

**PRICING WORKSHOP MINUTES  
ORLANDO UTILITIES COMMISSION  
December 13, 2022  
2:00 P.M.**

**Present:**

**COMMISSIONERS:**

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

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  
LeMoyne Adams, Luz Aviles, Wade Gillingham, Jenise Osani, & Ken Zambito, Vice Presidents  
Frances Johnson, Recording Secretary

**Voting members not present:**

Gregory Lee, Second Vice President

\* \* \*

The December 13, 2022 Pricing Workshop of the Orlando Utilities Commission was held Tuesday, December 13, 2022, at 2:04 P.M., at the Orlando Utilities Commission's Reliable Plaza Commission Chambers. President Gross noted a quorum was present in the absence of Commissioner Lee, who was unable to attend.

President Gross asked Carlos Woody to provide the Safety and Security protocols for the meeting.

\* \* \*

Clint Bullock provided brief opening remarks.

Mindy Brenay provided an update on fuel market conditions, noting a higher-than-budgeted natural gas commodity costs and fuel-related constraints, including limited coal transportation labor resources continue to challenge electric retail fuel prices. She indicated while still elevated, fuel costs have begun to moderate.

Ms. Brenay provided an update on fuel reserves, stating current electric fuel price is now consistent with current average fuel costs and pricing risks associated with volatile winter months has been strategically reduced. With the approval of the fuel rate, the fuel reserve target is projected to reach the floor level within the fuel reserve policy by December 2023. Ms. Brenay shared the proposed electric price increase of \$10 for the average residential customer using 1,000 kWh/month effective January 1, 2023. She explained OUC continues to leverage its partnership with United Way to help customers in need, and that the impact on OUC residential electric customers is estimated to be between \$4 and \$12 per month.

Ms. Brenay provided infrastructure charge policies for electric overhead and underground service, and electric contribution in aid of construction (CIAC), stating OUC's recovery of electric overhead service infrastructure costs are included in the non-fuel electric prices, which aligns with OUC's obligation to serve. She explained commercial developers are responsible for the incremental costs of electric underground infrastructure and on-site charges are recovered as a percent of the actual material and supplies used for the installation of underground services from the manhole connection to the transformer. Off-site charges are billed on a kVA basis for the incremental distribution costs up to the manhole and vary depending on whether the duct bank is installed by OUC or the developer.

Discussion ensued regarding underground infrastructure installation by developers vs. OUC and return on investment related to underground equipment, as well as the challenges of converting existing overhead electric services to underground electric services.

Ms. Brenay shared the proposed electric CIAC price increases for commercial and multi-family, stating on-site CIAC for actual materials used on-site will increase from 15 percent to 23 percent; and off-site CIAC for incremental distribution costs up to the manhole for developer installed duct bank will increase from \$25/kVA to \$28/kVA, and \$66/kVA to \$96/kVA for OUC installed duct bank effective January 1, 2023.

Ms. Brenay discussed the next steps, which include a new business action at the December Commission meeting, and activating the customer communication plan. Mr. Bullock emphasized the proposed electric price increase is a fuel pass through with no base rate increase.

No additional comments were provided by the Commissioners or members of the public.

President Gross asked for a motion to adjourn the workshop. Commissioner Mills moved to adjourn the workshop and Commissioner Calvet seconded. On unanimous vote, the Pricing Workshop adjourned at 2:23 P.M.

**MINUTES  
ORLANDO UTILITIES COMMISSION  
December 13, 2022  
2:28 PM**

**Present:**

**COMMISSIONERS:**

Britta Gross, President  
Larry Mills, First Vice President  
Cesar E. Calvet, Commissioner  
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  
LeMoyne Adams, Luz Aviles, Wade Gillingham, Jenise Osani, & Ken Zambito, Vice Presidents  
Frances Johnson, Recording Secretary

**Voting members not present:**

Gregory Lee, Second Vice President

\* \* \*

The December 13, 2022 Commission Meeting was held in person.

\* \* \*

President Gross asked Alandus Sims to provide the moment of reflection. President Gross asked Bill Homlish to lead the Pledge of Allegiance to the Flag. The Commission Meeting was called to order at 2:28 P.M.

\* \* \*

On a motion by Commissioner Calvet, seconded by Commissioner Mills and unanimously carried, the reading of the minutes of the November 8, 2022 Commission Meeting was waived and the minutes were approved.

**Jan Aspuru** presented the first community recognition for OUC's partnership with Greater Orlando Aviation Authority (GOAA). OUC entered into a global agreement with GOAA in 2019 which began an expansion of services that focused on reliability to deliver and manage a unique portfolio of energy and chilled water services. On November 4, 2022, OUC officially acquired and took operational control of a 10,395-ton chilled water plant, a 28-megawatt emergency power generation facility, and the associated 12 KV backup distribution system at the GOAA South Terminal C. OUC personnel will operate and maintain these facilities

from an onsite control center.

He recognized the entire GOAA team for their patience and understanding. He acknowledged Kevin Thibault, CEO and Kathleen Sharman, CFO, who were present in the room, and Chris Wilson from law firm C.J. Wilson Law for their trust in OUC to perform these additional services. He also acknowledged OUC's executive team, especially Mindy Brenay, Chris Browder, Wade Gillingham, and LeMoyne Adams. He gave special thanks to Erick Rocher, Director of Chilled Water; Aaron Fagan, Manager of Chilled Water Services; Mukesh Joshi, Sr. Engineer of Chilled Water Services; Millard Long, Director of Gas Generation; and Ryan Cheek, Combined Cycle Operator, who played key roles in OUC assuming operational control of these two GOAA facilities. He thanked everyone who participated and helped make the project happen.

**Jenise Osani, Vice President of Marketing and New Products**, presented the 2022 OUC Fall giving results. OUC participated in three employee volunteer projects and OUC's Annual Workplace Giving Campaign – OUCares. She explained this year's workplace giving campaign focused on mental health by addressing the mental health crisis in its own community with the help of Heart of Florida United Way's 211 Information and Referral Crisis Line.

She provided details regarding the three employee volunteer activities with Aspire Health on September 24<sup>th</sup>, Heart of Florida United Way's 2022 Thanksgiving Project on October 25<sup>th</sup>, and Second Harvest Food Bank on November 16<sup>th</sup>.

The 2023 OUCares Workplace Giving Campaign theme "You Are Not Alone" also focused on mental health. OUC surpassed its goal of \$211,000 and raised \$214,000. A total of 545 OUC employees donated to the campaign, which benefited 782 nonprofit organizations with a total of \$21,216 donated to Project CARE.

\* \* \*

**Justin Kramer, Manager of Emerging Technologies**, presented on Affirmative Item A-13 regarding the Florida Department of Transportation Floating Solar Array Project. He presented an overview of the Connect 2025 clean energy commitments and goal of Net Zero CO<sub>2</sub> emissions by 2050. He explained the pros and cons of the two small scale floating projects at GOAA (123 kW) and Gardenia (70 kW), stating the additional benefits of floating solar are the distributed assets which are spread throughout OUC territory. He emphasized ways to improve floating solar and a roadmap for floating solar to be installed over the next five years. He announced D3Energy won an RFP and negotiated a standardized contract for the adoption of Floating Solar with Florida Department of Transportation (FDOT). The project involves installation of a 2 MW Floating Solar Array in an FDOT stormwater pond.

Mayor Dyer inquired about the cost comparison of ownership being slightly higher than utility scale and whether cost of land was included in comparison. Mr. Kramer replied utility scale is still cheaper in that scenario and the goal of the floating solar roadmap is to close that gap through economies of scale.

\* \* \*

President Gross presented the Affirmative Items for approval. On a motion by Commissioner Mills and seconded by Mayor Dyer, Affirmative Items A-1 through A-18 were approved as follows:

1. Ratification of the fuel procurements to the most responsive and responsible bidders in August 2022 in the aggregate amount of \$60,492,198.42.as follows:

**NATURAL GAS PURCHASES:**

August 2022	City of Lakeland	\$ 1,526,387.50
August 2022	Clarke-Mobil Counties	\$ 2,376,150.00
August 2022	EDF Trading	\$ 5,418,531.41
August 2022	Florida Gas Utility	\$ 1,222,070.00
August 2022	Florida Power & Light	\$ 277,910.00
August 2022	Gas South	\$ 6,602,919.19
August 2022	Koch Energy	\$ 629,354.93
August 2022	Mansfield Power & Gas LLC	\$ 1,208,100.00
August 2022	Municipal Gas Authority of Georgia	\$ 7,446,448.00
August 2022	Southwest Energy	\$ 3,414,184.29
August 2022	Spotlight Energy	\$ 577,823.33
August 2022	Tenaska Marketing Ventures	\$12,816,648.73
August 2022	Texla Energy Management	\$10,249,087.23

**COAL PURCHASES:**

August 2022	Armstrong Resources	\$ 832,581.60
August 2022	Crimson Coal Corporation	\$ 4,344,668.58
August 2022	Foresight Coal Sales, LLC	\$ 1,439,420.07

**RED DYED DIESEL OIL PURCHASES:**

August 2022	Palmdale Oil Company	\$ 109,913.56
-------------	----------------------	---------------

2. Approval of RFP #5192 – Contract award to Brand Industrial Services, Inc. d/b/a BrandSafway Solutions, LLC, the lowest, most responsive, and responsible proposal, to provide industrial coatings and linings, scaffolding, and insulation services for equipment at the Stanton Energy Center Units 1 & 2, Combined Cycle Unit B, Indian River Plant, and Osceola Generation Station in the amount of \$16,275,643.71;
3. Approval of a sole source Purchase Order to Stearns, Conrad, and Schmidt Consulting Engineers, Inc. to provide operations and maintenance services to the Orange County Landfill Gas to Energy Facility in the amount of \$2,463,594;
4. Approval of a Capital Expenditure Estimate for the Stanton Energy Center Sludge Conditioning Vacuum Drum Filter Replacement Project in the amount of \$987,500. Approval of a sole source Purchase Order to FLSmidth Inc. to supply vacuum drum filtration equipment for the Stanton Energy Center in the amount of \$865,000;
5. Approval of a Purchase Order to TEi Construction Services Inc. to provide labor and equipment to perform inspection and repair services to the steam generator at the Stanton Energy Center Unit 1 during the 2023 Spring Outage; and emergent work for Stanton Energy Center Unit 2 in the amount of \$1,864,175. Approval of a Purchase

Order to AirTek Construction, Inc. to provide labor and equipment to perform inspection and repair services for the Stanton Energy Center Unit 1 Electrostatic Precipitator during the 2023 Spring Outage in the amount of \$542,980. Approval of a sole source Purchase Order to Siemens Energy, Inc. to provide inspection and repair work for the Stanton Energy Center Unit 1 Steam Turbine Generator valve inspections during the 2023 Spring Outage in the amount of \$847,739;

6. Authorization for the General Manager & CEO to execute the Joint Participation Agreement with the City of Orlando for the Grand National Drive and Greenbriar Parkway Water Main Replacement Project. Approval of Change Request No. 1 to the Capital Expenditure Estimate in the amount of \$1,562,339.22 for final engineering, construction, administration, and inspection costs necessary to complete the Grand National Drive and Greenbriar Parkway Water Main Replacement Project, increasing the total project cost to \$1,656,421.12. Approval of an OUC initiated scope change and conforming Change Order No. 1 to the City of Orlando in the amount of \$1,147,782.67 to provide final engineering, construction, and administration services for the Grand National Drive and Greenbriar Parkway Water Main Replacement Project, increasing the total Purchase Order amount to \$1,223,655.17;
7. Approval of the Capital Expenditure Estimates for the Grand National Drive Improvements Project required for the relocation of underground electric distribution facilities and a new underground manhole duct-line system along Grand National Drive in the aggregate amount of \$809,192.90;
8. Approval of Change Request No. 3 to the Water Capital Expenditure Estimate in the amount of \$755,589.88 for additional construction management, inspection services, and administration necessary to complete the South Orange Avenue Water Main Replacement Project, increasing the total water project cost to \$10,270,436.52. Approval of Change Request No. 3 to the Electric Capital Expenditure Estimate in the amount of \$837,880.73 for additional construction management, inspection services, and administration necessary to complete the South Orange Avenue Electric Infrastructure Project, increasing the total electric project cost to \$9,245,343.60. Approval of an OUC initiated scope change and conforming Change Order No. 2 to ARCADIS U.S., Inc. in the amount of \$1,429,695 to provide additional construction management and inspection services for the project, increasing the total Purchase Order amount to \$2,610,259.80. Approval of an OUC initiated scope change and conforming Change Order No. 3 to Dewberry Engineers Inc. d/b/a Dewberry Bowyer-Singleton in the amount of \$40,000 to provide additional construction administrative and engineering services for the electric duct bank installation, increasing the total Purchase Order amount to \$375,540;
9. Approval of a Capital Expenditure Estimate for installation of underground electric distribution facilities to serve Universal Studios Epic Universe in the amount of \$2,719,557.60, with a customer contribution in the amount of \$1,961,070.60;

10. Approval of Change Request No. 1 to the Capital Expenditure Estimate in the amount of \$13,327,350 for detailed engineering, permitting, material procurement, and construction services necessary to complete the Bull Creek Substation & Interconnection Expansion Project, increasing the total project cost to \$13,425,000. Approval of an OUC initiated scope change and conforming Change Order No. 1 to Black & Veatch Corp. in the amount of \$2,455,000 to provide engineering and support services, increasing the total Purchase Order amount to \$2,550,000. Approval of a Purchase Order to Mitsubishi Electric Power Products, Inc. to provide 230kV outdoor power circuit breakers in the amount of \$480,000;
11. Approval of a sole source Purchase Order to Siemens Industry, Inc. to provide Network Model Merge Application software for the Energy Management System in the amount of \$169,900;
12. Approval of a Capital Expenditure Estimate for the Enterprise Resource Planning Upgrade Project in the amount of \$771,252;
13. Approval of a Capital Expenditure Estimate for the Florida Department of Transportation Floating Solar Array Project in the amount of \$3,791,132. Approval of a Purchase Order to D3Energy, LLC for the purchase of a Turnkey Floating Solar Array to be installed in a Florida Department of Transportation pond in the amount of \$3,895,678;
14. Approval of Change Request No. 6 to the Capital Expenditure Estimate in the amount of \$1,274,428 for Phase 3 of the St. Cloud Operations and Maintenance Facility Project, increasing the total project cost to \$64,917,422. Approval of a Purchase Order to Interior Contract Services, Inc. for office furniture, demountable wall systems, and space optimization services at the St. Cloud Operations and Maintenance Facility in the amount of \$1,274,428;
15. Approval of RFP #5146 – Contract awards to Studio Say So, LLC; Hooah, LLC; Appleton Creative, Inc.; Epic Monkey Productions, Inc.; Spry, LLC; Sua Advertising, Inc.; Push Button Productions, LLC; and Richmond Gibbs, LLC, the most responsive and qualified proposals, to provide video and photography professional services in the aggregate amount of \$750,000;
16. Approval of a sole source Purchase Order to The 4R Foundation, Inc. d.b.a. 4Roots to provide a Sustainability & Research Sponsorship in the amount of \$175,000;
17. Approval of a Purchase Order to Trinity Consultants, Inc. for air quality permitting assistance at the Osceola Generating Station in the amount of \$192,000; and
18. Approval of the 2023 Commission Meeting dates.

\* \* \*

Prior to requesting a motion from the Board to adopt New Business Items, President

Gross asked members of the public if they had any comments. No comments were provided.

\* \* \*

President Gross asked if there were any comments for New Business Item 1 regarding the Commissioner nomination. The City of Orlando Nominating Board submitted three candidates for consideration of the position to be vacated by Commissioner Gregory Lee, who has provided his notice of resignation to the Board.

Mayor Dyer moved to enable Roger Chapin to succeed Commissioner Gregory Lee as a Commission member, as is allowed by the Charter of the Commission, and that his name be submitted for consideration as the Commission's nomination to the Orlando City Council for confirmation to serve a term of four years, effective upon Orlando City Council confirmation in January 2023. Commissioner Calvet seconded the motion and it was approved on a vote of 4-0.

\* \* \*

On a motion by Commissioner Calvet and seconded by Mayor Dyer, New Business Item 2 was adopted and accepted as follows:

NB-2 Adoption of the proposed electric fuel prices and electric contribution in aid of construction charges effective January 1, 2023, pending Florida Public Service Commission review.

\* \* \*

Commissioner Mills stated The Audit–Finance Committee (Committee) meeting was held on December 1, 2022.

The Committee reviewed a recommendation to be presented at the December 13, 2022 Commission meeting to increase retail electric fuel prices \$10.00 per month for the average residential customer using 1,000 kWh effective January 1, 2023. The Committee also reviewed a recommendation to increase the contribution in aid of construction (CIAC) charges for commercial and multi-family developers specific to the on-site and off-site fees.

The Committee also reviewed for Board approval the deferral of \$14.2 million of storm restoration costs for Hurricane Ian pending FEMA eligibility determination and a Resolution to participate in the Orange and Osceola Counties Local Mitigation Strategy Plans. Costs associated with Hurricane Nicole were also reviewed, but no action is proposed at this time.

- The Committee recommends Board approval for the deferral of \$14.2 million of anticipated eligible FEMA cost reimbursement related to Hurricane Ian.
- The Committee recommends Board approval and adoption of a resolution to participate in the Orange and Osceola Counties Local Mitigation Strategy Plans in alignment with the guidance outlined in their respective local mitigation strategy plans.



The Committee was also provided with a review of Internal Audit's annual risk assessment and 2023 Audit Plan as well as an update on the status of the 2022 external audit activities. The Committee approved the 2023 Audit Plan.

Quarterly financial updates were provided from the Energy Risk Management Committee, Internal Audit, and Financial Services.

\* \* \*

On a motion by Commissioner Calvet and seconded by Mayor Dyer, PRES 1a was approved as follows:

PRES-1a Approval to defer \$14,200,000 of Hurricane Ian emergency response and hurricane preparedness costs incurred in Fiscal Year 2022 consistent with the rate-making model and the Commission-approved Operating Budget.

On a motion by Mayor Dyer and seconded by Commissioner Calvet, PRES 1b was approved as follows:

PRES-1b Approval and adoption of the Board Resolution authorizing OUC to participate in the Orange and Osceola Counties Local Mitigation Strategy in accordance with the guidelines outlined for each of the County's programs.

\* \* \*

**Mindy Brenay**, presented the November Financial Report indicating total revenues, excluding fuel revenues were \$4.7 million lower than budget as a result of hurricane events, mild weather, and the timing of new project revenues. The revenue shortfall is currently offset by delayed operating costs. Board approved deferred revenues of \$25 million are available to offset this shortfall as operations return to business as usual.

\* \* \*

**Jonathan Blount**, an OUC customer, expressed appreciation for OUC's advancements in solar energy and OUC's spirit of inclusion and community engagement in Orlando.

\* \* \*

**Luz Aviles, Vice President of Customer Experience & Sales**, gave an update on the Energy & Water Efficiency Program. She provided background details of the fall 2020 Energy efficiency commitments and summarized the selection process for energy efficiency consulting services, which was awarded to MCR Performance Solutions, LLC (MCR). She described MCR's project approach and timeline, listed MCR's key recommendations and key themes that arose during stakeholder meetings, and provided the next steps and ongoing efforts.

She also provided an update on customer facing water conservation programs. She summarized the selection process of the water conservation consultant, Black & Veatch (B&V). She described B&V's project approach and timeline, as well as their key recommendations from the water efficiency study, next steps, and ongoing efforts. The provided the next steps and ongoing efforts.

\* \* \*

Mr. Bullock acknowledged Commissioner Lee for his service as a commissioner and thanked him for his leadership and support, and for being a voice for the community. He explained commissioner Lee led OUC as president during the retirement of its previous CEO and provided great feedback during his years as Commissioner. He emphasized Commissioner Lee has left his fabric within OUC over the last 9.5 years. Mr. Bullock concluded by wishing the commissioners safe and happy Holidays and New Year and he looks forward to seeing everyone in January.

Commissioner Calvet expressed appreciation of the GOAA launch and also expressed the floating solar concept is very interesting. He stated he looks forward to welcoming Roger Chapin to the Commission in the New Year. He wished everyone a Merry Christmas and Happy Holidays.

Commissioner Mills echoed Commissioner Calvet's comments and added he is thrilled to welcome Mr. Chapin. He commended OUC for the year it has had and encourages OUC to continue in its strategic direction. He thanked everyone for their kind words after the passing of his mother. Mr. Mills echoed Mr. Blount and added that his wife stated Orlando is blessed to have Mayor Buddy Dyer after reflecting on a recent visit to another state.

Mayor Dyer thanked everyone for their kind words. He thanked OUC for sponsoring the recent State of Downtown. He thanked Commissioner Lee for his service as a Commissioner at OUC over the last 9.5 years. He also stated he looks forward to Mr. Chapin serving in a similar fashion. He emphasized his support and excitement for floating solar. He concluded by wishing everyone a Merry Christmas and a safe New Year, reminding everyone of the Christmas market being held at Lake Eola Park until December 23<sup>rd</sup>.

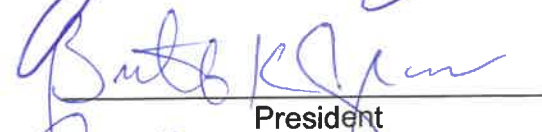
President Gross mentioned her appreciation for the lion and the gazelle story from the Moment of Reflection provided by Mr. Sims. She expressed Commissioner Lee has been a role model and leaves a high standard at OUC. She looks forward to working with Mr. Chapin in the New Year. She wishes everyone a safe and happy New Year.

\* \* \*

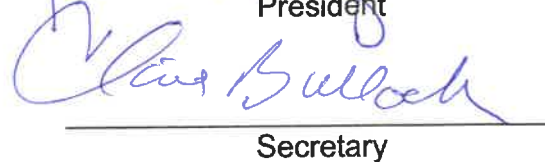
President Gross adjourned the meeting at 3:34 P.M.



Recording Secretary



President



Secretary