



THIRD QUARTER FISCAL 2005

FMPA Announces Third Quarter Results

Introduction

Florida Municipal Power Agency (FMPA) released financial results for the third quarter ended June 30, 2005. Highlights are as follows.

All-Requirements

- **Energy**, net of excluded resources, was 4,453,286 MWh for the fiscal year to date, a 1.2% decrease compared to the same period a year ago.
- **Peak demand** was 1,362 MW in the third quarter, a 1.7% decrease compared to the same quarter a year ago.
- **Revenue** was \$313 million for the fiscal year to date, a 9.3% increase compared to the same period last year due to an increase in billing charges.
- **Power costs*** were \$70.31/MWh for the fiscal year to date, a 10.7% increase over the same period a year ago due to fuel cost increases and an unplanned 10-day outage of Stanton Unit 1.

St. Lucie Project

- **Capacity factor** of the project was 88% for the fiscal year to date due to St. Lucie Unit 2's one-month scheduled refueling outage in January. The project's lifetime average is now 83.5%.
- **Billing rates*** were \$66.58/MWh for the fiscal year to date, an 8.4% increase over the same period a year ago due to budget increases. The budgeted power cost for fiscal 2005, including average transmission costs, was anticipated to be \$61.84/MWh. **Actual power costs per MWh*** were \$71.70 for the fiscal year to date, a 15.2% increase over the same period a year ago due to the refueling outage in January, as well as expenses related to the replacement of Unit 2's reactor head and steam generator scheduled for 2007.

Stanton & Tri-City

- **Availability factor** of Stanton Unit 1 was 75.1% for the fiscal year to date due partially to a two-month scheduled maintenance overhaul in the first quarter, as well as to a 10-day unplanned outage in May. Unit 1's lifetime average is now 86.7%.
- **Billing rates*** for the Stanton Project were \$54.36/MWh for the fiscal year to date, a 20.7% increase from the same period a year ago due to budget increases and lower than projected MWh sales caused by the unplanned outage in May. The budgeted power cost for fiscal 2005, including average transmission costs, was anticipated to be \$49.84/MWh. **Actual power costs per MWh*** were \$59.51 for the fiscal year to date, a 33.2% increase from the same period a year ago due to fuel cost increases and the unplanned outage.
- **Billing rates*** for the Tri-City Project were \$62.67/MWh for the fiscal year to date, a 19.4% increase from the same period a year ago due to budget increases and lower than projected MWh sales caused by the unplanned outage in May. The budgeted power cost for fiscal 2005, including average transmission costs, was anticipated to be \$52.62/MWh. **Actual power costs per MWh*** were \$70.65 for the fiscal year to date, a 32.5% increase over the same period a year ago due to fuel cost increases and the unplanned outage.

* This information should be read in conjunction with the "Notes to Financials" listed on page four.

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Statement of Net Assets

Unaudited
(thousands omitted)

	Agency Fund		Pooled Loan Fund		St. Lucie Project	
	2005	2004	2005	2004	2005	2004
<i>June 30, 2005</i>						
Assets						
Net Utility Plant	\$4,347	\$4,414			\$87,028	\$86,467
Restricted Assets		6	\$85,906	\$97,648	53,349	46,599
Current Assets	7,095	5,338			57,018	54,449
Other Assets	1,418	2,184			103,560	108,213
TOTAL ASSETS	\$12,860	\$11,942	\$85,906	\$97,648	\$300,955	\$295,728
Liabilities and Net Assets						
Net Assets	\$9,710	\$8,454				
Long-Term Debt	2,405	2,585			\$262,000	\$262,000
Restricted Liabilities			\$85,906	\$97,648	35,253	30,825
Current Liabilities	745	903			3,436	2,542
Other Liabilities					266	361
TOTAL LIABILITIES AND NET ASSETS	\$12,860	\$11,942	\$85,906	\$97,648	\$300,955	\$295,728

Statement of Revenues and Expenses and Changes in Fund Net Assets

Unaudited
(thousands omitted)

	Agency Fund		Pooled Loan Fund		St. Lucie Project	
	2005	2004	2005	2004	2005	2004
<i>Nine Months Ended June 30, 2005</i>						
Operating Revenues			\$1,629	\$871	\$30,760	\$27,857
Operating Expenses	\$5,579	\$5,339	1,659	1,087	21,881	11,177
Amounts Capitalized or Charged to Other Projects	6,058	5,088				
OPERATING INCOME (LOSS)	479	(251)	(30)	(216)	8,879	16,680
Other (Charges) and Credits	640	693	30	216	(8,181)	(14,954)
Net Costs Recoverable from Participant Billings					(698)	(1,726)
EXCESS OF REVENUES OVER EXPENSES	1,119	442				
Net Assets at Beginning of Period	8,591	8,013				
NET ASSETS AT END OF PERIOD	\$9,710	\$8,455	\$-	\$-	\$-	\$-

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 2004 Annual Report.

Stanton Project		All-Requirements Project		Tri-City Project		Stanton II Project		Totals	
2005	2004	2005	2004	2005	2004	2005	2004	2005	2004
\$40,242	\$40,781	\$191,305	\$186,931	\$16,504	\$16,793	\$127,246	\$128,095	\$466,672	\$463,481
7,892	8,557	21,191	32,205	4,878	4,902	10,518	12,483	183,734	202,400
20,344	19,146	146,645	126,992	5,277	5,931	28,782	32,093	265,161	243,949
19,094	22,228	27,592	26,244	16,350	17,342	38,306	37,827	206,320	214,038
\$87,572	\$90,712	\$386,733	\$372,372	\$43,009	\$44,968	\$204,852	\$210,498	\$1,121,887	\$1,123,868

\$83,062	\$89,434	\$285,065	\$298,262	\$40,030	\$44,373	\$196,825	\$202,467	\$9,710	\$8,454
3,625	537	6,509	805	2,361	363	5,423	1,946	869,387	899,121
885	741	32,919	43,305	618	232	2,604	6,085	139,077	132,124
		62,240	30,000					41,207	53,808
								62,506	30,361
\$87,572	\$90,712	\$386,733	\$372,372	\$43,009	\$44,968	\$204,852	\$210,498	\$1,121,887	\$1,123,868

Stanton Project		All-Requirements Project		Tri-City Project		Stanton II Project		Totals	
2005	2004	2005	2004	2005	2004	2005	2004	2005	2004
\$16,655	\$15,285	\$321,283	\$286,374	\$6,535	\$6,480	\$25,458	\$25,252	\$402,320	\$362,119
12,607	9,730	322,795	276,884	4,780	3,557	20,863	14,126	390,164	321,900
								6,058	5,088
4,048	5,555	(1,512)	9,490	1,755	2,923	4,595	11,126	18,214	45,307
(2,238)	(3,994)	668	(13,893)	(1,890)	(2,184)	(3,729)	(9,980)	(14,700)	(44,096)
(1,810)	(1,561)	844	4,403	135	(739)	(866)	(1,146)	(2,395)	(769)
								1,119	442
								8,591	8,013
\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$9,710	\$8,455

- Stanton II Project
- **Availability factor** of Stanton Unit 2 was 85% for the fiscal year to date due to a scheduled four-week maintenance outage in March and early April, as well as some relatively brief unplanned outages in April and May. Unit 2's lifetime average is now 87.9%.
 - **Billing rates*** were \$49.64/MWh for the fiscal year to date, a 3.6% increase over the same period a year ago due to budgeted fuel costs and lower MWh sales. The budgeted power cost for fiscal 2005, including average transmission costs, was anticipated to be \$49.84/MWh. **Actual power costs per MWh*** were \$48.37 for the fiscal year to date, a 2.9% increase over the same period a year ago due to fuel cost increases and unplanned outages in April and May.

Comments

FMPA General Manager and CEO Roger Fontes commented: "FMPA is focused on enhancing the competitiveness of its power supply projects by stabilizing and lowering power costs. The recent cost increases experienced by the All-Requirements, Stanton and Tri-City projects are certainly disappointing, but the effect of rising fuel costs and unit outages on these projects' performance serves to highlight the tremendous importance of a utility's power resource mix. FMPA's management and Board of Directors are addressing this issue by developing an updated version of our comprehensive, long-term power supply plan, which will help us select the most appropriate mix of resources to provide reliable power at the lowest-possible rates."

News of Interest

During the third quarter, FMPA continued to actively pursue opportunities to serve the All-Requirements Project's growing power needs, while stabilizing and lowering the project's power costs over time. All-Requirements Project members launched an effort to update FMPA's long-term power supply plan, also known as an Integrated Resource Plan. In addition to the traditional analysis of least-cost options to meet increased demand, this year's study will also include an analysis of more aggressive rate reduction strategies.

FMPA also began working this quarter on preparing a joint request for power supply proposals in partnership with JEA, Reedy Creek Improvement District and the city of Tallahassee. The request will be issued late in fiscal 2005 or early in fiscal 2006. The utilities are actively seeking economical power purchase options. Protecting customers from the impact of high, volatile natural gas prices is a shared strategic goal of the participating utilities, so the participants have expressed a preference for proposals that would diversify their fuel sources or contractually mitigate fuel price risk.

- * 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 billing rates are set in the annual budgeting process by FMPA's Board of Directors.
 - Costs not recovered under current billing rates are collected ultimately in subsequent billings for all projects.
 - 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 that 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 15 municipal electric utilities.