

**MINUTES
ORLANDO UTILITIES COMMISSION
JUNE 17, 2008
2:00 P.M.**

Present:

COMMISSIONERS:

Katie Porta, President

Tommy Boroughs, First Vice President

Maylen Dominguez Arlen, Second Vice President

Dan Kirby, Commissioner

Kenneth P. Ksionek, General Manager & Chief Executive Officer

Jan Aspuru, Clint Bullock, Alvin Frazier, Roseann Harrington, Byron Knibbs,
Doug Spencer, Denise Stalls, Thomas Tart, Robert Teegarden,

Vice Presidents

John Hearn, Vice President & Chief Financial Officer

Gregory T. Rodeghier, Chief Information Officer

W. Christopher Browder, Vice President & General Counsel

Beth Mason, Recording Secretary

President Porta asked Thomas Tart to give the invocation, followed by the Pledge of Allegiance to the Flag. The Commission Meeting was called to order at 2:00 P.M.

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On motion by Commissioner Boroughs, seconded by Commissioner Dominguez Arlen, and unanimously carried, the reading of the minutes of the May 13, 2008 Commission Meeting was waived and the minutes were approved as written.

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Rob Teegarden presented a 25-Year Service Award to Joseph P. Chessa, Director of Water Distribution, Water Business Unit.

Greg Rodeghier presented a 25-Year Service Award to Sasha L. Coleman, Administrative Assistant, Information Technology.

Clint Bullock presented a 20-Year Service Award to Ronald Keith Graham, Conservation Specialist I, Strategic Planning & Renewables.

Byron Knibbs presented 20-Year Service Awards to William Scott Pugh, URD Construction Inspector and Fred Urban, Manager of Substation Engineering, Energy Delivery Business Unit.

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Roseann Harrington reported that OUC participated in a Neighborhood Meeting in District 6 which was hosted by Senator Gary Siplin and City Commissioner Sam Ings.

Doug Spencer recognized Skanska and other contractors involved with the new OUC Administration Building for their involvement and recent donation of \$17,000 to the Coalition for the Homeless. Mr. Spencer recognized Steven Wright, Skanska; Dirk Coleman, Skanska Project Coordinator; Dino Martinez, Tri-City Electric; and John Martin, S.I. Goldman for their community contributions.

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Ken Ksionek noted that Affirmative Items A-2 and A-32 are related to contract disputes with generation fuel suppliers. Jan Aspuru provided additional information regarding Affirmative Item A-2, noting that Century Coal's contract required delivery of one train of coal per month. Century Coal ceased delivering coal after two months stating it could not comply with the long-term contract negotiated in 2007. Although discussions continue with Century Coal, OUC was able to procure the delivery of four trains of coal from another supplier as partial replacement for non-delivery by Century Coal. Chris Browder provided additional information regarding possible future litigation regarding these issues if a compromise is not reached. In addition, Mr. Browder discussed Affirmative Item A-32 related to outside legal counsel required to file motions and provide oral arguments for the TECO Coal litigation. If OUC's Motion to Dismiss is not granted, additional funds may be required. Discussion ensued regarding non-compliance and litigation of these long-term coal contracts.

Mr. Ksionek commented that Affirmative Item A-6 is related to the Induced Draft Fan vibration problem and distributed diagrams of the Stanton Energy Center (SEC) Unit 1 and Unit 2 furnace draft system referred to in the agenda item. The huge air fans are driven by very large, 7,000 horsepower two-speed electric motors. Jan Aspuru provided additional information regarding the Federal Clean Air Interstate Rules (CAIR) enacted by the federal government and the Environmental Protection Agency (EPA) in 2005. These regulations require the reduction of allowable emissions of sulfur dioxide (SO₂) and nitrogen oxides (Nox) from power generators. Several projects have been implemented to meet the CAIR and EPA requirements. One of the projects is the Selective Catalytic

Reduction (SCR) System which reduces nitrogen oxide (NOX). One of the first SCR units in the country was installed in the SEC Unit 2. SEC Unit 1 does not have an SCR. Mr. Aspuru explained the process and challenges in meeting the NOX reduction requirements. If high speed operation of the existing fans is enough to overcome the higher pressure differentials associated with the new environmental systems, upgrading of the Unit 1 induced draft fans may not be necessary. Furthermore, a number of legal challenges have been filed regarding the CAIR regulations and environmental requirements. Depending upon the outcome of these challenges, the CAIR regulations may be modified or may be rescinded by the courts. If such is the case, installation of the Unit 1 SCR may not be required at this time and the need to upgrade the Unit 1 induced draft fans would most likely be eliminated.

Mr. Ksionek requested that Clint Bullock provide additional information regarding Affirmative Items A-25 and A-26 regarding some solar and green initiatives. Mr. Bullock commented that several solar programs were approved by the Commission on October 9, 2007. Affirmative Item A-25 will provide customers participating in the Pilot Solar Thermal Credit Program Rider with a rebate of \$250 per meter, which will reduce the customer's incremental participation cost. In addition, Mr. Bullock commented that Affirmative Item A-26 identifies a vendor that will assist OUC in marketing its pilot solar and renewable energy campaigns.

President Porta presented the Affirmative Items for approval. On motion by Commissioner Boroughs, and seconded by Commissioner Kirby, the Affirmative Items were approved as follows:

1. Ratification of fuel procurements to the low bidders in March and April, 2008 in the aggregate amount of \$12,543,407.42 as follows:

NATURAL GAS PURCHASES:

March 2008	Adams Resources Marketing, Ltd.	\$ 198,569.39
March 2008	BG Energy Merchants, LLC	\$ 697,008.00
March 2008	Chevron Natural Gas	\$1,297,608.48
March 2008	Lakeland Electric	\$ 915,668.24
March 2008	LouisDreyfus	\$2,700,047.18
March 2008	Magnus Energy Marketing, Ltd.	\$1,235,159.63
March 2008	National Fuel Marketing	\$ 288,237.83
March 2008	Peoples Gas System	\$ 461,650.00
March 2008	Prior Energy Company	\$ 732,621.63
March 2008	Virginia Power Energy Marketing, Inc.	\$3,651,885.04

NO. 6 FUEL OIL PURCHASES:

April 2008	TransMontaigne Product Services Inc.	\$ 364,952.00
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2. Ratification of a Purchase Order to Black Diamond Mining Company, LLC for delivery of up to 44,000 tons of coal between May and June 2008 at a cost not to exceed \$4,694,800;
3. Approval of Purchase Orders to SCR-Tech, Inc. in the amount of \$576,500 and Evonik Energy Services, LLC in the amount of \$541,100

for the regeneration of spent catalyst layers for Stanton Energy Center's Unit 2 Selective Catalytic Reduction System Catalyst Replacement – Pilot Program, for a total cost of \$1,117,600;

4. Approval of a sole source Purchase Order to Southeastern Mechanical Services, Inc. to provide weld overlay services for the carbon steel replacement tubing of the Stanton Energy Center Unit 1 Secondary Superheat Intermediate Tube Bank in an amount not to exceed \$379,322;
5. Approval of Change Order No. 1 to American Roll Up Door Company to continue providing roll-up door maintenance services at Stanton Energy Center through January 6, 2009 in the amount of \$16,000, increasing the total Purchase Order amount to \$109,000;
6. Approval of Change Request No. 3 to the Capital Expenditure Estimate for the Stanton Energy Center Unit 1 Induced Draft Fan 1B Vibration Analysis & Repair Project in the amount of \$7,230,000, increasing the total project cost to \$7,500,000. Approval of Change Order No. 3 to Black & Veatch Corporation to provide project management, engineering, detailed design, procurement functions and construction management in an amount not to exceed \$439,000, increasing the total Purchase Order amount to \$549,000. Approval of Bid #2417 – Contract award to Cal-Tech Testing, Inc., the lowest evaluated bidder, for the sub-surface grouting work in the amount of \$350,000;
7. Approval of Bid #2469 – Contract award to McCartney & Company, Inc., the lowest, most responsive and responsible bidder, to provide material and labor for the Stanton Energy Center Sludge Conditioning Building Structural Steel Replacement in an amount not to exceed \$400,000;
8. Approval of Bid #2483 – Contract award to The Saxon Group, Inc., the lowest, most responsive and responsible bidder, to provide general construction services for the Stanton Energy Center Unit B 300 Mw Combined Cycle Plant Project Balance of Plant Interconnecting Facilities in an amount not to exceed \$8,858,000;
9. Approval of the Electric Distribution Construction Estimates for the underground electric distribution system to serve the University of Central Florida's Burnett College of Biomedical Sciences, located at Lake Nona South in the Orlando service territory, in the amounts of \$186,361.60 and \$114,416.76 for the installation of feeder cable and automatic transfer switchgear, respectively, for a total amount of \$300,778.36;

10. Approval of the Electric Distribution Construction Estimates for the underground distribution system upgrade for the Starlight Ranch Subdivision, Loop 3, located in the Orlando service territory, in the amounts of \$203,439.41 and \$159,633.32 for conduit and distribution systems, respectively, for a total amount of \$363,072.73;
11. Approval of the Electric Distribution Construction Estimate for the installation of an underground electric distribution system to serve the Promenade at Universal Studios, located in the Orlando service territory, in the amount of \$106,114.23;
12. Approval of the Electric Distribution Construction Estimate for the installation of an underground electric distribution system to serve the Airport Distribution Center North, located on South Conway Road in the Orlando service territory, in the amount of \$130,825.15;
13. Approval of the Electric Distribution Construction Estimate for the installation of an underground electric distribution system to serve the Hilton Hotel, located at the Orlando Convention Center in the Orlando service territory, in the amount of \$330,964.78;
14. Approval of the Electric Distribution Construction Estimate for the installation of an underground electric distribution system to serve Crosscreek Village, located at the intersection of Old Canoe Creek Road and Canoe Creek Road in the St. Cloud service territory, in the amount of \$123,837.06;
15. Approval of the Electric Distribution Construction Estimate for the installation of overhead facilities to extend Circuit No. 6-15 between the Pershing Substation and the Stanton Energy Center in the amount of \$248,181.06;
16. Approval of Change Order No. 1 to Southeast Power Corporation to provide labor and equipment to reconductor the Taft to Cane Island Segment of the Taft to Lakeland McIntosh Transmission Line Reconductor Project in the amount of \$5,990,083, increasing the total Purchase Order amount to \$11,947,333;
17. Approval of Bid #2496 – Three-year contract award to DeAngelo Brothers, Inc., the most responsive and responsible bidder, to provide Substation Herbicide Treatment in the amount of \$260,760;
18. Approval of Bid #2497 – Contract award to Energy Erectors, Inc., the single responsive bidder, to provide substation construction work associated with the Interstate 4 and State Road 408 Ultimate Interchange Improvements Project for the America Substation Modifications in the amount of \$1,200,000;

19. Approval of the Capital Expenditure Estimate for labor and materials to cover the Supervisory Control And Data Acquisition (SCADA) hardware and software upgrades in the amount of \$111,300;
20. Approval of Change Order No. 1 to Allied Universal Corporation to provide caustic soda and liquid chlorine through May 31, 2009 in the amount of \$1,100,598, increasing the total Purchase Order amount to \$2,122,946;
21. Approval of a Capital Expenditure Estimate for the e-Talk Software Upgrade Project in the amount of \$170,351.00, which includes Change Order No. 1 to Autonomy e-Talk, Inc. for software, hardware, implementation services, labor and associated annual hardware and software maintenance, increasing the total Purchase Order amount to \$187,055.93, pending final OUC legal review of the contract;
22. Approval of Change Request No. 1 to the Capital Expenditure Estimate for the Cisco Hardware Replacement and Upgrade Project in the amount of \$626,045.00, increasing the total project cost to \$1,707,320.03. Approval of Change Order No. 3 to Southern Computer Warehouse for 2008 Cisco hardware and Smart Net maintenance purchases in the amount of \$690,319.00, increasing the total Purchase Order amount to \$1,771,594.03;
23. Approval of Bid #2551 - Contract award to CDW Government, Inc., the lowest, most responsive and responsible bidder, to provide network switches and cables for the new OUC Administration Building in the amount of \$294,883;
24. Approval of SOQ #2507 - Authorization for the General Manager & CEO to execute five-year agreements with S.I. Goldman Company, Westbrook Services Corporation and Stellar Energy Systems for chilled water design/build services, contingent upon final negotiations and OUC legal review;
25. Approval of a program change to the Pilot Solar Thermal Credit Program Rider to offer customers participating in the program a rebate amount of \$250 per meter;
26. Approval of RFP #2400 – Three-year contract award to Sterling Planet, the sole responsive bidder, to provide Green Energy Marketing Services in an amount not to exceed \$300,000;
27. Approval of Change Order No. 1 to the Purchase Order to Advantage Publishing Incorporated, Advocate, Blacks Guide, Bright House Network, CBA Productions, Clear Channel Broadcasting, Inc., El Nuevo Dia Orlando, Inc., First Monday Magazine, Florida Trend, Halcyon Business Publications, Inc., Kissimmee Osceola Chamber of

Commerce, La Prensa, Martonick Publications, Inc., Naylor Publications, Inc., Orlando Business Journal, Orlando Sentinel, Orlando Times, Orlando/Orange County Convention & Visitor Bureau, Osceola Shopper News Gazette, Pegasus, St. Johns River Water Management District, Sun Publications of Florida, Sun Sports, Transit Television Network, LLC, Tribune Interactive, WESH Television Inc., WFTV Inc., WKCF TV, WKMG TV, WOFL TV Fox 35, WRDQ TV to provide television, radio, print, billboard and internet and media buys for OUC's non-crisis public information communications for a one-year period from July 2008 to June 2009 in the aggregate amount of \$750,000, increasing the total Purchase Order amount to \$1,500,000;

28. Approval of RFP #2512 – Three-year contract awards to the most responsive and responsible bidders: SunTrust Bank Central Florida, NA, to provide banking services in the amount of \$319,500 and Intuition Systems, Inc. to provide lockbox services in the amount of \$387,000. Authorization for the General Manager & CEO to execute the banking, lockbox and custodial services contracts and any related documents;
29. Approval of a Purchase Order to Altec Industries, Inc. to lease one mini-derrick crane with trailer for a 96-month term, eight aerial tower trucks for a 84-month term, two aerial tower trucks for a 60-month term and three aerial tower trucks for a 48-month term for a total Purchase Order amount of \$2,299,000;
30. Approval of Change Order No. 3 to U.S. Facilities, Inc. to exercise the second one-year contract renewal option for janitorial maintenance services through December 31, 2008 in the amount of \$588,575.60, increasing the total Purchase Order amount to \$2,474,941.44;
31. Approval of Change Order No. 4 to the City of St. Cloud for fuel procurement in the amount of \$591,000, increasing the total Purchase Order amount to \$1,396,000;
32. Approval of Change Order No. 1 to Wyatt, Tarrant & Combs, LLP to provide additional legal services for the TECO Coal litigation in the amount of \$300,000, increasing the total Purchase Order amount to \$395,000;
33. Authorization for the General Manager & CEO to execute the Partial Release of Utility Easement for College Park Business Center, LLC for a portion of an easement located south of West New Hampshire Street and east of College Park Business Center Road; and

34. Approval of Subordination of Utility Interests to the Florida Department of Transportation Parcel 343.2R, for an easement located east of Interstate 4 and north of East Princeton Street.

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President Porta presented a Resolution of Appreciation for Lonnie C. Bell for adoption to recognize his more than six years of service on OUC's Board, including two years as President. Mr. Bell was also presented with an electric meter desk lamp.

RESOLUTION OF APPRECIATION

Whereas, the Orlando Utilities Commission wishes to recognize and honor Lonnie C. Bell for serving as a Commissioner for more than six consecutive years; and

Whereas, Mr. Bell exhibited extraordinary leadership as Commission President for the years 2006 and 2007 which approval was granted for the construction of the Stanton Energy Center Unit B gas-fired power plant and the new environmentally green Administration Building, and a new Customer Information System was implemented; and

Whereas, the members of this Commission recognize that Mr. Bell, in his dedicated and devoted service to this Commission and to its electric and water ratepayers, personally committed himself to oversee an exhaustive review to improve OUC policies and practices for homeowners and renters, and who gave of himself conscientiously and unsparingly; and

Whereas, the Commission is especially cognizant of and grateful for the contributions Mr. Bell made to the Commission by carrying out his responsibilities during a period of exceptional challenges to the electric and water industry;

Now, Therefore, Be it Resolved by Orlando Utilities Commission expresses its deepest gratitude to Lonnie C. Bell, for his loyal, efficient and able service as a member of this Commission, and whose success can be measured by his contributions and his character.

Be It Further Resolved, that the Orlando Utilities Commission recognizes Mr. Bell for his outstanding leadership and service by making this Resolution a part of the official Commission records and by presenting to him a testimonial copy as a symbol of the pride and esteem in which he is held by the Commission.

Dated this 17th day of June, 2008.

/s/ Katie Porta
President

/s/ Tommy Boroughs
First Vice President

/s/ Maylen Dominguez Arlen
Second Vice President

/s/ Buddy Dyer
Mayor

/s/ Dan Kirby
Commissioner

/s/ Kenneth P. Ksionek
General Manager & CEO

Mr. Bell thanked the Board for its recognition and commented that it was an honor to serve on the Orlando Utilities Commission Board. Mr. Bell recognized several past and present staff members and Board members for their support during his tenure on the Board. He stated that he is proud of the new leadership that came on board while he was a Commissioner and stated that it is important that they keep the tradition of being such an outstanding organization.

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Commissioner Boroughs reported that the Finance Committee held a special meeting this afternoon, just prior to the Commission meeting. The agenda and packets were provided to each Commissioner.

OUC's underwriting and swap provider teams were previously approved by the Commission on July 24, 2007. Two of the existing national firms, Bear Stearns and UBS, selected last year to be on OUC's underwriting and swap teams have exited the municipal finance business. The Finance Committee recommends replacing these firms with JP Morgan and Morgan Stanley.

In addition to underwriting services, UBS has also been providing remarketing services for OUC's Series 2002A Variable Rate Bonds. The Finance Committee recommends that a Resolution be approved appointing JP Morgan to replace UBS as OUC's remarketing agent for these bonds. JP Morgan has agreed to perform these services under the same terms and conditions as the UBS contract, including a fee of six basis points.

On motion by Commissioner Boroughs, seconded by Commissioner Dominquez Arlen, the following add-on agenda item was approved:

Approval to remove Bear Stearns & Co. and UBS Financial Services, Inc. from OUC's bond underwriting and swap provider teams.
Approval to add JP Morgan and Morgan Stanley as national firms on OUC's bond underwriting team.

On motion by Commissioner Boroughs, seconded by Commissioner Kirby, the following add-on agenda item and Resolution was unanimously adopted as follows:

Adoption of a Resolution of the Orlando Utilities Commission authorizing the termination of the remarketing agreement with UBS Painewebber Inc. related to the remarketing of the Commission's outstanding Water and Electric Rate Revenue Bonds, Series 2002A; appointing JP Morgan as the new remarketing agent for such bonds; providing for incidental action; and providing for an effective date.

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John Hearn reported that the May financials indicate that retail electric and water sales continue to trail budget. Through the end of May, net income is under budget by approximately \$10 million year-to-date. Due to slower customer growth and indications of an increased shortfall, Mr. Ksionek has instituted a hiring freeze and limited overtime and travel to critical needs only. Staff is working to reduce expenditures by \$5 million to keep the budget under a \$10 million shortfall for 2008. Impact of sales and the economy will continue to be monitored on a monthly basis.

Budget preparations for fiscal year 2009 are being finalized, which includes a recommended rate change of approximately 13.5 percent for residential customers, which is primarily fuel related. Adjustments have been made to include a 4 percent reduction in electric sales and 5 percent reduction in water sales for 2009 based upon what is currently being experienced. This should be sufficient, however, staff will continue to monitor the situation.

Mr. Hearn summarized that the year-to-date shortfall is expected to continue and there are some mitigation steps in place. Further mitigation steps for the fiscal year 2009 budget will also be taken.

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Chris Browder provided an update on the Transamerica Power Products (TAPP) litigation that was filed in Texas regarding steel structures utilized for the Taft transmission corridor project. Many of the structures provided by TAPP were poorly designed and bent under weight. Local counsel has been hired and Mr. Browder discussed how OUC plans to strategically handle the matter.

Mr. Browder commented on the asbestos exposure litigation that was recently filed in New York. A settlement in the amount of \$1,750 has been negotiated and it is anticipated that the case will be dismissed. Although OUC felt it had no exposure, costs to dispute the litigation would have been more expensive than the proposed settlement.

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Mr. Ksionek requested that Jan Aspuru provide an update regarding the Florida Gas Transmission (FGT) contract that the Board approved on May 13, 2008. Mr. Aspuru stated that the Board approved a contract with FGT of up to 35,000

MMBTU per day, not to exceed \$400 million. FGT operates the main pipeline into Florida and is connected with the Stanton Energy Center (SEC). Pipelines are very expensive and time consuming to build. Due to current power supply negotiations with the City of Vero Beach and gas transportation capacity held by the City of Vero Beach, OUC was able to reduce its request to 15,000 MMBTU per day.

President Porta asked if further approvals of the Vero Beach contract are required. Mr. Ksionek replied that Vero Beach will need to enter into a transmission agreement with Florida Power & Light, which is currently being negotiated.

Mr. Aspuru provided an update and photographs regarding the SEC Unit B Project. The project is proceeding smoothly and performance testing is scheduled for January 2010 and commercial operation in June 2010.

Mr. Ksionek discussed the \$1.5 million upgrade of the Advanced Metering Infrastructure (AMI) Upgrade approved by the Commission on August 28, 2007. At the May 13, 2008 Commission meeting, Kevin Anthony, Director of Meter Services, recognized the 2007 Meter Readers of the Year. The two ladies that were honored make up a division of 30 employees that read approximately 184,000 electric meters and 140,000 water meters each month at a cost of 70 cents per read. Although this manual process has been cost effective to date, OUC has been investigating a more advanced metering technology. OUC began deploying Automated Meter Reading (AMR) ten years ago. AMR is a limited, one way communications system. Mr. Ksionek noted that some neighboring utilities have spent hundreds of millions of dollar to deploy the limited technology.

Doug Spencer and Kevin Anthony provided a presentation of the AMI business plan recommendation. Mr. Anthony explained the research and technology that was investigated, as well as the test case deployment of the AMI. It is recommended to move forward with east and central Orlando meter installation without a disconnect feature at a budget of \$1.5 million. It is anticipated that in-home display units will be available later in the year with a pilot program, and a preliminary full roll-out program in 2009. In addition, OUC would like to introduce a pre-pay metering program in the third quarter of 2009. Mr. Spencer commented that this technology can also help determine and reduce theft. Discussion ensued regarding the test case study, theft reduction, and the difference between net metering and smart metering.

Thomas Tart was asked to provide an update on several components of the Florida Energy Bill. Mr. Tart reported that the Florida Energy Bill: (1) provides the State government to lead by example in energy and conservation efficiency; (2) streamlines the power plant siting act for nuclear plants and those other facilities that emit low carbon; (3) establishes a climate friendly product line and green facilities for purposes of awarding state contracts; (4) establishes

increased energy efficiency in buildings subject to the Florida Energy Efficiency Code, which is subject to new building construction; (5) establishes increased energy efficiency for hot water heaters, dishwashers and swimming pools; (6) and establishes renewable fuel standards for all Floridians requiring that, with a few limited exceptions, all gasolines sold in the state will contain at least 10 percent ethanol by 2010. In addition, recycling, academic consortium, anti-tax initiatives and use of state land are also addressed in the Florida Energy Bill.

Mr. Ksionek reported that OUC has a call for offers on the Administration Building from Grubb & Ellis at the end of the month. This will determine whether there are some prospective buyers for the building.

Negotiations with Progress Energy's Levy Nuclear Plant continue in good faith. Significant closure on several business issues has been reached regarding the Joint Ownership Agreement, the Operations & Maintenance Agreement and the Westinghouse Non-Disclosure Agreement. The Westinghouse Non-Disclosure Agreement covers the disclosure to OUC of due diligence materials related to the equipment purchase deal between Progress Energy and the equipment manufacturer (Westinghouse) and their engineer (Stone & Webster).

Mr. Ksionek commented on a recent newspaper article that erroneously reported that OUC was seeking surface water for Stanton Energy Center Unit B from the Kissimmee River Basin and the South Florida Water Management District. Denise Stalls stated that Orange County recently applied for consumptive use allocation for surface water from the Kissimmee Chain of Lakes. The South Florida Water Management District (SFWMD) denied the request and Orange County has appealed the decision. The newspaper listed OUC as a source that would use that water, which is inconsistent with OUC's permit. OUC is allocated cooling water from Orange County Utilities facilities and storm water from the St. John's River Water Management District through the Power Plan Siting Act. OUC is permitted to use reclaim water from Orange County Utilities facilities and storm water from the Orange County landfill. OUC has an agreement with Orange County to supply cooling water to SEC. Current flow through the Easterly Water Treatment Plant exceeds SEC water demand projections for 2010.

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The Board members thanked Lonnie Bell for his service, dedication and leadership to both OUC and the community.

Commissioner Kirby commented on the importance of harnessing solar power and is pleased with OUC's commitment to renewable energy. He thanked Mr. Ksionek assigning the Water Distribution division to work with Orange County on some backflow preventer aesthetic and placement issues. He also discussed the upcoming hurricane season and monitoring and/or modifying the Project Care program under difficult economic times.

Commissioner Boroughs welcomed Commissioner Kirby to the Board and commented on the service awards and how many employees start at entry level positions and progress to higher positions. In addition, he is proud of the progress OUC is making on the green initiatives.

President Porta commented that OUC's mission is to provide reliable and cost affordable power and we strive to provide this in the right way and make the right decisions.

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OUC customer, Rose Brisson, commented on her OUC services and billing issues.

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Commissioner Boroughs moved to adjourn the meeting. Commissioner Dominguez Arlen seconded the motion and President Porta adjourned the meeting at 4:15 P.M.

President

Secretary