

**MINUTES
ORLANDO UTILITIES COMMISSION
May 11, 2021
2:00 P.M.**

Present:

COMMISSIONERS:

Britta Gross, President
Larry Mills, First Vice President
Cesar E. Calvet, Immediate Past President
Buddy Dyer, Mayor

Clint Bullock, General Manager & Chief Executive Officer
Jan Aspuru, Chief Operating Officer
Mindy Brenay, Chief Financial Officer
W. Christopher Browder, Chief Legal Officer
Linda Ferrone, Chief Customer & Marketing Officer
Manju Palakkat, Chief Transformation & Technology Officer
Latisha Thompson, Chief Employee Experience Officer
LeMoyne Adams, Luz Aviles, Wade Gillingham, Jenise Osani, & Ken Zambito,
Vice Presidents
Nanci Schwartz, Recording Secretary

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The May 11, 2021 Commission Meeting was held in person and virtually via WebEx.

President Gross asked Pete Westlake to provide the moment of reflection.

President Gross asked Michael Stephens to lead the Pledge of Allegiance to the Flag.

The Commission Meeting was called to order at 2:04 P.M.

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On a motion by Commissioner Mills, seconded by Mayor Dyer and unanimously carried, the reading of the minutes of the April 13, 2021 Commission Meeting was waived and the minutes were approved.

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Jenise Osani provided a recap of the April Earth Month activities and the Water Color Project. Ms. Osani discussed the Earth Month Community Volunteer Project which occurred on April 17, to revitalize the One Pulse Foundation's new facility. Ms. Osani thanked President Gross for her participation in the event and presented a video. OUC also participated in the City of St. Cloud's Earth Day on April 17, as well as the Central Florida Earth Day event on April 25. Ms. Osani provided an update on the Green Your Routine Program. In April, there were more than 700 pledges for the program and the website has had over 3,000 page views.

Ms. Osani stated that OUC started the Water Color Project to blend art, education, and conservation in order to help local students use their creative talents to promote water conservation in unique ways. This year, the ceremony was held virtually and the video was released on Friday, April 30. She thanked Linda Ferrone for her participation and thanked all employees to work on conservation programs and ensure OUC keeps the water flowing while maintaining the highest levels of customer satisfaction.

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Ms. Osani invited John Hazen, Managing Director with JD Power & Associates, to present the Board with a recent recognition regarding OUC's water performance. Mr. Hazen congratulated OUC on receiving the JD Power award for Highest Rank in the South Mid-Size segment in the annual water satisfaction study, as well as receiving #1 in the entire country. These rankings are based on responses from customers regarding billing and payment, price, conservation, customer service, quality and reliability.

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Mr. Bullock asked Jenise Osani to provide a presentation on Affirmative Item A-19 regarding the Robinson Street Electric Vehicle Charging Hub Project. Ms. Osani summarized OUC's vehicle electrification program goals and the five key pillars of policy, education, adoption, rates, and infrastructure. Ms. Osani discussed potential charging hub locations in high-traffic areas and along evacuation routes. OUC's first recharge mobility hub will be located at 129 Robinson Street in Downtown Orlando. It will provide access to high-speed charging for I-4 and State Road 408 travelers as well as Downtown Orlando commuters and residents. The hub will contain 20 high-speed chargers and will be one of the largest universal charging hubs in the United States. Ms. Osani explained the different levels of chargers, charging load, approximate charging speed, and cost. This hub was made possible through a Florida Department of Environmental Protection grant of \$500,000, which will be paid upon completion of the project. Construction will begin in May or June, with completion expected in Fall 2021. She thanked Pete Westlake, Justin Kramer, Eva Reyes, Fabian Richards, Chuck Easterling, and Anthony Maldonado for their work on the project.

Commissioner Mills asked for clarification that the grant offset is a reimbursement, and Ms. Osani responded affirmatively.

Commissioner Calvet inquired if there were concerns about drivers who leave their vehicles in the hub all day. Mr. Bullock stated that policies vary but tend to include those vehicles being towed, possibly fined, and potentially losing access to charging hubs.

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President Gross presented the Affirmative Items for approval. On a motion by Commissioner Calvet and seconded by Commissioner Mills, Affirmative Items A-1 through A-21 were approved as follows:

1. Ratification of the fuel procurements to the most responsive and responsible bidders in February 2021 in the aggregate amount \$10,961,839.54 as follows:

NATURAL GAS PURCHASES:

February 2021	Clarke-Mobil Counties	\$ 351,400.00
February 2021	ConocoPhillips	\$ 234,476.18
February 2021	EDF Trading	\$3,727,889.50
February 2021	Macquarie Energy	\$ 210,729.50
February 2021	Mansfield Power & Gas LLC	\$ 293,005.25
February 2021	Municipal Gas Authority of Georgia	\$ 741,216.00
February 2021	Tenaska Marketing Ventures	\$1,025,030.45
February 2021	Texla Energy Management	\$ 681,327.19

COAL PURCHASES:

February 2021	Crimson Coal Corporation	\$2,045,359.57
February 2021	Foresight Coal Sales, LLC	\$1,651,405.90

2. Approval of a Capital Expenditure Estimate for the Stanton Energy Center Gas Conversion Project – Phase 1 of 2 in the amount of \$621,068. Approval of RFP #4982 – Contract award to The Babcock & Wilcox Company; GE Steam Power, Inc.; and Riley Power, Inc., the most responsive and responsible suppliers, to provide Stanton Energy Center Unit 1 gas conversion feasibility evaluations in the aggregate amount of \$571,068;
3. Approval of RFP #4760 – Contract award to Pullman Power, LLC, the most responsive and responsible supplier, to provide labor and equipment for Stanton Energy Center structural repair services in the amount of \$235,000;
4. Approval of Change Request No. 1 to the Capital Expenditure Estimate in the amount of \$485,000 for the Stanton Energy Center Wastewater Management Project, increasing the total project cost to \$815,000. Approval of a sole source Purchase Order to Mid-State Machine and

Fabricating Corporation d/b/a Mid-State Industrial Maintenance to provide machining services required for the spray pump pedestals and bearing housings in the amount of \$227,738.78;

5. Approval of an OUC initiated scope change and conforming Change Order No. 1 to Brace Integrated Services, Inc. in the amount of \$4,500,000 to provide industrial coatings and linings, equipment insulation, and scaffolding services for the Stanton Energy Center Units 1 & 2, Combined Cycle Unit B, and Indian River Plant, increasing the total Purchase Order amount to \$18,729,853.35;
6. Approval of the Electric Distribution Construction Estimate for the installation of the underground electric distribution system to serve the Silver Springs Subdivision – Phases 1 & 2 in the amount of \$709,015.70, with a customer contribution in the amount of \$11,867;
7. Approval of the Electric Distribution Construction Estimate for Phase 1 of 2 of the South Kirkman Road Extension Project for the conversion of existing overhead facilities to a new underground manhole ductline system and the relocation of existing underground electric distribution facilities along South Kirkman Road in the amount of \$2,527,126.87, with a customer contribution in the amount of \$2,284,925.35;
8. Approval of the Lighting Construction Estimate for Kirkman Road from Carrier Drive to State Road 408 in the amount of \$537,367.89, which includes \$107,113.73 for lighting equipment from OUC's stock inventory and \$430,254.16 to Terry's Electric, Inc. for the installation of the poles, fixtures, concrete bases, conduit, and wires, with reimbursement from the Florida Department of Transportation on actual cost after project completion;
9. Authorization for the General Manager & CEO to execute the Joint Participation Agreement with the City of Orlando for professional services for the City of Orlando's portion of the Brick Streets Water Main Replacement Project. Approval of Change Request No. 2 to the Water Distribution Construction Estimate in the amount of \$383,284.32 for final engineering design and administration services necessary for the Brick Streets Water Main Replacement Project, increasing the total project cost to \$11,212,832.42. Approval of an OUC initiated scope change and conforming Change Order No. 2 to Arcadis U.S., Inc. in the amount of \$356,872 to provide final engineering design, permitting, bidding support, and construction support services, increasing the total Purchase Order amount to \$1,265,770.80;
10. Authorization for the General Manager & CEO to execute the Utility Work by Highway Contractor Agreement with the Florida Department

of Transportation for the Interstate 4 and Sand Lake Road Interchange Improvements Project. Approval of Change Request No. 1 to the Water Distribution Construction Estimate in the amount of \$416,780.85 for engineering, administration, and inspection costs necessary to complete the Interstate 4 and Sand Lake Road Interchange Improvements Project, increasing the total project cost to \$535,833.25. Approval of an OUC initiated scope change and conforming Change Order No. 1 to GAI Consultants, Inc. in the amount of \$158,788.50 to provide professional engineering services, increasing the total Purchase Order amount to \$254,798.50;

11. Approval of Change Request No. 1 to the Electric Distribution Construction Estimate in the amount of \$7,926,687.49 for final engineering and construction necessary to complete the Airport Substation to Narcoossee Road Project, increasing the total project cost to \$8,026,332.49. Approval of an OUC initiated scope change and conforming Change Order No 1 to GAI Consultants, Inc. in the amount of \$356,500 to provide final design engineering, permitting services, and construction plans, increasing the total Purchase Order amount to \$451,400;
12. Approval of a sole source Purchase Order to GE Grid Solutions, LLC for the JMUX VistaNET Advance NMS software and three years of extended support services, and three years of extended support services for the JPAX Network Manager to support existing network devices in the amount of \$157,290;
13. Approval of a sole source Purchase Order to OMICRON Electronics Corp. USA for test sets and accessories in the amount of \$413,577;
14. Approval of an OUC initiated scope change and conforming Change Order No. 1 to Citrix Systems, Inc. in the amount of \$27,800 for Netscaler and XenApp software maintenance and support for the period of June 16, 2021 through June 15, 2023, increasing the total Purchase Order amount to \$127,479.45;
15. Approval of RFQ #4974 – Contract award to Ring Power Corporation, the most responsive and responsible supplier, for the purchase of a pre-owned 30 ton rough terrain crane in the amount of \$155,000;
16. Approval of RFP #4976 – Contract award to Alpha Roofing & Sheet Metal LLC, the lowest, most responsive, and responsible supplier, for the Stanton Energy Center warehouse roof retrofit in the amount of \$319,000;

17. Approval of RFP #4854 – Contract award to Building Maintenance Services, Inc., the lowest, most responsive, and responsible supplier, to provide facilities janitorial services in the amount of \$1,541,716;
18. Approval of RFP #4769 – Contract award to KPMG LLP, the most responsive and responsible supplier, to provide performance management consulting services in the amount of \$395,000;
19. Approval of a Capital Expenditure Estimate for the Robinson Street High-Speed Electric Vehicle Charging Hub Project in the amount of \$1,894,814. Approval of RFP #4942 - Contract award to Aireko Energy Solutions US, LLC, the most responsive and responsible supplier, to provide construction and equipment installation for the project in the amount of \$1,216,934. Approval of a single source Purchase Order to Power Electronics USA, Inc. to provide 20 high speed electric vehicle charging stations for the Robinson Street High-Speed Electric Vehicle Charging Hub Project in the amount of \$436,330;
20. Approval of a single source Purchase Order to E Source to provide research and consulting services in the amount of \$574,904; and
21. Authorization for the General Manager & CEO to execute three Partial Release of Easements for Lockheed Martin Corporation and Universal Orlando, for property located south of West Sand Lake Road within the proposed future South Kirkman Road extension.

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Ms. Brenay provided a summary of OUC's revenues over the past year during COVID-19. She stated that OUC is slightly ahead of budget for the month of April compared to the Operating Budget, with residential revenues outpacing commercial revenues. Electric and water revenues are slightly higher than the previous year as a result of customer growth and a 22 percent increase in cooling degree days compared to normal weather offset by lower commercial revenues. Wholesale and other revenues are lower than the previous year as a result of deferrals to offset the pending evaluation of McIntosh 3 decommissioning. Chilled Water Revenues are lower than the previous year, which is consistent with the decrease in commercial electric revenues.

Commissioner Calvet inquired if commercial revenues have been increasing. Ms. Brenay stated that commercial revenues are still behind 2019 levels, but improved from 2020. Overall, the top 10 electric customers are approximately 5.5 to 6 percent below 2019 revenues and the top 10 water customers are 10 to 11 percent below 2019 revenues. Mr. Bullock stated that the most significant percentage drop was with the Greater Orlando Aviation Authority. Commissioner Mills noted that revenues should increase through the summer.

Commissioner Mills inquired if an increase in fuel prices could have an impact on rates. Ms. Brenay stated that staff is monitoring these increases and will tentatively recommend a price increase in January 2022 related solely to fuel.

Commissioner Calvet requested that the 2019 numbers be added to the chart for better comparison in the future. Ms. Brenay stated they will make this change going forward.

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Chris Browder provided an update on the Central Florida Water Initiative (CFWI). Mr. Browder stated that the CFWI Rule was proposed for adoption on November 19, 2021. The key elements of the rule were limiting public water suppliers' Upper Floridan Aquifer (UFA) groundwater allocations to their demonstrated 2025 demand, and setting a conservation goal for public water suppliers that restricts gross per capita consumption to 115 gallons per capita day (gpcd) from all water sources, phased in gradually by the mid-2040s. On March 1, 2021, ten public water supply petitioners filed petitions challenging the rule. The matter was referred to the Division of Administrative Hearings. There were five intervenors. A settlement agreement was reached on March 19, 2021 and an amended rule was published in the Florida Administrative Register on March 26, 2021. House Bill 1309 was passed at the end of this legislative session and, among other things, ratified the amended CFWI Rule as published on March 26, 2021.

Mr. Browder explained the key elements of the settlement, per capita conservation goals, and the impacts to OUC.

Commissioner Mills commented this was great news.

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Mr. Bullock asked Kevin Noonan to provide a Legislative Update. Mr. Noonan gave an overview of the Florida state legislative session which took place from March 2 to April 30. He summarized headline issues and discussed key issues for OUC. The two policy issues of importance to OUC were the CFWI Rule ratification and broadband internet infrastructure (municipal pole attachments). Only one bill relating to solar energy passed, and no bills related to renewable portfolio standards or carbon reduction goals were heard in committee. No bills related to the expanded use of EVs were passed. An expansive reclaimed water bill was passed after several attempts over the past several years. The renewable energy definition was changed to include renewable natural gas, which includes gas from landfills and wastewater treatment plants. Local governments are now prohibited from restricting the types of fuel sources a utility may use to generate energy. A 10-day disaster preparedness sales tax holiday will run from May 28 to June 6.

Mr. Noonan went into detail regarding House Bill 1239, Broadband Internet Infrastructure, which was presented as a way to expand rural broadband access in Florida. In reality, it would have allowed complete access to municipal utility poles by broadband communications providers and placed numerous operating restrictions on municipal utilities. The bill was a subsidization of broadband providers by municipal electric utilities. In addition, the bill gave a sales tax exemption for purchasing broadband equipment. The bill was amended and added to several times, and the impacts to OUC and other municipal utilities were greatly modified to OUC's and other municipal utilities' benefit. The bill passed both chambers unanimously and was signed by Governor DeSantis.

President Gross asked about the responsibility of fixing pole attachments damaged during storms. Mr. Noonan stated there was a lot of discussions about these issues, and the responsibility is still unclear. The Public Service Commission will be regulating pole attachments for investor owned utilities in the future. OUC's goal is to get customers' power back as soon as possible, and pole attachments are not OUC's first priority.

Commissioner Calvet asked for clarification regarding the expansion dollars for broadband providers, and whether the funds come from the state or the federal government. Mr. Noonan responded that the state is considering a \$1.5 million grant for broadband providers.

Mr. Noonan discussed key issues in the federal legislative session. Several climate legislation bills are being considered, but have a long way to go before any could become law. OUC is working with Representative Soto and Representative Demings on a list of potential projects that could benefit from a potential infrastructure plan being formulated by the Presidential administration and Congressional Republicans. OUC is engaged at the federal level both individually, with Terry Torrens serving as senior legislative representative, and through trade associations, including the American Public Power Association and the Large Public Power Council.

President Gross asked about specific items OUC is focused on regarding infrastructure. Mr. Noonan stated that OUC is looking to see where federal dollars might fall into specific buckets, as there is no legislation yet. For example, OUC will consider how to utilize electrification funds for future charging hubs.

Commissioner Mills added that once OUC knows where the money is going, staff will be able to line up key programs based on the Strategic Plan. Mr. Noonan added that Ms. Torrens has asked the OUC leadership team for input on key projects to submit for federal funds.

President Gross asked about the prioritization for moving transmission lines into Florida. Mr. Bullock responded that OUC has formulated categories and

initiatives such as transmission, solar, energy storage, electrification, fossil fuel depreciation, water projects, etc.

Mayor Dyer noted that the two funding plans disagree on what is considered infrastructure.

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Mr. Bullock asked Linda Ferrone to update Commissioners on recent OUC awards. Ms. Ferrone announced that on Earth Day, OUC was named a 2021 Environmental Champion for the fourth consecutive year in Escalent's Utility Trusted Brand and Customer Engagement study. OUC is one of only 31 utilities nationwide selected to receive the honor, and also ranked 3rd in the nation on Escalent's list. OUC was the highest rated electric utility in Florida and the South, and higher than any other municipal or investor owned utility in the state. Environmental Champions are selected based on survey results from utility customers who rate their energy providers on sustainability stewardship in their business operations, energy efficiency programs, and service to their customers.

Ms. Ferrone reminded Commissioners that during a Sustainability Workshop in 2014, OUC envisioned a future where Orlando would be recognized as the Greenest City in the Southeast. Over the past decade, OUC has set out to be leading stewards of the environment in the community and in the industry. As a result, Parade Magazine's online and print publications recognized OUC's solar energy and Net Zero CO₂ emissions initiatives in naming Orlando one of five "Earth-friendliest cities across the U.S." This recognition, along with being recognized by customers as an Environmental Champion, is a testament to the work OUC set out to complete many years ago. It is a testament to OUC's commitments and to the significant strides toward our goal of net zero CO₂ emissions by 2050, with interim targets of 50 percent reduction by 2030 and 75 percent by 2040. From announcing OUC would convert its coal plants to natural gas, to adding more solar energy, and introducing multiple electric vehicle initiatives, the past year has been transformational, and it's only the beginning as OUC works toward a more sustainable future.

Commissioner Calvet inquired about coverage in the Orlando Sentinel. Ms. Ferrone responded that the coverage was in the Parade Magazine insert but not a specific article in the newspaper.

Mayor Dyer mentioned the Golden Brick awards held earlier in the day at 12:00 P.M. Ms. Ferrone stated that the City of Orlando, LYNX, and OUC were recognized for the joint partnership for the LYMMO eBus program.

Commissioner Calvet asked if the festival in front of the Dr. Phillips Center for the Performing Arts will remain. Mayor Dyer responded that the Frontyard Festival will remain through the end of 2021.

Mr. Bullock acknowledged the commitment and dedication of the 1,200 OUC employees that contribute to these recognitions. He thanked his leadership team for the support and hard work. He thanked the Board for their support of projects and the Strategic Plan.

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Commissioner Mills praised the Tiny Green Home Project and the impact and exposure for the Green Your Routine Program. He congratulated OUC on the recognitions and noted they speak to the commitment and representation of sustainability and conservation programs. He encouraged OUC to continue pushing these programs. He praised the Robinson Hub Project and stated he is impressed with how in tune and aligned OUC is to these issues. He thanked Ms. Brenay, Mr. Browder, and Mr. Noonan for their presentations. He stated he is deeply impressed by the knowledge of the leadership team.

Commissioner Calvet thanked everyone for the great meeting. He congratulated the Service Award recipients shown in a video prior to the meeting, and noted the longevity of employees and the importance of human assets. He praised the Robinson Hub Project. He noted the prevalence of lightning strikes in the area and how that affects the service territory, and praised Mr. Aspuru and the team for working to mitigate extreme weather events. He congratulated the team for the recognitions, as well as the partnership with the City of Orlando. He praised the Water Color Project in educating young people and noted he handed out an award at the ceremony.

Mayor Dyer praised the good news provided during the meeting, including the CFWI Rule, the JD Power award, and the Parade Magazine recognition. He stated that Orlando's high ranking on sustainability lists is partly due to working with the local municipal utility. He appreciates the relationship with OUC. He noted that 47 percent of the adult population of Orange County have received the COVID-19 vaccination and encouraged employees to be vaccinated. He announced that City Hall will be opening up to employees and the public on June 1st.

President Gross praised the Robinson Hub Project and noted it will become an attraction in and of itself. She noted the importance of placing hubs along evacuation routes. She thanked Ms. Ferrone for stressing that OUC has been working on sustainability issues for many years and these recognitions are a result of the hard work. She thanked Mr. Noonan for his complex Legislative Update. She praised Ms. Osani for her presentations.

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President Gross adjourned the meeting at 3:34 P.M.

President

Secretary