

# **STAFF REPORT REGULAR MEETING**

**AGENDA DATE:** December 16, 2025

**DEPARTMENT:** Electric Utility

**TITLE:**

Agreement for the Purchase and Sale of Electric Energy & Capacity Between the City and Florida Municipal Power Agency

**SUMMARY:**

This item authorizes the City of Lake Worth Beach to enter into an Agreement for the Purchase and Sale of Electric Energy & Capacity Between the City and Florida Municipal Power Agency ("FMPA Agreement").

**BACKGROUND AND JUSTIFICATION:**

The City's Electric Utility currently has an Agreement for Base, Intermediate and Peaking Purchase and Sale of Electric Energy and Capacity with the Orlando Utilities Commission ("OUC") (the "OUC Agreement"). The OUC Agreement, which has been in effect since January 1, 2019, is set to expire on December 31, 2025. Pursuant to a Request for Proposals, FMPA was selected to advance to the negotiation phase of the process and the resultant proposed FMPA Agreement is ready for formal by both the City and FMPA.

The Agreement will extend for a period of up to seven (7) years extending from January 1, 2026 to December 31, 2032, during which period FMPA will serve the City's needs for electric energy and capacity to supplement its electric generation entitlements. The Agreement allows for the City to increase its purchases of renewable energy and battery energy storage in an amount of up to 10 megawatts on its own or through other providers, should the City desire to do so.

The proposed FMPA Agreement will not affect existing agreements for City's electric capacity and energy supply such as those related to the FMPA Stanton, FMPA St. Lucie, and FMPA Municipal Solar Projects. The City is a party to agreements with each of these Projects that are not alterable by City's choice of supplemental energy and capacity providers.

The funding sources for the anticipated Net Fiscal Impact will be addressed through a combination of the Electric Utility Fund Balance and Purchased Power Cost Adjustment (PCA) increases to be approved by the City Commission following the completion of a Cost of Service Study (COS) currently underway. A Budget Amendment will follow in early calendar year 2026 when a new PCA is approved.

**MOTION:**

Move to approve/disapprove the Agreement for the Purchase and Sale of Electric Energy & Capacity Between the City and FMPA at an evaluated annual cost of \$13.8 Million.

**ATTACHMENT(S):**

Fiscal Impact Analysis

Presentation of Oct. 28, 2025: Lake Worth Beach Energy RFP\_1028 City Comm Update

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## FISCAL IMPACT ANALYSIS

### Five Year Summary of Fiscal Impact:

<b>Fiscal Years</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>
Inflows/Revenues					
Appropriated (Budgeted)	0	0	0	0	0
Program Income	0	0	0	0	0
Grants	0	0	0	0	0
In Kind	0	0	0	0	0
Outflows/Expenditures					
Appropriated (Budgeted)	\$11,313,980	0	0	0	0
Operating	\$3.47M	\$15.4M	\$15.4M	\$15.4M	\$15.4M
Capital	0	0	0	0	0
Net Fiscal Impact (If not budgeted)	\$3.47M	0	0	0	0
No. of Addn'l Full-Time Employee Positions	0	0	0	0	0

Contract Award - Existing Appropriation (Budgeted)	
	Expenditure
Department	Electric Utility
Division	Power Generation
GL Description	Purchased Power OUC (description to be updated to FMFA in January 2026)
GL Account Number	401-6031-531.34-20
Project Number	N/A
Requested Funds	\$3.47M
Remaining Balance	\$0.00
Source of Revenue (i.e. Paygo. Current Revenue, Bond Money, Grants, etc.)	Fund Balance and/or Paygo