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# ORLANDO UTILITIES COMMISSION 2012 FINANCIAL & STATISTICAL INFORMATION REPORT

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The information provided in this document is intended to meet the annual financial information disclosure requirements outlined in Securities Exchange Commission Rule 15c2-12(b)(5)(i)(A).



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# COMBINED INFORMATION

Our mission is to provide reliable and affordable electric and water service in an environmentally responsible manner.

# GENERAL INFORMATION

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OUC—the Reliable One is the second largest municipal utility in Florida providing electric and water services to more than 227,500 customers in Orlando, St. Cloud and parts of unincorporated Orange and Osceola counties.

Created by a special act of the Florida Legislature in 1923 as a statutory commission of the State of Florida, the Orlando Utilities Commission (OUC) has full authority over the management and control of the electric and water systems of the City of Orlando. The charter, as amended, allows OUC to undertake the construction, operation and maintenance of electric, water, lighting and chilled water systems, in Orange County and portions of Osceola County.

OUC is governed by a five member board (the Board) which includes the Mayor of the City of Orlando as an ex-officio member. Board members must be OUC customers, and at least one member must reside in unincorporated Orange County. Members serve without pay and may hold two consecutive four-year terms.

OUC's electric system provides service to customers within the City of Orlando and certain contiguous areas of Orange County. The boundaries of OUC's 248 square mile electric service area are set pursuant to a ten year territorial agreement with Duke Energy. The agreement, which expires February 1, 2016, has been approved by the Florida Public Service Commission, which has full authority to resolve all disputes related to service territory.

In 1997, OUC entered into an interlocal agreement with the City of St. Cloud in Osceola, County to assume responsibility for providing retail electric energy service to its customers. The agreement with St. Cloud expires September 30, 2032. OUC also operates and maintains St. Cloud's electric transmission and distribution system in its 171-square-mile service territory, granted to St. Cloud through an electric territorial agreement with Duke Energy through November 4, 2019.

OUC provides water service to customers throughout Orlando as well as a 200-square-mile service area as set forth by a territorial agreement with Orange County (the County). OUC's agreement with the County has an expiration date of May 4, 2019 with automatic ten year extension periods. In accordance with OUC's Consumptive Use Permit (CUP) from the St. Johns River Water Management District, water is obtained from deep wells that tap the Floridian Aquifer, a natural source of high quality water hundreds of feet below the surface. State-of-the-art water plants ozonate the water for disinfection and remove hydrogen sulfide. OUC's CUP agreement expires in 2023.

OUC operates two related businesses — OUConvenient Lighting and Chilled Water — that serve Orlando and surrounding counties. OUConvenient Lighting works with municipalities and commercial partners to plan, install and maintain indoor and outdoor lighting. Chilled Water provides chilled water service for air conditioning systems through a network of seven chilled water plants in five districts with a total capacity of 47,950 tons.

The information presented in the following pages represents OUC's financial and operational information for the fiscal periods of 2002-2012 and where appropriate, amounts have been reclassified to conform to the 2012 presentation.

## STATEMENT OF NET ASSETS (Dollars in thousands)

### Years Ended September 30

	2012	2011	2010	2009
<b>Assets</b>				
Utility plant, net				
In-service depreciated cost	\$ 2,144,052	\$ 2,160,121	\$ 2,134,963	\$ 1,800,510
Land and other non-depreciable assets	70,022	62,882	62,868	59,501
Construction work in progress	84,125	65,041	107,333	421,685
<b>Total Utility Plant, net (1)</b>	<u>2,298,199</u>	<u>2,288,044</u>	<u>2,305,164</u>	<u>2,281,696</u>
Restricted and internally designated assets				
Debt service and related funds	82,707	122,714	133,981	121,526
Construction bond proceeds, decommissioning and other funds	208,323	258,940	314,346	179,005
Liability reduction fund (2)(4)	-	20,268	20,386	20,384
Stabilization and self-insurance funds (3)	183,649	197,414	174,676	141,604
Capital reserve fund (4)	118,968	14,700	14,700	-
<b>Total Restricted and internally designated assets</b>	<u>593,647</u>	<u>614,036</u>	<u>658,089</u>	<u>462,519</u>
Current assets				
Cash and investments (4)(5)	85,404	131,367	54,715	33,622
Customer accounts receivable, less allowance for doubtful accounts	71,245	74,712	84,000	81,482
Fuel for generation	19,348	24,318	19,863	19,950
Materials and supplies inventory	40,303	36,698	37,827	36,727
Other current assets	96,245	101,959	105,624	93,747
<b>Total current assets</b>	<u>312,545</u>	<u>369,054</u>	<u>302,029</u>	<u>265,528</u>
Other assets and deferred charges				
Regulatory and other deferred assets	59,268	63,663	68,758	71,566
Deferred outflow - hedging derivatives (6)	35,744	38,636	67,320	80,589
<b>Total other assets and deferred charges</b>	<u>95,012</u>	<u>102,299</u>	<u>136,078</u>	<u>152,155</u>
<b>Total assets</b>	<u>\$ 3,299,403</u>	<u>\$ 3,373,433</u>	<u>\$ 3,401,360</u>	<u>\$ 3,161,898</u>
<b>Liabilities</b>				
Current liabilities				
Payable from restricted and designated assets				
Accrued interest payable on notes and bonds	\$ 32,211	\$ 34,448	\$ 37,284	\$ 27,552
Bonds payable within one year	50,610	88,450	51,080	48,350
Customer meter deposits	45,942	43,079	39,062	33,485
<b>Total payable from restricted and designated assets</b>	<u>128,763</u>	<u>165,977</u>	<u>127,426</u>	<u>109,387</u>
Payable from current assets				
Accounts payable and accrued expenses	74,498	84,963	84,089	68,080
Other bonds payable (7)	98,360	98,360	98,522	199,266
Other current liabilities	21,835	18,604	22,927	24,266
<b>Total payable from current assets</b>	<u>194,693</u>	<u>201,927</u>	<u>205,538</u>	<u>291,612</u>
Other liabilities and deferred credits				
Regulatory liabilities (3)	272,223	283,106	267,236	229,039
Deferred revenue	14,256	21,606	22,226	22,986
Asset retirement obligation and other liabilities	62,475	58,082	55,749	58,036
Other deferred items (6)	34,805	31,117	54,666	69,103
<b>Total other liabilities and deferred credits</b>	<u>383,759</u>	<u>393,911</u>	<u>399,877</u>	<u>379,164</u>
Long-term debt, net	1,525,220	1,578,785	1,674,109	1,425,450
<b>Total liabilities</b>	<u>\$ 2,232,435</u>	<u>\$ 2,340,600</u>	<u>\$ 2,406,950</u>	<u>\$ 2,205,613</u>
<b>Net assets</b>				
Invested in capital assets, net of related debt	\$ 744,184	\$ 745,117	\$ 740,393	\$ 778,476
Restricted	1,543	1,570	425	827
Unrestricted	321,241	286,146	253,592	176,982
<b>Total net assets</b>	<u>\$ 1,066,968</u>	<u>\$ 1,032,833</u>	<u>\$ 994,410</u>	<u>\$ 956,285</u>

(1) In 2012, Land and other non-depreciable assets increased primarily due to the reacquisition of the Indian River Plant site (IRP) for \$11.5 million.

(2) In 2000, OUC sold the steam units at the IRP. A portion of the proceeds from this sale were internally designated to fund future debt maturities. In 2007, OUC used \$113.0 million of the Liability reduction funds to defease portions of the Series 2001, 2001A and 2003A Bonds.

(3) The fluctuation over the past ten years was due to the changes in fuel stabilization funds, as these funds are designated to match the change in deferred fuel revenue.

(4) In 2006, OUC established the Capital reserve fund to provide reserves for the construction of capital projects. Funding of the Capital reserve continued through 2008 with a reclassification of funds in 2010. In 2012, OUC designated an additional \$84.0 million to the Capital reserve fund. Additionally, the Audit Committee approved, as part of the IRP purchase, the reclassification of \$20.3 million from the Liability reduction fund to the Capital reserve fund.



2008	2007	2006	2005	2004	2003	2002
\$ 1,748,770	\$ 1,726,375	\$ 1,681,186	\$ 1,652,730	\$ 1,644,680	\$ 1,599,651	\$ 1,474,956
59,196	31,632	31,632	29,667	31,670	29,267	28,652
343,958	176,216	100,909	84,756	69,992	76,069	103,140
<u>2,151,924</u>	<u>1,934,223</u>	<u>1,813,727</u>	<u>1,767,153</u>	<u>1,746,342</u>	<u>1,704,987</u>	<u>1,606,748</u>
118,406	118,471	117,812	112,837	109,264	101,718	164,883
224,233	211,336	217,311	141,533	107,785	157,307	114,622
20,380	30,593	143,446	151,096	190,491	191,382	189,122
110,013	143,154	111,085	56,173	66,377	94,759	100,151
32,140	32,618	5,500	-	-	-	-
<u>505,172</u>	<u>536,172</u>	<u>595,154</u>	<u>461,639</u>	<u>473,917</u>	<u>545,166</u>	<u>568,778</u>
49,607	36,148	55,666	75,535	83,077	72,633	55,324
78,801	89,749	68,715	81,954	65,619	60,960	59,225
5,972	14,752	9,626	8,642	6,512	9,105	10,404
37,926	35,927	33,669	31,300	29,231	26,852	28,567
84,644	71,862	66,366	54,197	47,405	41,829	45,332
<u>256,950</u>	<u>248,438</u>	<u>234,042</u>	<u>251,628</u>	<u>231,844</u>	<u>211,379</u>	<u>198,852</u>
76,179	71,421	64,924	62,448	93,093	26,539	24,849
60,921	-	-	-	-	-	-
137,100	71,421	64,924	62,448	93,093	26,539	24,849
<u>\$ 3,051,146</u>	<u>\$ 2,790,254</u>	<u>\$ 2,707,847</u>	<u>\$ 2,542,868</u>	<u>\$ 2,545,196</u>	<u>\$ 2,488,071</u>	<u>\$ 2,399,227</u>
\$ 28,093	\$ 28,524	\$ 30,810	\$ 28,744	\$ 27,744	\$ 26,567	\$ 31,048
46,045	44,440	41,420	38,560	35,575	129,250	91,155
33,575	31,481	29,012	26,099	24,846	21,141	19,161
<u>107,713</u>	<u>104,445</u>	<u>101,242</u>	<u>93,403</u>	<u>88,165</u>	<u>176,958</u>	<u>141,364</u>
93,162	68,222	62,189	93,513	90,055	54,147	57,130
218,799	-	-	-	-	-	-
17,876	13,546	13,102	14,317	12,039	16,539	11,593
<u>329,837</u>	<u>81,768</u>	<u>75,291</u>	<u>107,830</u>	<u>102,094</u>	<u>70,686</u>	<u>68,723</u>
198,135	243,299	212,742	155,976	173,716	111,009	110,000
24,213	24,953	25,179	22,839	23,224	134,170	138,783
59,825	54,554	55,737	48,539	45,371	43,224	1,257
60,921	-	-	-	-	-	-
<u>343,094</u>	<u>322,806</u>	<u>293,658</u>	<u>227,354</u>	<u>242,311</u>	<u>288,403</u>	<u>250,040</u>
1,352,397	1,415,793	1,435,889	1,351,781	1,387,423	1,261,883	1,281,333
<u>\$ 2,133,041</u>	<u>\$ 1,924,812</u>	<u>\$ 1,906,080</u>	<u>\$ 1,780,368</u>	<u>\$ 1,819,993</u>	<u>\$ 1,797,930</u>	<u>\$ 1,741,460</u>
\$ 754,793	\$ 661,230	\$ 530,940	\$ 513,025	\$ 461,418	\$ 443,481	\$ 409,758
2,515	8,342	5,863	4	4	49,968	48,943
160,797	195,870	264,964	249,471	263,781	196,692	199,066
<u>\$ 918,105</u>	<u>\$ 865,442</u>	<u>\$ 801,767</u>	<u>\$ 762,500</u>	<u>\$ 725,203</u>	<u>\$ 690,141</u>	<u>\$ 657,767</u>

(5) The increase in 2011 was due to the release of \$41.4 million previously restricted as Debt service reserve for the Series 1992 Bonds that matured on October 1, 2010.

(6) In conjunction with the implementation of GASB Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments", all effective derivative instruments were included on the Statements of Net Assets as either an asset or liability measured at fair market value. Related changes in the fair value of derivative instruments were deferred and recognized in the period in which the derivative is settled. In 2011, the change in the derivative asset was due to the termination of an effective interest rate swap in the amount of \$26.6 million.

(7) In 2008, the Series 2004 Bonds were reclassified to Other bonds payable as the bonds were set to mature in July 2009. OUC intended to remarket these bonds with long-term variable rate debt; however, due to changing market conditions, only a portion of the debt was refunded on a long-term basis. In 2010, OUC refunded the remaining portion in the windows mode without an underlying liquidity facility; therefore, the debt remains classified as Current Liabilities - payable from current assets.

## STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS (Dollars in thousands)

Years Ended September 30	2012	2011	2010	2009
<b>Operating revenues</b>				
Electric operating revenues (1)	\$ 747,605	\$ 769,776	\$ 759,754	\$ 704,483
Water operating revenues	63,454	64,142	62,619	62,675
Lighting operating revenues	12,449	12,316	12,155	12,036
Chilled water operating revenues	30,875	29,775	29,286	24,221
<b>Total operating revenues</b>	<u>854,383</u>	<u>876,009</u>	<u>863,814</u>	<u>803,415</u>
<b>Operating expenses</b>				
Fuel for generation, purchased power and fixed demand payments (2)	326,072	332,198	330,738	312,377
Production	95,107	96,229	94,089	80,363
Transmission and distribution (3)	34,206	37,553	37,687	32,725
Lighting	3,272	3,161	3,494	3,688
Chilled water	15,165	14,829	14,489	13,015
Storm recovery expenses (4)	-	-	-	162
Depreciation and amortization	120,699	119,361	117,105	110,068
Customer service (5)	38,289	35,074	31,448	29,361
General and administrative (6)	47,480	46,750	45,810	37,634
Utility/property tax	15,481	16,473	16,535	15,142
Revenue based payments to the City of Orlando	29,623	28,809	28,804	27,301
Revenue based payments to Orange County	1,477	1,461	1,821	1,687
Revenue based payments to the City of St. Cloud	6,927	6,372	5,582	5,316
System use payments to the City of St. Cloud	1,915	1,915	1,911	1,910
<b>Total operating expenses</b>	<u>735,713</u>	<u>740,185</u>	<u>729,513</u>	<u>670,749</u>
<b>Operating income</b>	118,670	135,824	134,301	132,666
Interest income (7)	6,691	4,560	8,569	10,649
Other income, net	13,318	12,155	7,832	2,263
Amortization of deferred gain on sale of assets (8)	4,233	3,971	3,971	3,971
Bond interest and related expenses (9)	(70,235)	(78,530)	(85,051)	(77,048)
<b>Income before contributions</b>	72,677	77,980	69,622	72,501
<b>Contributions in aid of construction (CIAC)</b>	8,619	8,419	14,099	11,579
<b>Annual dividend (10)</b>	(47,161)	(47,976)	(45,596)	(45,900)
<b>Increase in net assets</b>	34,135	38,423	38,125	38,180
<b>Net assets - beginning of year</b>	1,032,833	994,410	956,285	918,105
<b>Net assets - end of year</b>	<u>\$ 1,066,968</u>	<u>\$ 1,032,833</u>	<u>\$ 994,410</u>	<u>\$ 956,285</u>

- (1) In 2012, resale revenue decreased \$20.2 million primarily due to a 34.8% decrease in megawatt hours sold in conjunction with the decreased utilization of OUC's coal generation facilities. Additionally, mild weather and consumer usage changes contributed to the decrease in retail revenue.
- (2) In 2012 the decrease in fuel for generation, purchased power and fixed demand payments was due to a 9.0% decrease in generation as a result of mild weather and consumer usage changes offset by a 7.2% increase in fuel costs primarily due to increased coal costs.
- (3) Higher 2011 and 2010 Transmission and distribution costs resulted from the recognition of consumptive use permit spending of \$2.3 million and a write down of a deferred water regulatory project of \$2.3 million, respectively.
- (4) In August and September 2004, the Central Florida area was impacted by hurricanes Charley, Frances and Jeanne. As a result of these storms, OUC recorded \$6.0 million of storm restoration costs, net of grant reimbursements. In 2008, OUC incurred costs net of grant reimbursements, for tropical storm Fay.
- (5) The increase in the 2012 Customer service operating costs was primarily due to the recognition of costs associated with the write down of the meter data management project.
- (6) In 2012, General and administrative costs increased primarily due to higher information and technology costs. In 2010, lower than projected investment returns and the inclusion of previously approved cost of living adjustments contributed to the increase. In 2007, OUC adopted GASB Statement No. 45, "Accounting and Financial Reporting by Employers for Post-employment Benefits Other than Pensions" (OPEB) incurring actuarially determined employee benefit costs in each of the subsequent years.
- (7) The increase in 2012 was due to inclusion of gains earned on investments sold prior to maturity along with investment valuation adjustments resulting from continued market volatility. While higher cash reserves impacted earnings in 2006 and 2007, lower market rates beginning with the market downturn in 2008 continued to impact interest earnings through 2011.

2008	2007	2006	2005	2004	2003	2002
\$ 750,936	\$ 673,317	\$ 665,748	\$ 679,465	\$ 605,653	\$ 502,576	\$ 447,091
62,224	65,428	56,032	54,361	50,460	46,307	41,854
11,283	10,437	8,885	7,696	6,651	4,815	2,393
<u>19,739</u>	<u>16,643</u>	<u>15,590</u>	<u>12,738</u>	<u>10,343</u>	<u>6,015</u>	<u>4,403</u>
<u>844,182</u>	<u>765,825</u>	<u>746,255</u>	<u>754,260</u>	<u>673,107</u>	<u>559,713</u>	<u>495,741</u>
372,423	323,245	346,417	373,880	318,558	221,193	189,967
81,359	73,401	69,685	68,053	62,978	53,119	48,284
31,483	28,523	25,064	21,195	19,260	18,643	17,309
3,853	2,909	2,771	2,569	1,954	1,529	1,560
11,067	10,428	9,726	8,069	5,730	3,118	2,179
624	-	-	-	6,003	-	-
98,312	92,282	86,433	85,570	79,768	70,747	74,157
29,245	29,979	27,234	20,897	20,011	17,918	16,847
37,898	34,716	28,936	27,022	26,400	24,222	25,416
13,533	12,908	12,895	11,461	10,071	9,665	9,097
25,148	24,130	23,658	20,187	18,058	17,319	16,294
1,054	1,056	1,062	871	816	786	731
5,064	4,079	3,519	3,349	3,240	2,821	2,491
<u>1,914</u>	<u>1,915</u>	<u>1,907</u>	<u>1,911</u>	<u>1,925</u>	<u>1,927</u>	<u>1,883</u>
<u>712,977</u>	<u>639,571</u>	<u>639,307</u>	<u>645,034</u>	<u>574,772</u>	<u>443,007</u>	<u>406,215</u>
131,205	126,254	106,948	109,226	98,335	116,706	89,526
16,683	23,228	22,724	9,239	9,354	10,611	14,657
2,189	3,325	1,853	2,840	2,077	2,295	4,849
3,971	3,970	3,970	3,970	14,006	-	13,433
<u>(74,167)</u>	<u>(71,764)</u>	<u>(73,721)</u>	<u>(68,551)</u>	<u>(71,005)</u>	<u>(74,595)</u>	<u>(75,440)</u>
79,881	85,013	61,774	56,724	52,767	55,017	47,025
18,734	24,362	25,293	14,607	13,955	10,348	10,916
<u>(45,952)</u>	<u>(45,700)</u>	<u>(47,800)</u>	<u>(34,034)</u>	<u>(31,660)</u>	<u>(32,991)</u>	<u>(28,200)</u>
52,663	63,675	39,267	37,297	35,062	32,374	29,741
<u>865,442</u>	<u>801,767</u>	<u>762,500</u>	<u>725,203</u>	<u>690,141</u>	<u>657,767</u>	<u>628,026</u>
<u>\$ 918,105</u>	<u>\$ 865,442</u>	<u>\$ 801,767</u>	<u>\$ 762,500</u>	<u>\$ 725,203</u>	<u>\$ 690,141</u>	<u>\$ 657,767</u>

- (8) Proceeds from the sale of the steam units at the IRP were internally designated and the gain deferred in accordance with OUC's application of Financial Accounting Standards No. 71, "Accounting for the Effect of Certain Types of Regulation". A portion of the deferred gain amount was recognized to mitigate the additional generation and purchased power costs from 2000 to 2004 with the remaining gain being recognized to offset depreciation costs for Stanton Unit A (SEC A). In January 2012, OUC repurchased the IRP. As a result of this transaction, the long-term deferred transmission wheeling revenue was reclassified to deferred gain on sale and was amortized consistent with original gain on sale amount.
- (9) In 2012, OUC's Bond interest and related expenses were lower than that of the prior year as a result of refundings, which have a lower interest rates. Additionally, sinking fund interest declined due to a decrease in outstanding bonds as a result of maturities that were paid on October 1, 2011. Lower interest rate swap costs and various series refunding activities decreased interest and other expenses in 2011 by \$6.5 million. In 2010, interest and other expenses increased primarily due to the issuance of the Series 2010A Bonds for \$200.0 million in January 2010 and the impact of a full year of interest expense for the Series 2009A bonds issued in May 2009.
- (10) In 2008 through 2012, the dividend originally based on 60% of Income before contributions was fixed. In 2005, the Board approved a change for 2006 and 2007 to increase the dividend calculation from 60% to 85% and 80%, respectively, of budgeted Income before contributions. Prior to 2005, the dividend payments to the City of Orlando were calculated at 60% of Income before contributions for all operating units except Chilled Water. Dividends for Chilled Water were calculated based on 50% of Income before contributions up to \$625 thousand through 2003 and 60% thereafter.

## STATEMENTS OF CASH FLOWS (Dollars in thousands)

Years Ended September 30	2012	2011	2010	2009
<b>Cash flows from operating activities</b>				
Cash received from customers	\$ 846,553	\$ 903,066	\$ 899,241	\$ 827,231
Cash paid for fuel and purchased power	(318,394)	(327,267)	(328,583)	(347,691)
Cash paid for unit/department expenses excluding salaries and benefits	(82,410)	(86,131)	(61,220)	(75,027)
Cash paid for salaries and benefits	(137,749)	(138,637)	(136,480)	(115,283)
Cash received from storm recovery expenses (1)	-	-	-	-
Cash paid to other governments and taxes	(54,968)	(54,999)	(54,429)	(50,993)
<b>Net cash provided by operating activities</b>	<u>253,032</u>	<u>296,032</u>	<u>318,529</u>	<u>238,237</u>
<b>Cash flows from non-capital related financing activities</b>				
Dividend payment	(47,161)	(47,976)	(45,596)	(45,900)
<b>Net cash used in non-capital related financing activities</b>	<u>(47,161)</u>	<u>(47,976)</u>	<u>(45,596)</u>	<u>(45,900)</u>
<b>Cash flows from capital related financing activities</b>				
Debt interest payments/collateral deposits	(73,766)	(89,517)	(97,153)	(78,236)
Principal payments on long-term debt	(250,890)	(231,095)	(366,000)	(362,945)
Debt issuances	163,913	178,834	541,050	419,875
Debt issuances expenses	(1,502)	(2,894)	(5,086)	(3,955)
Advance pension payments (2)	-	-	-	-
Collateral deposits	(2,400)	16,400	(6,600)	-
Utility plant, net of contributions and sale of plant proceeds (3)	(122,737)	(103,432)	(141,230)	(237,983)
<b>Net cash used in capital related financing activities</b>	<u>(287,382)</u>	<u>(231,704)</u>	<u>(75,019)</u>	<u>(263,244)</u>
<b>Cash flows from investing activities</b>				
Proceeds from sales and maturities of investment securities	718,924	1,005,222	700,558	598,096
Proceeds from gain on sale of investments	648	2,064	3,314	2,230
Purchases of investment securities	(591,305)	(1,009,564)	(864,933)	(497,435)
Investments and other income received	12,788	16,133	14,602	13,921
<b>Net cash provided/(used in) by investing activities</b>	<u>141,055</u>	<u>13,855</u>	<u>(146,459)</u>	<u>116,812</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	59,544	30,207	51,455	45,905
<b>Cash and cash equivalents - beginning of year</b>	237,327	207,120	155,665	109,760
<b>Cash and cash equivalents - end of year</b>	<u>\$ 296,871</u>	<u>\$ 237,327</u>	<u>\$ 207,120</u>	<u>\$ 155,665</u>
<b>Reconciliation of operating income to net cash provided by operating activities</b>				
<b>Operating income</b>	\$ 118,670	\$ 135,824	\$ 134,301	\$ 132,666
<b>Adjustments to reconcile operating income to net cash provided by operating activities</b>				
Depreciation and amortization	120,699	119,361	117,105	110,068
Depreciation and amortization charged to fuel for generation and purchased power	3,360	4,472	3,985	4,051
Depreciation of vehicles and equipment charged to unit/department expenses	3,679	4,892	10,425	6,126
Changes in assets and liabilities				
Decrease/(increase) in receivables and accrued revenue	1,059	10,245	(3,179)	(1,267)
Decrease/(increase) in fuel and materials and supplies inventories	3,473	4,271	2,733	(7,407)
Increase/(Decrease) in accounts payable	(395)	557	19,602	(20,786)
(Decrease)/increase in deposits payable and deferred costs	6,097	(5,811)	(11,599)	(14,322)
Increase/(decrease) in stabilization and deferred revenue	(3,610)	22,221	45,156	29,108
<b>Net cash provided by operating activities</b>	<u>\$ 253,032</u>	<u>\$ 296,032</u>	<u>\$ 318,529</u>	<u>\$ 238,237</u>
<b>Reconciliation of cash and cash equivalents</b>				
Restricted and internally designated equivalents	\$ 176,950	\$ 144,401	\$ 89,181	\$ 88,474
Cash and investments	5,137	3,960	1,261	4,362
Construction and related funds	32,077	7,637	35,182	33,042
Debt service and related funds	82,707	81,329	81,496	29,787
<b>Cash and cash equivalents - end of the year</b>	<u>\$ 296,871</u>	<u>\$ 237,327</u>	<u>\$ 207,120</u>	<u>\$ 155,665</u>

(1) In August and September 2004, OUC was impacted by hurricanes Charley, Frances and Jeanne and subsequently received grant funds from Federal Emergency Management Agency (FEMA) and the State of Florida Department of Community Affairs (DCA).

(2) In 2004, OUC advance funded \$54.6 million to the pension trust.

(3) In 2008 and 2009, OUC constructed the Stanton Unit B (SEC B) generation plant.

2008	2007	2006	2005	2004	2003	2002
\$ 839,152 (378,343)	\$ 763,456 (326,874)	\$ 819,265 (374,365)	\$ 710,245 (364,435)	\$ 631,648 (313,039)	\$ 555,745 (214,226)	\$ 507,020 (192,805)
(74,058)	(95,116)	(129,066)	(76,834)	(75,041)	(79,841)	(67,748)
(113,564)	(63,880)	(56,081)	(54,437)	(48,499)	(43,635)	(42,489)
(624)	-	530	16,482	(22,485)	-	-
<u>(46,923)</u>	<u>(45,400)</u>	<u>(41,714)</u>	<u>(37,404)</u>	<u>(33,862)</u>	<u>(32,468)</u>	<u>(31,506)</u>
<u>225,640</u>	<u>232,186</u>	<u>218,569</u>	<u>193,617</u>	<u>138,722</u>	<u>185,575</u>	<u>172,472</u>
<u>(45,952)</u>	<u>(45,700)</u>	<u>(49,135)</u>	<u>(32,700)</u>	<u>(35,495)</u>	<u>(29,156)</u>	<u>(35,091)</u>
<u>(45,952)</u>	<u>(45,700)</u>	<u>(49,135)</u>	<u>(32,700)</u>	<u>(35,495)</u>	<u>(29,156)</u>	<u>(35,091)</u>
(81,091)	(74,448)	(70,443)	(66,742)	(66,084)	(71,647)	(74,483)
(44,440)	(289,337)	(75,898)	(35,575)	(261,980)	(459,569)	(432,089)
200,000	260,620	160,525	-	288,735	472,697	394,813
(1,623)	(2,429)	(857)	(640)	(543)	(4,261)	(19,266)
-	-	-	-	(54,600)	-	-
-	-	-	-	-	-	-
<u>(302,678)</u>	<u>(191,427)</u>	<u>(93,236)</u>	<u>(91,956)</u>	<u>(100,723)</u>	<u>(119,300)</u>	<u>(145,149)</u>
<u>(229,832)</u>	<u>(297,021)</u>	<u>(79,909)</u>	<u>(194,913)</u>	<u>(195,195)</u>	<u>(182,080)</u>	<u>(276,174)</u>
594,525	592,967	621,734	232,197	544,702	584,420	476,076
7,791	-	-	-	12,950	1,418	2,488
(634,030)	(538,523)	(673,304)	(203,529)	(548,278)	(610,284)	(312,354)
22,507	33,219	19,399	14,590	18,027	17,982	34,526
<u>(9,207)</u>	<u>87,663</u>	<u>(32,171)</u>	<u>43,258</u>	<u>27,401</u>	<u>(6,464)</u>	<u>200,736</u>
(59,351)	(22,872)	57,354	9,262	(64,567)	(32,125)	61,943
169,111	191,983	134,629	125,367	189,934	220,979	159,036
<u>\$ 109,760</u>	<u>\$ 169,111</u>	<u>\$ 191,983</u>	<u>\$ 134,629</u>	<u>\$ 125,367</u>	<u>\$ 188,854</u>	<u>\$ 220,979</u>
\$ 131,205	\$ 126,254	\$ 106,948	\$ 109,226	\$ 98,335	\$ 116,706	\$ 89,526
98,312	92,282	86,433	85,570	79,768	70,747	74,157
3,498	3,471	3,367	1,833	2,258	2,083	1,941
3,233	2,538	1,671	1,604	1,573	3,140	1,902
8,166	(24,617)	15,189	(27,407)	(6,062)	3,103	(2,890)
12,744	(6,956)	(31,101)	(11,244)	1,169	2,599	(7,979)
24,112	8,905	(15,794)	25,954	17,342	1,942	2,166
(12,986)	13,334	(5,077)	24,755	(20,910)	(2,977)	247
<u>(42,644)</u>	<u>16,975</u>	<u>56,933</u>	<u>(16,674)</u>	<u>(34,751)</u>	<u>(11,768)</u>	<u>13,402</u>
<u>\$ 225,640</u>	<u>\$ 232,186</u>	<u>\$ 218,569</u>	<u>\$ 193,617</u>	<u>\$ 138,722</u>	<u>\$ 185,575</u>	<u>\$ 172,472</u>
\$ 42,206	\$ 87,049	\$ 105,521	\$ 64,552	\$ 91,219	\$ 124,523	\$ 159,823
2,472	9,907	17,600	25,855	25,695	29,061	29,311
40,057	1,048	20,440	11,945	7,030	19,759	22,598
25,025	71,107	48,422	32,277	1,423	15,511	9,247
<u>\$ 109,760</u>	<u>\$ 169,111</u>	<u>\$ 191,983</u>	<u>\$ 134,629</u>	<u>\$ 125,367</u>	<u>\$ 188,854</u>	<u>\$ 220,979</u>

## SELECTED FINANCIAL RATIOS (Dollars in thousands)

Years Ended September 30	2012	2011	2010	2009
<b>Current ratio</b>				
Current assets/current liabilities	3.65	3.12	3.21	3.20
<b>Days cash on hand</b>				
	353	354	276	227
<b>Leverage ratio</b>				
Total debt/total assets	0.51	0.52	0.54	0.53
<b>Return on total assets</b>				
Income before contributions/total assets (1)	2.20%	2.31%	2.05%	2.29%
<b>Return on net assets</b>				
Income before contributions/average net assets (1)(2)	6.92%	7.69%	7.14%	7.74%
<b>Debt/net assets (3)</b>	60%/40%	62%/38%	64%/36%	63%/37%
<b>Total revenue based payments and dividend to the City of Orlando</b>	\$76,785	\$76,785	\$74,400	\$73,201
As a percentage of retail revenue	10.97%	10.47%	10.24%	10.72%
<b>Retail receivables/retail billed revenue (1)(4)</b>	6.96%	7.00%	8.24%	8.92%
<b>Bad debt expense/retail billed revenue (OUC) (5)</b>	0.54%	0.68%	0.97%	0.90%
<b>Bad debt expense/retail revenue (Interlocal sales) (5)</b>	0.67%	0.66%	0.70%	1.22%
<b>Day sales uncollected (OUC)</b>	28	27	30	34
<b>Day sales uncollected (Interlocal sales)</b>	28	32	31	33
<b>Materials inventory as a percentage of total plant</b>	1.75%	1.60%	1.64%	1.61%
<b>Total metered services per meter reader (OUC) (6)</b>	15,156	12,174	11,696	12,949

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- (1) In 2010, the return changed as a result of the issuance of the Series 2010A Construction Bonds of \$200.0 million. The change in 2007 and 2008 was driven by increased revenue as a result of a rate modification in January 2007 that included a reserve for future capital spending.
- (2) In 2012, the variance was due to lower electric revenue than that of the prior year coupled with the Board approved electric fuel rate reductions in March 2012 requiring the use of \$15.5 million of fuel stabilization to mitigate the rate decrease.
- (3) The Debt/net asset ratio decreased as a result of utilizing operating cash to fund capital projects, continued Net assets growth and the maturity of \$190.1 million of Long-term debt.
- (4) The decline in percentage in 2012 and 2011 was due to lower retail receivables as a result of mild weather. In 2007, the increase was due to delayed collection efforts as a result of staffing resources dedicated to the PSERM implementation.
- (5) Beginning in 2007, the percentage of bad debt expense to retail revenue increased as a result of billing issues with the implementation of PSERM and the delay in collection efforts. This was followed by the downturn in the economy beginning in 2008. In 2012, Bad Debt expense began to return to historic levels.
- (6) The change in 2012 resulted from an 18.2 percent decrease in the number of meter readers as a result of OUC's implementation of mobile data and the installation of AMI meters.

2008	2007	2006	2005	2004	2003	2002
2.90	3.66	4.13	3.33	3.54	2.71	3.43
223	279	333	300	353	352	379
0.53	0.52	0.55	0.55	0.56	0.56	0.57
2.62%	3.05%	2.28%	2.23%	2.07%	2.21%	1.96%
8.96	10.20%	7.90%	7.63%	7.46%	8.16%	7.31%
63%/37%	62%/38%	64%/36%	64%/36%	66%/34%	65%/35%	66%/34%
\$71,099	\$69,829	\$71,458	\$54,221	\$49,718	\$50,310	\$44,494
11.45%	11.58%	12.01%	10.69%	10.94%	12.20	11.27%
8.59%	10.51%	7.64%	6.36%	8.22%	9.03%	9.55%
0.88%	0.73%	0.41%	0.41%	0.43%	0.43%	0.63%
0.62%	0.45%	0.35%	0.37%	0.23%	0.33%	0.37%
30	30	29	24	31	34	35
32	35	28	30	27	24	32
1.76%	1.86%	1.86%	1.77%	1.67%	1.57%	1.78%
12,527	11,211	11,647	11,034	9,941	10,018	9,830



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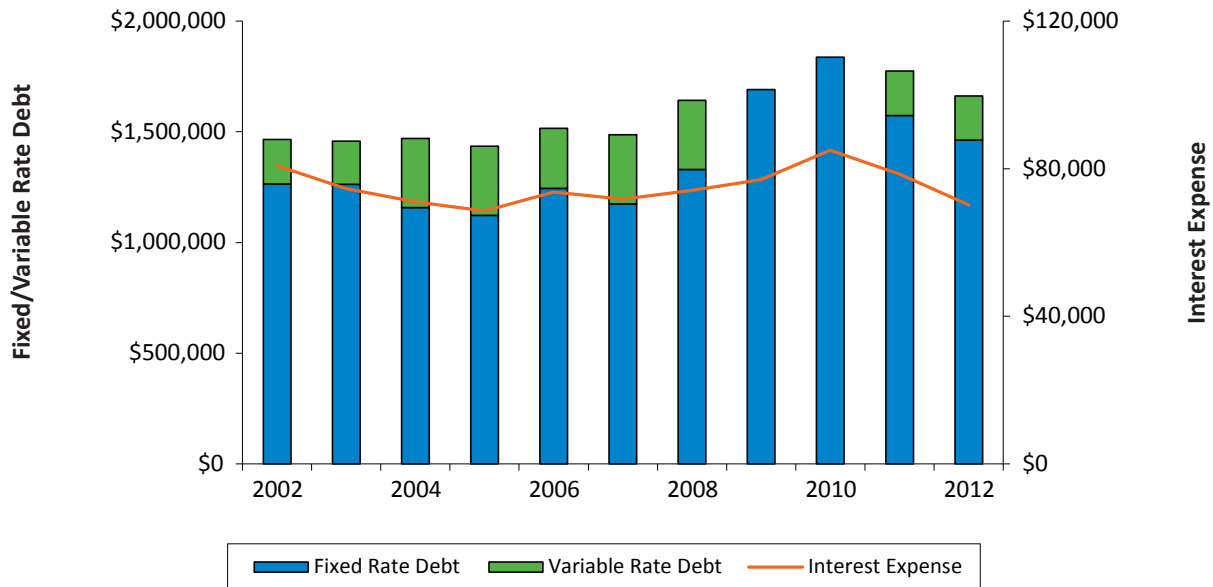


# DEBT SERVICE INFORMATION

We're focusing on cost-effective and innovative delivery of services and developing a strategy for increasing electric and water revenues.

# DEBT SERVICE INFORMATION

**Fixed and Variable Rate Debt vs. Interest Expense**  
(Dollars in thousands)



In 2010 and 2009, all debt issued in the variable rate mode was synthetically fixed as a result of underlying swap agreements. In 2011, the swap agreement underlying the Series 2008 Bonds was terminated.

The true interest costs, which includes amortized costs such as premium and discount, underwriter discount and cost of issuance has decreased 127 basis points from 4.88% in 2002 to 3.61% in 2012.

## DEBT SERVICE COVERAGE AND RATIOS (Dollars in Thousands)

Years Ended September 30	2012	2011	2010	2009
<b>Gross revenue and income before contributions</b>				
<b>Operating revenues</b>				
Electric operating revenue	\$ 747,605	\$ 769,776	\$ 759,754	\$ 704,483
Water operating revenue	63,454	64,142	62,619	62,675
Lighting operating revenue	12,449	12,316	12,155	12,036
Chilled water operating revenue	30,875	29,775	29,286	24,221
<b>Total operating revenue</b>	<u>854,383</u>	<u>876,009</u>	<u>863,814</u>	<u>803,415</u>
Interest and other income	23,219	20,656	20,350	18,430
<b>Gross revenue and income before contributions</b>	<u>877,602</u>	<u>896,665</u>	<u>884,164</u>	<u>821,845</u>
<b>Expenses</b>				
<b>Operating expenses</b>				
Electric operating expenses	519,944	521,083	515,960	470,404
Water operating expenses	37,642	40,644	36,590	33,320
Lighting operating expenses	3,593	4,753	5,108	5,147
Chilled water operating expenses	15,811	16,390	16,348	14,713
<b>Total operating expenses</b>	<u>576,990</u>	<u>582,870</u>	<u>574,006</u>	<u>523,584</u>
Other expenses (1)(2)	494	1,277	1,088	1,220
<b>Total expenses</b>	<u>577,484</u>	<u>584,147</u>	<u>575,094</u>	<u>524,804</u>
<b>Net revenue and income available for debt service</b>	<u>\$ 300,118</u>	<u>\$ 312,518</u>	<u>\$ 309,070</u>	<u>\$ 297,041</u>
Current debt service (3)	\$ 122,205	\$ 128,102	\$ 134,877	\$ 122,469
Current debt service coverage (3)	2.46x	2.44x	2.29x	2.43x
<b>Adjusted debt service coverage</b>				
Net revenue and income available for debt service	\$ 300,118	\$ 312,518	\$ 309,070	\$ 297,041
Revenue and dividend payments to the City of Orlando and revenue based payments to Orange County	78,261	78,246	76,221	74,887
Net revenue and income available after payments	<u>\$ 221,857</u>	<u>\$ 234,272</u>	<u>\$ 232,849</u>	<u>\$ 222,154</u>
Adjusted debt service coverage	1.82x	1.83x	1.73x	1.81x
<b>Fixed or full charge coverage</b>				
Net revenue and income available after payments	\$ 221,857	\$ 234,272	\$ 232,849	\$ 222,154
Fixed demand payments/purchased power	34,120	33,415	32,483	32,833
Net revenue and income available after payments and fixed charge coverage	<u>\$ 255,977</u>	<u>\$ 267,687</u>	<u>\$ 265,322</u>	<u>\$ 254,987</u>
Fixed and full charge coverage	1.64x	1.66x	1.59x	1.64x
<b>Debt ratio</b>				
Gross funded debt/Net fixed assets & net working capital	63.12%	63.63%	63.20%	61.86%
Net funded debt/Net fixed assets & net working capital	63.57%	63.31%	62.67%	61.12%
<b>Operating ratio</b>				
Total expenses/Total operating revenues	67.59%	66.68%	66.79%	65.53%
<b>Net take-down (%)</b>				
Net revenue and income available for debt service/ Gross revenue and income before contributions	34.20%	34.85%	34.75%	35.94%
<b>Debt service safety margin</b>				
Net revenue and income available for debt service less current service/Gross revenue and income before contributions	20.27%	20.57%	19.50%	21.04%

(1) In accordance with the debt coverage computation, payments to the City of Orlando and Orange County and depreciation and amortization were excluded. Additionally, other expenses were adjusted to add the effect of the swap agreements.

(2) Beginning in 2003, stabilization interest costs were presented net of interest and other income. In prior years, these costs were included in Other expenses.

(3) The Series 2011A Bonds, classified as Current liabilities - payable from current assets, were included as Long-term debt as it is OUC's intention to hold the series until its final maturity date on October 1, 2023.

2008	2007	2006	2005	2004	2003	2002
\$ 750,936	\$ 673,317	\$ 665,748	\$ 679,465	\$ 605,653	\$ 502,576	\$ 447,091
62,224	65,428	56,032	54,361	50,460	46,307	41,854
11,283	10,437	8,885	7,696	6,651	4,815	2,393
<u>19,739</u>	<u>16,643</u>	<u>15,590</u>	<u>12,738</u>	<u>10,343</u>	<u>6,015</u>	<u>4,403</u>
844,182	765,825	746,255	754,260	673,107	559,713	495,741
<u>23,099</u>	<u>30,979</u>	<u>28,547</u>	<u>16,049</u>	<u>25,436</u>	<u>8,265</u>	<u>25,762</u>
<u>867,281</u>	<u>796,804</u>	<u>774,802</u>	<u>770,309</u>	<u>698,543</u>	<u>567,978</u>	<u>521,503</u>
529,843	467,375	475,802	492,794	435,619	323,671	284,711
32,967	31,687	29,804	26,769	24,513	22,059	21,081
5,101	5,081	4,175	3,784	3,177	2,412	2,225
<u>12,220</u>	<u>10,269</u>	<u>11,065</u>	<u>9,225</u>	<u>6,898</u>	<u>3,984</u>	<u>2,824</u>
580,131	514,412	520,846	532,572	470,207	352,126	310,841
887	705	658	597	994	581	5,255
<u>581,018</u>	<u>515,117</u>	<u>521,504</u>	<u>533,169</u>	<u>471,201</u>	<u>352,707</u>	<u>316,096</u>
<u>\$ 286,263</u>	<u>\$ 281,687</u>	<u>\$ 253,298</u>	<u>\$ 237,140</u>	<u>\$ 227,342</u>	<u>\$ 215,271</u>	<u>\$ 205,407</u>
\$ 116,220	\$ 115,151	\$ 113,022	\$ 105,134	\$ 101,327	\$ 101,028	\$ 98,580
2.46x	2.45x	2.24x	2.26x	2.24x	2.13x	2.08x
\$ 286,263	\$ 281,687	\$ 253,298	\$ 237,140	\$ 227,342	\$ 215,271	\$ 205,407
72,154	70,886	72,520	55,161	50,534	51,096	45,225
<u>\$ 214,109</u>	<u>\$ 210,801</u>	<u>\$ 180,778</u>	<u>\$ 181,979</u>	<u>\$ 176,808</u>	<u>\$ 164,175</u>	<u>\$ 160,182</u>
1.84x	1.83x	1.60x	1.73x	1.74x	1.63x	1.62x
\$ 214,109	\$ 210,801	\$ 180,778	\$ 181,979	\$ 176,808	\$ 164,175	\$ 160,182
30,261	33,608	30,061	47,388	57,843	35,493	30,290
<u>\$ 244,370</u>	<u>\$ 244,409</u>	<u>\$ 210,839</u>	<u>\$ 229,367</u>	<u>\$ 234,651</u>	<u>\$ 199,668</u>	<u>\$ 190,472</u>
1.67x	1.64x	1.47x	1.50x	1.47x	1.46x	1.48x
62.92%	61.73%	66.87%	67.18%	71.31%	59.70%	67.19%
61.85%	60.58%	65.04%	64.98%	68.90%	56.31%	62.14%
68.95%	67.26%	69.88%	70.69%	70.00%	63.02%	63.76%
32.89%	35.35%	32.69%	30.79%	32.55%	37.90%	39.39%
19.48%	20.90%	18.10%	17.14%	18.04%	20.11%	20.48%

## ESTIMATED DEBT SERVICE FOR OUTSTANDING BONDS (Dollars in thousands)

Years ending 9/30 (1)	Series 1996A principal payments (2)	Series 1996A interest payments (3)	Series 2003A principal payments	Series 2003A interest payments	Series 2003B principal payments	Series 2003B interest payments
2013	-	2,250	-	2,295	5,200	3,189
2014	-	2,475	-	2,294	3,760	2,929
2015	-	2,475	-	2,295	3,950	2,741
2016	-	2,475	80	2,294	4,150	2,544
2017	-	2,475	200	2,292	4,360	2,336
2018	-	2,475	2,975	2,283	4,580	2,118
2019	-	2,475	7,740	2,135	4,805	1,889
2020	14,500	2,475	8,130	1,748	5,045	1,649
2021	-	1,877	13,085	1,341	14,110	1,409
2022	13,750	1,876	13,740	687	14,780	739
2023	31,750	1,310	-	-	-	-
2024	-	-	-	-	-	-
2025	-	-	-	-	-	-
2026	-	-	-	-	-	-
2027	-	-	-	-	-	-
2028	-	-	-	-	-	-
2029	-	-	-	-	-	-
2030	-	-	-	-	-	-
2031	-	-	-	-	-	-
2032	-	-	-	-	-	-
2033	-	-	-	-	-	-
2034	-	-	-	-	-	-
2035	-	-	-	-	-	-
2036	-	-	-	-	-	-
2037	-	-	-	-	-	-
2038	-	-	-	-	-	-
2039	-	-	-	-	-	-
2040	-	-	-	-	-	-
Subtotal long-term debt	60,000	24,638	45,950	19,664	64,740	21,543
Current portion	-	2,250	-	2,295	4,955	3,437
Federal Interest subsidy	-	-	-	-	-	-
Total long-term debt	<u>\$ 60,000</u>	<u>\$ 26,888</u>	<u>\$ 45,950</u>	<u>\$ 21,959</u>	<u>\$ 69,695</u>	<u>\$ 24,980</u>

(1) The amounts presented here are the annual funding requirements for the principal and interest for the respective bond issues. The interest is paid semi-annually on April 1 and October 1 of each year. The principal amount is fully funded by September 30 of each fiscal year and paid on October 1, the first day of the following fiscal year.

(2) The Series 1996A Bonds mature in 2023 with a mandatory purchase date of October 1, 2013. OUC intends to re-market the Series 1996A Bonds at their mandatory purchase dates.

(3) On October 1, 2008, OUC re-marketed the Series 1996A Bonds in the term mode at the rate of 3.75%. The re-marketed rate has been assumed until maturity. However after the mandatory tender dates, the interest for Series 1996A Bonds has been calculated at the assumed rate of 4.125%, in accordance with the definition of "Debt Service Requirements" provided in the General Bond Resolution.



## ESTIMATED DEBT SERVICE FOR OUTSTANDING BONDS (Dollars in thousands)

Years ending 9/30 (1)	Series 2008 principal payments	Series 2008 interest payments	Series 2009A principal payments	Series 2009A interest payments	Series 2009B principal payments	Series 2009B interest payments
2013	-	1,000	-	5,250	-	5,706
2014	-	1,500	-	5,250	-	5,706
2015	-	3,500	-	5,250	-	5,707
2016	-	3,500	-	5,250	-	5,706
2017	-	3,500	-	5,250	-	5,706
2018	-	3,500	-	5,250	-	5,706
2019	-	3,500	-	5,250	-	5,707
2020	-	3,500	-	5,250	-	5,706
2021	-	3,500	-	5,250	-	5,706
2022	-	3,500	-	5,250	-	5,706
2023	-	3,500	-	5,250	20,000	5,707
2024	-	3,500	-	5,250	-	4,706
2025	-	3,500	-	5,250	-	4,706
2026	25,000	3,500	-	5,250	-	4,706
2027	25,000	3,062	-	5,250	-	4,706
2028	25,000	2,625	-	5,250	13,840	4,707
2029	25,000	2,188	-	5,250	14,530	4,014
2030	25,000	1,750	-	5,250	15,255	3,288
2031	25,000	1,312	-	5,250	16,020	2,525
2032	25,000	875	-	5,250	16,820	1,724
2033	25,000	438	-	5,250	17,660	883
2034	-	-	14,610	5,250	-	-
2035	-	-	15,375	4,483	-	-
2036	-	-	16,185	3,676	-	-
2037	-	-	17,035	2,826	-	-
2038	-	-	17,925	1,932	-	-
2039	-	-	18,870	990	-	-
2040	-	-	-	-	-	-
Subtotal long-term debt	200,000	56,750	100,000	129,407	114,125	98,734
Current portion	-	260	-	5,250	-	5,706
Federal Interest subsidy(2)	-	-	-	-	-	-
Total long-term debt	<u>\$ 200,000</u>	<u>\$ 57,010</u>	<u>\$ 100,000</u>	<u>\$ 134,657</u>	<u>\$ 114,125</u>	<u>\$ 104,440</u>

(1) The amounts presented here are the annual funding requirements for the principal and interest for the respective bond issues. The interest is paid semi-annually on April 1 and October 1 of each year. The principal amount is fully funded by September 30 of each fiscal year and paid on October 1, the first day of the following fiscal year.

(2) The total annual interest payments for the Series 2010A Bonds have been presented excluding the federal subsidy through maturity. A reduction to reflect the impact of the 35% federal interest subsidy has been reported separately.

(3) The Series 2011A Bonds have been designated by OUC as "Designated Maturity Obligations" for the purposes of the General Bond Resolution. For the purposes of this table, OUC has assumed that the Series 2011A Bonds will bear interest at a fixed swap rate of 3.78% under the interest rate exchange agreement with the swap counterparty until maturity on October 1, 2027. Additionally as these bonds were issued in the windows mode without an underlying liquidity facility, they were classified on the Statements of Net Assets as a Current liability - payable from current assets.

(4) The 2005 forward swap, currently hedging the Series 2011A Bonds, represents the difference between the \$100.0 million notional amount of the swap and the lower outstanding principal of the Series 2011A Bonds.

Series 2009C principal payments	Series 2009C interest payments	Series 2010A principal payments	Series 2010A interest payments (2)	Series 2010C principal payments	Series 2010C interest payments	Series 2011A principal payments (3)	Series 2011A interest payments	2005 forward swap interest payments (4)
16,235	4,196	-	11,324	6,740	4,077	-	3,718	62
16,880	3,414	-	11,324	7,075	3,742	-	3,718	62
17,560	2,600	-	11,324	7,415	3,404	-	3,718	62
18,190	1,763	-	11,324	7,745	3,069	-	3,718	62
19,040	877	-	11,324	8,095	2,721	-	3,718	62
-	-	-	11,324	8,480	2,337	-	3,718	62
-	-	-	11,324	8,895	1,923	-	3,718	62
-	-	-	11,324	9,320	1,498	-	3,718	62
-	-	-	11,324	9,765	1,052	-	3,718	62
-	-	-	11,324	10,275	539	-	3,718	62
-	-	-	11,324	-	-	-	3,718	62
-	-	-	11,324	-	-	-	3,718	62
-	-	-	11,324	-	-	-	3,718	62
-	-	-	11,324	-	-	49,180	3,718	62
-	-	-	11,324	-	-	49,180	1,859	31
-	-	-	11,324	-	-	-	-	-
-	-	-	11,324	-	-	-	-	-
-	-	-	11,324	-	-	-	-	-
-	-	-	11,324	-	-	-	-	-
-	-	-	11,324	-	-	-	-	-
-	-	-	11,324	-	-	-	-	-
-	-	23,030	11,324	-	-	-	-	-
-	-	23,880	10,020	-	-	-	-	-
-	-	24,755	8,668	-	-	-	-	-
-	-	25,665	7,267	-	-	-	-	-
-	-	26,615	5,813	-	-	-	-	-
-	-	27,590	4,306	-	-	-	-	-
-	-	48,465	2,744	-	-	-	-	-
87,905	12,850	200,000	287,946	83,805	24,362	98,360	53,911	899
15,940	4,933	-	11,324	6,455	4,360	-	3,718	62
-	-	-	(104,742)	-	-	-	-	-
<u>\$ 103,845</u>	<u>\$ 17,783</u>	<u>\$ 200,000</u>	<u>\$ 194,528</u>	<u>\$ 90,260</u>	<u>\$ 28,722</u>	<u>\$ 98,360</u>	<u>\$ 57,629</u>	<u>\$ 961</u>



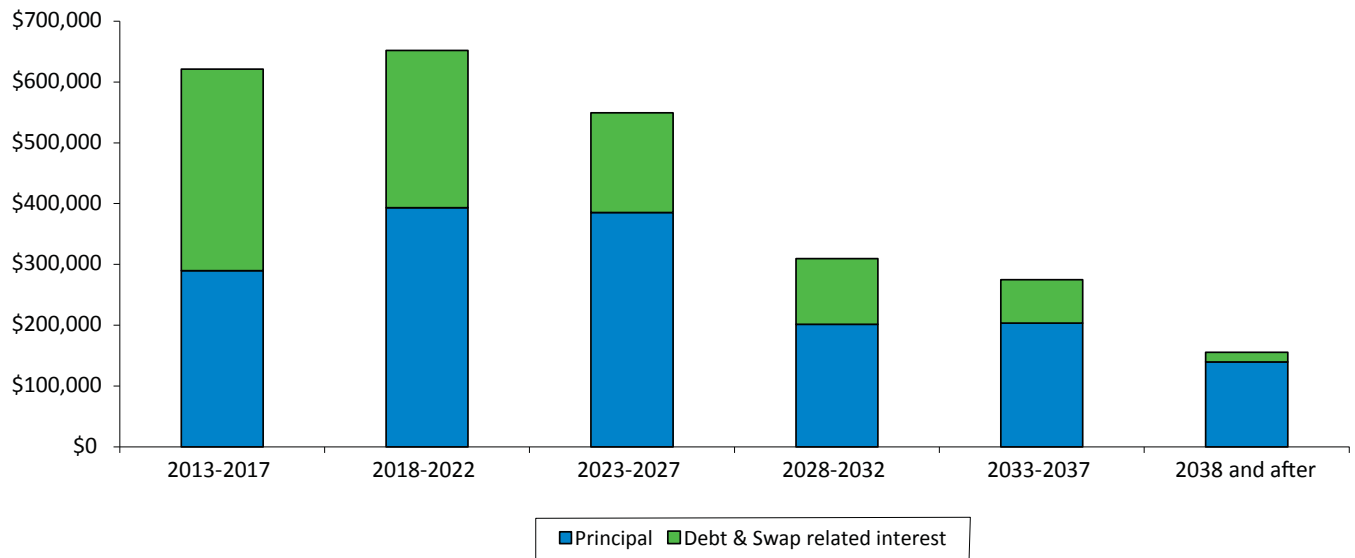
**ESTIMATED DEBT SERVICE FOR OUTSTANDING BONDS (Dollars in thousands)**

Years ending 9/30 (1)	Series 2011B principal payments	Series 2011B interest payments	Series 2011C principal payments	Series 2011C interest payments	Series 2012A principal payments	Series 2012A interest payments	Total principal	Total interest	Total swap interest
2013	-	3,392	-	4,093	-	2,894	52,650	69,584	507
2014	-	3,392	-	4,092	-	2,559	55,020	67,377	508
2015	-	3,392	-	4,093	-	2,559	57,710	66,693	507
2016	1,575	3,392	-	4,092	1,265	2,559	62,705	64,465	230
2017	5,425	3,345	-	4,093	2,155	2,522	61,570	61,813	62
2018	13,325	3,097	-	4,092	2,235	2,435	72,445	58,859	62
2019	13,985	2,449	12,820	4,093	-	2,346	64,155	55,276	62
2020	14,670	1,768	13,430	3,481	-	2,346	81,800	52,135	62
2021	8,015	1,035	24,925	2,840	395	2,346	86,200	48,276	62
2022	6,440	634	26,050	1,714	410	2,330	88,450	44,140	62
2023	6,240	312	-	461	15,135	2,314	76,280	39,869	62
2024	-	-	2,140	461	15,155	1,557	77,295	36,331	62
2025	-	-	2,245	354	15,175	799	77,420	32,651	62
2026	-	-	2,360	242	495	40	77,035	28,780	62
2027	-	-	2,480	124	515	21	77,175	26,346	31
2028	-	-	-	-	-	-	38,840	23,906	-
2029	-	-	-	-	-	-	39,530	22,776	-
2030	-	-	-	-	-	-	40,255	21,612	-
2031	-	-	-	-	-	-	41,020	20,411	-
2032	-	-	-	-	-	-	41,820	19,173	-
2033	-	-	-	-	-	-	42,660	17,895	-
2034	-	-	-	-	-	-	37,640	16,574	-
2035	-	-	-	-	-	-	39,255	14,503	-
2036	-	-	-	-	-	-	40,940	12,344	-
2037	-	-	-	-	-	-	42,700	10,093	-
2038	-	-	-	-	-	-	44,540	7,745	-
2039	-	-	-	-	-	-	46,460	5,296	-
2040	-	-	-	-	-	-	48,465	2,744	-
Subtotal long-term debt	69,675	26,208	86,450	38,325	52,935	29,627	1,612,035	947,667	2,403
Current portion	-	3,392	-	3,172	-	-	50,610	67,451	508
Federal Interest subsidy	-	-	-	-	-	-	-	(104,742)	-
Total long-term debt	<u>\$ 69,675</u>	<u>\$ 29,600</u>	<u>\$ 86,450</u>	<u>\$ 41,497</u>	<u>\$ 52,935</u>	<u>\$ 29,627</u>	<u>\$ 1,662,645</u>	<u>\$ 910,376</u>	<u>\$ 2,911</u>

(1) The amounts presented here are the annual funding requirements for the principal and interest for the respective bond issues. The interest is paid semi-annually on April 1 and October 1 of each year. The principal amount is fully funded by September 30 of each fiscal year and paid on October 1, the first day of the following fiscal year.

## ESTIMATED DEBT SERVICE RECAP FOR OUTSTANDING BONDS

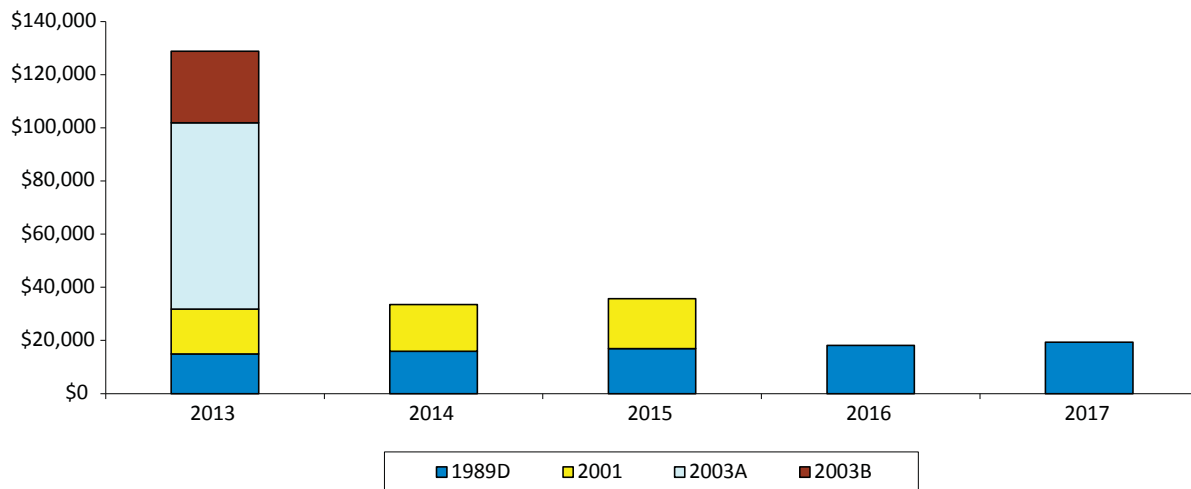
**Estimated Debt Service Recap for Outstanding Bonds**  
(Dollars in thousands)



## MATURITY SCHEDULE OF DEFEASED DEBT (Dollars in thousands)

Years Ended Ending 9/30	1989D (1)	2001 (1)(2)	2003A (1)(2)(3)	2003B (2)(3)	Total
2013	14,885	16,945	69,650	26,825	128,305
2014	15,890	17,645	-	-	33,535
2015	16,965	18,710	-	-	35,675
2016	18,110	-	-	-	18,110
2017	19,330	-	-	-	19,330
Total long-term debt	<u>\$ 85,180</u>	<u>\$ 53,300</u>	<u>\$ 69,650</u>	<u>\$ 26,825</u>	<u>\$ 234,955</u>

### Defeased Debt Maturity Schedule Recap (Dollars in thousands)



- (1) Defeased with cash proceeds from the Liability Reduction Fund.  
 (2) Defeased by Series 2011B Utility System Revenue Refunding Bonds.  
 (3) Defeased by Series 2011C Utility System Revenue Refunding Bonds.

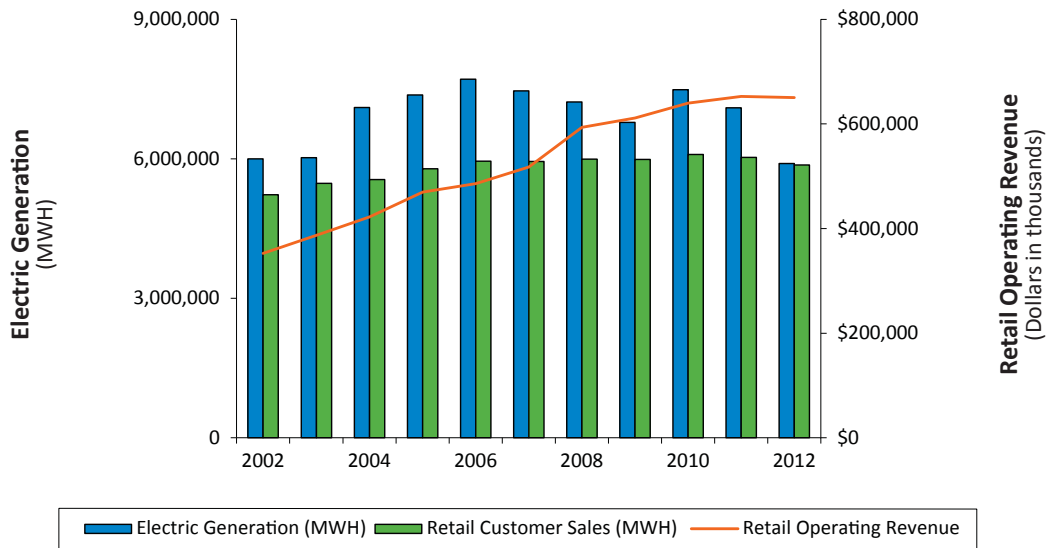


# ELECTRIC OPERATIONS

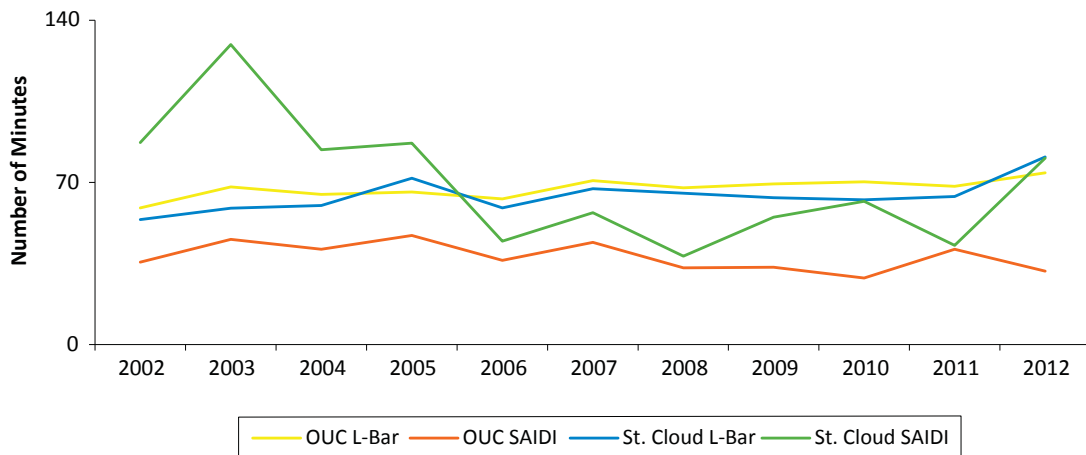
We're striving to maintain the best reliability in Florida while achieving rates lower than the average of our peers to benefit our customers and attract new ones like Nemours Children's Hospital.

# ELECTRIC BUSINESS OPERATIONS

## Electric Generation, Retail Customer Sales and Retail Revenue



## Distribution Reliability



## ELECTRIC REVENUES, EXPENSES AND CHANGES IN NET ASSETS (Dollars in thousands)

Years Ended September 30	2012	2011	2010	2009
<b>Operating revenues</b>				
Residential	\$ 220,775	\$ 228,372	\$ 225,361	\$ 210,641
Commercial - non-demand	36,607	34,675	33,420	31,230
Commercial - demand-secondary	282,627	275,531	268,808	264,875
Commercial - demand-primary	39,209	38,509	34,171	32,751
Metered lighting	4,077	3,865	3,866	4,147
Interlocal sales	67,045	71,148	73,570	67,247
Service fees and other	24,152	24,382	23,810	23,887
Operating revenues (excluding wholesale sales)	674,492	676,482	663,006	634,778
Wholesale sales (1)	73,113	93,294	96,748	69,705
<b>Total operating revenues</b>	<b>747,605</b>	<b>769,776</b>	<b>759,754</b>	<b>704,483</b>
<b>Operation and maintenance expenses</b>				
Fuel and fixed demand payments	237,705	281,741	280,898	249,034
Purchased power and other power supply expenses	88,367	50,457	49,840	63,343
Production (2)	81,552	81,824	79,731	65,366
Transmission	13,353	13,684	12,484	10,486
Distribution - OUC	13,611	13,275	15,429	15,068
Distribution - St. Cloud	1,426	1,445	1,483	1,611
Storm recovery expenses (3)	-	-	-	158
Customer service	29,282	26,201	23,491	21,933
General & administrative (4)	36,179	35,186	34,830	28,871
<b>Total operations and maintenance expenses</b>	<b>501,475</b>	<b>503,813</b>	<b>498,186</b>	<b>455,870</b>
<b>Other expenses</b>				
Utility/property tax	15,413	16,406	16,464	15,072
Revenue based payments to the City of Orlando	26,922	26,191	26,217	24,861
Revenue based payments to Orange County	1,322	1,352	1,821	1,687
Revenue based payments to the City of St. Cloud	6,927	6,372	5,582	5,316
System use payments to the City of St. Cloud	1,915	1,915	1,911	1,910
Depreciation and amortization (2)	96,817	94,590	91,416	82,296
<b>Total other expenses</b>	<b>149,316</b>	<b>146,826</b>	<b>143,411</b>	<b>131,142</b>
<b>Total operating expenses</b>	<b>650,791</b>	<b>650,639</b>	<b>641,597</b>	<b>587,012</b>
<b>Operating income</b>	<b>96,814</b>	<b>119,137</b>	<b>118,157</b>	<b>117,471</b>
<b>Non-operating income and expenses</b>				
Interest income (5)	5,716	3,783	7,071	9,001
Other income, net (6)	10,003	9,695	6,026	1,274
Amortization of deferred gain on sale of assets (7)	4,233	3,971	3,971	3,971
Bond interest and other related expenses (8)	(54,568)	(60,995)	(66,060)	(59,237)
<b>Total non-operating expense, net</b>	<b>(34,616)</b>	<b>(43,546)</b>	<b>(48,992)</b>	<b>(44,991)</b>
<b>Electric income before contributions</b>	<b>62,198</b>	<b>75,591</b>	<b>69,165</b>	<b>72,480</b>
<b>Contributions in aid of construction (CIAC) (9)</b>	<b>(19)</b>	<b>3,383</b>	<b>7,447</b>	<b>5,466</b>
<b>Annual dividend</b>	<b>(40,363)</b>	<b>(46,506)</b>	<b>(45,297)</b>	<b>(45,888)</b>
<b>Increase to net assets</b>	<b>\$ 21,816</b>	<b>\$ 32,468</b>	<b>\$ 31,315</b>	<b>\$ 32,058</b>

- (1) In the 2012, Wholesale sales decreased as a result of lower demand on coal generation utilization. In 2010, OUC secured wholesale agreements with the City of Bartow and the City of Vero Beach.
- (2) In late February 2010, operations at SEC B commenced. As such, Production costs and Depreciation and amortization costs increased.
- (3) In August and September 2004, the Central Florida area was impacted by hurricanes Charley, Frances and Jeanne. As a result of these storms, OUC recorded \$5.6 million of unrecoverable storm restoration costs. This amount represents ineligible costs and 5% of total eligible costs not subject to grant reimbursement. In 2008, OUC incurred costs, net of grant reimbursements, for tropical storm Fay.
- (4) In 2007, OUC adopted GASB Statement No. 45, "Accounting and Financial Reporting by Employers for Post-employment Benefits Other than Pensions" (OPEB) incurring actuarially determined employee benefit costs in each of the subsequent years. In 2010, lower than projected investment returns and the inclusion of previously approved cost of living adjustments contributed to the increase.
- (5) The fluctuation in the Interest income in 2012 was primarily due to gains earned on investments sold prior to maturity along with investment valuation adjustments.
- (6) As part of the Build America Bonds' stimulus program, OUC was granted a federal subsidy of which \$3.9 million was recognized in both 2012 and 2011 and \$2.7 million was recognized during 2010. Additionally in 2012, OUC reversed an unrecognized regulatory compliance cost of \$0.9 million and in 2011, \$1.8 million was recognized for previously deferred storm recovery costs.

2008	2007	2006	2005	2004	2003	2002
\$ 207,894	\$ 197,510	\$ 175,774	\$ 174,071	\$ 157,105	\$ 144,056	\$ 131,734
38,633	28,427	27,055	26,122	23,457	22,548	23,029
252,791	208,240	204,311	197,128	179,467	162,264	142,909
31,045	24,918	23,721	28,245	25,245	22,903	21,793
3,877	2,655	2,025	2,193	1,806	1,751	2,935
58,941	58,413	54,843	44,068	37,028	35,163	32,977
<u>24,610</u>	<u>21,856</u>	<u>17,779</u>	<u>19,789</u>	<u>18,572</u>	<u>10,348</u>	<u>8,905</u>
617,791	542,019	505,508	491,616	442,680	399,033	364,282
<u>133,145</u>	<u>131,298</u>	<u>160,240</u>	<u>187,849</u>	<u>162,973</u>	<u>103,543</u>	<u>82,809</u>
<u>750,936</u>	<u>673,317</u>	<u>665,748</u>	<u>679,465</u>	<u>605,653</u>	<u>502,576</u>	<u>447,091</u>
292,677	247,832	257,090	251,500	220,155	134,718	127,637
79,746	75,413	89,327	122,380	98,403	86,475	62,330
67,621	59,870	56,679	56,223	52,950	43,865	39,632
10,285	9,628	7,719	5,465	5,593	5,371	5,048
12,546	11,352	11,567	10,096	8,202	8,826	8,146
1,803	2,017	1,752	1,436	1,473	1,014	1,032
616	-	-	-	5,618	-	-
21,846	22,394	20,344	15,610	14,948	13,384	12,585
<u>28,971</u>	<u>26,670</u>	<u>21,534</u>	<u>20,151</u>	<u>20,151</u>	<u>18,527</u>	<u>19,532</u>
<u>516,111</u>	<u>455,176</u>	<u>466,012</u>	<u>482,861</u>	<u>427,493</u>	<u>312,180</u>	<u>275,942</u>
13,466	12,836	12,828	11,405	10,004	9,613	9,041
22,917	22,006	21,828	18,491	16,544	15,908	15,103
1,054	1,056	1,062	871	816	786	731
5,064	4,079	3,519	3,349	3,240	2,821	2,491
1,914	1,915	1,907	1,911	1,925	1,927	1,883
<u>73,316</u>	<u>69,879</u>	<u>67,145</u>	<u>66,375</u>	<u>63,801</u>	<u>57,060</u>	<u>61,828</u>
<u>117,731</u>	<u>111,771</u>	<u>108,289</u>	<u>102,402</u>	<u>96,330</u>	<u>88,115</u>	<u>91,077</u>
<u>633,842</u>	<u>566,947</u>	<u>574,301</u>	<u>585,263</u>	<u>523,823</u>	<u>400,295</u>	<u>367,019</u>
117,094	106,370	91,447	94,202	81,830	102,281	80,072
13,471	18,563	19,118	7,689	8,691	9,573	12,011
1,553	2,578	1,309	2,273	1,515	1,643	3,796
3,971	3,970	3,970	3,970	14,006	-	13,433
<u>(56,568)</u>	<u>( 53,852)</u>	<u>(56,036)</u>	<u>(52,111)</u>	<u>(54,514)</u>	<u>(60,278)</u>	<u>(60,175)</u>
<u>(37,573)</u>	<u>(28,741)</u>	<u>(31,639)</u>	<u>(38,179)</u>	<u>(30,302)</u>	<u>(49,062)</u>	<u>(30,935)</u>
79,521	77,629	59,808	56,023	51,528	53,219	49,137
3,895	6,891	9,978	1,155	1,388	1,862	1,349
<u>(45,745)</u>	<u>(41,730)</u>	<u>(46,279)</u>	<u>(33,614)</u>	<u>(30,917)</u>	<u>(31,966)</u>	<u>(29,454)</u>
<u>\$ 37,671</u>	<u>\$ 42,790</u>	<u>\$ 23,507</u>	<u>\$ 23,564</u>	<u>\$ 21,999</u>	<u>\$ 23,115</u>	<u>\$ 21,032</u>

- (7) Proceeds from the sale of the steam units at the IRP were internally designated and the gain deferred in accordance with OUC's application of Financial Accounting Standards No. 71, "Accounting for the Effect of Certain Types of Regulation". A portion of the deferred gain amount was recognized to mitigate the additional generation and purchased power costs from 2000 to 2004 with the remaining gain being recognized to offset depreciation costs for Stanton Unit A (SEC A). In January 2012, OUC repurchased the IRP. As a result of this transaction, the long-term deferred transmission wheeling revenue was reclassified to deferred gain on sale and was amortized consistent with the original gain on sale amount.
- (8) In 2012, OUC's Bond interest and other related expenses was lower than that of the prior year as a result of refundings, which have a lower interest rates. Additionally, sinking fund interest declined due to a decrease in outstanding bonds as a result of maturities that were paid on October 1, 2011. Lower interest rate swap costs and various series refunding activities decreased Interest and other expenses in 2011 by \$6.5 million. In 2010, Interest and other expenses increased primarily due to the issuance of the Series 2010A Bonds for \$200.0 million in January 2010 and the impact of a full year of interest expense for the Series 2009A bonds issued in May 2009.
- (9) In 2012, the decrease in CIAC was due to the write-down of deferred customer retention assets for expired customer agreements.

## ELECTRIC CONSUMPTION AND FINANCIAL RATIOS

### Years Ended September 30

2012                      2011                      2010                      2009

#### Profile of consumption & revenue by type of customer

##### Residential service (1)

KWH sales per customer		11,192		12,200		12,748		12,143
Revenue per customer	\$	1,423	\$	1,492	\$	1,492	\$	1,399
Revenue per KWH (2)	\$	0.1271	\$	0.1223	\$	0.1170	\$	0.1152

##### Commercial service - non-demand (1)

KWH sales per customer		13,848		14,385		14,914		14,401
Revenue per customer	\$	1,773	\$	1,763	\$	1,765	\$	1,692
Revenue per KWH (2)	\$	0.1280	\$	0.1225	\$	0.1184	\$	0.1175

##### Commercial service - demand secondary (1)

KWH sales per customer		398,785		408,001		431,118		478,909
Revenue per customer	\$	38,820	\$	38,630	\$	39,446	\$	42,985
Revenue per KWH (2)	\$	0.0973	\$	0.0947	\$	0.0915	\$	0.0898

##### Commercial service - demand primary

KWH sales per customer		18,563,256		19,726,810		17,605,182		15,949,125
Revenue per customer	\$	1,823,657	\$	1,833,759	\$	1,553,206	\$	1,364,616
Revenue per KWH (2)	\$	0.0982	\$	0.0930	\$	0.0882	\$	0.0856

##### Metered Lighting

KWH sales per customer		4,478		4,464		4,426		4,429
Revenue per customer	\$	307	\$	293	\$	293	\$	311
Revenue per KWH	\$	0.0686	\$	0.0656	\$	0.0662	\$	0.0703

##### Interlocal service (3)

KWH sales per customer		18,085		18,925		19,450		19,420
Revenue per customer	\$	2,237	\$	2,414	\$	2,543	\$	2,347
Revenue per KWH	\$	0.1237	\$	0.1276	\$	0.1307	\$	0.1208

##### Selected financial expense statistics

Total fuel and purchased power expense per KWH (4)	\$	0.0469	\$	0.0435	\$	0.0429	\$	0.0430
Total operations & maintenance expense (excluding fuel and purchased power) per KWH		0.0252		0.0225		0.0217		0.0197
Total operations & maintenance expense per KWH	\$	<u>0.0721</u>	\$	<u>0.0660</u>	\$	<u>0.0646</u>	\$	<u>0.0628</u>

Fuel, fixed demand, purchased power and other power supply expense per metered service	\$	1,441	\$	1,492	\$	1,510	\$	1,438
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Production, Transmission and Distribution costs per metered service (5)		486		495		498		426
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Customer service expense per metered service (6)		129		118		107		101
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General & administrative expense per metered service (7)		160		158		159		133
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Total operations & maintenance expense per metered service (6)	\$	<u>2,216</u>	\$	<u>2,263</u>	\$	<u>2,274</u>	\$	<u>2,098</u>
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(1) In 2012, active services increased. However, this change was mitigated by mild weather conditions as well as consumer usage changes.

(2) In March 2012, the Board approved electric fuel rate reductions which facilitated the utilization of \$15.5 million of fuel stabilization to mitigate the rate decrease as well as rising fuel for generation and purchased costs. Revenue per KWH was higher in 2011 due to a decrease in the adjustment for fuel stabilization. Additionally, 2010 revenues were lower as a result of the Board action to defer \$8.5 million of electric revenues.

(3) Interlocal service includes the KWH and metered services for the St. Cloud customer base.

(4) The 2012 Purchased power and other power supply expense included \$31.5 million in gas hedge costs.



	2008	2007	2006	2005	2004	2003	2002
	12,052	12,301	12,908	13,058	12,767	13,109	12,464
\$	1,380	\$ 1,325	\$ 1,202	\$ 1,229	\$ 1,148	\$ 1,078	\$ 1,007
\$	0.1145	\$ 0.1077	\$ 0.0931	\$ 0.0941	\$ 0.0899	\$ 0.0822	\$ 0.0808
	18,681	16,712	16,793	16,344	16,041	16,771	18,336
\$	2,111	\$ 1,585	\$ 1,543	\$ 1,525	\$ 1,422	\$ 1,405	\$ 1,454
\$	0.1130	\$ 0.0948	\$ 0.0919	\$ 0.0933	\$ 0.0887	\$ 0.0838	\$ 0.0793
	509,412	517,637	529,420	523,001	518,285	526,880	536,779
\$	44,529	\$ 37,731	\$ 37,863	\$ 37,226	\$ 34,191	\$ 32,262	\$ 30,413
\$	0.0874	\$ 0.0729	\$ 0.0715	\$ 0.0712	\$ 0.0660	\$ 0.0612	\$ 0.0567
	14,795,132	16,681,917	19,476,600	20,963,179	20,921,838	20,209,368	19,301,805
\$	1,171,513	\$ 1,038,255	\$ 1,186,065	\$ 1,448,479	\$ 1,364,599	\$ 1,205,408	\$ 1,063,071
\$	0.0792	\$ 0.0622	\$ 0.0609	\$ 0.0691	\$ 0.0652	\$ 0.0596	\$ 0.0551
	4,344	4,567	4,695	4,464	4,100	3,774	3,717
\$	286	\$ 216	\$ 186	\$ 202	\$ 164	\$ 153	\$ 246
\$	0.0659	\$ 0.0473	\$ 0.0396	\$ 0.0453	\$ 0.0400	\$ 0.0406	\$ 0.0662
	19,146	19,602	19,920	20,212	19,576	19,968	19,896
\$	2,052	\$ 2,083	\$ 2,104	\$ 1,851	\$ 1,680	\$ 1,692	\$ 1,677
\$	0.1072	\$ 0.1063	\$ 0.1056	\$ 0.0916	\$ 0.0858	\$ 0.0848	\$ 0.0843
\$	0.0478	\$ 0.0402	\$ 0.0414	\$ 0.0430	\$ 0.0373	\$ 0.0299	\$ 0.0270
	0.0183	0.0164	0.0143	0.0125	0.0121	0.0123	0.0122
\$	<u>0.0661</u>	\$ <u>0.0566</u>	\$ <u>0.0557</u>	\$ <u>0.0555</u>	\$ <u>0.0494</u>	\$ <u>0.0423</u>	\$ <u>0.0392</u>
\$	1,717	\$ 1,518	\$ 1,680	\$ 1,882	\$ 1,662	\$ 1,183	\$ 1,039
	425	389	377	368	356	316	294
	101	105	99	79	78	72	69
	134	125	104	101	105	99	107
\$	<u>2,377</u>	\$ <u>2,137</u>	\$ <u>2,260</u>	\$ <u>2,430</u>	\$ <u>2,201</u>	\$ <u>1,670</u>	\$ <u>1,509</u>

- (5) The increase since 2010 was related to the commencement of the SEC B operations. In 2008 and in 2004, storm recovery expenses related to the FEMA declared storms were excluded from these computations.
- (6) The increase in the 2012 Customer service operating costs was primarily due to the recognition of costs associated with the write down of the meter data management project and higher conservation spending.
- (7) Increased pension and other post-employment actuarial cost were a key driver of the increases since 2008.

## SELECTED FINANCIAL RATIOS

Years Ended September 30	2012	2011	2010	2009
<b>Electric operating ratio</b>				
Operation & maintenance expenses/total operating revenues (1)	\$ 0.67	\$ 0.65	\$ 0.66	\$ 0.65
<b>Electric income before contributions per revenue dollar</b>				
Electric income before contributions/total operating revenues (1)(2)(3)	\$ 0.08	\$ 0.10	\$ 0.09	\$ 0.10

## ACTIVE SERVICES

### OUC retail metered services

Residential	156,106	154,212	151,995	150,123
Commercial - non-demand	21,233	20,069	19,272	18,595
Commercial - demand - secondary	7,362	7,199	7,066	6,563
Commercial - demand - primary	22	21	21	23
<b>Total OUC retail metered services</b>	<u>184,723</u>	<u>181,501</u>	<u>178,354</u>	<u>175,304</u>

### Metered lighting services

Private	13,168	13,089	13,050	13,093
Public	142	138	132	133
<b>Total metered lighting services</b>	<u>13,310</u>	<u>13,227</u>	<u>13,182</u>	<u>13,226</u>

Interlocal services (4)	30,222	29,715	29,229	28,640
<b>Total OUC retail, metered lighting and interlocal services</b>	<u>228,255</u>	<u>224,443</u>	<u>220,765</u>	<u>217,170</u>

## CONSUMPTION (MWH)

### OUC retail sales

Residential	1,736,537	1,867,879	1,925,770	1,828,354
Commercial - non-demand	285,967	282,958	282,375	265,840
Commercial - demand - secondary	2,903,352	2,910,069	2,937,853	2,951,040
Commercial - demand - primary	399,110	414,263	387,314	382,779
<b>Total OUC retail sales</b>	<u>5,324,966</u>	<u>5,475,169</u>	<u>5,533,312</u>	<u>5,428,013</u>

### Metered lighting services

Private	30,521	29,965	29,750	29,422
Public	26,115	26,218	25,923	26,814
St. Cloud	2,777	2,763	2,762	2,758
<b>Total metered lighting sales</b>	<u>59,413</u>	<u>58,946</u>	<u>58,435</u>	<u>58,994</u>

Interlocal sales (4)	541,987	557,743	562,777	556,461
<b>Total retail sales</b>	<u>5,926,366</u>	<u>6,091,858</u>	<u>6,154,524</u>	<u>6,043,468</u>

Wholesale sales (5)	1,032,099	1,536,840	1,608,248	1,215,600
Pre-Commercial Adjustment	-	-	(48,685)	-
<b>Total electric sales</b>	<u>6,958,465</u>	<u>7,628,698</u>	<u>7,714,087</u>	<u>7,259,068</u>

(1) In 2012, mild weather accentuated by consumer usage changes drove the decrease in retail energy revenues and lower consumption. Operating expense savings were consistent with the prior year.

(2) In 2008 and in 2004, storm recovery expenses related to FEMA declared storms were excluded from these computations.

(3) A rate modification was implemented in January 2007 that included a reserve for future capital spending. The reserve for capital spending was curtailed in 2009.

(4) Interlocal service includes the customer base for the City of St. Cloud.

(5) Wholesale sales decreased in 2012 as a result of reduced utilization of OUC's coal generation facilities

2008	2007	2006	2005	2004	2003	2002
\$ 0.69	\$ 0.68	\$ 0.70	\$ 0.71	\$ 0.70	\$ 0.62	\$ 0.62
\$ 0.11	\$ 0.12	\$ 0.09	\$ 0.08	\$ 0.09	\$ 0.11	\$ 0.11
151,025	150,254	147,978	144,547	138,642	135,116	132,186
18,325	18,268	17,609	17,454	16,794	16,186	15,903
5,761	5,593	5,445	5,347	5,244	5,254	4,805
25	28	20	20	19	18	20
<u>175,136</u>	<u>174,143</u>	<u>171,052</u>	<u>167,368</u>	<u>160,699</u>	<u>156,574</u>	<u>152,914</u>
13,282	13,546	10,781	10,741	10,713	11,069	11,597
132	129	121	118	116	112	98
<u>13,414</u>	<u>13,675</u>	<u>10,902</u>	<u>10,859</u>	<u>10,829</u>	<u>11,181</u>	<u>11,695</u>
28,667	28,785	27,294	24,826	22,793	21,286	20,267
<u>217,217</u>	<u>216,603</u>	<u>209,248</u>	<u>203,053</u>	<u>194,321</u>	<u>189,041</u>	<u>184,876</u>
1,815,446	1,834,301	1,887,949	1,848,946	1,747,518	1,751,982	1,629,783
341,806	299,786	294,401	279,881	264,510	269,085	290,463
2,891,934	2,856,841	2,856,749	2,769,553	2,720,477	2,649,945	2,522,323
392,071	400,366	389,532	408,782	387,054	383,978	395,687
<u>5,441,257</u>	<u>5,391,294</u>	<u>5,428,631</u>	<u>5,307,162</u>	<u>5,119,559</u>	<u>5,054,990</u>	<u>4,838,256</u>
27,298	24,154	19,901	18,492	14,682	12,749	14,656
28,742	29,195	28,607	27,243	27,782	27,798	26,706
2,797	2,775	2,574	2,670	2,655	2,620	3,004
<u>58,837</u>	<u>56,124</u>	<u>51,082</u>	<u>48,405</u>	<u>45,119</u>	<u>43,167</u>	<u>44,366</u>
550,001	549,634	519,117	481,243	431,444	414,855	391,167
6,050,095	5,997,052	5,998,830	5,836,810	5,596,122	5,513,012	5,273,789
1,743,680	2,039,338	2,371,843	2,866,241	2,942,758	1,874,933	1,756,604
-	-	-	-	-	-	-
<u>7,793,775</u>	<u>8,036,390</u>	<u>8,370,673</u>	<u>8,703,051</u>	<u>8,538,880</u>	<u>7,387,945</u>	<u>7,030,393</u>

## ELECTRIC GENERATION (MWH)

### Years Ended September 30

	2012	2011	2010	2009
<b>Stanton Energy Center (SEC)</b>				
Generation - steam (1)	2,683,426	3,727,184	4,362,451	4,429,154
Generation - combined cycle (2)	<u>2,346,132</u>	<u>2,189,279</u>	<u>2,010,119</u>	<u>1,185,894</u>
Total generation	5,029,558	5,916,463	6,372,570	5,615,048
Plant use - less participants loss factor	205,302	282,013	300,351	277,943
Participants' reserve power	<u>10,394</u>	<u>4,103</u>	<u>1,890</u>	<u>7,174</u>
Delivered	<u>4,813,862</u>	<u>5,630,347</u>	<u>6,070,329</u>	<u>5,329,931</u>
<b>Indian River Plant</b>				
Generation - combustion turbines	12,947	17,814	31,389	14,735
Plant use - less participants loss factor	56	78	138	68
Participants' reserve power	<u>759</u>	<u>841</u>	<u>766</u>	<u>743</u>
Delivered	<u>12,132</u>	<u>16,895</u>	<u>30,485</u>	<u>13,924</u>
<b>Crystal River Plant (3)</b>				
Generation - nuclear	115,337	113,410	79,754	120,008
Plant use	-	-	-	3,547
Delivered	<u>115,337</u>	<u>113,410</u>	<u>79,754</u>	<u>116,461</u>
<b>McIntosh Plant (4)</b>				
Generation - steam	<u>439,888</u>	<u>678,916</u>	<u>620,000</u>	<u>656,636</u>
<b>St. Lucie Plant</b>				
Generation - nuclear	302,751	370,845	384,006	378,376
Plant use	<u>7,236</u>	<u>8,863</u>	<u>9,178</u>	<u>9,043</u>
Delivered	<u>295,515</u>	<u>361,982</u>	<u>374,828</u>	<u>369,333</u>
<b>St. Cloud Plant (5)</b>				
Generation - diesel	-	-	-	-
Plant use	-	-	-	-
Delivered	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Generation</b>				
Steam	3,123,314	4,406,100	4,982,451	5,085,790
Combined cycle	2,346,132	2,189,279	2,010,119	1,185,894
Nuclear	418,088	484,255	463,760	498,384
Combustion turbines	12,947	17,814	31,389	14,735
Diesel	-	-	-	-
<b>Total generation</b>	5,900,481	7,097,448	7,487,719	6,784,803
Total plant use - less participants loss factor	212,594	290,954	309,667	290,601
Participants' reserve power	<u>11,153</u>	<u>4,944</u>	<u>2,656</u>	<u>7,917</u>
<b>Total delivered</b>	5,676,734	6,801,550	7,175,396	6,486,285
Inadvertent/wheeling retained	(98)	(118)	(15)	(192)
Purchases received (6)	<u>1,426,791</u>	<u>1,003,127</u>	<u>833,210</u>	<u>881,022</u>
<b>Available</b>	7,103,427	7,804,559	8,008,591	7,367,115
<b>Electric sales</b>	6,958,465	7,628,698	7,714,087	7,259,068
<b>Line losses</b>	<u>144,962</u>	<u>175,861</u>	<u>294,504</u>	<u>108,047</u>
<b>Line losses as a percentage of generation</b>	2.46%	2.48%	3.93%	1.59%

(1) As a result of low natural gas prices and rising coal costs, the SEC coal units were run at reduced loads in 2012.

(2) In late February 2010, OUC commenced commercial operations at SEC B. In October 2003, OUC began commercial operation at SEC A.

(3) In 2009, an outage at the Crystal River 3 facility required it to be off-line through fiscal year 2012. Generation noted represents reliability exchange power received to meet load and contractual requirements and does not include plant use.

(4) Since 2009, there have been several periods where the McIntosh plant was off-line. Planned outages in 2011 and 2009 and an unplanned outage in 2010 lowered generation in those respective years. In 2012, low natural gas prices impacted generation.

(5) In 2009, the St. Cloud generation plant was permanently shut down.

2008	2007	2006	2005	2004	2003	2002
4,454,325	4,708,038	5,000,919	4,471,764	4,605,225	4,527,532	4,466,492
<u>1,197,723</u>	<u>1,242,650</u>	<u>1,233,259</u>	<u>1,326,208</u>	<u>1,191,046</u>	-	-
5,652,048	5,950,688	6,234,178	5,797,972	5,796,271	4,527,532	4,466,492
271,331	282,180	298,490	270,912	278,325	263,547	259,446
<u>6,049</u>	<u>4,471</u>	<u>2,194</u>	<u>6,299</u>	<u>4,961</u>	<u>3,086</u>	<u>5,806</u>
<u>5,374,668</u>	<u>5,664,037</u>	<u>5,933,494</u>	<u>5,520,761</u>	<u>5,512,985</u>	<u>4,260,899</u>	<u>4,201,240</u>
25,222	17,701	20,285	12,811	6,379	34,382	52,914
111	71	82	66	24	129	163
<u>777</u>	<u>691</u>	<u>715</u>	<u>698</u>	<u>736</u>	<u>757</u>	<u>744</u>
<u>24,334</u>	<u>16,939</u>	<u>19,488</u>	<u>12,047</u>	<u>5,619</u>	<u>33,496</u>	<u>52,007</u>
103,783	123,034	98,972	122,627	111,246	125,531	117,000
<u>3,050</u>	<u>3,607</u>	<u>2,890</u>	<u>3,587</u>	<u>3,170</u>	<u>3,570</u>	<u>3,342</u>
<u>100,733</u>	<u>119,427</u>	<u>96,082</u>	<u>119,040</u>	<u>108,076</u>	<u>121,961</u>	<u>113,658</u>
<u>1,059,302</u>	<u>965,401</u>	<u>989,279</u>	<u>1,027,428</u>	<u>787,131</u>	<u>938,216</u>	<u>932,132</u>
383,095	402,666	368,876	412,983	401,427	399,999	430,677
<u>9,156</u>	<u>9,624</u>	<u>8,816</u>	<u>9,870</u>	<u>9,594</u>	<u>9,560</u>	<u>10,293</u>
<u>373,939</u>	<u>393,042</u>	<u>360,060</u>	<u>403,113</u>	<u>391,833</u>	<u>390,439</u>	<u>420,384</u>
-	236	108	184	390	1,750	2,486
<u>190</u>	<u>521</u>	<u>538</u>	<u>430</u>	<u>528</u>	<u>459</u>	<u>-</u>
<u>(190)</u>	<u>(285)</u>	<u>(430)</u>	<u>(246)</u>	<u>(138)</u>	<u>1,291</u>	<u>2,486</u>
5,513,627	5,673,439	5,990,198	5,499,192	5,392,356	5,465,748	5,398,624
1,197,723	1,242,650	1,233,259	1,326,208	1,191,046	-	-
486,878	525,700	467,848	535,610	512,673	525,530	547,677
25,222	17,701	20,285	12,811	6,379	34,382	52,914
-	236	108	184	390	1,750	2,486
<u>7,223,450</u>	<u>7,459,726</u>	<u>7,711,698</u>	<u>7,374,005</u>	<u>7,102,844</u>	<u>6,027,410</u>	<u>6,001,701</u>
283,838	296,003	310,816	284,865	291,641	277,265	273,244
<u>6,826</u>	<u>5,162</u>	<u>2,909</u>	<u>6,997</u>	<u>5,697</u>	<u>3,843</u>	<u>6,550</u>
6,932,786	7,158,561	7,397,973	7,082,143	6,805,506	5,746,302	5,721,907
278	274	777	292	137	184	520
<u>1,082,008</u>	<u>1,127,939</u>	<u>1,125,358</u>	<u>1,813,804</u>	<u>1,935,961</u>	<u>1,797,213</u>	<u>1,505,373</u>
8,015,072	8,286,774	8,524,108	8,896,239	8,741,604	7,543,699	7,227,800
<u>7,793,775</u>	<u>8,036,390</u>	<u>8,370,673</u>	<u>8,703,051</u>	<u>8,538,880</u>	<u>7,387,945</u>	<u>7,030,393</u>
<u>221,297</u>	<u>250,384</u>	<u>153,435</u>	<u>193,188</u>	<u>202,724</u>	<u>155,754</u>	<u>197,407</u>
3.06%	3.36%	1.99%	2.62%	2.85%	2.58%	3.29%

(6) Purchases received increased in 2012 to leverage lower cost natural gas generation available from the Florida Municipal Power Pool.

## NET GENERATING CAPABILITY (Including major purchased power agreements)

Years Ended September 30 Generating Facility (MW)		Name Plate Capacity	2012		2011		2010		2009	
			Summer MW	Winter MW	Summer MW	Winter MW	Summer MW	Winter MW	Summer MW	Winter MW
Stanton Energy Center	Unit 1 FS	425	302	304	302	304	302	304	302	304
	Unit 2 FS	425	334	334	334	334	334	334	334	334
	Unit A CC (1)	633	174	184	174	184	174	184	174	184
	Unit B CC (1)	300	295	300	295	300	295	300	-	-
Indian River Plant	Unit A CT	38	18	23	18	23	18	23	18	23
	Unit B CT	38	18	23	18	23	18	23	18	23
	Unit C CT	112	85	100	85	100	85	100	85	100
	Unit D CT	112	85	100	85	100	85	100	85	100
St. Cloud Plant	Units 1-7 CT	21	-	-	-	-	-	-	-	-
Crystal River Plant	Unit 3 N	890	13	13	13	13	13	13	13	13
C.D.McIntosh, Jr. Plant	Unit 3 FS	364	136	136	136	136	136	136	136	136
St. Lucie Plant	Unit 2 N	850	<u>51</u>	<u>52</u>	<u>51</u>	<u>52</u>	<u>51</u>	<u>52</u>	<u>51</u>	<u>52</u>
Total capability			<u>1,511</u>	<u>1,569</u>	<u>1,511</u>	<u>1,569</u>	<u>1,511</u>	<u>1,569</u>	<u>1,216</u>	<u>1,269</u>
Purchased Power Agreements			<u>337</u>	<u>358</u>	<u>337</u>	<u>358</u>	<u>337</u>	<u>358</u>	<u>337</u>	<u>358</u>
Total available			<u>1,848</u>	<u>1,927</u>	<u>1,848</u>	<u>1,927</u>	<u>1,848</u>	<u>1,927</u>	<u>1,553</u>	<u>1,627</u>
Firm commitments to other utilities (2)			<u>168</u>	<u>168</u>	<u>165</u>	<u>165</u>	<u>95</u>	<u>95</u>	-	-
Net available to OUC			<u>1,680</u>	<u>1,759</u>	<u>1,683</u>	<u>1,762</u>	<u>1,753</u>	<u>1,832</u>	<u>1,553</u>	<u>1,627</u>

NOTE: FS - Fossil Steam, N - Nuclear, CT - Combustion Turbine, CC - Combined Cycle

## PEAK DEMAND

Years Ended September 30	2012		2011		2010		2009	
	Summer MW	Winter MW	Summer MW	Winter MW	Summer MW	Winter MW	Summer MW	Winter MW
<b>Net peak demand</b> (Net 60 minute integrated MW demand)	1,070	907	1,064	1,094	1,081	1,134	1,102	1,033
<b>Gross peak demand (MW)</b> (Instantaneous)	1,123		1,127			1,191	1,176	
<b>System load factor</b>	77.49		79.6		75.7		71.0	

## GENERATION AVAILABILITY DATA

Years Ended September 30		2012			2011			2010			2009			2008		
		CF	EAF	EFOR	CF	EAF	EFOR	CF	EAF	EFOR	CF	EAF	EFOR	CF	EAF	EFOR
SEC	Unit 1 (3)	36.3	84.9	3.2	62.5	86.0	0.7	72.0	82.6	1.2	70.1	87.2	0.6	77.6	85.6	4.6
	Unit 2 (3)	57.9	92.2	0.6	69.4	86.6	0.3	81.1	90.3	0.8	85.2	96.6	1.0	78.4	82.1	1.4
	Unit A (1)	33.6	80.9	0.0	38.0	90.9	0.9	38.5	84.6	7.7	41.2	88.7	1.6	57.8	87.7	0.2
	Unit B (1)	50.4	87.1	4.7	58.0	86.9	1.0	60.9	86.8	5.5						
IRP	Unit A	-	93.3	-	-	84.6	89.2	0.1	96.4	78.1	0.2	92.8	85.7	-	97.3	80.3
	Unit B (4)	-	94.7	-	-	94.0	5.3	-	79.9	-	0.2	98.0	52.9	-	95.6	58.7
	Unit C	-	91.8	-	1.2	99.9	6.2	2.8	95.0	13.8	0.8	70.4	93.2	-	97.3	51.8
	Unit D (4)	-	73.1	-	2.0	100.0	0.9	2.7	87.8	7.5	0.8	92.6	70.2	-	97.8	31.7
Crystal River	Unit 3 (5)	-	-	100.0	-	-	100.0	-	-	80.0	102.0	95.7	1.3	85.1	82.8	0.2
McIntosh	Unit 3	38.1	86.3	85.7	57.8	85.5	2.1	66.8	60.5	38.9	55.9	67.1	9.3	88.2	89.7	7.5
St. Lucie Plant	Unit 2	86.4	83.9	0.8	65.2	63.1	10.5	99.8	97.5	2.3	83.1	74.9	13.9	70.2	69.3	10.3

EAF - Equivalent Availability Factor

EFOR - Equivalent Forced Outage Rate

CF - Capacity Factor

- (1) In late February 2010, OUC commenced commercial operations at SEC B. In October 2003, OUC began commercial operation of SEC A.
- (2) In January 2010, OUC secured a twenty-year wholesale agreement with Vero Beach. Additionally, in January 2011, OUC executed a seven-year interlocal agreement with the City of Bartow whereby OUC provides generation.
- (3) The SEC 1&2 capacity factors were lower in 2012 compared to 2011 and 2010 as a result of lowering production to accommodate more cost effective generation at the natural gas units.

2008		2007		2006		2005		2004		2003		2002	
Summer MW	Winter MW	Summer MW	Winter MW	Summer MW	Winter MW	Summer MW	Winter MW	Summer MW	Winter MW	Summer MW	Winter MW	Summer MW	Winter MW
302	304	302	304	302	304	302	304	302	304	302	304	302	304
334	334	334	334	334	334	319	319	318	318	318	318	318	318
174	184	174	184	174	184	174	184	168	168	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	23	18	23	18	23	18	23	18	23	18	23	18	23
18	23	18	23	18	23	18	23	18	23	18	23	18	23
85	100	85	100	85	100	85	100	85	100	85	100	85	100
85	100	85	100	85	100	85	100	85	100	85	100	85	100
21	21	21	21	21	21	21	21	17	17	17	17	17	17
13	13	13	13	13	13	13	13	13	13	13	13	13	13
136	136	136	136	136	136	133	136	133	136	133	136	133	136
<u>51</u>	<u>52</u>	<u>51</u>	<u>52</u>	<u>51</u>	<u>52</u>	<u>51</u>	<u>52</u>	<u>51</u>	<u>52</u>	<u>51</u>	<u>52</u>	<u>51</u>	<u>52</u>
1,237	1,290	1,237	1,290	1,237	1,290	1,219	1,275	1,208	1,254	1,040	1,086	1,040	1,086
<u>337</u>	<u>358</u>	<u>337</u>	<u>358</u>	<u>337</u>	<u>358</u>	<u>637</u>	<u>656</u>	<u>827</u>	<u>827</u>	<u>578</u>	<u>550</u>	<u>578</u>	<u>550</u>
1,574	1,648	1,574	1,648	1,574	1,648	1,856	1,931	2,035	2,081	1,618	1,636	1,618	1,636
<u>22</u>	<u>22</u>	<u>22</u>	<u>22</u>	<u>22</u>	<u>22</u>	<u>147</u>	<u>148</u>	<u>261</u>	<u>261</u>	<u>316</u>	<u>316</u>	<u>335</u>	<u>335</u>
<u>1,552</u>	<u>1,626</u>	<u>1,552</u>	<u>1,626</u>	<u>1,552</u>	<u>1,626</u>	<u>1,709</u>	<u>1,783</u>	<u>1,774</u>	<u>1,820</u>	<u>1,302</u>	<u>1,320</u>	<u>1,283</u>	<u>1,301</u>

2008		2007		2006		2005		2004		2003		2002	
Summer MW	Winter MW	Summer MW	Winter MW	Summer MW	Winter MW	Summer MW	Winter MW	Summer MW	Winter MW	Summer MW	Winter MW	Summer MW	Winter MW
1,080	973	1,085	893	1,074	970	1,076	965	1,041	834	969	1,019	986	939
1,147		1,182		1,135		1,141		1,100			1,079	1,058	
<b>2008</b>		<b>2007</b>		<b>2006</b>		<b>2005</b>		<b>2004</b>		<b>2003</b>		<b>2002</b>	
60.5		59.6		60.2		57.7		57.5		57.2		58.3	

CF	2007		CF	2006		CF	2005		CF	2004		CF	2003		CF	2002		EFOR
	EAF	EFOR		EAF	EFOR		EAF	EFOR		EAF	EFOR		EAF	EFOR		EAF	EFOR	
82.3	90.1	1.3	85.1	93.7	0.1	73.6	81.0	4.3	80.5	90.7	0.9	82.1	90.0	1.9	78.1	88.3	3.6	
80.8	84.8	6.3	88.4	93.7	0.6	83.4	89.0	2.8	81.0	87.9	4.1	77.2	81.4	3.2	78.9	87.0	5.2	
60.2	92.2	0.2	66.2	92.1	0.4	53.1	92.7	0.4	46.5	92.2	0.6	-	-	-	-	-	-	
-	96.8	80.8	1.1	97.7	81.6	0.1	94.4	-	0.1	99.4	74.9	0.7	100.0	-	1.1	88.7	25.5	
-	78.5	93.9	-	95.7	96.4	0.1	92.7	83.5	0.1	99.4	74.8	0.7	92.8	20.1	1.2	99.7	14.7	
-	92.6	73.0	3.4	98.6	-	0.5	98.7	43.7	0.3	78.0	96.9	2.0	90.7	11.5	2.8	100.0	-	
-	92.6	63.0	5.2	98.6	-	0.9	98.6	58.5	0.4	96.7	-	1.9	99.7	8.7	3.5	99.6	-	
100.9	98.7	0.7	83.1	78.4	8.5	99.3	100.0	-	88.9	86.5	3.0	99.5	97.0	0.6	93.6	91.2	0.1	
80.8	84.1	6.7	84.3	84.1	8.7	87.5	89.3	6.0	66.9	73.8	9.2	93.1	82.3	11.7	79.2	61.5	7.4	
95.0	95.9	3.9	80.8	82.3	4.3	83.0	84.2	4.6	92.6	92.0	7.9	82.8	82.4	3.4	94.7	90.9	1.5	

(4) IRP EAF and EFOR fluctuate from year to year as a result of forced and/or planned outages in any given year.

(5) Since 2009, the Crystal River nuclear power plant continues to be in a forced outage.

## ELECTRIC DISTRIBUTION RELIABILITY DATA

Years Ended September 30	2012	2011	2010	2009
<b>Orlando/Orange County</b>				
Average service availability index (ASAI)	0.9999	0.9999	0.9999	0.9999
Average customer outage in minutes (SAIDI)	31.70	41.20	28.70	33.40
Average customer interruption duration index in minutes (CAIDI)	50.30	57.70	52.90	52.70
Average length of service interruption in minutes (L-Bar)	74.20	68.30	70.20	69.30
<b>St. Cloud/Osceola County</b>				
Average service availability index (ASAI)	0.9999	0.9999	0.9999	0.9999
Average customer outage in minutes (SAIDI) (2)	80.50	42.80	61.80	55.00
Average customer interruption duration index in minutes (CAIDI)	64.20	45.80	34.90	42.20
Average length of service interruption in minutes (L-Bar) (2)	81.00	63.90	62.50	63.40

## ELECTRIC PHYSICAL STATISTICS

<b>Transmission system (circuit miles)</b>				
69KV	20.6	20.6	20.6	20.6
115KV (3)	126.7	131.5	131.5	131.5
230KV	190.9	190.9	190.9	186.4
<b>Total (4)</b>	<u>338.2</u>	<u>343.0</u>	<u>343.0</u>	<u>338.5</u>
<b>Number of substations (3)</b>	28	29	29	29
<b>Orlando distribution system (circuit miles)</b>				
Overhead	749.3	746.0	746.8	738.8
Underground	1,202.2	1,181.4	1,158.7	1,145.2
<b>Total Orlando circuit miles</b>	<u>1,951.5</u>	<u>1,927.4</u>	<u>1,905.5</u>	<u>1,884.0</u>
<b>St. Cloud distribution system (circuit miles)</b>				
Overhead	250.7	244.2	242.6	241.8
Underground	167.0	158.3	154.7	153.9
<b>Total St. Cloud circuit miles</b>	<u>417.7</u>	<u>402.5</u>	<u>397.3</u>	<u>395.7</u>
<b>Total OUC &amp; St. Cloud circuit miles</b>	<u>2,369.2</u>	<u>2,329.9</u>	<u>2,302.8</u>	<u>2,279.7</u>
<b>Distribution expenses per circuit mile</b>	\$ 6,347	\$ 6,318	\$ 7,344	\$ 7,316
<b>Percentages of Orlando distribution system (circuit miles)</b>				
Overhead	38.4%	38.7%	39.2%	39.2%
Underground	61.6%	61.3%	60.8%	60.8%
<b>Percentages of St. Cloud distribution system (circuit miles)</b>				
Overhead	60.0%	60.7%	61.1%	61.1%
Underground	40.0%	39.3%	38.9%	38.9%

(1) In August and September 2004, the Central Florida area was impacted by hurricanes Charley, Frances, and Jeanne. Consistent with industry standards, these events were excluded from this calculation.

(2) In 2012, there were three separate outage incidents during the month of June for unusually long durations.

(3) In 2012, the Lockheed Substation has been removed from OUC's operations which impacted the number of substations reported and reduced the amount of transmission line miles.

(4) Although OUC began operating St. Cloud's electric system in 1997, St. Cloud transmission statistics are not included.



2008	2007	2006	2005	2004 (1)	2003	2002
0.9999	0.9999	0.9993	0.9999	0.9999	0.9999	0.9999
33.20	44.13	36.40	47.09	41.22	45.44	35.56
43.50	52.03	50.82	49.20	51.03	41.83	30.77
67.70	70.79	62.86	65.91	64.85	68.12	59.00
0.9999	0.9998	0.9999	0.9998	0.9998	0.9997	0.9998
38.20	56.97	44.69	86.94	84.08	129.51	87.14
40.50	39.16	42.00	40.48	48.97	41.19	36.54
65.30	67.23	59.03	71.86	60.00	58.83	54.00
20.6	20.6	20.6	20.6	20.6	20.6	20.6
131.5	131.5	131.5	131.5	131.5	131.5	123.9
<u>186.4</u>	<u>186.4</u>	<u>186.4</u>	<u>186.4</u>	<u>186.4</u>	<u>186.4</u>	<u>185.6</u>
<u>338.5</u>	<u>338.5</u>	<u>338.5</u>	<u>338.5</u>	<u>338.5</u>	<u>338.5</u>	<u>330.1</u>
29	29	29	28	28	28	27
747.9	738.3	738.5	746.5	738.3	733.5	729.4
<u>1,104.6</u>	<u>1,065.9</u>	<u>1,025.3</u>	<u>978.3</u>	<u>924.6</u>	<u>872.8</u>	<u>796.6</u>
<u>1,852.5</u>	<u>1,804.2</u>	<u>1,763.8</u>	<u>1,724.8</u>	<u>1,662.9</u>	<u>1,606.3</u>	<u>1,526.0</u>
240.2	236.5	236.9	234.7	227.6	225.5	132.8
<u>150.8</u>	<u>142.0</u>	<u>118.4</u>	<u>102.4</u>	<u>80.2</u>	<u>66.4</u>	<u>38.4</u>
<u>391.0</u>	<u>378.5</u>	<u>355.3</u>	<u>337.1</u>	<u>307.8</u>	<u>291.9</u>	<u>171.2</u>
<u>2,243.5</u>	<u>2,182.7</u>	<u>2,119.1</u>	<u>2,061.9</u>	<u>1,970.7</u>	<u>1,898.2</u>	<u>1,697.2</u>
\$ 6,396	\$ 6,125	\$ 6,285	\$ 5,593	\$ 4,909	\$ 5,184	\$ 5,408
40.4%	40.9%	41.9%	43.3%	44.4%	45.7%	47.8%
59.6%	59.1%	58.1%	56.7%	55.6%	54.3%	52.2%
61.4%	62.5%	66.7%	69.6%	73.9%	77.3%	77.6%
38.6%	37.5%	33.3%	30.4%	26.1%	22.7%	22.4%

## ELECTRIC UTILITY PLANT (Dollars in thousands)

Years Ended September 30	2012	2011	2010	2009
<b>Electric plant, net</b>				
Generating plant, net				
Stanton Energy Center Units #1 & #2	\$ 418,115	\$ 433,256	\$ 425,660	\$ 432,484
Stanton Energy Center Unit A (1)	56,595	50,554	52,490	56,543
Stanton Energy Center Unit B (1)	246,046	253,020	260,562	-
McIntosh #3	64,222	66,769	69,676	41,928
St. Lucie #2 (2)	96,741	86,166	70,487	67,266
Indian River Plant	13,732	15,539	16,623	17,764
Crystal River #3 (2)	6,882	6,908	6,295	5,542
St. Cloud Diesel Plant (3)	-	-	-	-
Allowance for decommissioning (2)	-	-	-	-
<b>Total generating plant, net</b>	<u>902,333</u>	<u>912,212</u>	<u>901,793</u>	<u>621,527</u>
Distribution plant, net	470,030	469,274	466,964	456,878
Transmission plant, net	239,299	243,011	234,941	195,766
Other Electric plant, net (4)	49,150	42,544	31,294	34,371
<b>Total electric plant, net</b>	<u>1,660,812</u>	<u>1,667,041</u>	<u>1,634,992</u>	<u>1,308,542</u>
<b>Common plant, net (5)</b>	<u>73,345</u>	<u>73,409</u>	<u>77,381</u>	<u>73,972</u>
<b>Total plant, net</b>	<u>\$ 1,734,157</u>	<u>\$ 1,740,450</u>	<u>\$ 1,712,373</u>	<u>\$ 1,382,514</u>

## FUEL MIX STATISTICS (Dollars in thousands)

<b>Cost of fuel</b>				
Coal (7)	\$ 136,958	\$ 153,891	\$ 159,160	\$ 165,904
Natural gas	139,233	129,227	128,117	103,334
Oil	1,765	2,863	2,309	1,335
Nuclear	3,133	5,165	3,360	3,298
Renewable	1,943	1,045	845	1,475
<b>Total cost of fuel (6)</b>	<u>\$ 283,032</u>	<u>\$ 292,191</u>	<u>\$ 293,791</u>	<u>\$ 275,346</u>
<b>Fuel cost per million BTU</b>				
Coal (7)	\$ 4.60	\$ 3.72	\$ 3.37	\$ 3.44
Natural gas (8)	\$ 6.25	\$ 6.27	\$ 6.49	\$ 7.58
Oil	\$ 20.04	\$ 19.46	\$ 13.51	\$ 13.84
Nuclear (9)	\$ 0.94	\$ 1.27	\$ 0.80	\$ 0.62
Renewable	\$ 4.42	\$ 2.66	\$ 2.19	\$ 2.25
System average fuel cost	\$ 5.07	\$ 4.39	\$ 4.10	\$ 4.05
<b>System fuel mix percentage (based on generation)</b>				
Coal (7)	53.2%	62.1%	65.8%	71.0%
Natural gas (7)	39.9%	31.0%	27.5%	20.1%
Oil	0.2%	0.2%	0.2%	0.1%
Nuclear	5.9%	6.1%	5.9%	7.9%
Renewable (10)	0.8%	0.6%	0.6%	0.9%
<b>Total system fuel mix percentage</b>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

- (1) The SEC B facility began commercial operations on February 28, 2010. The SEC A facility began commercial operations in October 2003. All power generated prior to the start dates of these facilities was excluded from operations and capitalized along with the revenue earned during the pre-commercial operations.
- (2) In January 2003, OUC adopted Federal Energy Regulatory Commission (FERC) document RM02-7-000, Order 631, Accounting for Asset Retirement Obligations (ARO). This order requires the recognition of the net present value of the legal financial requirement related to the dismantlement, restoration and retirement of tangible long-lived assets. The implementation of this order resulted in the recording of a fair value asset of \$16.0 million for the differential of the net present value retirement obligation of OUC's interest in the St. Lucie Unit 2 and Crystal River Unit 3 nuclear plants and the existing amount of accrued retirement obligations, previously recorded as allowance for decommissioning.
- (3) The original St. Cloud Diesel Plant was constructed by St. Cloud. In 2009, operations at the St. Cloud plant were permanently discontinued and as such all assets were written down.
- (4) In November 2007, OUC and Southern Power terminated the construction of the gasification facilities at SEC B. The settlement agreement provided for liquidating damages in the form of land valued at \$27.5 million.

	2008	2007	2006	2005	2004	2003	2002
\$	448,549	\$ 462,050	\$ 481,653	\$ 496,681	\$ 511,101	\$ 503,279	\$ 519,021
	61,410	56,971	59,789	61,169	64,191	70,889	-
	-	-	-	-	-	-	-
	46,867	47,251	51,700	55,948	55,381	56,199	60,451
	61,186	58,317	52,665	48,520	46,455	45,223	33,864
	19,892	22,266	24,818	28,176	34,646	34,588	37,355
	4,174	5,642	5,794	6,233	6,171	6,815	3,629
	-	-	-	-	118	128	139
	-	-	-	-	-	-	(25,382)
	<u>642,078</u>	<u>652,497</u>	<u>676,419</u>	<u>696,727</u>	<u>718,063</u>	<u>717,121</u>	<u>629,077</u>
	451,604	438,367	406,461	374,450	368,022	363,112	343,767
	173,332	166,739	164,753	147,808	131,995	131,121	129,536
	<u>35,105</u>	<u>7,707</u>	<u>3,810</u>	<u>8,323</u>	<u>10,852</u>	<u>11,036</u>	<u>8,386</u>
	<u>1,302,119</u>	<u>1,265,310</u>	<u>1,251,443</u>	<u>1,227,308</u>	<u>1,228,932</u>	<u>1,222,390</u>	<u>1,110,766</u>
	<u>42,477</u>	<u>46,329</u>	<u>37,104</u>	<u>43,127</u>	<u>47,595</u>	<u>48,551</u>	<u>48,956</u>
\$	<u>1,344,596</u>	<u>1,311,639</u>	<u>1,288,547</u>	<u>1,270,435</u>	<u>1,276,527</u>	<u>1,270,941</u>	<u>1,159,722</u>
\$	162,790	\$ 139,169	\$ 145,048	\$ 120,496	\$ 101,887	\$ 92,254	\$ 89,576
	164,696	140,780	163,545	166,929	117,455	25,466	18,867
	1,320	736	255	33,243	35,088	49,983	30,314
	3,015	2,636	1,971	2,357	2,351	1,813	1,786
	1,175	791	-	-	-	-	-
\$	<u>332,996</u>	<u>284,112</u>	<u>310,819</u>	<u>323,025</u>	<u>256,781</u>	<u>169,516</u>	<u>140,543</u>
\$	3.10	\$ 2.58	\$ 2.56	\$ 2.31	\$ 1.98	\$ 1.77	\$ 1.75
\$	10.83	\$ 8.96	\$ 10.42	\$ 8.78	\$ 6.55	\$ 5.46	\$ 4.24
\$	17.85	\$ 12.39	\$ 4.28	\$ 7.88	\$ 5.39	\$ 4.75	\$ 3.47
\$	0.58	\$ 0.47	\$ 0.39	\$ 0.41	\$ 0.43	\$ 0.33	\$ 0.31
\$	2.13	\$ 1.42	\$ -	\$ -	\$ -	\$ -	\$ -
\$	4.52	\$ 3.75	\$ 4.02	\$ 3.98	\$ 3.16	\$ 2.33	\$ 2.01
	71.3%	71.1%	73.1%	64.3%	63.2%	71.4%	72.8%
	20.7%	20.7%	20.3%	23.4%	22.1%	6.4%	6.4%
	0.1%	0.1%	0.1%	5.2%	8.0%	14.5%	12.5%
	7.1%	7.4%	6.5%	7.1%	6.7%	7.7%	8.3%
	0.8%	0.7%	-	-	-	-	-
	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

- (5) Common plant, net includes shared assets including administrative buildings and information technology infrastructure. As a result of an eminent domain action taken by the Florida Department of Transportation for the expansion of the I-4/S.R. 408 interchange, OUC relocated its administrative offices. In 2009, the new Administration building was completed and placed into service. The former Administration building was sold.
- (6) The cost of fuel is presented as gross plant operating costs and does not include participant ownership adjustments.
- (7) In 2012, Cost of fuel for coal decreased as a result of a decrease in consumption requirements coupled with the utilization of natural gas generation facilities to leverage favorable market rates. Offsetting these changes was an increase in the commodity costs for coal contributing to the increased Fuel cost per million BTU to \$4.60 from \$3.72. The cost per MWH was \$46.00.
- (8) Natural gas costs include both the commodity cost and \$31.5 million of hedge costs. Excluding natural gas fuel hedge costs, Fuel cost per million BTU would be \$4.84. Converting the BTU rate to a cost per MWH, the cost per MWH for natural gas generation facilities was estimated to be \$43.75.
- (9) The decrease in 2012 was due to the extended outage in Crystal River Plant 3 facility during FY 2012.
- (10) Prior to 2007 amounts were not tracked.



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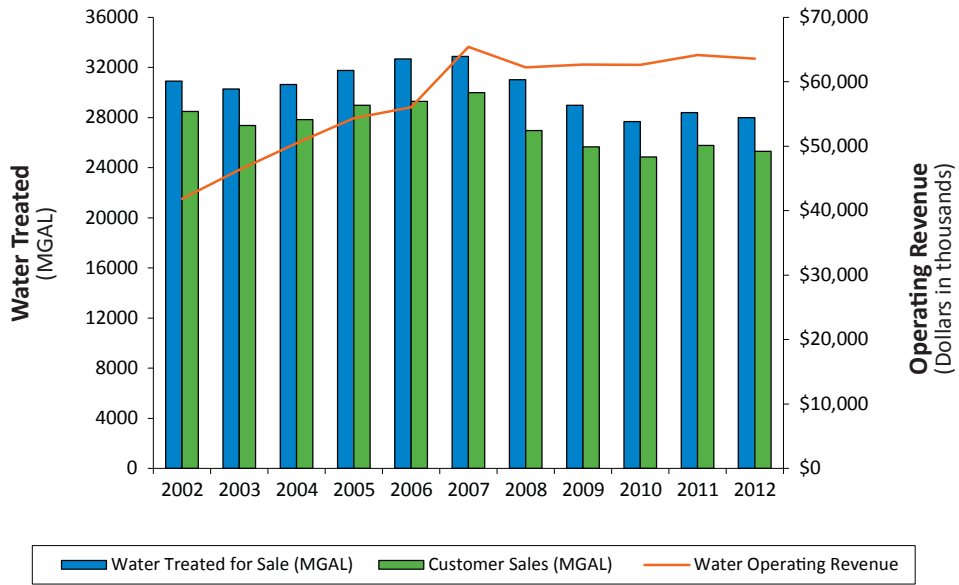


# WATER OPERATIONS

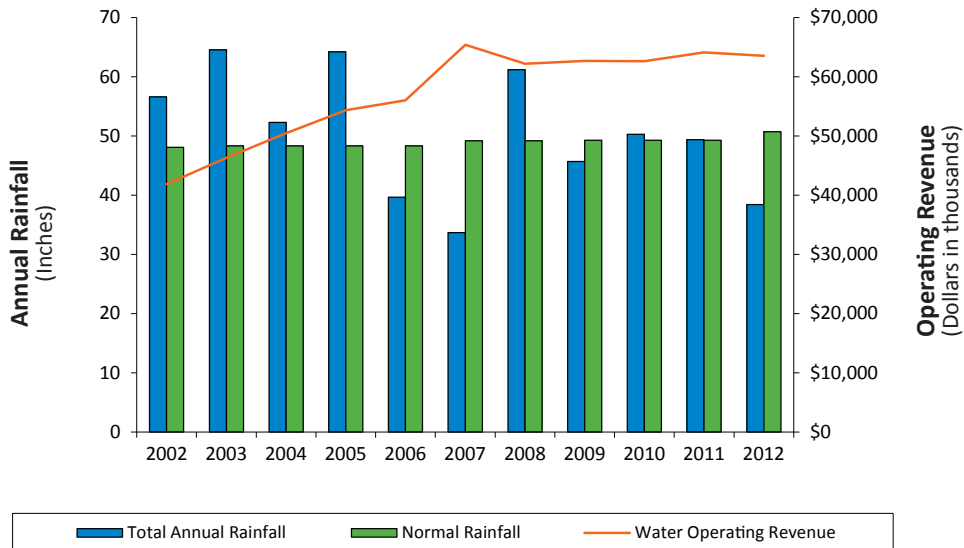
We're looking for ways to maximize our water operations without compromising the high quality, award winning water our customers have come to expect.

# WATER BUSINESS OPERATIONS

## Water Treated, Customer Sales & Operating Revenue



## Total Annual Rainfall and Operating Revenue



In 2008, 2001 and 2000, operating revenues have been adjusted to reflect the impact of SFAS No. 71 in the amounts of \$2.0 million, \$4.0 million and \$3.0 million, respectively.

## WATER REVENUES, EXPENSES AND CHANGES IN NET ASSETS (Dollars in thousands)

Years Ended September 30	2012	2011	2010	2009
<b>Operating revenues</b>				
Residential	\$ 31,832	\$ 32,480	\$ 31,561	\$ 31,599
Commercial	16,115	16,444	15,978	15,997
Irrigation	11,158	11,386	11,063	11,077
Fire protection	2,193	2,158	2,169	2,132
Service fees and other	1,622	1,248	1,345	1,234
Resale and other	534	426	503	636
<b>Total operating revenues (1)</b>	<u>63,454</u>	<u>64,142</u>	<u>62,619</u>	<u>62,675</u>
<b>Operations and maintenance expenses</b>				
Production	13,555	14,405	14,358	14,997
Distribution (2)	5,816	9,149	8,291	5,560
Storm recovery costs	-	-	-	4
Customer service	8,865	8,733	7,831	7,311
General & administrative (3)	10,110	10,007	9,120	7,542
<b>Total operations and maintenance expenses</b>	<u>38,346</u>	<u>42,294</u>	<u>39,600</u>	<u>35,414</u>
<b>Other expenses</b>				
Utility/property tax	65	63	65	64
Revenue based payments to the City of Orlando	2,033	1,919	1,922	1,989
Revenue based payments to Orange County	5	6	-	-
Depreciation and amortization (4)	15,708	16,266	16,991	20,554
<b>Total other expenses</b>	<u>17,811</u>	<u>18,254</u>	<u>18,978</u>	<u>22,607</u>
<b>Total operating expenses</b>	<u>56,157</u>	<u>60,548</u>	<u>58,578</u>	<u>58,021</u>
<b>Operating income</b>	7,297	3,594	4,041	4,654
<b>Non-operating income and expense</b>				
Interest income	708	593	1,151	1,329
Other income, net (5)	3,053	2,024	1,443	838
Bond interest and other related expenses (6)	(8,906)	(10,055)	(11,161)	(10,663)
<b>Total non-operating expenses, net</b>	<u>(5,145)</u>	<u>(7,438)</u>	<u>(8,567)</u>	<u>(8,496)</u>
<b>Water (loss) / income before contributions</b>	2,152	(3,844)	(4,526)	(3,842)
<b>Contributions in aid of construction (CIAC) (7)</b>	7,990	4,571	6,080	5,736
<b>Annual dividend</b>	<u>(1,396)</u>	<u>2,365</u>	<u>2,964</u>	<u>2,432</u>
<b>Increase in net assets</b>	<u>\$ 8,746</u>	<u>\$ 3,092</u>	<u>\$ 4,518</u>	<u>\$ 4,326</u>

(1) In 2009 and 2010, rate increases of 7.8% and 13.1%, respectively, were implemented. However since 2008, the weakened economy, increased rainfall and consumer usage changes offset these rate changes. In 2008, rate stabilization funds of \$2.0 million were used to offset these changes.

(2) In 2011 and 2010, costs associated with the write down of deferred regulatory projects, including alternative water supply and consumptive use permit spending, increased Operations and maintenance expenses.

(3) Increased pension and other post-employment actuarial costs were the key drivers of the increase since 2008.

(4) During 2009, OUC recognized impairment for the change in usage of the Southeast water treatment plant of \$2.9 million. In 2008, Depreciation and amortization expense increased due to a change in the useful life for in-service water mains and meters and ozone generators of \$2.2 million and \$2.7 million, respectively. In 2005, OUC wrote down water plant assets of \$1.4 million.

2008	2007	2006	2005	2004	2003	2002
\$ 31,291	\$ 33,173	\$ 27,336	\$ 26,676	\$ 25,173	\$ 23,063	\$ 22,658
15,841	16,794	13,311	13,442	12,950	12,459	11,035
10,969	11,628	11,546	10,090	9,131	7,815	5,861
2,035	1,755	1,564	1,554	1,306	1,229	1,076
1,562	1,756	1,810	1,764	1,416	1,019	548
526	322	465	835	484	722	676
<u>62,224</u>	<u>65,428</u>	<u>56,032</u>	<u>54,361</u>	<u>50,460</u>	<u>46,307</u>	<u>41,854</u>
13,738	13,531	13,006	11,830	10,028	9,254	8,652
6,849	5,526	4,026	4,198	3,992	3,432	3,083
8	-	-	-	147	-	-
7,282	7,465	6,781	5,203	4,983	4,462	4,195
7,737	6,984	6,349	5,894	5,283	4,848	5,086
<u>35,614</u>	<u>33,506</u>	<u>30,162</u>	<u>27,125</u>	<u>24,433</u>	<u>21,996</u>	<u>21,016</u>
61	64	62	52	60	46	48
1,855	1,893	1,599	1,510	1,362	1,280	1,130
-	-	-	-	-	-	-
19,064	16,071	13,808	14,220	11,944	10,740	9,897
20,980	18,028	15,469	15,782	13,366	12,066	11,075
<u>56,594</u>	<u>51,534</u>	<u>45,631</u>	<u>42,907</u>	<u>37,799</u>	<u>34,062</u>	<u>32,091</u>
5,630	13,894	10,401	11,454	12,661	12,245	9,763
2,657	3,959	3,106	1,435	665	1,153	2,527
582	682	484	508	498	624	1,053
(10,831)	(12,200)	(12,440)	(11,761)	(11,836)	(13,011)	(13,668)
<u>(7,592)</u>	<u>(7,559)</u>	<u>(8,850)</u>	<u>(9,818)</u>	<u>(10,673)</u>	<u>(11,234)</u>	<u>(10,088)</u>
(1,962)	6,335	1,551	1,636	1,988	1,011	(325)
13,655	17,155	14,816	13,409	12,022	8,301	8,177
1,129	(3,406)	(1,201)	(982)	(1,192)	(607)	194
<u>\$ 12,822</u>	<u>\$ 20,084</u>	<u>\$ 15,166</u>	<u>\$ 14,063</u>	<u>\$ 12,818</u>	<u>\$ 8,705</u>	<u>\$ 8,046</u>

(5) A one-time legal settlement in 2012 resulted in the recognition of \$0.7 million.

(6) In 2012, the change in Bond interest and other related expenses was a result of lower interest expenses coupled with the impact of terminated interest rate swap agreements and bond refunding activities. The increase in 2010 was primarily due to the issuance of the Series 2010A Bonds for \$200.0 million in January 2010 offset by lower interest expense as a result of maturities.

(7) Since 2009, CIAC has been impacted by the weakened economy and the slowdown in growth within the Central Florida area.



## WATER CONSUMPTION AND FINANCIAL RATIOS

### Years Ended September 30

2012

2011

2010

2009

#### Profile of consumption & revenue by type of customer

##### Residential service

KGAL sales per customer	120	121	117	119
Revenue per customer	\$ 301	\$ 306	\$ 296	\$ 294
Revenue per KGAL	\$ 2.5019	\$ 2.5268	\$ 2.5239	\$ 2.4623

##### Commercial service

KGAL sales per customer	655	694	709	728
Revenue per customer	\$ 1,236	\$ 1,323	\$ 1,350	\$ 1,353
Revenue per KGAL	\$ 1.8882	\$ 1.9070	\$ 1.9049	\$ 1.8584

##### Irrigation service

KGAL sales per customer	250	246	232	239
Revenue per customer	\$ 697	\$ 691	\$ 652	\$ 656
Revenue per KGAL	\$ 2.7845	\$ 2.8122	\$ 2.8093	\$ 2.7405

#### Selected financial expense statistics

Total operations and maintenance expenses per KGAL (1)	\$ 1.5155	\$ 1.6403	\$ 1.5927	\$ 1.3796
Production and Distribution costs per metered service (2)	\$ 144	\$ 175	\$ 167	\$ 151
Customer service expense per metered service	66	65	58	54
General & administrative expense per metered service (1)	<u>75</u>	<u>74</u>	<u>67</u>	<u>55</u>
<b>Total operations &amp; maintenance expense per metered service</b>	<u>\$ 285</u>	<u>\$ 314</u>	<u>\$ 292</u>	<u>\$ 260</u>

(1) In 2011, a one-time cost associated with a deferred regulatory project was recognized as an Operations and maintenance expense in the amount of \$2.3 million. Additionally since 2010, actuarial pension cost increased as a result of lower investment returns and the inclusion of the accrual of previously approved COLA. In 2008, water consumption decreased due to weakening economic conditions, increased rainfall, and continued conservation efforts. The impact of the decrease in consumption resulted in higher operations and maintenance expense per KGAL.

(2) In 2011 and 2010, costs associated with the write down of deferred regulatory projects, including alternative water supply and consumptive use permit spending, increased Operations and maintenance expenses.

2008	2007	2006	2005	2004	2003	2002
126	143	140	141	141	141	151
\$ 292	\$ 316	\$ 265	\$ 263	\$ 255	\$ 239	\$ 237
\$ 2.3156	\$ 2.2071	\$ 1.8933	\$ 1.8720	\$ 1.8072	\$ 1.6985	\$ 1.5669
678	740	780	805	792	817	800
\$ 1,186	\$ 1,233	\$ 1,084	\$ 1,110	\$ 1,091	\$ 1,072	\$ 965
\$ 1.7477	\$ 1.6658	\$ 1.3893	\$ 1.3782	\$ 1.3772	\$ 1.3118	\$ 1.2067
254	288	319	295	304	292	344
\$ 655	\$ 707	\$ 719	\$ 660	\$ 642	\$ 583	\$ 456
\$ 2.5773	\$ 2.4565	\$ 2.2565	\$ 2.2359	\$ 2.1103	\$ 1.9956	\$ 1.3266
\$ 1.3201	\$ 1.1175	\$ 1.0294	\$ 0.9360	\$ 0.8727	\$ 0.8037	\$ 0.7378
\$ 150	\$ 141	\$ 129	\$ 125	\$ 112	\$ 104	\$ 98
53	55	52	40	40	37	35
<u>56</u>	<u>52</u>	<u>48</u>	<u>46</u>	<u>42</u>	<u>40</u>	<u>42</u>
<u>\$ 259</u>	<u>\$ 248</u>	<u>\$ 229</u>	<u>\$ 211</u>	<u>\$ 194</u>	<u>\$ 181</u>	<u>\$ 175</u>

## SELECTED FINANCIAL RATIOS

Years Ended September 30	2012	2011	2010	2009
<b>Water operating ratio</b>				
Water operations & maintenance expenses/operating revenues (1)	\$ 0.60	\$ 0.66	\$ 0.63	\$ 0.56
<b>Water (loss)/ income before contributions per revenue dollar</b>				
Water (loss)/ income before contributions/total water operating revenues	\$ 0.03	\$ (0.06)	\$ (0.07)	\$ (0.06)

## ACTIVE SERVICES

Residential	106,207	105,053	107,030	106,495
Commercial	13,095	12,976	11,883	11,795
Irrigation	16,088	15,938	17,025	16,899
<b>Total metered services</b>	<u>135,390</u>	<u>133,967</u>	<u>135,938</u>	<u>135,189</u>

## FIRE PROTECTION

Fire protection services	4,346	4,294	4,248	4,192
Fire hydrants	9,933	9,828	9,753	9,630
<b>Total fire protection</b>	<u>14,279</u>	<u>14,122</u>	<u>14,001</u>	<u>13,822</u>

## CONSUMPTION (MGAL)

Residential	12,722	12,854	12,505	12,833
Commercial	8,535	8,623	8,388	8,608
Irrigation	4,007	4,049	3,938	4,042
Resale	38	35	34	184
<b>Total consumption</b>	<u>25,302</u>	<u>25,561</u>	<u>24,865</u>	<u>25,667</u>

(1) In 2011, a one-time cost associated with a deferred regulatory project was recognized as an Operations and maintenance expense in the amount of \$2.3 million. In 2010, actuarial pension costs increased from that of 2009 as a result of lower investment returns and the inclusion of the accrual of previously approved COLA through September 30, 2010. Additionally, OUC recognized environmental costs, related to several remediation projects, and incurred higher medical costs of \$2.3 million and \$1.7 million, respectively, in 2010. In 2008, water consumption decreased due to weakening economic conditions, increased rainfall, and continued conservation efforts. The impact of the decrease in consumption resulted in higher operations and maintenance expense per MGAL.

2008	2007	2006	2005	2004	2003	2002
\$ 0.57	\$ 0.51	\$ 0.54	\$ 0.50	\$ 0.48	\$ 0.47	\$ 0.50
\$ (0.03)	\$ 0.10	\$ 0.03	\$ 0.03	\$ 0.04	\$ 0.02	\$ (0.01)
108,437	105,819	103,866	102,674	99,942	97,354	95,829
11,845	14,879	12,358	12,210	12,014	11,734	11,519
16,860	16,608	16,288	15,835	14,756	13,686	13,118
<u>137,142</u>	<u>137,306</u>	<u>132,512</u>	<u>130,719</u>	<u>126,712</u>	<u>122,774</u>	<u>120,466</u>
4,124	3,596	4,186	3,987	3,749	3,551	3,428
9,578	9,451	9,118	8,891	8,822	6,908	6,736
<u>13,702</u>	<u>13,047</u>	<u>13,304</u>	<u>12,878</u>	<u>12,571</u>	<u>10,459</u>	<u>10,164</u>
13,513	15,030	14,439	14,250	13,929	13,579	14,461
9,065	10,081	9,581	9,753	9,403	9,497	9,145
4,256	4,734	5,117	4,513	4,327	3,916	4,418
140	139	165	464	172	375	459
<u>26,974</u>	<u>29,984</u>	<u>29,302</u>	<u>28,980</u>	<u>27,831</u>	<u>27,367</u>	<u>28,483</u>

## WATER UTILITY PLANT (Dollars in Thousands)

Years Ended September 30	2012	2011	2010	2009
<b>Water plant, net</b>				
Production	\$ 129,840	\$ 134,343	\$ 139,082	\$ 144,802
Transmission and distribution	193,735	190,413	183,912	181,163
General	<u>3,751</u>	<u>3,490</u>	<u>3,486</u>	<u>4,181</u>
<b>Total water plant, net</b>	<u>327,326</u>	<u>328,246</u>	<u>326,480</u>	<u>330,146</u>
<b>Common plant, net (1)</b>	<u>24,448</u>	<u>24,470</u>	<u>25,794</u>	<u>24,657</u>
<b>Total plant, net</b>	<u>\$ 351,774</u>	<u>\$ 352,716</u>	<u>\$ 352,274</u>	<u>\$ 354,803</u>

## WATER PHYSICAL STATISTICS

Pipe miles	1,784	1,766	1,763	1,750
Number of public hydrants	9,933	9,828	9,753	9,630
Number of wells	31	31	32	32
Reservoir capacity (MGAL)	28.5	28.5	28.5	28.5
High service pumping capacity (MGAL per day)	273	273	273	274
Raw water capacity (MGAL per day)	177.5	177.5	182.5	182.5
Peak day (MGAL)	94.3	97.4	95.7	103.8
Per capita, gallons pumped per day total system	183	184	179	187
Per capita, gallons consumed per day residential only	83	83	81	83

## WATER PRODUCTION (KGAL)

<b>Water treated for sale</b>				
Treated	28,004,849	28,393,238	27,681,382	28,980,391
Used by water department (2)	<u>5,856</u>	<u>5,840</u>	<u>5,840</u>	<u>5,840</u>
<b>Total water treated for sale</b>	<u>27,998,993</u>	<u>28,387,398</u>	<u>27,675,542</u>	<u>28,974,551</u>
<b>Sales</b>				
Retail customers	24,946,151	25,185,446	24,574,646	25,257,125
Inter-department use	318,305	341,103	256,286	225,955
Wholesale customers	<u>37,718</u>	<u>34,853</u>	<u>33,895</u>	<u>184,282</u>
<b>Total sales</b>	<u>25,302,174</u>	<u>25,561,402</u>	<u>24,864,827</u>	<u>25,667,362</u>
Unbilled	<u>2,696,819</u>	<u>2,825,996</u>	<u>2,810,715</u>	<u>3,307,189</u>
Unbilled as a percentage of water treated for sale	9.63%	9.96%	10.16%	11.41%

(1) Common plant, net includes shared assets including administrative buildings and information technology infrastructure. As a result of an eminent domain action taken by the Florida Department of Transportation for the expansion of the I-4/S.R. 408 interchange, OUC relocated its' Administrative offices. In 2009, the new Administration building was completed and placed into service and in 2012 the former Administration building was sold.

(2) In 2008, the Water production division revised calculation to exclude water that was tested but still sold to end consumers. In 2009, the testing process was further refined as gauges, which measure the amount of water tested, were installed. The standards established in 2009 were maintained for all future periods.

2008	2007	2006	2005	2004	2003	2002
\$ 158,635	\$ 162,259	\$ 156,382	\$ 162,574	\$ 161,540	\$ 149,860	\$ 154,158
177,709	170,969	158,109	151,389	149,360	139,517	133,356
113	685	5,626	3,695	6,961	5,084	4,994
<u>336,457</u>	<u>333,913</u>	<u>320,117</u>	<u>317,658</u>	<u>317,861</u>	<u>294,461</u>	<u>292,508</u>
14,159	15,443	12,368	14,376	15,865	16,183	16,318
<u>\$ 350,616</u>	<u>\$ 349,356</u>	<u>\$ 332,485</u>	<u>\$ 332,034</u>	<u>\$ 333,726</u>	<u>\$ 310,644</u>	<u>\$ 308,826</u>
1,755	1,729	1,714	1,695	1,679	1,644	1,616
9,578	9,451	9,118	7,235	7,154	6,908	6,736
34	34	34	34	34	34	33
28.5	28.5	28.5	28.5	28.5	28.5	30.5
274	274	274	274	271	262	262
184.0	184.0	184.0	184.0	182.0	182.0	182.0
111.2	111.4	114.6	108.3	118.0	107.5	109.7
203	216	216	211	208	210	216
88	98	95	94	95	94	104
31,047,104	32,950,881	32,739,861	31,784,278	30,656,166	30,290,165	30,920,794
29,040	72,995	73,000	27,290	19,919	20,471	21,481
<u>31,018,064</u>	<u>32,877,886</u>	<u>32,666,861</u>	<u>31,756,988</u>	<u>30,636,247</u>	<u>30,269,694</u>	<u>30,899,313</u>
26,599,439	29,768,879	28,933,432	28,309,265	27,466,944	26,792,398	27,815,255
234,186	76,107	203,177	206,787	191,545	199,009	209,182
140,145	139,441	165,176	464,299	172,320	375,302	458,774
<u>26,973,770</u>	<u>29,984,427</u>	<u>29,301,785</u>	<u>28,980,351</u>	<u>27,830,809</u>	<u>27,366,709</u>	<u>28,483,211</u>
<u>4,044,294</u>	<u>2,893,459</u>	<u>3,365,076</u>	<u>2,776,637</u>	<u>2,805,438</u>	<u>2,902,985</u>	<u>2,416,102</u>
13.04%	8.80%	10.30%	8.74%	9.16%	9.59%	7.82%



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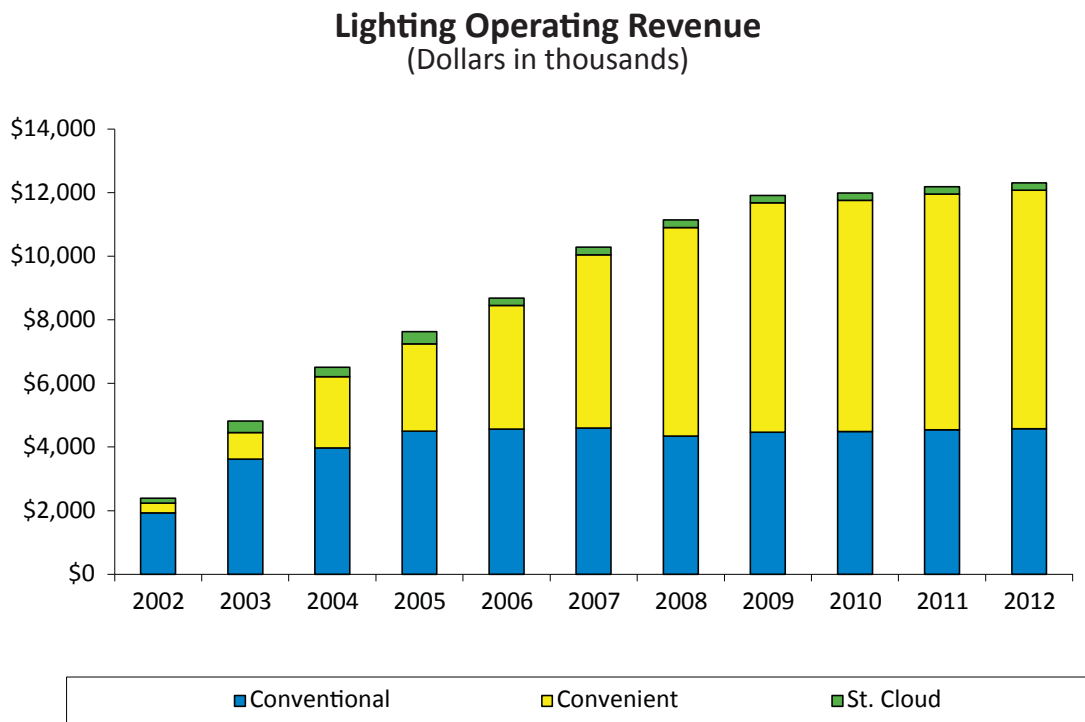


# LIGHTING OPERATIONS

We're teaming up with commercial customers and community leaders to light the way for economic growth in Central Florida, like the Medical City at Lake Nona.



# LIGHTING BUSINESS OPERATIONS



Prior to 2002, OUC's Conventional lighting was an integrated part of the Electric business operations. With the introduction of the Convenient lighting program, the Lighting business segment was reported separately.

## LIGHTING REVENUES, EXPENSES AND CHANGES IN NET ASSETS (Dollars in thousands)

Years Ended September 30	2012	2011	2010	2009
<b>Operating revenues</b>				
Conventional	\$ 4,574	\$ 4,544	\$ 4,489	\$ 4,469
Convenient	7,498	7,411	7,264	7,209
St. Cloud	234	232	234	234
Service fees and other	143	129	168	124
<b>Total operating revenues</b>	<u>12,449</u>	<u>12,316</u>	<u>12,155</u>	<u>12,036</u>
<b>Operations and maintenance expenses</b>				
Conventional	2,150	2,144	2,350	2,425
Convenient	1,008	887	1,000	1,131
St. Cloud	114	130	144	132
Storm recovery costs (1)	-	-	-	-
General and administrative	476	520	586	541
<b>Total operations and maintenance expenses</b>	<u>3,748</u>	<u>3,681</u>	<u>4,080</u>	<u>4,229</u>
<b>Other expenses</b>				
Utility/property tax	1	2	3	2
Revenue based payments to Orange County	23	23	-	-
Depreciation and amortization	3,283	3,490	3,408	3,261
<b>Total other expenses</b>	<u>3,307</u>	<u>3,515</u>	<u>3,411</u>	<u>3,263</u>
<b>Total operating expenses</b>	<u>7,055</u>	<u>7,196</u>	<u>7,491</u>	<u>7,492</u>
<b>Operating income/(loss)</b>	5,394	5,120	4,664	4,544
<b>Non-operating income and expense</b>				
Interest income	138	102	168	180
Other income, net	127	213	184	78
Bond interest and other related expenses	(1,711)	( 1,996)	(2,224)	(2,084)
<b>Total non-operating expenses, net</b>	<u>(1,446)</u>	<u>(1,681)</u>	<u>(1,872)</u>	<u>(1,826)</u>
<b>Lighting income / (loss) before contributions</b>	3,948	3,439	2,792	2,718
<b>Contributions in aid of construction (CIAC)</b>	648	457	565	373
<b>Annual dividend</b>	<u>(2,561)</u>	<u>(2,116)</u>	<u>(1,828)</u>	<u>(1,720)</u>
<b>Increase in net assets</b>	<u>\$ 2,035</u>	<u>\$ 1,780</u>	<u>\$ 1,529</u>	<u>\$ 1,371</u>

(1) In August and September 2004, the Central Florida area was impacted by hurricanes Charley, Frances and Jeanne. As a result of these storms, OUC recorded \$0.2 million of storm recovery expenses in Lighting. This amount represents ineligible costs and 5% of total eligible costs not subject to grant reimbursement.

2008	2007	2006	2005	2004	2003	2002
\$ 4,350	\$ 4,599	\$ 4,564	\$ 4,498	\$ 3,972	\$ 3,617	\$ 1,925
6,554	5,448	3,891	2,751	2,241	840	311
236	244	233	378	298	358	157
143	146	197	69	140	-	-
<u>11,283</u>	<u>10,437</u>	<u>8,885</u>	<u>7,696</u>	<u>6,651</u>	<u>4,815</u>	<u>2,393</u>
2,457	1,944	1,788	1,913	1,457	1,241	1,431
1,259	868	874	535	418	179	14
137	97	109	121	79	109	115
-	-	-	-	176	-	-
528	455	511	471	484	431	406
<u>4,381</u>	<u>3,364</u>	<u>3,282</u>	<u>3,040</u>	<u>2,614</u>	<u>1,960</u>	<u>1,966</u>
2	2	2	2	3	4	6
-	-	-	-	-	-	-
<u>2,815</u>	<u>3,266</u>	<u>2,579</u>	<u>2,327</u>	<u>2,174</u>	<u>1,744</u>	<u>1,432</u>
<u>2,817</u>	<u>3,268</u>	<u>2,581</u>	<u>2,329</u>	<u>2,177</u>	<u>1,748</u>	<u>1,438</u>
<u>7,198</u>	<u>6,632</u>	<u>5,863</u>	<u>5,369</u>	<u>4,791</u>	<u>3,708</u>	<u>3,404</u>
4,085	3,805	3,022	2,327	1,860	1,107	(1,011)
453	620	201	84	6	(180)	81
28	30	29	31	30	30	12
<u>(2,038)</u>	<u>(1,925)</u>	<u>(1,365)</u>	<u>(1,100)</u>	<u>(1,059)</u>	<u>(708)</u>	<u>(754)</u>
<u>(1,557)</u>	<u>(1,275)</u>	<u>(1,135)</u>	<u>(985)</u>	<u>(1,023)</u>	<u>(858)</u>	<u>(661)</u>
2,528	2,530	1,887	1,342	837	249	(1,672)
106	316	499	43	545	185	1,390
<u>(1,455)</u>	<u>(1,360)</u>	<u>(1,460)</u>	<u>(804)</u>	<u>(503)</u>	<u>(149)</u>	<u>1,003</u>
<u>\$ 1,179</u>	<u>\$ 1,486</u>	<u>\$ 926</u>	<u>\$ 581</u>	<u>\$ 879</u>	<u>\$ 285</u>	<u>\$ 721</u>

## SELECTED FINANCIAL RATIOS

Years Ended September 30	2012	2011	2010	2009
<b>Lighting operating ratio</b>				
Lighting operation & maintenance expenses/ operating revenues (1)	\$ 0.30	\$ 0.30	\$ 0.34	\$ 0.35
<b>Lighting income/(loss) before contributions per revenue dollar</b>				
Lighting income/(loss) before contributions/ operating revenues (1)	\$ 0.32	\$ 0.28	\$ 0.23	\$ 0.23
<b>LIGHTING UTILITY PLANT (Dollars in thousands)</b>				
<b>Lighting plant, net</b>				
Conventional	\$ 8,891	\$ 8,871	\$ 9,117	\$ 8,658
Convenient	34,236	35,937	35,867	36,142
<b>Total lighting plant, net</b>	43,127	44,808	44,984	44,800
St. Cloud	718	754	773	814
<b>Total plant, net</b>	<u>\$ 43,845</u>	<u>\$ 45,562</u>	<u>\$ 45,757</u>	<u>\$ 45,614</u>

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(1) In 2012, the fluctuation in the ratio was primarily driven by lower operating expenses. Storm recovery expenses related to hurricanes Charley, Frances, and Jeanne were excluded from these computations.

2008	2007	2006	2005	2004	2003	2002
\$ 0.39	\$ 0.32	\$ 0.37	\$ 0.39	\$ 0.37	\$ 0.41	\$ 0.82
\$ 0.22	\$ 0.24	\$ 0.21	\$ 0.17	\$ 0.15	\$ 0.05	\$ (0.70)
\$ 8,442 36,282 <u>44,724</u> 756 <u>\$ 45,480</u>	\$ 8,237 30,080 <u>38,317</u> 793 <u>\$ 39,110</u>	\$ 9,125 22,894 <u>32,019</u> 762 <u>\$ 32,781</u>	\$ 9,933 15,931 <u>25,864</u> 636 <u>\$ 26,500</u>	\$ 10,815 12,441 <u>23,256</u> 436 <u>\$ 23,692</u>	\$ 11,313 10,225 <u>21,538</u> 396 <u>\$ 21,934</u>	\$ 11,463 3,046 <u>14,509</u> 308 <u>\$ 14,817</u>



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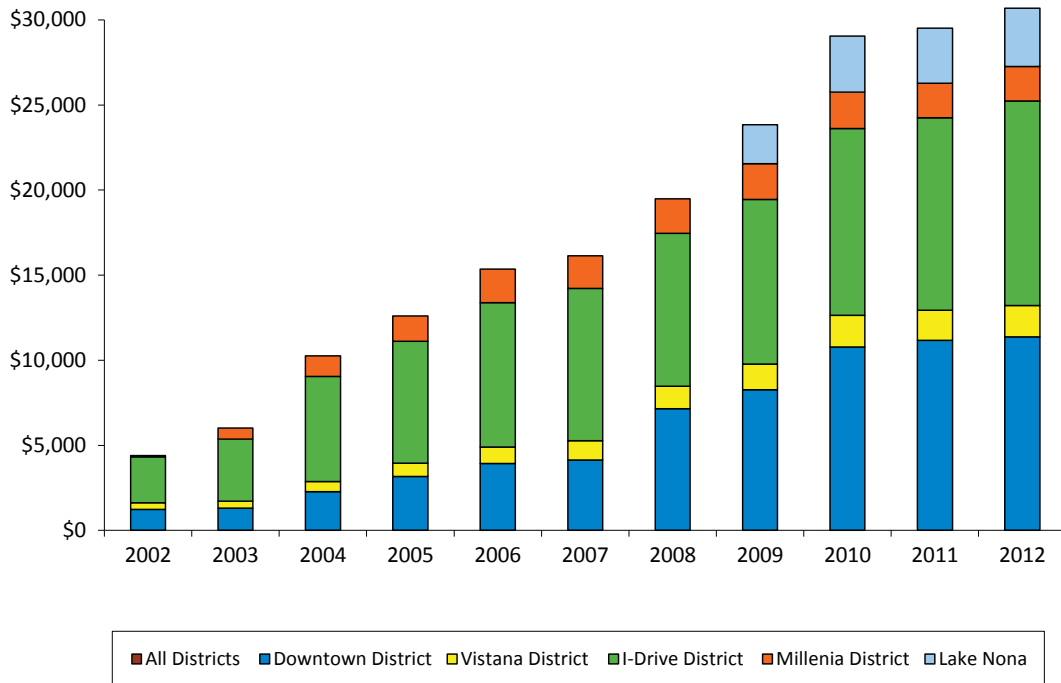


# CHILLED WATER

We're partnering with community organizations, like the Dr. Phillips Center for the Performing Arts under construction in Downtown Orlando, to deliver a cooler and more sustainable future.

# CHILLED WATER BUSINESS OPERATIONS

**Chilled Water Operating Revenue**  
(Dollars in thousands)



OUC began providing chilled water services in 1999. As of 2012, five Chilled water loops were operational with a total capacity of 47,950 tons.



## CHILLED WATER REVENUES, EXPENSES AND CHANGES IN NET ASSETS (Dollars in thousands)

Years Ended September 30	2012	2011	2010	2009
<b>Operating revenues</b>				
Downtown Plant	\$ 11,371	\$ 11,163	\$ 10,773	\$ 8,272
Vistana plant	1,848	1,768	1,870	1,510
International Drive plant	12,023	11,314	10,980	9,659
Millenia plant	2,016	2,032	2,133	2,114
Lake Nona Plant	3,431	3,243	3,282	2,286
Service fees and other	<u>186</u>	<u>255</u>	<u>248</u>	<u>380</u>
<b>Total operating revenues</b>	<u>30,875</u>	<u>29,775</u>	<u>29,286</u>	<u>24,221</u>
<b>Operations and maintenance expenses</b>				
Downtown plant	4,384	3,884	4,032	3,683
Vistana plant	901	1,173	835	785
International Drive plant	7,276	7,062	6,954	6,334
Millenia plant	1,232	1,214	1,291	1,214
Lake Nona plant	1,372	1,496	1,377	999
Storm recovery costs (1)	-	-	-	-
Customer service	142	140	126	117
General & administrative	<u>715</u>	<u>1,037</u>	<u>1,274</u>	<u>680</u>
<b>Total operations and maintenance expenses</b>	<u>16,022</u>	<u>16,006</u>	<u>15,889</u>	<u>13,812</u>
<b>Other expenses</b>				
Utility/property tax	2	2	3	4
Revenue based payments to the City of Orlando	668	699	665	451
Revenue based payments to Orange County	127	80	-	-
Depreciation and amortization	<u>4,891</u>	<u>5,015</u>	<u>5,290</u>	<u>3,957</u>
<b>Total other expenses</b>	<u>5,688</u>	<u>5,796</u>	<u>5,958</u>	<u>4,412</u>
<b>Total operating expenses</b>	<u>21,710</u>	<u>21,802</u>	<u>21,847</u>	<u>18,224</u>
<b>Operating income</b>	9,165	7,973	7,439	5,997
<b>Non-operating income and expense</b>				
Interest income	129	82	179	139
Other income / (loss), net	135	223	179	73
Bond interest and other related expenses	<u>(5,050)</u>	<u>(5,484)</u>	<u>(5,606)</u>	<u>(5,064)</u>
<b>Total non-operating expenses, net</b>	<u>(4,786)</u>	<u>(5,179)</u>	<u>(5,248)</u>	<u>(4,852)</u>
<b>Chilled water income / (loss) before contributions</b>	4,379	2,794	2,191	1,145
<b>Contributions in aid of construction (CIAC)(2)</b>	-	8	7	4
<b>Annual dividend</b>	<u>(2,841)</u>	<u>(1,719)</u>	<u>(1,435)</u>	<u>(724)</u>
<b>Increase/(decrease) in net assets</b>	<u>\$ 1,538</u>	<u>\$ 1,083</u>	<u>\$ 763</u>	<u>\$ 425</u>

(1) In August and September 2004, the Central Florida area was impacted by hurricanes Charley, Frances and Jeanne.

(2) In 2008, in conjunction with the Florida Department of Transportation (FDOT) I-4/408 Interchange Improvement Project, OUC relocated the Chilled water pipelines and received contributions of \$1.1 million from the FDOT.

2008	2007	2006	2005	2004	2003	2002
\$ 7,148	\$ 4,142	\$ 3,926	\$ 3,162	\$ 2,268	\$ 1,299	\$ 1,227
1,323	1,128	964	781	602	418	403
8,992	8,945	8,496	7,159	6,176	3,649	2,692
2,016	1,920	1,961	1,489	1,205	649	81
-	-	-	-	-	-	-
260	508	243	147	92	-	-
<u>19,739</u>	<u>16,643</u>	<u>15,590</u>	<u>12,738</u>	<u>10,343</u>	<u>6,015</u>	<u>4,403</u>
3,227	2,767	2,407	1,706	1,063	300	374
688	590	441	320	214	125	93
6,057	5,977	5,847	5,107	3,743	2,243	1,618
1,095	1,094	1,031	936	710	450	94
-	-	-	-	-	-	-
-	-	-	-	62	-	-
117	120	109	84	80	72	67
662	607	542	506	482	416	392
<u>11,846</u>	<u>11,155</u>	<u>10,377</u>	<u>8,659</u>	<u>6,354</u>	<u>3,606</u>	<u>2,638</u>
4	6	3	2	4	2	2
376	231	231	186	152	131	61
-	-	-	-	-	-	-
<u>3,117</u>	<u>3,066</u>	<u>2,901</u>	<u>2,648</u>	<u>1,849</u>	<u>1,203</u>	<u>1,000</u>
<u>3,497</u>	<u>3,303</u>	<u>3,135</u>	<u>2,836</u>	<u>2,005</u>	<u>1,336</u>	<u>1,063</u>
<u>15,343</u>	<u>14,458</u>	<u>13,512</u>	<u>11,495</u>	<u>8,359</u>	<u>4,942</u>	<u>3,701</u>
4,396	2,185	2,078	1,243	1,984	1,073	702
102	86	299	31	(8)	65	38
26	35	31	28	34	(2)	(12)
<u>(4,730)</u>	<u>(3,787)</u>	<u>(3,880)</u>	<u>(3,579)</u>	<u>(3,596)</u>	<u>(598)</u>	<u>(843)</u>
<u>(4,602)</u>	<u>(3,666)</u>	<u>(3,550)</u>	<u>(3,520)</u>	<u>(3,570)</u>	<u>(535)</u>	<u>(817)</u>
(206)	(1,481)	(1,472)	(2,277)	(1,586)	538	(115)
1,078	-	-	-	-	-	-
119	796	1,140	1,366	952	(269)	57
<u>\$ 991</u>	<u>\$ (685)</u>	<u>\$ (332)</u>	<u>\$ (911)</u>	<u>\$ (634)</u>	<u>\$ 269</u>	<u>\$ (58)</u>

## SELECTED FINANCIAL RATIOS

Years Ended September 30	2012	2011	2010	2009
<b>Chilled water operating ratio</b>				
Chilled water operation & maintenance expenses/ operating revenues (2)	\$ 0.52	\$ 0.54	\$ 0.54	\$ 0.57
<b>Chilled water (loss)/income before contributions per revenue dollar</b>				
Chilled water (loss)/income before contributions/ operating revenues (2)(5)	\$ 0.14	\$ 0.09	\$ 0.07	\$ 0.05
<b>Revenue per TON-hour produced (3)</b>	\$ 0.2420	\$ 0.2349	\$ 0.2511	\$ 0.2344

## CHILLED WATER UTILITY PLANT (Dollars in thousands)

<b>Chilled water plant, net</b>				
Downtown plant	\$ 38,684	\$ 37,842	\$ 38,351	\$ 29,842
Vistana plant	4,089	4,323	4,557	4,791
International Drive plant	26,541	27,340	28,018	25,174
Millenia plant	2,709	2,929	3,133	3,353
Lake Nona plant	12,273	12,821	13,369	13,920
<b>Total chilled water plant, net</b>	<u>84,296</u>	<u>85,255</u>	<u>87,428</u>	<u>77,080</u>
TCS capital contributions (1)	-	-	-	-
<b>Total plant, net</b>	<u>\$ 84,296</u>	<u>\$ 85,255</u>	<u>\$ 87,428</u>	<u>\$ 77,080</u>

## CHILLED WATER STATISTICS (3)

<b>Pipe miles</b>				
Downtown plant	7.65	7.65	7.65	7.65
Vistana plant	2.44	2.44	2.44	2.44
International Drive plant	3.79	3.79	3.79	3.79
Millenia plant	0.26	0.26	0.26	0.26
Lake Nona plant	1.62	1.62	1.62	1.62
<b>Total pipe miles</b>	<u>15.76</u>	<u>15.76</u>	<u>15.76</u>	<u>15.76</u>
<b>Generation capacity, TON</b>				
Downtown plant	14,250	14,250	14,250	11,250
Vistana plant	2,400	2,400	2,400	2,400
International Drive plant	21,200	21,200	21,200	21,200
Millenia plant	4,800	4,800	4,800	4,800
Lake Nona plant	5,300	5,300	5,300	5,300
<b>Total generation capacity, TON</b>	<u>47,950</u>	<u>47,950</u>	<u>47,950</u>	<u>44,950</u>

## TON-HOURS PRODUCED (in thousands) (3)

Downtown plant	36,673	37,970	33,473	29,486
Vistana plant	5,109	5,354	5,431	4,504
International Drive plant (4)	63,520	61,432	56,030	51,278
Millenia plant	8,970	8,834	8,991	9,093
Lake Nona plant	12,523	12,082	11,697	7,371
<b>Total TON-hours produced</b>	<u>126,795</u>	<u>125,672</u>	<u>115,622</u>	<u>101,732</u>

## ACTIVE SERVICES (3)

Residential	2,365	2,365	2,365	2,365
Commercial	201	195	194	198
<b>Total metered services (5)</b>	<u>2,566</u>	<u>2,560</u>	<u>2,559</u>	<u>2,563</u>

(1) In March 2004, OUC's governing board authorized the dissolution of the OUC agreement with Trigen Cinergy Solutions (TCS) and as such, acquired TCS' 51% rights in the Chilled water operations. In prior years, TCS's contributions were netted against utility plant to reflect their entitlement share.

(2) In 2004, storm recovery expenses related to hurricanes Charley, Frances and Jeanne are excluded from these computations.

(3) Prior to 2006, data was not available for these statistics.

2008	2007	2006	2005	2004 (1)	2003	2002
\$ 0.60	\$ 0.67	\$ 0.67	\$ 0.68	\$ 0.61	\$ 0.60	\$ 0.60
\$ (0.01)	\$ (0.09)	\$ (0.09)	\$ (0.18)	\$ (0.15)	\$ 0.09	\$ (0.03)
\$ 0.1985	\$ 0.1753	\$ 0.1759	\$ -	\$ -	\$ -	\$ -
\$ 30,394	\$ 26,097	\$ 26,106	\$ 22,137	\$ 10,082	\$ 10,006	\$ 10,310
4,423	4,642	4,444	2,384	2,479	2,578	2,746
26,288	23,371	24,404	24,623	25,398	26,301	19,834
3,572	3,792	4,053	4,285	4,446	4,652	4,334
5	-	-	-	-	-	-
<u>64,682</u>	<u>57,902</u>	<u>59,007</u>	<u>53,429</u>	<u>42,405</u>	<u>43,537</u>	<u>37,224</u>
-	-	-	-	-	(18,138)	(16,981)
<u>\$ 64,682</u>	<u>\$ 57,902</u>	<u>\$ 59,007</u>	<u>\$ 53,429</u>	<u>\$ 42,405</u>	<u>\$ 25,399</u>	<u>\$ 20,243</u>
7.30	7.10	7.10	-	-	-	-
2.44	1.24	1.24	-	-	-	-
3.32	3.32	3.32	-	-	-	-
0.26	0.26	0.26	-	-	-	-
1.51	-	-	-	-	-	-
<u>14.83</u>	<u>11.92</u>	<u>11.92</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
11,250	9,850	9,850	-	-	-	-
2,400	2,400	2,400	-	-	-	-
21,200	21,200	20,900	-	-	-	-
4,800	4,800	4,800	-	-	-	-
-	-	-	-	-	-	-
<u>39,650</u>	<u>38,250</u>	<u>37,950</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
27,561	21,804	18,954	-	-	-	-
4,063	3,857	4,512	-	-	-	-
57,262	57,780	50,422	-	-	-	-
9,253	8,603	13,375	-	-	-	-
-	-	-	-	-	-	-
<u>98,139</u>	<u>92,044</u>	<u>87,263</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1,724	708	627	-	-	-	-
231	171	174	-	-	-	-
<u>1,955</u>	<u>879</u>	<u>801</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

(4) The increase in the I-Drive usage was primarily driven by the number of events that were scheduled in the Orange County Convention Center (OCCC) in 2011 and 2012 compared to prior years.

(5) In 2008, the number of residential customers increased as a result of growth in the downtown area. In 2009, the number of commercial services decreased as a result of the economic downturn. Income before contribution was higher in 2012 in part due to increased consumption in the International Drive.



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# STATISTICAL INFORMATION

We're improving our website and online services to give customers convenient access to the information they need when they need it to manage their accounts and save energy, water and money.

## NUMBER OF EMPLOYEES

Year	Electric operations	Lighting operations	Chilled water operations	Water operations	Budgeted total	Actual total	Retail customers to employees
2012	938	11	18	254	1,221	1,090	334
2011	917	11	16	255	1,199	1,179	304
2010	882	11	16	248	1,157	1,127	317
2009	937	13	18	259	1,227	1,116	316
2008	886	12	19	253	1,170	1,154	307
2007	858	12	17	242	1,129	1,097	323
2006	848	12	16	242	1,118	1,062	322
2005	847	13	16	242	1,118	1,070	312
2004	840	16	16	240	1,112	1,073	299
2003	839	16	14	239	1,108	1,024	305
2002	838	15	14	237	1,104	1,025	298

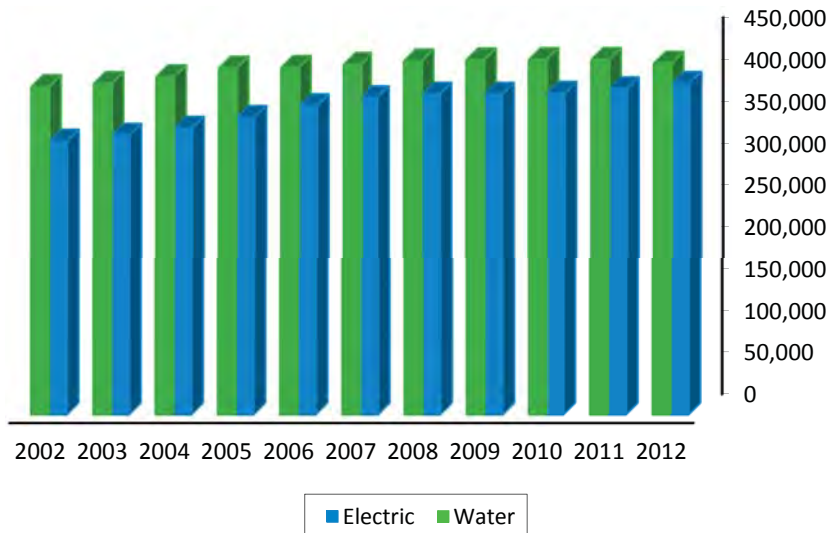
The customer service and administration employees were proportionately allocated to each of the operating segments.

The calculation of Retail customers to employees includes total electric and water metered services/Actual total number of employees.

Actual total employees were lower than Budgeted total employees due to vacant positions in Electric operations and administration.

## SERVICE AREA POPULATION

Year	Electric	Water
2012	395,500	419,353
2011	389,000	423,900
2010	383,700	423,900
2009	382,500	423,500
2008	382,600	422,200
2007	378,400	418,200
2006	369,000	414,500
2005	355,000	413,680
2004	342,200	403,470
2003	333,870	395,420
2002	326,910	391,730



## CLIMATOLOGICAL DATA

### Average Annual Rainfall and Temperature Orlando Metro Area Fiscal Year Ended September 30

Fiscal Year	Rain (Inches)		Temperature (°F)	
	Annual Total	Above (Below) Normal	Annual Average	Above (Below) Normal *
2012	44.28	(6.45)	73.6	0.8
2011	49.36	0.05	72.8	-
2010	50.27	0.96	72.0	(0.8)
2009	45.70	(3.61)	72.3	(0.5)
2008	61.22	12.04	73.6	0.8
2007	33.66	(15.52)	73.0	0.2
2006	39.68	(8.67)	73.0	0.2
2005	64.20	15.85	72.8	-
2004	52.28	3.93	72.5	(0.3)
2003	64.56	16.21	72.6	(0.2)
2002	56.60	8.49	72.7	(0.1)

\* Normal was based on the average annual temperature as published by the National Weather Service.

### Monthly Rainfall and Temperature Orlando Metro Area Fiscal Year Ended September 30, 2012

Month*	Rain (Inches)		Temperature (°F)	
	Total	Above (Below) Normal	Average Daily	Above (Below) Normal
September	5.85	(0.21)	81.3	0.23
October	8.87	5.56	72.2	(3.34)
November	0.13	(2.04)	68.6	0.12
December	0.80	(1.78)	65.8	3.22
January	0.13	(2.22)	60.2	(0.04)
February	3.14	0.76	67.0	4.00
March	0.81	(2.96)	71.7	4.81
April	1.69	(0.99)	72.9	1.65
May	3.62	0.17	78.5	1.15
June	9.64	2.06	79.7	(1.67)
July	3.27	(4.00)	83.0	0.32
August	6.33	(0.80)	82.5	(0.33)
Total	44.28	(6.45)	-	-
Month Average	3.69	(0.54)	73.6	0.8

\* Data for the year lags one month behind because the relevant weather occurs approximately one month prior to the billing period.

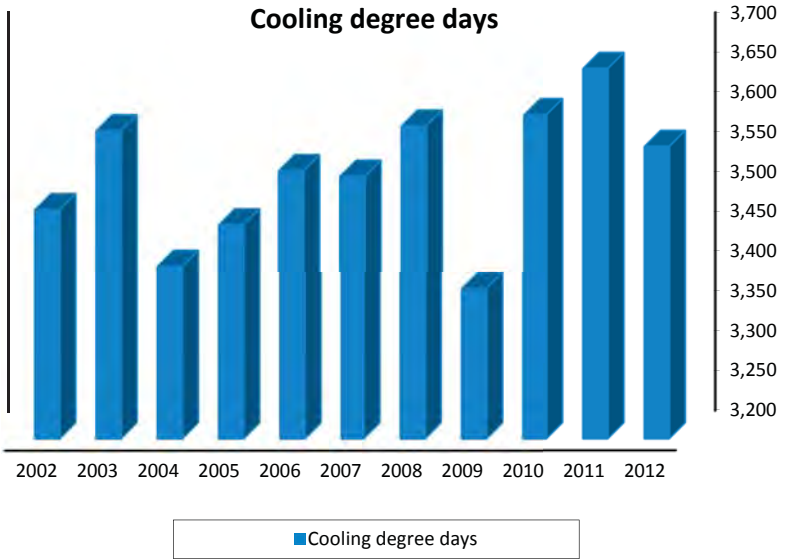
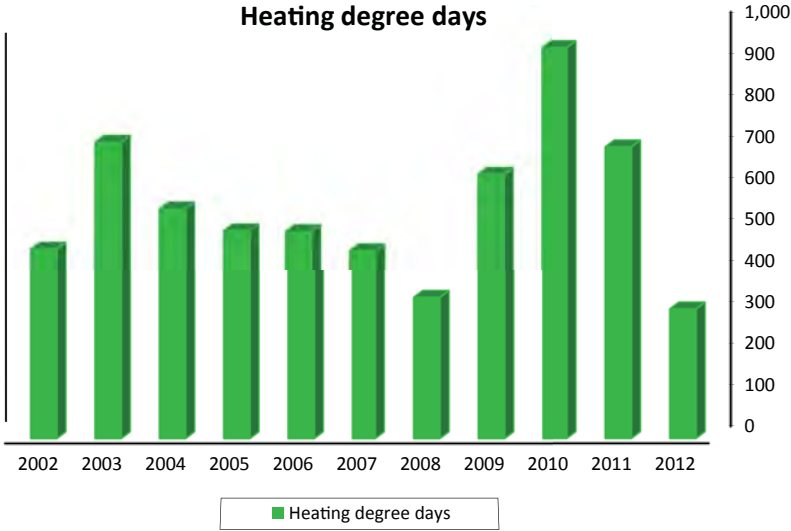


# CLIMATOLOGY DATA

## Orlando Metro Area Fiscal Year Ended September 30

Year	Heating Degree Days	Cooling Degree Days
2012	313	3,566
2011	703	3,664
2010	942	3,606
2009	637	3,387
2008	338	3,592
2007	453	3,529
2006	499	3,536
2005	501	3,468
2004	554	3,416
2003	714	3,586
2002	457	3,487

Source: US Department of Commerce, National Weather Service



## INSURANCE COVERAGES

### September 30, 2012

Carrier	Type of coverage	Limits	Period
Self insured	General liability	\$2.0 million per occurrence retention	Continuous
Self insured	Automobile liability	\$2.0 million per occurrence retention	Continuous
Self insured	Worker's compensation	\$0.5 million per occurrence retention	Continuous
Starr	Excess worker's compensation	\$25.0 million statutory limit of liability above a \$500 thousand per occurrence retention	10-01-11 to 10-01-12
AEGIS	Excess automobile and general liability	\$35.0 million above the \$2.0 million retention for the general liability and automobile liability	10-01-11 to 10-01-12
Energy Insurance Mutual	Excess automobile and general liability	\$15.0 million above the \$35.0 million limit for excess automobile and general liability with AEGIS	10-01-11 to 10-01-12
Factory Mutual	All risk property/boiler and machinery	\$2.7 billion insurable values \$0.25 million base retentions, various retentions depending on machinery	10-01-11 to 10-01-12
AEGIS	Directors & officers / public officials liability	\$10.0 million	10-01-11 to 10-01-12
CHUBB	Fiduciary Liability	\$10.0 million	10-01-11 to 10-01-12
Great American Insurance	Dishonesty, disappearance & destruction (Crime)	\$10.0 million	11-01-11 to 10-01-12
Self insured	Health and medical benefits individual stop-loss	Amounts in excess of \$0.25 million per insured per year net of applicable deductible	Continuous
Aetna	Health and medical benefits aggregate stop-loss	Amounts in excess of 125% of expected annual claims with a maximum policy payment limit of \$2.0 million	Continuous

**op·ti·mize** transitive

verb \ˈäp-tə-,mīz\

**op·ti·mized** **op·ti·miz·in**

: to make as perfect,

effective, or functional

as possible

— **op·ti·miz·er** noun

Examples of optimize

## GLOSSARY OF TERMS

## GLOSSARY OF TERMS

**Active Services:** Services are provided to residential and commercial customers by OUC through service agreements. The service agreement is deemed active only if the service is current and not interrupted by suspension and/or closure.

**Amortize:** To reduce an original amount or an account balance systematically over a period of time.

**Average Length of Service Interruption in Minutes (L-Bar):** Measures the average length of time of a single service interruption.

**Average Service Availability Index (ASAI):** This index is the ratio of the total number of hours that service was available to the total customer hours demanded.

**Build America Bonds ("BABs"):** Taxable municipal bonds created under the American Recovery and Reinvestment Act of 2009 that carry special federal subsidies for either the bondholder or the bond issuer.

**Capacity Factor (CF):** A measure of the performance of a power source over time as a percentage of its full power potential.

**Cash and Cash Equivalents:** The value of assets that can be converted into cash immediately. Usually includes bank accounts and marketable securities, such as government bonds. Cash equivalents on the Balance Sheets include securities with an original maturity of 90 days or less.

**Circuit-Mile:** The total length in miles of separate circuits regardless of the number of conductors used per circuit.

**Combined Cycle (CC):** Characteristic of a power producing engine or plant that employs more than one thermodynamic cycle.

**Combustion Turbine (CT):** Turbine that converts the chemical energy of a liquid fuel into mechanical energy by internal combustion; gaseous products of the fuel, which are burned in compressed air, are expanded through a turbine.

**Contribution in Aid of Construction (CIAC):** Any amount of money or other property contributed to a regulated public utility to the extent that the purpose of the contribution is to provide for the expansion, improvement, or replacement of the utility's facilities.

**Cooling-Degree Day:** The measure of how high the average daily temperature is relative to a reference temperature of 72.8 degrees Fahrenheit. For example, if the average temperature for the day is 78 degrees, then the cooling-degree days are equal to 5.2.

**Cost of Living Adjustment (COLA):** An annual adjustment in wages to offset a change in purchasing power, as measured by the Consumer Price Index.

**Customer Average Interruption Duration Index (CAIDI):** The average repair time that any given customer may experience.

**Debt Service Coverage Ratio:** A ratio of cash available for debt service to interest, principal and lease payments, excluding payments to the City of Orlando.

**Debt Service Requirement:** Amount required to service all debts during a period, usually one year.

**Decommissioning:** The process related to permanently taking a nuclear plant out of service, including decontaminating and removing buildings or other structures.

**Defeasance:** A provision that legally discharges a borrower for debt incurred when the borrower sets aside cash or bonds sufficient to service the outstanding debt.

**Depreciation:** Amount allocated during the period to expense the cost of acquiring a capital asset over the useful life of the asset.

**Derivative:** A security for which price is dependent upon or derived from one or more underlying assets. The derivative itself is merely a contract between two or more parties. Examples of derivatives include futures and options.

**Equivalent Availability Factor (EAF):** The amount of time a generation plant is able to produce electricity over a certain period, divided by the amount of the time in the period.

**Equivalent Forced Outage Rate (EFOR):** A measure of reliability during the time the generation plant was actually required to generate.

**Federal Emergency Management Agency (FEMA):** An agency of the United States Department of Homeland Security with a primary purpose of coordinating the response to a disaster that has occurred in the United States and that overwhelms the resources of local and state authorities.

**Federal Energy Regulatory Commission ("FERC"):** Independent federal agency created within the U.S. Department of Energy. FERC is vested with broad regulatory authority over wholesale electric, natural gas and oil production, and the licensing of hydroelectric facilities.

**Fossil Steam (FS):** The steam created from burning fossil fuel such as coal.

**General and Administrative Expenses (G&A):** The expenses of operating a business that are not directly linked to the company's products or services. They include salaries, rent and payments to utilities generally known as overhead.

**Governmental Accounting Standards Board ("GASB"):** The authoritative standard-setting body that establishes accounting and financial reporting principles for governmental entities in the United States.

**Heating-Degree Day:** The measure of how low the average daily temperature is relative to a reference temperature of 65 degrees Fahrenheit. For example, if the average temperature for the day is 60 degrees, then the heating-degree days are equal to 5.

**Hedging:** The process of buying and selling fuel oil; natural gas; and electric energy futures, options or similar contracts to protect against loss due to price fluctuations.

**Interlocal Sales:** Agreement between OUC and the City of St. Cloud (STC) to provide retail electric service to all STC customers.

**Kilowatt (“kW”):** A measure of electric power. A kilowatt equals 1,000 watts. It produces enough energy to light up ten 100-watt light bulbs.

**Kilowatt-hour (“kWh”):** A measure of electric power consumption. A kilowatt-hour equals 1,000 watts of energy flowing for a one hour period.

**MMBtu:** 1,000,000 British Thermal Units (“BTU”). A BTU is the standard unit for measuring the quantity of heat energy, such as the heat content of fuel. It is the amount of heat energy necessary to raise the temperature of one pound of water one degree Fahrenheit at sea level pressure.

**Megawatt (“MW”):** A measure of electric power. A megawatt equals 1,000 kilowatts or 1,000,000 watts.

**Megawatt-hour (“MWh”):** A measure of electric power consumption. A megawatt-hour equals one megawatt of power flowing for one hour.

**Metropolitan Statistical Area (MSA):** A Core Based Statistical Area having at least one urbanized area of 50,000 or more population, plus adjacent territory that has a high degree of social and economic integration with the core as measured by commuting ties.

**Millions of Gallons (MGAL):** A unit of measurement usually used to measure water in utility plants.

**Other Post-employment Benefits (“OPEB”):** Post-employment benefits other than pension benefits. OPEBs include postemployment healthcare benefits, regardless of the type of plan that provides them, and all post-employment benefits provided separately from a pension plan, excluding benefits defined as termination benefits.

**Peak Demand-Gross (Instantaneous):** The demand at the instant of greatest load, usually determined from the readings of indicating or graphic meters.

**Peak Demand-Net (Net 60-min integrated MW demand):** The greatest rate at which electrical energy has been used during any on-peak period of 15 consecutive minutes in the billing month.

**Peoplesoft Environment Management (PSERM):** The customer billing system used at OUC.

**Refunding:** Retiring an outstanding bond issue after the first call date by using money from the sale of a new offering.

**Statement of Cash Flow:** A statement that shows actual cash inflows and outflows by operating, investing, and financing activities for the reporting period.

**Statement of Net Assets:** A statement of financial position as of a specific date, listing assets, liabilities and fund net assets.

**Statement of Revenues, Expenses and Changes in Net Assets:** A statement that summarizes the revenues, expenses, and net income for the reporting period.

**System Average Interruption Duration Index (SAIDI):** The average outage duration for any given customer.

**System Load factor:** The ratio of the average load in kilowatts supplied during a designated period to the peak or maximum load in kilowatts occurring in that period.

**Utility Plant in-service:** An asset with a life of two or more years and a value of greater than \$1,000.



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