



The Reliable One[®]

Changes to OUC Electric and Water Rates

In January, the OUC governing board held a public rate workshop and then voted to increase electric and water rates for all customers effective March 1, 2009.

The electric rate charges are increasing due to higher operating, capital and fuel costs, as well as increased environmental regulation and investments in energy efficiency and renewables. To lessen the impact to our customers, OUC undertook rigorous internal cost-cutting measures – including reducing expenses, delaying capital projects and implementing a hiring freeze – and was able to cut the expected increase by nearly half. Even with the increase, OUC continues to have among the lowest rates in the state and the best reliability.

With this change, typical residential and small commercial customers will see an average 15 percent increase in their monthly bills, with residential rates increasing from \$104.19 for 1,000 kilowatt hours to \$119.82. Midsize and large commercial customers will see a 10.6 to 17.4 percent increase depending on the applicable rate schedule and energy load characteristics.

The OUC board also approved an increase in water service charges for all customers as well as an increase in the water consumption charges for commercial potable water meters 1 inch and greater. The water service charge for 5/8 inch meters inside the city is increasing by \$1.00 with the service charge for larger meter sizes increasing proportionally. The commercial consumption rate is increasing by 15 percent.

Please see the back of this notice for OUC's new residential and small commercial (General Service Non-Demand) electric rate schedules.

The Florida Public Service Commission reviewed and accepted our rate structure. The rates will take effect with bills printed on or after March 1, 2009, and will be applied to services received during the billing period shown (typically the previous 30 days of service). Detailed rate information and conservation tips are available online at www.ouc.com.

Residential Electric Rate Schedule

effective 3/1/09

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|-------------------------|------------------|
| Electric Service Charge | \$8.00 per month |
| Base Charge | |
| 0-1,000 KWH | 6.975 cents/KWH |
| 1,000 + KWH | 7.975 cents/KWH |
| Fuel Charge | |
| 0-1,000 KWH | 4.207 cents/KWH |
| 1,000 + KWH | 5.207 cents/KWH |

General Service Non-Demand Rate Schedule

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|-------------------------|------------------------|
| Electric Service Charge | \$10.25 per month |
| Base Charge | 7.252 cents/KWH |
| Fuel Charge | <u>4.484</u> cents/KWH |
| Total Energy Charge | 11.736 cents/KWH |

Electric Service Charge: Fixed monthly charge covering basic costs of meter reading and billing, plus maintenance of services and meters.

Base Charge: All other costs of providing electric service except fuel and purchased power costs.

Fuel Charge: The costs of fuel and purchased power incurred by OUC to provide electric service to customers.

Terms of Payments: Bills are due and payable upon receipt. They become past due on the date indicated on each bill, which is about 18 days after the bill is mailed. Service is subject to disconnection about 19 days after the past due date if the bill is unpaid.

Limitations: This electric service is not available for resale or partial, standby and supplemental service.

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Depending on where the customer resides, the following municipal and county taxes apply to monthly electric charges plus all adjustments except costs of fuel above 0.638 cents per kilowatt hour (KWH):

Municipal Utility Tax: Applies to customers whose electric service is provided within the city limits of the City of Orlando.

County Public Service Tax: Applies to customers whose electric service is provided outside the City of Orlando but within Orange County.

State Taxes: In accordance with Florida Statutes, a gross receipts tax is applicable to all electric sales charges. General Service (commercial) electric customers are subject to state sales tax unless a certificate of tax exemption has been filed with OUC.