

**MINUTES**  
**July 18, 2022**  
**2:50 P.M.**

**Present:**

**COMMISSIONERS:**

Britta Gross, President  
Larry Mills, First Vice President  
Roger Chapin, Second Vice President  
Cesar E. Calvet, Commissioner  
Mayor Buddy Dyer (via telephone)

Clint Bullock, General Manager & Chief Executive Officer  
Attila Miszti, Chief Operating Officer  
Mindy Brenay, 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  
LeMoyne Adams, Luz Aviles, Wade Gillingham, Jenise Osani, & Ken Zambito, Vice Presidents  
Frances Johnson, Recording Secretary

The July 18, 2023 Commission Meeting was held in person.

\* \* \*

**Moment of Reflection**

President Gross asked Ebony Whitby to provide the moment of reflection.

**Pledge of Allegiance**

President Gross asked Thomas Holt to lead the Pledge of Allegiance to the Flag.

**Call to Order**

The Commission Meeting was called to order at 2:50 P.M. President Gross noted that Mayor Dyer was attending the meeting via telephone and acknowledged a quorum was present.

**Consideration of the Minutes**

**MOTION:** On a motion by Commissioner Mills; seconded by Commissioner Calvet and unanimously carried, the reading of the May 9, 2023 Pricing Workshop minutes was waived and the minutes were approved.

**MOTION:** On a motion by Commissioner Calvet; seconded by Commissioner Chapin and

unanimously carried, the reading of the May 9, 2023 Commission Meeting minutes was waived and the minutes were approved.

### **Service Awards**

LeMoyne Adams presented a 25-year service award to Eddie Fee, Director of Meter Service.

Luz Aviles presented a 20-year service award to Bobby Collins, Manager of Economics & Business Development

Jenise Osani presented a 20-year service award to Sequena Massaline, Senior Community Engagement Coordinator.

### **Community Recognition**

Linda Ferrone announced that OUC has been recognized by its customers as the Most Trusted Brand among 101 U.S. electric only, and electric and gas combo companies in a survey conducted by Escalent. Refer to the appendix for more information.

Ms. Ferrone also announced that for the fifth consecutive year, OUC has been recognized by Southern Alliance for Clean Energy (SACE) as a SunRiser, the non-profit's designation for leading solar energy providers in the Southeast. Refer to the appendix for more information.

### **Affirmative Items**

Ken Zambito presented on Affirmative Item A-13, Downtown 230kV Transmission Line Project. President Gross asked for clarity on the underground substations in Orlando. Mr. Zambito clarified that transmission lines coming into downtown are underground. Refer to the Appendix for more information.

President Gross presented the Affirmative Items for approval.

**MOTION:** On a motion by Commission Calvet and seconded by Commissioner Mills, Affirmative Items A-1 through A-27 were approved as follows:

1. Ratification of the fuel procurements to the most responsive and responsible bidders in February and March 2023 in the aggregate amount of \$30,283,550.99 as follows:

#### **NATURAL GAS PURCHASES <sup>(1)</sup>:**

|               |                                    |                 |
|---------------|------------------------------------|-----------------|
| February 2023 | City of Lakeland                   | \$ 115,940.79   |
| February 2023 | Clarke-Mobile Counties             | \$ 431,200.00   |
| February 2023 | EDF Trading                        | \$ 1,574,727.20 |
| February 2023 | Gas South                          | \$ 160,102.83   |
| February 2023 | Macquarie Energy                   | \$ 286,512.50   |
| February 2023 | Municipal Gas Authority of Georgia | \$ 957,936.00   |
| February 2023 | Southwest Energy                   | \$ 690,190.97   |
| February 2023 | Tenaska Marketing Ventures         | \$ 3,133,657.27 |
| February 2023 | Texla Energy Management            | \$ 803,731.65   |
| March 2023    | City of Lakeland                   | \$ 551,458.28   |
| March 2023    | Clarke-Mobile Counties             | \$ 350,300.00   |

|            |                                    |                 |
|------------|------------------------------------|-----------------|
| March 2023 | ConocoPhillips                     | \$ 1,378,517.26 |
| March 2023 | EDF Trading                        | \$ 1,543,246.36 |
| March 2023 | Florida Gas Utility - Purchase     | \$ 308,989.00   |
| March 2023 | Gas South                          | \$ 188,310.38   |
| March 2023 | Macquarie Energy                   | \$ 718,714.37   |
| March 2023 | Municipal Gas Authority of Georgia | \$ 786,036.00   |
| March 2023 | Southwest Energy                   | \$ 1,808,158.51 |
| March 2023 | Tenaska Marketing Ventures         | \$ 1,955,076.14 |
| March 2023 | Texla Energy Management            | \$ 1,228,839.34 |

### **COAL PURCHASES:**

|               |                           |                 |
|---------------|---------------------------|-----------------|
| February 2023 | Crimson Coal Corporation  | \$ 4,197,430.76 |
| February 2023 | Foresight Coal Sales, LLC | \$ 1,301,067.13 |
| March 2023    | Crimson Coal Corporation  | \$ 5,087,049.09 |
| March 2023    | Foresight Coal Sales, LLC | \$ 726,359.16   |

### **RED DYED DIESEL OIL PURCHASES:**

|               |    |   |
|---------------|----|---|
| February 2023 | \$ | 0 |
| March 2023    | \$ | 0 |

- Approval of a sole source Purchase Order to the pre-qualified supplier for a cyber security maintenance agreement for the Cyber Security Management System in the amount of \$256,200;
- Approval of an OUC initiated scope change and conforming Change Order No. 1 to Southern Company Rail Services, Inc.; City of Lakeland; Gainesville Regional Utilities; CSX Transportation; Tennessee Valley Authority; Alabama Power Company; Crimson Management; Duke Energy; Tampa Electric Company; Progress Rail Leasing Corporation; South Carolina Public Service Authority; Trinity Industries Leasing Company; First Union Rail; GATX Corporation; JAIX Leasing Company; Mitsui Rail Capital; Vulcan Materials Company; Rail Trusts Equipment, Inc.; CIT; CitiRail Inc.; GE Capital Rail Services; Macquarie Rail; Argos USA; Cogentrix Energy Power Management LLC; FreightCar America Inc.; Citibank; Florida Power & Light; Commtrex, Inc.; and Infinity Asset Holdings, LLC d/b/a Infinity Transportation 2019-1, LLC in the amount of \$6,375,588 to continue providing the short-term leases of coal unit trains, increasing the aggregate Purchase Order amount to \$10,378,984;
- Approval of an OUC initiated scope change and conforming Change Order No. 1 to Progress Rail Services Corporation; WATCO Companies, L.L.C. d/b/a Watco Mechanical Services, L.L.C.; Star Railroad LLC; American Dedicated Rail Services LLC; Cathcart Rail Holdco, LLC; Curtis L. DuBose d/b/a Dirt Dobber Fabricaion & Mechanical LLC; High Country Railcar LLC d/b/a High Country Railcar; Rescar Companies; and Trinity Rail Maintenance Service, Inc. in the amount of \$12,064,890 to continue providing railcar maintenance and repair services, increasing the aggregate Purchase Order amounts to \$16,197,769;
- Approval of Change Request No. 1 to the Capital Expenditure Estimate in the amount of \$579,422.93 for final engineering design, bidding, permitting, and construction services for the

Robinson Street Water Main Replacement Project, increasing the total project cost to \$638,752.21. Approval of an OUC initiated scope change and conforming Change Order No. 1 to Kimley-Horn and Associates, Inc. in the amount of \$554,998 to provide final engineering design and construction services, increasing the total Purchase Order amount to \$608,262;

6. Approval of the Capital Expenditure Estimate for the installation of the underground electric distribution system to serve the Weslyn Park Subdivision - Phase 3C, in the amount of \$500,561.04, with a customer contribution in the amount of \$103,240;
7. Approval of the Capital Expenditure Estimate for the Destination Parkway Electric Infrastructure for the installation of electric underground facilities in the amount of \$2,708,294.93;
8. Approval of RFP #5287 – Contract award to Pike Electric, LLC, the lowest, most responsive, and responsible proposal to provide electric distribution construction and maintenance services in the amount of \$38,000,000;
9. Approval of the Capital Expenditure Estimate for Weslyn Park Subdivision - Phase 2 for the installation of lighting facilities in the amount of \$630,602.56;
10. Approval of a sole source Purchase Order to Hitachi Energy USA Inc. to provide replacement parts and support services in the amount of \$180,000;
11. Approval of RFP #5274 – Contract award to M.D. Henry Co, the lowest, most responsive, and responsible proposal for substation structures and equipment in the amount of \$525,000;
12. Approval of Change Request No. 2 to the Capital Expenditure Estimate in the amount of \$13,100,000 for additional engineering design and construction services for the Storey Bend Solar Interconnection Project, and design and construction of the OUC 5.2 mile 230kV transmission line, increasing the total project cost to \$19,690,000. Approval of an OUC initiated scope change and conforming Change Order No. 2 to Burns & McDonnell, Inc. in the amount of \$240,000 to provide substation design engineering and construction management services, increasing the total Purchase Order amount to \$1,640,000. Approval of a sole source purchase order to Storey Bend Transmission, LLC for the design and construction of the transmission line in the amount of \$9,872,500;
13. Approval of Change Request No. 4 to the Capital Expenditure Estimate for the Downtown 230kV Transmission Line Project, Pershing to Weber – Phase 1 of 3 in the amount of \$15,100,000, increasing the total project cost to \$32,085,721. Approval of an OUC initiated scope change and conforming Change Order No. 2 to Power Engineers, Inc. in the amount of \$800,000 to continue providing engineering and construction management services, increasing the total Purchase Order amount to \$8,370,000. Approval of an OUC initiated scope change and conforming Change Order No. 2 to Black & Veatch Corp in the amount of \$500,000 to continue providing environmental engineering services, increasing the total purchase order amount to \$1,258,005. Approval of RFP #5230 – Contract award Kiewit Infrastructure South Co., the lowest, most responsive, and responsible proposal to provide the civil construction of one mile of an underground conduit system along Robinson Street in the amount of \$13,000,000;

14. Approval of RFP #5218 – Contract award to Red Clay Consulting, Inc.; Origin Utility, Inc.; TMG Utility Advisory Services, Inc. d/b/a TMG Consulting, Inc.; Utility Solutions Partners, LLC; Wipro Limited Corp; and Oracle America, Inc., the most responsive and responsible proposals to provide meter to cash professional and technical services support in the aggregate amount of \$4,806,000;
15. Approval of an OUC initiated scope change and conforming Change Order No. 1 to AT&T Business Systems, Inc. in the amount of \$415,051.56 for internet bandwidth and Distributed Denial of Service protection, increasing the total Purchase Order amount to \$580,241.64;
16. Approval of RFP #5292 – Contract award to Dell Marketing L.P., the lowest, most responsive, and responsible proposal for Microsoft software licenses, maintenance, and support in the amount of \$3,459,305.31;
17. Approval of a sole source Purchase Order to Verint Americas, Inc. for professional implementation services in the amount of \$126,295. Approval of an OUC initiated scope change and conforming Change Order No. 1 to Verint Americas, Inc. in the amount of \$146,880 for the Workforce Management subscription licenses and maintenance, increasing the total purchase order amount to \$421,687.94;
18. Approval of a single source Purchase Order to Chrome River Technologies, Inc. to continue providing business expense reporting services in the amount of \$330,000;
19. Approval of RFP #5269 – Contract award to IQuest Concepts LLC; New Visions Painting LLC; Paintsmart USA INC.; Razorback LLC; and Silva's Painting & General Services, LLC, the most responsive and responsible proposals to provide painting services in the amount aggregate amount of \$600,000;
20. Approval of RFP #5275 – Contract award to Johnson Controls US Holdings Inc d/b/a Johnson Controls Fire Protection LP, the lowest, most responsive, and responsible proposal to provide fire alarm and fire suppression sprinkler system inspection and maintenance services in the amount of \$583,394;
21. Approval of a Purchase Order to Altec Industries, Inc. for seventeen new aerial truck leases inclusive of the buy-out option for eleven of the leases in the amount of \$9,255,690, and five existing aerial truck lease extensions in the amount of \$334,620, for an aggregate Purchase Order amount of \$9,740,310;
22. Approval for the Audit-Finance Committee approval of the first one-year renewal option for external audit services and the contract period of August 1, 2023 through July 31, 2024. Approval of an OUC initiated scope change and conforming Change Order No. 2 to Ernst & Young in the amount of \$414,000 to continue providing external audit services, increasing the total Purchase Order amount to \$2,284,000;
23. Approval of RFP #5152 – Contract award to Altra Medical Corporation, the lowest, most responsive, and responsible proposal to provide Automatic External Defibrillator services in the amount of \$366,296.89;

24. Approval of RFP #5423 – Contract award to Baker Tilly Virchow Krause LLP; Carr Riggs & Ingram; Protiviti, Inc.; RSM US LLP; Securance LLC; Forvis; and Weaver & Tidwell, the most responsive and responsible proposals to provide Internal Audit Services in the aggregate amount of \$613,800;
25. Ratification for the General Manager & CEO to purchase the assignment from the current buyer under the existing Purchase Agreement for the Bear Hammock Property in the amount of \$300,000. Authorization for the General Manager & CEO to close on the purchase of the Bear Hammock Property for an amount not to exceed \$18,700,000, excluding the above assignment cost, and execute all closing documents, subject to satisfaction of all closing contingencies and final legal review;
26. Authorization for the General Manager & CEO to sign documents to join with the City of Lakeland to sell to Florida Gas Transmission an easement on the McIntosh Power Plant site located south of Old Combee Road along the east side of Lake Parker Drive, and to sell to Florida Gas Transmission an easement within OUC's transmission corridor located south of Interstate 4 and west of Maggiore Boulevard, all within Polk County, subject to final legal review; and
27. Authorization for the General Manager & CEO to execute the Partial Release of Easement for property located east of Texas Avenue and north of Americana Boulevard.

### Presentation

Commissioner Mills provided the June 29, 2023 Audit–Finance Committee Report. The Audit–Finance Committee (Committee) meeting was held on June 29, 2023. The Committee reviewed the proposed 2024 Operating Budget and 2024 - 2028 Capital Plan including proposed electric, water, and lighting price changes to be presented at the Pricing Workshop preceding the July 18, 2023 Commission meeting.

The Committee also reviewed management's recommendation to provide for an annual electric retail price increase of up to 1 percent to support the *Path to Clean Energy* and an annual system development charge increase of up to 12 percent to support the *Path to Alternative Water Sources*. In conjunction with the retail electric price plan, the Audit-Finance Committee recommends the following action for Commission approval at the August 8, 2023 Commission meeting: Deferral and subsequent recognition of revenues and designated reserves from the proposed up to a 1.0 percent annual electric retail price increase in alignment with implementation costs for the *Path to Clean Energy*.

The Committee was provided with the results of the bond issue and the associated confirmation of OUC's AA bond ratings. The Committee was also provided with a status update on the Employee Benefit Plan audits and grant operational activities.

The Committee was provided with management's recommendation to exercise the first Ernst & Young external audit services agreement one-year renewal option. In addition, management recommended curtailing the second one-year renewal under the current contract and executing a new three-year contract with two one-year renewals at the completion of the first renewal term. Affirmative agenda item A-22 proposes Commission approval to exercise the first one-year renewal option, along with associated funding.

Quarterly financial updates were provided for the Energy Risk Management Committee, Internal

Audit, and Financial Services. An update on the Code of Conduct initiative was also provided to the Committee.

\* \* \*

Mindy Brenay presented the preliminary Financial Report. Refer to the Appendix for more information.

### **Public Comments**

Cynthia Harris, an OUC customer, expressed that OUC should consider creating a solar farm at Rattlesnake Park.

### **General Manager's Comments**

Linda Ferrone provided an update on the OUC100: A Century of Reliability. Refer to the Appendix for more information.

Mr. Bullock provided an overview of the Leadership Forum and Townhall Meetings. In the annual Leadership Forum, 104 company leaders from across the Commission discussed challenges and opportunities facing the utility industry, key projects, and initiatives. The discussion focused on the importance of being connected to OUC's strategic priorities and committed to the company's vision. After the Leadership Forum completed, the 2023 Spring Employee Town Hall Series took place with 14 meetings over a five-week period. The presentations provided a condensed overview to all employees of items discussed at the Leadership Forum. Refer to the Appendix for more information.

\* \* \*

Mr. Bullock introduced Michael Murtagh as OUC's new Chief Transformation & Technology Officer. Michael is a seasoned leader with nearly 25 years of experience in technology, operations, strategy, and management across multiple disciplines with global business experience from his previous role as Chief Technology Officer. Mr. Bullock thanked Ken Zambito, Mindy Brenay, and Linda Ferrone for Overseeing the Information Technology, Strategy/Business Project Management Optimization, and Emerging Technology departments.

### **Commissioners' Comments**

Mayor Dyer left the meeting at approximately 3:57 P.M.

Commissioner Calvet commended OUC on its Budget Workshop Presentation. He enjoyed the service awards, and congratulated OUC on being Escalent's most trusted electric utility and receiving SACE's SunRiser Recognition.

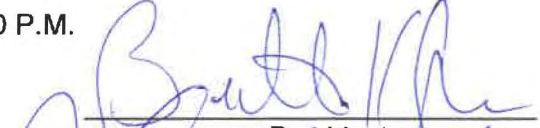
Commissioner Mills echoed Commissioner Calvet's comments. He also expressed excitement about OUC's community involvement, as well as the employee recognitions, stating he'd like to see the highest tenured employee, James Livingston (44-years), to be highlighted in a future meeting. He applauded OUC on a great commission meeting.

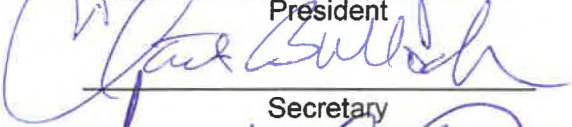
Commissioner Chapin applauded OUC for having such a great meeting and congratulated the employees who received service awards. He emphasized how important it is to work for an

organization that provides benefits for employees, such as tuition reimbursement and good insurance plans, which relieves a lot of stress for the employees.

President Gross echoed everyone's sentiments about the service awards and expressed her excitement over the upcoming OUC100 events. She described the Robinson Street Recharge Hub Ribbon Cutting event as a pivotal moment and expressed excitement to have OUC utilizing its first responders for the EV charging station reliability.

President Gross adjourned the meeting at 4:10 P.M.

  
\_\_\_\_\_  
President

  
\_\_\_\_\_  
Secretary

  
\_\_\_\_\_  
Recording Secretary

## **APPENDIX**

### **Community Recognition**

2023 Escalent Most Trusted Electric Utility Nationally  
SACE Solar SunRiser Recognition

### **Affirmative Item**

Downtown 230Kv Transmission Line Project

### **Presentation**

**PRES-1a** Financial Report.

### **General Manager Comments**

OUC100 – A Century of Reliability  
Leadership Forum & Town Halls

## **Community Recognition**

2023 Escalent Most Trusted Electric Utility Nationally

# #1 TRUSTED ELECTRIC UTILITY

*\* Among 101 electric utilities*



*The Reliable One*



## South Region: Utilities Brand Trust Performance

| Utility               | Service Provided | Brand Trust Score |
|-----------------------|------------------|-------------------|
| OUC                   | Electric         | 747               |
| TECO Tampa Electric   | Electric         | 721               |
| Florida Power & Light | Electric         | 715               |
| Duke Energy Florida   | Electric         | 697               |
| JEA                   | Electric         | 656               |
| FPL Northwest Florida | Electric         | 561               |

## **Community Recognition**

SACE Solar SunRiser Recognition

# OUC Named 'SunRiser' for 5<sup>th</sup> Consecutive Year

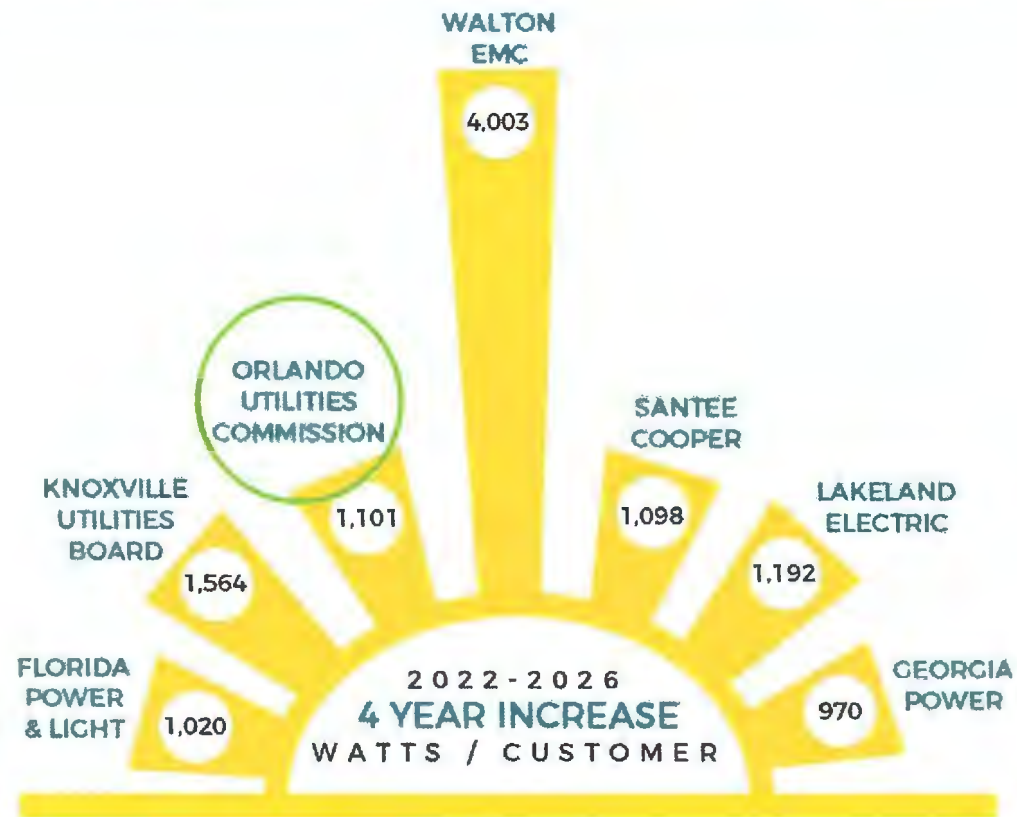
by the Southern Alliance for Clean Energy

**OUC100**  
A Century of Reliability

Linda Ferrone  
Chief Customer & Marketing Officer

7/18/23

## SACE SunRiser – 5 Years in a Row!



## Florida: The Southeast Solar Leader

### FLORIDA SOLAR WATTS PER CUSTOMER

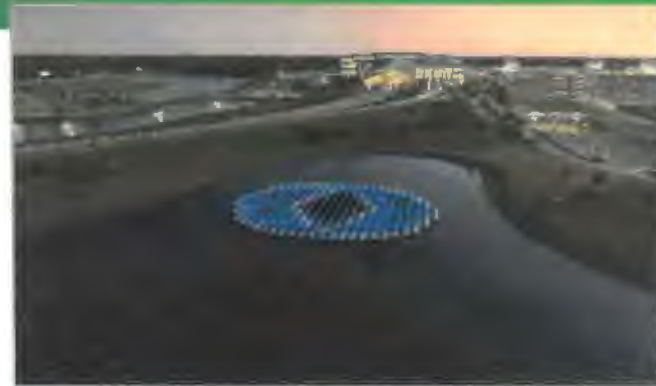
| UTILITY                                                                                                 | 2022  | 2026  |
|---------------------------------------------------------------------------------------------------------|-------|-------|
| Tampa Electric                                                                                          | 1,322 | 2,110 |
|  Florida Power & Light | 752   | 1,772 |
|  Orlando (OUC)         | 662   | 1,763 |
| Florida Average                                                                                         | 626   | 1,511 |
| Duke Energy Florida                                                                                     | 641   | 1,466 |
|  Lakeland              | 208   | 1,400 |
| Southeast Average                                                                                       | 580   | 1,217 |
| Gainesville (GRU)                                                                                       | 278   | 1,106 |
| Jacksonville (JEA)                                                                                      | 125   | 745   |
| Tallahassee                                                                                             | 585   | 610   |
| Seminole                                                                                                | 92    | 600   |
| PowerSouth                                                                                              | 89    | 139   |

- Lakeland Electric, Orlando Utilities Commission (OUC), and Florida Power & Light (FPL) each remain on the coveted SunRiser list.

## Taking Solar to Scale



**Harmony Solar Farm**



**GOAA Floating Solar**



**Taylor Creek Solar Farm**



**Gardenia Floating Solar**

## **Affirmative Item**

**A-13** Downtown 230Kv Transmission Line Project

# Downtown 230kV Transmission Line Project

**OUC100**

*A Century of Reliability*

|                              |                     |         |
|------------------------------|---------------------|---------|
| Ken Zambito, VP Transmission | Agenda<br>Item A-13 | 7/18/23 |
|------------------------------|---------------------|---------|

- 2015 Transmission planning studies showed the need for a new 230kV route across Orlando's transmission system to support load growth, maintain reliability, and power transfer capabilities due to:
  - Growth in downtown corridor
  - Increased flows across transmission system
  - Underground infrastructure into downtown Orlando
  - Federal contingency requirements for Bulk Electric Systems (BES)
- Consultant Competitive Negotiation Act (CCNA) process for Pershing to Lake Highland phase was conducted with Power Engineers (selected vendor) to provide engineering services
- Project includes a new 230kV transmission line from Pershing to the new Lake Highland substation

## Project Location





# Lake Highland 230kV Substation Rendering



### Approvals

- January 2016 – Route study for Pershing to Lake Highland project phase
- July 2017 – Detailed engineering and property acquisition
- August 2017 – Environmental engineering services
- August 2018 – Increased scope of environmental engineering services
- December 2019 – Lake Highland clearing and underground demolition services
- May 2020 & October 2020 – Increased scope of underground demolition

Total approved capital expenditure to date of nearly \$17 million

## Estimated Project Cost

- 2019 preliminary project estimate was \$126 million
- Project costs have escalated due to commodity and labor cost increases
  - Civil work including manholes, duct bank, and road restoration increased 100% driven by conduit, asphalt, concrete, and labor
  - 230kV cable and installation increased 80% driven by copper and labor
  - Substation construction and site work increased 45% driven by steel, copper, and labor
- Today's market pricing increases the project estimate to \$246 million

- Project alternatives addressing various components have been evaluated
  - Battery storage
  - Combustion turbines
  - Super conductors
  - Additional investment in improving other infrastructure
- These alternatives do not eliminate the need for the project

- Florida Department of Transportation (FDOT) Robinson Street improvement project will begin in July 2024
- OUC underground transmission line portion of the project overlaps with one mile of the FDOT Robinson Street improvement project
- FDOT project has a five-year moratorium on road work once completed
- The 230kV transmission project would be delayed approximately seven years, if OUC does not install the conduit system at this time
- Recommendation is to proceed with constructing one mile of the conduit system on Robinson Street which is fully designed and competitively bid at a cost of \$15 million
- Continue to evaluate cost saving options for the remainder of the route

## Recommended Action – A13

- Commission approval of Change Request No. 4 to the Capital Expenditure Estimate for the Downtown 230kV Transmission Line Project, Pershing to Weber – Phase 1 of 3 in the amount of \$15,100,000, increasing the total project cost to \$32,085,721.
- Commission approval of an OUC initiated scope change and conforming Change Order No. 2 to Power Engineers, Inc. in the amount of \$800,000 to continue providing engineering and construction management services, increasing the total Purchase Order amount to \$8,370,000.
- Commission approval of an OUC initiated scope change and conforming Change Order No. 2 to Black & Veatch Corp in the amount of \$500,000 to continue providing environmental engineering services, increasing the total purchase order to \$1,258,005.
- Commission approval of a Purchase Order to Kiewit Infrastructure South Co. to provide the civil construction of one mile of an underground conduit system along Robinson Street in the amount of \$13,000,000.

**Presentation**  
**PRES-1a** Financial Report.

# Financial Results - June 2023 (in millions)

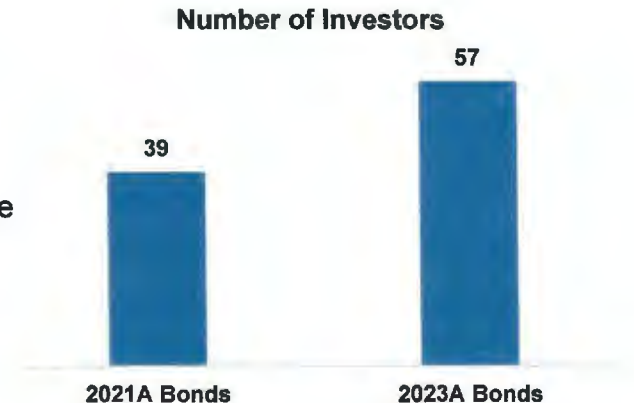
|                                                | 2023 Actual    | 2023 Budget    | \$ Variance   | % Variance   |
|------------------------------------------------|----------------|----------------|---------------|--------------|
| Retail and Wholesale Electric Revenues         | \$ 387.1       | \$ 389.1       | \$ (2.0)      | (0.5) %      |
| Water, Chilled Water and Other Revenues        | 134.0          | 130.2          | 3.8           | 2.9 %        |
| <b>Total Revenues, excluding Fuel Revenues</b> | <b>521.1</b>   | <b>519.3</b>   | <b>1.8</b>    | <b>0.3 %</b> |
| Expenses:                                      |                |                |               |              |
| Operating Expenses                             | 416.4          | 417.1          | (0.7)         | (0.2) %      |
| Non-Operating Expenses                         | 26.9           | 26.0           | 0.9           | 3.5 %        |
| <b>Total Expenses, excluding Fuel Expenses</b> | <b>443.3</b>   | <b>443.1</b>   | <b>0.2</b>    | <b>— %</b>   |
| <b>Income Before Contributions</b>             | <b>\$ 77.8</b> | <b>\$ 76.2</b> | <b>\$ 1.6</b> | <b>2.1 %</b> |

## Overview

- Total Revenues, excluding Fuel Revenues were \$1.8 million higher than budget
  - Strong chilled water revenues coupled with unplanned wholesale sales offsetting retail energy revenues
- Operating expenses were \$0.7 million lower than budget
  - Lower depreciation charges partially offset by higher payments to other governments
- Non-operating expenses were \$0.9 million higher than budget
  - One-time debt issuance costs originally planned for 2024
- Lower fuel costs have allowed the fuel reserve to increase to \$29.4 million

# 2023A Bond Issue Results

- OUC “AA, AA and Aa2” ratings affirmed by S&P, Fitch and Moody’s, respectively
- Pricing executed on June 6th
  - ~6x over-subscribed
    - 46% increase in investor interest
    - Increased investor participation provided \$1.1 million of additional value
  - Issued at a premium with a 5% coupon
    - Principal amount of \$245.1 million
    - Premium of \$31.5 million to yield proceeds of \$276.7 million
  - Total all in cost of 3.98%
- Projected allocation of resources supports 50/50 debt to equity ratio



## **General Manager Comments**

OUC100 – A Century of Reliability

# OUC100

## A Century of Reliability

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**Linda Ferrone,**  
**Chief Customer & Marketing Officer**

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July 18, 2023

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## Important Dates in OUC History

- June 19, 1923 – Orlando Utilities Commission Established
- June 25, 1923 – First Commission Meeting



Judge  
John M. Cheney



Orlando's First  
Power Plant  
(Lake Highland)



Water processing pumps



# Leveraging Events and Channels



## June 26: Honored by the City of Orlando

**WHEREAS,** the Orlando Utilities Commission (OUC—The Reliable One) is commemorating a century of reliability. OUC was established on June 19, 1923, as a municipally-owned utility to provide reliable and affordable electric and water services to residents and businesses in the City of Orlando; and

**WHEREAS,** for 100 years, OUC has provided exceptional value to its customers and community through the delivery of sustainable and reliable electric and water services and solutions. OUC has played a vital role in the growth and development of the City of Orlando, as well as parts of Orange County, the City of St. Cloud and Osceola County, supporting our community's prosperity and enhancing the quality of life for residents; and

**WHEREAS,** OUC has pledged to significantly reduce carbon dioxide (CO<sub>2</sub>) and reach net zero CO<sub>2</sub> emissions by 2050 and is committed to building a clean energy grid supported by solar energy, battery storage and other renewable and clean energy technologies. OUC is also dedicated to ensuring clean, safe and great tasting water resources and supplies; and

**WHEREAS,** as the hometown utility, OUC is a valued community partner and believes in giving back through employee volunteerism, customer assistance programs, education and conservation, diversity and equity initiatives, support for the arts and cultural events, neighborhood revitalization investment and contributions to charitable causes; and

**WHEREAS,** OUC values its employees and is dedicated to fostering a diverse and inclusive working environment where safety and wellbeing are always a top priority; and

**WHEREAS,** the City of Orlando is proud to join in OUC's centennial commemoration, celebrating its past and also honoring our community's tradition in its future—another century as The Reliable One;

**NOW, THEREFORE, WE, Buddy Dyer, Mayor of the City of Orlando; Jim Gray, District 1 City Commissioner; Tony Ortiz, District 2 City Commissioner; Robert F. Stuart, District 3 City Commissioner; Perry Sheehan, District 4 City Commissioner; Virginia L. Hill, District 5 City Commissioner; and Robert F. Burns, District 6 City Commissioner, do hereby proclaim June 26, 2023, as**

**"OUC 100th Anniversary Day"**

in the City of Orlando, in recognition of OUC—The Reliable One's 100-year history and the contributions it has made to the community.



LET THESE WORDS REMIND US: we have come far and have much to be proud of and should the God of the City of Orlando be so gifted this 26th day of June, 2023.

*[Signature]*  
Jim Gray  
Mayor, City of Orlando

*[Signature]*  
Tony Ortiz  
District 2 City Commissioner

*[Signature]*  
Robert F. Stuart  
District 3 City Commissioner

*[Signature]*  
Perry Sheehan  
District 4 City Commissioner

*[Signature]*  
Virginia L. Hill  
District 5 City Commissioner

*[Signature]*  
Robert F. Burns  
District 6 City Commissioner







Videos



Social Media

## Partnering on Community Exhibits

Our partners can help us show our strong roots in the community and tell our story through exhibits.



## Special Thank You to the OUC100 Committee

|                                     |                 |
|-------------------------------------|-----------------|
| Joan Anthony                        | Wayne Morris    |
| Steve Brennan                       | Jay Peacock     |
| Yajaira Christophers                | Eva Reyes       |
| Dania Colon                         | Erick Rocher    |
| Patty Dignon                        | Jody Rodgers    |
| Barbara Hartsfield <i>(retiree)</i> | Kevin Sacco     |
| George Hayes <i>(retiree)</i>       | Claston Sunanon |
| Mike Matthews                       | Karen Walther   |
|                                     | Priscilla Zardo |

**OUC100**

A Century of Reliability

**100** **AND** **COUNTING**

Progress Energized Pride Heart Propel Connected Sustainable Community Prosperity Leader Gratitude Value Stronger Skill Innovative Together

## **General Manager Comments**

Leadership Forum & Town Halls

# Leadership Forum & Town Halls

Leadership Forum



Town Halls

