

**MINUTES
ORLANDO UTILITIES COMMISSION
December 14, 2021
2:05 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
Latisha Thompson, Chief Employee Experience Officer
Manju Palakkat, Chief Transformation & Technology Officer
LeMoyne Adams, Luz Aviles, Wade Gillingham, Jenise Osani, & Ken Zambito, Vice Presidents
Francesca Sirandoni, Acting Recording Secretary
Frances Johnson, Recording Secretary

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The December 14, 2021 Commission Meeting was held in person and virtually via WebEx.

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President Gross asked Alyson Byrne Escibano to provide the moment of reflection.

President Gross asked Dale Ramirez to lead the Pledge of Allegiance to the Flag.

The Commission Meeting was called to order at 2:05 P.M.

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On a motion by Commissioner Calvet, seconded by Commissioner Mills and

unanimously carried, the reading of the minutes of the November 9, 2021 Pricing Workshop was waived and the minutes were approved.

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Jenise Osani presented the first community recognition, stating OUC has been the title sponsor of the OUC Orlando Half Marathon for 22 years. Ms. Osani recognized that it is an honor to have OUC's name as part of a community event that brings so many together, especially during a challenging time like the pandemic. She stated that the December 4, 2021 event involved more than 2,000 participants that ran or walked in downtown Orlando, including 74 OUC employees. She mentioned OUC provided fresh tap water from Hydrants to help reduce the need for plastic bottles and cups. Ms. Osani also stated OUC was able to promote sustainability initiatives and OUC's net-zero carbon emission goals by 2050 by demonstrating an OUC Nissan Leaf electric vehicle, allowing participants and attendees to look inside and under the hood of the electric vehicle; as well as providing them a hands-on experience in the Tiny Green Home mobile exhibit through OUC's partnership with the City of Orlando and the Orlando Science Center. The public had the opportunity to look at different ways to save energy and water in their home, composting options, Florida friendly gardening options, and so much more. She thanked the Community Engagement team, who worked with Track Shack to organize the race, and presented President Britta Gross with an honorary OUC Orlando Half-Marathon Medal.

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Jenise Osani introduced Katia Medina, Regional Vice President of Prospera USA, who Congratulated Mr. Clint Bullock for being recognized as the Hispanic Community Champion at the 2021 Don Quijote Awards Ceremony. She commended OUC's executive leaders, Luz Aviles and Jan Aspuru, for their ongoing involvement in Prospera and the Hispanic Chamber of Commerce. Ms. Medina thanked both, Jan Aspuru and Luz Aviles for their contributions to the community. She added that OUC's support of Prospera has allowed the organization to continue providing services at no cost to clients, as well as making a huge impact in the local community by creating jobs and a more strong and sustainable economy.

Gaby Ortigoni, President & CEO of the Hispanic Chamber of Commerce of Metro Orlando presented Clint Bullock with the Don Quijote Award for his contributions to the Hispanic community. She stated the Don Quijote Award is one of the most prestigious awards offered in the Hispanic community. Ms. Ortigoni also stated Commissioner Calvet and members of his family have previously received the award as well. Ms. Ortigoni introduced a new program named Hola at the park, an event held in Saint Cloud in which over 80 companies participated, including OUC.

Mr. Bullock thanked both, Ms. Medina and Ms. Ortigoni for their support. He stated that OUC takes working with the community very seriously. He also Thanked Mr. Aspuru and Ms. Aviles for their leadership and continued work within the community, both outside and inside the organization. Mr. Bullock noted the importance of serving the Hispanic community and businesses, stating he shares the award with the OUC team. Mr. Bullock emphasized that receiving the Don Quijote Award was a team effort and congratulated the OUC team.

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Lemoyne Adams provided a presentation on Affirmative Item A-7 regarding the Electric Distribution Construction Estimate for Cross Prairie Subdivision and Phase 1A Underground Electric Distribution System. Mr. Adams stated the East Lake master plan is the development plan approved by Osceola County. The development is 11,250 acres of land and once complete, will include approximately 30,000 to 40,000 homes. The Cross Prairie Subdivision will be comprised of residential homes, commercial developments, offices, and hotel space which will make up the 30 megawatts of load. Mr. Adams credited Ken Zambito's and Keith Mutters' teams with planning out the infrastructure and capacity requirements. The Developer has divided phase 1 into 3 sections, phase 1A, Phase 1B, and Phase 1C. Phase 1A will have 275 homes and the groundbreaking and site clearing has started. The completion of this area is expected for summer 2022. The project includes lighting contracts.

Clint Bullock asked Ms. Johnson to give a presentation about affirmative item 16, Osceola Generation Station. Ms. Johnson stated that in August 2021 the Board approved the purchase of the Osceola Generation Station (OGS) and an estimated capital improvements expenditure of \$38.0 million. Ms. Johnson also stated that the transfer of ownership for the OGS facility occurred after the closing on September 28, 2021. She noted several procurement strategies were utilized to make a seamless transition and that several different agreements needed to be transferred or initiated to facilitate the site's continued operations and connectivity to OUC's core operating systems such as utilities, janitorial, security, insurance and monitoring systems. She continued to state since September 2021, OUC reviewed 28 agreements and over half of those agreements were assignments from the previous owner to ensure continued maintenance. Two of the agreements were single sole-sourced to accommodate long-lead times and will need ratifications. She noted the

financial spending is about \$6.9 million dollars in total of which \$3.9 million will require board approval or ratification. Ms. Johnson recommended the board approve or ratify the purchase orders listed within the presentation.

President Gross presented the Affirmative Items for approval. On a motion by Mayor Dyer and seconded by Commissioner Mills, Affirmative Items A-1 through A-20 were approved as follows:

1. Ratification of the fuel procurements to the most responsive and responsible bidders in September 2021 in the aggregate amount of \$22,722,795.95.

NATURAL GAS PURCHASES ⁽¹⁾:

September 2021	Clarke-Mobil Counties	\$ 628,500.00
September 2021	ConocoPhillips	\$ 686,175.00
September 2021	EDF Trading	\$7,279,434.01
September 2021	Koch Energy	\$1,463,401.59
September 2021	Mansfield Power & Gas LLC	\$ 693,139.55
September 2021	Municipal Gas Authority of Georgia	\$1,341,900.00
September 2021	Tenaska Marketing Ventures	\$3,284,000.72
September 2021	Texla Energy Management	\$ 844,068.08

COAL PURCHASES:

September 2021	Crimson Coal Corporation	\$5,767,274.98
September 2021	Foresight Coal Sales, LLC	\$ 418,791.18

RED DYED DIESEL OIL PURCHASES:

September 2021	Petroleum Traders Company	\$ 117,959.88
September 2021	Tropic Oil Company	\$ 198,150.96

2. Approval of an OUC initiated scope change and conforming Change Order No. 1 to Hazen and Sawyer, P.C. in the amount of \$186,827 to provide final engineering design, permitting, and construction services for the Kirkman Water Treatment Plant Bulk Sodium Hypochlorite Conversion Project, increasing the total Purchase Order amount to \$261,165;
3. Approval of Change Request No. 1 to the Capital Expenditure Estimate in the amount of \$3,273,200 for the Stanton Energy Center Unit 2 Cooling Tower Repairs Project, increasing the total project cost to \$3,367,200. Approval of an OUC initiated scope change and conforming Change Order No. 1 to Pullman Power LLC in the amount of \$3,139,200 to provide labor and equipment for the Stanton Energy Center Unit 2 Cooling Tower Repairs Project, increasing the total Purchase Order amount to \$3,233,200;
4. Approval of a sole source Purchase Order to Boral Resources LLC to provide sludge conditioning services at Stanton Energy Center in the amount of \$6,000,000;

5. Approval of an OUC initiated scope change and conforming Change Order No. 1 to T.M. Love + Associates, P.A. in the aggregate amount of \$325,000 for conceptual design and engineering analysis services required for the International Drive Chilled Water Plant Replacement Project in the amount of \$191,730, as well as future chilled water engineering services, in the amount of \$133,270, increasing the total Purchase Order amount to \$400,000;
6. Approval of single source Purchase Orders to Sargent & Lundy and Power Systems Mfg., LLC to provide all required parts and services necessary for the return to service of Osceola Generating Station Unit 2 in the aggregate amount of \$5,000,000;
7. Approval of the Electric Distribution Construction Estimate for the installation of the underground electric distribution system to serve the Cross Prairie Subdivision – Phase 1A in the amount of \$543,511.14, with a customer contribution in the amount of \$159,500;
8. Approval of a Purchase Order to Verizon Wireless Personal Communications LP d/b/a Verizon Wireless to collect metering and system data from the Automated Meter Infrastructure network in the amount of \$215,600;
9. Approval of Change Request No. 3 to the Greater Orlando Aviation Authority Capital Expenditure Estimate for the acquisition of the South Terminal chilled water plant, back-up generation facilities, and 12kV emergency distribution system in the amount of \$648,494.35 for additional material and labor required to complete the Phase 1 Expansion portion of the 12kV emergency distribution system, increasing the total project cost to \$56,410,394.95;
10. Approval of a sole source Purchase Order to Open Access Technology International, Inc. to provide support and maintenance services required for Florida Municipal Power Pool's OATI webTrader Power Service Agreement in the amount of \$849,090;
11. Approval of a Purchase Order to Power Grid Engineering, LLC to provide support services for relay installation, testing, and commissioning services necessary for multiple transmission capital improvement projects in the aggregate amount of \$3,250,000;
12. Approval of Change Request No. 3 to the Substation Capital Expenditure Estimate in the amount of \$1,090,000 for scope changes, schedule extensions, and material price increases due to permitting requirements, increasing the total project cost to \$20,579,000. Approval of an OUC initiated scope change and conforming Change Order No. 2 to Power Engineers, Inc. in the amount of \$240,000 to provide additional engineering, consulting, and support services, increasing the total Purchase Order amount to \$3,027,000. Approval of an OUC initiated scope change and conforming Change Order

- No. 1 to Energy Erectors, Inc. in the amount of \$200,000 to provide additional substation construction services, increasing the total Purchase Order amount to \$5,750,000;
13. Approval of a Purchase Order to SHI International Corp for Fiber Channel Switch maintenance and support in the amount of \$158,158.68;
 14. Approval of a Purchase Order to Altec Industries, Inc. for ten new aerial truck leases inclusive of the additional buy-out option for four of these leases in the amount of \$2,788,548, and seven aerial truck lease extensions in the amount of \$517,248, for an aggregate Purchase Order amount of \$3,305,796;
 15. Approval of additional funding in the aggregate amount of \$1,560,000 with conforming Change Order No. 2, to Bryson Crane Rental Service, LLC; Alta Construction formerly (Flagler Construction Equipment), LLC; Herc Rentals Inc.; Jeffery Allen Inc.; Linder Industrial Machinery Company; Maxim Crane Works, LP.; Ring Power Corporation; Sims Crane & Equipment Co.; Sky Limit Equipment, LLC; Sunbelt Rentals Inc.; Bobcat of Orlando, LLC d/b/a Synergy Rents, LLC and United Rental to continue providing heavy equipment rentals, increasing the aggregate Purchase Order amounts to \$6,084,000;
 16. Approval of a sole source Purchase Order to The Empyrean Group to provide for contract labor resources, funded by the previous owner in the amount of \$250,000. Approval of OUC initiated scope change and conforming Change Orders No. 1 to Factory Mutual Insurance Company in the amount of \$1,750,000 for insurance coverage, increasing the total Purchase Order amount to \$5,791,376; No. 1 to American Security, LLC d/b/a Southeast American Security, LLC in the amount of \$1,200,000 for security services, increasing the total Purchase Order amount to \$16,064,500; and No. 1 to King-Murray Operating Company, LLC in the amount of \$340,000 to provide gas maintenance services, increasing the total Purchase Order amount to \$610,000. Ratification of Purchase Orders to Presidio Networked Solutions, LLC for network and server equipment in the amount of 179,483; and ESC Spectrum Corporation for Continuous Emissions Monitoring System upgrades in the amount \$188,475;
 17. Approval of a Purchase Order to Allen E. Smith Ranch & Farming, Inc. to provide prescribed burn services for the Stanton Energy Center in the amount of \$2,578,260;
 18. Approval of additional funding in the amount of \$161,921 with conforming Change Order No. 1 to Geosyntec Consultants Inc. for additional contamination assessment work at the decommissioned St. Cloud-owned generation facility, increasing the total Purchase Order amount to \$212,471;
 19. Authorization for the General Manager & CEO to execute the Release of Easement for property located west of Alden Road and north of Virginia Drive; and

20. Approval of the 2022 Commission Meeting dates.

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Jan Aspuru provided a review of New Business Item 2. He stated this is a follow up to OUC's Electric Integrated Resource Plan (EIRP) which in December 2020, the Commission adopted the roadmap laid out by the EIRP optimized portfolio. Mr. Aspuru stated it was OUC's decision to convert Stanton Units 1 and 2 from coal to gas by 2025 and 2027, but there was no specified order of conversion. Mr. Aspuru affirmed OUC's commitment to converting the units in 2025 and 2027. He explained that in August 2021, the Commission authorized the General Manager & CEO to enter into a binding agreement for the purchase of the Osceola Generating Station (OGS) with the understanding that this purchase would allow OUC to retire SEC Unit 1 instead of converting it. At that time, it was explained that further analysis had to take place in order to decide the best project sequence. Mr. Aspuru stated this analysis has been completed and OUC has determined that the best sequence for the two projects is to retire SEC Unit 1 no later than 2025 and to convert SEC Unit 2 no later than 2027. The retirement of SEC Unit 1 will line up with the integration of OGS to the OUC transmission system. This project that will be presented to the Commission for approval in January and the expected completion is estimated for June 2025. Mr. Aspuru concluded by stating the recommendation is for the Commission to adopt the retirement of SEC Unit 1 no later than 2025 and the conversion of SEC Unit 2 from coal to natural gas no later than 2027.

Commissioner Mills asked if there was any risk in the gap.

Mr. Aspuru responded that as long as OUC has a Unit connected, this transition would be safe and that OUC's reliability would remain intact.

The Acting Recording Secretary polled virtual and in-person public attendees for any comments under the New Business portion of the meeting agenda.

On a motion by Mayor Dyer and seconded by Commissioner Mills, New Business Items 1 through 2 were adopted and accepted as follows:

- NB-1 Adoption of the proposed electric fuel price changes, pending Florida Public Service Commission review, effective January 1, 2022. Adoption of the proposed water price changes effective January 1, 2022.
- NB-2 Adoption for the retirement of SEC Unit 1 no later than 2025 and the conversion of SEC Unit 2 from coal to natural gas no later than 2027.

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Ms. Brenay presented the preliminary November financial results indicating that electric retail revenues continue to be on track to be favorable to budget. She stated that in respect to water revenues, these revenues are expected to be unfavorable to budget largely due to the residual effects of the community call to action for increased conservation as result of critical water operating supply chain constraints. Ms. Brenay also shared that wholesale revenues from the City of Lakeland continue to be deferred with plans to recognize these amounts in alignment with McIntosh 3 generation decommissioning expenses.

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The Acting Recording Secretary polled virtual and in-person public attendees for any comments under the General Appearances portion of the meeting agenda.

Michael Cohen, an OUC Customer spoke about Net Metering.

Susannah Randolph, an OUC Customer spoke about New Business Item 2.

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Clint Bullock asked Linda Ferrone to give an overview of select 2021 awards and recognitions that OUC had received. Ms. Ferrone stated OUC was honored with the 2021 Building Strong Communities award presented by the Florida Municipal Electric Association (FMEA). Ms. Ferrone explained this was OUC's seventh consecutive year winning this award. OUC was presented with this award for the extensive community involvement as a public power utility. Ms. Ferrone acknowledged the award recognized OUC's water conservation education projects such as Project Awesome, The Watercolor Awards, and OUC's Tiny Green Home; OUC'S efficiency programs such as home energy-water audits, efficiency delivered, and rebates; customer revitalization efforts such as the free little libraries, the Empowerment 4 the Future Zone; in addition to OUC's customer service programs such as Project Care, which included Covid-19 relief funds. Ms. Ferrone thanked the Marketing and New Products Team led by Jenise Osani and the Customer Experience and Sales Team led by Luz Aviles for their leadership in bringing these programs together.

The Marketing and New Products Team were recognized for the Community Responsibility Report which received the Radiance award from the Public Relations Society of America and the Excellence in Public Power Communications Award presented by the American Public Power Association (APPA).

Ms. Ferrone once again recognized the Marketing and New Products Team for receiving the Excellence in Public Power Communications Award from the American Public Power Association (APPA) for OUC's electric vehicle website.

Ms. Ferrone also recognized the Meter and Data Operations team for receiving the Talent Masters Award. This recognition is for innovative solutions to complex data

management challenges. The accolade came from the team's development and implementation of the meter data platform, which compiles and analyzes large sets of data generated by OUC's automated meter infrastructure. The Meter Data platform proved to be helpful as we dealt with 2021 Liquid Oxygen challenges. That platform was used to help support the identification of water leaks through high water consumption amongst OUC's customers. Ms. Ferrone concluded by congratulating Dawn Fry, the Manager of the Meter and Data Operations Team.

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Clint Bullock asked Terry Torrens, Sr. Legislative Representative and Sam Choi, Interim Director of Strategy & Planning to give a brief update on the Federal Infrastructure bill and other federal funding opportunities. Ms. Torrens presented an overview of the current legislative opportunities, which included the Infrastructure, Investment, and Jobs Act. The bill reauthorizes surface transportation programs and includes strategies to reduce climate impacts from transportation, creates resiliency assessment program for roads and bridges, revises "Buy America" procurement requirements, and directs DOT to establish a pilot per-mile user fee for motor vehicles to benefit the highway trust fund. Ms. Torrens explained the different possible funding opportunities and how OUC qualifies to access available funds through the Infrastructure Bill, as well as the Build Back Better Act. Ms. Torrens noted that the Build Back Better Act was passed by the house but still awaits action in the senate and if this bill becomes law, OUC will act quickly on strategically aligned projects.

Sam Choi presented an overview on the strategic alignment to grant management. Mr. Choi stated OUC conducted a comprehensive review of all their planned strategic projects and found that a select number of current projects could qualify for possible funding from the Infrastructure Bill through grant funding. The bill contains several areas that align with OUC's overall strategy, including long-duration energy storage & hydrogen, electric vehicle (EV) infrastructure and fleet electrification, grid resiliency, cybersecurity, smart grid & distributed energy resources, and water infrastructure. Some of the current projects from OUC which would qualify for funding include the Energy Efficiency Program Enhancements, Electrification; Electric Bus Roll-out, EV Charging Infrastructure, Utility-Scale Battery Pilot, Advanced Distribution Management System, and some potential for Water Pipe Replacements and Transmission Projects. Mr. Choi stated OUC stands ready and prepared to leverage grant funding from the Infrastructure bill and if passed, the Build Back Better Bill. Mr. Choi explained the different activities OUC is working on should the Build Back Better Bill pass.

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Mr. Bullock thanked the Board for their support of the New Business Items. He emphasized how important the journey for New Business Item 2 has been. Mr. Bullock stated he was pleased with the recommendations made and the support from

the board. He further stated the OUC team would work hard to execute and deliver on this plan. Mr. Bullock wished everyone safe, happy holidays and happy new year.

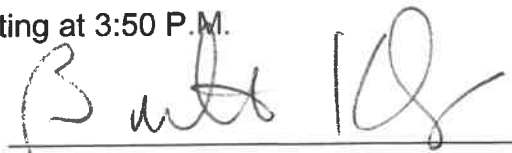
Commissioner Mills commended OUC for another good and informative Commission Meeting. He acknowledged the presentations on net metering, solar conversion, and the Stanton Energy Center conversion. Commissioner Mills mentioned he loved the interface between OUC and the community. He further acknowledged the recognition OUC received this year along with the commitment to the community and the impact OUC has had on the community. Commissioner Mills mentioned that he is always encouraged by OUC's innovation and foresight. He concluded by stating that he is elated to be on the board and wished everyone a Merry Christmas and Happy Holidays.

Commissioner Calvet congratulated Mr. Bullock for receiving the 2021 Don Quijote award. He acknowledged the Cross Prairie project in Saint Cloud. Commissioner Calvet mentioned he was always excited to hear about the OGS project and what it brings to OUC. He concluded by stating that he was also pleased with the awards OUC received and wishing everyone a Merry Christmas and Happy Holidays.

Mayor Dyer Congratulated Mr. Bullock for receiving the 2021 Don Quijote award. He stated he looked forward to working with OUC as it relates to funding from the Infrastructure Bill and the Build Back Better Bill. Mayor Dyer stated coming together is very important and wished everyone a Merry Christmas and Happy Holidays.

President Gross stated the news about New Business Item 2 was fantastic. She stated to Susannah Randolph that OUC's work is not done and that we have to think about what comes next and what else OUC can do. She thanked Ms. Torrens and Mr. Choi for their presentation. President Gross emphasized the importance of community partnerships. She mentioned that the projects OUC has in mind to contribute to the lower-income communities in the area will service very well in obtaining federal funding. President Gross thanked everyone for staying on course and remaining true to the mission OUC is trying to accomplish. She wished everyone Happy Holidays.

President Gross adjourned the meeting at 3:50 P.M.



President



Secretary