operations Jan. 25, 2002, at the Cane Island Power Park, becoming FMPA’s largest owned generating resource. This state-of-the-art 250 MW natural gas-fired unit is one of the most modern, most efficient and most environmentally responsible power plants. A joint development of FMPA and Kissimmee Utility Authority, the \$138.6 million unit adds 125 MW to the All-Requirements Project’s power resources. Unit 3 was constructed on a 1,027 acre site in Intercession City, southwest of Kissimmee in Osceola County.

- Notes to Financials**
- Power costs for individual project members will vary from the overall project average depending on a member’s power usage and other variable costs.
 - The rate methods for billings to project participants are set by contract, and actual rates are set in the annual budgeting process by FMPA’s Board of Directors.
 - This document may include certain forward-looking statements. These statements are based on management’s current expectations but are subject to uncertainty and changes in circumstances, which may have a material affect on actual results.

Project Summary

Project	Plant	Type	Unit Capacity	Ownership	Share
St. Lucie	St. Lucie Unit 2	nuclear	838 MW	8.8%	74 MW
Stanton	Stanton Unit 1	coal	425 MW	14.8%	63 MW
Tri-City	Stanton Unit 1	coal	425 MW	5.3%	23 MW
Stanton II	Stanton Unit 2	coal	429 MW	23.2%	100 MW
All-Requirements Project serves all the power needs of 13 municipal electric utilities.					