

2024 FINANCIAL AND STATISTICAL REPORT



Orlando Utilities Commission 2024 Financial and Statistical Report

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Years Ended September 30, 2024 - 2020

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Certain information provided in this document is being provided to meet OUC's current continuing disclosure obligations under various continuing disclosure agreements entered into in connection with certain of its outstanding debt obligations, as required under Securities Exchange Commission Rule 15c2-12.



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General Information

OUC—the Reliable One is the second largest municipal utility in Florida, providing a portfolio of utility services to more than 284,064 customers in Orlando, St. Cloud and parts of unincorporated Orange and Osceola counties.

OUC was created in 1923 by a Special Act of the Florida Legislature as a statutory utility commission and is governed by a Board (the Board) consisting of four appointed members and the Mayor of the City of Orlando (the City) as a fifth ex-officio member. The Act confers upon OUC the rights and powers to set prices for electric and water services. OUC is responsible for the operation and maintenance of a portfolio of energy services including the acquisition, generation, transmission and distribution of electric and water services, as well as chilled water, lighting, back-up generation, electric vehicle charging and solar energy services and solutions in a manner which is sustainable and delivers value to its customers and the community.

The electric system provides power to customers within the City and certain contiguous portions of Orange County. Beginning in 1997, through the execution of an interlocal agreement, the electric system was expanded to provide power to the City of St. Cloud, their customers and certain portions of Osceola County. The combined electric system is the largest component of OUC's operations and consists of eight generation units, a transmission station with 38 substations and approximately 398 miles of transmission lines and cables. The combined system encompasses 419 square miles and has 283,755 active metered services. The service territory boundaries within the City and certain contiguous portions of Orange County are established by OUC's charter as modified by a territorial agreement with Duke Energy which expired in August 2017. OUC retains the authority to provide utility services in the locations agreed in the expired agreement and will jointly file a newly negotiated agreement with the Florida Public Service Commission when the agreement is finalized. The St. Cloud Agreement expires on September 30, 2042.

OUC provides water service to customers throughout Orlando as well as a 200-square-mile service area as set forth in the territorial agreement with Orange County (the County). OUC's agreement with the County has an expiration date of May 4, 2029 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 lower Floridan 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. In 2024, a granular activated carbon filtration system was introduced at the Conway Water Plant which reduces the amount of chlorine added and reduces the need to flush water, enhancing water quality and increasing operational effectiveness. In October 2020, in advance of the CUP reduction trigger date of October 1, 2023, OUC submitted a request to renew the CUP at a withdrawal rate of 109.2 mgd for a second 20-year period. On October 1, 2021, OUC's groundwater allocation was reduced to 100.1 mgd as a result of complexities associated with the execution of the required mitigation project included as a provision of the first 20-year CUP. In addition, the District's preliminary current groundwater modeling indicates that OUC's use of groundwater over 82.2 mgd may have negative impacts on certain sensitive lakes and springs in central Florida. These new results will require OUC to develop mitigation initiatives for pumping over the 82.2 mgd levels needed to serve its water customers. OUC currently pumps an average of 88.7 mgd. To address the potential reduction in water supply, the evaluation of securing resources from the lower-lower aquifer continues along with a variety of additional conservation measures including water price increases implemented in April 2021 and October 1, 2023 focused on increasing tier pricing for high usage customers.

OUC also provides ancillary services including chilled water, lighting, back-up generation, electric vehicle charging and solar services and solutions that serve the City and surrounding counties. Chilled water provides air conditioning for large commercial customers through a network of ten chilled water plants in six districts with a total capacity of 61,310 tons with two additional customer-sited facilities operated through contractual custodial agreements expanding capacity to 81,310 tons. Lighting services are provided to both municipalities and commercial partners for the installation and maintenance of indoor and outdoor lighting resources.

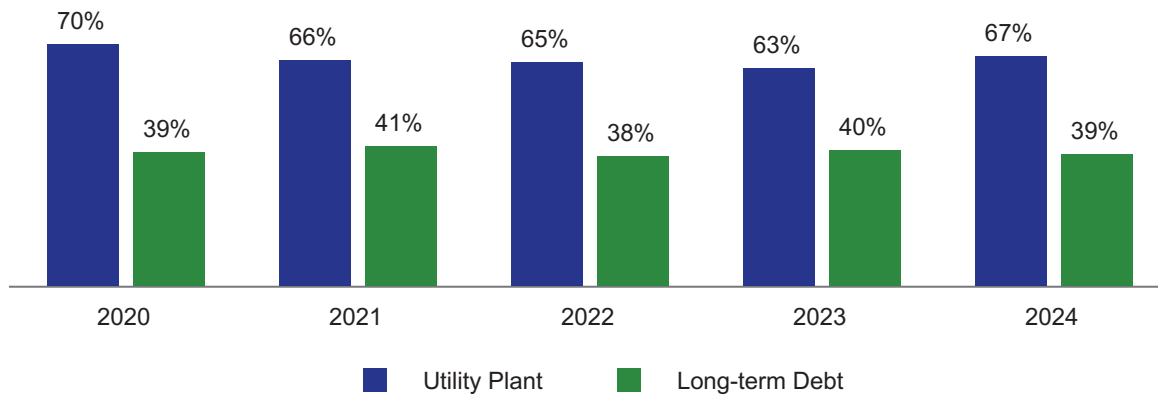
The information presented in the following pages represents OUC's financial and operational information for the periods of 2020-2024 and, where appropriate, amounts have been reclassified to conform to the 2024 presentation. Generally, narratives have been provided for changes greater than 20.0 percent when comparing 2024 to 2023 and 2020.



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Combined Business Operations

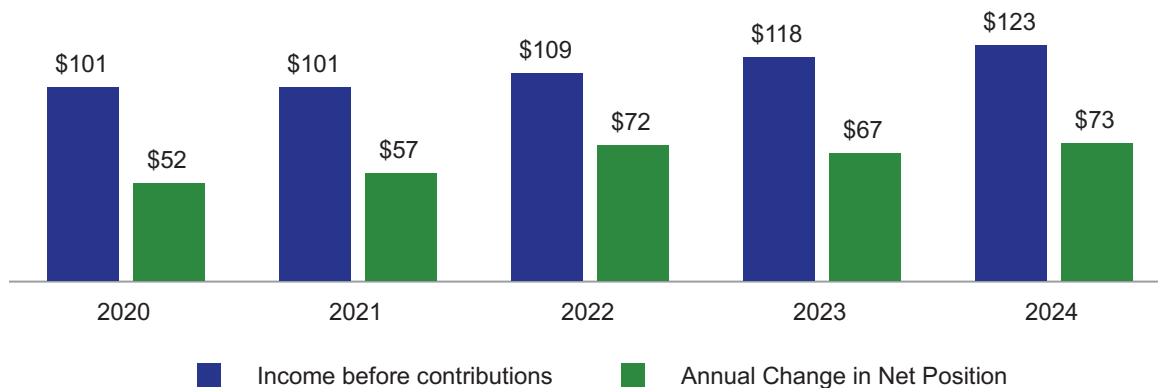
Statement of Net Assets Highlights



Utility Plant and Long-term Debt:

- As an infrastructure intensive industry, Utility Plant continues to represent the majority of OUC's assets. Oversight for the acquisition of these assets is approved by the Board in conjunction with the annual approval of the five-year Capital Plan (Capital Plan) and monthly affirmative Board agenda actions.
- Beginning in 2020, utility plant began to decrease in support of the Path to Clean Energy strategic initiative developed to achieve our Net Zero CO₂ Emission goals by 2050 with the retirement and asset-life modification of the coal-fired McIntosh Unit 3 and SEC Unit 1 generation facilities and the diversification of utility plant assets through the execution of utility-scale solar purchase power agreements. Beginning in 2024, initiatives supporting the Path to Clean Energy increased utility plant with the re-energizing of the natural gas-fired Osceola Generating Station (OGS) Unit 2 and the construction of adjacent transmission line and substation facilities. Water system upgrades also contributed to the increase in utility plant with the introduction of a new granular activated carbon filtration system at the Conway Water Plant. In addition, new electric and water distribution and transmission assets were introduced to support customer growth and enhance system reliability.
- Funding for a portion of Utility Plant is secured through the issuance of long-term debt which is presented for Board approval subsequent to review by the Audit-Finance Committee. In 2024 and 2023, OUC issued long-term debt in the amount of \$100.0 million and \$276.7 million, respectively, to support customer growth and advance the Path to Clean Energy initiatives designed to achieve our Net Zero CO₂ Emission goals in alignment with the Board adopted 2020 Electric Integrated Resource Plan.

Income Before Contributions and Annual Change in Net Positions (millions)



Income Before Contributions and Annual Change in Net Position:

- Income before contributions has increased consistent with the Board approved return on equity within the target range of 8.5 percent and 10.5 percent.
- Beyond income before contributions, annual dividend payments are paid and contributions in aid of construction are received. Beginning in 2022, the increases in net position are primarily driven by increased developed contributions in aid of construction reflecting the strong community growth in the Central Florida area.

STATEMENTS OF NET POSITION (Dollars in thousands)

As of September 30	2024	2023	2022	2021	2020
Assets					
Utility plant, net					
Utility plant in service	\$ 4,972,746	\$ 4,775,253	\$ 4,691,091	\$ 4,510,530	\$ 4,536,258
Allowances for depreciation and amortization	(2,747,367)	(2,591,218)	(2,436,483)	(2,278,083)	(2,294,973)
Utility plant in service, net	2,225,379	2,184,035	2,254,608	2,232,447	2,241,285
Land and other non-depreciable assets	139,240	146,407	115,456	141,714	84,313
Construction work in progress ¹	622,988	430,310	279,255	252,300	265,678
Total utility plant, net	2,987,607	2,760,752	2,649,319	2,626,461	2,591,276
Restricted and internally designated assets					
Restricted assets	122,711	225,038	134,521	253,877	47,199
Internally designated assets	689,884	636,500	566,631	576,473	496,404
Total restricted and internally designated assets ²	812,595	861,538	701,152	830,350	543,603
Current assets					
Cash and investments	28,766	31,501	4,506	52,526	36,528
Customer receivables, net	89,712	94,166	104,606	81,018	66,121
Miscellaneous receivables, net	17,890	15,574	23,137	14,606	25,709
Accrued utility revenue	47,312	45,287	46,605	38,990	37,961
Fuel for generation	33,055	26,660	30,121	15,486	23,037
Materials and supplies inventory, net ³	74,517	62,527	54,037	47,670	43,711
Accrued interest receivable	3,052	2,330	1,840	716	1,307
Prepaid and other expenses ⁴	12,056	21,903	7,365	6,866	10,744
Hedging derivative instruments maturing within one year ⁵	5,455	3,708	20,136	18,903	2,343
Total current assets	311,815	303,656	292,353	276,781	247,461
Other assets					
Regulatory assets	70,113	83,836	135,583	91,642	119,884
Other long-term assets	132,239	125,757	152,752	55,761	29,857
Hedging derivative instruments ⁵	19,731	38,810	58,205	20,209	2,406
Right of use assets, net ⁶	20,459	14,827	19,766	19,398	20,181
Lease receivable	15,255	15,970	14,444	14,790	15,365
Total other assets	257,797	279,200	380,750	201,800	187,693
Total assets	4,369,814	4,205,146	4,023,574	3,935,392	3,570,033
Deferred outflows of resources					
Accumulative decrease in fair value of hedging derivatives ⁵	9,726	6,148	1,205	4,385	25,230
Fair value retirement obligation asset ⁷	—	—	—	—	5,805
Unrealized pension and postretirement benefits contributions and losses ⁸	85,869	125,695	32,018	27,668	37,970
Unamortized loss on refunded bonds ⁹	25,823	24,352	32,084	41,558	51,195
Total deferred outflows of resources	121,418	156,195	65,307	73,611	120,200
Total assets and deferred outflows of resources	\$ 4,491,232	\$ 4,361,341	\$ 4,088,881	\$ 4,009,003	\$ 3,690,233

¹ Increased construction work in progress was driven by advancements made toward the Path to Clean Energy and Path to Alternative Water Sources initiatives and investments in electric distribution and transmission projects to support customer growth and enhance system reliability.

² Restricted and internally designated assets decreased primarily due to the spend-down of the Series 2023A Bonds proceeds offset by the issuance of the Series 2024A Bonds and the replenishment of fuel and capital reserves to Audit-Finance Committee approved target levels.

³ Beginning in 2022, materials and supply inventory have increased due to a increased transmission and distribution projects coupled with the impacts of inflation.

⁴ In 2024, prepaid and other expenses decreased due to the utilization of the pre-paid long-term service agreement for the planned outage of SEC Unit A.

⁵ In 2024, fuel commodity price volatility decreased lowering the value of unrealized fuel hedge derivatives.

⁶ In 2024, right of use assets, net increased due to implementation of new technology software arrangements.

⁷ In 2021, revised estimates for the retirement obligation of the St. Lucie nuclear generation facility were provided from the owner-operator resulting in a reduction of the fair value retirement obligation asset and associated long-term liability.

⁸ Deferred unrealized pension and postretirement benefits losses decreased due to favorable market-driven benefit trust valuations from the most recent actuarial report dated October 1, 2023.

⁹ Beginning in 2020, unamortized loss on refunded bonds has decreased due to the systematic amortization of losses on previously refunded debt. In 2024, this decrease was offset by the deferred loss on the issuance of the 2024B Bonds in the amount of \$7.2 million.

STATEMENTS OF NET POSITION (Dollars in thousands)

As of September 30	2024	2023	2022	2021	2020
Liabilities					
Current liabilities - payable from restricted and designated assets					
Current portion of long-term debt	\$ 75,580	\$ 74,875	\$ 79,915	\$ 82,050	\$ 73,930
Accrued interest payable on notes and bonds	24,557	29,378	27,462	28,756	24,892
Customer meter deposits	66,159	63,445	62,054	60,019	57,925
Total payable from restricted and designated assets	<u>166,296</u>	<u>167,698</u>	<u>169,431</u>	<u>170,825</u>	<u>156,747</u>
Current liabilities - payable from current assets					
Account payable and accrued expenses ¹	123,334	91,496	197,628	116,636	67,856
Billings on behalf of state and local governments	26,040	25,260	23,858	21,731	19,748
Compensated absences and accrued wages	25,243	20,231	19,972	17,477	17,758
Accrued governmental payments	—	3,766	3,090	2,946	2,985
Hedging derivative instruments maturing within one year	1,253	1,894	1,205	—	96
Total payable from current assets	<u>175,870</u>	<u>142,647</u>	<u>245,753</u>	<u>158,790</u>	<u>108,443</u>
Total current liabilities	<u>342,166</u>	<u>310,345</u>	<u>415,184</u>	<u>329,615</u>	<u>265,190</u>
Other liabilities and credits					
Pension and net postretirement benefits liability ²	87,391	108,964	—	48,023	88,054
Asset retirement obligation and other liabilities	172,044	171,281	120,980	96,900	97,466
Lease liability	14,893	12,329	16,971	16,173	16,727
Hedging derivative instruments	8,473	4,254	—	—	1,722
Total other liabilities and credits	<u>282,801</u>	<u>296,828</u>	<u>137,951</u>	<u>161,096</u>	<u>203,969</u>
Total long-term debt, net					
Bond and note principal	1,605,285	1,612,185	1,441,930	1,521,845	1,312,005
Unamortized premium ³	136,767	113,715	99,850	118,967	103,903
Fair value of derivative instruments	—	—	—	4,385	23,412
Total long-term debt, net	<u>1,742,052</u>	<u>1,725,900</u>	<u>1,541,780</u>	<u>1,645,197</u>	<u>1,439,320</u>
Total liabilities	<u>2,367,019</u>	<u>2,333,073</u>	<u>2,094,915</u>	<u>2,135,908</u>	<u>1,908,479</u>
Deferred inflows of resources					
Unrealized pension and postretirement benefits gains ²	22,659	34,103	117,113	60,679	28,704
Accumulated increase in fair value of hedging derivatives ⁴	16,549	42,519	78,341	39,112	4,749
Regulatory credits ⁵	300,945	239,252	155,042	201,064	233,003
Unamortized gain on refunded bonds	364	581	853	1,125	855
Lease revenue	16,107	16,781	14,900	15,474	16,025
Total deferred inflows of resources	<u>356,624</u>	<u>333,236</u>	<u>366,249</u>	<u>317,454</u>	<u>283,336</u>
Net position					
Net invested in capital assets	1,376,951	1,247,173	1,239,258	1,236,483	1,236,286
Unrestricted	390,638	447,859	388,459	319,158	262,132
Total net position	<u>1,767,589</u>	<u>1,695,032</u>	<u>1,627,717</u>	<u>1,555,641</u>	<u>1,498,418</u>
Total liabilities and deferred inflows of resources and net position	<u>\$ 4,491,232</u>	<u>\$ 4,361,341</u>	<u>\$ 4,088,881</u>	<u>\$ 4,009,003</u>	<u>\$ 3,690,233</u>

¹ In 2024, accounts payable increased due to the timing of payables related to the 2024 Capital Plan.

² In 2024, the pension and net postretirement benefits liability decreased as a result of favorable market results and the unrealized pension and postretirement benefits gains decreased as a result of assumption changes.

³ In 2024, unamortized premium increased as a result of the issuance of the Series 2024A and 2024B Bonds, refunding the Series 2010A Bonds.

⁴ In 2024, fuel commodity price volatility decreased lowering the value of unrealized fuel hedge derivative gains.

⁵ In 2024, the replenishment of fuel reserves from lower natural gas prices contributed to the increase in regulatory credits along with increased Path to Clean Energy and Board approved regulatory actions to increase base rate reserves to reduce the impacts of future retail electric price increases, bolster storm restoration reserves and advance grid hardening.

STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN NET POSITION (Dollars in thousands)

Years Ended September 30	2024	2023	2022	2021	2020
Operating revenues					
Electric revenues ¹	\$ 923,235	\$ 921,611	\$ 1,014,592	\$ 813,191	\$ 740,764
Water revenues ²	101,416	93,697	91,793	86,050	80,342
Lighting revenues	19,869	18,242	17,823	17,496	16,241
Chilled water revenues	42,574	42,918	35,304	31,321	29,107
Operating revenues before regulatory action	1,087,094	1,076,468	1,159,512	948,058	866,454
Regulatory action ^{1,2}	(22,739)	(4,000)	(25,000)	(1,669)	150
Total operating revenues	1,064,355	1,072,468	1,134,512	946,389	866,604
Operating expenses					
Fuel for generation and purchased power ³	331,298	364,429	467,974	294,988	257,111
Electric and water production ⁴	109,472	94,971	92,680	94,285	95,050
Transmission and distribution	62,119	59,197	49,992	51,232	51,417
Lighting	4,943	5,117	4,904	4,356	4,281
Chilled water	22,419	23,559	17,084	15,512	15,113
Customer service ⁵	35,865	31,738	39,484	43,240	41,167
General and administrative ⁵	104,905	90,387	71,935	76,374	60,942
Emergency response expenses	506	825	4,540	327	7,622
Depreciation and amortization	182,198	179,404	166,994	161,113	153,877
Utility/property tax	21,599	23,668	18,798	17,192	17,298
Revenue based payments to the City of Orlando	36,459	36,931	30,107	29,269	29,762
Revenue based payments to Orange County	1,939	2,088	1,727	1,564	1,524
Revenue based and system use payments to the City of St. Cloud	9,732	8,866	8,467	8,020	7,580
Total operating expenses	923,454	921,180	974,686	797,472	742,744
Operating income	140,901	151,288	159,826	148,917	123,860
Non-operating income and (expense)					
Interest income ⁶	33,259	24,962	6,268	6,588	12,653
Other income, net	9,155	7,468	6,805	7,142	10,576
Amortization of gain on sale of assets ⁷	—	—	—	—	5,749
Interest expense, net	(55,123)	(51,413)	(45,917)	(47,450)	(51,598)
Generation decommissioning ⁸	(4,721)	(14,615)	(18,375)	(13,946)	—
Total non-operating expenses, net	(17,430)	(33,598)	(51,219)	(47,666)	(22,620)
Income before contributions	123,471	117,690	108,607	101,251	101,240
Contributions in aid of construction (CIAC)	23,575	19,832	26,967	17,803	16,764
Annual dividend	(74,489)	(70,207)	(63,498)	(61,831)	(65,728)
Increase in net position	72,557	67,315	72,076	57,223	52,276
Net position - beginning of year	1,695,032	1,627,717	1,555,641	1,498,418	1,446,142
Net position - end of year	\$ 1,767,589	\$ 1,695,032	\$ 1,627,717	\$ 1,555,641	\$ 1,498,418

¹ Electric operating revenues increased slightly due to electric retail base energy price increases effective October 1, 2023 offset by a decrease in wholesale energy revenues as a result of prior year one-time wholesale revenue opportunities and lower natural gas commodity prices. Regulatory action was taken to reduce the impacts of future electric price increases, enhance storm restoration reserves and advance grid hardening initiatives in the amount of \$12.3 million as well as the deferral of \$8.2 million or 1.0 percent of electric retail revenues to support the Path to Clean Energy initiative.

² Water revenues increased as a result of increased customer usage due to less than normal rainfall during the year coupled with pricing adjustments allowing for regulatory action to defer \$2.2 million of water revenues to replenish water rate reserves to align with Audit-Finance Committee target levels.

³ Market driven price volatility for natural gas decreased in 2024 providing for lower fuel and purchased power costs in 2024 compared to 2023 and 2022 as global unrest and the impacts of the pandemic effected fuel and purchased power costs.

⁴ Electric and water production expenses increased primarily due to unplanned outages coupled with increased labor and benefit expenses.

⁵ General and administrative expenses increased as a result of increased headcount in the technology and transformation group which supports key strategic initiatives, along with rising medical benefit costs driven by inflationary pressures. In 2023, a change in methodology was implemented in the allocation of benefit expenses from each of the business segments to the general and administrative segment.

⁶ Interest income increased due to higher operating reserves and investment interest rates.

⁷ Beginning in 2021, the amortization of gains on sale of assets was curtailed and funds were aligned to offset future costs associated with the Path to Clean Energy.

⁸ In April 2021, the McIntosh 3 generation facility was retired and a regulatory action was approved to allow for the recognition of the facility's net book value through 2024, the original asset life.

STATEMENTS OF CASH FLOWS (Dollars in thousands)
Years Ended September 30

	2024	2023	2022	2021	2020
Cash flows from operating activities					
Cash received from customers	\$ 1,114,875	\$ 1,235,406	\$ 993,021	\$ 898,750	\$ 870,129
Cash paid for fuel and purchased power	(349,247)	(445,118)	(419,867)	(247,423)	(255,158)
Cash paid for unit/department expenses excluding salaries and benefits	(111,840)	(107,273)	(92,798)	(62,381)	(73,325)
Cash paid for salaries and benefits	(213,391)	(197,113)	(173,117)	(185,062)	(175,405)
Cash received/(paid) for emergency response expenses	2,603	(6,749)	(2,733)	12,492	(9,091)
Cash paid to other governments and taxes	(76,525)	(70,877)	(58,956)	(56,083)	(56,115)
Net cash provided by operating activities ¹	366,475	408,276	245,550	360,293	301,035
Cash flows from non-capital related financing activities					
Dividend payment	(74,489)	(70,207)	(63,498)	(61,831)	(65,728)
Build America Bond interest subsidy received	3,780	1,882	3,737	5,620	1,865
Net cash used in non-capital related financing activities	(70,709)	(68,325)	(59,761)	(56,211)	(63,863)
Cash flows from capital related financing activities					
Utility plant net of contributions in aid of construction	(348,358)	(272,879)	(210,326)	(223,910)	(201,750)
Debt interest payments	(74,326)	(61,180)	(58,736)	(52,765)	(62,501)
Collateral deposits received/(paid)	—	—	—	15,146	(7,000)
Principal payments and refunding costs on long-term debt	(74,875)	(79,915)	(82,050)	(96,251)	(182,562)
Debt issuances	101,089	276,670	—	349,101	122,222
Debt issuances expenses	(1,411)	(2,563)	(1,023)	(3,132)	(848)
Net cash used in capital related financing activities ²	(397,881)	(139,867)	(352,135)	(11,811)	(332,439)
Cash flows from investing activities					
Proceeds from sales and maturities of investment securities	443,072	270,223	325,311	238,780	407,336
(Loss)/Gain on sale of investments	(98)	(1,963)	(1,847)	1,803	4,058
Purchases of investment securities	(404,980)	(414,156)	(391,699)	(349,887)	(317,757)
Investments and other income received/(paid)	35,728	(17,453)	17,329	14,868	16,872
Net cash provided by/(used in) investing activities ³	73,722	(163,349)	(50,906)	(94,436)	110,509
Net (decrease)/increase in cash and cash equivalents	(28,393)	36,735	(217,252)	197,835	15,242
Cash and cash equivalents - beginning of year	266,675	229,940	447,192	249,357	234,115
Cash and cash equivalents - end of year	\$ 238,282	\$ 266,675	\$ 229,940	\$ 447,192	\$ 249,357
Reconciliation of operating income to net cash provided by operating activities					
Operating income	\$ 140,901	\$ 151,288	\$ 159,826	\$ 148,917	\$ 123,860
Adjustments to reconcile operating income to net cash provided by operating activities					
Depreciation and amortization of plant charged to operations	182,198	179,404	166,994	161,113	153,877
Depreciation and amortization charged to fuel for generation and purchased power	2,173	2,501	3,690	2,602	3,490
Depreciation of vehicles and equipment charged to unit/department expenses	2,531	2,097	2,153	2,106	2,371
Changes in assets and liabilities					
(Increase)/Decrease in receivables and accrued revenue	(133)	22,108	(39,035)	(22,928)	7,609
(Increase)/Decrease in fuel and materials and supplies inventories	(12,490)	(431)	(13,513)	16,459	9,685
(Decrease)/Increase in accounts payable	(8,589)	(93,391)	85,238	38,733	(2,545)
Increase/(Decrease) in deposits payable and liabilities	868	2,633	(7,791)	19,772	(545)
Increase/(Decrease) in stabilization and deferred credits	59,016	142,067	(112,012)	(6,481)	3,233
Net cash provided by operating activities	\$ 366,475	\$ 408,276	\$ 245,550	\$ 360,293	\$ 301,035
Reconciliation of cash and cash equivalents					
Restricted and internally designated cash and cash equivalents	\$ 193,786	\$ 221,089	\$ 199,381	\$ 418,031	\$ 248,842
Cash and investments	44,395	45,485	30,559	29,161	515
Cash and cash equivalents - end of year	\$ 238,181	\$ 266,574	\$ 229,940	\$ 447,192	\$ 249,357
Non-cash investing, capital and financing activities					
Increase in donated utility plant assets	\$ 4,011	\$ 2,748	\$ 9,097	\$ 2,341	\$ 4,215
Increase/(Decrease) in fair value of investments	\$ 14,903	\$ 6,491	\$ (26,367)	\$ (6,316)	\$ 6,762
Increase/(Decrease) in accounts payable related to utility plant purchases	\$ 28,224	\$ (10,221)	\$ 2,888	\$ 4,231	\$ 3,127
Decrease in fair value of retirement obligation asset	\$ —	\$ —	\$ —	\$ (5,548)	\$ —

¹ Net cash provided by operating activities decreased by \$41.8 million due to lower fuel revenues driven by the replenishment of fuel reserves to their approved target levels, lower pass-through fuel expenses coupled with an increase in unit department expenses inclusive of higher salaries and benefits expenses.

² Net cash used in capital related financing activities increased by \$258.0 million primarily due to increased investment in utility plant in alignment with the Path to Clean Energy and Path to Alternative Water Sources strategic initiatives offset by a decrease in the amount bond proceeds secured in 2024.

³ Net cash provided by investing activities increased \$237.1 million as investments were used to fund the 2024 Capital Plan.

SELECTED FINANCIAL RATIOS (Dollars in thousands)

Years Ended September 30	2024	2023	2022	2021	2020
Current ratio					
Current assets/current liabilities	2.93	3.03	2.07	2.59	2.79
Days cash on hand ¹	275	246	180	264	234
Leverage ratio					
Total debt/total assets	0.40	0.41	0.40	0.43	0.41
Return on total position					
Income before contributions/total assets	2.75 %	2.71 %	2.67 %	2.53 %	2.74 %
Return on net position					
Income before contributions/average net position	7.13 %	7.08 %	6.82 %	6.63 %	6.88 %
Debt/net position	50%/50%	50%/50%	48%/52%	51%/49%	49%/51%
City of Orlando revenue based payments and dividend	\$ 110,949	\$ 107,138	\$ 93,605	\$ 91,100	\$ 95,490
As a percentage of retail revenues	11.71 %	10.17 %	10.50 %	11.70 %	11.87 %
Retail receivables/retail billed revenues	8.92 %	8.37 %	9.67 %	9.16 %	9.88 %
Bad debt expense/retail billed revenues (OUC) ²	0.24 %	0.21 %	0.77 %	(0.64)%	1.43 %
Bad debt expense/retail revenues (Interlocal sales) ²	0.16 %	0.21 %	0.68 %	(0.84)%	1.42 %
Day sales uncollected (OUC) ²	33	30	35	34	37
Day sales uncollected (Interlocal sales) ²	31	31	36	29	29
Materials inventory as a percentage of total plant ³	2.49 %	2.26 %	2.04 %	1.81 %	1.69 %
Total metered services per meter reader (OUC) ⁴	94,585	46,125	45,117	43,799	42,422

¹ In 2024, the increase was driven by the replenishment of reserves.

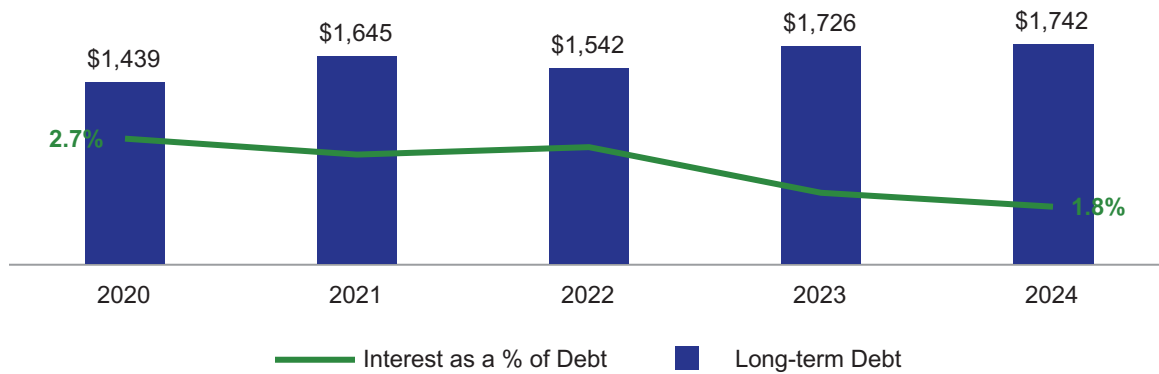
² In 2020, additional reserves in response to the anticipated COVID-19 economic impacts were recognized and beginning in 2021, and through 2023, reserves were reduced to reflect the steady progress of collections including the leveraging of funds designated from the Customer Relief Program. In 2024, these metrics began to normalize.

³ Beginning in 2022, material inventories increased due to the impacts of inflation coupled with the increasing demand to meet new service growth requirements.

⁴ In 2024, the increase in total metered services per meter reader was driven by the rollout of Advanced Metering Infrastructure (AMI) water meters, which enhanced efficiency through automated data collection and remote monitoring capabilities.

Debt Service Information

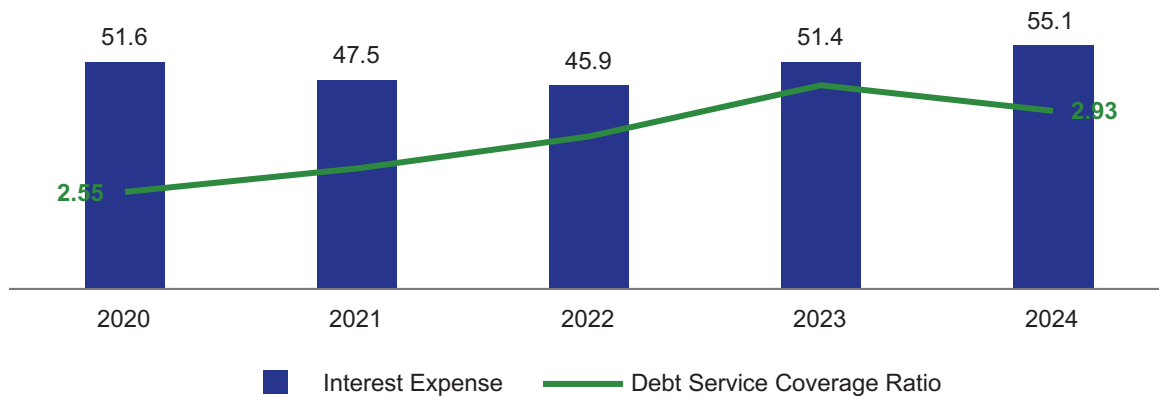
**Total Long-Term Debt & Annual Interest Expense
(millions)**



Long-term Debt & Annual Interest Expense:

- With OUC's long-term debt primarily comprised of fixed rate debt, total interest expense as a percentage of debt has declined steadily from 2.7 percent to 1.8 percent over the past five years as a result of rising investment interest rates and increased designated reserves.

**Debt Service Coverage Ratio and Interest Expense
(millions)**



Debt Service Coverage Ratio and Annual Interest Expense:

- OUC's annual debt service coverage ratio has increased from 2.55x to 2.93x over the past five years as a result of strong customer growth, increased investment income and ancillary revenue growth.

ESTIMATED DEBT SERVICE FOR OUTSTANDING BONDS (Dollars in thousands)

PRINCIPAL AND INTEREST PAYMENT SCHEDULE FOR OUTSTANDING BONDS ¹

Bond Series	Current														
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	
2008															
Principal	\$ —	\$ —	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ —	\$ —	\$ —	\$ —
Interest	6,985	7,100	7,100	6,213	5,325	4,438	3,550	2,663	1,775	888	—	—	—	—	
2010A ^{2,3}															
Principal	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Interest	11,198	—	—	—	—	—	—	—	—	—	—	—	—	—	
BAB	(3,696)	—	—	—	—	—	—	—	—	—	—	—	—	—	
2012A															
Principal	15,155	15,175	495	515	—	—	—	—	—	—	—	—	—	—	
Interest	1,557	799	40	21	—	—	—	—	—	—	—	—	—	—	
2013A															
Principal	51,980	51,765	—	—	—	—	—	—	—	—	—	—	—	—	
Interest	5,187	2,588	—	—	—	—	—	—	—	—	—	—	—	—	
2015A															
Principal	—	—	—	—	7,250	8,050	8,890	9,770	10,700	11,670	18,595	19,980	—	—	
Interest	4,745	4,745	4,745	4,745	4,745	4,383	3,980	3,536	3,047	2,512	1,929	999	—	—	
2015B															
Principal	—	—	—	—	—	—	—	—	—	—	18,200	18,580	18,970	19,370	
Interest	3,970	4,149	3,249	3,453	3,453	3,453	3,453	2,049	2,049	2,049	2,049	1,725	1,394	1,056	
Swap interest	(2,143)	(2,100)	(1,200)	(1,404)	(1,404)	(1,404)	(1,404)	—	—	—	—	—	—	—	
2016A															
Principal	—	—	—	—	5,415	5,680	5,965	6,265	6,515	6,770	—	—	—	—	
Interest	1,635	1,635	1,635	1,635	1,635	1,364	1,080	782	531	271	—	—	—	—	
2018A															
Principal	6,665	7,000	7,350	7,720	8,105	8,510	8,935	9,380	9,850	10,345	10,860	11,405	11,975	12,570	
Interest	7,194	6,860	6,510	6,143	5,757	5,352	4,926	4,479	4,010	3,518	3,001	2,458	1,887	1,289	
2019A															
Principal	—	—	—	—	6,555	6,885	7,225	7,590	7,970	8,370	—	—	—	—	
Interest	2,230	2,230	2,230	2,230	2,230	1,902	1,558	1,197	817	419	—	—	—	—	
2020A															
Principal	—	—	47,450	47,665	—	—	—	—	—	—	—	—	—	—	
Interest	4,756	4,756	4,756	2,383	—	—	—	—	—	—	—	—	—	—	
2021A															
Principal	—	—	—	—	4,900	5,145	5,405	5,675	5,955	6,255	165	—	2,825	3,215	
Interest	5,378	5,378	5,378	5,378	5,378	5,133	4,876	4,605	4,322	4,024	3,711	3,703	3,703	3,562	
2021B															
Principal	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Interest	1,886	1,886	1,886	1,886	1,886	3,772	3,772	3,772	3,772	3,772	3,772	3,772	3,772	3,772	
2021C															
Principal	1,780	1,865	1,965	2,065	—	—	—	—	—	—	—	—	—	—	
Interest	384	295	98	202	—	—	—	—	—	—	—	—	—	—	
2023A															
Principal	—	—	—	—	6,865	7,205	7,565	7,945	8,340	8,760	9,195	9,655	10,140	10,645	
Interest	15,627	12,257	12,257	12,257	12,257	11,913	11,553	11,175	10,778	10,361	9,923	9,463	8,980	8,473	
2024A															
Principal	—	—	—	—	2,155	2,265	2,375	2,495	2,620	2,750	2,890	3,030	3,185	3,345	
Interest	—	4,514	4,465	4,465	4,465	4,357	4,244	4,125	4,000	3,869	3,732	3,587	3,436	3,276	
2024B ³															
Principal	—	—	—	—	—	—	—	—	—	—	23,285	24,085	28,320	29,405	
Interest	—	9,069	8,970	8,970	8,970	8,970	8,970	8,970	8,970	8,970	8,970	7,805	6,601	5,185	
Total long-term debt	\$ 142,472	\$ 141,965	\$ 144,377	\$ 141,538	\$ 120,940	\$ 122,371	\$ 121,916	\$ 121,471	\$ 121,020	\$ 120,570	\$ 120,274	\$ 120,246	\$ 105,187	\$ 105,162	
Total principal	\$ 75,580	\$ 75,805	\$ 82,260	\$ 82,965	\$ 66,245	\$ 68,740	\$ 71,360	\$ 74,120	\$ 76,950	\$ 79,920	\$ 83,190	\$ 75,415	\$ 78,550	\$ 81,825	
Total interest	\$ 66,892	\$ 66,160	\$ 62,117	\$ 58,573	\$ 54,695	\$ 53,631	\$ 50,556	\$ 47,351	\$ 44,070	\$ 40,650	\$ 37,084	\$ 29,772	\$ 26,612	\$ 23,308	

TOTAL PAYMENT SCHEDULE FOR OUTSTANDING BONDS ¹

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2036	2037	2038
Total principal	\$ 75,580	\$ 75,805	\$ 82,260	\$ 82,965	\$ 66,245	\$ 68,740	\$ 71,360	\$ 74,120	\$ 76,950	\$ 79,920	\$ 83,190	\$ 86,735	\$ 75,415	\$ 78,550
Total interest	72,731	68,260	63,317	59,977	56,099	55,035	51,960	47,351	44,070	40,650	37,084	33,511	29,772	26,612
Build America Bond	(3,696)	—	—	—	—	—	—	—	—	—	—	—	—	—
Total swap interest	(2,143)	(2,100)	(1,200)	(1,404)	(1,404)	(1,404)	(1,404)	—	—	—	—	—	—	—
Total long-term debt	\$ 142,472	\$ 141,965	\$ 144,377	\$ 141,538	\$ 120,940	\$ 122,371	\$ 121,916	\$ 121,471	\$ 121,020	\$ 120,570	\$ 120,274	\$ 120,246	\$ 105,187	\$ 105,162

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, based on the maturity schedule, is fully funded and included as a component on the internally designated assets at September 30 of each fiscal year and paid on October 1, the first day of the following fiscal year.

² Amounts represent the total federal subsidy projected through maturity at the current sequester rebate percentage of 32.69% and are subject to change based on regulations of the Build America Bond (BAB) program.

³ OUC issued the Series 2024A and 2024B fixed rate bonds with a combined par amount of \$269.7 million and a premium of \$40.3 million. The proceeds are to fund a portion of the 2025 5-Year Capital Plan in conjunction with the Path to Clean Energy. Additionally, OUC issued the Series 2024B fixed rate bonds with a par value of \$179.4 million and a premium of \$29.0 million and the proceeds were used for the refunding of the Series 2010A Bonds.

Bond Series	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	Total
2008														
Principal	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 200,000
Interest	—	—	—	—	—	—	—	—	—	—	—	—	—	46,035
2010A														
Principal	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Interest	—	—	—	—	—	—	—	—	—	—	—	—	—	11,198
BAB	—	—	—	—	—	—	—	—	—	—	—	—	—	(3,696)
2012A														
Principal	—	—	—	—	—	—	—	—	—	—	—	—	—	31,340
Interest	—	—	—	—	—	—	—	—	—	—	—	—	—	2,417
2013A														
Principal	—	—	—	—	—	—	—	—	—	—	—	—	—	103,745
Interest	—	—	—	—	—	—	—	—	—	—	—	—	—	7,776
2015A														
Principal	—	—	—	—	—	—	—	—	—	—	—	—	—	94,905
Interest	—	—	—	—	—	—	—	—	—	—	—	—	—	44,112
2015B														
Principal	19,775	20,195	—	—	—	—	—	—	—	—	—	—	—	115,090
Interest	711	359	—	—	—	—	—	—	—	—	—	—	—	38,618
Swap interest	—	—	—	—	—	—	—	—	—	—	—	—	—	(11,059)
2016A														
Principal	—	—	—	—	—	—	—	—	—	—	—	—	—	36,610
Interest	—	—	—	—	—	—	—	—	—	—	—	—	—	12,204
2018A														
Principal	13,200	—	—	—	—	—	—	—	—	—	—	—	—	143,870
Interest	660	—	—	—	—	—	—	—	—	—	—	—	—	64,042
2019A														
Principal	—	—	—	—	—	—	—	—	—	—	—	—	—	44,595
Interest	—	—	—	—	—	—	—	—	—	—	—	—	—	17,041
2020A														
Principal	—	—	—	—	—	—	—	—	—	—	—	—	—	95,115
Interest	—	—	—	—	—	—	—	—	—	—	—	—	—	16,651
2021A														
Principal	3,680	18,060	19,785	9,575	10,055	10,270	10,510	10,760	11,015	—	—	—	—	143,250
Interest	3,401	3,217	2,495	1,703	1,224	1,011	767	517	262	—	—	—	—	79,124
2021B														
Principal	—	—	—	23,615	24,205	24,815	25,435	26,070	26,720	—	—	—	—	150,860
Interest	3,772	3,772	3,772	3,772	3,181	2,576	1,956	1,320	668	—	—	—	—	68,159
2021C														
Principal	—	—	—	—	—	—	—	—	—	—	—	—	—	7,675
Interest	—	—	—	—	—	—	—	—	—	—	—	—	—	978
2023A														
Principal	11,180	11,740	12,325	12,940	13,590	14,265	14,980	15,730	16,515	17,340	18,210	—	—	245,130
Interest	7,941	7,382	6,795	6,179	5,532	4,852	4,139	3,390	2,603	1,778	911	—	—	208,769
2024A														
Principal	3,510	3,685	3,870	4,065	4,265	4,480	4,705	4,940	5,185	5,445	5,720	6,005	6,305	89,290
Interest	3,109	2,934	2,749	2,556	2,353	2,139	1,915	1,680	1,433	1,174	902	616	315	76,405
2024B														
Principal	30,480	31,565	12,250	—	—	—	—	—	—	—	—	—	—	179,390
Interest	3,715	2,191	613	—	—	—	—	—	—	—	—	—	—	115,904
Total long-term debt	\$ 105,133	\$ 105,099	\$ 64,653	\$ 64,404	\$ 64,404	\$ 64,408	\$ 64,406	\$ 64,407	\$ 64,401	\$ 25,736	\$ 25,742	\$ 6,621	\$ 6,620	\$2,475,541
Total principal	\$ 81,825	\$ 85,245	\$ 48,230	\$ 50,195	\$ 52,115	\$ 53,830	\$ 55,630	\$ 57,500	\$ 59,435	\$ 22,785	\$ 23,930	\$ 6,005	\$ 6,305	\$1,680,865
Total interest	\$ 23,308	\$ 19,854	\$ 16,423	\$ 14,209	\$ 12,289	\$ 10,578	\$ 8,776	\$ 6,907	\$ 4,966	\$ 2,951	\$ 1,812	\$ 616	\$ 315	\$ 794,677
	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	Total
Total principal	\$ 81,825	\$ 85,245	\$ 48,230	\$ 50,195	\$ 52,115	\$ 53,830	\$ 55,630	\$ 57,500	\$ 59,435	\$ 22,785	\$ 23,930	\$ 6,005	\$ 6,305	\$1,680,865
Total interest	23,308	19,854	16,423	14,209	12,289	10,578	8,776	6,907	4,966	2,951	1,812	616	315	809,431
Build America Bond	—	—	—	—	—	—	—	—	—	—	—	—	—	(3,696)
Total swap interest	—	—	—	—	—	—	—	—	—	—	—	—	—	(11,059)
Total long-term debt	\$ 105,133	\$ 105,099	\$ 64,653	\$ 64,404	\$ 64,404	\$ 64,408	\$ 64,406	\$ 64,407	\$ 64,401	\$ 25,736	\$ 25,742	\$ 6,621	\$ 6,620	\$2,475,541



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DEBT SERVICE COVERAGE AND RATIOS (Dollars in thousands)

Years Ended September 30	2024	2023	2022	2021	2020
Gross revenue and income before contributions					
Operating revenues					
Electric operating revenues ¹	\$ 902,693	\$ 917,612	\$ 989,592	\$ 813,472	\$ 740,914
Water operating revenues	99,217	93,697	91,793	84,100	80,342
Lighting operating revenues	19,870	18,243	17,823	17,495	16,241
Chilled water operating revenues	42,575	42,919	35,304	31,322	29,107
Total operating revenues	<u>1,064,355</u>	<u>1,072,471</u>	<u>1,134,512</u>	<u>946,389</u>	<u>866,604</u>
Interest and other income	42,414	32,430	13,073	13,730	28,978
Gross revenue and income before contributions	<u>1,106,769</u>	<u>1,104,901</u>	<u>1,147,585</u>	<u>960,119</u>	<u>895,582</u>
Expenses					
Operating expenses					
Electric operating expenses	614,766	620,963	703,796	534,805	492,661
Water operating expenses	52,044	46,710	43,467	43,976	43,296
Lighting operating expenses	5,878	5,961	5,477	5,079	4,990
Chilled water operating expenses	24,551	25,499	18,450	17,121	16,629
Total operating expenses	<u>697,239</u>	<u>699,133</u>	<u>771,190</u>	<u>600,981</u>	<u>557,576</u>
Other expenses	1,495	1,305	1,350	1,165	1,266
Total expenses	<u>698,734</u>	<u>700,438</u>	<u>772,540</u>	<u>602,146</u>	<u>558,842</u>
Net revenue and income available for debt service ¹	<u>\$ 408,035</u>	<u>\$ 404,463</u>	<u>\$ 375,045</u>	<u>\$ 357,973</u>	<u>\$ 336,740</u>
Current debt service	\$ 139,163	\$ 132,678	\$ 133,464	\$ 134,885	\$ 132,165
Current debt service coverage	2.93	3.05	2.81	2.66	2.55
Adjusted debt service coverage					
Net revenue and income available for debt service	\$ 408,035	\$ 404,463	\$ 375,045	\$ 357,973	\$ 336,740
Revenue and dividend payments to the City of Orlando and revenue based payments to Orange County	112,888	109,226	95,332	92,664	97,014
Net revenue and income available after payments	<u>\$ 295,147</u>	<u>\$ 295,237</u>	<u>\$ 279,713</u>	<u>\$ 265,309</u>	<u>\$ 239,726</u>
Adjusted debt service coverage	2.12	2.23	2.09	1.97	1.81
Fixed or full charge coverage					
Net revenue and income available after payments	\$ 295,147	\$ 295,237	\$ 279,713	\$ 265,309	\$ 239,726
Fixed demand payments/purchased power	25,474	25,801	24,951	29,343	29,343
Net revenue and income available after payments and fixed charge coverage	<u>\$ 320,621</u>	<u>\$ 321,038</u>	<u>\$ 304,664</u>	<u>\$ 294,652</u>	<u>\$ 269,069</u>
Fixed and full charge coverage	1.95	2.03	1.92	1.81	1.67
Debt ratio					
Gross funded debt/Net fixed assets and net working capital	51.16 %	53.15 %	53.08 %	52.77 %	49.02 %
Net funded debt/Net fixed assets and net working capital	55.24 %	56.41 %	56.36 %	56.77 %	53.78 %
Operating ratio					
Total expenses/Total operating revenues	65.65 %	65.31 %	68.09 %	63.63 %	64.34 %
Net take-down (%)					
Net revenue and income available for debt service/ Gross revenue and income before contributions	36.87 %	36.61 %	32.68 %	37.28 %	37.74 %
Debt service safety margin					
Net revenue and income available for debt service less current service/Gross revenue and income before contributions	24.29 %	24.60 %	21.05 %	23.24 %	37.73 %

¹ In 2024, the decrease in electric operating revenues was primarily driven by lower fuel costs as natural gas commodity prices continued to decline. Included in this amount is the deferral of \$22.7 million, \$4.0 million and \$25.0 million in revenue in years 2024, 2023, and 2022, respectively for both electric and water reserves.

LONG-TERM EMPLOYEE BENEFIT PLANS LIABILITY (Dollars in thousands)

Years Ended September 30

	2024	2023	2022	2021	2020
Pension Plan					
Total pension liability					
Service cost	\$ 7,779	\$ 7,158	\$ 6,820	\$ 5,814	\$ 5,867
Interest on the total pension liability	35,531	35,753	35,816	36,079	35,407
Benefit changes	—	—	—	—	68
Difference between expected and actual experience	2,399	(600)	(640)	(2,073)	2,106
Assumption changes ¹	—	10,628	10,398	(9,708)	—
Benefit payments, including refunds of plan member contributions	(38,696)	(37,174)	(34,810)	(34,671)	(33,576)
Net change in total pension liability	7,013	15,765	17,584	(4,559)	9,872
Total pension liability - beginning of year	537,951	522,186	504,602	509,161	499,289
Total pension liability - end of year	\$ 544,964	\$ 537,951	\$ 522,186	\$ 504,602	\$ 509,161
Plan fiduciary net position					
Contributions - employer	\$ 14,995	\$ 17,678	\$ 19,173	\$ 22,405	\$ 22,491
Contributions - plan members	242	310	369	423	475
Total investment income/(loss), net of investment expense ²	52,206	(89,101)	95,240	46,228	17,599
Benefit payments, including refunds of plan member contributions	(38,696)	(37,174)	(34,810)	(34,671)	(33,576)
Administrative expense	(228)	(254)	(323)	(242)	(240)
Net change in plan fiduciary net position	28,519	(108,541)	79,649	34,143	6,749
Plan fiduciary net position - beginning of year	431,017	539,558	459,909	425,766	419,017
Plan fiduciary net position - end of year	\$ 459,536	\$ 431,017	\$ 539,558	\$ 459,909	\$ 425,766
Net pension liability/(asset) - beginning of year	\$ 106,934	\$ (17,372)	\$ 44,693	\$ 83,395	\$ 80,272
Net pension liability/(asset) - end of year	\$ 85,428	\$ 106,934	\$ (17,372)	\$ 44,693	\$ 83,395
Plan fiduciary net position as a percentage of total pension liability	84.3%	80.1%	103.3%	91.1%	83.6%
Covered payroll	\$ 102,664	\$ 100,135	\$ 100,621	\$ 97,896	\$ 90,907
Net pension liability/(asset) as a percentage of covered payroll	83.2%	106.8%	(17.3)%	45.7%	91.7%

Years Ended September 30

415(m) Plan ³

	2024	2023	2022	2021	2020
Total pension liability					
Service cost	\$ 44	\$ 85	\$ 75	\$ 57	\$ 40
Interest on the total pension liability	89	71	80	82	99
Difference between expected and actual experience	(36)	(585)	(190)	27	64
Assumption changes ¹	(43)	(603)	87	320	350
Benefit payments, including refunds of plan member contributions	(120)	(152)	(168)	(160)	(157)
Net change in total pension liability	(66)	(1,184)	(116)	326	396
Total pension liability - beginning of year	2,030	3,214	3,330	3,004	2,608
Total pension liability - end of year	\$ 1,964	\$ 2,030	\$ 3,214	\$ 3,330	\$ 3,004
Covered payroll	\$ 610	\$ 1,041	\$ 937	\$ 905	\$ 905
Total pension liability as a percentage of covered payroll ⁴	322.0 %	195.0 %	343.1 %	367.9 %	331.9 %

¹ In 2023, the actuarial annual investment return assumption was lowered from 7.0 percent to 6.75 percent and in 2022 from 7.25 percent to 7.0 percent, compounded annually and net of investment expenses. In 2021, actuarial assumption changes were made to salary increases and retirement, separation and mortality rates, based on an actuarial assumption study and experience review for the seven-year period ended September 30, 2019.

² Net investment income is recognized based on market performance noting that while investment returns vary on an annual basis, the composition of the portfolio is maintained in accordance with the Trustee approved Defined Benefit Pension Plan and Other Post-Employment Benefit Plan Investment Policies. Both policies are reviewed regularly with the Board approved Trustees and an independent investment advisor.

³ For the non-qualified plan, there were no assets accumulated in a trust that meet the criteria in GASB Statement No. 73, "Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68," to pay related benefits. As such, assets were reported in OUC's financial statements and were not netted against the total pension liability.

⁴ Pension liability as a percentage of covered payroll reflects the limited number of plan participants in this legacy program.

LONG-TERM EMPLOYEE BENEFIT PLANS LIABILITY (Dollars in thousands)

Years Ended September 30

	2024	2023	2022	2021	2020
OPEB plan					
Total OPEB liability					
Service cost	\$ 1,097	\$ 889	\$ 1,039	\$ 1,174	\$ 1,186
Interest on the total OPEB liability	8,113	7,579	8,620	9,936	9,906
Benefit changes ⁵	3,826	—	—	(438)	—
Difference between expected and actual experience	(87)	(2,476)	(5,592)	2,899	(2,192)
Assumption changes ¹	6,317	12,716	(8,028)	(24,688)	(1,029)
Benefit payments, including refunds	(7,280)	(6,731)	(6,291)	(7,511)	(7,371)
Net change in total OPEB liability	11,986	11,977	(10,252)	(18,628)	500
Total OPEB liability - beginning of year	122,731	110,754	121,006	139,634	139,134
Total OPEB liability - end of year	\$ 134,717	\$ 122,731	\$ 110,754	\$ 121,006	\$ 139,634
Plan fiduciary net position					
Contributions - employer ⁶	\$ 969	\$ 1,133	\$ 1,185	\$ 3,682	\$ 7,022
Net investment income ²	20,480	(31,344)	31,313	14,953	5,399
Benefit payments, including refunds	(7,280)	(6,731)	(6,291)	(7,511)	(7,371)
Administrative expense	—	(3)	(17)	(17)	(17)
Net increase in plan fiduciary net position	14,169	(36,945)	26,190	11,107	5,033
Plan fiduciary net position - beginning of year	138,331	149,086	149,086	137,979	132,946
Plan fiduciary net position - end of year	\$ 152,500	\$ 112,141	\$ 175,276	\$ 149,086	\$ 137,979
Net OPEB (asset)/liability - beginning of year	\$ (15,600)	\$ (64,522)	\$ (28,080)	\$ 1,655	\$ 6,188
Net OPEB (asset)/liability - end of year	\$ (17,765)	\$ (15,600)	\$ (64,522)	\$ (28,080)	\$ 1,655
Plan fiduciary net position as a percentage of total OPEB liability	113.2 %	112.7 %	158.3 %	123.2 %	98.8 %
Covered payroll	\$ 102,954	\$ 100,061	\$ 100,721	\$ 98,058	\$ 91,035
Net OPEB (asset)/liability as a percentage of covered payroll	(17.3)%	(15.6)%	(64.1)%	(28.6)%	1.8 %

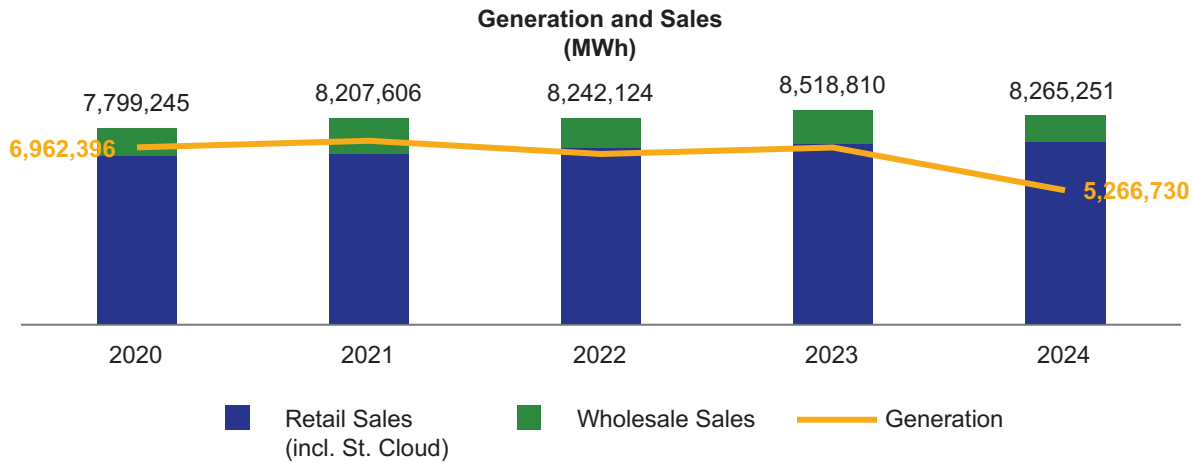
⁵ In 2024, a benefit change was implemented modifying the methodology to determine the HRA contribution to incorporate the use of the published CPI-W inflation measure with a catch-up adjustment applied at the time of implementation.

⁶ Actuarially determined contribution amounts were calculated as of October 1 of the year preceding the contribution year. Since 2020, employer contributions decreased as a result of several variables, including favorable retiree medical claims experience, modifications to the health and wellness plan options and premium structures along with reduced utility discount maximums to support energy and water conservation initiatives for the limited number of participants vested in the program which was closed in 1985.



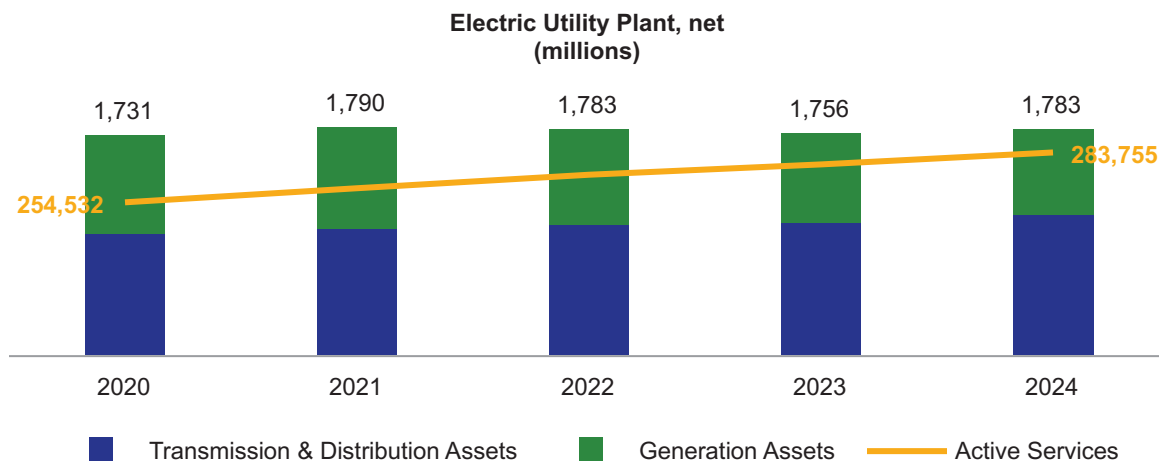
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Electric Business Operations



Generation and Sales:

- In 2024, total sales decreased 3.0% driven by a planned decrease in wholesale sales partially offset by an increase in retail sales. In respect to OUC owned & operated generation, unplanned, forced outages contributed to lower megawatt hours (MWh) generated which, to meet load requirements, were supplemented by purchased power agreements and resources provided through the Florida Municipal Power Pool. In 2023, total sales were higher due to one-time wholesale opportunities.



Electric Utility Plant, net:

- The expansion of generation resources through the execution of renewable energy power purchase agreements has moderated the growth in generation facility assets. Offsetting this modified growth is the continued expansion of energy delivery and transmission utility plant to meet customer resiliency and reliability expectations and deliver customer value.

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

Years Ended September 30	2024	2023	2022	2021	2020
Operating Revenues					
Residential	\$ 293,659	\$ 272,981	\$ 323,307	\$ 267,921	\$ 247,115
Commercial - non-demand	56,889	52,282	60,323	49,225	44,910
Commercial - demand-secondary	309,136	299,324	333,943	264,702	243,027
Commercial - demand-primary	45,717	45,642	50,793	41,497	37,497
Non-metered lighting	4,893	3,235	5,269	4,483	4,323
Interlocal sales	127,720	133,300	105,673	95,082	88,134
Service fees and other	30,796	29,282	29,706	26,761	23,714
Operating revenues (excluding wholesale sales)	868,810	836,046	909,014	749,671	688,720
Wholesale sales	54,422	85,565	105,578	63,520	52,046
Regulatory action	(20,539)	(4,000)	(25,000)	281	150
Total operating revenues ¹	902,693	917,611	989,592	813,472	740,916
Operations and maintenance expenses					
Fuel and fixed demand payments ²	205,908	282,313	381,306	248,124	208,851
Purchased power and other power supply expenses ²	125,390	82,116	86,668	46,864	48,261
Production	91,947	77,881	76,834	80,223	80,600
Transmission	22,287	18,723	21,532	18,969	17,631
Distribution - OUC	26,220	28,261	18,729	22,641	22,875
Distribution - St. Cloud	3,675	3,906	2,650	1,942	2,591
Emergency response expenses	506	825	4,540	327	7,622
Customer Service ³	29,862	26,559	33,765	35,299	32,499
General & administrative ³	82,151	70,857	55,664	58,928	46,928
Total operations and maintenance expenses	587,946	591,441	681,688	513,317	467,858
Other expenses					
Utility/property tax	21,560	23,564	18,723	17,124	17,228
Revenue based payments to the City of Orlando	32,372	33,383	26,655	25,903	26,478
Revenue based payments to Orange County	1,737	1,889	1,548	1,403	1,368
Revenue based and system use payments to the City of St. Cloud	9,732	8,866	8,467	8,020	7,580
Depreciation and amortization ⁴	145,027	143,999	132,583	129,558	121,542
Total other expenses	210,428	211,701	187,976	182,008	174,196
Total operating expenses	798,374	803,142	869,664	695,325	642,054
Operating Income	104,319	114,469	119,928	118,147	98,862
Non-operating income and expenses					
Interest income ⁵	21,696	15,191	4,650	5,536	10,097
Other income, net	7,428	5,908	5,211	5,563	8,234
Amortization of deferred gain on sale of assets	—	—	—	—	5,749
Interest expense, net	(45,467)	(42,167)	(37,263)	(38,448)	(41,709)
Generation decommissioning ⁶	(4,721)	(14,615)	(18,375)	(13,946)	—
Total non-operating expense, net	(21,064)	(35,683)	(45,777)	(41,295)	(17,629)
Electric income before contributions	83,255	78,786	74,151	76,852	81,233
Contributions in aid of construction (CIAC) ⁷	11,167	3,926	4,313	5,255	2,997
Annual dividend	(50,228)	(46,998)	(46,267)	(46,930)	(52,738)
Increase to net position	\$ 44,194	\$ 35,714	\$ 32,197	\$ 35,177	\$ 31,492

¹ In 2024, operating revenues decreased as a result of lower wholesale sales from prior year one-time wholesale opportunities coupled with the regulatory action to defer \$12.3 million to reduce the impacts of future electric price increases, enhance storm restoration reserves and advance grid hardening initiatives as well as the regulatory action to defer \$8.2 million of electric retail revenue to support the Path to Clean Energy initiatives. These decreases were offset by an increase in electric retail revenues due to electric retail base energy price increases effective October 1, 2023 and stronger than anticipated vehicle electrification revenues. In 2023, the decrease was the result of lower fuel commodity costs offset by a combination of customer growth and unplanned short-term wholesale revenues allowing for the deferral of \$4.0 million of wholesale revenues. In 2022 and 2021, the revenues began to increase driven by a correlating increase in fuel commodity costs, a pass-through charge to the customer. Additionally in 2022, an increase in retail and resale non-fuel electric revenues resulting from warmer than normal weather and favorable customer growth allowed for the deferral of revenue of \$25.0 million.

² Fuel and fixed demand payments decreased due to lower natural gas prices and the impact from unplanned outages, while purchased power expenses rose to meet demand during these unplanned outage periods.

³ General and administrative expenses increased as a result of increased headcount in the technology and transformation group which supports key strategic initiatives, along with rising medical benefit costs driven by inflationary pressures. In 2023, a change in methodology was implemented in the allocation of benefit expenses from each of the business segments to the general and administrative segment.

⁴ Depreciation and amortization expenses have increased over the years due to the capitalization of new assets and financial actions to align the depreciable life of generation facility assets with the Path to Clean Energy strategic initiative.

⁵ Interest income increased due to higher cash reserve balances and market-driven interest rates on investments.

⁶ In 2024, generation decommissioning expenses decreased as a result of MC3 decommissioning being fully expensed in the spring of 2024.

⁷ In 2024, contributions in aid of construction increased as a result of the completion of large underground distribution projects coupled with stronger than anticipated customer growth.

ELECTRIC CONSUMPTION AND FINANCIAL RATIOS

Years Ended September 30	2024	2023	2022	2021	2020
Profile of consumption & revenue by type of customer					
Residential service ¹					
kWh sales per customer ²	11,107	11,383	11,312	11,534	11,727
Revenue per customer	\$ 1,494	\$ 1,410	\$ 1,701	\$ 1,444	\$ 1,362
Revenue per kWh	\$ 0.1345	\$ 0.1239	\$ 0.1504	\$ 0.1252	\$ 0.1161
Commercial service - non-demand ¹					
kWh sales per customer	18,623	18,685	17,960	17,804	17,879
Revenue per customer	\$ 2,365	\$ 2,190	\$ 2,565	\$ 2,132	\$ 1,988
Revenue per kWh	\$ 0.1270	\$ 0.1172	\$ 0.1428	\$ 0.1198	\$ 0.1112
Commercial service - demand secondary ¹					
kWh sales per customer	672,284	666,944	643,646	608,151	586,018
Revenue per customer	\$ 65,662	\$ 63,808	\$ 70,193	\$ 54,730	\$ 48,840
Revenue per kWh	\$ 0.0977	\$ 0.0957	\$ 0.1091	\$ 0.0900	\$ 0.0833
Commercial service - demand primary ¹					
kWh sales per customer	17,120,243	17,839,748	17,959,462	18,273,655	17,741,556
Revenue per customer	\$ 1,662,444	\$ 1,722,343	\$ 1,953,568	\$ 1,627,318	\$ 1,470,462
Revenue per kWh	\$ 0.0971	\$ 0.0965	\$ 0.1088	\$ 0.0891	\$ 0.0829
Non-Metered lighting ³					
kWh sales per customer	692	502	712	720	729
Revenue per customer	\$ 54	\$ 37	\$ 60	\$ 52	\$ 51
Revenue per kWh	\$ 0.0787	\$ 0.0728	\$ 0.0842	\$ 0.0721	\$ 0.0701
Interlocal service					
kWh sales per customer	16,910	17,431	17,381	17,896	18,222
Revenue per customer	\$ 2,327	\$ 2,585	\$ 2,183	\$ 2,106	\$ 2,072
Revenue per kWh	\$ 0.1376	\$ 0.1483	\$ 0.1256	\$ 0.1177	\$ 0.1137
Selected financial expense statistics ⁴					
Total fuel and purchased power expense per kWh	\$ 0.0401	\$ 0.0428	\$ 0.0568	\$ 0.0359	\$ 0.0330
Total operations and maintenance expense (excluding fuel and purchased power) per kWh	0.0311	0.0266	0.0259	0.0266	0.0270
Total operations and maintenance expense per kWh	<u>\$ 0.0712</u>	<u>\$ 0.0694</u>	<u>\$ 0.0827</u>	<u>\$ 0.0625</u>	<u>\$ 0.0600</u>
Operations and maintenance expense per metered service ⁵					
Fuel, fixed demand, purchased power and other power supply expense	\$ 1,182	\$ 1,331	\$ 1,754	\$ 1,140	\$ 1,022
Production, transmission and distribution costs	514	470	449	479	492
Customer service expense	107	97	127	136	129
General and administrative expense	293	259	209	228	187
Total operations and maintenance expense	<u>\$ 2,096</u>	<u>\$ 2,157</u>	<u>\$ 2,539</u>	<u>\$ 1,983</u>	<u>\$ 1,830</u>

¹ In 2024, revenue per kWh increased due to retail electric base price increases. This price increase was offset by a retail electric fuel price decrease providing for a revenue neutral price change for the residential and small commercial customer segments.

² In 2024, kWh sales per customer was lower primarily due to less variability in average summer and winter temperatures compared to the prior years.

³ In 2023, wiring configuration issues were identified and resulted in billing adjustments spanning multiple years. Excluding these adjustments, kWh sales per customer were 657, revenues per customer were \$48 and revenue per kWh was \$0.0724.

⁴ In 2024, total operations and maintenance expenses per kWh increased slightly due to rising labor and benefit costs and unplanned outage expenses, partially offset by lower fuel and purchase power expenses as natural gas commodity costs have declined from prior year.

⁵ In 2024, total operations and maintenance expenses were lower due to decreased fuel and purchased power related to lower natural gas commodity costs offset by increased labor and benefit costs and contracted services. Additionally, a change in methodology was implemented in 2023 related to the allocation of benefit expenses from the various business segments to general and administrative segment.

SELECTED FINANCIAL RATIOS

Years Ended September 30

	2024	2023	2022	2021	2020
Electric operating ratio					
Electric operation and maintenance expenses/total operating revenues	\$ 0.65	\$ 0.64	\$ 0.69	\$ 0.63	\$ 0.63
Electric expense ratios					
Total operating expenses/total electric sales (MWh)	\$ 9.66	\$ 9.43	\$ 10.55	\$ 8.47	\$ 8.23
Total operating expenses, less fuel/total electric sales (MWh)	\$ 5.96	\$ 5.45	\$ 5.18	\$ 5.20	\$ 5.31
Electric income before contributions per revenue dollar					
Electric income before contributions/total operating revenues	\$ 0.09	\$ 0.09	\$ 0.07	\$ 0.09	\$ 0.11
ACTIVE SERVICES					
OUC retail metered services					
Residential	198,071	195,077	192,058	188,019	183,096
Commercial - non-demand	24,105	24,000	23,738	23,291	22,881
Commercial - demand - secondary	4,720	4,696	4,686	4,829	4,844
Commercial - demand - primary	28	27	26	26	25
Total OUC retail metered services	<u>226,924</u>	<u>223,800</u>	<u>220,508</u>	<u>216,165</u>	<u>210,846</u>
Interlocal services	<u>56,831</u>	<u>52,951</u>	<u>50,194</u>	<u>46,629</u>	<u>43,686</u>
Total OUC retail and interlocal metered services	<u>283,755</u>	<u>276,751</u>	<u>270,702</u>	<u>262,794</u>	<u>254,532</u>
Unmetered lighting fixtures					
Conventional	53,587	53,203	55,040	54,499	53,858
Convenient	34,415	32,482	30,742	29,813	28,768
St. Cloud	3,073	2,868	2,868	2,851	2,851
Total unmetered lighting fixtures	<u>91,075</u>	<u>88,553</u>	<u>88,650</u>	<u>87,163</u>	<u>85,477</u>
Total OUC retail, unmetered lighting and interlocal services	<u>374,830</u>	<u>365,304</u>	<u>359,352</u>	<u>349,957</u>	<u>340,009</u>
CONSUMPTION (MWh)					
OUC retail sales					
Residential	2,183,343	2,203,440	2,149,655	2,140,235	2,127,644
Commercial - non-demand	447,923	446,000	422,316	411,020	403,926
Commercial - demand - secondary	3,165,112	3,128,636	3,062,145	2,941,321	2,916,023
Commercial - demand - primary	470,807	472,753	466,946	465,978	452,410
Total OUC retail sales	<u>6,267,185</u>	<u>6,250,829</u>	<u>6,101,062</u>	<u>5,958,554</u>	<u>5,900,003</u>
Non-metered lighting sales					
Conventional ¹	37,065	21,205	35,161	34,797	34,456
Convenient ¹	22,043	20,319	24,476	24,469	24,301
St. Cloud	3,062	2,927	2,936	2,905	2,913
Total non-metered lighting sales	<u>62,170</u>	<u>44,451</u>	<u>62,573</u>	<u>62,171</u>	<u>61,670</u>
Interlocal sales	<u>928,213</u>	<u>898,947</u>	<u>841,440</u>	<u>808,153</u>	<u>775,092</u>
Total retail sales	<u>7,257,568</u>	<u>7,194,227</u>	<u>7,005,075</u>	<u>6,828,878</u>	<u>6,736,765</u>
Wholesale sales ²	<u>1,007,684</u>	<u>1,324,584</u>	<u>1,237,049</u>	<u>1,378,728</u>	<u>1,062,480</u>
Total electric sales	<u>8,265,252</u>	<u>8,518,811</u>	<u>8,242,124</u>	<u>8,207,606</u>	<u>7,799,245</u>

¹ In 2023, both conventional and convenient lighting issued billing adjustments related to billing errors spanning multiple years.

² In 2024, wholesale sales decreased as a result of prior year one-time wholesale revenue opportunities.

ELECTRIC GENERATION (MWh)

Years Ended September 30

	2024	2023	2022	2021	2020
Stanton Energy Center (SEC) ¹					
Generation - steam	2,188,335	3,091,653	2,689,031	3,792,481	3,271,619
Generation - combined cycle	2,547,569	3,281,356	3,446,851	2,542,612	2,964,352
Total generation	4,735,904	6,373,009	6,135,882	6,335,093	6,235,971
Plant use - less participants' loss factor	245,105	313,110	279,252	304,876	297,837
Participants' reserve power	33,707	12,800	19,034	15,491	18,488
Delivered	4,457,092	6,047,099	5,837,596	6,014,726	5,919,646
McIntosh (MC3) ²					
Generation - steam	—	—	—	377,290	225,074
Delivered	—	—	—	377,290	225,074
St. Lucie (SL2)					
Generation - nuclear	458,090	505,932	499,068	478,962	485,721
Plant use	10,948	12,091	11,928	11,447	11,609
Delivered	447,142	493,841	487,140	467,515	474,112
Osceola Generation Station (OGS)					
Generation - combustion turbines	19,362	11,304	12,598	—	—
Plant use	5,291	4,929	1,318	—	—
Delivered	14,071	6,375	11,280	—	—
Indian River					
Generation - combustion turbines	53,374	65,973	52,092	30,521	15,630
Plant use - less participants' loss factor	62	97	71	62	41
Participants' reserve power	4,853	5,090	5,059	5,348	5,408
Delivered	48,459	60,786	46,962	25,111	10,181
Generation					
Steam ¹	2,188,335	3,091,653	2,689,031	4,169,771	3,496,693
Combined cycle ¹	2,547,569	3,281,356	3,446,851	2,542,612	2,964,352
Nuclear	458,090	505,932	499,068	478,962	485,721
Combustion turbines	72,736	77,277	64,690	30,521	15,630
Total generation	5,266,730	6,956,218	6,699,640	7,221,866	6,962,396
Total plant use - less participants loss factor	261,406	330,227	292,568	316,385	309,487
Participants' reserve power	38,560	17,890	24,093	20,839	23,896
Total delivered	4,966,764	6,608,101	6,382,979	6,884,642	6,629,013
Purchases received ¹	3,448,131	2,092,109	2,077,867	1,465,689	1,354,122
Available	8,414,895	8,700,210	8,460,846	8,350,331	7,983,135
Sales	8,265,251	8,518,810	8,242,124	8,207,606	7,799,245
Unsold generation	149,644	181,400	218,722	142,725	183,890
Unsold as a percentage of generation	2.84 %	2.61 %	3.26 %	1.98 %	2.64 %

¹ In 2024, there was an increase in purchased power to meet system load requirements due to a decrease in generation resulting from planned and unplanned outages in both SEC steam and combined cycle units. In 2023 and 2022, there was an increase due to a combination of an increase in demand and fuel economies.

² In January 2021, the City of Lakeland announced the shuttering of MC3 effective April 2021, three years in advance of the originally planned date of 2024.

NET GENERATING CAPABILITY (Including major power purchase agreements)

Generating Facility (MW)
Years Ended September 30

Name Plate Capacity	2024		2023		2022		2021		2020			
	Summer MW	Winter MW	Summer MW	Winter MW	Summer MW	Winter MW	Summer MW	Winter MW	Summer MW	Winter MW		
Stanton Energy Center (SEC)												
Unit 1 FS	425	311	311	311	311	311	312	312	312	312	305	305
Unit 2 FS	425	352	352	352	352	352	334	334	350	350	340	340
Unit A CC	633	184	189	184	189	189	187	188	184	188	184	188
Unit B CC	300	292	307	292	307	292	307	292	307	292	292	307
Indian River Plant (IRP)												
Unit A CT	76	16	18	16	18	18	16	18	16	18	16	18
Unit B CT	76	16	18	16	18	18	16	18	16	18	16	18
Unit C CT	224	83	88	83	88	88	83	88	83	89	83	89
Unit D CT	224	83	88	83	88	88	83	88	83	89	83	89
C.D. McIntosh, Jr. Plant (MC3)												
Unit 3 FS	364	—	—	—	—	—	—	—	—	—	133	136
Osceola Generation Station												
Unit 1 CT	170	157	157	—	—	—	—	—	—	—	—	—
Unit 2 CT	170	157	157	157	157	157	157	157	—	—	—	—
St. Lucie Plant												
Unit 2 N	850	60	62	60	62	60	62	60	62	60	62	62
Total capability		1,711	1,747	1,554	1,590	1,541	1,573	1,396	1,433	1,511	1,551	1,551
Power purchase agreements		427	342	349	349	349	349	349	349	349	349	349
Total available		2,138	2,089	1,903	1,939	1,890	1,922	1,745	1,782	1,860	1,900	1,900
Firm commitments to other utilities		(271)	(210)	(241)	(193)	(246)	(187)	(247)	(484)	(225)	(169)	(169)
Net available to OUC		1,867	1,879	1,662	1,746	1,644	1,735	1,498	1,298	1,635	1,731	1,731

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

PEAK DEMAND

Years Ended September 30

	2024		2023		2022		2021		2020	
	Summer MW	Winter MW	Summer MW	Winter MW	Summer MW	Winter MW	Summer MW	Winter MW	Summer MW	Winter MW
Net peak demand (Net 60 minute integrated MW demand)	1,233	949	1,300	1,010	1,201	978	1,190	924	1,170	1,000
Gross peak demand (MW) (Instantaneous)	1,246	1,020	1,349	1,062	1,268	1,068	1,256	958	1,203	1,061
System load factor	2024 60		2023 56		2022 60		2021 59		2020 60	

GENERATION AVAILABILITY DATA

Years Ended September 30

	2024			2023			2022			2021			2020		
	CF	EAF	EFOR	CF	EAF	EFOR	CF	EAF	EFOR	CF	EAF	EFOR	CF	EAF	EFOR
SEC															
Unit 1 ¹	27.0	80.0	21.0	44.0	88.0	3.0	46.0	89.0	1.0	59.1	89.1	6.0	0.4	0.8	—
Unit 2	41.0	86.0	3.0	54.0	95.0	1.0	40.0	85.0	3.0	62.6	86.4	2.4	0.7	1.0	—
Unit A	73.0	83.0	1.0	71.3	91.0	—	73.0	93.0	—	38.7	92.3	—	0.3	0.8	—
Unit B	47.0	57.0	2.0	72.0	85.0	1.0	77.0	93.0	1.0	57.1	83.3	0.1	0.7	0.9	—
IRP															
Unit A ²	—	98.0	5.0	—	96.0	56.0	—	82.0	90.0	—	97.2	—	—	0.9	—
Unit B ²	—	98.0	62.0	—	97.0	—	—	84.0	—	—	97.2	—	—	0.9	0.7
Unit C ²	7.0	95.0	9.0	5.0	79.0	3.0	2.0	65.0	—	2.2	95.1	0.6	—	1.0	—
Unit D ²	—	41.0	89.0	4.0	96.0	—	5.0	97.0	8.0	1.8	88.6	—	—	1.0	—
McIntosh															
Unit 3	—	—	—	—	—	—	—	—	—	32.1	93.0	3.8	0.2	0.5	0.5
Osceola Generation Station															
Unit 1	1.0	96.0	0.06	—	—	—	—	—	—	—	—	—	—	—	—
Unit 2	—	29.0	—	0.01	0.98	—	1.82	100	—	—	—	—	—	—	—
St. Lucie Plant															
Unit 2	85.0	83.0	3.0	95.0	98.0	2.0	98.0	96.0	4.0	91.6	0.9	1.2	0.9	0.9	—

NOTE: CF = Capacity Factor, EAF = Equivalent Availability Factor, EFOR = Equivalent Forced Outage Rate

¹ The increase in EFOR is due to unplanned outages during year.

² Combustion turbines A-D are intended for limited reserve capacity usage which results in higher fluctuations in activity.

ELECTRIC DISTRIBUTION RELIABILITY DATA

Years Ended September 30	2024	2023	2022	2021	2020
Orlando/Orange County					
Average service availability index (ASAI)	0.9999	0.9999	0.9999	0.9999	0.9999
Average customer outage in minutes (SAIDI) ¹	35.6	49.3	44.1	49.6	52.4
Average customer interruption duration index in minutes (CAIDI) ¹	61.1	78.3	63.2	57.8	65.5
Average length of service interruption in minutes (L-Bar) ¹	85.5	96.5	86.5	77.9	82.0
St. Cloud/Osceola County					
Average service availability index (ASAI)	0.9999	0.9999	0.9999	0.9999	0.9999
Average customer outage in minutes (SAIDI) ¹	42.3	86.8	52.1	42.5	98.4
Average customer interruption duration index in minutes (CAIDI) ¹	69.5	112.3	84.1	78.3	67.4
Average length of service interruption in minutes (L-Bar) ¹	96.1	115.4	87.2	88.1	86.3
ELECTRIC PHYSICAL STATISTICS					
Transmission system (circuit miles)					
69KV	36.6	36.6	36.6	36.6	36.6
115KV	128.2	128.2	128.2	128.2	129.3
230KV	233.6	233.6	236.6	227.4	227.4
Total transmission circuit miles	398.4	398.4	401.4	392.2	393.3
Number of substations					
OUC substations	31	31	31	31	31
STC substations	7	7	6	6	5
Total Substations	38	38	37	37	36
Orlando distribution system (circuit miles)					
Overhead	721.1	726.5	725.3	736.7	736.7
Underground	1,556.2	1,526.8	1,497.7	1,381.5	1,381.5
Total Orlando circuit miles	2,277.3	2,253.3	2,223.0	2,118.2	2,118.2
St. Cloud distribution system (circuit miles)					
Overhead	271.4	270.7	270.2	269.1	265.2
Underground	379.5	350.2	326.2	289.2	251.5
Total St. Cloud circuit miles	650.9	620.9	596.4	558.3	516.7
Total OUC & St. Cloud circuit miles	2,928.2	2,874.2	2,819.4	2,676.5	2,634.9
Distribution expenses per circuit mile²	\$ 10,210	\$ 11,192	\$ 7,583	\$ 8,938	\$ 9,665
Percentages of Orlando distribution system (circuit miles)					
Overhead	31.7 %	32.2 %	32.6 %	34.8 %	34.8 %
Underground	68.3 %	67.8 %	67.4 %	65.2 %	65.2 %
Percentages of St. Cloud distribution system (circuit miles)					
Overhead	41.7 %	43.6 %	45.3 %	48.2 %	51.3 %
Underground	58.3 %	56.4 %	54.7 %	51.8 %	48.7 %
Percentages of combined distribution system (circuit miles)					
Overhead	33.9 %	34.7 %	35.3 %	37.6 %	38.0 %
Underground	66.1 %	65.3 %	64.7 %	62.4 %	62.0 %

¹ In 2024, distribution operating metrics decreased due to optimized crew dispatching, enhanced outage repair strategies, and expanded use of smart grid technologies. In 2023 the increase was due to overhead and underground equipment failure, public incidents and extreme weather in the spring. In 2022, increased storm activity and public incidents led the rise in outage and service interruption times. In 2021, mild weather, strategic initiatives and lessened COVID-19 safety protocols resulted in less circuit lockouts. In 2020, COVID-19 safety protocols negatively affected the length of time of power outages.

² Beginning in 2023, transmission and distribution increased due to resuming scheduled line clearing cycles which were paused during the pandemic coupled with the impacts of inflation.

ELECTRIC UTILITY PLANT (Dollars in thousands)

Years Ended September 30	2024	2023	2022	2021	2020
Electric plant, net					
Generating plant					
Stanton Energy Center Unit 1	\$ 18,687	\$ 36,463	\$ 54,808	\$ 72,455	\$ 76,294
Stanton Energy Center Unit 2	141,824	141,824	154,402	165,136	166,295
Stanton Energy Center Common	83,966	83,966	95,761	105,386	87,205
Stanton Energy Center Unit A	33,996	22,704	27,325	31,935	36,607
Stanton Energy Center Unit B	154,151	166,222	178,686	183,160	187,830
McIntosh Unit 3	—	—	—	987	37,857
St. Lucie Unit 2	110,049	112,818	109,487	111,325	108,966
Indian River Plant	902	2,592	3,784	5,864	7,728
Osceola Generation Station	94,731	85,209	68,167	57,565	—
Total generating plant, net	638,306	651,798	692,420	733,813	708,782
Distribution plant	693,695	641,115	630,648	599,282	592,660
Transmission plant	418,567	412,136	406,964	403,096	373,562
Other Electric plant	50,082	50,957	52,949	53,998	55,232
Total electric plant, net	1,800,650	1,756,006	1,782,981	1,790,189	1,730,236
Common plant, net	65,353	64,484	70,907	73,955	77,565
Total Plant, net ¹	\$ 1,866,003	\$ 1,820,490	\$ 1,853,888	\$ 1,864,144	\$ 1,807,801
FUEL MIX STATISTICS					
Cost of fuel					
Coal ²	\$ 94,101	\$ 128,281	\$ 113,249	\$ 123,067	\$ 102,054
Natural gas ²	189,873	190,595	306,619	123,681	110,838
Nuclear	2,856	1,418	3,938	1,833	2,468
Renewable ³	18,994	18,335	19,217	20,233	12,408
Total cost of fuel	\$ 305,824	\$ 338,629	\$ 443,023	\$ 268,814	\$ 227,768
Fuel cost per MWh					
Coal ²	\$ 58.97	\$ 52.94	\$ 56.11	\$ 33.51	\$ 33.64
Natural gas ²	\$ 31.79	\$ 35.40	\$ 55.49	\$ 30.63	\$ 26.20
Nuclear	\$ 6.39	\$ 2.87	\$ 8.08	\$ 3.92	\$ 5.21
Renewable ³	\$ 47.41	\$ 45.79	\$ 44.59	\$ 44.81	\$ 49.13
System average fuel cost	\$ 36.34	\$ 38.92	\$ 52.36	\$ 31.15	\$ 28.50
System fuel mix for total generation (based on MWh)					
Coal ²	19.0 %	27.9 %	23.9 %	42.6 %	38.0 %
Natural Gas ²	71.0 %	61.9 %	65.3 %	46.8 %	52.9 %
Nuclear	5.3 %	5.7 %	5.8 %	5.4 %	5.9 %
Renewable ³	4.7 %	4.5 %	5.0 %	5.2 %	3.2 %
Total system fuel mix for total generation (based on MWh)	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

¹ In 2024, total plant increased as advancements were made toward our Net Zero CO₂ Emissions goal defined by the Board approved Path to Clean Energy strategic initiative including progress towards energizing the third and final generation unit at OGS and advancing the construction of adjacent transmission grid facilities. In 2022 and 2023, total plant decreased due to accelerated depreciation associated with the Path to Clean Energy strategic initiative and the diversification of utility plant assets through purchase power agreements. In 2021, total plant increased due to major transmission and distribution upgrade projects and the acquisition of the Osceola Generating Station offset by the shuttering of the MC3 generation facility in April 2021.

² Over the past 5 years, the cost per MWh for coal generation has consistently been higher than natural gas and while the drivers for certain periods has been isolated to narrow issues such as transportation constraints in 2022, the impact has contributed to the average cost per MWh for coal generation to outpace natural gas and correspondingly result in lower generation production.

³ To support achieving our Path to Clean Energy strategic initiative with net zero CO₂ emission goals by 2050, with interim 2030 and 2040 goals of 50 percent and 75 percent reductions in emissions, respectively, OUC continues to execute solar energy power purchase agreements. The increase in 2021 is the result of the annualized impact of the two 74.5 megawatt utility scale solar farms energized in June 2020. Beyond energizing these two utility scale solar farms, OUC has committed to two more 74.5 megawatt utility scale solar farms projected to be energized in December 2024. Beyond the two energized utility scale solar farms, OUC has nine renewable power purchase agreements comprised of both solar power and landfill gas.

RENEWABLE ENERGY

Renewable Generation (MWh)

Years Ended September 30

	Name Plate Capacity (MW) ⁵	2024	2023	2022	2021	2020
Solar PPA's¹						
Taylor Creek Solar	74.5	162,454	178,965	187,317	178,090	58,447
Harmony Florida Solar	34.0	75,663	82,020	85,101	81,553	27,379
Stanton Solar	5.1	8,209	8,842	9,178	9,118	8,554
SEC Solar Landfill Site C	4.8	9,093	8,862	9,294	9,421	9,510
SEC Solar Site A	4.1	7,609	7,549	8,041	7,992	7,957
Fleet Community Solar	0.4	502	437	503	516	461
Gardenia Community Solar	0.3	438	509	497	512	482
Landfill Gas PPA's¹						
Holopaw Landfill	9.0	42,895	40,837	45,567	45,270	32,754
Monarch Hills Landfill	8.3	48,146	37,671	40,274	43,482	48,460
Collier Landfill	3.0	23,238	23,294	24,260	23,426	—
Port Charlotte Landfill	1.0	1,080	1,309	3,867	6,144	11,414
Stanton Landfill Gas¹						
SEC 1	N/A	7,392	5,675	14,682	24,133	13,683
SEC 2	N/A	13,595	4,355	3,407	20,676	33,506
	144.5	400,314	400,325	431,988	450,333	252,607

ACTIVE SERVICES - SOLAR STATISTICAL INFORMATION²

Photovoltaic credit meters

Retail photovoltaic credit meters	163	188	205	217	231
Interlocal services photovoltaic credit meters	65	71	84	92	100
Total photovoltaic credit meters³	228	259	289	309	331

Solar farm participants

Gardenia	21	22	25	27	31
Stanton	416	434	449	282	202
Total solar farm participants⁴	437	456	474	309	233

OUC retail solar metered services

Residential	5,050	4,367	3,393	2,674	1,748
Commercial - non-demand	52	50	46	42	35
Commercial - demand - secondary	68	57	49	42	27
Total OUC retail metered services	5,170	4,474	3,488	2,758	1,810

Interlocal services

Total OUC retail and interlocal solar net-meters	10,310	8,969	6,793	4,891	2,904
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Solar net-meters as a percentage of retail meters	3.63 %	3.24 %	2.51 %	1.86 %	1.14 %
Solar net-meters as a percentage of retail meters (residential)	4.00 %	3.57 %	2.76 %	2.05 %	1.25 %
Solar net-meters as a percentage of retail meters (commercial)	0.42 %	0.37 %	0.33 %	0.30 %	0.22 %

¹ To support achieving our Path to Clean Energy, renewable energy MWh have increased since 2021 as a result of the annualized impact of two 74.5 megawatt utility scale solar farms energized in June 2020. Beginning in 2022, utilization of landfill gas was lower due to the reduced utilization of both SEC units.

² The Central Florida community is steadily embracing rooftop solar with an average year over year increase of 42.2 percent in retail and interlocal solar net-metering customers.

³ The photovoltaic credit meters were part of an incentive program which ended as a result of revised pricing program changes contributing to the decline as meters are removed over time.

⁴ Solar farm participants reflect those customers that have subscribed to the Community Solar program. While subscriptions increased in 2022, the program was paused in June as a result of continued rising traditional fuel pricing to provide the value of these assets to all customers.

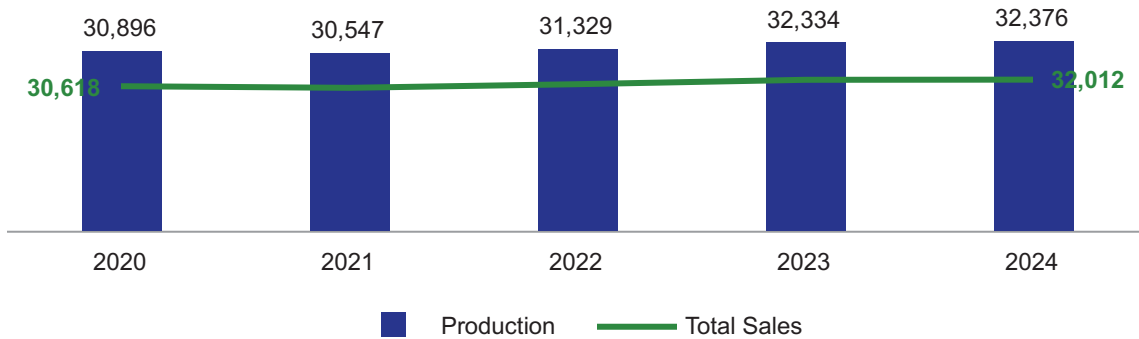
⁵ Power purchase agreements (PPA's) are based on contracted terms related to individual generation or expected availability of generation under each agreement and nameplate capacity and undivided interest are not applicable.



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Water Business Operations

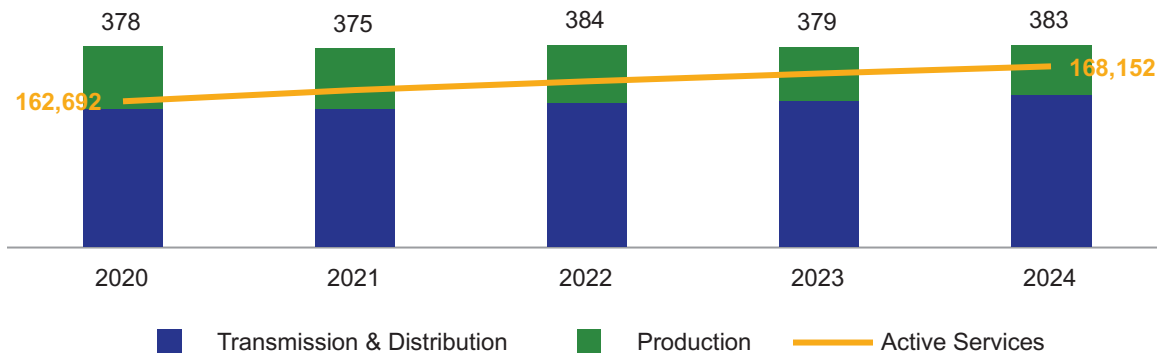
Production and Total Sales
(MGAL)



Production and Total Sales:

- Active service growth over the past five years has risen by a cumulative 3.4 percent with production and sales increasing by 4.6 percent during the same period. This growth is driven by higher commercial consumption, while residential consumption has declined due to pricing design changes aimed to promote conservation.

Water Utility Plant, net
(millions)



Water Utility Plant.net:

- Plant additions have increased to support customer growth, ensure high quality water resources are maintained and customer value is delivered. In 2024, utility plant, net increased as system upgrades were completed to advance water quality initiatives including the introduction of a granular activated carbon filtration system at the Conway Water Plant. These increases were offset by the decommissioning of the Navy Water Treatment Plant to optimize operations. Additionally, in 2021, OUC embarked on a large-scale multi-year water capital improvement project designed to upgrade the system's existing underground cast iron pipes to strengthen resiliency and ensure the safe and reliable delivery of water resources.

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

Years Ended September 30	2024	2023	2022	2021	2020
Operating Revenues					
Residential	\$ 32,765	\$ 31,557	\$ 30,553	\$ 29,978	\$ 27,513
Commercial	39,934	37,101	36,199	32,992	30,687
Irrigation	22,939	19,667	19,568	17,568	15,926
Fire protection	3,496	3,259	3,244	3,113	2,888
Service fees and other	1,479	1,318	1,606	1,810	2,758
Resale and other	804	795	624	589	570
Regulatory action ¹	(2,200)	—	—	(1,950)	—
Total operating revenues ¹	99,217	93,697	91,794	84,100	80,342
Operations and maintenance expenses					
Production	17,525	17,090	15,846	14,062	14,450
Distribution	9,937	8,307	7,081	7,680	8,320
Customer service ²	5,900	5,097	7,304	7,772	8,505
General and administrative ²	19,492	16,635	14,042	15,007	11,955
Total operations and maintenance expenses	52,854	47,129	44,273	44,521	43,230
Other expenses					
Utility/property tax	35	100	72	65	67
Revenue based payments to the City of Orlando	3,256	2,831	2,771	2,690	2,622
Revenue based payments to Orange County	4	4	4	4	3
Depreciation and amortization ³	27,395	25,744	22,925	21,645	22,401
Total other expenses	30,690	28,679	25,772	24,404	25,093
Total operating expenses	83,544	75,808	70,045	68,925	68,323
Operating income	15,673	17,889	21,749	15,175	12,019
Non-operating income and expense					
Interest income ⁴	5,045	3,454	848	926	2,094
Other income, net	1,630	1,489	1,537	1,510	2,134
Interest expense, net	(6,436)	(6,002)	(5,371)	(5,568)	(6,112)
Total non-operating expenses, net	239	(1,059)	(2,986)	(3,132)	(1,884)
Water income before contributions	15,912	16,830	18,763	12,043	10,135
Contributions in aid of construction (CIAC) ⁵	11,903	13,249	20,381	11,079	12,052
Annual dividend	(9,599)	(10,040)	(9,382)	(7,355)	(6,580)
Increase in net position	\$ 18,216	\$ 20,039	\$ 29,762	\$ 15,767	\$ 15,607

¹ In 2017, a four-year water price plan was approved and effective April 1, 2021, the fourth scheduled price change was implemented increasing the average residential and commercial customer water bill 6.2 percent. In conjunction with this change, the Board approved the use of reserves to facilitate customer rate stability, and beginning in 2021, planned revenues were deferred to rebuild these reserves in accordance with Audit-Finance Charter guidelines. In 2024, retail water prices increased to promote conservation, replenish reserves and phase-out jurisdictional pricing. Meter connection charges and system development charges to support the Path to Alternative Water Source strategic initiative were also increased 19.0 percent and 12.0 percent, respectively.

² General and administrative expenses increased as a result of increased headcount in the technology and transformation group which supports key strategic initiatives, along with rising medical benefit costs driven by inflationary pressures. In 2023, a change in methodology was implemented in the allocation of benefit expenses from each of the business segments to the general and administrative segment.

³ In 2024 and 2023, depreciation increased due to a one-time asset disposal in conjunction with the implementation of a large scale multi-year water capital improvement project designed to advance production technologies.

⁴ In 2024 and 2023, interest income increased due to rising interest rates.

⁵ In 2023, the decrease was driven by the prior year increase as a result of strong community growth as the economy rebounded post pandemic.

WATER CONSUMPTION AND FINANCIAL RATIOS

Years Ended September 30	2024	2023	2022	2021	2020
Profile of consumption and revenue by type of customer					
Residential service					
KGAL sales per customer	75	76	75	78	80
Revenue per customer	\$ 281	\$ 273	\$ 267	\$ 263	\$ 245
Revenue per KGAL	\$ 3.7315	\$ 3.6102	\$ 3.5785	\$ 3.3829	\$ 3.0799
Commercial service					
KGAL sales per customer	1,090	1,078	1,051	974	971
Revenue per customer	\$ 2,609	\$ 2,428	\$ 2,377	\$ 2,171	\$ 2,039
Revenue per KGAL	\$ 2.3943	\$ 2.2525	\$ 2.2614	\$ 2.2284	\$ 2.0998
Irrigation service ¹					
KGAL sales per customer	220	211	215	222	235
Revenue per customer	\$ 1,354	\$ 1,164	\$ 1,159	\$ 1,042	\$ 949
Revenue per KGAL	\$ 6.1562	\$ 5.5235	\$ 5.4022	\$ 4.6951	\$ 4.0407
Selected financial expense statistics					
Total operations and maintenance expenses per KGAL ²	\$ 1.8079	\$ 1.6351	\$ 1.5698	\$ 1.6222	\$ 1.5704
Operations and maintenance expense per metered service					
Production and distribution costs	\$ 185	\$ 172	\$ 156	\$ 149	\$ 158
Customer service expense	40	34	50	53	59
General and administrative expense	131	113	96	103	83
Total operations and maintenance expense ²	<u>\$ 356</u>	<u>\$ 319</u>	<u>\$ 302</u>	<u>\$ 305</u>	<u>\$ 300</u>
SELECTED FINANCIAL RATIOS					
Water operating ratio					
Water operations and maintenance expenses/operating revenues	\$ 0.53	\$ 0.50	\$ 0.48	\$ 0.53	\$ 0.54
Water income before contributions per revenue dollar					
Water income before contributions/operating revenues ³	\$ 0.16	\$ 0.18	\$ 0.20	\$ 0.14	\$ 0.13
ACTIVE SERVICES					
Residential	116,849	116,086	115,007	114,009	112,612
Commercial	15,318	15,298	15,265	15,198	15,047
Irrigation	16,985	16,891	16,912	16,859	16,800
Total metered services	<u>149,152</u>	<u>148,275</u>	<u>147,184</u>	<u>146,066</u>	<u>144,459</u>
FIRE PROTECTION					
Fire protection services	7,962	7,835	7,756	7,640	7,561
Fire hydrants	11,038	10,922	10,872	10,745	10,672
Total fire protection	<u>19,000</u>	<u>18,757</u>	<u>18,628</u>	<u>18,385</u>	<u>18,233</u>
CONSUMPTION (MGAL)					
Residential	8,781	8,741	8,538	8,862	8,933
Commercial	16,679	16,471	16,007	14,805	14,615
Irrigation	3,726	3,561	3,622	3,742	3,941
Resale	49	50	35	37	39
Total consumption ⁴	<u>29,235</u>	<u>28,823</u>	<u>28,202</u>	<u>27,446</u>	<u>27,528</u>

¹ Irrigation consumption, which is more price elastic than residential, has decreased since 2020 as conservation focused price increases have been implemented. In 2024, the increase was driven by less than normal rainfall during the year.

² Beginning in 2023, production and distribution costs per metered service increased due to inflationary drivers affecting materials used in the production of water.

³ Beginning in 2022, income before contributions per revenue dollar has increased driven by the conservation-focused price increases. In 2024, this has been offset by increased operations and maintenance expenses.

⁴ In 2022, commercial water consumption returned to business as usual practices leading to an increase in total consumption. In 2021, OUC and the City called upon its citizens to conserve water as liquid oxygen, a critical input in water purification, was in high demand and became constrained as a result of the pandemic. In 2020, commercial consumption decreased 9.0 percent due to lower water demand as a result of the mandated shutdowns as well as the overall impacts from COVID-19.

WATER UTILITY PLANT (Dollars in thousands)

Years Ended September 30

	2024	2023	2022	2021	2020
Water plant, net					
Production ¹	\$ 96,040	\$ 101,040	\$ 109,124	\$ 110,766	\$ 116,396
Transmission and distribution	287,236	277,515	274,585	263,977	261,414
General	262	316	215	209	213
Total water plant, net	<u>383,538</u>	<u>378,871</u>	<u>383,924</u>	<u>374,952</u>	<u>378,023</u>
Common plant, net	21,784	21,495	23,636	24,652	25,855
Total plant, net	<u>\$ 405,322</u>	<u>\$ 400,366</u>	<u>\$ 407,560</u>	<u>\$ 399,604</u>	<u>\$ 403,878</u>

WATER PHYSICAL STATISTICS

Pipe miles	1,914	1,900	1,888	1,879	1,871
Number of public hydrants	11,038	10,922	10,872	10,745	10,672
Number of wells ¹	29	31	31	31	31
Reservoir capacity (MGAL) ¹	25.0	28.5	28.5	28.5	28.5
High service pumping capacity (MGAL per day) ¹	264	279	276.5	276.5	276.5
Raw water capacity (MGAL per day) ¹	154.5	166.5	166.5	166.5	166.5
Peak day (MGAL) ²	108.1	108.1	106.3	109.8	108.5
Per capita, gallons pumped per day total system	189.8	190.8	186.6	183.5	187.9
Per capita, gallons consumed per day residential only	51	52	51	53	53

WATER PRODUCTION (KGAL)

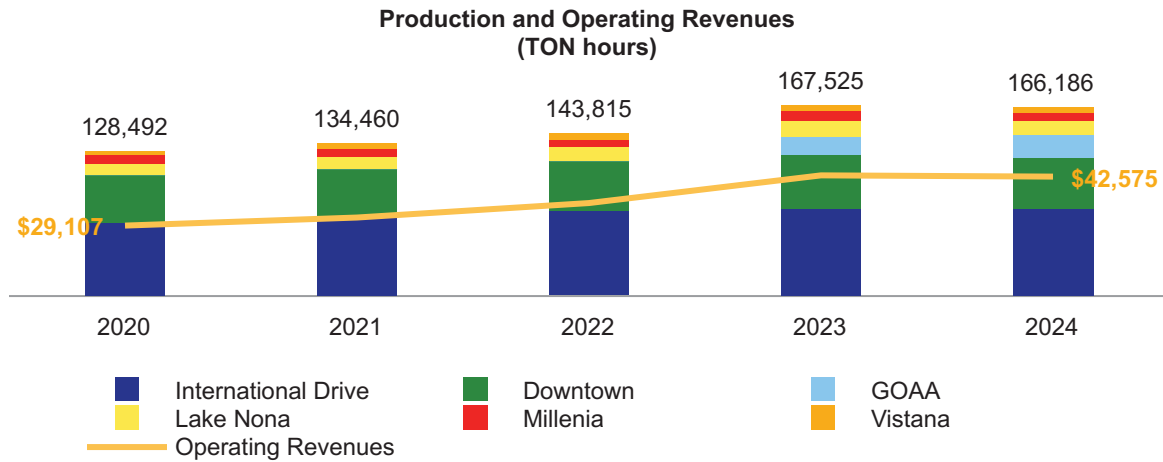
	2024	2023	2022	2021	2020
Water treated for sale					
Treated	32,375,697	32,334,119	31,328,534	30,546,995	30,896,403
Used by water department ³	27,790	5,267	5,840	5,840	5,852
Total water treated for sale	<u>32,347,907</u>	<u>32,328,852</u>	<u>31,322,694</u>	<u>30,541,155</u>	<u>30,890,551</u>
Sales					
Retail customers	28,850,033	28,421,844	27,890,178	27,148,428	27,215,227
Inter-department use	335,847	351,767	277,194	261,549	272,559
Wholesale customers	49,120	49,388	34,628	36,024	40,214
Total sales	<u>29,235,000</u>	<u>28,822,999</u>	<u>28,202,000</u>	<u>27,446,001</u>	<u>27,528,000</u>
Unbilled	<u>3,112,907</u>	<u>3,505,852</u>	<u>3,120,694</u>	<u>3,095,155</u>	<u>3,362,551</u>
Unbilled as a percentage of water treated for sale	9.62 %	10.84 %	9.96 %	10.13 %	10.89 %

¹ In 2024, the Navy Water Plant was retired to optimize operations which included the closing of two wells and a reservoir decreasing the reservoir, high service pumping, and raw water capacities.

² Rainfall and warmer than normal weather coupled with service growth are the key drivers for peak day annual variances.

³ In 2024, the Conway Water Plant implemented a granular activated carbon (GAC) filtration system, which required increased backwashing during its initial operation. This adjustment led to a temporary rise in the department's water usage as the system was conditioned and optimized for regular use.

Chilled Water Business Operations



Production and Operating Revenues:

- Operating revenues have been increasing since 2020 as the economy rebounded from the pandemic and business as usual practices have resumed. In 2019, OUC executed agreements with two of its largest customers, Greater Orlando Aviation Authority (GOAA) and Universal City Development Partners, LLC (UCDP), whereby OUC operates and retains custodial responsibilities for their customer-sited chilled water facilities; the GOAA facility started operations in 2023 while the UCDP facility will be operational in fiscal year 2025 with payments in 2024 limited to capital payments.
- Operating revenues have grown on average 10.3 percent per year over the five-year period.

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

Years Ended September 30	2024	2023	2022	2021	2020
Operating revenues by plant					
Downtown	\$ 15,949	\$ 16,329	\$ 14,254	\$ 12,782	\$ 11,361
Vistana	2,295	2,217	2,071	1,946	1,883
International Drive	15,207	14,809	13,141	11,260	10,777
Millenia	1,825	1,945	2,017	1,845	1,722
Lake Nona	4,058	4,141	3,675	3,352	3,297
GOAA	3,045	3,306	—	—	—
Service fees and other	196	171	147	137	67
Total operating revenues ¹	<u>42,575</u>	<u>42,918</u>	<u>35,305</u>	<u>31,322</u>	<u>29,107</u>
Operations and maintenance expenses by plant					
Downtown	6,553	6,720	5,479	5,087	5,328
Vistana	1,005	875	912	887	855
International Drive	9,399	10,613	7,862	6,923	6,372
Millenia	1,233	1,340	1,159	1,200	1,141
Lake Nona	1,876	1,927	1,672	1,415	1,418
GOAA	2,259	2,085	—	—	—
Universal	94	—	—	—	—
Customer service	101	81	87	169	163
General and administrative	2,147	1,937	1,437	1,558	1,350
Total operations and maintenance expenses ²	<u>24,667</u>	<u>25,578</u>	<u>18,608</u>	<u>17,239</u>	<u>16,627</u>
Other expenses					
Utility/property tax	3	2	2	2	2
Revenue based payments to the City of Orlando	832	717	682	676	662
Revenue based payments to Orange County	170	168	150	130	126
Depreciation and amortization	3,847	4,013	4,182	4,256	4,309
Total other expenses	<u>4,852</u>	<u>4,900</u>	<u>5,016</u>	<u>5,064</u>	<u>5,099</u>
Total operating expenses	<u>29,519</u>	<u>30,478</u>	<u>23,624</u>	<u>22,303</u>	<u>21,726</u>
Operating Income	13,056	12,440	11,681	9,019	7,381
Non-operating income and expenses					
Interest income ³	6,246	6,141	752	58	262
Other income, net	69	52	40	50	105
Interest expense, net	(1,870)	(1,984)	(2,065)	(2,269)	(2,508)
Total non-operating expenses, net	<u>4,445</u>	<u>4,209</u>	<u>(1,273)</u>	<u>(2,161)</u>	<u>(2,141)</u>
Chilled water income before contributions	17,501	16,649	10,408	6,858	5,240
Contributions in aid of construction (CIAC)	—	—	—	—	250
Annual dividend	(10,558)	(9,932)	(5,203)	(4,188)	(3,403)
Increase in net position	<u>\$ 6,943</u>	<u>\$ 6,717</u>	<u>\$ 5,205</u>	<u>\$ 2,670</u>	<u>\$ 2,087</u>

¹ Beginning in 2021, operating revenues have steadily increased due to the return to normal business operations from pre-pandemic levels while 2022 experienced accelerated growth due to the expanding commercial economy. Growth continued into 2023 along with the addition of the new GOAA chilled water plant further increasing revenues.

² Operations and maintenance expenses increased in 2023 due to the commencement of operations at customer-sited GOAA chilled water facility and increased electric utility expenses for each plant. In 2024, Universal had minimal operating costs and no operating revenues ahead of becoming fully operational in fiscal year 2025.

³ Interest income increased due to accounting guidance requiring the recognition of revenues from the new customer-sited chilled water plants at GOAA and Universal operated through a long-term custodial contractual agreements coupled with interest income from rising interest rates.

SELECTED FINANCIAL RATIOS

Years Ended September 30	2024	2023	2022	2021	2020
Chilled water operating ratio ¹					
Chilled water operation and maintenance expenses/operating revenues	\$ 0.58	\$ 0.60	\$ 0.53	\$ 0.55	\$ 0.57
Chilled water income before contributions per revenue dollar ¹					
Chilled water income before contributions/operating revenues	\$ 0.41	\$ 0.39	\$ 0.29	\$ 0.22	\$ 0.18
Revenue per TON-hour produced	\$ 0.2562	\$ 0.2562	\$ 0.2455	\$ 0.2329	\$ 0.2265

CHILLED WATER UTILITY PLANT (Dollars in thousands)

Chilled water plant, net ²					
Downtown	\$ 25,154	\$ 26,417	\$ 27,326	\$ 28,512	\$ 29,802
Vistana	1,685	1,851	2,018	2,185	2,369
International Drive	13,335	13,464	14,088	15,218	16,371
Millenia	983	1,025	1,150	1,320	1,492
Lake Nona	6,704	6,865	7,379	7,893	8,408
Total plant, net	<u>\$ 47,861</u>	<u>\$ 49,622</u>	<u>\$ 51,961</u>	<u>\$ 55,128</u>	<u>\$ 58,442</u>

ACTIVE SERVICES

Retail residential	2,494	2,495	2,490	2,485	2,482
Wholesale commercial	209	210	211	208	206
Total metered services	<u>2,703</u>	<u>2,705</u>	<u>2,701</u>	<u>2,693</u>	<u>2,688</u>

CHILLED WATER PHYSICAL STATISTICS

Pipe miles ²					
Downtown	8.43	8.43	8.43	8.43	8.43
Vistana	3.72	3.72	3.72	3.72	3.72
International Drive	3.79	3.79	3.79	3.79	3.79
Millenia	0.26	0.26	0.26	0.26	0.26
Lake Nona	1.62	1.62	1.62	1.62	1.62
Total pipe miles	<u>17.82</u>	<u>17.82</u>	<u>17.82</u>	<u>17.82</u>	<u>17.82</u>

Generation capacity, ton (in thousands)

Downtown	16,315	16,315	16,315	16,315	16,315
Vistana	2,400	2,400	2,400	2,400	2,400
International Drive	22,100	22,100	22,100	22,100	22,100
Millenia	4,800	4,800	4,800	4,800	4,800
Lake Nona	5,300	5,300	5,300	5,300	5,300
GOAA	10,395	10,395	—	—	—
Total generation capacity, ton	<u>61,310</u>	<u>61,310</u>	<u>50,915</u>	<u>50,915</u>	<u>50,915</u>

TON-HOURS PRODUCED (in thousands)

Downtown	46,231	46,982	44,286	42,218	41,203
Vistana	4,769	5,126	4,988	4,367	3,704
International Drive	76,401	77,694	74,609	69,131	64,696
Millenia	7,912	8,147	7,614	7,497	7,341
Lake Nona	11,855	13,380	12,318	11,247	11,548
GOAA	19,018	16,197	—	—	—
Total TON hours produced ³	<u>166,186</u>	<u>167,526</u>	<u>143,815</u>	<u>134,460</u>	<u>128,492</u>

¹ In 2023, operating revenues and expenses increased due to the addition of a new custodial agreement beginning during the year and growth in the commercial segment.

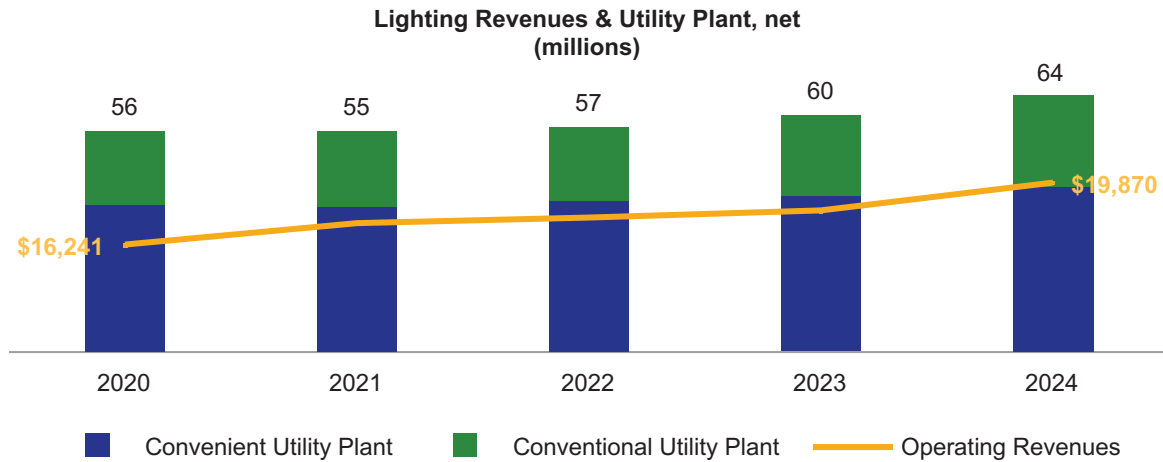
² In 2023, the GOAA chilled water plant began operations through a long-term custodial rights agreement.

³ In 2020 and 2021, the reduction of total ton hours produced is due to the decrease in cooling demand from the shut-down of commercial operations impacted by the pandemic. In 2022, ton hours produced increased as commercial business experienced significant growth as the economy expanded and increased again in 2023 with the GOAA plant becoming operational.



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Lighting Business Operations



Lighting Revenues and Utility Plant, net:

- Conventional Utility Plant includes LED streetlight technology infrastructure for municipalities and other right of way community requirements. Beginning in 2024, a three-year plan was proposed to increase conventional street light revenues by a approximately 10.0 percent per year to ensure full cost recovery subsequent to the full system-wide transition to LED technology.
- Convenient Utility Plant represents lighting infrastructure that is provided to commercial customers and is billed through contractually determined pricing that is, on average, recovered over a 20 year period. The increase in utility plant for this business segment over the five-year period is driven by the expansion of new commercial customers as well as technology upgrades.
- Operating revenues for both business segments have grown on average 5.2 percent per year over the five-year period primarily from the Convenient Lighting sector.

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

Years Ended September 30	2024	2023	2022	2021	2020
Operating Revenues					
Conventional	\$ 5,417	\$ 4,657	\$ 4,711	\$ 4,608	\$ 4,491
Convenient	14,318	13,393	12,939	12,682	11,625
Service fees and other	135	192	173	205	125
Total operating revenues	<u>19,870</u>	<u>18,242</u>	<u>17,823</u>	<u>17,495</u>	<u>16,241</u>
Operations and maintenance expenses					
Conventional	3,399	3,589	3,244	3,390	3,213
Convenient	1,544	1,529	1,660	966	1,068
General and administrative ¹	1,117	957	791	881	708
Total operations and maintenance expenses	<u>6,060</u>	<u>6,075</u>	<u>5,695</u>	<u>5,237</u>	<u>4,989</u>
Other expenses					
Utility/property tax	1	1	1	1	1
Revenue based payments to Orange County	27	26	25	27	27
Depreciation and amortization	5,929	5,648	5,715	5,654	5,625
Total other expenses	<u>5,957</u>	<u>5,675</u>	<u>5,741</u>	<u>5,682</u>	<u>5,653</u>
Total operating expenses	<u>12,017</u>	<u>11,750</u>	<u>11,436</u>	<u>10,919</u>	<u>10,642</u>
Operating income	7,853	6,492	6,387	6,576	5,599
Non-operating income and expense					
Interest income ²	272	176	17	68	200
Other income, net	27	19	18	19	103
Interest expense, net	(1,349)	(1,260)	(1,133)	(1,165)	(1,269)
Total non-operating expenses, net	<u>(1,050)</u>	<u>(1,065)</u>	<u>(1,098)</u>	<u>(1,078)</u>	<u>(966)</u>
Lighting income before contributions	6,803	5,427	5,289	5,498	4,633
Contributions in aid of construction (CIAC) ³	505	2,656	2,273	1,469	1,464
Annual dividend	<u>(4,104)</u>	<u>(3,237)</u>	<u>(2,645)</u>	<u>(3,358)</u>	<u>(3,007)</u>
Increase in net position	<u>\$ 3,204</u>	<u>\$ 4,846</u>	<u>\$ 4,917</u>	<u>\$ 3,609</u>	<u>\$ 3,090</u>

¹ General and administrative expenses increased as a result of increased headcount in the technology and transformation group which supports key strategic initiatives, along with rising medical benefit costs driven by inflationary pressures. In 2023, a change in methodology was implemented in the allocation of benefit expenses from each of the business segments to the general and administrative segment.

² In 2024 and 2023, interest income increased due to rising interest rates.

³ In 2024, contribution in aid of construction decreased due to timing of projects compared to the prior years.

SELECTED FINANCIAL RATIOS

Years Ended September 30

	2024	2023	2022	2021	2020
Lighting operating ratio					
Lighting operation and maintenance expenses/operating revenues	\$ 0.30	\$ 0.33	\$ 0.32	\$ 0.30	\$ 0.32
Lighting income before contributions per revenue dollar ¹					
Lighting income before contributions/operating revenues	\$ 0.34	\$ 0.30	\$ 0.30	\$ 0.31	\$ 0.30

LIGHTING UTILITY PLANT (Dollars in thousands)

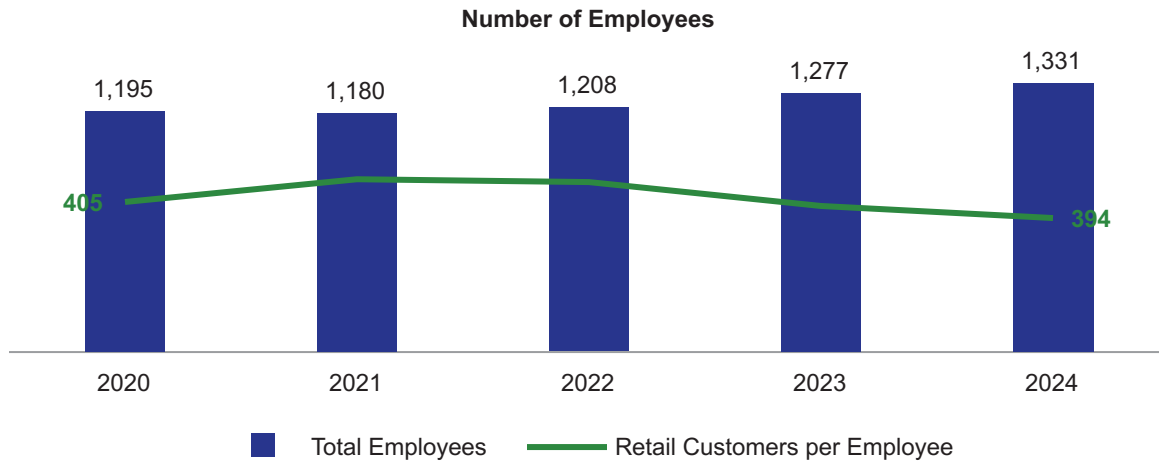
Lighting plant, net					
Conventional	\$ 22,882	\$ 20,288	\$ 18,764	\$ 18,591	\$ 18,710
Convenient	41,259	39,290	37,891	36,692	36,850
Total lighting plant, net	<u>\$ 64,141</u>	<u>\$ 59,578</u>	<u>\$ 56,655</u>	<u>\$ 55,283</u>	<u>\$ 55,560</u>

¹ In 2024, a three-year plan was proposed to increase conventional street light revenues by a approximately 10.0 percent per year to ensure full cost recovery subsequent to the full system-wide transition to LED technology.



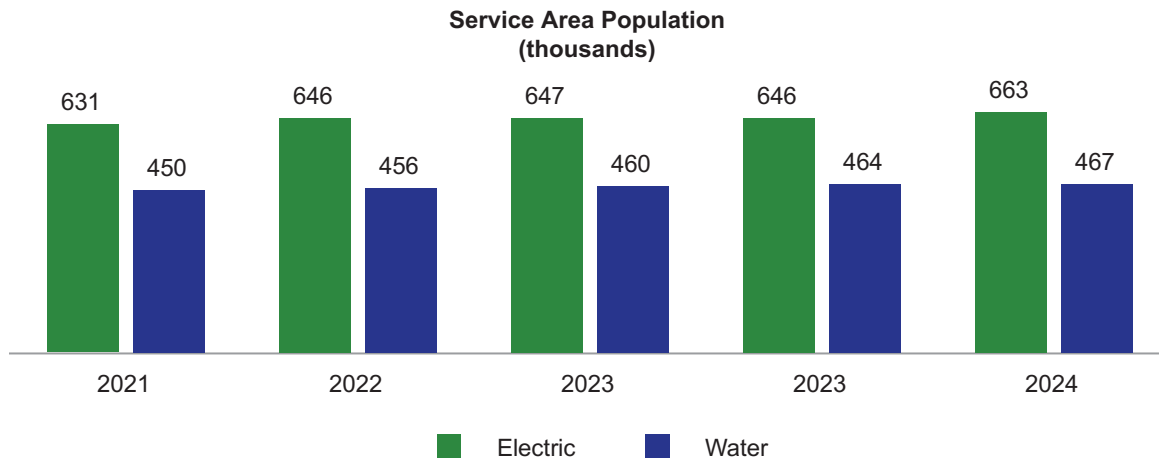
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Statistical Information



Number of Employees:

- An allocation is performed for all shared service employees that are not assigned to support a single operating area as defined above. In 2023, electric operations increased its employee headcount in alignment with OGS unit 2 becoming operational, efforts to energize OGS Units 1 and 3 and achieve our Path to Clean Energy strategic initiatives. In 2024, employee growth continued, primarily in the areas of technology and transformation, to support strategic initiatives aligned with the Path to Clean Energy and Alternative Water Sources.



The Electric System Service Territory:

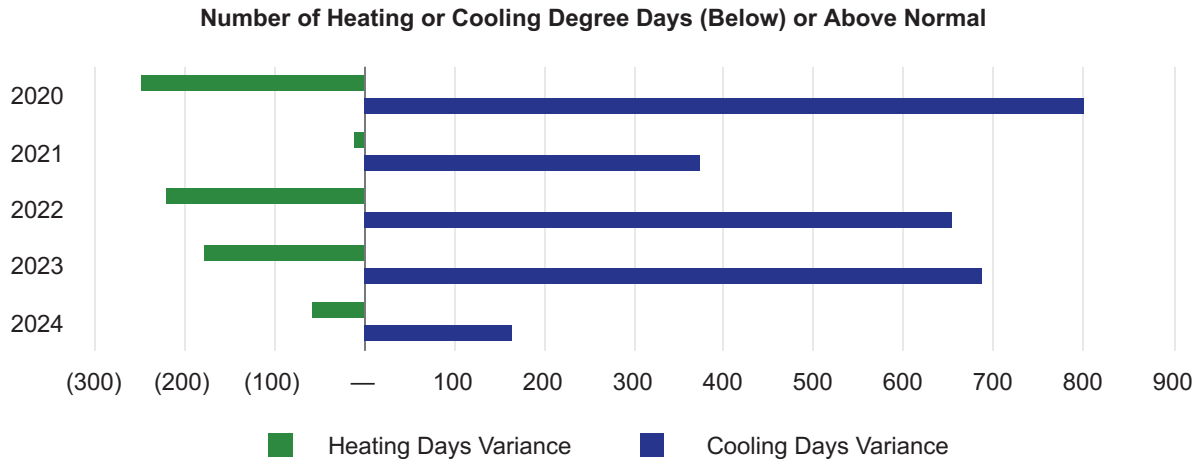
- The Electric System provides energy to customers within the City of Orlando, certain contiguous portions of Orange County, the City of St. Cloud and certain contiguous portions of Osceola County. OUC's service territory and its right to serve Electric System customers are generally established by the Special Acts of 1923, however, electric utilities in the state may negotiate and enter into territorial agreements with other utilities.

The Water System Service Territory:

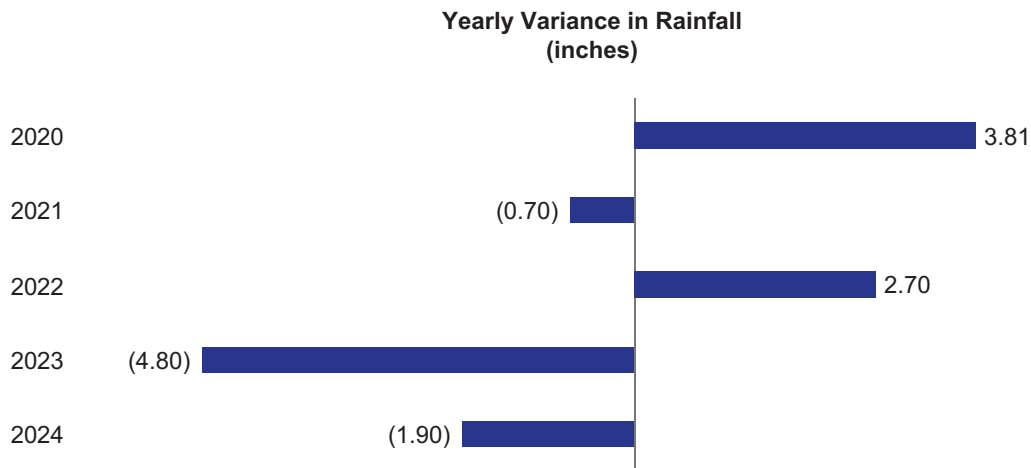
- The Water System provides water service to customers throughout a 200-square-mile service area including service provided through a territorial agreement with Orange County that, based on agreement provisions, renewed for a succeeding 10-year period beginning in May 2019. The service area encompasses the cities of Orlando, Edgewood and Belle Isle, plus large portions of the unincorporated area of Orange County.

Climatological Data

Orlando Metro Area Fiscal Year Ended September 30



Cooling Degree Days (CDD) and Heating Degree Days (HDD) are measures used to estimate energy demand for cooling or heating buildings. CDD measures how much the daily average temperature exceeds the normal temperature indicating cooling needs. HDD Measures how much the daily average temperature falls below the normal temperature indicating heating needs. Normal degree days are calculated as the average of actual degree days over a 40-year period.



A multi-regression model is used to determine the relationship between rainfall and water sales based on the dependent variable of daily treated water. In this model, daily rainfall is also capped at ½ inch as excess daily rainfall has no meaningful impact on water sales.

INSURANCE COVERAGES

September 30, 2024

Carrier	Type of coverage	Limits	Periods
OUC	General liability	\$2.0 million per occurrence retention	Continuous
OUC	Automobile liability	\$2.0 million per occurrence retention	Continuous
OUC	Worker's compensation	\$500 thousand per occurrence retention	Continuous
OUC	Health and medical benefits	Amounts in excess of \$0.8 million per insured per year net of applicable deductible	Continuous
AEGIS	Excess automobile and general liability	\$50.0 million above the \$2.0 million retention for the general liability and automobile liability	10-01-2023 / 09-30-2024
AEGIS	Directors & officers / public officials liability	\$10.0 million	10-01-2023 / 09-30-2024
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
CHUBB	Fiduciary Liability	\$10.0 million	10-01-2023 / 09-30-2024
Factory Mutual	All risk property/boiler and machinery	\$2.0 billion, \$250 thousand base retentions, various retentions depending on machinery	10-01-2023 / 09-30-2024
Florida Municipal Insurance Trust (FMIT)	Excess worker's compensation	Statutory limit of liability above a \$500 thousand per occurrence retention	10-01-2023 / 09-30-2024
Zurich Insurance Group	Dishonesty, disappearance & destruction (crime)	\$10.0 million	10-01-2023 / 09-30-2024

*All coverages are renewed on an annual basis and policies listed above with an expiration date of 09-30-2024 have been renewed through 09-30-2025.



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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.

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): 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 Statements of Net Position 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.

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

Debt Service Coverage: 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.

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 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 that overwhelms the resources of local and state authorities.

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.

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 with a population of 50,000 or more, 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 post-employment 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.

Photovoltaic Credit Meters: Solar system owners receive credit on their energy bill for sending electricity into the grid which is outlined in their utility net metering policy.

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

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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