

**MINUTES  
ORLANDO UTILITIES COMMISSION  
December 11, 2018  
2:00 P.M.**

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**Present:**

COMMISSIONERS:

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

Clint Bullock, General Manager & Chief Executive Officer  
Jan Aspuru, Chief Operating Officer  
Mindy Brenay, Chief Financial Officer  
W. Christopher Browder, Chief Legal Officer  
Linda Ferrone, Chief Customer Officer  
Jerry Sullivan, Chief Information Officer  
Latisha Thompson, Chief Employee Experience Officer  
LeMoyne Adams, Luz Aviles, Wade Gillingham, Roseann Harrington, Chip Merriam, & Ken Zambito, Vice Presidents  
Nanci Schwartz, Recording Secretary

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President Lee asked German Romero to give the invocation, followed by the Pledge of Allegiance to the Flag. The Commission Meeting was called to order at 2:11 P.M.

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On a motion by Mayor Dyer, seconded by Commissioner Calvet and unanimously carried, the reading of the minutes of the November 13, 2018 Commission Meeting was waived and the minutes were approved.

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Roseann Harrington announced that OUC hosted the Orlando Half Marathon on December 1. She presented a medal to President Lee for running the 5k. President Lee thanked Ms. Harrington and staff for their hard work on the event.

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Susannah Randolph, an OUC customer, spoke about OUC's Electric Integrated Resource Plan and the plan to upgrade the Stanton Energy Center (SEC) Unit 1.

Piper Vargas spoke about the Moms Clean Air Force and concerns about the plan to upgrade the SEC Unit 1.

Michael Cohen, an OUC customer, spoke about the plan to upgrade SEC Unit 1 and encouraged the use of solar power.

Daniela Marin, an OUC customer, spoke about OUC's potential to impact climate change.

Sara Isaac, an OUC customer, spoke about the concerns regarding burning fossil fuels.

Pete Dunkelberg, an OUC customer, spoke about the plan to upgrade SEC Unit 1.

Dierdre Macnab spoke about OUC's Electric Integrated Resource Plan and about the plan to upgrade SEC Unit 1.

Timothy Ayers, an OUC customer, spoke about the Lake Lorna Doone Park OUC solar pavilion.

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Mr. Bullock acknowledged the community for their interest in OUC's Electric Integrated Resource Plan (EIRP). Staff will be taking a twenty-year view and looking at all types of technology. Mr. Bullock emphasized OUC's commitment to solar power, and noted improvements in pricing and the advancement of battery storage over the past several years. He also emphasized OUC's commitment to reliability, sustainability, and affordability. OUC will continue to be a leader in Sustainability, Electric Vehicle Infrastructure, and Conservation. Mr. Bullock noted that OUC is the key driver in bringing 223.5 MW of solar energy to Central Florida and throughout the state in 2020 through a partnership with the Florida Municipal Power Agency and 11 other cities. During the EIRP, OUC will seek stakeholder engagement from all customer segments.

Mr. Bullock asked Jan Aspuru and Linda Ferrone to provide a presentation on Affirmative Item A-7 regarding the EIRP. Mr. Aspuru stated the vision of the EIRP is to collaboratively develop a 20-year roadmap for OUC's electric resource future that balances reliability, affordability, resource innovation, and sustainability with the long-term needs, interests, and values of the customers and community. The EIRP will identify future generation needs by forecasting customer load growth, unit retirements, and reserve margins; consider emerging technologies like Distributed Energy Resources (DERs) such as solar, energy storage, and electric vehicles; consider transmission constraints; and leverage

existing and new customer programs to mitigate capacity needs. OUC will use an enhanced integrated approach, which includes DERs and energy storage. The EIRP will use scenario planning and sensitivities to help drive the best long-term decision making. Mr. Aspuru showed examples of historic winter and summer peaks. He also explained the challenges of solar penetration and the dilemma for utilities of losing revenues while still having the obligation to meet peak demand which is often referred to in the industry as the "duck curve."

OUC has formed an executive committee and a steering committee for the EIRP. Siemens Industry, Inc. was selected as the most responsive and responsible vendor. Many utilities, including Austin Energy, have utilized Siemens for their EIRPs. Essence Partners will be utilized as the stakeholder engagement consultant. Mr. Aspuru explained the scope of work for the EIRP. He stressed that OUC is on track to meet its goal of having 20 percent Clean Energy by 2020 and noted the importance of the SEC Unit 1 turbine upgrade in meeting this goal. He also stressed the importance of helping the City of Orlando meet its 100 percent Clean Energy by 2050 Proclamation.

Ms. Ferrone discussed the stakeholder engagement involved with the EIRP. Essence Partners will gather input from key internal and external stakeholders as part of the EIRP process and recommendations will be presented to stakeholder groups.

Mr. Aspuru discussed the project schedule and provided a summary of the presentation.

Commissioner Gross commented on OUC's balance between reliability, affordability, and sustainability, and noted that a better question would be to ask how OUC can get to 100 percent clean energy by 2050 without sacrificing reliability and affordability. She asked whether Siemens will be evaluating this question as a "bookend." Mr. Aspuru responded affirmatively, noting that the study period will be through 2040 but that it will have scenarios that will provide proxies for meeting the 2050 goal.

Mayor Dyer agreed with Commissioner Gross about reframing the balance between reliability, affordability, and sustainability. OUC's main goal should be to be sustainable while also remaining reliable and affordable. He also noted that the improvements will be made in incremental steps.

Mayor Dyer also asked for clarification regarding the SEC Unit 1 turbine upgrade. Mr. Aspuru noted the efficiency and financial improvements with the Unit 2 turbine upgrade. He emphasized that upgrading Unit 1 is part of OUC's Clean Energy strategy and not a driver on the decision as to if and when to retire SEC Unit 1.

Commissioner Gross noted that she voted yes on the upgrade because it reduces the amount of coal for an equal power output.

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Mr. Bullock asked Roseann Harrington to provide a presentation on Affirmative Item A-15 regarding the Lake Lorna Doone Park OUC Solar Pavilion. Ms. Harrington provided background information regarding OUC's first empowerment zone in the 32805 zip code. It encourages development, broad-based economic prosperity, and community support in the most economically disadvantaged areas of OUC's service territory. LIFT Orlando is a nonprofit organization comprised of business leaders partnering with residents to accelerate community transformation around the Camping World Stadium. The major project is an \$8 million revitalization of the Lake Lorna Doone Park. OUC will sponsor a 4,800 square foot solar entertainment pavilion that will contribute to the City's sustainability goals. Ms. Harrington explained the benefits of the project, which include receiving naming rights on the solar pavilion for 15 years, recognition at all event promotions taking place at the pavilion, public EV charging stations, and hydration stations.

Ms. Harrington recognized Lisa Early, Steve Hogan, Timothy Ayers, Tangia Smickle, Margaret Hill, and Sarah Elbadri. She also recognized Bobby Collins, Lisa Curran, Alandus Sims, Sam Choi, and Justin Kramer.

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President Lee announced a conflict of interest with Affirmative Item A-7. President Lee presented the remaining Affirmative Items for approval. On a motion by Commissioner Mills and seconded by Commissioner Gross, the Affirmative Items with the exception of A-7 were approved as follows:

1. Ratification of the fuel procurements to the low bidders in September 2018 in the aggregate amount \$13,188,520.69 as follows:

**NATURAL GAS PURCHASES:**

September 2018	Direct Energy Business Marketing, LLC	\$ 198,477.12
September 2018	EDF Trading	\$1,203,888.36
September 2018	Infinite Energy	\$ 185,406.80
September 2018	Shell Energy	\$2,602,095.51
September 2018	Tenaska Marketing Ventures	\$6,471,359.55
September 2018	Texla Energy Management, Inc	\$ 157,675.00

**COAL PURCHASES:**

September 2018	Crimson Coal Corporation	\$2,369,618.35
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2. Approval of a Purchase Order to AirTek Construction, Inc. to provide electrostatic precipitator inspection and repair services for Stanton

Energy Center Unit 1 during the 2019 Spring Outage in the amount of \$613,000;

3. Approval of RFP #4601 - Contract award to Underwater Solutions, Inc., the lowest, most responsive and responsible vendor, to provide water storage tank cleaning and inspection services in the amount of \$250,500. The contract term is five years with one five-year renewal option;
4. Authorization for the General Manager & CEO to execute a Long-Term Power Supply Agreement between the City of Lake Worth and OUC for up to a seven year term, beginning January 1, 2019;
5. Approval of the Lighting Construction Estimate for Eagle Creek Village K - Phase 1A in the amount of \$614,024.40, which includes \$442,117.17 for lighting equipment from OUC's stock inventory and \$171,907.23 to Terry's Electric, Inc. for the installation of poles, fixtures, and wires;
6. Approval of RFP #4615 - Contract award to Cathcart Construction Company Florida, LLC, the lowest, most responsive, and responsible vendor, for the procurement and construction of the prefabricated architectural wall for the Weber Substation Enhancement Project in the amount of \$1,095,000;
7. Pulled for separate vote;
8. Approval of a sole source Purchase Order to IBM Corporation for Cognos and Tivoli software maintenance and support through December 31, 2021 in the amount of \$810,965.60;
9. Approval of an OUC initiated scope change and conforming Change Order No. 1 to Persistent Systems, Inc. in the amount of \$252,000 to continue providing professional support services for Secure Account Management through December 31, 2019, increasing the total Purchase Order amount to \$486,000;
10. Approval of an OUC initiated scope change and conforming Change Order No. 1 to Petroleum Traders Corporation in the amount of \$1,163,750 for unleaded, biodiesel, ultralow-sulfur diesel, and ethanol fuel through July 20, 2019, increasing the total Purchase Order amount to \$3,176,250;
11. Approval of RFP #4583 - Contract award to Deshazo, LLC, the lowest, most responsive, and responsible vendor, for overhead crane and hoist maintenance and repair services in the amount of \$150,000. The contract term is three years with two one-year renewal option;

12. Approval of an OUC initiated scope change and conforming Change Order No. 1 to AECOM Technical Services, Inc. for permitting consulting services in the amount of \$165,400, increasing the total Purchase Order amount to \$255,166.94;
13. Approval of a Capital Expenditure Estimate for the Gardenia and Pershing LED Lighting Retrofit Project in the amount of \$556,280. Approval of a Purchase Order to Maryland Electric Company, LLC to install replacement LED lighting fixtures in the amount of \$258,485.50. Approval of a Purchase Order to Graybar Electric Company, Inc. to supply LED lighting fixtures in the amount of \$297,794.50;
14. Approval of a Purchase Order to Burgess Chambers & Associates, Inc. to provide retirement benefit consulting services through December 31, 2021 in the amount of \$258,000;
15. Approval of a sole source Purchase Order to Florida Citrus Sports Events, Inc. for the Lake Lorna Doone Park OUC Solar Pavilion in the amount of \$480,000, which will be paid out over a period of five years, subject to OUC legal review of the sustainability partnership agreement;
16. Authorization for the General Manager & CEO to execute the Release of Easement for RCJ of Winter Park No. 2, LTD, for the property located east of North Semoran Boulevard and south of Hanging Moss Road;
17. Authorization for the General Manager & CEO to execute the Release of Easement for PV-SC Curry Ford, LLC, for the property located south of Curry Ford Road, east of Peel Avenue and west of South Crystal Lake Drive; and
18. Approval of the 2019 Commission Meeting dates on January 22, March 12, April 9, May 14, June 11, July 9, August 13, October 8, November 12, and December 10.

On a motion by Commissioner Mills and seconded by Commissioner Gross, Affirmative Item A-7 was approved as follows:

7. Approval of RFP #4600 - Contract award to Siemens Industry, Inc., the most responsive and responsible vendor, to provide consulting services for the Electric Integrated Resource Plan in the amount of \$800,000. Approval of a Purchase Order to Essense Partners, Inc. to provide stakeholder engagement services for the Electric Integrated Resource Plan in the amount of \$226,000.

President Lee previously announced a conflict of interest and abstained from the vote.

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President Lee asked if there were any comments for New Business Item 1 regarding the Commissioner nomination. The City of Orlando Nominating Board submitted three candidates for consideration of the position currently held by Britta Gross, whose term expires December 31, 2018.

Commissioner Gross announced a conflict of interest, inasmuch as this matter considers her own appointment. She stated that she will refrain from the discussion and not vote on this item, per Florida State Statute, in that no member of a municipal council should vote on a motion regarding their right as a member.

Mayor Dyer moved to enable Commissioner Britta Gross, an OUC customer and qualified elector, to succeed herself as a Commission member, as is allowed by the Charter of the Commission, and that her name be submitted for consideration as the Commission's nomination to the Orlando City Council for election to serve a term of four years, effective January 1, 2019. Commissioner Calvet seconded the motion and it was approved on a vote of 4-0. Commissioner Gross abstained from the vote.

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President Lee reported that the Finance Committee conducted its regular meeting on November 15, 2018.

An update on the financial savings and adherence to Treasury Policy guidelines was presented for the refunding of the Series 2009B bonds. Based on this information, the Committee recommends the Board adopt the Series 2019A Refunding Bonds Resolution for the issuance of the Series 2019A Revenue Refunding Bonds and refunding of the Series 2009B Bonds.

The Committee was provided an overview of municipal-led natural gas supply agreements that provide OUC with the physical delivery of natural gas at discounted commodity pricing. The Committee considered the execution of three Supply Agreements for up to 30,000 MMBtus per day, for terms not exceeding 30 years, and providing a minimum initial discount for at least \$0.20/MMBtu. Two of the agreements are traditional in nature. One agreement is an enhanced structure which provides for a one-time option to convert the gas Supply Agreement to a renewable or traditional purchase power agreement. The Committee recommends the Board adopt the Natural Gas Prepaid Supply Agreement Resolution, which authorizes the execution of the Supply Agreements.

The Committee also conducted its annual review of the Treasury Policy with a recommendation to implement a Finance Committee Charter, to supersede the Treasury Policy. The Finance Committee Charter is consistent with the structure and format of the Audit Committee Charter and memorializes the Board approved Treasury Policy guidelines with enhanced delineation of responsibilities for Committee members and management as well as the incorporation of debt financing and cash reserves. The Committee recommends Board approval of the Finance Committee Charter.

The Committee reviewed the Energy Risk Management and Treasury Reports for the quarter ending June 30, 2018 and September 30, 2018, respectively.

On a motion by President Lee and seconded by Commissioner Calvet, PRES-1a was adopted as follows:

PRES-1a A resolution of the Orlando Utilities Commission authorizing the issuance of not exceeding \$65,000,000 utility system revenue refunding bonds, Series 2019A for the purpose of financing the current refunding of its outstanding utility system revenue refunding bonds, Series 2009B; providing for the terms of said bonds; providing for the disbursement of funds; appointing a paying agent and registrar for said funds; authorizing a negotiated sale of said bonds; delegating certain authority to the General Manager or the Chief Financial Officer and other officers including authorizing the execution and delivery of a Bond Purchase Agreement; authorizing the preparation, deeming final and distribution of a Preliminary Official Statement and the execution and delivery of an official statement; authorizing the execution and delivery of an escrow deposit agreement and appointing an escrow agent; authorizing the execution and delivery of a continuing disclosure agreement; creating and establishing a cost of issuance account; authorizing the appointment of a verification agent and a bidding agent; authorizing proper officials to do all other things deemed necessary or advisable in connection with the issuance, sale and delivery of said bonds and the refunding and defeasance of the bonds to be refunded; providing certain other matters in connection therewith; and providing an effective date.

On a motion by President Lee and seconded by Commissioner Gross, PRES-1b was adopted as follows:

PRES-1b Adoption of the Natural Gas Prepaid Supply Agreement Resolution.

On a motion by President Lee and seconded by Commissioner Mills, PRES-1c was adopted as follows:

PRES-1c Adoption of the Finance Committee Charter as recommended by the Finance Committee.

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Mindy Brenay provided the Financial Report for October. Preliminary financial information for the month of November was provided noting that cooler than normal weather had resulted in stronger than projected retail electric revenues.

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Jonathan Sebastian Blount, an OUC customer, spoke about OUC's commitment to the community, as well as the Service and Love Together (SALT) team.

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Mr. Bullock informed the Commissioners that OUC held its annual Leadership Forum on November 13, 2018 at the new Greater Orlando Aviation Authority multimodal facility. He thanked Ms. Ferrone, Ms. Harrington, Jenise Osani, Tim Trudell, Elizabeth Paul, and Michelle Lynch for their efforts.

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Mr. Bullock introduced the 2018 Year in Review video, created by the Marketing, Communications and Community Relations team.

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Mr. Bullock acknowledged President Lee for giving the keynote address at the 2018 Power Gen conference.

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Mr. Bullock congratulated Roseann Harrington on her retirement and her new role as Chief of Staff for the Mayor of Orange County. He noted her achievements within OUC and the community.

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Mr. Bullock wished everyone a happy and safe holiday season.

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Mayor Dyer thanked Ms. Harrington for her decades of service to OUC. He spoke about OUC's focus in the Paris to Pittsburgh documentary. He wished everyone a safe and happy holiday season and a happy new year.

Commissioner Gross noted the importance of discussing sustainability and the EIRP. She thanked Ms. Harrington for her contributions to OUC and congratulated her on her new position. She committed to watching the Paris to Pittsburgh documentary. She wished everyone a happy holidays.

Commissioner Mills thanked Ms. Harrington for her work in the neighborhood meetings and stated he looks forward to working with her at the County. He is very interested in the EIRP and OUC's commitment to sustainability. He praised OUC for being involved in the Lake Lorna Doone Park Project. He requested more information on the SALT team. He praised the MCCR staff on the Year in Review video and wished everyone a happy holidays.

Commissioner Calvet congratulated Ms. Harrington for her service to OUC and wished her well in her new endeavor. He appreciated the discussion on Affirmative Item A-7. He praised the Lake Lorna Doone Park Project. He commended the agreement with GOAA. He wished everyone a happy holidays.

President Lee thanked everyone for a great meeting. He noted OUC's responsibility with the EIRP and the difficulty of balancing sustainability with reliability and affordability. He thanked the community members for participating in the meeting. He congratulated Ms. Harrington on her retirement and wished her well in her new position. He wished everyone a happy holidays.

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Commissioner Calvet adjourned the meeting at 4:12 P.M.

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President

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Secretary