

MINUTES
May 14, 2024
2:00 P.M.

Present:

COMMISSIONERS:

Larry Mills, President

Roger Chapin, First Vice President

Britta Gross, Immediate Past President

Linda Landman Gonzalez, Commissioner

Buddy Dyer, Mayor

Clint Bullock, General Manager & Chief Executive Officer

Attila Miszti, Chief Operating Officer

Mindy Brenay, Chief Financial Officer – Ex Officio

Christopher McCullion, Chief Financial Officer

W. Christopher Browder, Chief Legal Officer

Linda Ferrone, Chief Customer & Marketing Officer

Latisha Thompson, Chief Employee Experience Officer

Michael Murtagh, Chief Transformation & Technology Officer

Luz Aviles, LeMoyné Adams, Wade Gillingham, Jenise Osani, & Ken Zambito, Vice Presidents

Frances Johnson, Recording Secretary

The May 14, 2024 Commission Meeting was held in person at the Orlando Utilities Commission's Reliable Plaza Commission Chambers.

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Moment of Reflection

President Mills asked Terry Torrens to provide the moment of reflection.

* * *

Pledge of Allegiance

President Mills asked Maggie Burdette to lead the Pledge of Allegiance to the Flag.

* * *

Call to Order

The Commission Meeting was called to order at 2:15 P.M. President Mills acknowledged a quorum was present.

* * *

Consideration of the Minutes

MOTION: On a motion by Commissioner Gross, seconded by Commissioner Chapin and unanimously carried, the reading of the April 9, 2024 Commission Meeting minutes was waived, and the minutes were approved.

* * *

Service Awards

LeMoyne Adams presented a 25-year service award to William R. Munson, Water Meter Technician I.

Latisha Thompson presented a 20-year service award to Thomas Howell, Technical Trainer.

* * *

Employee / Community Recognition

Ms. Thompson announced that for the seventh consecutive year, OUC has earned a Best Wellness Employer Gold Certification from Wellness Workdays. Refer to the Appendix for more information.

Linda Ferrone provided a summary of events leading to the culmination of OUC's 100-year anniversary celebration. She also enumerated local and national recognitions received as the commemorative year concluded, including the Award for Excellence from the Downtown Orlando Partnership's 35th annual Golden Brick Awards. Refer to the Appendix for more information.

Jenise Osani provided a recap of several community events and initiatives during Earth Month, which takes place annually in April. She presented a video highlighting two of these events. Refer to the Appendix for more information and video.

* * *

Affirmative Items

President Mills presented the affirmative items for Approval.

MOTION: On a motion by Mayor Dyer and seconded by Commissioner Chapin, Affirmative Items A-1 through A-30 were approved as follows:

1. Ratification of the fuel procurements to the most responsive and responsible bidders in January 2024 in the aggregate amount of \$16,851,385.12 as follows:

NATURAL GAS PURCHASES:

January 2024	City of Lakeland	\$ 156,150.00
January 2024	Clarke-Mobile Counties	\$ 421,600.00
January 2024	ConocoPhillips	\$ 343,953.72
January 2024	EDF Trading	\$ 1,079,828.25
January 2024	Emera	\$ 726,916.69
January 2024	Gas South	\$ 411,892.67
January 2024	Municipal Gas Authority of Georgia	\$ 979,662.00
January 2024	Pathpoint Energy	\$ 1,227,786.98
January 2024	Tenaska Marketing Ventures	\$ 2,040,778.80
January 2024	Tenaska Gas Storage, LLC	\$ 1,649,703.36
January 2024	Texia Energy Management	\$ 1,266,835.35

COAL PURCHASES:

January 2024	Crimson Coal Corporation	\$6,140,573.28
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January 2024

Foresight Coal Sales, LLC

\$ 405,704.02

2. Approval of single source Purchase Orders to Nalco Company, LLC d/b/a Nalco Water to provide chemical treatment services for Stanton Energy Center Units 1 & 2, Combined Cycle Unit B and Chilled Water Operations in the aggregate amount of \$18,587,656;
3. Approval of a sole source Purchase Order to Power Costs, Inc. to provide software licenses, updates, support, and remote hosting of the GenTrader production cost modeling software and the Clearing House Price settlement software in the amount of \$414,509;
4. Approval of a Capital Expenditure Estimate for the Osceola Generating Station Carbon Dioxide Fire Protection System Upgrade Project in the amount of \$644,100. Approval of RFP #7589 – Contract award to ORR Protection Systems, Inc., the lowest, most responsive, and responsible proposal, to provide equipment and labor services for the Osceola Generating Station Carbon Dioxide Fire Protection System Upgrade Project in the amount of \$590,100. Approval of a sole source Purchase Order to ORR Protection Systems, Inc. to provide equipment and labor services for the Indian River Plant Combustion Turbine C & D Fire Protection System Upgrade Project in the amount of \$230,780;
5. Approval of a sole source Purchase Order to Siemens Energy, Inc. to provide hardware, software, and on-site commissioning support for the Indian River Plant in the amount of \$398,618;
6. Approval of RFP #7657 – Contract award to American Track Generations, LLC d/b/a American Track, the lowest, most responsive, and responsible proposal, to provide inspection, maintenance, and repair services in the amount of \$749,840;
7. Approval of Change Request No. 2 to the Capital Expenditure Estimate in the amount of \$6,900,000 for the Osceola Generating Station Units 1 & 3 Restoration Project and Site Security System Installation Project, increasing the total generation facilities project cost to \$44,100,000. Approval of an OUC initiated scope change and conforming Change Order No. 1 to GE Vernova International LLC. in the amount of \$3,000,000 to continue to provide necessary labor, equipment, and materials for the restoration of Units 1 & 3, increasing the total Purchase Order amount to \$26,500,000. Approval of a Purchase Order to DG Investments Intermediate Holdings 2, dba Convergent Technologies, LLC to provide enhanced security system material, installation, and commissioning support services in the amount of \$283,312. Approval of a Purchase Order to Terry's Electric, Inc. to provide infrastructure material, lighting installation services, and supporting equipment in the amount of \$113,900;
8. Authorization for the General Manager & CEO to execute Amendment No. 1 to the Long-Term Power Supply Agreement with the City of Lakeland beginning June 1, 2024 through December 31, 2026, including the right to terminate as of January 1, 2025 or continue on a month to month basis through December 31, 2026 as mutually agreed;
9. Ratification of the General Manager & CEO's execution of the Stanton A Power Purchase Agreement for the purchase of an additional 87 MW of capacity and energy, pending final contract negotiations and OUC legal review;

10. Approval of a Capital Expenditure Estimate for the Indian River Plant Combustion Turbine D Major Inspections & Inlet Guide Vanes Repairs Project in the amount of \$6,745,848. Approval of a sole source Purchase Order to Siemens Energy, Inc. to provide parts and labor services in the amount of \$6,097,848;
11. Ratification of Change Request No. 1 to the Capital Expenditure Estimate in the amount of \$2,127,500 for the replacement of the Gas Turbine Generator Rotor necessary to complete the Stanton Energy Center Combined Cycle Unit B Gas Turbine & Steam Turbine Major Inspection Project, increasing the total project cost to \$6,658,382. Ratification of an OUC initiated scope change and conforming Change Order No. 1 to GE Vernova International LLC. in the amount of \$2,127,500 for parts and installation services, increasing the total Purchase Order amount to \$6,658,382;
12. Ratification of an OUC initiated scope change and conforming Change Order No. 1 to Siemens Energy, Inc. in the amount of \$395,799 for support services, parts, and equipment, increasing the total Purchase Order amount to \$494,824. Ratification of an OUC initiated scope change and conforming Change Order No. 1 to Pioneer Motor Bearing Company in the amount of \$134,300 for bearing machining services, increasing the total Purchase Order amount to \$174,050;
13. Approval of the Capital Expenditure Estimate for the installation of the underground electric distribution system to serve the Center Lake Ranch Subdivision – West Phase 1B-1 in the amount of \$543,310.95, with a customer contribution in the amount of \$103,909;
14. Approval of the Capital Expenditure Estimates for the Texas Avenue Circuit Reconfiguration for the installation of electric underground facilities in the aggregate amount of \$652,432.94;
15. Approval of an OUC initiated scope change and conforming Change Order No. 1 to The Davey Tree Expert Company in the amount of \$25,123,906 to continue providing vegetation management services, increasing the total Purchase Order amount to \$45,921,219;
16. Authorization for the General Manager & CEO to execute the Joint Participation Agreement Task Order No. 1 with the City of Orlando for the West New Hampshire Street Stormwater Improvements Project. Approval of a Capital Expenditure Estimate for the West New Hampshire Street Stormwater Improvements Project in the amount of \$660,858.35. Approval of a Purchase Order to the City of Orlando for construction, administration, and inspection costs in the amount of \$526,391.47;
17. Approval of Change Request No. 1 to the Capital Expenditure Estimate in the amount of \$5,500,000 for engineering, procurement and construction support necessary to complete the Southwood & Turkey Lake Substations Switchgear & Relay Replacement Project, increasing the total project cost to \$8,800,000. Approval of OUC initiated scope changes and conforming Change Orders No. 1 to Leidos Engineering, LLC in the amount of \$775,000 for Southwood Substation and \$1,025,000 for Turkey Lake Substation to provide design engineering and construction management services, increasing the total Purchase Orders aggregate amount to \$1,990,000;

18. Commission approval of a Purchase Order to DG Investment Intermediate Holdings 2 Inc. d/b/a Convergent Technologies, LLC for the procurement and installation of two security systems in the amount of \$350,000;
19. Approval of an OUC initiated scope change and conforming Change Order No. 2 to Microsoft Corp to renew Microsoft Unified Enterprise support services in the amount of \$277,611.72, increasing the total Purchase Order amount to \$401,179.87;
20. Approval of RFQ #7473 – Contract award to Concentric, LLC, the lowest, most responsive, and responsible quote for a GridBox battery energy storage system, including a five year warranty, in the amount of \$146,950;
21. Approval of a Purchase Order to AT&T Mobility to provide cellular devices, and voice and data services in the amount of \$4,694,443;
22. Approval of RFP #7499 – Contract award to Allied Door & Hardware Company, Inc. d/b/a Overhead Door Company of Central Florida, the lowest, most responsive, and responsible proposal to provide maintenance and repair services for overhead doors and dock levelers in the amount of \$335,016;
23. Approval of sole source Purchase Orders to Amscot Corporation; Western Union Financial Services, Inc.; MoneyGram; Fidelity Express; and Firstech, Inc. to provide third-party walk-in payment processing services in the aggregate amount of \$1,650,000;
24. Approval of an OUC initiated scope change and conforming Change Order No. 3 to ACRO Service Corporation in the amount of \$6,500,000 to continue providing management services for staff augmentation, increasing the total Purchase Order amount to \$20,759,883;
25. Approval of RFP #7011 – Contract award to WebMD Health Services Group, Inc., the most responsive and responsible proposal, to provide a web-based, integrated wellness platform and the corresponding administration services in the amount of \$544,000;
26. Approval of an OUC initiated scope change and conforming Change Order No. 1 to Purple, Rock, Scissors, LLC. in the amount of \$100,000 to continue providing digital media support and maintenance, increasing the total Purchase Order amount to \$190,000;
27. Approval of an OUC initiated scope change and conforming Change Order No. 1 to Purple, Rock, Scissors, LLC. in the amount of \$50,000 to continue providing content strategy consulting, increasing the total Purchase Order amount to \$140,000;
28. Approval of an OUC initiated scope change and conforming Change Order No. 3 to McDonald Environmental Consulting, LLC in the amount of \$72,000 for continued consulting services with state agencies for electrification grant funding, increasing the total Purchase Order amount to \$168,000;

29. Approval of additional funding in the amount of \$300,000 with conforming Change Order No. 2 to O'Connor, Haftel & Angell to continue providing legal services for personal injury litigation matters, increasing the total Purchase Order amount to \$595,000; and
30. Authorization for the General Manager & CEO to execute the documents necessary to allow the sale of the Dennis Avenue easement to Orange County, to be located west of Dennis Avenue and north and south of Heather Road, subject to final legal review.

New Business

Motion: On a motion by Commissioner Landman Gonzalez and seconded by Commissioner Chapin, New Business Item 1 was adopted and accepted as follows:

NB-1 Adoption of the proposed retail electric fuel prices effective July 1, 2024, pending Florida Public Service Commission review.

Mayor Dyer expressed appreciation for the reduced rates, as rate reductions are normally not anticipated by ratepayers.

Presentation

Mindy Brenay presented the April 2024 Financial Report. Refer to the appendix for more information.

* * *

Public Comments

Jonathan Blount, an OUC customer, welcomed Commissioner Landman Gonzalez to the board and thanked OUC for sponsoring the Onyx Magazine's Women on the Move event in which President Mills provided the invocation. He also thanked OUC for embracing the Orlando Carnival that was held during Memorial Day weekend at Camping World Stadium.

* * *

General Manager's Comments

Mr. Bullock asked Ken Zambito and Jenise Osani to provide an overview of the Robinson Street Utilities Upgrade Project, which included water and electric distribution and transmission. Ms. Osani added insight into the communication and outreach OUC has been conducting related to the Robinson Street Projects. Refer to the appendix for more information. Mayor Dyer commented on the appreciation of the aesthetic impact of the Robinson Street projects between Rosalind Ave and Lake Eola Park.

Mr. Bullock asked Wade Gillingham to give an update on the completion of upgrades at the Conway water treatment plant. In addition, Mr. Gillingham provided an overview of the recent EPA drinking water standard and timeline specific to PFAS. Mr. Bullock asked for clarification on water testing protocols specific to the new PFAS requirement. Mr. Gillingham provided insight into the testing protocol, stating testing is scheduled in December 2024 based on EPA's schedule. Refer to the appendix for more information.

Mr. Bullock asked Mike Murtagh to present on Balancing Demand Growth & Affordability within the utility industry. Mr. Murtagh provided an overview of the evolving utility industry landscape, which will

impact customer demand and equity. President Gross inquired about the higher electric cost trends related to natural gas volatility and solar trending up, and whether operating and maintenance costs were accounted for in the chart presented. Mr. Murthagh clarified that the costs presented included a mixture of capital along with operating and maintenance costs. Mr. Bullock expanded on Mr. Murthagh's response, stating the costs related to solar installations are inclusive of higher inflation costs currently experienced in the labor market along with additional tariffs on foreign commodities, adding pressure to move toward domestic manufacturing. He continued, citing this will take time to build in the US market. Mr. Bullock concluded by stating that the information presented is for the board's understanding of how the pressures currently experienced in the US market impact OUC and how they will be incorporated into OUC's business plan moving forward. Commissioner Gross further inquired if Florida is interested in attracting companies that have 24-hour load requirements, such as data centers and AI related companies, and whether Florida has the energy capacity to meet those requirements. Mr. Bullock responded that Florida is currently not in the primary (constrained) or secondary (emerging) markets for data centers (as referenced on slide 6) and that the weather pattern experienced in Florida is currently a deterrent. President Mills added that the current market data does not point to public utilities providing data center services, as they will tend to focus more on the private sector.

Mr. Bullock announced that a Public Pricing Roadmap workshop will be held on Thursday, June 13, 2024. He explained OUC is promoting the public workshop through multiple communication channels to its customers and community partners. Mayor Dyer inquired about the percentage of customers that receive paper bills. Ms. Osani responded that about 45 percent of customers receive paper bills and specified the different communication channels OUC is using to promote the workshop to the public for all customers.

* * *

Commissioners' Comments

Commissioners Gross commended OUC on the efficiency of the Conway water treatment plant and OUC's responsiveness related to pricing, as well as efforts to keep the commission informed. She expressed the desire to better understand the information related to EV revenue and the impact it is having on the utility industry.

Commissioner Landman Gonzalez congratulated OUC on receiving the Best Wellness Employer Gold Certificate for the seventh time, as well as the partnership with the library and science center to help celebrate OUC's 100 years and help inform as well as educate the community.

Commissioner Chapin stated the meeting was good and very informative. He thanked Wade and Attila for the recent Stanton Energy Center tour. He thanked OUC for communicating the many challenges the utility industry continues to face, acknowledging anticipated pricing challenges.

Mayor Dyer echoed Mr. Blount's complimentary comments related to Commissioner Landman Gonzalez joining OUC's board and added thanks to OUC for the undergrounding of Lake Eola's overhead lines.

President Mills commended OUC on the communication strategy for the Robinson Street Utilities Upgrade Project and the fuel pricing reduction. He expressed appreciation for the personal lifestyle changes among employees shown in the Best Wellness presentation and concluded by recognizing OUC's Golden Brick Award and employee volunteerism.


President Mills adjourned the meeting at 3:41 P.M.



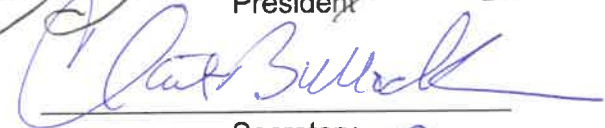
The *Reliable One*®

Commission Meeting


5/14/2024 29



President



Secretary



Recording Secretary

APPENDIX

Community Recognition

Wellness Workdays Gold Certification

Year in Review: OUC100 & Golden Brick Awards

Earth Month - Video

Presentation

Financial Report

General Manager

Robinson Street Utility Upgrade Projects

Conway Water Treatment Plant Update

Balancing Demand Growth & Affordability Overview

Wellness Workdays Gold Certification



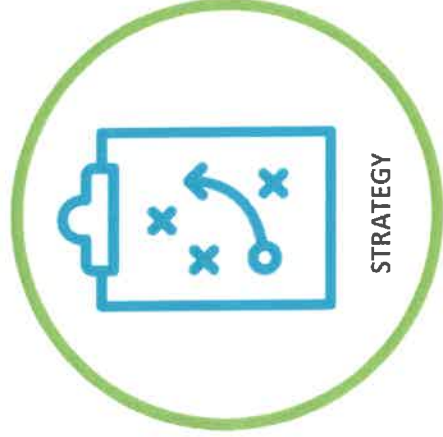
Latisha Thompson,
Chief Employee Experience Officer

May 14, 2024

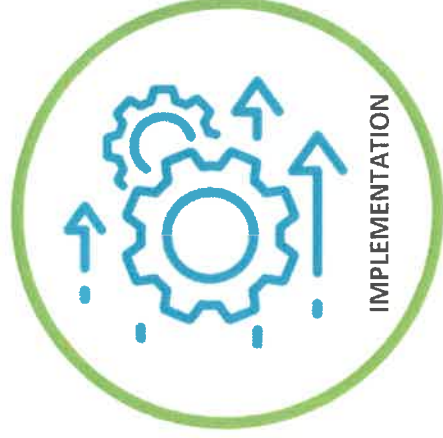
OUC's Excellence in Four Key Categories



31 out of 35



39 out of 41



17 out of 20



32 out of 38

The Big Picture of Wellness

Holistic Wellness Offerings:

- Blue Zones education sessions
- Expanded mental health programming
- Social and community engagement through fitness activities and volunteerism



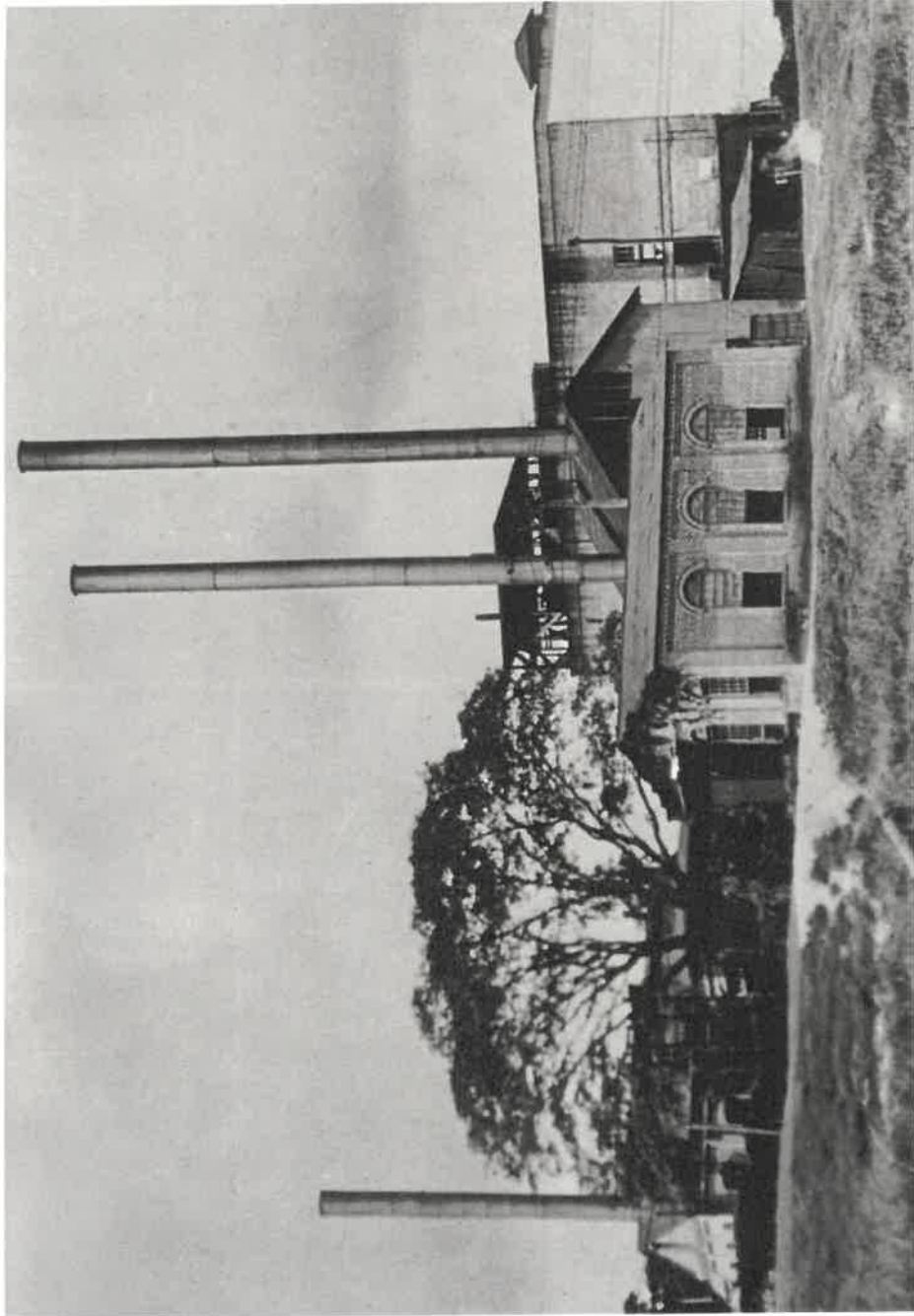
Community Recognition

Year in Review: OUC100 & Golden Brick Awards

[Video](#)

OUC100
A Century of Reliability

1923: OUC Established



OUC100

A Century of Reliability

OUC100



OUC100
A Century of Reliability

Orlando History Center



ouc100

A Century of Reliability

Century Award



**AMERICAN
PUBLIC
POWER
ASSOCIATION**

ouc100
A Century of Reliability

Thank You



Presentation

Financial Report.

General Manager Comments

Robinson Street Utility Upgrade Projects

- OUC is working in coordination with the Florida Department of Transportation's (FDOT) **Robinson Street Resurfacing, Restoration, and Rehabilitation (RRR)** projects from [Hughey Avenue to Mills Avenue](#) and from [Mills Avenue to Maguire Boulevard/Crystal Lake Drive](#), in addition to the [City of Orlando's Robinson Street Sanitary Sewer Improvements](#) project.
- Together, these projects will transform Robinson Street.
- The entire corridor will be repaved.
- On-street parking areas will be provided.
- The new roadway configuration will encourage slower speeds and greater safety.
- Pedestrian safety will be enhanced with improved crosswalks, and reconstructed sidewalk and curb ramps.



Electric Underground Distribution Project

Scope:

- Relocation ~1,000 feet of existing electrical duct bank to relocate underground facilities in conflict with the proposed Florida Department of Transportation project.
- Conversion of ~1,200 feet of existing overhead facilities to a new underground manhole duct-line system.

Schedule:

- Construction started in May 2024 and is anticipated to end in August 2024.

Status:

- Commission approved project on April 9, 2024.
- Finalizing purchase order with Schuller Contractors.
- Anticipating approved permits from Florida Department of Transportation.
- City permit has been approved.



230kV Underground Replacement Transmission Project

Scope:

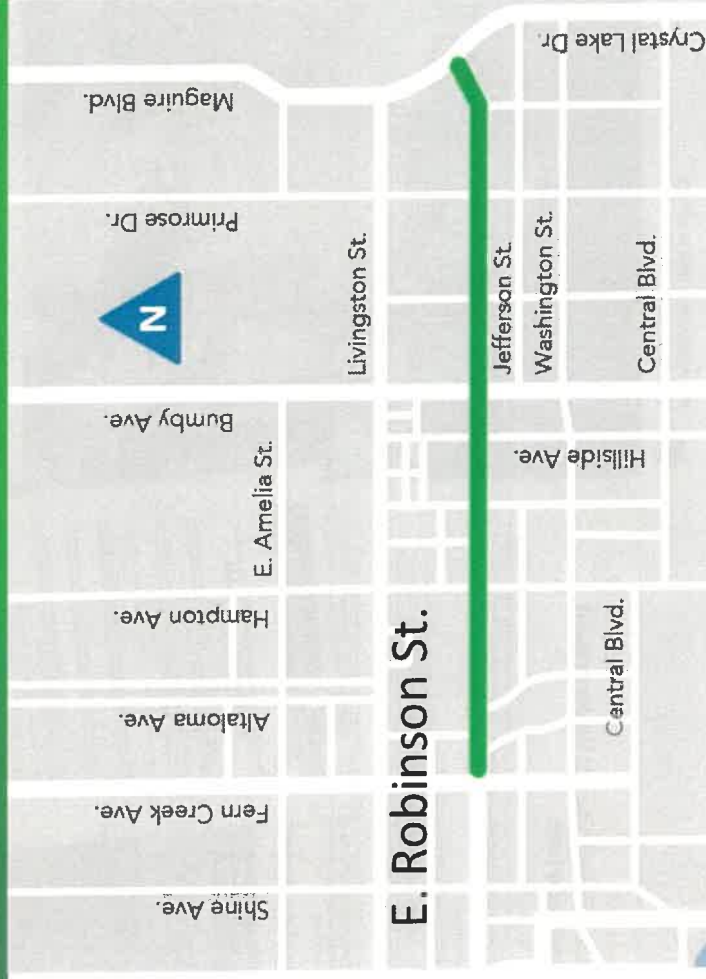
- Installation of a manhole and duct bank system as part of a larger effort to install a new 230kV transmission line from the Pershing Substation to the future Lake Highland Substation.

Schedule:

- Construction started in early April and is planned for substantial completion by October.
- The FDOT maintenance of traffic plan requires the construction to occur in 300' segments, so the impact to businesses and residents will be frequently changing.
- Longer impacts, up to several weeks, will occur at locations where manholes are being installed.

Status:

- Commission approved this mile of duct bank in July 2023.
- Construction has begun near Bumby and Robinson.
- Electric infrastructure will be brought to the Commission for approval at a later date.



General Manager Comments

Conway Water Treatment Plant Update

Commission Approved Improved March 2021 – Conway Water Treatment Plant Granular Activated Carbon Treatment System Project

Conway Water Plant System Improvements Scope

- Aging infrastructure replacement
- Original plant construction in 1968
- Direct Injection
- Sodium Hypochlorite
- GAC
- Emergency Generator

Bulk Sodium Hypochlorite Conversion

- Improve safety
- Chemical savings; no need for sodium hydroxide addition

Granular Activated Carbon (GAC)

- Reduce flushing
- Backup emergency generator, backup operations control room, and backup water quality lab for redundancy

Ozone Sidestream Injection Improvements

- Improve safety
- More efficient operation

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Conway WTP GAC System

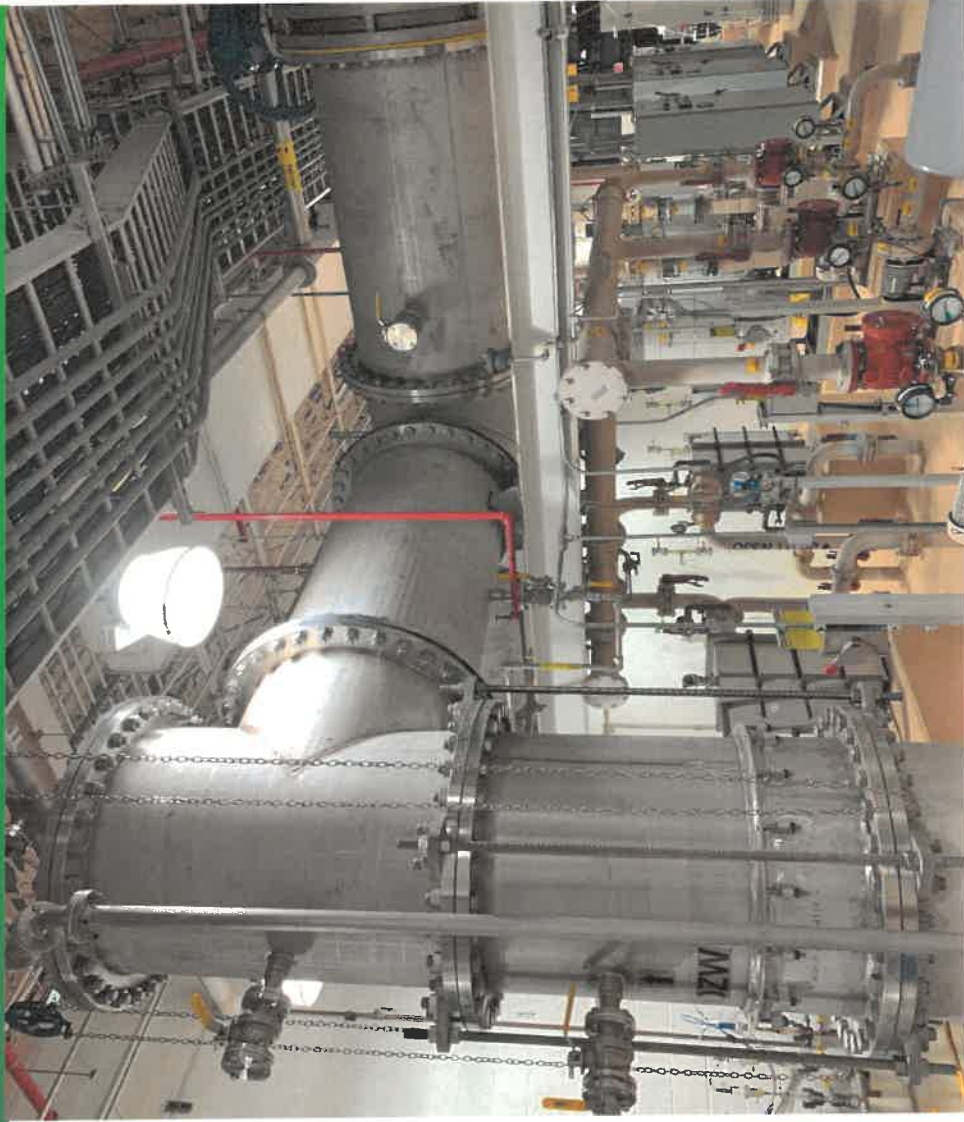


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A Century of Reliability

Conway WTP Ozone Sidestream Improvements



Ozone Sidestream Pumps



Ozone Sidestream Injection (Mazzei)

Conway WTP Project Costs

CONWAY WTP PROJECTS	CAPITAL EXPENDITURE APPROVAL	ACTUAL EXPENDITURE
Ozone Sidestream Injection Improvements	\$ 8,863,308	7,137,144
Granulated Activated Carbon (GAC)	\$ 22,758,615	22,030,851
Bulk Sodium Hypochlorite Conversion	\$ 1,224,960	941,437
TOTAL	\$ 32,846,883	30,109,432

* Project completed approximately \$2.7M under budget.

PFAS – EPA Drinking Water Standard

- PFOA = 4.0 ppt MCL
- PFOS = 4.0 ppt MCL

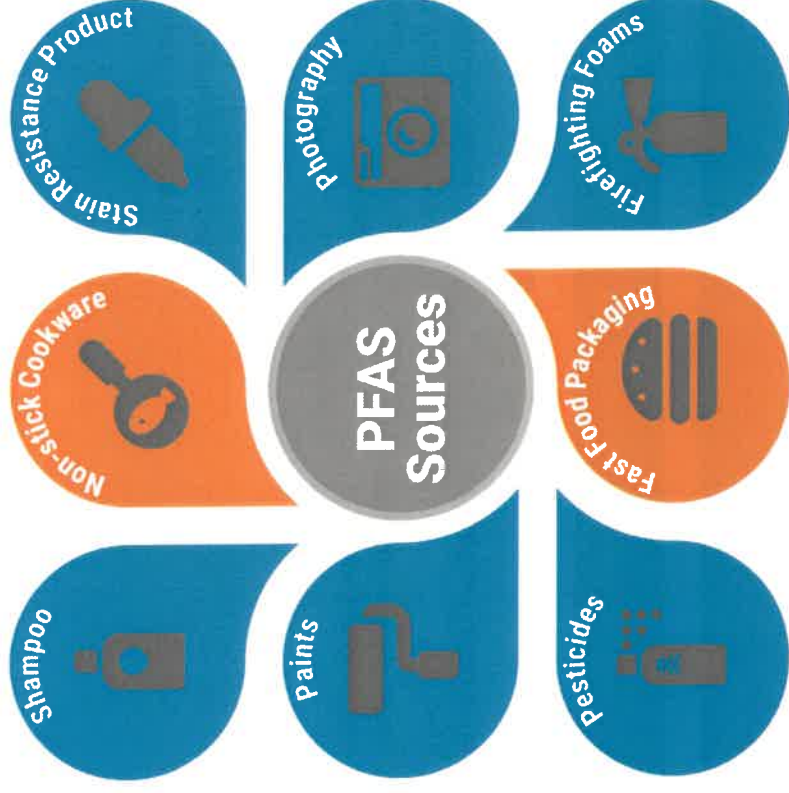
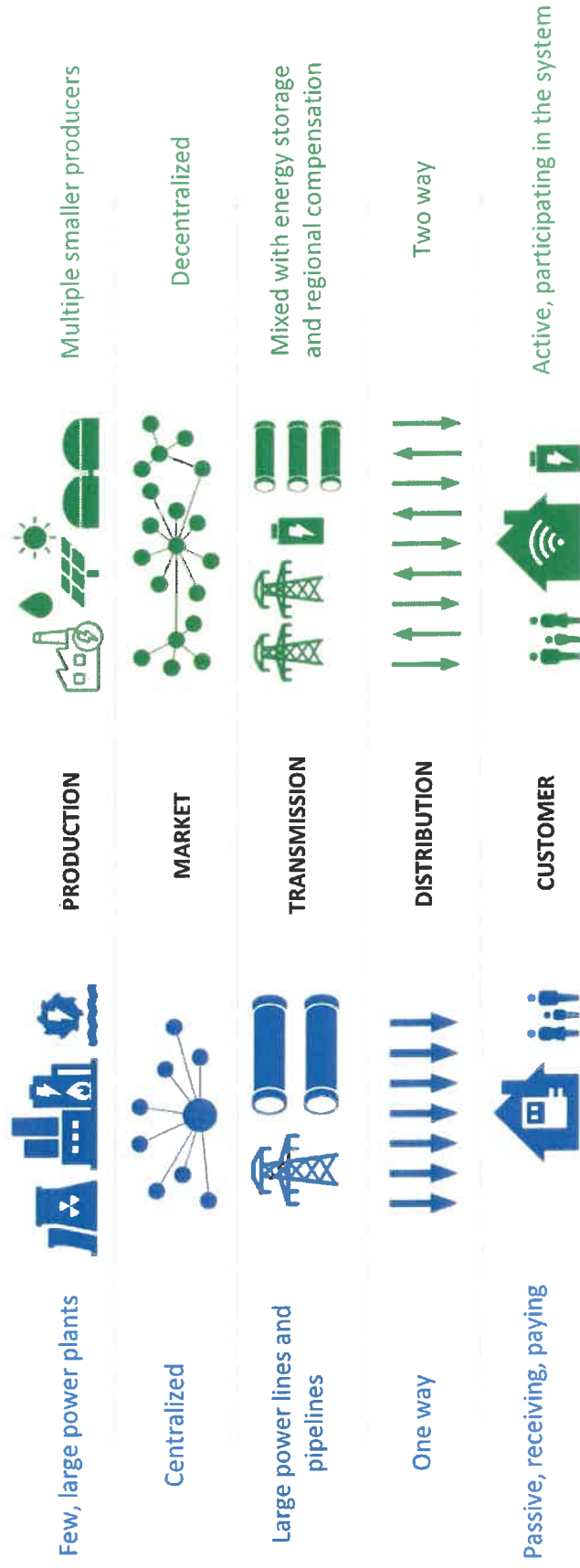


Image Source: American Water Works Association

General Manager Comments

Balancing Demand Growth & Affordability overview

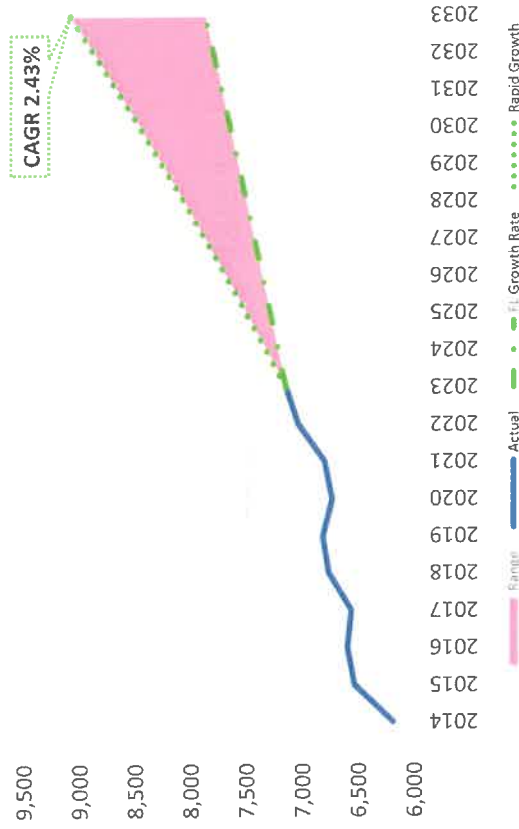
The Energy Transition


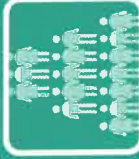



The utility industry landscape is evolving, as investments in clean energy & grid modernization are changing the way electricity is produced & consumed. Utilities must evaluate how these changes will impact customer demand & equity.

Strong Orlando Metro Area Growth Leading to Higher Electric Load Growth

OUC Historic and Forecast of Energy Consumption, GWh¹



- 
About 1,000 People move to Florida everyday
- 
54,916 increase in residents in Metro Orlando from June 2022 to June 2023
- 
9.12% increase in Metro Orlando businesses from 2018 to 2021

Orlando is seeing significant growth in population and businesses, translating to higher than historical growth in electric load. If national trends are observed in a Rapid Growth scenario, OUC's projected growth could be up to 23% higher.

1. Ten-Year Site Plan, Energy Information Administration

New Markets will Emerge Due to Utility Supply Constraints



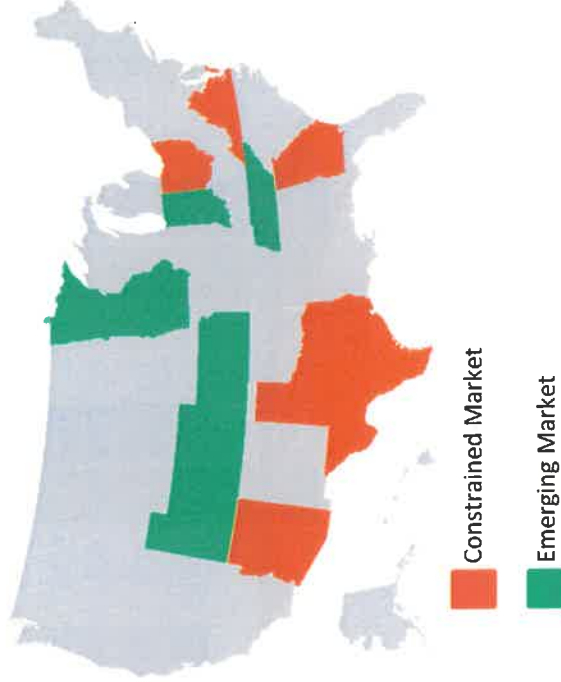
Dominion Energy[®]

Dominion Energy admits it can't meet data center power demands in Virginia¹
- July 29, 2022

Bloomberg

Data Centers Now Need a Reactor's Worth of Power, Dominion Says²
- May 2, 2024

Emerging Data Center Markets³



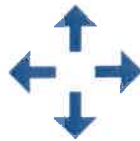
Overview

- Individual data centers range from 30 to 90 MW while a “*data campus*” can range from **300 MW to several gigawatts**¹
- Dominion has interconnected **94 data centers**, totaling more than 4 GW, but *cannot accommodate new data center growth*
- Other states face similar challenges and *developers are looking elsewhere* as utility generation and transmission capacity dries up

Florida is not a leading state for data center development, but ongoing supply chain issues may further impact the entire utility industry

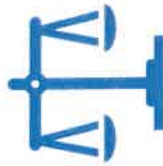
1. Data Center Dynamics 3. Cushman & Wakefield
2. Bloomberg

Key Takeaways



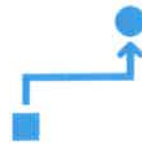
Change

Nationally, increasing power demand, new applications, and increasing costs are creating a *highly dynamic environment* for utilities



Balance

As a result, *utilities nationwide* must *evolve* in how they meet customer demand while *maintaining equity* and meeting carbon reduction goals



Impact

For *OUC*, strong population growth, transportation electrification, and *customer equity* will be *major factors* in the upcoming Strategy Refresh, EIRP, and Pricing Roadmap initiatives