

**MINUTES  
ORLANDO UTILITIES COMMISSION  
January 26, 2021  
2:26 P.M.**

**Present:**

**COMMISSIONERS:**

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

Clint Bullock, General Manager & Chief Executive Officer  
Jan Aspuru, Chief Operating Officer  
Mindy Brenay, Chief Financial Officer  
W. Christopher Browder, Chief Legal Officer  
Linda Ferrone, Chief Customer & Marketing Officer  
Manju Palakkat, Chief Transformation & Technology Officer  
Latisha Thompson, Chief Employee Experience Officer  
LeMoyne Adams, Luz Aviles, Wade Gillingham, Jenise Osani, & Ken Zambito,  
Vice Presidents  
Nanci Schwartz, Recording Secretary

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The January 26, 2021 Commission Meeting was held in person and virtually via WebEx.

President Calvet asked Jill Rainford to provide the moment of reflection.

President Calvet asked Maribel Ellison to lead the Pledge of Allegiance to the Flag.

The Commission Meeting was called to order at 2:26 P.M.

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On a motion by Mayor Dyer, seconded by Commissioner Gross and unanimously carried, the reading of the minutes of the December 8, 2020 Commission Meeting was waived and the minutes were approved.

On a motion by Commissioner Lee, seconded by Mayor Dyer and unanimously carried, the reading of the minutes of the January 19, 2021 Commissioner Meeting between President Calvet and Commissioner Gross was waived and the minutes were approved.

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President Calvet called for the election of officers to serve on the 2021 Commission. Mayor Dyer moved to nominate Britta Gross as President. Mayor Dyer moved to nominate Larry Mills as First Vice President. Mayor Dyer moved to nominate Greg Lee as Second Vice President. The motions carried unanimously.

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Commissioner Lee moved to reappoint Clint Bullock as General Manager & Chief Executive Officer and Secretary of the Commission and the motion carried unanimously.

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Mr. Bullock recommended that Chris Browder, Mindy Brenay, Beth Shawhan, and Paula Velasquez be appointed as Assistant Secretaries to the Commission. Commissioner Mills moved that Mr. Bullock's recommendations be approved and the motion carried unanimously.

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Mr. Bullock stated that, without objection, Commissioner Calvet will serve as Chair of the Audit Committee, with President Gross as member. No objection was offered.

Mr. Bullock stated that, without objection, Commissioner Mills will serve as Chair of the Finance Committee, with Commissioner Lee as member. No objection was offered.

Commissioner Calvet passed the gavel to President Gross.

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LeMoyne Adams announced that OUC was one of 13 utilities to receive the 2020 FMEA Restoring Communities Award, which is an annual award from the Florida Municipal Electric Association honoring public power utilities for power restoration efforts after significant weather events. In 2020, OUC crews were deployed four times to assist with Hurricanes Laura and Delta in Louisiana, Hurricane Zeta in Mississippi, and Hurricane Sally in Alabama. In each case, a typical workday lasted 16 hours and the crews stayed for as long as they were

needed. COVID-19 required special considerations, including social distancing when possible and enhanced safety and sanitization protocols. All assistance, except the Gulfport deployment, was orchestrated through mutual aid agreements with the Florida Municipal Electric Association. The line crews OUC deployed this hurricane season were treated as heroes by the communities they worked in. Residents brought them prepared meals, bottled water, and even had an ice cream truck stop by to provide frozen treats to the crew. Fifth graders at Fairhope East Elementary School in Alabama wrote personalized thank you letters to the OUC crew and Jody Rodgers, the Lead Line Supervisor on the Hurricane Sally deployment to Fairhope, replied to each student and their teachers with a hand-written letter of his own.

Mr. Adams thanked everyone who deployed with the various crews: Bodie Adkinson, Michael Atout, Blake Bailey, Spencer Barnes, Brian Barnett, Rick Bloom, Roy Bloom, Zachery Brown, Steve Carver, Matt Coakley, Mitch Coakley, Jeff Cockcroft, Chase Crawford, Darrell Gay, Pat Gulotti, Dewey Harvey, Donny Hurley, Alfred Jones, Brent Lowery, Roger McBride, Austin Nettles, Hunter Newman, Nicholas Rawlings, Ricky Parks, Andrew Phillips, Ernest Porter, Mike Powell, Steve Ramos, Justin Restituyo, Jason Reynolds, Eric Rivera, Terrance Roberson Sr., Jody Rodgers, Dale Rushing, Choice Ryon, Joseph Schulte, Michael Shephard, Justin Stanley, Dave Swain Sr., Trever Taylor, Shawn Wall, and Charles Wincey. Mr. Adams recognized Julie Leininger, who serves as OUC's mutual aid coordinator. He thanked Mindy Brenay and the Fleet staff for ensuring vehicles and equipment were in working order. He also thanked Linda Ferrone and Vince Preston for developing an addendum to the FMEA agreement outlining safety and COVID-19 protocols.

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Jenise Osani stated that OUC's PROUD Volunteer program recognizes the many employees who provide their skills, time, and dedication to various non-profit organizations throughout Central Florida. Last year, OUC employees and retirees donated more than 3,345 hours of volunteer service to community organizations. This is a huge accomplishment in the midst of a pandemic and shows how important it is for employees and retirees to stay connected to the community. Ms. Osani announced that the top three PROUD Volunteers of the Year for 2020 are Michael Stephens with 365 hours, Lawrence Strawn with 399.5 hours, and Kevin Cooper with 481.5 hours.

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Ms. Osani also reported on the annual OUCares Workplace Giving Campaign, which encourages employees to donate to various agencies supported by United Way and United Arts, as well as other causes, via their weekly paychecks. Since its inception more than 17 years ago, OUC employees have helped Central Floridians from all walks of life by contributing more than \$2.8 million. The 2021 OUCares Workplace Giving Campaign was the first ever virtual campaign, focusing on Diversity, Equity, and Inclusion and the need to work together and

spread unity in the community. Even in the face of a global pandemic, employees stepped up to support the community, which is in need now more than ever. Ms. Osani announced that employee donations exceeded \$200,000 for the fifth year in a row, for a total of \$215,432, of which \$42,886 was allocated to the New Image Youth Center. She thanked every employee who donated. She extended a special thank you to the Community Engagement team and to Latisha Thompson, Chief Employee Experience Officer and Ken Zambito, Vice President of Transmission, who served as Executive Champions for the campaign.

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President Gross presented Commissioner Calvet with a ceremonial gavel in recognition of his two years of service as President. Commissioner Calvet thanked President Gross and the Commission for the recognition.

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Clint Bullock asked Jan Aspuru and Chris Browder to provide a presentation on Affirmative Item A-2 regarding a Long-Term Power Supply Agreement with the City of Lakeland and a Purchase and Sale Agreement for the City of Lakeland (Lakeland) McIntosh 3 Generation Facility Site. Mr. Aspuru provided background information for the McIntosh Unit 3 (MC3) site, which is a 365 MW joint project between Lakeland Electric and OUC and operated by Lakeland Electric. Initially, Lakeland announced that they plan to shutter MC3 by 2024, but recently announced a target date of March 31, 2021. OUC and Lakeland have since completed negotiations of a Power Supply Agreement (PSA) for capacity and energy up to 125 MW. Mr. Aspuru discussed recent issues with MC3's availability and reliability, leading to the decision to retire the unit early. The PSA with OUC provides Lakeland a "bridge" until a new generation option is completed and on-line in mid to late 2023. The PSA will be effective April 1, 2021 for a minimum 2.5 year term with a mutual option for extension through December 2024. Benefits to OUC include a positive rate impact for retail customers, continuing to optimize the use of OUC's generation and transmission portfolio, and wholesale energy revenues of approximately \$6,000,000 per year. Mr. Aspuru thanked Claston Sunanon, Wade Gillingham, Chris Browder, and the Legal Department for their assistance with the PSA.

Commissioner Calvet asked for confirmation that the \$6,000,000 payment per year was not included in OUC's current Fiscal Year 2021 budget. Mr. Aspuru replied affirmatively.

Mr. Browder explained that in 1978, OUC and Lakeland entered into a Participation Agreement (Agreement) for the joint ownership of the MC3 generation project. Under the Agreement, OUC was granted a 40 percent ownership interest in the property on the entire site on which the MC3 project was constructed. The Agreement also provides that OUC will sell back its interest in the real property upon the decommissioning of MC3 at the original purchase

price paid by OUC. In 1999, Lakeland built the McIntosh Unit 5 on part of the land jointly owned by OUC; and in 2019, Lakeland also built the McIntosh Gas Turbine 2 on part of the land jointly owned by OUC.

Lakeland desires to buy out OUC's interest in a portion of the land at this time, rather than waiting for the decommissioning of MC3. Mr. Browder discussed the terms and conditions of the Purchase and Sale Agreement, for which OUC will receive \$482,358.59. He explained that Lakeland will assume sole environmental liability from January 1, 1999 and moving forward for the land that is subject of the Purchase and Sale Agreement.

Commissioner Calvet asked if the sale price was included in OUC's Fiscal Year 2021 budget. Mr. Browder responded that any cost over \$2,000 per acre is greater than what was included in the budget. Ms. Brenay also added that any funds from the sale over \$2,000 per acre will be considered for deferral.

Commissioner Lee asked for the reasoning behind split liabilities, and asked if the risk for environmental liabilities was greater post 1999. Mr. Browder responded that there were no specific events to be concerned about, but OUC did not want to assume liability for any sites in which there was no OUC role.

Mayor Dyer commented that he worked on the site in 1981.

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Clint Bullock asked Sam Choi to provide a presentation regarding the Gardenia 100 kW Bifacial Rooftop Solar Photovoltaic System Project. Mr. Choi stated that this is the first commercial-scale solar array for OUC using bifacial panels, which produce energy on both sides. A total of 250 panels will be installed on the new Gardenia facility roof in a turnkey installation by ESA Solar. The capacity will be 100 kW, which will offset 12 percent of the office building's annual load. OUC will own and operate the array. Mr. Choi provided background information on how bifacial panels will increase energy production and help OUC meet its solar energy goals. Depending on the outcome of the project, bifacial panels could be introduced as an offering for commercial customers in the future.

Commissioner Gross praised the advancements of OUC solar programs such as floating solar and bifacial solar, and asked if OUC can overcome the cost challenges in getting to 42 percent solar generation by 2030. Mr. Choi said OUC is tracking different deployments of solar and reviewing ways to overcome and mitigate the initial costs.

Commissioner Gross asked if the white membrane roof at Gardenia was planned for this type of purpose. Mr. Choi responded that this type of roof is also at Reliable Plaza and might be advantageous for bifacial solar.

Commissioner Lee questioned whether the roof replacement at Stanton Energy Center was also a white membrane roof, and Mr. Choi was responded negatively.

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Clint Bullock asked Ms. Brenay and Chris Browder to provide a presentation regarding the Third Amendment to Interlocal Agreement with the City of St. Cloud and the St. Cloud Generation Facility Environmental Remediation Plan. Ms. Brenay provided background on the Interlocal Agreement with the City of St. Cloud, which was established in 1997 and amended in 2003 and 2016. The current Agreement expires in 2032.

Mr. Browder explained that OUC recently assisted St. Cloud with the development of an Environmental Remediation Plan (Remediation Plan) for the site on which the decommissioned St. Cloud-owned generation facility is currently located. This Remediation Plan was approved by the St. Cloud City Council on December 10, 2020. To assist St. Cloud with the execution of this Remediation Plan, OUC has agreed to provide funding in the amount not to exceed \$6,000,000 in exchange for a ten-year extension of the Interlocal Agreement through 2042. In the event that actual cost of the Remediation Plan is less than \$6,000,000, the differential amount will be contributed to the St. Cloud/OUC Business Development and Customer Retention Fund established under the original Interlocal Agreement. OUC will provide engineering, procurement, and financial fiduciary oversight and management of the Remediation Plan. The extension also provides for prospective incremental increases in the revenue based payments to St. Cloud in 2026 and 2032 from 9.5 percent of retail sales to 9.75 percent and 10 percent of retail sales, respectively.

St. Cloud Mayor Nathan Blackwell, Deputy Mayor Keith Trace, and City Manager Bill Sturgeon thanked OUC for their partnership.

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President Gross presented the Affirmative Items for approval. On a motion by Mayor Dyer and seconded by Commissioner Calvet, Affirmative Items A-1 through A-30 were approved as follows:

1. Ratification of the fuel procurements to the most responsive and responsible bidders in October 2020 in the aggregate amount \$13,390,330.40 as follows:

**NATURAL GAS PURCHASES:**

October 2020	ConocoPhillips	\$ 948,090.00
October 2020	EDF Trading	\$1,063,391.54
October 2020	Infinite Energy	\$ 383,992.00
October 2020	Macquarie Energy	\$ 419,797.00

October 2020	Mansfield Power & Gas LLC	\$ 546,253.08
October 2020	Municipal Gas Authority of Georgia	\$ 613,893.00
October 2020	Southwest Energy. L.P.	\$ 406,599.00
October 2020	Tenaska Marketing Ventures	\$ 656,955.79
October 2020	Texla Energy Management, Inc.	\$1,496,609.97

**COAL PURCHASES:**

October 2020	Crimson Coal Corporation	\$4,650,639.78
October 2020	Foresight Coal Sales, LLC	\$2,204,109.24

2. Authorization for the General Manager & CEO to execute a Long-Term Power Supply Agreement with the City of Lakeland, beginning April 1, 2021 through April 30, 2023, including mutual extension options of the Agreement through December 31, 2024, subject to final OUC legal review and approval;
3. Approval of a Purchase Order to Mid-State SMS, LLC to provide labor and equipment to perform inspection, maintenance and repairs services for the Stanton Energy Center Combined Cycle Unit B steam generator, repairs to the Stanton Energy Center Units 1 & 2 dewatering bin 2B, and emergent work for Stanton Energy Center Units 1 & 2 in the amount of \$938,650;
4. Approval of RFQ #4937 – Contract award to Air Centers of Florida, Inc., the lowest, most responsive, and responsible supplier, to provide a variable frequency drive air compressor for the Stanton Energy Center dry sorbent injection system in the amount of \$142,670;
5. Approval of a Capital Expenditure Estimate for the Digital Front End Excitation System Retrofit Project in the amount of \$1,492,054. Approval of a sole source Purchase Order to Nexus Controls, LLC to provide labor and materials for the Indian River Plant Combustion Turbines A & B digital front end excitation retrofit in the amount of \$494,400. Approval of a sole source Purchase Order to General Electric International, Inc. to provide labor and materials for the Stanton Energy Center Combined Cycle Unit B digital front end excitation retrofit in the amount of \$722,654;
6. Approval of an OUC initiated scope change and conforming Change Order No. 1 to Hazen and Sawyer, P.C. in the amount of \$171,818 to provide final engineering design, permitting, and construction services for the Conway Water Treatment Plant Bulk Sodium Hypochlorite Conversion Project, increasing the total Purchase Order amount to \$246,156;
7. Approval of an OUC initiated scope change and Conforming Change Order No. 1 to Garney Companies, Inc. to provide Construction Manager at Risk services for the Conway Water Treatment Plant

Granular Activated Carbon Treatment System Project in the amount of \$3,228,617, increasing the total Purchase Order amount to \$3,303,497. Approval of a Purchase Order to Carter Verplanck, Inc. for owner direct purchase of vertical turbine pumps and accessories in the amount of \$742,248. Approval of a Purchase Order to Calgon Carbon Corporation for owner direct purchase of GAC processing equipment and carbon media in the amount of \$3,235,628. Approval of a Purchase Order TAW Power Systems, Inc. for owner direct purchase of two 1,750 kW Kohler Diesel Emergency Generators in the amount of \$1,062,830;

8. Approval of the Electric Distribution Construction Estimate for the installation of the underground electric distribution system to serve the Southern Pines Subdivision – Phases 3B, 4, & 5 in the amount of \$602,467.32, with a customer contribution in the amount of \$4,496;
9. Authorization for the General Manager & CEO to execute a Joint Project Agreement Task Order No. 1 with the City of Orlando for the Hughey and Garland Avenues Water Main Replacement - Phase 2 of 2. Approval of Change Request No. 2 to the Water Distribution Construction Estimate in the amount of \$4,780,688.74 for additional professional services, inspections, administration, and construction services necessary to complete the Hughey and Garland Avenues Water Main Replacement - Phase 2 of 2; and Commission approval of an Electric Distribution Construction Estimate for inspection, administration, and construction services necessary for the Livingston Street and Central Boulevard electrical duct bank installation between Hughey and Garland Avenues in the amount of \$637,343.15, increasing the Hughey, Division, & Garland Avenues Water Main Replacement Project total cost to \$11,363,930.87. Approval of a Purchase Order to Cathcart Construction Company - Florida LLC to provide construction services for the Hughey and Garland Avenues Water Main Replacement - Phase 2 of 2, in the amount of \$7,557,779.99, as well as a single source scope of work associated with the electric duct bank installation in the amount of \$525,434.25, for a total Purchase Order amount of 8,083,214.24;
10. Authorization for the General Manager & CEO to execute the Joint Participation Agreement amendment with the City of Orlando for the Narcoossee Road Central Widening and Improvement Project. Approval of Change Request No. 2 to the Electric Distribution Construction Estimate in the amount of \$532,311.85 for engineering and support necessary to complete the manhole duct-line system portion of the Narcoossee Road Central Widening and Improvements Project, increasing the total project cost to \$3,759,068.35. Approval of an OUC initiated scope change and conforming Change Order No. 1 to

the City of Orlando in the amount of \$532,311.85 to provide construction management and construction services for the project, increasing the total Purchase Order amount to \$2,963,192.99;

11. Approval of a Purchase Order to Cathcart Construction Company - Florida LLC to provide construction services for the Brick Streets Water Main Replacement Project - Delaney Avenue in the amount of \$247,328.40;
12. Approval of Change Request No. 1 to the Water Distribution Construction Estimate for the Brick Streets Water Main Replacement Project for engineering, construction, inspection, and administrative costs in the amount of \$10,728,759.56, increasing the total project cost to \$10,829,548.10. Approval of an OUC initiated scope change and conforming Change Order No. 1 to Arcadis US, Inc. to provide final engineering design, permitting, bidding, and construction support services in the amount of \$819,376.80, increasing the total Purchase Order amount to \$908,898.80;
13. Authorization for the General Manager & CEO to execute the Utility Work by Highway Contractor Agreement with the Florida Department of Transportation for the South Orange Avenue Electric Infrastructure Installation Project. Approval of a Purchase Order to the Florida Department of Transportation for reimbursement of construction costs in the amount of \$3,117,773.80;
14. Approval of an OUC initiated scope change and conforming Change Order No. 3 to Black & Veatch Corp in the amount of \$900,000 to continue providing design engineering support and construction management services necessary to complete the Southwood to Convention Center 230kV Transmission Upgrade Project, increasing the total Purchase Order amount to \$4,950,000;
15. Approval of Change Request No. 2 to the Transmission Capital Expenditure Estimate in the amount of \$7,773,000 for detailed design, surveying, property negotiations, and complete construction packages for the St. Cloud 230kV Transmission Line Project, increasing the total project cost to \$11,373,000. Approval of an OUC initiated scope change and conforming Change Order No. 3 to Burns & McDonnell, Inc. in the amount of \$7,573,000 for detailed design and subcontracted services, increasing the total Purchase Order amount to \$9,263,000. Approval of an OUC initiated scope change and conforming Change Order No. 2 to Golder Associates, Inc. in the amount of \$118,300 to continue providing environmental consulting and permitting services required for the Florida Department of Environmental Protection application, increasing the total Purchase Order amount to \$321,390;

16. Approval of an OUC initiated scope change and conforming Change Order No. 1 to Power Engineers, Inc. in the amount of \$50,000 to provide construction support necessary to complete the Weber to Robinson 115kV Underground Cable Repair Project, increasing the total Purchase Order amount to \$125,000. Approval of RFP #4955 – Contract award to W.A. Chester, LLC, the lowest, most responsive, and responsible supplier, to furnish and install a high voltage three phase splice in the amount of \$580,000.
17. Approval of a sole source Purchase Order to ESA Solar Energy, LLC for turnkey installation of a 100 kW bifacial rooftop solar photovoltaic system on the Gardenia office building in the amount of \$249,686.75;
18. Approval of an OUC initiated scope change and conforming Change Order No. 2 to Oracle America, Inc. in the amount of \$242,681.63 for DataRaker AMI Smart Grid Analytics software and support services for the period of February 28, 2021 through September 17, 2021, increasing the total Purchase Order amount to \$1,208,502.80;
19. Approval of an OUC initiated scope change and conforming Change Order No. 3 to Diligent Corporation in the amount of \$98,814.03 for Boardbooks software licenses for the period of March 13, 2021 through March 12, 2024, increasing the total Purchase Order amount to \$190,462.03;
20. Approval of an OUC initiated scope change and conforming Change Order No. 2 to Presidio Networked Solutions, Inc. in the amount of \$750,586.11 for Cisco Smartnet equipment, maintenance, and technical support from February 1, 2021 through January 31, 2024, increasing the total Purchase Order amount to \$1,543,390.30;
21. Authorization for the General Manager & CEO to execute the Third Amendment to the Interlocal Agreement with the City of St. Cloud, including a ten-year extension through 2042, approval of the St. Cloud Generation Facility Environmental Remediation Plan in the amount not to exceed \$6,000,000, and modification of revenue based payments to the City of St. Cloud to 9.75 percent and 10 percent in 2026 and 2032, respectively;
22. Approval of a Purchase Order to Altec Industries, Inc. for 13 truck lease extensions for three years and 1 truck lease extension for one year in the aggregate amount of \$857,736;
23. Approval of a Purchase Order to Ring Power Corporation for one Caterpillar 306 Hydraulic Excavator and one Towmaster TC-18-3 Flatbed Trailer in the aggregate amount of \$112,221;

24. Approval of a Capital Expenditure Estimate for the Stanton Energy Center Roof Replacement Project in the amount of \$1,821,200. Approval of RFP #4941 – Contract award to Atlas-Apex Roofing, LLC, the most responsive and responsible supplier, to remove, furnish, and install replacement roofs for two buildings at the Stanton Energy Center in the amount of \$1,656,200;
25. Approval of the reappointment of Greg Rodeghier to the Board of Trustees of the OUC Pension Plan, effective January 26, 2021, for a term ending on December 31, 2025;
26. Approval of RFP #4948 – Contract award to ACRO Service Corporation, the most responsive and responsible supplier, to provide management services for staff augmentation in the amount of \$12,000,000. The contract term is three years with two one-year renewal options. Approval of an OUC initiated scope change and conforming change order No. 9 to Agile 1 in the amount of \$1,076,250 to provide temporary staffing support and management services through August 7, 2021, increasing the total Purchase Order amount to \$19,711,293.02;
27. Approval of an OUC initiated scope change and conforming Change Order No. 1 to Essense Partners; Evok Advertising & Design Inc.; Prismatic; Diane Meiller & Associates, Inc.; and Costa Communications Group in the aggregate amount of \$1,169,080 to continue providing marketing, advertising, and communications services through July 10, 2023, increasing the aggregate Purchase Order amounts to \$2,069,080;
28. Approval of an OUC initiated scope change and conforming Change Order No. 1 to Leidos Engineering, LLC in the amount of \$220,000 to continue providing consulting services for the Electrification Program and New Products and Services framework through July 31, 2021, increasing the total Purchase Order amount to \$300,000;
29. Authorization for the General Manager & CEO to execute the Purchase and Sale Agreement with the City of Lakeland for the sale of its ownership interest in the Unit 5 Land, Turbine 2 Land, and Additional Land, and any and all closing documents necessary to effect the terms of the Purchase and Sale Agreement; and
30. Approval of additional funding in the amount of \$50,000 with conforming Change Order No. 4 to Sterling Infosystems, Inc. d/b/a Sterling to continue providing driver's license and background check services through August 31, 2021, increasing the total Purchase Order amount to \$148,000.

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Commissioner Lee reported that the Audit Committee (Committee) conducted its regular meeting on December 15, 2020.

The results of the September 30, 2020 financial statement audit were presented along with Ernst & Young's unmodified audit opinion. Income before contributions for the year ended September 30, 2020 were \$101.2 million and total assets were \$3.7 billion. The five-year financial and statistical report was also presented.

The Committee was provided updates on the current funding of OUC customer bill payment assistance programs and the final cost estimate associated with the closure and dismissal of the Stanton Energy Center litigation. An update on the deferral of wholesale electric revenues was presented pending the potential for Board action prior to the close of the fiscal year. An update on the proposed January 2021 Pricing Workshop was also presented.

Ernst & Young (E&Y) presented a summary of their audit results for 2020, including the issuance of an unmodified audit opinion and the issuance of reports regarding internal controls and management letter comments, each with no findings.

The Committee reviewed Internal Audit activities, including an overview of a recently completed report and an overall status of the Fiscal Year 2021 projects.

An update to the Procurement Policy framework was also presented to the Committee.

No official actions were presented or approved.

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Mindy Brenay shared results from the December 2020 financial statement, which were slightly ahead of budget. While the combined retail electric and water revenues are above budget, on a stand-alone basis water revenues continue to trail budget due to the lack of use of commercial buildings. Wholesale and other revenues are above budget with a portion of these revenues deferred in anticipation of the recognition of the MC3 decommissioning costs. Income before contributions for the year is \$1.7 million higher than budget.

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Susannah Randolph, an OUC customer, congratulated OUC for receiving a B grade from the Sierra Club in a recent report titled "The Dirty Truth," which is the highest rating in the Southeast region.

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Mr. Bullock thanked the Sierra Club for recognizing OUC as a clean energy leader and specifically the commitment to 100 percent net zero emissions by 2050, which was made as part of the strategic planning and the EIRP process last year. He noted that the report confirms that OUC is a leader in the state and the Southeast. He stressed that this report represents just one part of OUC's business, but the EIRP takes into account reliability, affordability, resiliency, and sustainability when making decisions.

Mr. Bullock also pointed out that the Sierra Club's report notes the transportation sector has moved ahead of power generation in terms of carbon dioxide output. Vehicle electrification is a big part of OUC's sustainability efforts, leading to major commitments such as investing \$45 million for developing the infrastructure necessary to put 40,000 more EVs on roads by the end of the decade.

Mr. Bullock noted that OUC has interim goals along the way, and a big part of getting to the next goal of 50 percent carbon dioxide emission reductions is by transitioning coal operations to natural gas. OUC will continue to move forward on the plans approved last year and work constantly to improve the utility and the community. A copy of the Sierra Club report was provided to the Commissioners.

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Mr. Bullock congratulated the PROUD Volunteers of the Year and thanked the OUCares team. He thanked all employees for their contributions to the campaign.

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Mr. Bullock acknowledged and thanked Commissioner Calvet for his service as President and looks forward to working with President Gross.

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Commissioner Mills praised the bifacial solar project. He congratulated the PROUD Volunteers of the Year. He commended the Time of Use pilot.

Commissioner Lee thanked Mr. Adams for his presentation and commended Jody Rodgers for personally responding to all the students. He thanked Commissioner Calvet for his service as President. He congratulated President Gross on her new role as president.

Commissioner Calvet praised the work of the OUCares Program. He congratulated the PROUD Volunteers of the Year and all OUC volunteers. He commended the Lakeland and St. Cloud negotiations. He applauded OUC on the B rating in the Sierra Club report and stated that it proves OUC is heading in the right direction.

Mayor Dyer thanked Commissioner Calvet for his service as President and congratulated President Gross on her term. He thanked the PROUD Volunteers of the Year. He also praised the OUCares campaign and the work in helping the New Image Youth Center. He commended the bifacial solar project and the Lakeland and St. Cloud negotiations. He was pleased with OUC's rating in the Sierra Club report.

President Gross commended OUC's B rating in the Sierra Club report and acknowledged Ms. Randolph for her comments. She thanked Ms. Rainford for her comments in the Moment of Reflection. She praised Commissioner Calvet for his service as President and guidance in her new role.

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President Gross adjourned the meeting at 3:58 P.M.

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President

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Secretary