



INTERIM FINANCIAL REPORT



THREE-MONTHS ENDED
DECEMBER 31, 2025
(UNAUDITED)

Orlando Utilities Commission

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The unaudited statements presented in this interim financial report have been prepared in accordance with generally accepted accounting principles and follow the standards outlined by the Governmental Accounting Standards Board. It is management's assertion that the management discussion and supporting statements do not omit information necessary for a fair presentation nor do they improperly include untrue statements of a material fact or statements of a misleading nature.

Management's Discussion and Analysis

The following discussion and analysis provides an overview of OUC's unaudited and preliminary financial position and results of operations in comparison to the approved budget and prior year equivalent period.

- The Statements of Revenues, Expenses and Changes in Net Position present the financial information for the three-months ended December 31, 2025 in comparison to the approved budget and prior year equivalent period.
 - Income before contributions for the three-months ended December 31, 2025 was \$36.1 million, which is \$4.6 million higher than budget and \$5.2 million higher than prior year.
- The Statements of Net Position present the nature and amount of resources and obligations at December 31, 2025 and September 30, 2025.
- The Statements of Cash Flows present the cash provided and used by operating activities, non-capital financing activities, capital financing activities and investing activities.

Operating Revenues Analysis

(\$ in millions)	As of December			Variance			
	2025 Actual	2025 Budget	2024 Actual	Actual vs Budget		2025 vs 2024	
Retail electric (Orlando & St. Cloud)	\$ 135.9	\$ 139.9	\$ 132.8	\$ (4.0)	(2.9)%	\$ 3.1	2.3 %
Wholesale electric	7.7	5.3	6.3	2.4	45.3 %	1.4	22.2 %
Water	25.6	26.3	24.9	(0.7)	(2.7)%	0.7	2.8 %
Chilled water	11.5	10.6	10.2	0.9	8.5 %	1.3	12.7 %
Lighting	5.5	5.5	5.3	—	— %	0.2	3.8 %
Other	8.8	9.0	8.4	(0.2)	(2.2)%	0.4	4.8 %
Total operating revenues, net of fuel	\$ 195.0	\$ 196.6	\$ 187.9	\$ (1.6)	(0.8)%	\$ 7.1	3.8 %
Fuel	74.8	91.4	66.3	(16.6)	(18.2)%	8.5	12.8 %
Total operating revenues	\$ 269.8	\$ 288.0	\$ 254.2	\$ (18.2)	(6.3)%	\$ 15.6	6.1 %

Budget Analysis:

- Operating revenues, net of fuel revenues, were \$1.6 million lower than budget driven by lower than expected retail consumption per customer due to weather variability, partially offset by increased wholesale opportunities.
- Fuel revenues, which are a pass-through charge of fuel expenses, were \$16.6 million lower than budget driven by lower than expected fuel commodity prices.

Prior Year Analysis

- Operating revenues, net of fuel revenues, were \$7.1 million higher than prior year, driven primarily by customer growth, increased wholesale opportunities, higher chilled water revenues from the commencement of operations at the Universal Epic Universe chilled water plant, and increased water revenues resulting from the rate adjustment effective October 1, 2025.
- Fuel revenues, which are a pass-through charge of fuel expenses, were \$8.5 million higher than prior year due to rising fuel commodity prices and increased energy production driven by customer growth.

Operating Expenses Analysis

(\$ in millions)	As of December			Variance			
	2025 Actual	2025 Budget	2024 Actual	Actual vs Budget		2025 vs 2024	
Unit department expenses	\$ 87.3	\$ 89.4	\$ 80.2	\$ (2.1)	(2.3)%	\$ 7.1	8.9 %
Depreciation and amortization	41.2	43.5	44.5	(2.3)	(5.3)%	(3.3)	(7.4)%
Payments to other governments & taxes	19.2	19.2	17.6	—	— %	1.6	9.1 %
Capacity payments	6.9	6.6	6.9	0.3	4.5 %	—	— %
Emergency response expenses	—	—	3.6	—	100.0 %	(3.6)	(100.0)%
Total operating expenses, net of fuel	\$ 154.6	\$ 158.7	\$ 152.8	\$ (4.1)	(2.6)%	\$ 1.8	1.2 %
Fuel	74.8	91.4	66.3	(16.6)	(18.2)%	8.5	12.8 %
Total operating expenses	\$ 229.4	\$ 250.1	\$ 219.1	\$ (20.7)	(8.3)%	\$ 10.3	4.7 %

Budget Analysis:

- Operating expenses, net of fuel for generation and purchased power, were \$4.1 million lower than budget due to lower than expected depreciation, electric plant and distribution maintenance, and outside services.
- Fuel for generation and purchased power expenses were \$16.6 million lower than budget driven by lower than expected fuel commodity prices.

Prior Year Analysis:

- Operating expenses, net of fuel for generation and purchased power, were \$1.8 million higher than prior year, driven by higher employee benefit costs, outside services, and minority plant expenses, as well as increased electric utility costs associated with the commencement of operations at the Universal Epic Universe chilled water plant. These increases were partially offset by lower depreciation following the full depreciation of SEC Unit 1 and emergency response expenses related to Hurricane Milton that occurred in the prior year.
- Fuel for generation and purchased power expenses were \$8.5 million higher than prior year due to rising fuel commodity prices and increased energy production driven by customer growth.

Non-Operating Income and Expense Analysis

(\$ in millions)	As of December			Variance			
	2025 Actual	2025 Budget	2024 Actual	Actual vs Budget		2025 vs 2024	
Interest income	\$ 7.9	\$ 8.5	\$ 7.3	\$ (0.6)	(7.1)%	\$ 0.6	8.2 %
Other income, net	1.9	1.8	2.1	0.1	5.6 %	(0.2)	(9.5)%
Interest expense	(14.2)	(16.7)	(13.7)	2.5	(15.0)%	(0.5)	3.6 %
Total non-operating income and (expense)	\$ (4.4)	\$ (6.4)	\$ (4.3)	\$ 2.0	(31.3)%	\$ (0.1)	2.3 %

Budget Analysis:

- Non-operating income and expense were \$2.0 million lower than budget due to lower than expected interest expenses due to timing of the issuance of 2026A Bonds to support the Capital Plan.

Prior Year Analysis:

- Non-operating income and expense were in line with the prior year.

Net Position Analysis

(\$ in millions)	As of December			Variance			
	2025 Actual	2025 Budget	2024 Actual	Actual vs Budget		2025 vs 2024	
Income Before Contributions	\$ 36.1	\$ 31.5	\$ 30.9	\$ 4.6	14.6 %	\$ 5.2	16.8 %
Contributions in Aid of Construction	4.4	7.5	2.9	(3.1)	(41.3)%	1.5	51.7 %
Annual Dividend	(19.9)	(19.9)	(19.1)	—	— %	(0.8)	4.2 %
Increase in Net Position	\$ 20.6	\$ 19.1	\$ 14.7	\$ 1.5	7.9 %	\$ 5.9	40.1 %

Budget and Prior Year Analysis:

- Income before contributions was favorable to budget primarily due to lower than expected unit department and depreciation expenses, as well as the delay in issuing the 2026A Bonds supporting the Capital Plan. Compared to the prior year, income before contributions was higher primarily due to increased revenues. Contributions in aid of construction were below budget and higher than the prior year due to the timing of capital projects.

Total Assets and Deferred Outflows of Resources

(\$ in millions)	December 2025	September 2025	Year-to-Date Change	December 2024
Utility plant, net	\$ 3,129.2	\$ 3,102.4	\$ 26.8	\$ 3,023.0
Internally designated and restricted assets	786.9	899.0	(112.1)	701.8
Current assets	329.6	342.0	(12.4)	296.5
Other assets	242.0	263.7	(21.7)	249.3
Deferred outflows of resources	81.1	75.4	5.7	116.9
Total assets and deferred outflows of resources	\$ 4,568.8	\$ 4,682.5	\$ (113.7)	\$ 4,387.5

Year-to-Date Analysis:

- Total assets and deferred outflows of resources decreased \$113.7 million primarily driven by the annual principal and interest payment of \$110.3 million made in October.
 - Days cash on hand is currently at 260 days as of December 31, 2025 and is in line with target.

Total Liabilities and Deferred Inflows of Resources

(\$ in millions)	December 2025	September 2025	Year-to-Date Change	December 2024
Current liabilities	\$ 274.2	\$ 341.3	\$ (67.1)	\$ 306.9
Other liabilities	205.3	201.3	4.0	292.0
Long-term debt, net	1,744.2	1,831.6	(87.4)	1,649.1
Deferred inflows of resources	466.4	450.2	16.2	357.3
Total liabilities and deferred inflows of resources	2,690.1	2,824.4	(134.3)	2,605.3
Net position	1,878.7	1,858.1	20.6	1,782.2
Total liabilities, deferred inflows of resources and net position	\$ 4,568.8	\$ 4,682.5	\$ (113.7)	\$ 4,387.5

Year-to-Date Analysis:

- Total liabilities and deferred inflows of resources decreased \$134.3 million primarily driven by the principal and interest payment of \$110.3 million made in October impacting both current liabilities and long-term debt coupled with the timing of other current liabilities.

Orlando Utilities Commission
Statements of Net Position - Unaudited
Dollars in millions

	December 2025	September 2025	Variance	
Assets				
Utility plant	\$ 3,129.2	\$ 3,102.4	\$ 26.8	0.9 %
Restricted and internally designated assets	786.9	899.0	(112.1)	(12.5)%
Current assets	329.6	342.0	(12.4)	(3.6)%
Other assets	242.0	263.7	(21.7)	(8.2)%
Deferred outflows of resources	81.1	75.4	5.7	7.6 %
Total assets and deferred outflows of resources	\$ 4,568.8	\$ 4,682.5	\$ (113.7)	(2.4)%
Liabilities				
Payables from restricted assets	\$ 169.6	\$ 183.6	\$ (14.0)	(7.6)%
Payables from current assets	104.6	157.7	(53.1)	(33.7)%
Current liabilities	274.2	341.3	(67.1)	(19.7)%
Other liabilities	205.3	201.3	4.0	2.0 %
Long-term debt, net	1,744.2	1,831.6	(87.4)	(4.8)%
Total liabilities	2,223.7	2,374.2	(150.5)	(6.3)%
Deferred inflows of resources	466.4	450.2	16.2	3.6 %
Net position	1,878.7	1,858.1	20.6	1.1 %
Total liabilities, deferred inflows of resources and net position	\$ 4,568.8	\$ 4,682.5	\$ (113.7)	(2.4)%

***See page 4 for additional information related to changes in the Statements of Net Position

Orlando Utilities Commission
Statements of Revenues, Expenses and Changes in Net Position - Unaudited
Dollars in millions

	Actual December 2025	Budget December 2025	Variance to Budget		Actual December 2024	Variance to Prior Year		
Operating revenues								
Retail electric (Orlando & St. Cloud)	\$ 135.9	\$ 139.9	\$ (4.0)	(2.9)%	\$ 132.8	\$ 3.1	2.3 %	
Wholesale electric	7.7	5.3	2.4	45.3 %	6.3	1.4	22.2 %	
Water	25.6	26.3	(0.7)	(2.7)%	24.9	0.7	2.8 %	
Chilled water	11.5	10.6	0.9	8.5 %	10.2	1.3	12.7 %	
Lighting	5.5	5.5	—	— %	5.3	0.2	3.8 %	
Other	8.8	9.0	(0.2)	(2.2)%	8.4	0.4	4.8 %	
Fuel	74.8	91.4	(16.6)	(18.2)%	66.3	8.5	12.8 %	
Total operating revenues	269.8	288.0	(18.2)	(6.3)%	254.2	15.6	6.1 %	
Operating expenses								
Fuel for generation and purchased power	74.8	91.4	(16.6)	(18.2)%	66.3	8.5	12.8 %	
Unit department expenses	87.3	89.4	(2.1)	(2.3)%	80.2	7.1	8.9 %	
Depreciation and amortization	41.2	43.5	(2.3)	(5.3)%	44.5	(3.3)	(7.4)%	
Payments to other governments and taxes	19.2	19.2	—	— %	17.6	1.6	9.1 %	
Capacity payments	6.9	6.6	0.3	4.5 %	6.9	—	— %	
Emergency response costs	—	—	—	100.0 %	3.6	(3.6)	(100.0)%	
Total operating expenses	229.4	250.1	(20.7)	(8.3)%	219.1	10.3	4.7 %	
Non-operating income and (expenses)								
Interest income	7.9	8.5	(0.6)	(7.1)%	7.3	0.6	8.2 %	
Other income, net	1.9	1.8	0.1	5.6 %	2.1	(0.2)	(9.5)%	
Interest expense	(14.2)	(16.7)	2.5	(15.0)%	(13.7)	(0.5)	3.6 %	
Total non-operating income and (expenses)	(4.4)	(6.4)	2.0	(31.3)%	(4.3)	(0.1)	2.3 %	
Income before contributions	36.1	31.5	4.6	14.6 %	31.0	5.1	16.5 %	
Contributions in aid of construction	4.4	7.5	(3.1)	(41.3)%	2.9	1.5	51.7 %	
Dividend payments	(19.9)	(19.9)	—	— %	(19.1)	(0.8)	4.2 %	
Increase in net position	20.6	\$ 19.1	\$ 1.5	7.9 %	14.8	\$ 5.8	39.2 %	
Net position - beginning of year	1,858.1				1,767.6			
Net position - end of period	\$ 1,878.7				\$ 1,782.4			

***See pages 2 and 3 for additional information related to changes in the Statements of Revenues, Expenses, and Changes in Net Position

Orlando Utilities Commission
Statements of Cash Flows - Unaudited
Dollars in millions

	December 2025	December 2024
Cash flow from operating activities		
Cash received from customers	\$ 316.9	\$ 279.8
Cash paid for fuel and purchased power	(97.1)	(69.5)
Cash paid for unit department expenses	(68.3)	(33.4)
Cash paid for salaries and benefits	(64.4)	(56.1)
Cash paid for emergency response expenses	—	(7.3)
Cash paid for other payments and taxes	(19.8)	(19.1)
Net cash provided by operating activities	67.3	94.4
Cash flows from non-capital related financing activities		
Dividend to the City of Orlando	(19.9)	(19.1)
Build America Bonds subsidy received	—	1.9
Net cash used in non-capital related financing activities	(19.9)	(17.2)
Cash flows from capital related financing activities		
Utility plant net of contributions in aid of construction	(62.3)	(93.6)
Debt interest payments	(36.7)	(26.2)
Principal payments on long-term debt and use of bond proceeds	(75.8)	(75.6)
Debt issuance expense	(0.5)	(1.0)
Net used in capital related financing activities	(175.3)	(196.4)
Cash flows from investing activities		
Proceeds from sale and maturities of investment securities	125.7	114.0
Purchases of investment securities	(131.7)	(64.8)
Investments and other income received	10.1	6.4
Net cash provided in investing activities	4.1	55.6
Net decrease in cash and cash equivalents	(123.8)	(63.6)
Cash and cash equivalents - beginning of year	302.2	238.2
Cash and cash equivalents - current	\$ 178.4	\$ 174.6
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 40.5	\$ 35.1
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation and amortization	41.2	44.5
Depreciation and amortization charged to fuel for generation and purchased power	0.8	0.8
Depreciation of vehicles and equipment charged to unit department expenses	0.7	0.8
Changes in assets and liabilities		
Decrease in receivables and accrued revenue	29.5	23.2
Increase in fuel and materials and supplies inventories	(2.2)	(5.7)
Decrease in accounts payable	(51.0)	(3.1)
(Decrease)/Increase in deposits payable and deferred items	(5.8)	2.1
Increase/(Decrease) in stabilization and deferred revenue accounts	13.6	(3.3)
Net cash provided by operating activities	\$ 67.3	\$ 94.4

Orlando Utilities Commission
Capital Plan
Dollars in millions

	Year to Date December 2025 Approved	Year to Date December 2025 Revised	Year to Date December 2025 Actual	Variance to Revised	
Electric Production ¹	\$ 11.0	\$ 8.5	\$ 9.9	\$ 1.4	16.5 %
Transmission ²	23.9	30.3	21.7	(8.6)	(28.4)%
Transmission contributions	(2.3)	(0.3)	—	0.3	(100.0)%
Transmission, net	21.6	30.0	21.7	(8.3)	(27.7)%
Electric Delivery	22.5	18.4	18.2	(0.2)	(1.1)%
Electric Delivery contributions	(2.4)	(2.0)	(1.2)	0.8	(40.0)%
Electric Delivery, net	20.1	16.4	17.0	0.6	3.7 %
Lighting	2.3	1.0	1.7	0.7	70.0 %
Lighting contributions	(0.4)	(0.9)	(0.2)	0.7	(77.8)%
Lighting, net	1.9	0.1	1.5	1.4	1400.0 %
Water ³	19.1	14.1	8.7	(5.4)	(38.3)%
Water contributions	(1.4)	(1.4)	(1.5)	(0.1)	7.1 %
Water, net	17.7	12.7	7.2	(5.5)	(43.3)%
Chilled Water	7.0	0.2	—	(0.2)	(100.0)%
Support Services ¹	10.0	5.0	5.9	0.9	18.0 %
Total OUC	\$ 89.3	\$ 72.9	\$ 63.2	\$ (9.7)	(13.3)%

¹ Totals are net of participant share.

² Driven by delays for the 230kV source to St. Cloud, Bull Creek to OGS Substation and Transmission line upgrade, Polk County FDOT Animal Bridge, and New 230kV Source to Downtown Phase 1 projects.

³ Driven by delays for the Lift Station 2 (RR), Summerlin Ave Water Main Replacement, and Engineering R&R and Inter Agency projects.

The “Approved” Capital Plan represents the pro-rated annual amount of the Board-approved annual Capital Plan. As there are many dynamics that can impact the timing and spend associated with amounts included in the “Approved” Capital Plan, a “Revised” Capital Plan is included to reflect the most current capital plan estimates.

As of December 31, 2025, the year-to-date capital spend is 13.3 percent lower than the Revised Capital Plan and 29.2 percent lower than the Approved Capital Plan.