

**JEA
BOARD AGENDA**

DATE: February 16, 2016
TIME: 9:30 AM
PLACE: JEA
21 West Church Street
19th Floor

I. WELCOME

- A. Call to Order
- B. Time of Reflection
- C. Pledge to Flag
- D. Adoption of the Agenda
- E. Safety Briefing

Meeting participants are asked to turn their cell phones completely off

II. PRESENTATIONS AND COMMENTS

- A. Comments from the Public
- B. Council Liaison's Comments – The Honorable Bill Gulliford
- C. Office of the Mayor Liaison's Comments – Dr. Johnny Gaffney
- D. Nassau County's Ex-Officio Representative – Mike Mullin
- E. [Sunshine Law/Public Records Statement – Office of General Counsel \(OGC\)](#)

III. FOR BOARD CONSIDERATION

- A. Consent Agenda – The Consent Agenda consists of agenda items that require Board approval but are routine in nature, or have been discussed during previous public meetings of the Board. The Consent Agenda items require no explanation, discussion or presentation, and are approved by one motion and vote.
 - 1. [Approval of Board Meeting Minutes January 19, 2016 – action](#)
 - 2. [Monthly JEA Financial Statements – information](#)

3. Monthly FY16 Communications & Engagement Calendar and Plan Update – information

4. Monthly JEA Operations Report – information

B. Strategic Discussions/Action

1. Real Estate Purchase & Sale Agreement for Southside Generating Station (SGS) Property – Update & Time Extension Request – Nancy Kilgo, Director, Government Affairs – presentation/action

2. JEA SolarSmart and Integration of Solar Resources – Melissa Dykes, Chief Financial Officer – presentation/information

3. Recommendation to Call a Public Hearing to Add New Customer Rate Options and Implement Administrative Changes to the Electric Tariff Documentation – Melissa Dykes, Chief Financial Officer – presentation/action

4. JEA Strategic Planning Update – Vickie Cavey, Director, Strategy Development and Execution – presentation/information

5. Bi-Monthly Finance Presentation – Melissa Dykes, Chief Financial Officer – presentation/information

C. Other New Business

D. Old Business – none

IV. REPORTS

A. Compensation Committee Report – Delores Kesler, Committee Chair

1. Minutes from January 5, 2016 – information

2. FY2016 CEO Scorecard – Paul McElroy, Chief Executive Officer – presentation/action

B. Managing Director/CEO’s Report

1. Changes in Bargaining Unit Legislative Body and Related Process Changes

2. JEA Charter

3. Clean Power Plan

4. Other

C. Chair’s Report

V. CLOSING CONSIDERATIONS

A. Announcements – Next Board Meeting – March 15, 2016

B. Adjournment



INTER-OFFICE CORRESPONDENCE
February 10, 2016

SUBJECT: BOARD MEETING AGENDA

FROM: Melissa Charleroy and Cheryl Mock, JEA Executive Assistants

TO: All Members, JEA Board of Directors

Scheduled times and locations for JEA meetings to be held **Tuesday, February 16, 2016**, are as follows:

9:30 AM **Board Meeting**
 19th Floor, JEA Tower

We are looking forward to seeing you on the **16th**. Please call Melissa Charleroy at 665-7313 or Cheryl Mock at 665-4202 if you require additional information.

/mmc

Cc:

- | | | | | |
|--------------|------------|---------------|-----------------|-----------|
| P. McElroy | T. Hobson | S. Tuten | W. Stanford | J. Bryant |
| M. Brost | B. Roche | M. Charleroy | M. Evans | V. Wright |
| P. Cosgrave | M. Whiting | S. Kluszewski | J. Brooks, OGC | |
| M. Dykes | J. Upton | C. Mock | J. Gabriel, OGC | |
| A. Hiers | G. Boyce | N. NesSmith | C. Edgar | |
| M. Hightower | J. Gutos | M. Ruiz-Adams | B. Fore | |

e-copy:

Patrick Maginnis
Security Desk
Security Office
Brandi Sneed
Russell Park
Ted Delay

Florida's Government in the Sunshine Law
Office of General Counsel

This meeting is being held in compliance with Florida's Government in the Sunshine Law, §286.011, Florida Statutes, and shall be open to the public at all times. Official acts of the JEA Board may be conducted at this meeting that will be considered binding on the JEA. Reasonable notice has been provided and minutes of this meeting shall be taken and promptly recorded.

JEA
BOARD MINUTES
January 19, 2016

The JEA Board met in regular session on Tuesday, January 16, 2016, in the 8th Floor Board Meeting Room, 21 W. Church Street, Jacksonville, Florida. Present were Tom Petway, Ed Burr, Delores Kesler, Husein Cumber, Kelly Flanagan, and Warren Jones. Mr. G. Alan Howard attended in observance.

Agenda Item I – Welcome

- A.** The meeting was **called to order** at 12:00 PM by Chair Petway. Chair Petway welcomed Mr. Alan Howard and stated Mr. Howard will be observing the meeting today until he is confirmed as a Board Member prior to the February Board Meeting.
- B.** A **Moment of Reflection** was observed by all.
- C.** The **Pledge of Allegiance** was led by Chair Petway.
- D.** **Adoption of Agenda** – The agenda was approved on **motion** by Mr. Cumber and second by Vice Chair Burr.
- E.** The **Safety Briefing** was given by Paul McElroy, Managing Director/Chief Executive Officer.

Agenda Item II – Presentations and Comments

- A. Comments from the Public –**
 - 1. Mr. Carnell Oliver, 8527 Oak Leaf Road, Jacksonville, FL 32208, addressed the Board regarding the Clean Power Plan.
- B. Council Liaison’s Comments** – The Honorable Bill Gulliford was not in attendance due to City Council business.
- C. Office of the Mayor Liaison’s Comment** – Dr. Johnny Gaffney had no comments.
- D. Sunshine Law/Public Records Statement** – Jody Brooks, Office of General Counsel (OGC), stated this Board Meeting is being held in compliance with Florida’s Government in the Sunshine Law, §286.011. The complete statement can be found in section II. D. of the Board package.
- E. J. D. Power Business Customer Satisfaction Results** – Monica Whiting, Chief Customer Officer – On behalf of Paul McElroy, CEO, Senior Leadership Team, all JEA employees, and JEA’s business customers, Ms. Whiting presented the J. D. Power 2016 Business Customer Satisfaction Award and results. Paul McElroy stated JEA started at the bottom of the fourth quartile in 2012, and through the hard work and dedication of all employees, JEA earned the highest score amongst all 86 utilities surveyed throughout the country, was the highest ranked in the state, and number 1 in the South Mid-Size region in all six drivers. Ms. Whiting announced JEA has received the award for the “Highest Customer Satisfaction with Business Electric Service in the South Among Midsize Utilities”. JEA has risen from the bottom of the fourth quartile in 2012 to number 1 in the first quartile in 2016. JEA’s score of 754 was 20 points higher than the second place utility in the South Mid-Size region. Ms. Whiting provided an overview of JEA’s historical improvement in every driver of satisfaction which includes: Power Quality and

Reliability, Billing and Payment, Corporate Citizenship, Price, Communications, and Customer Service. Other notable improvements included: e-Bill brand, online First Contact Resolution, and price. Ms. Whiting provided a snapshot of direct comments from business customers. Ms. Whiting thanked Mike Brost, Vice President/General Manager, Electric Systems, as well as Brian Roche, Vice President/General Manager, Water and Wastewater Systems and all of their employees, as their work and improvements drive the most important driver of satisfaction. Chair Petway provided accolades to all 2,200 JEA employees. Mr. McElroy thanked Chair Petway for attending the January 12, 2016 J. D. Power webcast announcing the results. JEA will be reaching out to business customers to show appreciation for recognizing the hard work of JEA employees. This presentation was received for information.

Agenda Item III – For Board Consideration

- A. Consent Agenda** – used for items that require no explanation, discussion or presentation and are approved by one motion and vote. On **motion** by Vice Chair Burr and second by Mr. Jones, item 1 on the Consent Agenda was unanimously approved and items 2 through 8 were received for information.
1. Approval of Board Meeting Minutes December 15, 2015 – approved
 2. Electric System and Water and Sewer System Reserve Fund Quarterly Report – received for information
 3. Fitch 2016 Outlook: U.S. Public Power and Electric Cooperative Sector – received for information
 4. JEA Energy Market Risk Management Policy Report – received for information
 5. Monthly JEA Financial Review & Statements – received for information
 6. Monthly FY16 Communications & Engagement Calendar and Plan Update – received for information
 7. Real Estate Acquisition Status Report – received for information
 8. Sole Source & Emergency Procurement/Procurement Appeals Board Report – received for information
- B. Strategic Discussions/Action**
1. JEA’s Role in Economic Development – Melissa Dykes, Chief Financial Officer – Paul McElroy stated this presentation is provided in response to discussions at a previous Board Meeting. Mr. McElroy recognized Jerry Mallot, President, JAXUSA Partnership, Aaron Bowman, Senior Vice President, Business Development, JAXUSA Partnership, and Kirk Wendland, Executive Director, City of Jacksonville, Office of Economic Development. Ms. Dykes presented in 2015 under the direction of Mayor Curry, a local coalition was formed to coordinate economic development efforts. Ms. Dykes stated energy availability and costs are common factors considered in the site selection process. Research indicates reliability and customer service are as critical as absolute price. Ms. Dykes stated JEA is more than 99.985% reliable, earning the American Public Power Association (APPA) Reliable Public Power Award, Diamond Designation in FY2014 for providing the highest degree of reliable and safe electric service, and J. D. Power’s “Highest Customer Satisfaction with Business Electric Service in the South Among Midsize Utilities”. JEA has

invested more than \$187 million in the electric system in the past 5 years for capacity related projects and to improve reliability. Additionally, JEA is one of the few municipals in the country tracking and improving customer reliability at the individual customer level. Ms. Dykes reviewed the various rate programs designed to support economic development including the Economic Development Option, Incremental Economic Development Option, and the High Load Factor. Ms. Dykes stated JEA is uniquely positioned to work with the City of Jacksonville's Economic Development Office to assist in attracting companies to Jacksonville with the latest in infrastructure technology such as Google Fiber, the Jacksonville Network Access Point (NAP), and the latest in small-cell wireless cellphone and WIFI technologies. Mr. Mallot and Mr. Bowman provided comments stating JEA is a good economic development partner. This presentation was received for information.

2. Fuel Charge Reduction Recommendation – Melissa Dykes, Chief Financial Officer, presented JEA has a separate rate to recover fuel and energy costs. These costs are a pass-through to our customers and are broken out on the bill as the Fuel Charge. According to Federal and State regulatory guidelines, these funds cannot be diverted for any other uses. Ms. Dykes provided the history of the fuel mix from 1970 through the forecast of 2016, as well as the Board approved Pricing Policy. The Pricing Policy stipulates that the Fuel Charge be set annually during the budget process to be effective October 1 of the upcoming year. The Fuel Charge is based on the forward twelve-month energy cost projection and is structured to fully recover all expected fuel-related costs, as well as any requirement for the Fuel Stabilization Fund over the coming year. Ms. Dykes stated as of September 30, 2015 the Fuel Reserve was 24% of the maximum 12-month historical fuel expense, and is projected to reach 35% at the end of the fiscal year, if fuel expenses continue to be favorable. Ms. Dykes provided the Board with the recommendation to decrease the Fuel Charge from the current rate of \$43.60/MWh to \$36.75/MWh, a decrease of \$6.85/MWh to be effective February 1, 2016. The new charge will continue to recover fuel and energy costs while reducing the projected Fuel Reserve closer to the policy target. On **motion** by Mr. Cumber second by Mr. Jones, Board Members held discussions and approved staff's recommendations to lower the current Fuel Charge of \$43.60/MWh to \$36.75/MWh effective February 1, 2016.
3. Ernst & Young FY2015 Annual Financial Audit Plan, External Audit Report and Management Letter – Mike Pattillo, Ernst & Young (E&Y), introduced the E&Y team including Chris Edmunds, Senior Manager, Johan Flostrand, Audit Senior, and Jennifer Rinaberger, Audit Senior. Mr. Pattillo provided a review of E&Y's services and deliverables, the Executive Summary including the status, scope as presented at the August 10, 2015 Finance & Audit Committee, and the results of their Independent Auditor's Report on the financial audit of JEA on December 9, 2015. Ms. Dykes stated as a formality, it is requested the Board take action on the FY2015 Annual Audit Plan to comply with JEA's Finance and Audit Committee Policy. On **motion** by Vice Chair Burr and second by Mr. Cumber, the Board approved the FY2015 Annual Audit Plan.
4. External Auditors Evaluation 2015 – Melissa Dykes, Chief Financial Officer, presented the current contract with E&Y, which expires on June 30, 2016. Best practice is that auditors should be evaluated annually and a determination made by the Board on whether to retain their services. Each year the Board evaluates the performance of the external auditor and decides whether to extend the auditor's

engagement agreement for an additional year. This is typically completed by the Finance and Audit Committee who recommends an action to the Board, but is being presented to the full Board for FY2016. An auditor assessment tool was provided in the Board package to assist the Board in its evaluation. On **motion** by Mr. Jones and second by Mr. Cumber, the Board approved the option for a one-year extension of the contract with E&Y.

5. St. John's River Power Park (SJRPP) System Employees' Retirement Plan Restatement & Letter of Determination – Angie Hiers, Chief Human Resources Officer, provided a review of the December 15, 2015 Board presentation stating as a result of the Board approved amendments made to the St. Johns River Power Park System Employees' Retirement Plan between 2003 – 2015, a Plan restatement is being completed to include amendments one through six and inclusion of regulatory/technical amendments required by IRS regulations. The restated Plan will further be submitted to the IRS for a Letter of Determination on the tax qualified status of the Plan in January 2016. On **motion** by Mr. Jones and second by Ms. Flanagan, the Board approved Resolutions 2016-01, 2016-02, 2016-04, 2016-05, 2016-06, 2016-07 for amendments 7-11, the restated Plan document, and the restated Trustee Agreement, and authorizes JEA's Managing Director/CEO to execute all implementing documents.
6. Bi-Monthly Operations Presentation – Brian Roche, Vice President/General Manager, Water/Wastewater Systems, Mike Brost, Vice President/General Manager, Electric Systems, and Monica Whiting, Chief Customer Officer – Mr. Roche reviewed safety metrics, water/wastewater performance objectives, environmental compliance, financial performance, and water/wastewater rates in Florida. Mr. Brost reviewed electric systems performance objectives, FY2016 fuel revenue and expense, financial performance, and residential electric bill comparison information. Ms. Whiting provided an overview of JEA's approach to customer satisfaction highlighting JEA's record movement from 4th quartile to 1st quartile nationally for both residential and commercial customer satisfaction as measured by J.D. Power, as well as being the most improved utility in overall customer satisfaction from 2010-2015. Ms. Whiting presented the six key drivers in customer satisfaction and stated JEA continues to improve in each driver year-over-year. This presentation was provided for information.

C. **Other New Business** – none

D. **Old Business** – none

Agenda Item IV – Reports

A. Compensation Committee Report – Delores Kesler, Committee Chair

The Compensation Committee agenda items were presented as listed on the agenda, but approved at the conclusion of the report. Committee Chair Kesler thanked Committee Members Tom Petway and Kelly Flanagan for their work.

1. Minutes from December 15, 2015 – received for information
2. Compensation Committee Charter – On **motion** by Vice Chair Burr and second by Mr. Jones, the Board approved and adopted the Compensation Committee Charter.

3. Market Definition – Angie Hiers, Chief Human Resources Officer – As a follow-up item to the Compensation Committee, Ms. Hiers presented JEA conducts a robust review of the total compensation package in order to aid JEA in attracting, recruiting, and developing employees. Ms. Hiers provided the Board with an overview of the market used for compensation purposes. JEA’s established or accepted rate of pay for a particular job or job class considers: similar or same work performed, similar region where work is performed, and the number of people available in the employers’ locale to perform the work. Ms. Hiers stated with using market reference points when comparing and analyzing compensation, it is important to: select survey sources that are appropriate for the positions being examined, match the right job, right geographic area, right company size, and use job description content as opposed to title only. JEA defines its market as local utilities and similar industries in the immediate area, utilities and similar industries in adjacent areas, other municipalities in the area, and local companies that are in different lines of business but have the same or similar jobs. JEA utilizes industry-recognized data sets from Towers Watson, Mercer, Western Management, American Public Power Association, American Water Works Association, Large Public Power Council, and other neighboring local municipalities and others to develop the 50th percentile figures around which compensation structures are built. Committee Chair Kesler added that JEA employs over 2,000 employees, in over 160 different job classes. This presentation was received for information.
4. FY2016 Pay for Performance Plan: Goals and Compensation – Angie Hiers, Chief Human Resources Officer thanked the Compensation Committee for the review of materials provided. Ms. Hiers presented that the total compensation package, including the Pay for Performance program, is used to incent exceptional performance as measured against pre-established goals. In FY2016, JEA will continue to focus on the company’s strategic initiatives and five key areas of focus including: Customer Satisfaction, Safety, and Cost per unit of Electricity delivered (Kwh), Cost per unit of Water delivered (Kgal) and Cost per unit of Wastewater collected (Kgal). In Customer Satisfaction, the FY2016 customer satisfaction goal is to maintain lower 25% of first quartile in the J. D. Power residential survey, while improving at least one position. The safety performance goal for FY2016 is to improve to a Recordable Incident Rate of 1.2. In the area of Cost Control, the cost per unit of electricity delivered (Kwh) must not increase from FY2015 baseline of \$49.44, the cost per unit of water delivered (Kgal) must not increase from FY2015 baseline of \$3.98, and the cost per unit of wastewater collected must not increase from FY2015 baseline of \$7.26. Ms. Hiers noted a payout may only occur if the actual corporate savings minus the earned payout exceeds the amount of any payout, and there is sufficient increased operating cash flow to cover any payout. On **motion** by Vice Chair Burr and second by Mr. Jones, the Board approved the FY2016 Pay for Performance Program which incorporates changes from the FY2015 plan including: removing any payout for less than 100% achievement, lowering cost targets to prior years’ actual, and reducing targeted pay maximums for the Executive Leadership Team and the Senior Leadership Team.
5. FY2016 CEO Goals – Paul McElroy, Chief Executive Officer stated the FY2016 CEO Goals were provided to the Board at the October 30 and November 30, 2015 Board Meetings for review and feedback. The Board Member’s comments have been incorporated into the goals. Mr. McElroy distributed a revised FY2016 CEO

Goals adding gradation for each goal. On **motion** by Vice Chair Burr and second by Mr. Jones, the Board approved the FY2016 CEO Goals, but referred the gradation to the Compensation Committee for further review, which will be brought back to the Board at the February 16, 2015 Board Meeting.

Vice Chair Burr left the meeting at 2:33 PM.

B. Managing Director/CEO's Report – Mr. McElroy reviewed the following items:

- Public comments which can be found in section II. A.
- Staff will provide a presentation on the Clean Power Plan at the March 15, 2016 JEA Board Meeting.
- On January 4 – 14, 2016 Town Hall Meetings were conducted across the organization. Employee concerns included pension, Clean Power Plan, General Counsel's opinion regarding the governing body of Collective Bargaining Agreements, and residency requirements.
- At the February 16, 2016 JEA Board Meeting, staff will provide an overview of JEA's strategic plan to ensure the strategy is in alignment with the Board's direction.
- Preparations are being made to conduct a Board Workshop in the spring.

C. Chair's Report – Chair Petway reviewed the following items:

- General Counsel's opinion regarding the governing body over Collective Bargaining Unit agreements.
- Pension activities
- The next Board Meeting will be held on February 16, 2016 at 9:30 AM.
- Compensation Committee will meet prior to the February 16, 2016 Board Meeting.

Agenda Item V – Closing Considerations

A. Announcements – none

B. Adjournment

With no further business claiming the attention of the Board, Chair Petway adjourned the meeting at 2:43PM.

APPROVED BY:

SECRETARY

DATE: _____

JEA Board Minutes

January 19, 2016

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Board Meeting recorded by:

Melissa M. Charleroy
Executive Assistant



Monthly Financial Statements

January 2016

Monthly Financial Statements

January 31, 2016

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Statements of Net Position**(in thousands - unaudited) January 31, 2016 and 2015 restated**

	2016	2015 restated
Assets		
Current assets:		
Cash and cash equivalents	\$ 206,402	\$ 139,686
Investments	307,083	325,509
Customer accounts receivable, less allowance for doubtful accounts of \$4,328 in 2016 and \$4,454 in 2014	195,218	191,191
Miscellaneous accounts receivable	24,477	23,975
Interest receivable	2,223	1,831
Inventories, less reserve of \$173 in 2016 and \$1,179 in 2014:		
Fuel inventory - Electric System	66,749	62,138
Fuel inventory - Plant Scherer	5,782	4,539
Materials and supplies - Water and Sewer	43,655	47,954
Materials and supplies - Electric System	20,151	20,098
Materials and supplies - Plant Scherer	2,090	2,092
Total current assets	<u>873,830</u>	<u>819,013</u>
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	40,941	64,135
Investments	808,686	831,165
Accounts and interest receivable	4,739	3,840
Total restricted assets	<u>854,366</u>	<u>899,140</u>
Costs to be recovered from future revenues	458,606	375,905
Investment in The Energy Authority	7,027	8,283
Notes receivable - City of Jacksonville	-	189
Other assets	17,995	20,767
Total noncurrent assets	<u>1,337,994</u>	<u>1,304,284</u>
Capital assets:		
Land and easements	164,063	160,275
Plant in service	10,725,095	10,586,987
Less accumulated depreciation	(5,200,247)	(4,734,042)
Plant in service, net	<u>5,688,911</u>	<u>6,013,220</u>
Construction work in progress	194,823	123,464
Net capital assets	<u>5,883,734</u>	<u>6,136,684</u>
Total assets	<u>8,095,558</u>	<u>8,259,981</u>
Deferred outflows of resources		
Unamortized losses on refundings	150,226	163,813
Accumulated decrease in fair value of interest swaps derivatives	141,958	134,539
Unrealized pension contributions and losses	83,970	39,131
Accumulated decrease in fair value of fuel hedging derivatives	4,729	-
Total deferred outflows of resources	<u>380,883</u>	<u>337,483</u>
Total assets and deferred outflows of resources	<u>\$ 8,476,441</u>	<u>\$ 8,597,464</u>

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Statements of Net Position**(in thousands - unaudited) January 31, 2016 and 2015 restated**

	2016	2015 restated
Liabilities		
Current liabilities:		
Accounts and accrued expenses payable	\$ 83,716	\$ 90,303
Customer deposits	55,467	55,620
City of Jacksonville payable	9,573	9,375
Compensated absences due within one year	4,534	6,152
State utility taxes payable	4,856	2,489
Total current liabilities	158,146	163,939
Current liabilities payable from restricted assets:		
Revenue bonds and line of credit due within one year	181,525	188,510
Renewal and replacement reserve	81,698	89,479
Interest payable	58,321	63,122
Construction contracts and accounts payable	8,576	5,541
Total current liabilities payable from restricted assets	330,120	346,652
Noncurrent liabilities:		
Net pension liability	408,629	395,990
Compensated absences due after one year	22,945	19,661
Environmental liabilities	18,662	18,662
OPEB liability	425	2,142
Other liabilities	8,632	2,891
Total noncurrent liabilities	459,293	439,346
Long-term debt:		
Bonds payable, less current portion	4,470,195	4,783,425
Unamortized premium	159,977	182,968
Fair value of debt management strategy instruments	141,958	134,539
Commercial paper notes payable	-	40,800
Total long-term debt	4,772,130	5,141,732
Total liabilities	5,719,689	6,091,669
Deferred inflows of resources		
Revenues to be used for future costs	504,491	463,176
Unrealized pension gains	29,795	-
Total deferred inflows of resources	534,286	463,176
Net position		
Net investment in capital assets	1,443,652	1,192,863
Restricted	422,901	456,479
Unrestricted	355,913	393,277
Total net position	2,222,466	2,042,619
Total liabilities, deferred inflows of resources, and net position	\$ 8,476,441	\$ 8,597,464

JEA
Combining Statement of Net Position
(in thousands - unaudited) January 31, 2016

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	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Assets							
Current assets:							
Cash and cash equivalents	\$ 109,614	\$ 36,713	\$ -	\$ 146,327	\$ 56,156	\$ 3,919	\$ 206,402
Investments	284,149	14,410	-	298,559	8,524	-	307,083
Customer accounts receivable, less allowance for doubtful accounts of \$4,328	161,042	-	-	161,042	33,533	643	195,218
Miscellaneous accounts receivable	20,944	16,799	(14,490)	23,253	1,224	-	24,477
Interest receivable	1,330	68	-	1,398	825	-	2,223
Inventories, less reserve of \$173:							
Fuel inventory - Electric System	30,412	36,337	-	66,749	-	-	66,749
Fuel inventory - Plant Scherer	5,782	-	-	5,782	-	-	5,782
Materials and supplies - Water and Sewer	-	-	-	-	43,655	-	43,655
Materials and supplies - Electric System	-	20,151	-	20,151	-	-	20,151
Materials and supplies - Plant Scherer	2,090	-	-	2,090	-	-	2,090
Total current assets	615,363	124,478	(14,490)	725,351	143,917	4,562	873,830
Noncurrent assets:							
Restricted assets:							
Cash and cash equivalents	141	36,469	-	36,610	751	3,580	40,941
Investments	294,092	203,526	-	497,618	311,068	-	808,686
Accounts and interest receivable	1,924	684	-	2,608	2,131	-	4,739
Total restricted assets	296,157	240,679	-	536,836	313,950	3,580	854,366
Costs to be recovered from future revenues	228,979	6,962	-	235,941	222,665	-	458,606
Investment in The Energy Authority	7,027	-	-	7,027	-	-	7,027
Other assets	10,332	-	-	10,332	7,663	-	17,995
Total noncurrent assets	542,495	247,641	-	790,136	544,278	3,580	1,337,994
Capital assets:							
Land and easements	95,177	6,660	-	101,837	59,175	3,051	164,063
Plant in service	5,133,254	1,359,359	-	6,492,613	4,178,865	53,617	10,725,095
Less accumulated depreciation	(2,561,571)	(825,336)	-	(3,386,907)	(1,793,052)	(20,288)	(5,200,247)
Plant in service, net	2,666,860	540,683	-	3,207,543	2,444,988	36,380	5,688,911
Construction work in progress	83,886	15,005	-	98,891	95,932	-	194,823
Net capital assets	2,750,746	555,688	-	3,306,434	2,540,920	36,380	5,883,734
Total assets	3,908,604	927,807	(14,490)	4,821,921	3,229,115	44,522	8,095,558
Deferred outflows of resources							
Unamortized losses on refundings	83,472	18,416	-	101,888	48,121	217	150,226
Accumulated decrease in fair value of interest swaps derivatives	114,992	-	-	114,992	26,966	-	141,958
Unrealized pension contributions and losses	48,712	4,115	-	52,827	31,143	-	83,970
Accumulated decrease in fair value of fuel hedging derivatives	4,729	-	-	4,729	-	-	4,729
Total deferred outflows of resources	251,905	22,531	-	274,436	106,230	217	380,883
Total assets and deferred outflows of resources	\$ 4,160,509	\$ 950,338	\$ (14,490)	\$ 5,096,357	\$ 3,335,345	\$ 44,739	\$ 8,476,441

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Combining Statement of Net Position

(in thousands - unaudited) January 31, 2016

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Liabilities							
Current liabilities:							
Accounts and accrued expenses payable	\$ 55,525	\$ 18,056	\$ (325)	\$ 73,256	\$ 10,454	\$ 6	\$ 83,716
Customer deposits	41,728	-	-	41,728	13,739	-	55,467
City of Jacksonville payable	7,643	-	-	7,643	1,930	-	9,573
Compensated absences due within one year	1,824	1,486	-	3,310	1,217	7	4,534
State utility taxes payable	4,856	-	-	4,856	-	-	4,856
Total current liabilities	111,576	19,542	(325)	130,793	27,340	13	158,146
Current liabilities payable from restricted assets:							
Revenue bonds and line of credit due within one year	102,240	43,785	-	146,025	33,875	1,625	181,525
Renewal and replacement reserve	-	81,698	-	81,698	-	-	81,698
Interest payable	29,327	7,105	-	36,432	21,423	466	58,321
Construction contracts and accounts payable	2,141	15,132	(14,165)	3,108	5,468	-	8,576
Total current liabilities payable from restricted assets	133,708	147,720	(14,165)	267,263	60,766	2,091	330,120
Noncurrent liabilities:							
Net pension liability	246,724	4,163	-	250,887	157,742	-	408,629
Compensated absences due after one year	16,017	974	-	16,991	5,914	40	22,945
Environmental liabilities	18,662	-	-	18,662	-	-	18,662
OPEB liability	268	-	-	268	157	-	425
Other liabilities	4,729	-	-	4,729	3,903	-	8,632
Total noncurrent liabilities	286,400	5,137	-	291,537	167,716	40	459,293
Long-term debt:							
Bonds payable, less current portion	2,369,215	450,215	-	2,819,430	1,612,640	38,125	4,470,195
Unamortized premium (discount)	78,838	21,805	-	100,643	59,381	(47)	159,977
Fair value of debt management strategy instruments	114,992	-	-	114,992	26,966	-	141,958
Total long-term debt	2,563,045	472,020	-	3,035,065	1,698,987	38,078	4,772,130
Total liabilities	3,094,729	644,419	(14,490)	3,724,658	1,954,809	40,222	5,719,689
Deferred inflows of resources							
Revenues to be used for future costs	310,574	167,516	-	478,090	26,401	-	504,491
Unrealized pension gains	16,446	2,835	-	19,281	10,514	-	29,795
Total deferred inflows of resources	327,020	170,351	-	497,371	36,915	-	534,286
Net position							
Net investment in capital assets	314,162	14,482	-	328,644	1,118,114	(3,106)	1,443,652
Restricted	201,397	13,045	14,165	228,607	191,180	3,114	422,901
Unrestricted	223,201	108,041	(14,165)	317,077	34,327	4,509	355,913
Total net position	738,760	135,568	-	874,328	1,343,621	4,517	2,222,466
Total liabilities, deferred inflows of resources, and net position	\$ 4,160,509	\$ 950,338	\$ (14,490)	\$ 5,096,357	\$ 3,335,345	\$ 44,739	\$ 8,476,441

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Combining Statement of Net Position

(in thousands - unaudited) January 31, 2015 restated

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Assets							
Current assets:							
Cash and cash equivalents	\$ 64,253	\$ 28,290	\$ -	\$ 92,543	\$ 43,242	\$ 3,901	\$ 139,686
Investments	271,028	50,207	-	321,235	4,274	-	325,509
Customer accounts receivable, less allowance for doubtful accounts of \$4,454	157,199	-	-	157,199	33,403	589	191,191
Miscellaneous accounts receivable	18,569	16,639	(12,410)	22,798	1,177	-	23,975
Interest receivable	970	2	-	972	859	-	1,831
Inventories, less reserve of \$1,179:							
Fuel inventory - Electric System	39,563	22,575	-	62,138	-	-	62,138
Fuel inventory - Plant Scherer	4,539	-	-	4,539	-	-	4,539
Materials and supplies - Water and Sewer	-	-	-	-	47,954	-	47,954
Materials and supplies - Electric System	-	20,098	-	20,098	-	-	20,098
Materials and supplies - Plant Scherer	2,092	-	-	2,092	-	-	2,092
Total current assets	558,213	137,811	(12,410)	683,614	130,909	4,490	819,013
Noncurrent assets:							
Restricted assets:							
Cash and cash equivalents	114	59,459	-	59,573	843	3,719	64,135
Investments	298,440	214,614	-	513,054	318,111	-	831,165
Accounts and interest receivable	1,220	705	-	1,925	1,915	-	3,840
Total restricted assets	299,774	274,778	-	574,552	320,869	3,719	899,140
Costs to be recovered from future revenues	228,834	9,811	-	238,645	137,260	-	375,905
Investment in The Energy Authority	8,283	-	-	8,283	-	-	8,283
Notes receivable - City of Jacksonville	-	-	-	-	189	-	189
Other assets	9,834	-	-	9,834	10,933	-	20,767
Total noncurrent assets	546,725	284,589	-	831,314	469,251	3,719	1,304,284
Capital assets:							
Land and easements	88,310	6,660	-	94,970	62,254	3,051	160,275
Plant in service	5,054,122	1,387,236	-	6,441,358	4,093,213	52,416	10,586,987
Less accumulated depreciation	(2,375,860)	(800,315)	-	(3,176,175)	(1,539,870)	(17,997)	(4,734,042)
Plant in service, net	2,766,572	593,581	-	3,360,153	2,615,597	37,470	6,013,220
Construction work in progress	54,452	14,127	-	68,579	54,684	201	123,464
Capital assets, net	2,821,024	607,708	-	3,428,732	2,670,281	37,671	6,136,684
Total assets	3,925,962	1,030,108	(12,410)	4,943,660	3,270,441	45,880	8,259,981
Deferred outflows of resources							
Unamortized losses on refundings	88,969	23,916	-	112,885	50,703	225	163,813
Accumulated decrease in fair value of interest swaps derivatives	109,616	-	-	109,616	24,923	-	134,539
Unamortized pension contributions and losses	21,157	4,447	-	25,604	13,527	-	39,131
Total deferred outflows of resources	219,742	28,363	-	248,105	89,153	225	337,483
Total assets and deferred outflows of resources	\$ 4,145,704	\$ 1,058,471	\$ (12,410)	\$ 5,191,765	\$ 3,359,594	\$ 46,105	\$ 8,597,464

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Combining Statement of Net Position

(in thousands - unaudited) January 31, 2015 restated

	Electric System and Bulk Power Supply System	SJRPP System	of Intercompan y transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Liabilities							
Current liabilities:							
Accounts and accrued expenses payable	\$ 57,827	\$ 21,935	\$ (330)	\$ 79,432	\$ 10,864	\$ 7	\$ 90,303
Customer deposits	42,823	-	-	42,823	12,797	-	55,620
City of Jacksonville payable	7,509	-	-	7,509	1,866	-	9,375
Compensated absences due within one year	3,950	1,486	-	5,436	710	6	6,152
State utility taxes payable	2,489	-	-	2,489	-	-	2,489
Total current liabilities	114,598	23,421	(330)	137,689	26,237	13	163,939
Current liabilities payable from restricted assets:							
Revenue bonds and line of credit due within one year	99,905	50,815	-	150,720	36,180	1,610	188,510
Renewal and replacement reserve	-	89,479	-	89,479	-	-	89,479
Interest payable	31,390	8,441	-	39,831	22,821	470	63,122
Construction contracts and accounts payable	1,667	13,087	(12,080)	2,674	2,867	-	5,541
Total current liabilities payable from restricted assets	132,962	161,822	(12,080)	282,704	61,868	2,080	346,652
Noncurrent liabilities:							
Net pension liability	235,941	9,201	-	245,142	150,848	-	395,990
Compensated absences due after one year	12,403	1,150	-	13,553	6,057	51	19,661
Environmental liabilities	18,662	-	-	18,662	-	-	18,662
OPEB liability	1,355	-	-	1,355	787	-	2,142
Other liabilities	-	-	-	-	2,891	-	2,891
Total noncurrent liabilities	268,361	10,351	-	278,712	160,583	51	439,346
Long-term debt:							
Bonds payable, less current portion	2,498,500	528,295	-	3,026,795	1,716,880	39,750	4,783,425
Unamortized premium	92,599	22,896	-	115,495	67,524	(51)	182,968
Fair value of debt management strategy instruments	109,616	-	-	109,616	24,923	-	134,539
Commercial paper notes payable	40,800	-	-	40,800	-	-	40,800
Total long-term debt	2,741,515	551,191	-	3,292,706	1,809,327	39,699	5,141,732
Total liabilities	3,257,436	746,785	(12,410)	3,991,811	2,058,015	41,843	6,091,669
Deferred inflows of resources							
Revenues to be used for future costs	261,228	176,408	-	437,636	25,540	-	463,176
Total deferred inflows of resources	261,228	176,408	-	437,636	25,540	-	463,176
Net position							
Net investment in capital assets	208,564	(23,473)	-	185,091	1,011,185	(3,413)	1,192,863
Restricted	198,938	45,511	12,080	256,529	196,701	3,249	456,479
Unrestricted	219,538	113,240	(12,080)	320,698	68,153	4,426	393,277
Total net position	627,040	135,278	-	762,318	1,276,039	4,262	2,042,619
Total liabilities, deferred inflows of resources, and net position	\$ 4,145,704	\$ 1,058,471	\$ (12,410)	\$ 5,191,765	\$ 3,359,594	\$ 46,105	\$ 8,597,464

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Schedule of Cash and Investments

(in thousands - unaudited) January 31, 2016

	Electric System and Bulk Power Supply System	SJRPP System	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Unrestricted cash and investments						
Operations	\$ 60,869	\$ 23,718	\$ 84,587	\$ 24,541	\$ 1,182	\$ 110,310
Rate stabilization:						
Fuel	141,393	-	141,393	-	-	141,393
Debt management	42,126	-	42,126	20,290	2,737	65,153
Environmental	25,773	-	25,773	6,110	-	31,883
Purchased Power	38,000	-	38,000	-	-	38,000
DSM/Conservation	3,040	-	3,040	-	-	3,040
Total rate stabilization funds	250,332	-	250,332	26,400	2,737	279,469
General reserve	-	27,405	27,405	-	-	27,405
Customer deposits	41,559	-	41,559	13,739	-	55,298
Self insurance reserve funds:						
Self funded health plan	12,341	-	12,341	-	-	12,341
Property insurance reserve	10,000	-	10,000	-	-	10,000
Total self insurance reserve funds	22,341	-	22,341	-	-	22,341
Environmental liability reserve	18,662	-	18,662	-	-	18,662
Total unrestricted cash and investments	\$ 393,763	\$ 51,123	\$ 444,886	\$ 64,680	\$ 3,919	\$ 513,485
Restricted assets						
Renewal and replacement funds	\$ 164,348	\$ 81,555	\$ 245,903	\$ 166,691	\$ 2,572	\$ 415,166
Debt service reserve account	65,433	138,212	203,645	108,086	-	311,731
Debt service funds	62,144	15,283	77,427	32,068	1,008	110,503
Construction funds	-	77	77	681	-	758
Environmental funds	-	-	-	414	-	414
Subtotal	291,925	235,127	527,052	307,940	3,580	838,572
Unrealized holding gain (loss) on investments	2,167	(2,152)	15	3,809	-	3,824
Other funds	141	7,020	7,161	70	-	7,231
Total restricted cash and investments	\$ 294,233	\$ 239,995	\$ 534,228	\$ 311,819	\$ 3,580	\$ 849,627

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Schedule of Cash and Investments

(in thousands - unaudited) January 31, 2015 restated

	Electric System and Bulk Power Supply System	SJRPP System	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Unrestricted cash and investments						
Operations	\$ 54,545	\$ 12,124	\$ 66,669	\$ 14,125	\$ 1,164	\$ 81,958
Rate stabilization:						
Fuel	121,456	-	121,456	-	-	121,456
Debt management	42,126	-	42,126	20,290	2,737	65,153
Environmental	18,762	-	18,762	-	-	18,762
Purchased Power	12,000	-	12,000	-	-	12,000
DSM/Conservation	3,614	-	3,614	-	-	3,614
Total rate stabilization funds	197,958	-	197,958	20,290	2,737	220,985
General reserve	-	66,373	66,373	-	-	66,373
Customer deposits	42,625	-	42,625	12,797	-	55,422
Self insurance reserve funds:						
Self funded health plan	11,491	-	11,491	-	-	11,491
Property insurance reserve	10,000	-	10,000	-	-	10,000
Total self insurance reserve funds	21,491	-	21,491	-	-	21,491
Environmental liability reserve	18,662	-	18,662	-	-	18,662
Debt management strategy reserve	-	-	-	304	-	304
Total unrestricted cash and investments	\$ 335,281	\$ 78,497	\$ 413,778	\$ 47,516	\$ 3,901	\$ 465,195
Restricted assets						
Renewal and replacement funds	\$ 161,899	\$ 89,320	\$ 251,219	\$ 158,467	\$ 2,713	\$ 412,399
Debt service reserve account	69,446	130,756	200,202	114,182	-	314,384
Debt service funds	63,398	18,808	82,206	34,471	1,006	117,683
Environmental funds	-	-	-	6,971	-	6,971
Construction funds	7	44	51	664	-	715
Subtotal	294,750	238,928	533,678	314,755	3,719	852,152
Unrealized holding gain (loss) on investments	3,713	(1,365)	2,348	4,019	-	6,367
Other funds	91	36,510	36,601	180	-	36,781
Total restricted cash and investments	\$ 298,554	\$ 274,073	\$ 572,627	\$ 318,954	\$ 3,719	\$ 895,300

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Regulatory Accounting Balances

(in thousands - unaudited) January 31, 2016

DESCRIPTION	Electric System and Bulk Power		Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	Total JEA
	Supply System	SJRPP System			
Pension	214,132	2,883	217,015	136,905	353,920
Environmental	-	-	-	85,512	85,512
Scherer	12,552	-	12,552	-	12,552
Bond issue costs	2,295	4,079	6,374	248	6,622
Costs to be recovered from future revenues	228,979	6,962	235,941	222,665	458,606
SJRPP	-	167,516	167,516	-	167,516
Fuel	141,393	-	141,393	-	141,393
Debt management	42,126	-	42,126	20,291	62,417
Scherer	47,901	-	47,901	-	47,901
Purchased power	38,000	-	38,000	-	38,000
Environmental	25,773	-	25,773	6,110	31,883
Health self-insurance	12,341	-	12,341	-	12,341
DSM	3,040	-	3,040	-	3,040
Revenues to be used for future costs	310,574	167,516	478,090	\$ 26,401	504,491

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Regulatory Accounting Balances

(in thousands - unaudited) January 31, 2015 restated

DESCRIPTION	Electric System and Bulk Power		Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	Total JEA
	Supply System	SJRPP System			
Pension	214,458	4,754	219,212	137,113	356,325
Scherer	13,358	-	13,358	-	13,358
Bond issue costs	1,018	5,057	6,075	147	6,222
Costs to be recovered from future revenues	228,834	9,811	238,645	137,260	375,905
SJRPP	-	176,408	176,408	-	176,408
Fuel	121,456	-	121,456	-	121,456
Debt management	42,126	-	42,126	-	42,126
Scherer	51,779	-	51,779	-	51,779
Purchased power	12,000	-	12,000	-	12,000
Environmental	18,762	-	18,762	25,540	44,302
Health self-insurance	11,491	-	11,491	-	11,491
DSM	3,614	-	3,614	-	3,614
Revenues to be used for future costs	261,228	176,408	437,636	\$ 25,540	463,176

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Statements of Revenues, Expenses and Changes in Net Position
(in thousands - unaudited)

	Month		Year-To-Date	
	2016	2015 restated	2016	2015 restated
Operating revenues				
Electric - base	\$ 67,408	\$ 66,094	\$ 242,881	\$ 246,901
Electric - fuel and purchased power	37,313	45,465	153,202	189,869
Water and sewer	29,597	29,065	124,781	122,633
District energy system	675	614	2,812	2,864
Other	1,934	4,453	10,428	12,673
Total operating revenues	136,927	145,691	534,104	574,940
Operating expenses				
Operations:				
Fuel	28,779	37,923	124,416	160,032
Purchased power	6,230	5,006	16,342	16,319
Other	20,730	20,551	84,804	80,244
Maintenance	8,199	8,138	30,717	38,730
Depreciation	30,861	30,263	122,792	122,730
State utility and franchise taxes	6,062	5,966	21,047	23,791
Recognition of deferred costs and revenues, net	(1,196)	(895)	(4,827)	(3,573)
Total operating expenses	99,665	106,952	395,291	438,273
Operating income	37,262	38,739	138,813	136,667
Nonoperating revenues (expenses)				
Interest on debt	(13,494)	(14,765)	(54,391)	(59,592)
Debt management strategy	(1,632)	(1,603)	(6,605)	(6,403)
Net increase (decrease) in fair value of investments	-	-	(2,125)	823
Investment income	1,029	870	4,233	3,551
Other revenue	1,297	604	3,985	2,418
Allowance for funds used during construction	578	332	2,716	1,474
Gain (Loss) on sale of asset	-	45	-	(78)
Earnings from The Energy Authority	756	38	889	74
Other interest, net	(35)	(10)	(250)	(26)
Other expense	(28)	-	(101)	-
Total nonoperating expenses, net	(11,529)	(14,489)	(51,649)	(57,759)
Income before contributions and special item	25,733	24,250	87,164	230,398
Contributions (to) from				
General Fund, City of Jacksonville, Florida	(9,515)	(9,307)	(38,062)	(37,229)
Developers and other	4,567	3,089	17,621	16,151
Reduction of plant cost through contributions	(2,695)	(2,235)	(11,166)	(10,602)
Total contributions	(7,643)	(8,453)	(31,607)	(31,680)
Special Item	-	-	-	151,490
Change in net position	18,090	15,797	55,557	198,718
Net position, beginning of period	2,204,376	2,026,822	2,166,909	1,843,901
Net position, end of period	\$ 2,222,466	\$ 2,042,619	\$ 2,222,466	\$ 2,042,619

February 16, 2016 JEA Board of Directors Meeting - III. For Board Consideration - Consent Agenda

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Combining Statement of Revenues, Expenses and Changes in Net Position
(in thousands - unaudited) for the month ended January 31, 2016

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating revenues								
Electric - base	\$ 67,713	\$ -	\$ -	\$ 67,713	\$ -	\$ -	\$ (305)	\$ 67,408
Electric - fuel and purchased power	33,448	8,520	(3,506)	38,462	-	-	(1,149)	37,313
Water and sewer	-	-	-	-	29,638	-	(41)	29,597
District energy system	-	-	-	-	-	675	-	675
Other	1,401	-	-	1,401	713	-	(180)	1,934
Total operating revenues	102,562	8,520	(3,506)	107,576	30,351	675	(1,675)	136,927
Operating expenses								
Operations:								
Fuel	28,173	606	-	28,779	-	-	-	28,779
Purchased power	9,736	-	(3,506)	6,230	-	-	-	6,230
Other	9,553	1,453	-	11,006	11,118	281	(1,675)	20,730
Maintenance	5,521	1,410	-	6,931	1,166	102	-	8,199
Depreciation	15,996	3,563	-	19,559	11,111	191	-	30,861
State utility and franchise taxes	5,261	-	-	5,261	801	-	-	6,062
Recognition of deferred costs and revenues, net	(218)	(970)	-	(1,188)	(8)	-	-	(1,196)
Total operating expenses	74,022	6,062	(3,506)	76,578	24,188	574	(1,675)	99,665
Operating income	28,540	2,458	-	30,998	6,163	101	-	37,262
Nonoperating revenues (expenses)								
Interest on debt	(6,418)	(2,211)	-	(8,629)	(4,747)	(118)	-	(13,494)
Debt management strategy	(1,263)	-	-	(1,263)	(369)	-	-	(1,632)
Investment income	403	339	-	742	286	1	-	1,029
Other revenue	381	34	-	415	882	-	-	1,297
Allowance for funds used during construction	267	-	-	267	311	-	-	578
Earnings from The Energy Authority	756	-	-	756	-	-	-	756
Other interest, net	(35)	-	-	(35)	-	-	-	(35)
Other expense	(27)	-	-	(27)	(1)	-	-	(28)
Total nonoperating expenses, net	(5,936)	(1,838)	-	(7,774)	(3,638)	(117)	-	(11,529)
Income before contributions and special item	22,604	620	-	23,224	2,525	(16)	-	25,733
Contributions (to) from								
General Fund, City of Jacksonville, Florida	(7,643)	-	-	(7,643)	(1,872)	-	-	(9,515)
Developers and other	-	-	-	-	4,567	-	-	4,567
Reduction of plant cost through contributions	-	-	-	-	(2,695)	-	-	(2,695)
Total contributions	(7,643)	-	-	(7,643)	-	-	-	(7,643)
Change in net position	14,961	620	-	15,581	2,525	(16)	-	18,090
Net position, beginning of period	723,799	134,948	-	858,747	1,341,096	4,533	-	2,204,376
Net position, end of period	\$ 738,760	\$ 135,568	\$ -	\$ 874,328	\$ 1,343,621	\$ 4,517	\$ -	\$ 2,222,466

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**Combining Statement of Revenues, Expenses and Changes in Net Position
(in thousands - unaudited) for the month ended January 31, 2015 restated**

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating revenues								
Electric - base	\$ 66,382	\$ -	\$ -	\$ 66,382	\$ -	\$ -	\$ (288)	\$ 66,094
Electric - fuel and purchased power	37,698	18,841	(9,992)	46,547	-	-	(1,082)	45,465
Water and sewer	-	-	-	-	29,103	-	(38)	29,065
District energy system	-	-	-	-	-	614	-	614
Other	3,970	-	-	3,970	694	-	(211)	4,453
Total operating revenues	108,050	18,841	(9,992)	116,899	29,797	614	(1,619)	145,691
Operating expenses								
Operations:								
Fuel	28,406	9,517	-	37,923	-	-	-	37,923
Purchased power	14,998	-	(9,992)	5,006	-	-	-	5,006
Other	10,356	1,637	-	11,993	9,922	255	(1,619)	20,551
Maintenance	4,850	1,709	-	6,559	1,508	71	-	8,138
Depreciation	15,594	3,563	-	19,157	10,916	190	-	30,263
State utility and franchise taxes	5,179	-	-	5,179	787	-	-	5,966
Recognition of deferred costs and revenues, net	(312)	(573)	-	(885)	(10)	-	-	(895)
Total operating expenses	79,071	15,853	(9,992)	84,932	23,123	516	(1,619)	106,952
Operating income	28,979	2,988	-	31,967	6,674	98	-	38,739
Nonoperating revenues (expenses)								
Interest on debt	(6,843)	(2,670)	-	(9,513)	(5,133)	(119)	-	(14,765)
Debt management strategy	(1,294)	-	-	(1,294)	(309)	-	-	(1,603)
Investment income	286	333	-	619	250	1	-	870
Other revenue	363	34	-	397	207	-	-	604
Allowance for funds used during construction	164	-	-	164	167	1	-	332
Gain on sale of asset	45	-	-	45	-	-	-	45
Earnings from The Energy Authority	38	-	-	38	-	-	-	38
Other interest, net	(10)	-	-	(10)	-	-	-	(10)
Total nonoperating expenses, net	(7,251)	(2,303)	-	(9,554)	(4,818)	(117)	-	(14,489)
Income before contributions	21,728	685	-	22,413	1,856	(19)	-	24,250
Contributions (to) from								
General Fund, City of Jacksonville, Florida	(7,509)	-	-	(7,509)	(1,798)	-	-	(9,307)
Developers and other	-	-	-	-	3,089	-	-	3,089
Reduction of plant cost through contributions	-	-	-	-	(2,235)	-	-	(2,235)
Total contributions	(7,509)	-	-	(7,509)	(944)	-	-	(8,453)
Change in net position	14,219	685	-	14,904	912	(19)	-	15,797
Net position, beginning of period	612,821	134,593	-	747,414	1,275,127	4,281	-	2,026,822
Net position, end of period	\$ 627,040	\$ 135,278	\$ -	\$ 762,318	\$ 1,276,039	\$ 4,262	\$ -	\$ 2,042,619

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Combining Statement of Revenues, Expenses and Changes in Net Position
(in thousands - unaudited) for the four months ended January 31, 2016

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating revenues								
Electric - base	\$ 243,870	\$ -	\$ -	\$ 243,870	\$ -	\$ -	\$ (989)	\$ 242,881
Electric - fuel and purchased power	119,164	71,724	(33,967)	156,921	-	-	(3,719)	153,202
Water and sewer	-	-	-	-	124,964	-	(183)	124,781
District energy system	-	-	-	-	-	2,812	-	2,812
Other	7,824	-	-	7,824	3,325	-	(721)	10,428
Total operating revenues	370,858	71,724	(33,967)	408,615	128,289	2,812	(5,612)	534,104
Operating expenses								
Operations:								
Fuel	85,043	39,373	-	124,416	-	-	-	124,416
Purchased power	50,309	-	(33,967)	16,342	-	-	-	16,342
Other	43,196	7,433	-	50,629	38,733	1,054	(5,612)	84,804
Maintenance	20,913	4,669	-	25,582	4,796	339	-	30,717
Depreciation	63,732	14,251	-	77,983	44,046	763	-	122,792
State utility and franchise taxes	17,742	-	-	17,742	3,305	-	-	21,047
Recognition of deferred costs and revenues, net	(872)	(3,878)	-	(4,750)	(77)	-	-	(4,827)
Total operating expenses	280,063	61,848	(33,967)	307,944	90,803	2,156	(5,612)	395,291
Operating income	90,795	9,876	-	100,671	37,486	656	-	138,813
Nonoperating revenues (expenses)								
Interest on debt	(25,846)	(8,846)	-	(34,692)	(19,228)	(471)	-	(54,391)
Debt management strategy	(5,131)	-	-	(5,131)	(1,474)	-	-	(6,605)
Investment income	1,867	1,313	-	3,180	1,045	8	-	4,233
Other revenue	1,509	137	-	1,646	2,339	-	-	3,985
Allowance for funds used during construction	1,387	-	-	1,387	1,322	7	-	2,716
Net decrease in fair value of investments	(1,068)	(907)	-	(1,975)	(150)	-	-	(2,125)
Earnings from The Energy Authority	889	-	-	889	-	-	-	889
Other interest, net	(205)	-	-	(205)	(45)	-	-	(250)
Other expense	(99)	-	-	(99)	(2)	-	-	(101)
Total nonoperating expenses, net	(26,697)	(8,303)	-	(35,000)	(16,193)	(456)	-	(51,649)
Income before contributions	64,098	1,573	-	65,671	21,293	200	-	87,164
Contributions (to) from								
General Fund, City of Jacksonville, Florida	(30,573)	-	-	(30,573)	(7,489)	-	-	(38,062)
Developers and other	-	-	-	-	17,621	-	-	17,621
Reduction of plant cost through contributions	-	-	-	-	(11,166)	-	-	(11,166)
Total contributions	(30,573)	-	-	(30,573)	(1,034)	-	-	(31,607)
Change in net position	33,525	1,573	-	35,098	20,259	200	-	55,557
Net position, beginning of year	705,235	133,995	-	839,230	1,323,362	4,317	-	2,166,909
Net position, end of period	\$ 738,760	\$ 135,568	\$ -	\$ 874,328	\$ 1,343,621	\$ 4,517	\$ -	\$ 2,222,466

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Combining Statement of Revenues, Expenses and Changes in Net Position
(in thousands - unaudited) for the four months ended January 31, 2015 restated

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating revenues								
Electric - base	\$ 248,071	\$ -	\$ -	\$ 248,071	\$ -	\$ -	\$ (1,170)	\$ 246,901
Electric - fuel and purchased power	150,763	101,015	(57,508)	194,270	-	-	(4,401)	189,869
Water and sewer	-	-	-	-	122,803	-	(170)	122,633
District energy	-	-	-	-	-	2,864	-	2,864
Other	10,670	-	-	10,670	2,842	-	(839)	12,673
Total operating revenues	409,504	101,015	(57,508)	453,011	125,645	2,864	(6,580)	574,940
Operating expenses								
Operations:								
Fuel	96,573	63,459	-	160,032	-	-	-	160,032
Purchased power	73,827	-	(57,508)	16,319	-	-	-	16,319
Other	41,341	7,895	-	49,236	36,362	1,226	(6,580)	80,244
Maintenance	28,158	5,663	-	33,821	4,604	305	-	38,730
Depreciation	64,179	14,251	-	78,430	43,541	759	-	122,730
State utility and franchise taxes	20,542	-	-	20,542	3,249	-	-	23,791
Recognition of deferred costs and revenues, net	(1,250)	(2,290)	-	(3,540)	(33)	-	-	(3,573)
Total operating expenses	323,370	88,978	(57,508)	354,840	87,723	2,290	(6,580)	438,273
Operating income	86,134	12,037	-	98,171	37,922	574	-	136,667
Nonoperating revenues (expenses)								
Interest on debt	(27,624)	(10,678)	-	(38,302)	(20,816)	(474)	-	(59,592)
Debt management strategy	(5,171)	-	-	(5,171)	(1,232)	-	-	(6,403)
Investment income	1,309	1,244	-	2,553	996	2	-	3,551
Other revenue	1,453	136	-	1,589	829	-	-	2,418
Allowance for funds used during construction	628	-	-	628	842	4	-	1,474
Net increase (decrease) in fair value of investments	513	(179)	-	334	489	-	-	823
Loss on sale of asset	(78)	-	-	(78)	-	-	-	(78)
Earnings from The Energy Authority	74	-	-	74	-	-	-	74
Other interest, net	(26)	-	-	(26)	-	-	-	(26)
Total nonoperating revenues (expenses), net	(28,922)	(9,477)	-	(38,399)	(18,892)	(468)	-	(57,759)
Income before contributions and special item	57,212	2,560	-	59,772	19,030	106	-	78,908
Contributions (to) from								
General Fund, City of Jacksonville, Florida	(30,036)	-	-	(30,036)	(7,193)	-	-	(37,229)
Developers and other	-	-	-	-	16,151	-	-	16,151
Reduction of plant cost through contributions	-	-	-	-	(10,602)	-	-	(10,602)
Total contributions	(30,036)	-	-	(30,036)	(1,644)	-	-	(31,680)
Special Item								
	34,667	-	-	34,667	116,823	-	-	151,490
Change in net position	61,843	2,560	-	64,403	134,209	106	-	198,718
Net position, beginning of year	565,197	132,718	-	697,915	1,141,830	4,156	-	1,843,901
Net position, end of period	\$ 627,040	\$ 135,278	\$ -	\$ 762,318	\$ 1,276,039	\$ 4,262	\$ -	\$ 2,042,619

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Statement of Cash Flows
(in thousands - unaudited)

	Year-To-Date	
	January	
	2016	2015 restated
Operating activities		
Receipts from customers	\$ 551,058	\$ 617,433
Payments to suppliers	(235,792)	(264,402)
Payments to employees	(68,307)	(80,013)
Other receipts	13,005	13,163
Net cash provided by operating activities	259,964	286,181
Noncapital and related financing activities		
Contribution to General Fund, City of Jacksonville, Florida	(37,834)	(37,002)
Net cash used in noncapital financing activities	(37,834)	(37,002)
Capital and related financing activities		
Repayment of debt principal	(187,500)	(256,630)
Interest paid on debt	(95,667)	(100,821)
Acquisition and construction of capital assets	(76,288)	(60,776)
Contribution from developers and others	6,456	5,549
Proceeds from issuance of debt	3,000	-
Gain on disposal of assets	275	478
Proceeds from sales of property	48	-
Debt issue costs and discounts	(17)	(257)
Defeasance of debt	-	3
Net cash used in capital and related financing activities	(349,693)	(412,454)
Investing activities		
Purchase of investments	(729,066)	(636,154)
Proceeds from sale and maturities of investments	462,537	410,290
Investment income	4,008	3,477
Distributions from The Energy Authority	1,353	(139)
Net cash used in investing activities	(261,168)	(222,526)
Net change in cash and cash equivalents	(388,731)	(385,801)
Cash and cash equivalents, beginning of year	636,074	589,622
Cash and cash equivalents, end of period	\$ 247,343	\$ 203,821
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 138,813	\$ 136,667
Adjustments:		
Depreciation and amortization	125,044	123,233
Recognition of deferred costs and revenues, net	(4,827)	(3,573)
Gain on sale of noncore assets	1,475	-
Changes in noncash assets and noncash liabilities:		
Accounts receivable	27,953	22,717
Accounts receivable, restricted	1,102	423
Inventories	(8,852)	68
Other assets	(2,279)	(1,646)
Accounts and expenses payable	(15,647)	4,462
Liabilities payable, restricted	(5,904)	(2,074)
Other noncurrent liabilities and deferred inflows	3,086	5,904
Net cash provided by operating activities	\$ 259,964	\$ 286,181
Noncash activity		
Contribution of capital assets from developers	\$ 11,166	\$ 10,602

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Combining Statement of Cash Flows
 (in thousands - unaudited) for the four months ended January 31, 2016

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	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating activities								
Receipts from customers	\$ 378,835	\$ 71,724	\$ (31,063)	\$ 419,496	\$ 133,320	\$ 3,133	\$ (4,891)	\$ 551,058
Payments to suppliers	(187,489)	(57,578)	31,063	(214,004)	(26,151)	(1,249)	5,612	(235,792)
Payments to employees	(40,638)	(8,561)	-	(49,199)	(18,929)	(179)	-	(68,307)
Other receipts	8,618	-	-	8,618	5,108	-	(721)	13,005
Net cash provided by operating activities	159,326	5,585	-	164,911	93,348	1,705	-	259,964
Noncapital and related financing activities								
Contribution to General Fund, City of Jacksonville, Florida	(30,439)	-	-	(30,439)	(7,395)	-	-	(37,834)
Net cash used in noncapital financing activities	(30,439)	-	-	(30,439)	(7,395)	-	-	(37,834)
Capital and related financing activities								
Repayment of debt principal	(98,765)	(50,945)	-	(149,710)	(36,180)	(1,610)	-	(187,500)
Interest paid on debt	(49,873)	(11,438)	-	(61,311)	(33,651)	(705)	-	(95,667)
Acquisition and construction of capital assets	(41,331)	-	-	(41,331)	(34,784)	(173)	-	(76,288)
Contribution from developers and others	-	-	-	-	6,456	-	-	6,456
Proceeds from issuance of debt	-	-	-	-	3,000	-	-	3,000
Gain on disposal of assets	275	-	-	275	-	-	-	275
Proceeds from sales of property	-	-	-	-	48	-	-	48
Debt issue costs and discounts	(17)	-	-	(17)	-	-	-	(17)
Net cash used in capital and related financing activities	(189,711)	(62,383)	-	(252,094)	(95,111)	(2,488)	-	(349,693)
Investing activities								
Purchase of investments	(381,157)	(146,512)	-	(527,669)	(201,397)	-	-	(729,066)
Proceeds from sale and maturities of investments	232,779	134,975	-	367,754	94,783	-	-	462,537
Investment income	1,525	1,599	-	3,124	876	8	-	4,008
Distributions from The Energy Authority	1,353	-	-	1,353	-	-	-	1,353
Net cash used in investing activities	(145,500)	(9,938)	-	(155,438)	(105,738)	8	-	(261,168)
Net change in cash and cash equivalents	(206,324)	(66,736)	-	(273,060)	(114,896)	(775)	-	(388,731)
Cash and cash equivalents, beginning of year	316,079	139,918	-	455,997	171,803	8,274	-	636,074
Cash and cash equivalents, end of period	\$ 109,755	\$ 73,182	\$ -	\$ 182,937	\$ 56,907	\$ 7,499	\$ -	\$ 247,343
Reconciliation of operating income to net cash provided by operating activities								
Operating income	\$ 90,795	\$ 9,876	\$ -	\$ 100,671	\$ 37,486	\$ 656	\$ -	\$ 138,813
Adjustments:								
Depreciation and amortization	63,732	14,251	-	77,983	46,298	763	-	125,044
Recognition of deferred costs and revenues, net	(872)	(3,878)	-	(4,750)	(77)	-	-	(4,827)
Gain on sale of noncore assets	(28)	-	-	(28)	1,503	-	-	1,475
Changes in noncash assets and noncash liabilities:								
Accounts receivable	22,654	3,857	-	26,511	1,121	321	-	27,953
Accounts receivable, restricted	822	-	-	822	280	-	-	1,102
Inventories	120	(8,083)	-	(7,963)	(889)	-	-	(8,852)
Other assets	(1,937)	-	-	(1,937)	(342)	-	-	(2,279)
Accounts and expenses payable	(11,873)	(4,179)	-	(16,052)	423	(18)	-	(15,647)
Liabilities payable, restricted	-	(5,904)	-	(5,904)	-	-	-	(5,904)
Other noncurrent liabilities and deferred inflows	(4,087)	(355)	-	(4,442)	7,545	(17)	-	3,086
Net cash provided by operating activities	\$ 159,326	\$ 5,585	\$ -	\$ 164,911	\$ 93,348	\$ 1,705	\$ -	\$ 259,964
Noncash activity								
Contribution of capital assets from developers	\$ -	\$ -	\$ -	\$ -	\$ 11,166	\$ -	\$ -	\$ 11,166

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Combining Statement of Cash Flows

(in thousands - unaudited) for the four months ended January 31, 2015 restated

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating activities								
Receipts from customers	\$ 440,925	\$ 101,015	\$ (54,934)	\$ 487,006	\$ 132,993	\$ 3,175	\$ (5,741)	\$ 617,433
Payments to suppliers	(223,069)	(75,018)	54,934	(243,153)	(26,472)	(1,357)	6,580	(264,402)
Payments to employees	(52,583)	(8,696)	-	(61,279)	(18,550)	(184)	-	(80,013)
Other receipts	10,660	-	-	10,660	3,342	-	(839)	13,163
Net cash provided by operating activities	175,933	17,301	-	193,234	91,313	1,634	-	286,181
Noncapital and related financing activities								
Contribution to General Fund, City of Jacksonville, Florida	(29,804)	-	-	(29,804)	(7,198)	-	-	(37,002)
Net cash used in noncapital financing activities	(29,804)	-	-	(29,804)	(7,198)	-	-	(37,002)
Capital and related financing activities								
Repayment of debt principal	(78,615)	(132,085)	-	(210,700)	(44,325)	(1,605)	-	(256,630)
Interest paid on debt	(52,991)	(14,583)	-	(67,574)	(32,539)	(708)	-	(100,821)
Acquisition and construction of capital assets	(33,157)	-	-	(33,157)	(27,586)	(33)	-	(60,776)
Contribution from developers and others	-	-	-	-	5,549	-	-	5,549
Gain on disposal of assets	464	-	-	464	14	-	-	478
Debt issue costs and discounts	(2)	(107)	-	(109)	(148)	-	-	(257)
Defeasance of debt	-	1	-	1	2	-	-	3
Net cash used in capital and related financing activities	(164,301)	(146,774)	-	(311,075)	(99,033)	(2,346)	-	(412,454)
Investing activities								
Purchase of investments	(254,027)	(217,813)	-	(471,840)	(164,314)	-	-	(636,154)
Proceeds from sale and maturities of investments	157,978	165,643	-	323,621	86,669	-	-	410,290
Investment income	1,295	1,452	-	2,747	728	2	-	3,477
Distributions from The Energy Authority	(139)	-	-	(139)	-	-	-	(139)
Net cash used in investing activities	(94,893)	(50,718)	-	(145,611)	(76,917)	2	-	(222,526)
Net change in cash and cash equivalents	(113,065)	(180,191)	-	(293,256)	(91,835)	(710)	-	(385,801)
Cash and cash equivalents, beginning of year	177,432	267,940	-	445,372	135,920	8,330	-	589,622
Cash and cash equivalents, end of period	\$ 64,367	\$ 87,749	\$ -	\$ 152,116	\$ 44,085	\$ 7,620	\$ -	\$ 203,821
Reconciliation of operating income to net cash provided by operating activities								
Operating income	\$ 86,134	\$ 12,037	\$ -	\$ 98,171	\$ 37,922	\$ 574	\$ -	\$ 136,667
Adjustments:								
Depreciation and amortization	64,179	14,251	-	78,430	44,044	759	-	123,233
Recognition of deferred costs and revenues, net	(1,250)	(2,290)	-	(3,540)	(33)	-	-	(3,573)
Changes in noncash assets and noncash liabilities:								
Accounts receivable	23,925	(4,704)	-	19,221	3,186	310	-	22,717
Accounts receivable, restricted	(19)	-	-	(19)	442	-	-	423
Inventories	(5,019)	7,269	-	2,250	(2,182)	-	-	68
Other assets	(1,256)	-	-	(1,256)	(390)	-	-	(1,646)
Accounts and expenses payable	11,109	(7,012)	-	4,097	377	(12)	-	4,462
Liabilities payable, restricted	-	(2,074)	-	(2,074)	-	-	-	(2,074)
Other noncurrent liabilities and deferred inflows	(1,870)	(176)	-	(2,046)	7,947	3	-	5,904
Net cash provided by operating activities	\$ 175,933	\$ 17,301	\$ -	\$ 193,234	\$ 91,313	\$ 1,634	\$ -	\$ 286,181
Noncash activity								
Contribution of capital assets from developers	\$ -	\$ -	\$ -	\$ -	\$ 10,602	\$ -	\$ -	\$ 10,602

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Electric System

Changes in Debt Service, R & R and Construction Funds

(in thousands - unaudited) for the four months ended January 31, 2016 and January 31, 2015 restated

	January 31, 2016			January 31, 2015 restated		
	Debt service funds	Renewal and replacement funds	Construction funds	Debt service funds	Renewal and replacement funds	Construction funds
Beginning balance	\$ 211,749	\$ 148,458	\$ 4	\$ 194,776	\$ 148,110	\$ 43
Transfer from:						
Revenue fund	62,407	55,848	-	63,825	47,626	-
Construction fund	-	-	2	-	-	-
Proceeds from property sales	-	275	-	-	542	-
Total additions	62,407	56,123	2	63,825	48,168	-
Deductions:						
Interest/principal payments from sinking funds	142,566	-	-	125,511	-	-
Increase in utility plant	-	23,968	2	-	26,606	24
Decrease in accounts payable	-	14,339	4	-	6,554	11
Transfer to:						
Revenue fund	4,013	-	-	246	-	-
Construction fund	-	2	-	-	-	-
Total deductions	146,579	38,309	6	125,757	33,160	35
Ending balance	\$ 127,577	\$ 166,272	\$ -	\$ 132,844	\$ 163,118	\$ 8
Renewal and replacement fund:						
Cash & investments		\$ 164,348			\$ 161,899	
Accounts / notes receivable:						
Accounts receivable		1,822			1,061	
Street light & other customer loans		102			158	
		<u>\$ 166,272</u>			<u>\$ 163,118</u>	
Construction fund:						
Generation projects			\$ -			\$ 4
T& D and other capital projects			-			3
Accounts receivable			-			1
			<u>\$ -</u>			<u>\$ 8</u>

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Water and Sewer System

Changes in Debt Service, R & R and Construction Funds

(in thousands - unaudited) for the four months ended January 31, 2016 and January 31, 2015 restated

	January 31, 2016				January 31, 2015 restated			
	Debt service funds	Renewal and replacement funds	Construction funds	Environmental funds	Debt service funds	Renewal and replacement funds	Construction funds	Environmental funds
Beginning balance	\$ 176,569	\$ 149,130	\$ 664	\$ -	\$ 191,848	\$ 142,417	\$ 670	\$ -
Additions:								
Transfer from:								
Revenue fund	32,080	45,233	-	-	34,501	38,908	-	7,004
Proceeds from property sales	-	48	-	-	-	14	-	-
Contribution in aid of construction	-	6,456	-	-	-	5,549	-	-
Increase in accounts payable	-	-	17	414	-	-	-	-
Total additions	32,080	51,737	17	414	34,501	44,471	-	7,004
Deductions:								
Increase in utility plant	-	19,883	-	-	-	16,762	-	-
Interest/principal payments from sinking funds	67,731	-	-	-	75,049	-	-	-
Transfer to:								
Revenue fund	764	-	-	-	2,647	-	-	33
Decrease in accounts payable	-	12,935	-	-	-	10,819	6	-
Total deductions	68,495	32,818	-	-	77,696	27,581	6	33
Ending balance	\$ 140,154	\$ 168,049	\$ 681	\$ 414	\$ 148,653	\$ 159,307	\$ 664	\$ 6,971

Recap:

Renewal and replacement fund:

Cash & investments

\$ 166,691

\$ 158,467

Accounts / notes receivable:

Accounts receivable

1,338

815

Notes receivable

20

25

\$ 168,049

\$ 159,307

Construction fund:

Construction reserves

\$ -

\$ -

Accounts receivable

-

-

Project funds

681

664

\$ 681

\$ 664

Environmental fund

Cash & investments

414

6,971

\$ 414

\$ 6,971

JEA							Page 20	
Electric System		Month				Prior Year Month		
Budget vs. Actual		ANNUAL BUDGET	BUDGET	ACTUAL	Variance	ACTUAL	Variance	
January 31, 2016 and 2015 restated		2015-16	2015-16	2015-16	%	2014-15	%	
Fuel Related Revenues & Expenses								
Fuel Rate Revenues	\$	509,884,201	\$ 42,156,148	\$ 45,392,550	7.68%	\$ 44,683,895	1.59%	
Fuel Expense and Purchased Power:								
Fuel Expense - Electric System		288,573,382	24,681,384	25,371,497		24,414,637		
Fuel Expense - SJRPP		114,020,023	13,005,723	373,152		5,693,743		
Other Purchased Power		81,016,238	5,294,520	7,614,645		8,336,147		
Subtotal Energy Expense		483,609,643	42,981,627	33,359,294	22.39%	38,444,527	13.23%	
Transfer to (from) Rate Stabilization, Net		25,254,789	-	11,962,987		7,000,104		
Fuel Related Uncollectibles		1,019,769	84,981	70,269		68,329		
Total		509,884,201	43,066,608	45,392,550	-5.40%	45,512,960	0.26%	
Fuel Balance		-	(910,460)	-		(829,065)		
Nonfuel Related Revenues								
Base Rate Revenues		738,360,001	61,046,044	62,487,220		61,273,909		
Conservation Charge Revenue		989,059	81,773	57,515		60,771		
Environmental Charge Revenue		7,686,000	635,462	645,799		633,934		
Investment Income		3,776,585	314,715	398,924		281,014		
Natural Gas Revenue Pass Through		12,491,417	1,040,951	12,689		-		
Other Revenues		35,447,663	2,953,972	1,711,854		4,253,692		
Total		798,750,725	66,072,917	65,314,001	-1.15%	66,503,319	-1.79%	
Nonfuel Related Expenses								
Non-Fuel O&M		200,570,314	16,362,710	14,997,047		13,199,772		
DSM / Conservation O&M		7,673,925	582,127	728,461		531,541		
Environmental O&M		2,442,000	203,500	27,104		83,411		
Net Transfer to Rate Stabilization - DSM		(384,866)	(21,403)	(189,684)		16,569		
Transfer to Environmental Fund/RSF		5,244,000	437,000	618,694		550,523		
Natural Gas Expense Pass Through		12,140,876	1,010,434	27,073		10,250		
Debt Principal - Electric System		89,845,000	7,487,083	8,016,250		7,912,917		
Debt Interest - Electric System		107,287,899	8,940,658	8,136,680		8,688,467		
R&R - Electric System		66,155,208	5,512,934	5,197,867		5,460,179		
Operating Capital Outlay		96,337,682	14,000,000	14,000,000		12,000,000		
City Contribution Expense		91,720,182	7,643,348	7,643,348		7,509,050		
Taxes & Uncollectibles		1,703,452	141,954	114,152		111,593		
Emergency Reserve		5,000,000	-	-		-		
<i>Nonfuel Purchased Power:</i>								
* SJRPP D/S Principal		37,568,750	3,130,729	2,331,563		2,958,177		
* SJRPP D/S Interest		19,174,301	1,597,858	1,430,297		1,695,584		
** Other Non-Fuel Purchased Power		56,272,002	4,689,334	369,592		2,526,447		
Total Nonfuel Expenses		798,750,725	71,718,266	63,448,444	11.53%	63,254,479	-0.31%	
Non-Fuel Balance		-	(5,645,349)	1,865,557		3,248,839		
Total Balance		-	(6,555,809)	1,865,557		2,419,775		
Total Revenues		1,308,634,926	108,229,065	110,706,551	2.29%	111,187,214	-0.43%	
Total Expenses		1,308,634,926	114,784,874	108,840,994	5.18%	108,767,439	-0.07%	
KWH Sold - Territorial		12,600,000,000	1,041,741,359	1,049,897,000	0.78%	1,035,621,000	1.38%	
KWH Sold - Off System		-	-	2,979,000		1,729,000		
		12,600,000,000	1,041,741,359	1,052,876,000	1.07%	1,037,350,000	1.50%	

* Gross debt service

** Includes transmission capacity, SJRPP and Scherer R & R, O & M and Investment Income.

JEA							Page 21	
Electric System		Year-To-Date				Prior Year-To-Date		
Budget vs. Actual		ANNUAL BUDGET	BUDGET	ACTUAL	Variance	ACTUAL	Variance	
January 31, 2016 and 2015 restated		2015-16	2015-16	2015-16	%	2014-15	%	
Fuel Related Revenues & Expenses								
Fuel Rate Revenues		\$ 509,884,201	\$ 159,282,465	\$ 109,587,046	-31.20%	\$ 165,811,603	-33.91%	
Fuel Expense and Purchased Power:								
Fuel Expense - Electric System		288,573,382	78,810,499	75,180,068		84,537,280		
Fuel Expense - SJRPP		114,020,023	44,203,023	21,043,301		39,931,875		
Other Purchased Power		81,016,238	26,972,941	22,539,813		24,899,686		
Subtotal Energy Expense		483,609,643	149,986,463	118,763,182	20.82%	149,368,841	20.49%	
Transfer to (from) Rate Stabilization, Net		25,254,789	-	(9,349,700)		15,999,683		
Fuel Related Uncollectibles		1,019,769	339,923	173,564		250,584		
Total		509,884,201	150,326,386	109,587,046	27.10%	165,619,108	33.83%	
Fuel Balance		-	8,956,079	-		192,495		
Nonfuel Related Revenues								
Base Rate Revenues		738,360,001	230,655,903	226,988,867		227,944,994		
Conservation Charge Revenue		989,059	308,972	144,398		163,114		
Environmental Charge Revenue		7,686,000	2,401,026	2,359,734		2,346,147		
Investment Income		3,776,585	1,258,862	1,851,667		1,284,895		
Natural Gas Revenue Pass Through		12,491,417	4,163,806	41,440		-		
Other Revenues		35,447,663	11,815,888	9,058,907		11,723,334		
Total		798,750,725	250,604,457	240,445,013	-4.05%	243,462,485	-1.24%	
Nonfuel Related Expenses								
Non-Fuel O&M		200,570,314	66,236,069	57,394,351		63,122,496		
DSM / Conservation O&M		7,673,925	2,367,708	1,894,258		2,030,509		
Environmental O&M		2,442,000	814,000	17,145		223,776		
Net Transfer to Rate Stabilization - DSM		(384,866)	(85,613)	153,874		44,298		
Transfer to Environmental Fund/RSF		5,244,000	1,748,000	2,342,588		2,122,371		
Natural Gas Expense Pass Through		12,140,876	4,051,191	96,953		37,071		
Debt Principal - Electric System		89,845,000	29,948,333	32,065,000		31,651,667		
Debt Interest - Electric System		107,287,899	35,762,633	32,800,623		35,000,944		
R&R - Electric System		66,155,208	22,051,736	20,791,467		21,840,717		
Operating Capital Outlay		96,337,682	35,056,280	35,056,280		25,785,658		
City Contribution Expense		91,720,182	30,573,395	30,573,394		30,036,199		
Taxes & Uncollectibles		1,703,452	567,817	456,790		413,343		
Emergency Reserve		5,000,000	-	-		-		
<i>Nonfuel Purchased Power:</i>								
* SJRPP D/S Principal		37,568,750	12,522,917	9,326,250		11,832,708		
* SJRPP D/S Interest		19,174,301	6,391,434	5,721,190		6,782,338		
** Other Non-Fuel Purchased Power		56,272,002	18,757,333	8,899,547		9,307,885		
Total Nonfuel Expenses		798,750,725	266,763,233	237,589,710	10.94%	240,231,978	1.10%	
Non-Fuel Balance		-	(16,158,776)	2,855,303		3,230,506		
Total Balance		-	(7,202,697)	2,855,303		3,423,001		
Total Revenues		1,308,634,926	409,886,922	350,032,059	-14.60%	409,274,088	-14.47%	
Total Expenses		1,308,634,926	417,089,619	347,176,756	16.76%	405,851,087	14.46%	
KWH Sold - Territorial		12,600,000,000	3,936,107,561	3,849,073,000	-2.21%	3,846,586,000	0.06%	
KWH Sold - Off System		-	-	14,913,000		37,041,000		
		12,600,000,000	3,936,107,561	3,863,986,000	-1.83%	3,883,627,000	-0.51%	

* Gross debt service

** Includes transmission capacity, SJRPP and Scherer R & R, O & M and Investment Income.

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Water and Sewer System

Budget vs. Actual January 31, 2016 and 2015 restated	Month				Prior Year Month	
	ANNUAL BUDGET 2015-16	BUDGET 2015-16	ACTUAL 2015-16	Variance %	ACTUAL 2014-15	Variance %
REVENUES						
Water & Sewer Revenues	\$ 393,928,271	\$ 31,818,714	\$ 30,633,619		\$ 30,066,259	
Capacity & Extension Fees	17,000,000	1,416,667	1,528,294		855,183	
Capital Contributions	-	-	343,890		-	
Investment Income	2,759,926	229,994	282,260		245,163	
Other Income	14,769,077	741,228	1,598,548		901,175	
Total	428,457,274	34,206,603	34,386,611	0.53%	32,067,780	7.23%
EXPENSES						
O & M Expenses	138,367,616	11,431,824	10,536,905		11,323,379	
Debt Principal - Water & Sewer	33,875,000	2,822,917	2,822,916		3,015,000	
Debt Interest - Water & Sewer	75,780,149	6,315,012	5,603,430		5,957,009	
R&R - Water & Sewer	20,825,400	1,735,450	1,735,450		1,722,504	
Operating Capital Outlay	97,524,604	8,130,944	8,130,944		6,863,176	
Operating Capital Outlay - Capacity/Extension	17,000,000	1,416,667	1,528,294		855,183	
Operating Capital Outlay - Contributions	-	-	343,890		-	
Operating Capital Outlay - Environmental	20,758,150	1,729,846	1,737,694		1,678,897	
City Contribution Expense	22,467,356	1,872,280	1,872,280		1,798,245	
Uncollectibles & Fees	858,999	71,583	51,000		61,462	
Emergency Reserve	1,000,000	-	-		-	
Total Expenses	428,457,274	35,526,523	34,362,803	3.28%	33,274,855	-3.27%
Total Balance	\$ -	\$ (1,319,920)	\$ 23,808		\$ (1,207,075)	
Sales kgals						
Water	34,650,000	2,645,480	2,526,564	-4.50%	2,502,494	0.96%
Sewer	26,985,000	2,040,404	2,083,037	2.09%	1,954,187	6.59%
Total	61,635,000	4,685,884	4,609,601	-1.63%	4,456,681	3.43%

Budget vs. Actual January 31, 2016 and 2015 restated	Year-To-Date				Prior Year to Date	
	ANNUAL BUDGET 2015-16	BUDGET 2015-16	ACTUAL 2015-16	Variance %	ACTUAL 2014-15	Variance %
REVENUES						
Water & Sewer Revenues	\$ 393,928,271	\$ 128,665,693	\$ 129,112,497		\$ 126,780,368	
Capacity & Extension Fees	17,000,000	5,666,667	6,095,827		5,362,585	
Capital Contributions	-	-	359,773		186,160	
Investment Income	2,759,926	919,975	1,030,601		976,505	
Other Income	14,769,077	7,324,978	5,676,864		3,678,807	
Total	428,457,274	142,577,313	142,275,562	-0.21%	136,984,425	3.86%
EXPENSES						
O & M Expenses	138,367,616	45,625,737	41,334,186		40,858,160	
Debt Principal - Water & Sewer	33,875,000	11,291,667	11,291,665		12,060,000	
Debt Interest - Water & Sewer	75,780,149	25,260,049	22,653,312		24,110,162	
R&R - Water & Sewer	20,825,400	6,941,800	6,941,800		6,890,017	
Operating Capital Outlay	97,524,604	38,291,197	38,291,195		32,017,545	
Operating Capital Outlay - Capacity/Extension	17,000,000	5,666,667	6,095,827		5,362,585	
Operating Capital Outlay - Contributions	-	-	359,773		186,160	
Operating Capital Outlay - Environmental	20,758,150	6,919,383	7,158,206		6,970,703	
City Contribution Expense	22,467,356	7,489,119	7,489,119		7,192,980	
Uncollectibles & Fees	858,999	286,333	217,847		221,924	
Emergency Reserve	1,000,000	-	-		-	
Total Expenses	428,457,274	147,771,952	141,832,930	4.02%	135,870,236	-4.39%
Total Balance	\$ -	\$ (5,194,639)	\$ 442,632		\$ 1,114,189	
Sales kgals						
Water	34,650,000	11,043,618	11,046,546	0.03%	10,858,711	1.73%
Sewer	26,985,000	8,609,651	8,812,836	2.36%	8,526,529	3.36%
Total	61,635,000	19,653,269	19,859,382	1.05%	19,385,240	2.45%

Budget vs. Actual January 31, 2016 and 2015 restated	Month				Prior Year Month	
	ANNUAL BUDGET 2015-16	BUDGET 2015-16	ACTUAL 2015-16	Variance %	ACTUAL 2014-15	Variance %
REVENUES						
Revenues	\$ 9,089,118	\$ 639,369	\$ 675,235		\$ 614,189	
Investment Income	-	-	1,234		501	
Total	9,089,118	639,369	676,469	5.80%	614,690	10.05%
EXPENSES						
O & M Expenses	5,175,137	334,830	397,083		328,001	
Debt Principal - DES	1,625,000	135,417	135,417		134,167	
Debt Interest - DES	1,398,980	116,582	116,582		117,442	
R&R - DES	457,185	38,099	36,596		36,229	
Operating Capital Outlay	432,816	-	-		-	
Total Expenses	9,089,118	624,928	685,678	-9.72%	615,839	-11.34%
Total Balance	\$ -	\$ 14,441	\$ (9,209)		\$ (1,149)	

Budget vs. Actual January 31, 2016 and 2015 restated	Year-To-Date				Prior-Year-To-Date	
	ANNUAL BUDGET 2015-16	BUDGET 2015-16	ACTUAL 2015-16	Variance %	ACTUAL 2014-15	Variance %
REVENUES						
Revenues	\$ 9,089,118	\$ 3,018,200	\$ 2,812,309		\$ 2,864,479	
Investment Income	-	-	7,664		1,740	
Total	9,089,118	3,018,200	2,819,973	-6.57%	2,866,219	-1.61%
EXPENSES						
O & M Expenses	5,175,137	1,539,667	1,407,959		1,529,851	
Debt Principal - DES	1,625,000	541,667	541,667		536,667	
Debt Interest - DES	1,398,980	466,327	466,327		469,767	
R&R - DES	457,185	152,395	146,383		144,917	
Operating Capital Outlay	432,816	-	-		-	
Total Expenses	9,089,118	2,700,056	2,562,336	5.10%	2,681,202	4.43%
Total Balance	\$ -	\$ 318,144	\$ 257,637		\$ 185,017	

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Electric System

Schedules of Debt Service Coverage

(in thousands - unaudited)

	Month January		Year-To-Date January	
	2016	2015 restated	2016	2015 restated
Revenues				
Electric	\$ 101,161	\$ 104,080	\$ 363,034	\$ 398,834
Investment income (1)	267	152	1,351	780
Earnings from The Energy Authority	756	38	889	74
Other, net (2)	1,393	3,970	7,788	10,670
Total revenues	103,577	108,240	373,062	410,358
Operating expenses (3)				
Fuel	25,371	24,415	75,180	84,537
Purchased power (4)	12,948	21,310	68,831	93,970
Other operations and maintenance	15,679	13,720	59,215	64,704
State utility taxes and franchise fees	5,081	5,097	17,317	20,242
Total operating expenses	59,079	64,542	220,543	263,453
Net revenues	\$ 44,498	\$ 43,698	\$ 152,519	\$ 146,905
Debt service	\$ 6,528	\$ 6,943	\$ 26,113	\$ 27,789
Less: investment income on sinking fund	(136)	(134)	(516)	(529)
Less: Build America Bonds subsidy	(126)	(126)	(506)	(503)
Debt service requirement	\$ 6,266	\$ 6,683	\$ 25,091	\$ 26,757
Senior debt service coverage (5), (min 1.20x)	7.10 x	6.54 x	6.08 x	5.49 x
Net revenues (from above)	\$ 44,498	\$ 43,698	\$ 152,519	\$ 146,905
Debt service requirement (from above)	\$ 6,266	\$ 6,683	\$ 25,091	\$ 26,757
Plus: aggregate subordinated debt service on outstanding subordinated bonds	8,177	8,191	32,709	32,769
Less: Build America Bonds subsidy	(174)	(174)	(695)	(695)
Total debt service requirement and aggregate subordinated debt service	\$ 14,269	\$ 14,700	\$ 57,105	\$ 58,831
Senior and subordinated debt service coverage (6), (min 1.15x)	3.12 x	2.97 x	2.67 x	2.50 x
Fixed charge coverage (7)	2.20 x	2.07 x	1.86 x	1.72 x

(1) Excludes investment income on sinking funds.

(2) Excludes the Build America Bonds subsidy.

(3) Excludes depreciation.

(4) In accordance with the requirements of the Electric System Resolution, all the contract debt payments from the Electric System to the SJRPP and Bulk Power Supply System with respect to the use by the Electric System of the capacity and output of the SJRPP and Bulk Power Systems are reflected as a purchased power expense on these schedules. These schedules do not include revenues of the SJRPP and Bulk Power Supply System, except that the purchased power expense is net of interest income on funds maintained under the SJRPP and Bulk Power Supply System resolutions.

(5) Net revenues divided by debt service requirement. Minimum annual coverage is 1.20x.

(6) Net revenues divided by total debt service requirement and aggregate subordinated debt service. Minimum annual coverage is 1.15x.

(7) Net revenues plus JEA's share of SJRPP's and Bulk Power Supply System's debt service less city contribution divided by the sum of the adjusted debt service requirement and JEA's share of SJRPP's and Bulk Power Supply System's debt service.

JEA
Bulk Power Supply System
Schedules of Debt Service Coverage
(in thousands - unaudited)

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	Month January		Year-To-Date January	
	2016	2015 restated	2016	2015 restated
Revenues				
JEA	\$ 3,213	\$ 6,313	\$ 18,522	\$ 20,143
Investment income	11	9	41	36
Other, net (1)	-	-	-	-
Total revenues	3,224	6,322	18,563	20,179
Operating expenses (1)				
Fuel	2,802	3,991	9,863	12,036
Other operations and maintenance	1,591	1,475	4,559	4,654
Total operating expenses	4,393	5,466	14,422	16,690
Net revenues	\$ (1,169)	\$ 856	\$ 4,141	\$ 3,489
Aggregate debt service	\$ 897	\$ 817	\$ 3,586	\$ 3,267
Less: Build America Bonds subsidy	(61)	(64)	(246)	(255)
Aggregate debt service	\$ 836	\$ 753	\$ 3,340	\$ 3,012
Debt service coverage (2)	(1.40) x	1.14 x	1.24 x	1.16 x

(1) Excludes all current expenses paid or accrued to the extent that such expenses are to be paid from revenues.

(2) Net revenues divided by aggregate debt service. Minimum annual coverage is 1.15x.

JEA
St. Johns River Power Park System
Schedule of Debt Service Coverage - 1st Resolution
(in thousands - unaudited)

	Month January		Year-To-Date January	
	2016	2015 restated	2016	2015 restated
Revenues				
JEA	\$ 2,459	\$ 8,100	\$ 31,409	\$ 51,595
FPL	5,014	8,849	37,757	43,508
Investment income	339	333	1,313	1,244
Total revenues	7,812	17,282	70,479	96,347
Operating expenses (1)				
Fuel	606	9,517	39,373	63,459
Other operations and maintenance	2,319	2,793	9,930	11,348
Total operating expenses	2,925	12,310	49,303	74,807
Net revenues	\$ 4,887	\$ 4,972	\$ 21,176	\$ 21,540
Aggregate debt service	\$ 4,344	\$ 4,419	\$ 17,374	\$ 17,675
Debt service coverage (2)	1.13 x	1.13 x	1.22 x	1.22 x

(1) Excludes depreciation.

(2) Net revenues divided by aggregate debt service. Semiannual minimum coverage is 1.25x.

JEA
St. Johns River Power Park System
Schedule of Debt Service Coverage - 2nd Resolution
(in thousands - unaudited)

	Month January		Year-To-Date January	
	2016	2015 restated	2016	2015 restated
Revenues				
JEA	\$ 1,047	\$ 1,892	\$ 4,675	\$ 8,434
Total revenues	1,047	1,892	4,675	8,434
Operating expenses	-	-	-	-
Net revenues	\$ 1,047	\$ 1,892	\$ 4,675	\$ 8,434
Aggregate debt service	\$ 1,081	\$ 1,926	\$ 4,325	\$ 7,703
Less: Build America Bonds subsidy	(34)	(34)	(137)	(136)
Aggregate debt service	\$ 1,047	\$ 1,892	\$ 4,188	\$ 7,567
Debt service coverage (1)	1.00 x	1.00 x	1.12 x	1.11 x

(1) Net revenues divided by aggregate debt service. Semiannual minimum coverage is 1.15x.

JEA
Water and Sewer System
Schedule of Debt Service Coverage
(in thousands - unaudited)

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	Month January		Year-To-Date January	
	2016	2015 restated	2016	2015 restated
Revenues				
Water	\$ 11,518	\$ 11,375	\$ 48,767	\$ 48,073
Water capacity fees (1)	526	312	2,176	1,945
Sewer	18,120	17,728	76,197	74,730
Sewer capacity fees (1)	1,002	543	3,920	3,418
Investment Income	286	250	1,045	996
Other (2)	1,387	694	4,830	2,842
Total revenues	<u>32,839</u>	<u>30,902</u>	<u>136,935</u>	<u>132,004</u>
Operating expenses				
Operations and maintenance (3)	13,085	12,217	46,834	44,214
Total operating expenses	<u>13,085</u>	<u>12,217</u>	<u>46,834</u>	<u>44,214</u>
Net revenues	<u>\$ 19,754</u>	<u>\$ 18,685</u>	<u>\$ 90,101</u>	<u>\$ 87,790</u>
Aggregate debt service	<u>\$ 7,083</u>	<u>\$ 7,640</u>	<u>\$ 28,332</u>	<u>\$ 30,568</u>
Less: Build America Bonds subsidy	(209)	(207)	(834)	(830)
Aggregate debt service	<u>\$ 6,874</u>	<u>\$ 7,433</u>	<u>\$ 27,498</u>	<u>\$ 29,738</u>
Senior debt service coverage (4), (min 1.25x)	<u>2.87 x</u>	<u>2.51 x</u>	<u>3.28 x</u>	<u>2.95 x</u>
Net revenues (from above)	<u>\$ 19,754</u>	<u>\$ 18,685</u>	<u>\$ 90,101</u>	<u>\$ 87,790</u>
Aggregate debt service (from above)	<u>\$ 6,874</u>	<u>\$ 7,433</u>	<u>\$ 27,498</u>	<u>\$ 29,738</u>
Plus: aggregate subordinated debt service on outstanding subordinated debt	1,028	1,015	4,113	4,068
Total aggregate debt service and aggregate subordinated debt service	<u>\$ 7,902</u>	<u>\$ 8,448</u>	<u>\$ 31,611</u>	<u>\$ 33,806</u>
Senior and subordinated debt service coverage (5)	<u>2.50 x</u>	<u>2.21 x</u>	<u>2.85 x</u>	<u>2.60 x</u>
Fixed charge coverage	<u>2.26 x</u>	<u>2.00 x</u>	<u>2.61 x</u>	<u>2.38 x</u>

- (1) Effective October 1, 2001, the Water and Sewer Bond Resolution was amended to include capacity fees in total revenues. Had such capacity fees not been included in the calculation for the year-to-date periods ending January 2016 and 2015, then the debt service coverage would have been 2.66x and 2.44x.
- (2) Excludes the Build America Bonds subsidy.
- (3) Excludes depreciation.
- (4) Net revenues divided by aggregate debt service. Minimum annual coverage is 1.25x.
- (5) Net revenues divided by total aggregate debt service and aggregate subordinated debt service. Minimum annual coverage is either 1.00x aggregate debt service and aggregate subordinated debt service (excluding capacity charges) or the sum of 1.00x aggregate debt service and 1.20x aggregate subordinated debt service (including capacity charges). Based on the first requirement, minimum annual coverage is 2.66x and 2.44x. Based on the second requirement, net revenues must exceed 100% of aggregate debt service and 120% of aggregate subordinated debt service, or \$32,434 and \$34,620 for the year-to-date period ending January 2016 and 2015.

JEA
District Energy System
Schedule of Debt Service Coverage
(in thousands - unaudited)

	Month January		Year-To-Date January	
	2016	2015 restated	2016	2015 restated
Revenues				
Service revenues	\$ 675	\$ 614	\$ 2,812	\$ 2,864
Investment income	1	1	8	2
Total revenues	<u>676</u>	<u>615</u>	<u>2,820</u>	<u>2,866</u>
Operating expenses (1)				
Operations and maintenance	383	326	1,393	1,531
Total operating expenses	<u>383</u>	<u>326</u>	<u>1,393</u>	<u>1,531</u>
Net revenues	<u>\$ 293</u>	<u>\$ 289</u>	<u>\$ 1,427</u>	<u>\$ 1,335</u>
Aggregate debt service (2)	<u>\$ 252</u>	<u>\$ 252</u>	<u>\$ 1,008</u>	<u>\$ 1,006</u>
Debt service coverage (3) (min 1.15x)	<u>1.16 x</u>	<u>1.15 x</u>	<u>1.42 x</u>	<u>1.33 x</u>

- (1) Excludes depreciation.
- (2) On June 19, 2013, the closing date of the District Energy System Refunding Revenue Bonds, 2013 Series A, the JEA covenanted to deposit into the 2013 Series A Bonds Subaccount from Available Water and Sewer System Revenues an amount equal to the Aggregate DES Debt Service Deficiency that exists with respect to the 2013 Series A Bonds, in the event that the amount on deposit in the Debt Service Account in the Debt Service Fund in accordance with the District Energy System Resolution is less than Accrued Aggregate Debt Service as of the last Business Day of the then current month.
- (3) Net Revenues divided by aggregate debt service. Minimum annual coverage is 1.15x.

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Electric System, St. Johns River Power Park System and Scherer
Principal Amount of Debt Outstanding and Average Interest Rates
January 31, 2016

Issue/Average Coupon Rate	Interest Rates	Principal Payment Dates	Par Amount Principal Outstanding	Current Portion of Long-Term Debt
Electric System - Fixed Rate Bonds				
Series Three 2004 A	5.000%	2039	\$ 5,000	\$ -
Series Three 2005 B	4.750%	2033	100,000	-
Series Three 2009 C	5.000%	2016-2017	15,730,000	12,375,000
Series Three 2009 D	6.056%	2033-2044	45,955,000	-
Series Three 2010 A	4.000%	2016-2020	24,960,000	4,835,000
Series Three 2010 C	4.000 - 4.500%	2021-2031	11,420,000	-
Series Three 2010 D	4.000 - 5.000%	2016-2038	92,100,000	5,265,000
Series Three 2010 E	5.350 - 5.482%	2028-2040	34,255,000	-
Series Three 2012A	4.000 - 4.500%	2023-2033	60,750,000	-
Series Three 2012B	2.000 - 5.000%	2016-2039	133,390,000	620,000
Series Three 2013A	2.500 - 5.000%	2016-2026	111,130,000	7,860,000
Series Three 2013B	1.875 - 5.000%	2021-2038	7,600,000	-
Series Three 2013C	3.000 - 5.000%	2016-2030	30,940,000	2,255,000
Series Three 2014A	2.600 - 5.000%	2016-2034	47,565,000	1,855,000
Series Three 2015A	2.500 - 5.000%	2016-2041	81,810,000	135,000
Series Three 2015B	2.000 - 5.000%	2016-2031	42,355,000	6,350,000
Total Fixed Rate Senior Bonds			740,065,000	41,550,000
2009 Series A	5.625%	2029-2032	21,140,000	-
2009 Series D	5.000%	2017-2018	23,925,000	-
2009 Series E	4.000%	2016-2018	4,065,000	1,850,000
2009 Series F	4.125 - 6.406%	2016-2034	65,600,000	930,000
2009 Series G	4.000 - 5.000%	2016-2021	22,975,000	4,675,000
2010 Series A	3.000 - 5.000%	2016-2017	4,960,000	4,250,000
2010 Series B	3.000 - 5.000%	2016-2024	35,380,000	855,000
2010 Series C	3.125 - 4.000%	2020-2027	15,925,000	-
2010 Series D	3.500 - 5.582%	2017-2027	45,575,000	-
2010 Series E	4.000%	2016	4,505,000	4,505,000
2012 Series A	3.000 - 5.000%	2016-2033	110,780,000	2,715,000
2012 Series B	2.250 - 5.000%	2016-2037	105,800,000	2,355,000
2013 Series A	2.500 - 5.000%	2017-2030	59,330,000	-
2013 Series B	2.500 - 5.000%	2016-2026	41,215,000	10,085,000
2013 Series C	1.375 - 5.000%	2016-2038	88,605,000	590,000
2013 Series D	2.625 - 5.250%	2016-2035	145,055,000	9,360,000
2014 Series A	3.000 - 5.000%	2016-2039	223,770,000	9,330,000
Total Fixed Rate Subordinated Bonds			1,018,605,000	51,500,000
Total Fixed Rate Electric System Bonds/4.561%			1,758,670,000	93,050,000
Electric System - Variable Rate Bonds Current Interest Rates (1)				
Series Three 2008 A	0.010%	2027-2036	51,680,000	-
Series Three 2008 B-1	0.410%	2016-2040	60,745,000	350,000
Series Three 2008 B-2	0.010%	2025-2040	41,900,000	-
Series Three 2008 B-3	0.010%	2024-2036	37,000,000	-
Series Three 2008 B-4	0.410%	2016-2036	50,185,000	375,000
Series Three 2008 C-1	0.010%	2024-2034	44,145,000	-
Series Three 2008 C-2	0.010%	2024-2034	43,900,000	-
Series Three 2008 C-3	0.050%	2030-2038	25,000,000	-
Series Three 2008 D-1	0.410%	2016-2036	113,840,000	2,420,000
Total Variable Rate Senior Bonds			468,395,000	3,145,000
Series 2000 A	0.041%	2021-2035	30,965,000	-
Series 2000 F-1	0.033%	2026-2030	37,200,000	-
Series 2000 F-2	0.044%	2026-2030	24,800,000	-
Series 2008 D	0.010%	2024-2038	39,455,000	-
Total Variable Rate Subordinated Bonds			132,420,000	-
Total Variable Rate Bonds			600,815,000	3,145,000
Total Electric System Bonds			2,359,485,000	96,195,000
St. Johns River Power Park - Fixed Rate Bonds				
Issue 2 Series 17	4.700%	2019	100,000	-
Issue 2 Series 18	4.500%	2018	50,000	-
Issue 2 Series 19	4.600%	2017	100,000	-
Issue 2 Series 20	4.500%	2021	100,000	-
Issue 2 Series 21	5.000%	2021	5,000	-
Issue 2 Series 22	4.000%	2019	5,000	-
Issue 2 Series 23	3.000 - 5.000%	2017-2021	64,910,000	-
Issue 2 Series 24	4.000%	2017-2021	29,625,000	-
Issue 2 Series 25	3.000 - 5.000%	2016-2021	42,195,000	42,150,000
Issue 2 Series 26	2.000 - 5.000%	2019-2021	65,970,000	-
Issue 2 Series 27	1.888 - 2.505%	2019-2021	7,025,000	-
Issue 3 Series 1	4.500%	2037	100,000	-
Issue 3 Series 2	5.000%	2034-2037	29,370,000	-
Issue 3 Series 4	3.875 - 5.450%	2016-2028	25,720,000	1,635,000
Issue 3 Series 6	2.375 - 5.000%	2019-2037	91,330,000	-
Issue 3 Series 7	2.000 - 5.000%	2019-2033	79,500,000	-
Issue 3 Series 8	2.000 - 5.000%	2019-2039	57,895,000	-
Total Fixed Rate St. Johns River Power Park Bonds/4.120%			494,000,000	43,785,000
Bulk Power Supply System, Scherer 4 Project - Fixed Rate Bonds				
Series 2010A	3.900 - 5.920%	2016-2030	42,785,000	2,910,000
Series 2014A	2.000 - 5.000%	2016-2038	69,185,000	3,135,000
Total Fixed Rate Bulk Power Supply System Bonds/4.293%			111,970,000	6,045,000
Weighted Average Cost(2) / Total Outstanding Debt		3.261%	\$ 2,965,455,000	\$ 146,025,000

(1) Current month interest rate excluding variable debt fees.

(2) Weighted Average Cost of debt is net of BABs subsidy, original issue premiums/discounts and excludes variable debt liquidity/restructuring fees and interest rate swap payments.

	Electric System	Power Park	Issue Three
• Remaining New Money Authorization	\$ 465,160,992	\$	103,865,000
• Remaining Senior Refunding Authorization	\$ 1,239,602,381	\$	250,810,000
• Remaining Subordinated Refunding Authorization	\$ 892,378,000		n/a

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Water and Sewer System

Principal Amount of Debt Outstanding and Average Interest Rates

January 31, 2016

Issue/Average Coupon Rate	Interest Rates	Principal Payment Dates	Par Amount Principal Outstanding	Current Portion of Long-Term Debt
Fixed Rate Bonds				
2009 Series B	3.750 - 5.000%	2017-2019	\$ 25,565,000	\$ -
2010 Series A	6.210 - 6.310%	2026-2044	83,115,000	-
2010 Series B	4.300 - 5.700%	2016-2025	17,300,000	1,730,000
2010 Series C	4.000 - 5.000%	2016-2020	10,650,000	1,105,000
2010 Series D	4.000 - 5.000%	2017-2039	101,850,000	-
2010 Series E	4.000 - 5.000%	2021-2039	60,990,000	-
2010 Series F	3.200 - 5.887%	2017-2040	45,520,000	-
2010 Series G	3.000%	2016	785,000	785,000
2012 Series A	3.000 - 5.000%	2017-2041	317,935,000	-
2012 Series B	2.000 - 5.000%	2016-2041	131,765,000	1,680,000
2013 Series A	4.000 - 5.000%	2016-2027	91,085,000	1,345,000
2013 Series B	1.286 - 1.882%	2016-2017	16,730,000	12,900,000
2014 Series A	2.000 - 5.000%	2016-2040	289,565,000	4,970,000
Total Fixed Rate Senior Bonds			1,192,855,000	24,515,000
2010 Series A	3.000 - 5.000%	2016-2022	14,065,000	915,000
2010 Series B	3.000 - 5.000%	2020-2025	12,770,000	-
2012 Series A	3.000 - 4.000%	2021-2033	20,320,000	-
2012 Series B	3.250 - 5.000%	2030-2043	41,640,000	-
2013 Series A	2.125 - 5.000%	2016-2029	76,040,000	3,790,000
Total Fixed Rate Subordinated Bonds			164,835,000	4,705,000
Total Fixed Rate Bonds/4.618%			1,357,690,000	29,220,000
Variable Rate Bonds		Current Interest Rates (1)		
2006 Series B - CPI Bonds	1.126% (2)	2016-2022	38,730,000	4,105,000
2008 Series A-2	0.010%	2028-2042	51,820,000	-
2008 Series B	0.010%	2023-2041	85,290,000	-
Total Variable Rate Senior Bonds			175,840,000	4,105,000
2008 Series A-1	0.010%	2016-2038	53,500,000	550,000
2008 Series A-2	0.010%	2030-2038	25,600,000	-
2008 Series B-1	0.020%	2030-2036	30,885,000	-
Total Variable Rate Subordinated Bonds			109,985,000	550,000
Total Variable Rate Bonds			285,825,000	4,655,000
Other Obligations				
Revolving Credit Agreement	1.475%	2018	3,000,000	-
Total Other Obligations			3,000,000	-
Weighted Average Cost(3) / Total Outstanding Debt		3.553%	\$ 1,646,515,000	\$ 33,875,000

(1) Current month interest rate excluding variable debt fees.

(2) Designated swap obligation. The rate shown is the weighted average of the variable CPI Index rates for the 6 month re-set period.

(3) Weighted Average Cost of debt is net of BABs subsidy, original issue premiums/discounts and excludes variable debt liquidity/restructuring fees and interest rate swap payments.

• Remaining New Money Authorizator	\$	218,078,023
• Remaining Refunding Authorization	\$	1,231,973,942

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District Energy System

Principal Amount of Debt Outstanding and Average Interest Rates

January 31, 2016

Issue/Average Coupon	Interest Rates	Principal Payment Dates	Par Amount Principal Outstanding	Current Portion of Long-Term Debt
Fixed Rate Bonds				
2013 Series A/4.036%	1.017 - 4.538%	2016-2034	\$ 39,750,000	\$ 1,625,000
Weighted Average Cost(1) / Total Outstanding Debt			4.041%	\$ 39,750,000

(1) Weighted Average Cost of debt is net of original issue premiums/discounts.

• Remaining New Money Authorizator	\$	54,321,245
• Remaining Refunding Authorization	\$	106,670,000

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INVESTMENT PORTFOLIO REPORT
January 2016
All Funds

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<u>INVESTMENT</u>	<u>BOOK VALUE</u>	<u>YIELD</u>	<u>% OF TOTAL</u>	<u>LAST MONTH</u>	<u>6 MONTH AVERAGE</u>
* Treasuries	\$ 3,298,969	1.01%	0.24%	0.25%	1.01%
<u>Agencies</u>					
Federal Farm Credit Bank	244,820,061	0.77%	17.97%	18.31%	17.17%
Federal Home Loan Bank	396,457,981	0.96%	29.10%	27.36%	26.08%
Federal National Mortgage Assoc.	-	0.00%	0.00%	0.00%	0.49%
Federal Home Loan Mortgage Corp.	7,991,808	0.37%	0.59%	0.61%	0.20%
Total	649,269,849	0.88%	47.66%	46.28%	43.94%
Municipal Bonds	276,842,603	2.08%	20.32%	21.35%	20.61%
Commercial Paper	330,771,451	0.50%	24.28%	22.85%	20.53%
U.S. Treasury Money Market Funds (1)	19,769,457	0.21%	1.45%	0.92%	1.71%
Agency Money Market Funds (2)	12,425,000	0.22%	0.91%	1.72%	1.72%
<u>Wells Fargo Bank Accounts (3)</u>					
Electric, Scherer	25,287,825	0.17%	1.86%	2.59%	4.95%
SJRPP	31,428,881	0.17%	2.31%	2.71%	3.58%
Water & Sewer, DES	13,338,753	0.17%	0.98%	1.33%	1.95%
Total Portfolio	\$1,362,432,788	0.96%	100.00%	100.00%	100.00%

* Backed by Full Faith and Credit of U.S. Government
 Weighted Avg. Annual Yield for January 2016, Excluding Bank & Money Market Funds: 1.04%

Weighted Avg. Annual Yield for January 2016, Including Bank & Money Market Funds: 0.96%

Some investments listed above may be classified as Cash Equivalents on the Statements of Net Position in accordance with generally accepted accounting principles.

- (1) Morgan Stanley Treasury Fund; Fidelity Treasury Fund; Federated Treasury Fund
 (2) Morgan Stanley Government Fund, Wells Fargo Government Fund
 (3) Month-end bank balances

**JEA
Interest Rate Swap Position Report
January 2016**

JEA Debt Management Swaps Variable to Fixed

ID	Dealer	Effective Date	Terminat'n Date	Electric System Allocation	Water/Sewer Allocation	Fixed Rate	Floating Rate (1)	Spread	Rate Cap	Index
1	Goldman Sachs	9/18/2003	9/18/2033	\$ 84,800,000	\$ -	3.717	0.291	3.426	n/a	68% 1 mth Libor
3	Morgan Stanley	1/27/2005	10/1/2039	82,575,000	-	4.351	0.010	4.341	n/a	SIFMA
4	JPMorgan	1/27/2005	10/1/2035	86,375,000	-	3.661	0.291	3.370	n/a	68% 1 mth Libor
6	JPMorgan	1/27/2005	10/1/2037	39,175,000	-	3.716	0.291	3.425	n/a	68% 1 mth Libor
7	Morgan Stanley	10/31/2006	10/1/2022	-	38,730,000	3.996	1.126	2.870	n/a	CPI
8	Morgan Stanley	1/31/2007	10/1/2031	62,980,000	-	3.907	0.010	3.897	n/a	SIFMA
9	Merrill Lynch	3/8/2007	10/1/2041	-	85,290,000	3.895	0.010	3.885	n/a	SIFMA
10	Goldman Sachs	1/31/2008	10/1/2036	51,680,000	-	3.836	0.010	3.826	n/a	SIFMA
Total				<u>\$ 407,585,000</u>	<u>\$ 124,020,000</u>	Wtd Avg Spread		3.687		

Notes: (1) The "Floating Rate" column is the average of the floating rate for each instrument for this month.

JEA
Electric System
Operating Statistics

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	Month January			Year-To-Date January		
	2016	2015 restated	Variance	2016	2015 restated	Variance
Electric revenue sales (000's omitted):						
Residential	\$ 54,340	\$ 54,359	-0.03%	\$ 163,029	\$ 191,450	-14.85%
Commercial	35,948	34,137	5.31%	120,154	134,882	-10.92%
Industrial	19,322	19,363	-0.21%	60,925	76,365	-20.22%
Public street lighting	1,216	1,176	3.40%	4,384	4,298	2.00%
Sales for resale - territorial	2,820	2,697	4.56%	7,839	9,443	-16.99%
Electric revenues - territorial	113,646	111,732	1.71%	356,331	416,438	-14.43%
Sales for resale - off system	74	63	17.46%	413	1,143	-63.87%
Electric revenues	113,720	111,795	1.72%	356,744	417,581	-14.57%
Less: rate stabilization & recovery	(12,392)	(7,567)	63.76%	6,853	(18,166)	-137.72%
Less: allowance for doubtful accounts	(167)	(148)	12.84%	(563)	(581)	-3.10%
Net electric revenues	101,161	104,080	-2.80%	363,034	398,834	-8.98%
MWh sales						
Residential	448,677	447,606	0.24%	1,518,127	1,562,874	-2.86%
Commercial	334,083	319,310	4.63%	1,302,912	1,247,117	4.47%
Industrial	230,872	231,566	-0.30%	902,050	904,674	-0.29%
Public street lighting	7,450	8,579	-13.16%	27,544	31,504	-12.57%
Sales for resale - territorial	28,815	28,560	0.89%	98,440	100,417	-1.97%
Total MWh sales - territorial	1,049,897	1,035,621	1.38%	3,849,073	3,846,586	0.06%
Sales for resale - off system	2,979	1,729	72.30%	14,913	37,041	-59.74%
Total MWh sales	1,052,876	1,037,350	1.50%	3,863,986	3,883,627	-0.51%
Number of accounts (1)						
Residential	395,200	387,422	2.01%	394,150	386,410	2.00%
Commercial	51,102	50,530	1.13%	51,029	50,395	1.26%
Industrial	203	210	-3.33%	204	212	-3.77%
Public street lighting	3,630	3,541	2.51%	3,619	3,517	2.90%
Sales for resale	2	2	0.00%	2	2	0.00%
Total average accounts	450,137	441,705	1.91%	449,004	440,536	1.92%
Residential averages						
Revenue per account - \$	137.50	140.31	-2.00%	413.62	495.46	-16.52%
kWh per account	1,135	1,155	-1.73%	3,852	4,045	-4.77%
Revenue per kWh - ¢	12.11	12.14	-0.25%	10.74	12.25	-12.33%
Degree days						
Heating degree days	423	362	61	564	874	(310)
Cooling degree days	-	13	(13)	503	237	266
Total degree days	423	375	48	1,067	1,111	(44)
Degree days - 30 year average	391			1,166		

(1) The year-to-date column represents a fiscal year-to-date average.

JEA
Water and Sewer System
Operating Statistics

	Month			Year-To-Date		
	January 2016	January 2015 restated	Variance	January 2016	January 2015 restated	Variance
Water						
<i>Revenues (000's omitted):</i>						
Residential	\$ 6,789	\$ 6,683	1.59%	\$ 28,221	\$ 27,719	1.81%
Commercial and industrial	3,772	3,698	2.00%	15,217	14,837	2.56%
Irrigation	1,991	2,002	-0.55%	9,675	9,745	-0.72%
Total water revenues	12,552	12,383	1.36%	53,113	52,301	1.55%
Less: rate stabilization environmental	(1,013)	(983)	3.09%	(4,259)	(4,139)	2.89%
Less: allowance for doubtful accounts	(20)	(25)	-18.40%	(87)	(89)	-2.09%
Net water revenues	\$ 11,518	\$ 11,375	1.26%	\$ 48,767	\$ 48,073	1.44%
<i>Kgal sales (000s omitted)</i>						
Residential	1,182,602	1,189,475	-0.58%	5,174,187	5,151,516	0.44%
Commercial and industrial	1,072,512	1,036,067	3.52%	4,363,571	4,168,859	4.67%
Irrigation	271,450	276,952	-1.99%	1,508,788	1,538,336	-1.92%
Total kgal sales	2,526,564	2,502,494	0.96%	11,046,546	10,858,711	1.73%
<i>Number of accounts (1):</i>						
Residential	270,638	263,845	2.57%	269,717	263,052	2.53%
Commercial and industrial	24,391	23,893	2.08%	24,278	23,858	1.76%
Irrigation	36,121	35,878	0.68%	36,153	35,891	0.73%
Total average accounts	331,150	323,616	2.33%	330,148	322,801	2.28%
<i>Residential averages:</i>						
Revenue per account - \$	25.09	25.33	-0.96%	104.63	105.37	-0.70%
kgals per account	4.37	4.51	-3.07%	19.18	19.58	-2.04%
Revenue per kgals - \$	5.74	5.62	2.18%	5.45	5.38	1.36%
Reuse						
<i>Revenues (000's omitted):</i>						
Reuse revenues	\$ 447	\$ 426	4.93%	\$ 2,497	\$ 2,011	24.17%
<i>Kgal sales (000s omitted)</i>						
Reuse sales (kgals)	185,951	97,846	90.04%	675,924	504,336	34.02%
<i>Number of accounts (1):</i>						
Reuse accounts	7,101	5,608	26.62%	6,892	5,458	26.27%
Sewer						
<i>Revenues (000's omitted):</i>						
Residential	\$ 9,984	\$ 9,977	0.07%	\$ 42,379	\$ 42,082	0.71%
Commercial and industrial	8,452	8,068	4.76%	34,429	33,636	2.36%
Total sewer revenues	18,436	18,045	2.17%	76,808	75,718	1.44%
Less: rate stabilization environmental	(732)	(706)	3.69%	(2,977)	(2,866)	3.86%
Less: allowance for doubtful accounts	(31)	(37)	-16.22%	(131)	(133)	-1.50%
Net sewer revenues	17,673	17,302	2.14%	73,700	72,719	1.35%
<i>Kgal sales (000s omitted)</i>						
Residential	985,350	1,000,909	-1.55%	4,398,082	4,419,777	-0.49%
Commercial and industrial	911,736	855,432	6.58%	3,738,830	3,602,416	3.79%
Total kgal sales	1,897,086	1,856,341	2.19%	8,136,912	8,022,193	1.43%
<i>Number of accounts (1):</i>						
Residential	238,258	231,710	2.83%	237,411	230,923	2.81%
Commercial and industrial	17,918	17,724	1.09%	17,896	17,703	1.09%
Total average accounts	256,176	249,434	2.70%	255,307	248,626	2.69%
<i>Residential averages:</i>						
Revenue per account - \$	41.90	43.06	-2.68%	178.50	182.23	-2.05%
kgals per account	4.14	4.32	-4.26%	18.53	19.14	-3.21%
Revenue per kgals - \$	10.13	9.97	1.65%	9.64	9.52	1.20%
Rainfall						
	Diff in Inches			Diff in Inches		
Normal	3.30	3.30		12.14	12.14	
Actual	2.83	3.08	(0.25)	7.51	12.65	(5.14)
Rain Days	10	7		29	22	

(1) The year-to-date column represents a fiscal year-to-date average.

February 16, 2016 JEA Board of Directors Meeting - III. For Board Consideration - Consent Agenda

JEA
Electric System
Production Statistics

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	Month			Year-To-Date		
	2016	2015 restated	Variance	2016	2015 restated	Variance
Generated power:						
Steam:						
<i>Fuel oil</i>						
Fuel expense	\$ 2,310,229	\$ -		\$ 2,316,781	\$ (86,045)	-2792.52%
Barrels #6 oil consumed	21,362	-		21,839	(796)	-2843.59%
\$/ per barrel consumed	\$ 108.15	-		\$ 106.08	\$ 108.10	-1.87%
kWh oil generated (1)	12,128,135	-		12,128,135	-	
Cost per MWh - oil	\$ 190.49			\$ 191.03		
<i>Natural gas units #1-3</i>						
Gas expense - variable	\$ 2,788,921	\$ 1,088,980	156.10%	\$ 9,966,955	\$ 3,622,629	175.13%
MMBTU's consumed	1,114,919	323,496	244.65%	4,054,750	961,463	321.73%
\$/ per MMBTU consumed	\$ 2.50	\$ 3.37	-25.82%	\$ 2.46	\$ 3.77	-34.75%
kWh - gas generated (1)	104,035,835	24,453,980	325.44%	379,653,954	71,876,320	428.20%
Cost per MWh - gas	\$ 26.81	\$ 44.53	-39.79%	\$ 26.25	\$ 50.40	-47.92%
Cost per MWh - gas & oil - steam	\$ 43.90	\$ 44.53	-1.41%	\$ 31.35	\$ 49.20	-36.28%
<i>Coal</i>						
Coal expense	\$ 2,718,849	\$ 4,259,610	-36.17%	\$ 7,142,008	\$ 19,631,280	-63.62%
kWh generated	112,251,747	133,426,898	-15.87%	311,413,748	587,058,847	-46.95%
Cost per MWh - coal	\$ 24.22	\$ 31.92	-24.12%	\$ 22.93	\$ 33.44	-31.43%
<i>Pet coke and limestone</i>						
Expense	\$ 5,198,819	\$ 4,022,966	29.23%	\$ 13,106,440	\$ 8,917,070	46.98%
kWh generated	216,457,207	127,956,813	69.16%	548,178,913	270,882,124	102.37%
Cost per MWh - pet coke and limestone	\$ 24.02	\$ 31.44	-23.60%	\$ 23.91	\$ 32.92	-27.37%
Cost per MWh - coal & petcoke - steam	\$ 24.09	\$ 31.69	-23.98%	\$ 23.56	\$ 33.28	-29.21%
Combustion turbine:						
<i>Fuel oil</i>						
Fuel expense	\$ 40,753	\$ 21,114	93.01%	\$ 201,349	\$ 148,406	35.67%
Barrels #2 oil consumed	206	(99)	-308.08%	954	584	63.36%
\$/ per barrel consumed	\$ 197.83	\$ (213.27)	-192.76%	\$ 211.06	\$ 254.12	-16.94%
kWh - oil generated	89,089	21,182	320.59%	241,114	106,684	126.01%
Cost per MWh - oil	\$ 457.44	\$ 996.79	-54.11%	\$ 835.08	\$ 1,391.08	-39.97%
<i>Natural gas (includes landfill)</i>						
Gas expense Kennedy & landfill - variable	\$ 173,175	\$ 63,756	171.62%	\$ 373,900	\$ 350,119	6.79%
MMBTU's consumed	69,227	19,053	263.34%	155,372	87,360	77.85%
\$/ per MMBTU consumed	\$ 2.50	\$ 3.35	-25.37%	\$ 2.41	\$ 4.01	-39.90%
kWh - gas generated (1)	5,814,074	1,284,515	352.63%	12,296,875	5,634,032	118.26%
Cost per MWh - gas	\$ 29.79	\$ 49.63	-39.98%	\$ 30.41	\$ 62.14	-51.06%
Gas expense BB simple - variable	\$ 223,961	\$ 53,617	317.71%	\$ 637,037	\$ 192,836	230.35%
MMBTU's consumed	90,841	15,809	474.62%	297,532	57,432	418.06%
\$/ per MMBTU consumed	\$ 2.47	\$ 3.39	-27.14%	\$ 2.14	\$ 3.36	-36.31%
kWh - gas generated (1)	7,983,800	1,197,600	566.65%	26,257,836	4,329,700	506.46%
Cost per MWh - gas simple	\$ 28.05	\$ 44.77	-37.35%	\$ 24.26	\$ 44.54	-45.53%
Gas expense BB combined - variable	\$ 5,699,622	\$ 8,856,211	-35.64%	\$ 20,560,513	\$ 31,897,240	-35.54%
MMBTU's consumed	2,282,040	2,597,490	-12.14%	8,952,228	8,475,708	5.62%
\$/ per MMBTU consumed	\$ 2.50	\$ 3.41	-26.69%	\$ 2.30	\$ 3.76	-38.83%
kWh - gas generated (1)	346,697,279	366,717,236	-5.46%	1,300,172,499	1,190,760,203	9.19%
Cost per MWh - gas combined	\$ 16.44	\$ 24.15	-31.93%	\$ 15.81	\$ 26.79	-40.99%
Gas expense GEC simple - variable	\$ 145,131	\$ 238,327	-39.10%	\$ 946,946	\$ 415,106	128.12%
MMBTU's consumed	48,435	73,161	-33.80%	407,483	164,065	148.37%
\$/ per MMBTU consumed	\$ 3.00	\$ 3.26	-7.98%	\$ 2.32	\$ 2.53	-8.30%
kWh - gas generated	3,822,927	6,061,730	-36.93%	35,301,984	12,584,041	180.53%
Cost per MWh - gas simple	\$ 37.96	\$ 39.32	-3.46%	\$ 26.82	\$ 32.99	-18.70%
Cost per MWh - gas & oil ct	\$ 17.24	\$ 24.60	-29.92%	\$ 16.53	\$ 27.20	-39.23%
Natural gas expense - fixed	\$ 2,825,441	\$ 3,482,408	-18.87%	\$ 10,460,572	\$ 11,227,767	-6.83%
Total generated power:						
Fuels expense	\$ 22,124,901	\$ 22,086,989	0.17%	\$ 65,712,501	\$ 76,316,408	-13.89%
kWh generated	809,280,093	661,119,954	22.41%	2,625,645,058	2,143,231,951	22.51%
Cost per MWh	\$ 27.34	\$ 33.41	-18.17%	\$ 25.03	\$ 35.61	-29.71%

(1) Allocation of kWh generated is based upon a ratio of gas MBTU's (adjusted to oil equivalent - 95.5%) and oil MBTU's.

Cost of fuels						
Fuel oil #6	\$ 2,310,229	\$ -		\$ 2,316,781	\$ (86,045)	
Natural gas units #1-3 with landfill - variable	2,788,921	1,088,980		9,966,955	3,622,629	
Coal	2,718,849	4,259,610		7,142,008	19,631,280	
Petcoke	5,198,819	4,022,966		13,106,440	8,917,070	
Fuel oil #2	40,753	21,114		201,349	148,406	
Natural gas - simple cycle (BB & GEC) - variable	542,267	355,700		1,957,883	958,061	
Natural gas - combined (BB) - variable	5,699,622	8,856,211		20,560,513	31,897,240	
Natural gas - fixed	2,825,441	3,482,408		10,460,572	11,227,767	
Total	\$ 22,124,901	\$ 22,086,989		\$ 65,712,501	\$ 76,316,408	

JEA
Electric System
Production Statistics (Con't.)

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	Month January			Year-To-Date January		
	2016	2015 restated	Variance	2016	2015 restated	Variance
Production Statistics (Con't.)						
Purchased power:						
<i>Plant Scherer</i>						
Purchases	\$ 2,377,414	\$ 5,559,633	-57.24%	\$ 15,181,940	\$ 17,130,572	-11.38%
kWh purchased	104,988,000	118,418,000	-11.34%	370,934,000	397,203,000	-6.61%
Cost per MWh	\$ 22.64	\$ 46.95	-51.77%	\$ 40.93	\$ 43.13	-5.10%
<i>TEA & other</i>						
Purchases	\$ 6,230,612	\$ 5,006,825	24.44%	\$ 16,341,889	\$ 16,319,574	0.14%
kWh purchased	174,926,605	127,376,791	37.33%	447,521,568	322,987,391	38.56%
Cost per MWh	\$ 35.62	\$ 39.31	-9.38%	\$ 36.52	\$ 50.53	-27.73%
<i>SJRPP</i>						
Purchases	\$ 3,505,699	\$ 9,991,594	-64.91%	\$ 33,967,039	\$ 57,507,600	-40.93%
kWh purchased	3,678,000	149,502,000	-97.54%	553,983,000	1,123,053,000	-50.67%
Cost per MWh	\$ 953.15	\$ 66.83	1326.18%	\$ 61.31	\$ 51.21	19.74%
Total purchased power:						
Purchases	\$ 12,113,725	\$ 20,558,052	-41.08%	\$ 65,490,868	\$ 90,957,746	-28.00%
kWh purchased	283,592,605	395,296,791	-28.26%	1,372,438,568	1,843,243,391	-25.54%
Cost per MWh	\$ 42.72	\$ 52.01	-17.87%	\$ 47.72	\$ 49.35	-3.30%
Subtotal - generated and purchased power:	\$ 34,238,626	\$ 42,645,041	-19.71%	\$ 131,203,369	\$ 167,274,154	-21.56%
Fuel interchange sales	(73,887)	(62,974)	17.33%	(413,052)	(1,142,615)	-63.85%
Earnings of The Energy Authority	(755,911)	(38,468)	1865.04%	(889,304)	(73,647)	1107.52%
Realized and Unrealized (Gains) Losses:	340,200	-		1,257,600	-	
Fuel procurement and handling	842,038	1,457,479	-42.23%	3,507,242	4,604,058	-23.82%
By product reuse	2,064,357	870,167	137.24%	4,702,726	3,616,812	30.02%
Total generated and net purchased power:						
Cost, net	36,655,423	44,871,245	-18.31%	139,368,581	174,278,762	-20.03%
kWh generated and purchased	1,092,872,698	1,056,416,745	3.45%	3,998,083,626	3,986,475,342	0.29%
Cost per MWh	\$ 33.54	\$ 42.47	-21.03%	\$ 34.86	\$ 43.72	-20.26%
Reconciliation:						
Generated and purchased power per above	\$ 36,655,423	\$ 33.54		\$ 139,368,581	\$ 34.86	
SJRPP operating expenses:						
SJRPP O & M	(1,448,716)	(1.33)		(6,149,644)	(1.54)	
SJRPP debt service	(3,386,294)	(3.10)		(13,616,873)	(3.41)	
SJRPP R & R	1,702,463	1.56		6,842,778	1.71	
SCHERER operating expenses:						
Scherer power production	(954,429)	(0.87)		(2,418,484)	(0.60)	
Scherer R & R	2,015,160	1.84		(760,609)	(0.19)	
Scherer transmission	(456,383)	(0.42)		(1,714,638)	(0.43)	
Scherer taxes	(180,049)	(0.16)		(425,491)	(0.11)	
Southern capacity	(587,881)	(0.54)		(2,362,438)	(0.59)	
	<u>\$ 33,359,294</u>	<u>\$ 30.52</u>		<u>\$ 118,763,182</u>	<u>\$ 29.71</u>	

JEA
Electric System
SJRPP Sales and Purchased Power

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	Month		Year-To-Date	
	January		January	
	2016	2015 restated	2016	2015 restated
MWh sales				
FPL	2,221	100,348	483,465	660,209
JEA	5,153	211,964	813,345	1,568,869
Total MWh sales	<u>7,374</u>	<u>312,312</u>	<u>1,296,810</u>	<u>2,229,078</u>
Fuel costs	\$ 377,908	\$ 5,694,722	\$ 21,057,376	\$ 39,940,310
(Includes fuel handling expenses)				
Less interest credits: inventory bank	(5,702)	(1,060)	(14,980)	(8,506)
Plus (less): true-up interest	946	81	905	71
Total	<u>373,152</u>	<u>5,693,743</u>	<u>21,043,301</u>	<u>39,931,875</u>
Cost per MWh	\$ 101.46	\$ 38.08	\$ 37.99	\$ 35.56
Operating and maintenance expenses	1,449,416	1,740,599	6,151,549	7,101,927
Less: operations bank interest	(700)	(911)	(1,905)	(1,830)
Less: annual variable o & m true-up	-	-	-	(1,184)
Total	<u>1,448,716</u>	<u>1,739,688</u>	<u>6,149,644</u>	<u>7,098,913</u>
Cost per MWh	\$ 393.89	\$ 11.64	\$ 11.10	\$ 6.32
Debt service contribution				
Principal	2,331,563	2,958,177	9,326,251	11,832,708
Interest	1,464,488	1,729,591	5,857,951	6,918,365
Less credits:				
Reserve units 1 & 2	(269,075)	(245,566)	(1,058,928)	(992,359)
Debt service units 1 & 2	(4)	(461)	(71)	(17,534)
Bond proceeds COB	(2,137)	(1,299)	(2,137)	(4,982)
General reserve	(21,491)	(7,722)	(64,722)	(15,466)
Build America Bonds subsidy	(34,190)	(34,007)	(136,761)	(136,027)
Inventory carrying costs	(59,859)	(56,220)	(235,559)	(231,791)
Total	<u>3,409,294</u>	<u>4,342,493</u>	<u>13,686,024</u>	<u>17,352,914</u>
Cost per MWh	\$ 926.94	\$ 29.05	\$ 24.70	\$ 15.45
R & R contribution	339,343	345,221	1,357,372	1,380,886
Less: interest credit	(39,806)	(75,208)	(169,302)	(202,645)
Less: cumulative capital recovery amount	(2,025,000)	(2,054,343)	(8,100,000)	(8,054,343)
Total	<u>(1,725,463)</u>	<u>(1,784,330)</u>	<u>(6,911,929)</u>	<u>(6,876,102)</u>
Cost per MWh	\$ (469.13)	\$ (11.94)	\$ (12.48)	\$ (6.12)
Debt service coverage	-	-	2,117,000	2,522,000
Transfer to JEA	-	-	(2,117,000)	(2,522,000)
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cost per MWh	-	-	-	-
Total	<u>\$ 3,505,699</u>	<u>\$ 9,991,594</u>	<u>\$ 33,967,039</u>	<u>\$ 57,507,600</u>
kWh purchased	3,678,000	149,502,000	553,983,000	1,123,053,000
Cost per MWh	\$ 953.15	\$ 66.83	\$ 61.31	\$ 51.21

JEA Community Engagement Calendar - January - April 2016*(Events highlighted in blue are either JEA sponsored or corporate events)*

	A	B	C	D	E	F
1	Date	Event/Activity	Location	Time	Type	Opportunity for Public to Attend or Participate
2	Jan-16					
3	1/7/2016	RV Daniels Science Night	1951 W 15th St	6pm	Ambassador Event	Yes
4	1/13/2016	MCCI Medical Group	5238 -16 Norwood Ave	11am	Ambassador Speaker	Yes
5	1/18/2016	Power Pals Program Kicks Off	RV Daniels Elem.	2pm	Ambassador Instructor	No
6	1/20/2016	River City Science Academy	NGS Tour	9am	Ambassador Facility Tour	No
7	1/21/2016	Sherwood Forest Neighborhood Meeting	4511 Portsmouth - Lewis Community Center	6pm	Ambassador Event	Yes
8	1/26/2016	Power Pals Program Kicks Off	SP Livingston Elem	11am	Ambassador Instructor	No
9	1/26/2016	Power Pals Program	RV Daniels Elem.	2pm	Ambassador Instructor	No
10	1/26/2016	Ride & Drive	Lanstar		Ambassador Event	Yes
11	1/26/2016	National Electrical Contractor Assoc.	4951-A Richard St	12pm	Ambassador Speaker	No
12	1/29/2016	Northeast FL Regional Council	Brandy Branch Tour	9am	Ambassador Facility Tour	No
13						
14						
15	Feb-16					
16	2/2/2016	JEA Power Pals	SP Livingston Elem.	11am	Ambassador Instructor	No
17	2/2/2016	JEA Power Pals	RV Daniels Elem.	2pm	Ambassador Instructor	No
18	2/3/2016	UNF Environmental Center	Main St Lab Tour	1:30pm	Ambassador Facility Tour	No
19	2/6/2016	2016 EPB Water Education Festival	MOSH	10am	Ambassador Event	Yes
20	2/9/2016	JEA Power Pals	SP Livingston Elem.	11am	Ambassador Instructor	No
21	2/9/2016	JEA Power Pals	RV Daniels Elem.	2pm	Ambassador Instructor	No
22	2/13/2016	RealSense Tax Kickoff	Normandy Mall - Potter's House	9am - 2pm	Ambassador Event	Yes
23	2/16/2016	JEA Power Pals	SP Livingston Elem.	11am	Ambassador Instructor	No
24	2/19 - 21/2016	Jax Auto Show	Prime Osborn	10am	Ambassador Event	Yes

JEA Community Engagement Calendar - January - April 2016

(Events highlighted in blue are either JEA sponsored or corporate events)

	A	B	C	D	E	F
25	2/25/2016	Environmental Summit	Florida Coastal School of Law	10am	Ambassador Event	Yes
26						
27	Mar-16					
28	3/1/2016	Lunch & Learn - Jax Airport Management Council	JIA	10am	Ambassador Speaker	No
29	3/3 - 6/2016	Spring Home & Patio Show	Prime Osborn Convention Center	10am - 9pm	Ambassador Event	Yes
30	3/17/2016	John Love Elem. Career day	1531 Winthrop St	9am	Ambassador Event	No
31						
32						
33						
34						
35						
36	Apr-16					
37	4/5/2016	CEO Pastor's Lunch	JEA Tower	11:30am	Ambassador Event	Yes
38	4/16/2016	Magnolia Gardens Community Fair	5803 Begonia Road	12pm	Ambassador Event	Yes
39	4/23 - 24/2016	COJ World of Nations	Metropolitan Park	All Day	Ambassador Event	Yes
40	4/23/2016	Earth Day at the Landing	Jax Landing	10am - 3pm	Ambassador Event	Yes
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FY16 Communications & Community Engagement Overview and January/February Update

Overview: Each month we update the board on communications and community engagement activities for the previous and current months. We will be glad to provide you additional or different information as you prefer. The purpose is to keep you informed about these activities so that you are knowledgeable about JEA's efforts to keep our customers informed, to assist them in the management of their utility services and to be a good corporate citizen.

Communications: In January, we kicked off our first major campaign for the year promoting JEA MyBudget. MyBudget is a program that levelizes a customer's bill over the course of the year. It is based on a 12 month rolling average and takes a lot of the variation out of the bill. On regular billing, customers have low and high months. Most people like the low months such as April and May and October and November, but when their bill skyrockets in January and February or July and August, many customers struggle to make ends meet. We know through our J.D. Power research that taking the volatility out of customers' bills creates more satisfied customer; however, this is not always the easiest concept to explain. That's why we do promotions and give-aways—to draw a customer's attention to the program and hopefully give them an opportunity to learn more about how it can help them. Our MyBudget campaign is running January 1 through February 29 and the winner will receive a Smart TV. Customer Care Consultants also offer this program to customers. We continue to promote our new outage map and sign-ups for alerts on jea.com as well as the use of jea.com as a convenient way to interact with JEA. We also maintain our billing and payment product options in the mix of messages. All paid and owned messaging are supported by social media, using Twitter, Facebook, LinkedIn, Google+ and YouTube to provide additional timely, relevant information.

Community Engagement: JEA employees are actively involved in our community engagement efforts. JEA Ambassadors participate in activities where we have an opportunity to help customers manage their utility services and/or to educate customers about how JEA provides critical utility services to our community. These employees are trained and certified ahead of time to help JEA deliver on our mission. On the other hand, JEA Volunteers go out into the community to assist nonprofits accomplish their goals by offering their time and talents to help the nonprofit deliver their mission. Volunteers do not have to have any special training or talent; they just have a caring heart.

In January, Ambassador activities included participation in events or activities in support of the RV Daniels Science Night, MCCI Medical Group, Power Pals Program Kick Off at RV Daniels Elementary School, Power Pals Program Kick Off at SP Livingston Elementary School, Ride and Drive to promote electric vehicle ownership, and speaking engagements at Sherwood Forest Neighborhood Association

and National Electrical Contractors Association. We had two facility tours in January; one at Northside Generating Station by River City Science Academy and the Northeast FL Regional Council toured our Brandy Branch facility.

In January, JEA volunteers assisted with Feeding NE Florida Food Bank, Dignity U Wear, Feeding NE Florida Citrus Drive, St. Francis Soup Kitchen. We also announced our results for the FY16 United Way Campaign where employees raised \$340,869.16 for United Way of Northeast Florida.

In February, volunteers stepped forward to assist NE Florida Regional Science Fair, DLC Nurse and Learn Center, 26.2 with Donna to Finish Breast Cancer, MathCounts, and Feeding NE Florida Food Bank to help citizens across our community.

As a community-owned utility, JEA employees take a great pride in the Ambassador and Volunteer programs and these programs go a long way to tangibly demonstrate to customers and the community the incredible "Heart of JEA."

Communications Contacts* Generated Year to Date	82,998,913
• Number of Paid Communications Contacts (Radio, Television, Out of Home, Online, Print)	66,209,869
• Number of Other Communications Contacts (Bill Insert, Bill Envelop, Brochure, etc.)	4,330,705
• Number of E-communications Contacts (jea.com Visitors, Email, Social Media, Videos)	12,307,366
• Number of Community Engagement Communications Contacts (Events, Public Speaking, Presentations, Training, Workshops, etc.)	150,973

*Communications Contacts are the opportunities we have to communication information to our customers.



JEA Operations Report

as of January 31, 2016

Board of Directors Meeting February 16, 2016



JEA Safety

(January 31, 2016)

FY2015

- RIR = 1.56
- # of Recordables = 32
- January YTD Recordables = 9

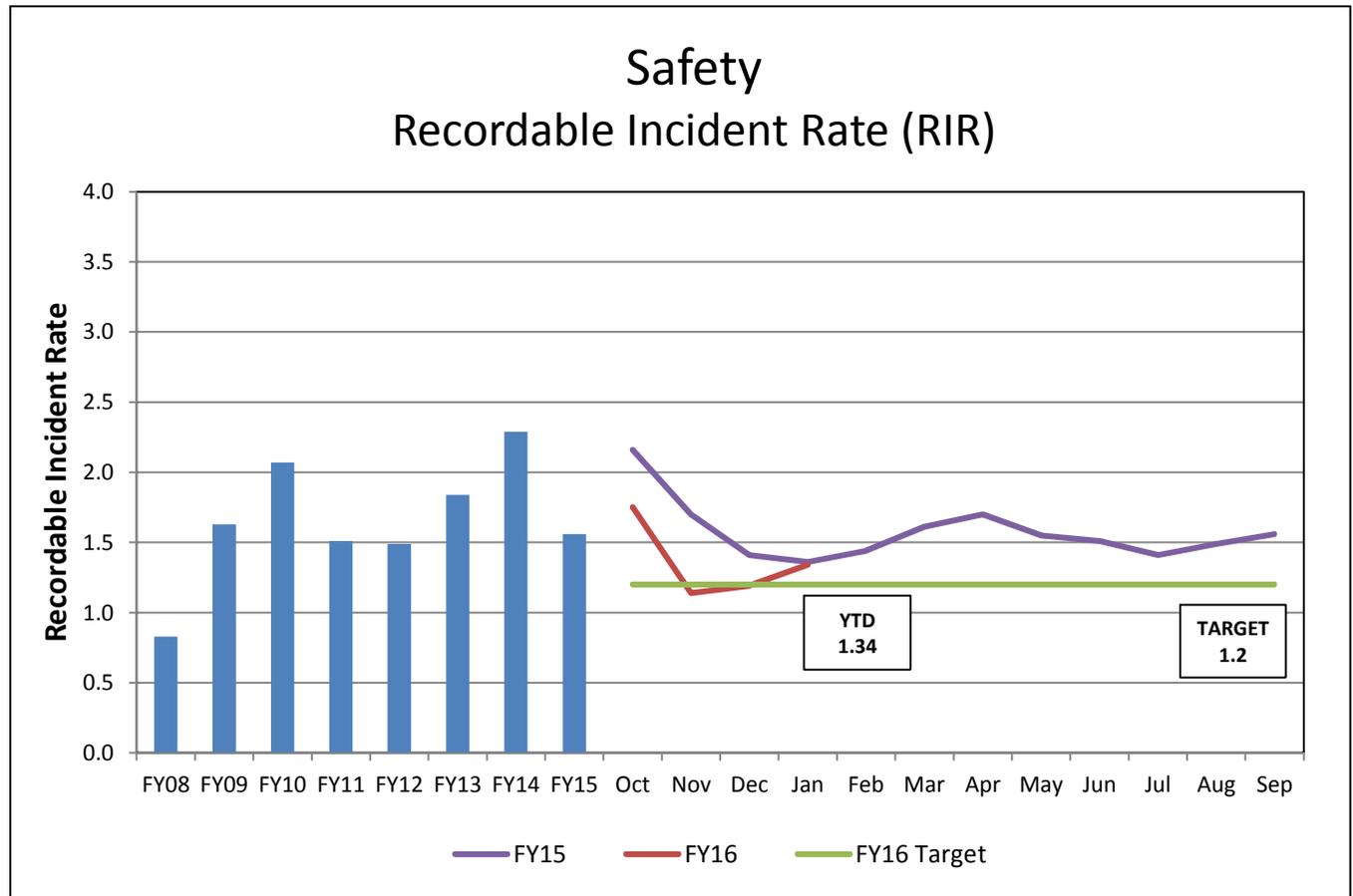
FY2016

- January Recordables = 2
- Year to Date Recordables = 9
- 4 (44%) were lost time
 - Electric Systems = 5
 - Water/WW Systems = 2
 - Customer Service = 1
 - Finance/Shared Services = 1
- Continuing to “Plan for Zero”
- Increased focus on:
 - Complacency
 - Hand/Finger
 - Strains, Sprains, Slip/Trip/Fall
 - 0-5 Year Employees
 - PPE Use

Industry Benchmark*

Average Municipal Utility RIR is 6.3

Units	FY2016 YTD	FY2016 Target	FY2015	FY2014
RIR	1.34	1.20	1.56	2.29

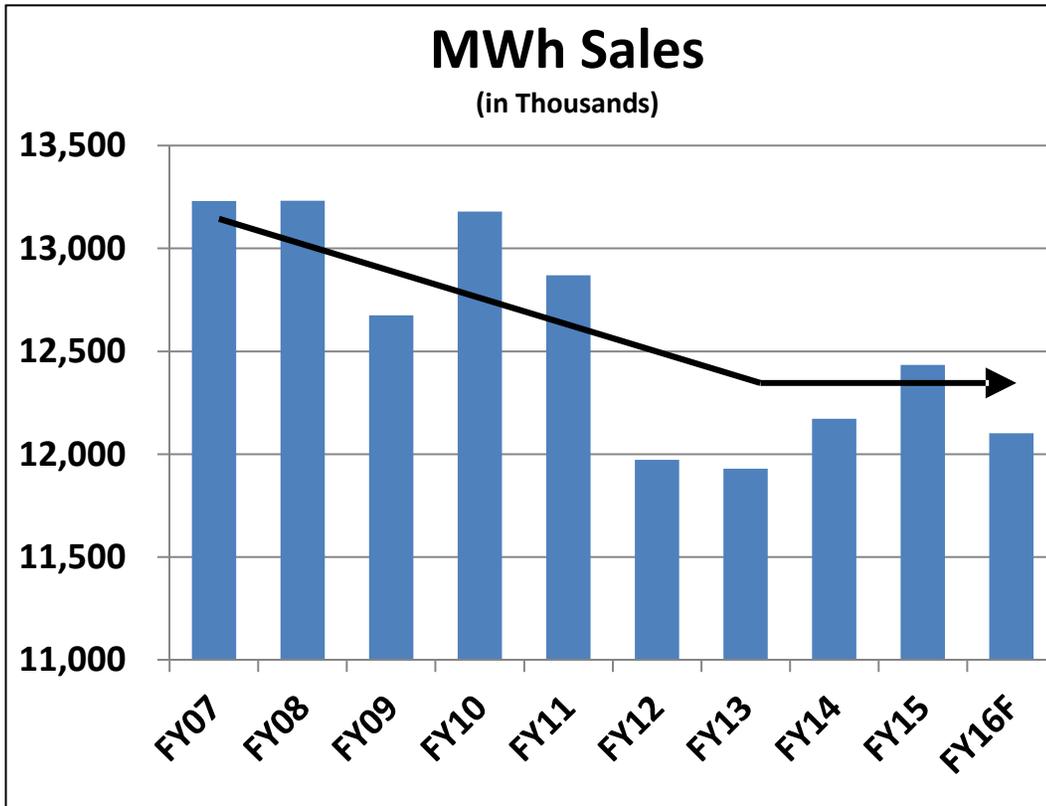


*Provided by Bureau of Statistics



JEA Electric System

MWh Sales



Month	FY15	FY16	% Change
Oct	971,595	952,515	(2.0%)
Nov	895,617	923,705	3.1%
Dec	943,753	922,956	(2.2%)
Jan	1,035,621	1,049,897	1.4%
Year-to-Date	3,846,586	3,849,073	0.1%
Feb	934,102		
Mar	898,524		
Apr	954,803		
May	1,062,459		
Jun	1,187,741		
Jul	1,254,252		
Aug	1,212,295		
Sep	1,083,446		
Total/Forecast	12,434,208	12,100,999	

Unit Sales Driver: Degree days 4% lower than last year.

YTD Degree Days		
30-yr. Avg.	FY15	FY16
1,166	1,111	1,067

Total System	0.1%
Residential	(2.9%)
Comm./Industrial	2.7%
Interruptible	(0.6%)
Wholesale (FPU)	(2.0%)



JEA FY2016 Performance Objectives

Electric System Reliability Metrics

T&D Grid Performance	Metric	FY2016 YTD	FY2016 Target	FY2015	FY2014
Customer Outage Frequency	# of Outages per Year	1.6	1.8	1.7	1.7
Electric Outage Duration	# of Minutes out per Year	79	80	99	71
Transmission Line Faults	# of Faults per 100 miles	2.5	3.0	1.7	2.4
CEMI ₅	% Customers > 5 outages per yr	1.3	1.25	2.1	2.34

Electric Service Reliability

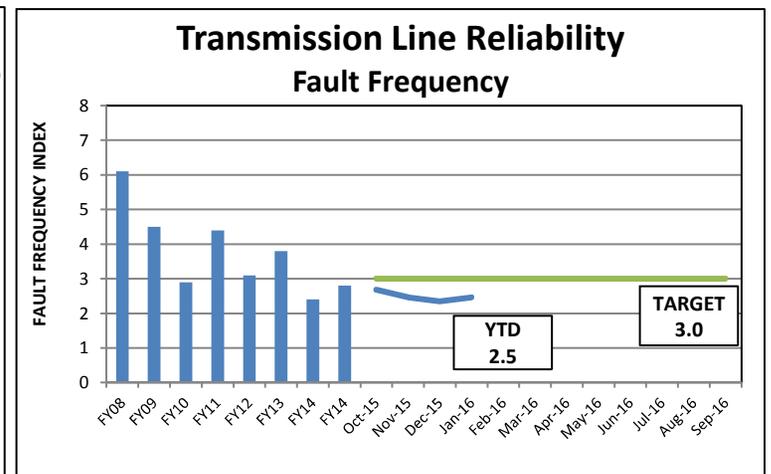
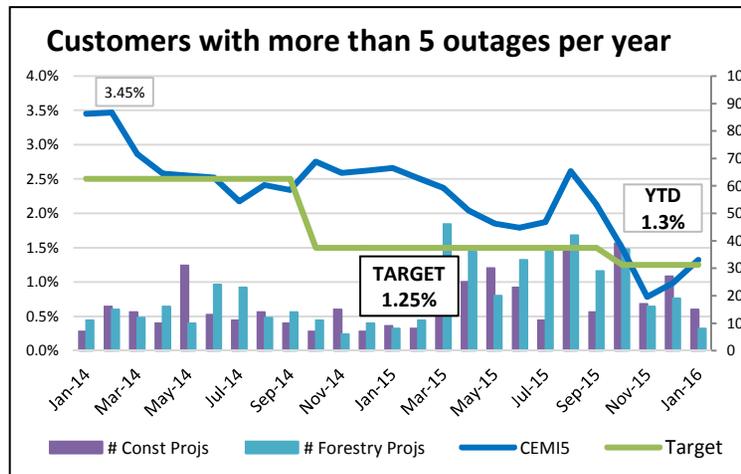
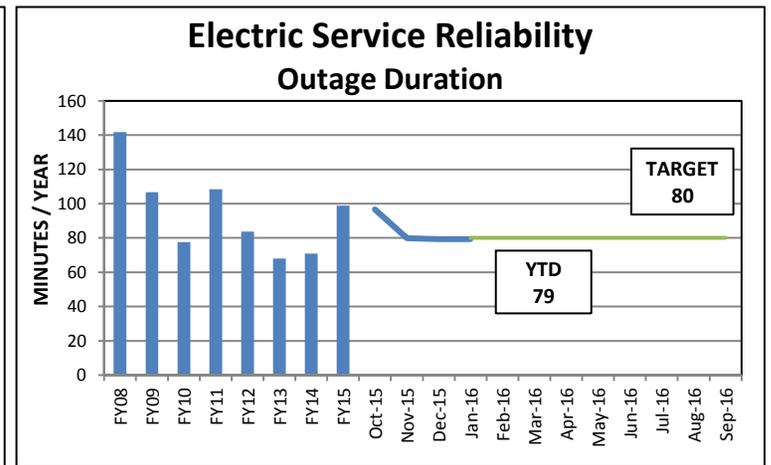
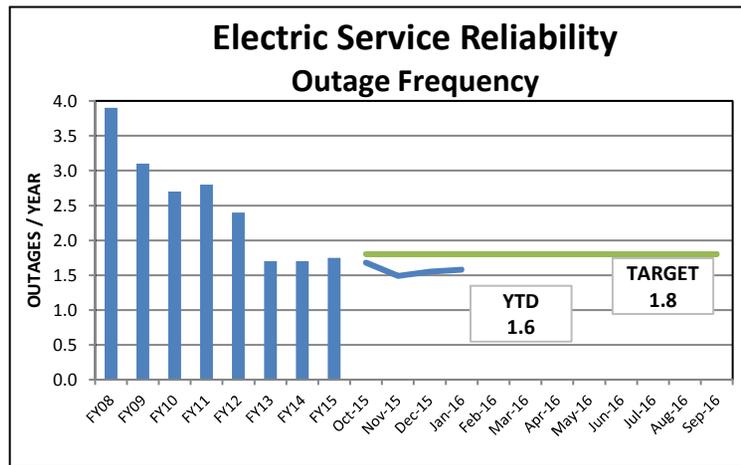
- Outage frequency and duration have been reduced significantly over the last 8 years; running flat this year and near the FY2016 targets.
- The typical JEA customer sees 1.6 outages per year and a total outage duration of 79 minutes
- CEMI₅: 6,037 (1.3%) of our customers have experienced more than 5 outages in the past 12 months

Transmission Line Reliability

- Overall downward trend over the last eight years
- YTD (2.5) running below the FY16 target

Other Operational Metrics

- Continue showing favorable trends over time

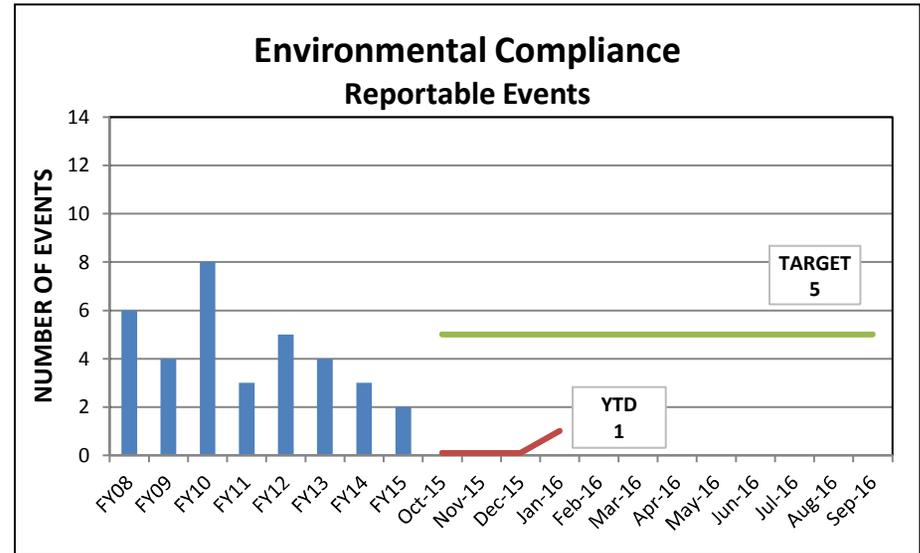
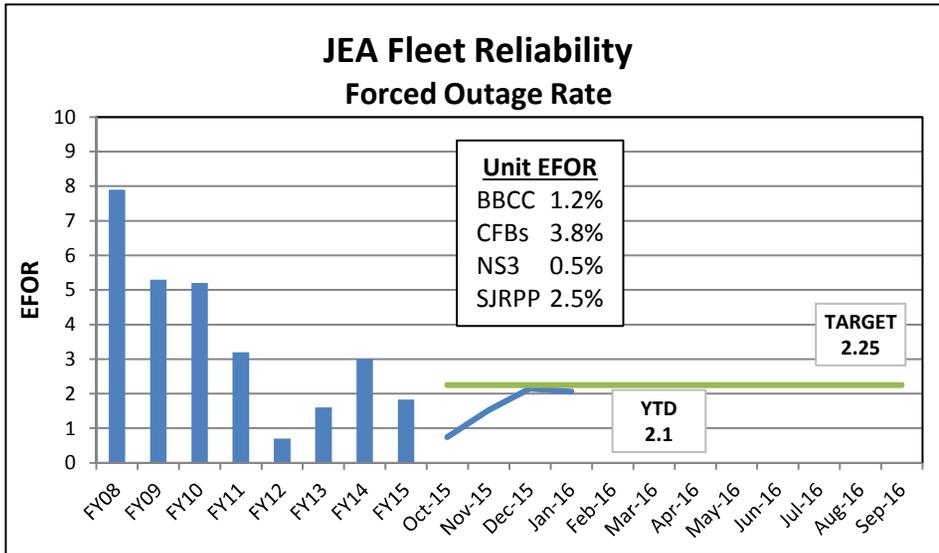




JEA FY2016 Performance Objectives

Electric System Reliability Metrics

Generating Plant Performance	Metric	FY2016 YTD	FY2016 Target	FY2015	FY2014
Generation Fleet Reliability	Forced Outages Rate	2.1	2.5	1.8	3.0
Environmental Compliance	Permit Exceedances	1	5	2	3



Generating Fleet Reliability

- The JEA fleet Forced Outage Rate is in line with prior 5-year performance and under FY2016 target of 2.5
- Planned outage work underway this fall on three Northside Units. Outages planned for Spring on the Brandy Branch and SJRPP Units.
- High unit reliability contributes to lower fuel and non-fuel expenses

Environmental Compliance

- Excellent environmental performance in prior years.
- There is one reportable event for FY2016.
- JEA is actively engage in and preparing for all new and emerging environmental regulations.



JEA Electric System

Financial Results and Cost Metrics

(\$ in thousands)

Revenues	FY16 Forecast	FY15 Actual	FY16 Budget	FY16 vs FY15 (\$)	Variance (%)
Fuel Revenue	\$ 408,903 ¹	\$ 486,362 ²	\$ 485,631	\$ (77,459)	-15.9%
Base Revenue	718,777	741,411	711,502	(22,634)	-3.1%
Other Revenue	45,429	38,183	51,716	7,246	19.0%
Total Revenues	\$ 1,173,109	\$ 1,265,956	\$ 1,248,849	\$ (92,847)	-7.3%
		\$ (76M)			
Select Expenses					
Fuel Expense	\$ 393,680	\$ 441,076	\$ 460,315	\$ 47,396	10.7%
Fuel Fund Transfers	15,223	45,286	25,255	30,063	
O & M Expense	208,516	191,764	222,827	(16,752)	-8.7%
Non-fuel Purchased Power	99,290	114,804	113,015	15,514	13.5%
Net Revenues	\$ 444,221	\$ 461,604	\$ 405,311	\$ (17,383)	-3.8%
		\$ 39M			
Capital Expenditures	\$ 152,353	\$ 116,728	\$ 153,200 ³	\$ (35,625)	-30.5%
Debt Service	\$ 182,867	\$ 175,779	\$ 185,614	\$ (7,088)	-4.0%

Financial Metrics	FY16 Forecast
Coverage:	2.4x
Days Cash/Liquidity:	195 / 314
Debt/Asset:	66% (2% lower)
Total Debt:	\$3.0B (\$150M lower)

Electric Costs / MWh	Non-Fuel
Target	\$ 49.44
Actual	53.45
Difference	\$ (4.01)

Fuel Fund	(\$ in millions)
Beginning Balance	\$ 151
Surplus/(Deficit)	72
Fuel Credit	(57)
Ending Balance	\$ 166

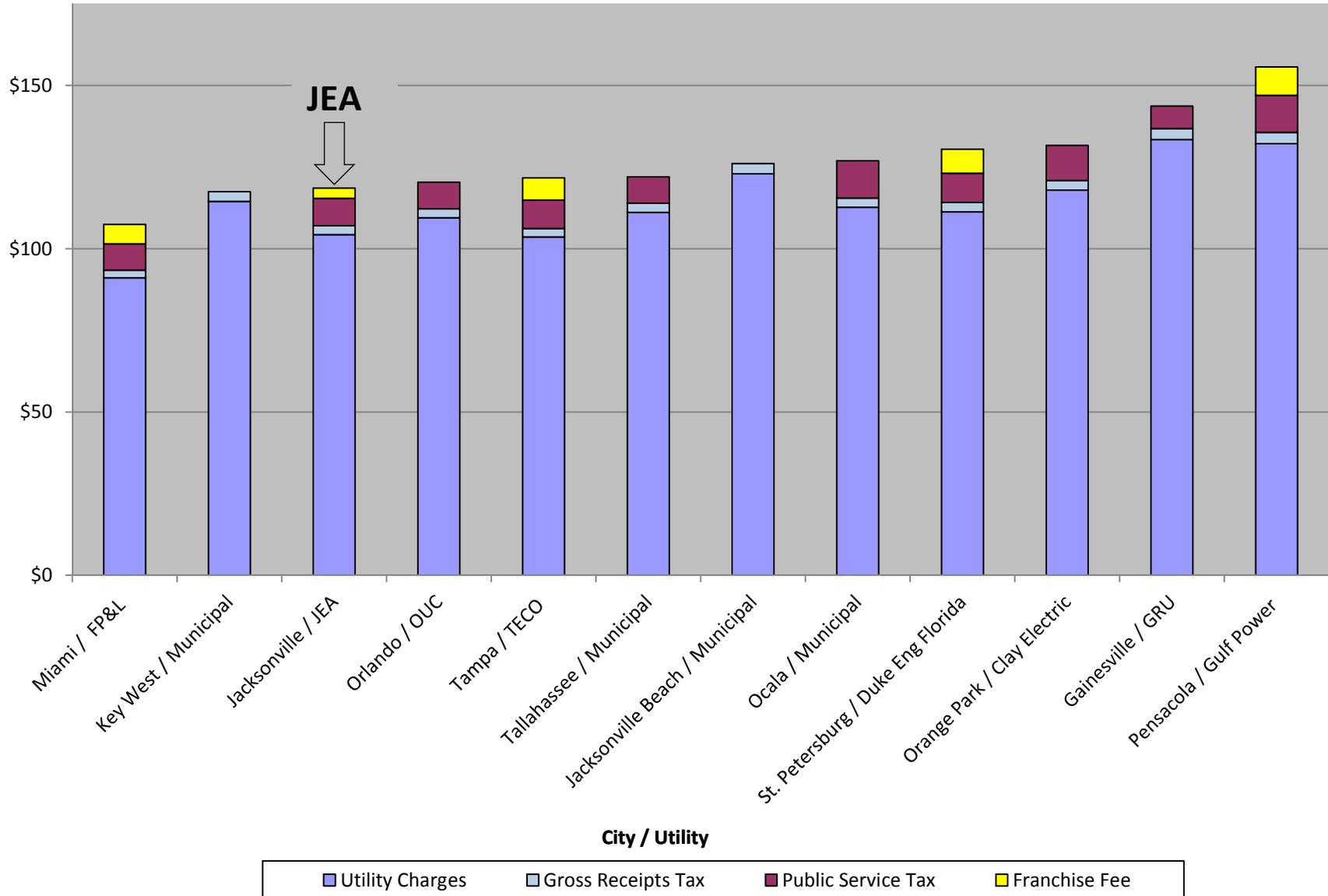
¹ Net of \$57 million fuel credit in October bill and fuel rate reduction in February

² Net of \$50 million fuel credit in FY15

³ Council approved limit for capital expenditures in FY15 is \$170 million

Florida Utilities Monthly Residential Electric Bill Comparison

(Consumption @ 1,000 kWh)
Residential Rates as of February 2016

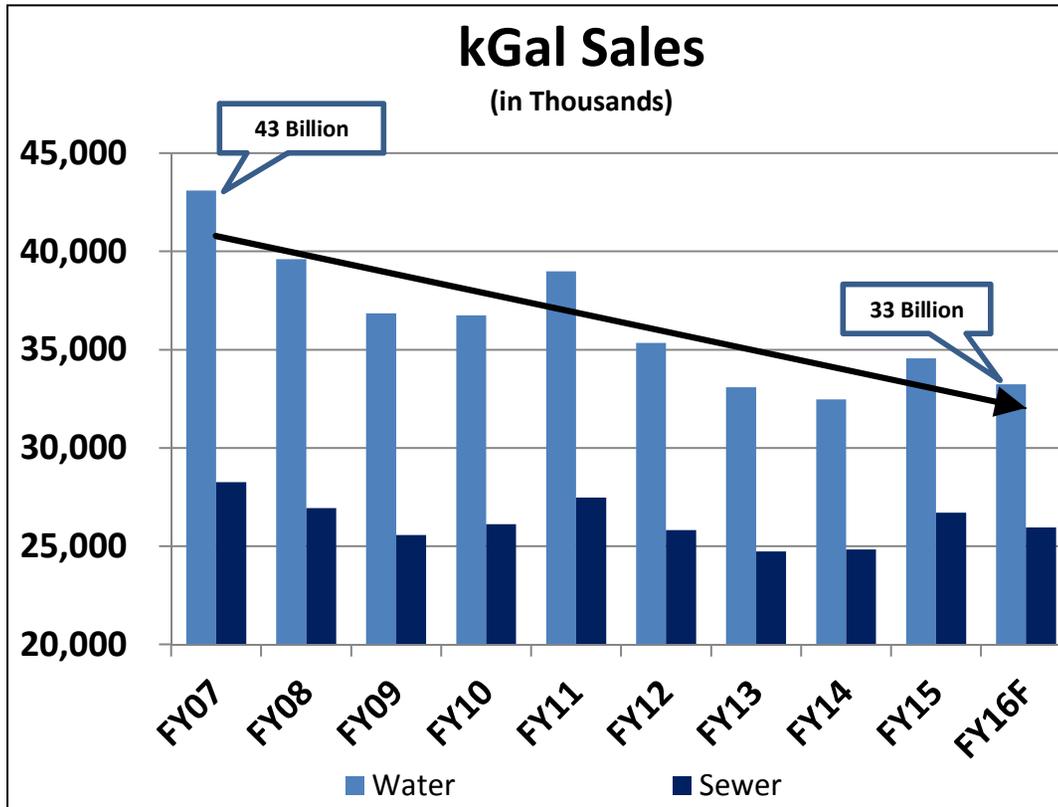




JEA Water and Sewer System

kGal Sales

(in Thousands)



Month	FY15	FY16	% Change
Oct	3,052	3,121	2.3%
Nov	2,597	2,641	1.7%
Dec	2,708	2,758	1.8%
Jan	2,502	2,527	1.0%
Year-to-Date	10,859	11,047	1.7%
Feb	2,237		
Mar	2,732		
Apr	2,765		
May	3,509		
Jun	3,382		
Jul	3,300		
Aug	3,062		
Sep	2,712		
Total/Forecast	34,558	33,523	

Unit Sales Driver: Rainfall down 5 inches; rain days up 7.

YTD Rain			
	30-Yr. Avg.	FY15	FY16
Inches	12	13	8
Days	31	22	29

Total System	1.7%
Residential	0.4%
Comm./Industrial	4.7%
Irrigation	(1.9%)

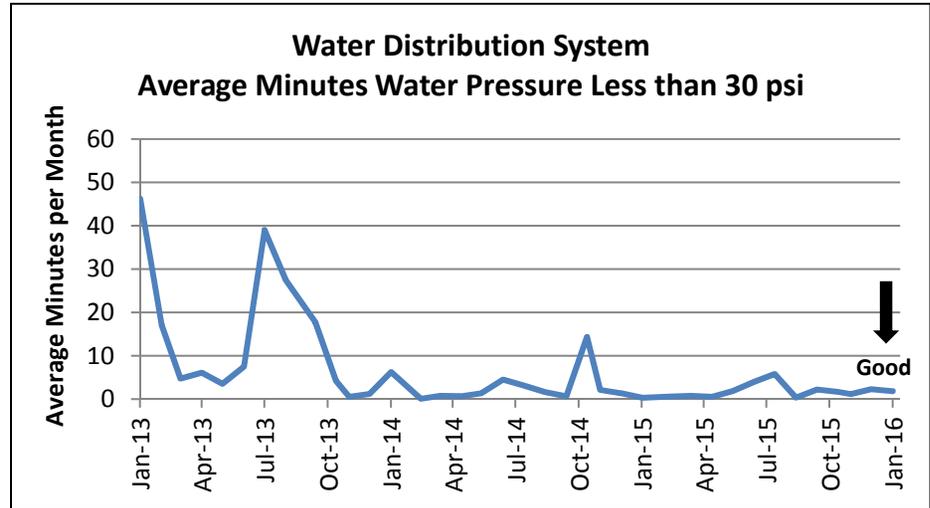
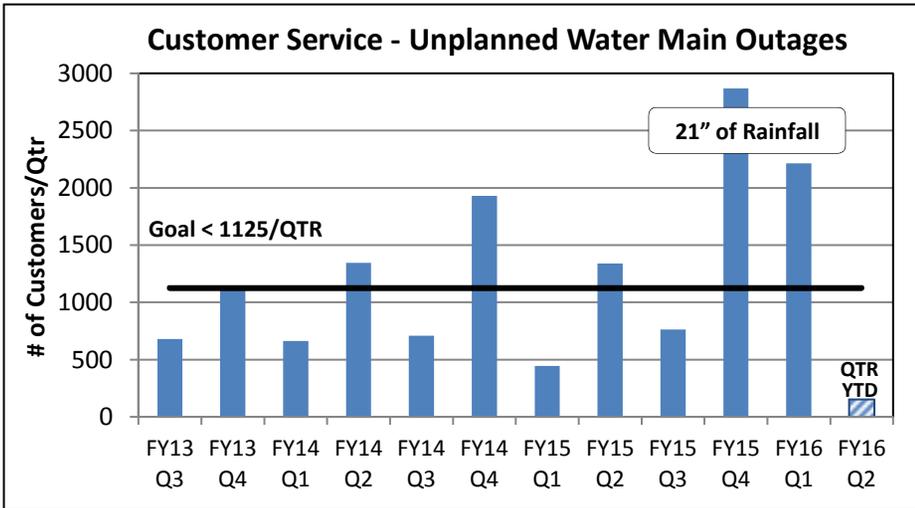


Building Community

Customer Reliability Objectives

Water and Wastewater System

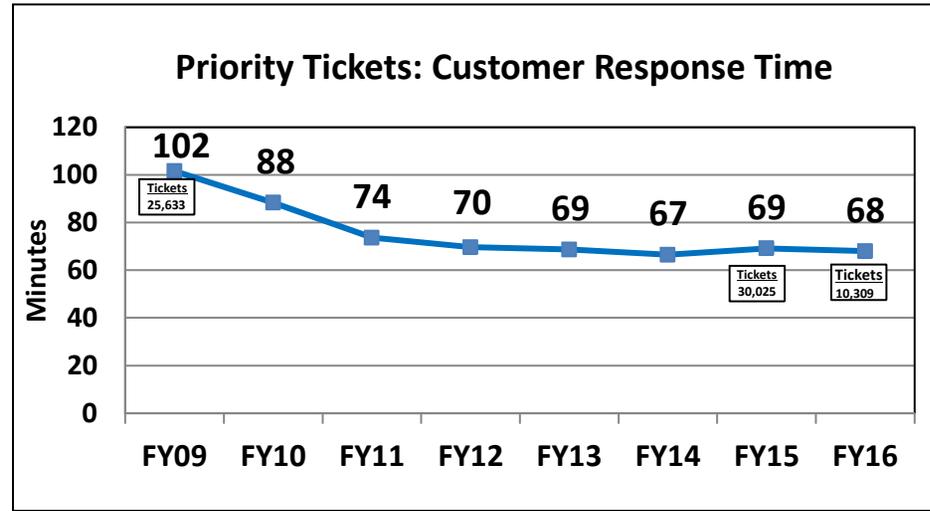
Water Grid Performance	Metric	FY2016 YTD	FY2016 Target	FY2015	FY2014
Water Main Outages	# of Customers per Year	2,367	4,500	5,659	4,645



Unplanned Water Outages
 # of Customers Affected by Unplanned Outages has increased due to rainfall and ground saturation

Water Pressure (minutes per month < 30 psi)
 Measured by 110 pressure monitoring stations in the distribution system. Pressure must be greater than 20 psi, and is expected to be greater than 50 psi.

Customer Response Time
 Average time from a customer call to the ticket completion or transfer to a field crew for a more extensive repair



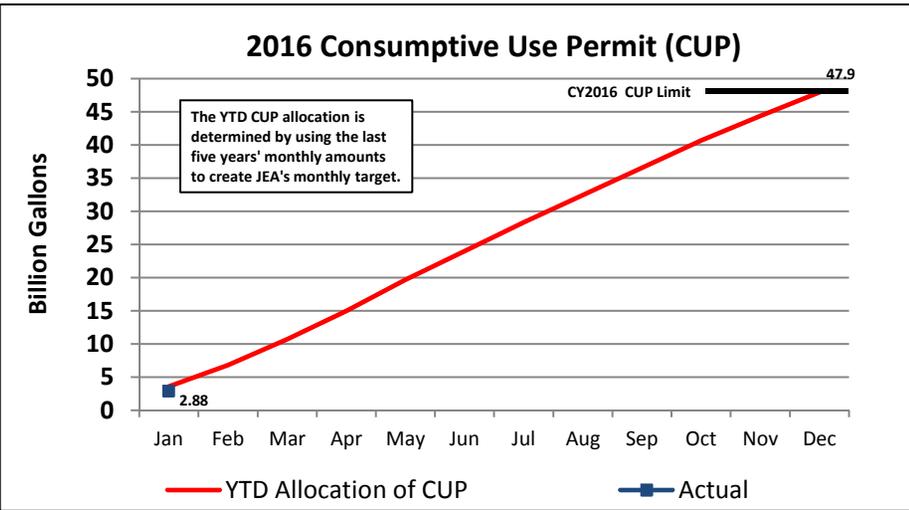
Note: Priority Tickets are defined as an interruption of water or sewer service



Environmental Compliance

Water System – Consumptive Use Permit (CUP)

Compliance	Metric – CY Basis	2016 YTD	2016 Target	2015	2014
Water	CUP Limits (MGD)	93	131 limit	107 (129 limit)	104 (127 limit)
South Grid	Wellfield Allocation (MGD)	39.66	< 50.23 limit	47.50 (<50.23 limit)	51.37 (<61.23 limit)
Reclaim	Usage (MGD)	11	15	13	12



CUP Condition 44: South Grid Wellfield Allocation Limits

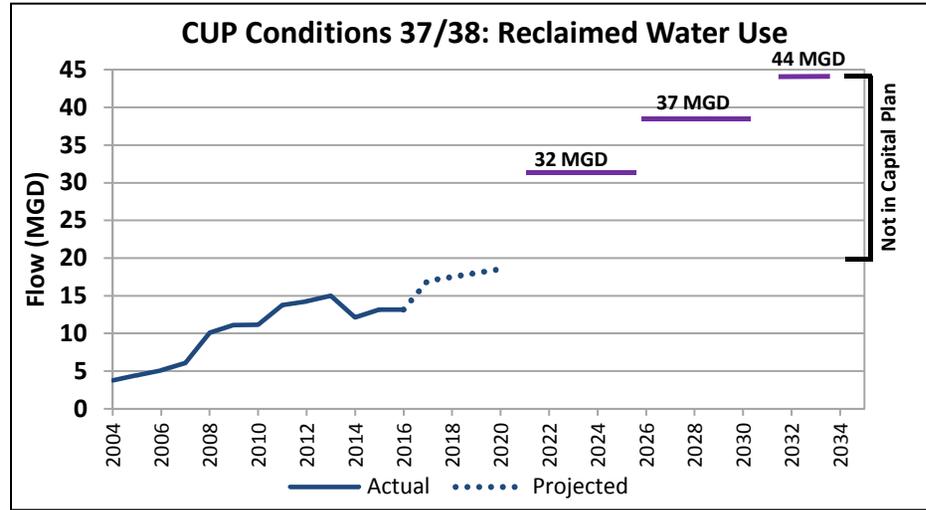
Critical Wellfields	2014	2015	2016	YTD Actual 2016
Deerwood III	9.17	7.00	7.00	4.59
Ridenour	9.62	6.85	6.85	6.00
Oakridge	7.98	5.65	5.65	4.99
Greenland	1.51	4.53	4.53	3.94
Brierwood	6.11	3.02	3.02	1.57
Subtotal	34.39	27.05	27.05	21.09
Other (12 Well Fields)	26.84	23.18	23.18	18.57
Total South Grid	61.23	50.23	50.23	39.66
Total System	127	129	131	93

St. Johns River Water Management District CUP

Condition 12: YTD average daily flow is 29% below CY limit of 131 MGD

Condition 44: South Grid Wellfields have annual operational flexibility of 20% above the allocation limits

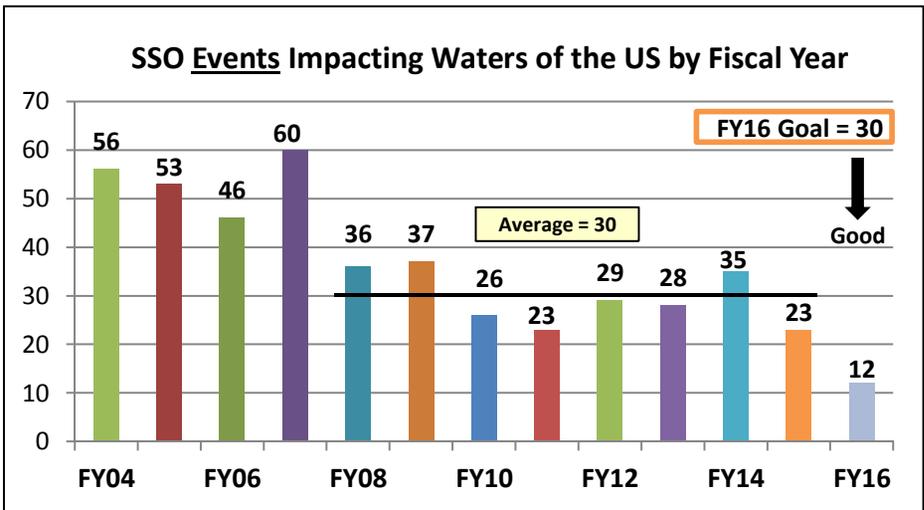
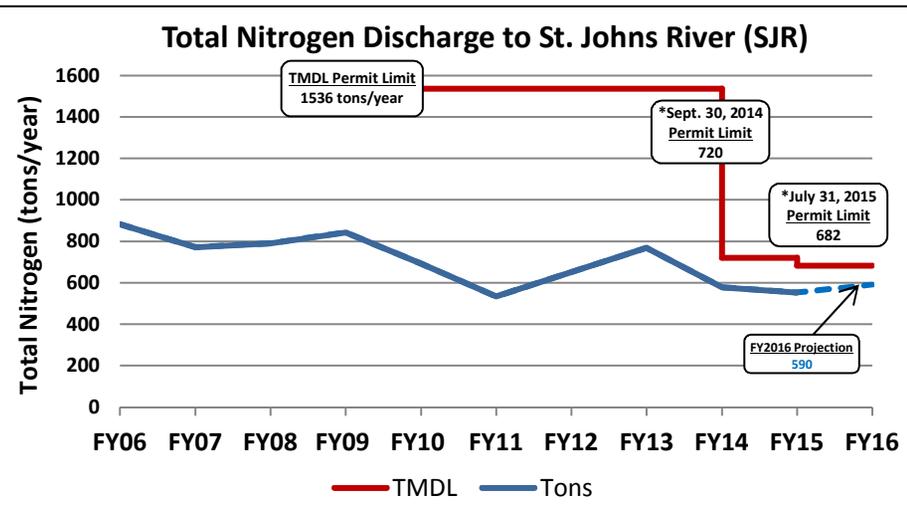
Conditions 37/38: Use of reclaimed water “to the maximum extent technologically, economically, and environmentally feasible”. The annual CUP limit continues to increase beginning in FY21 if 32 MGD is achieved.





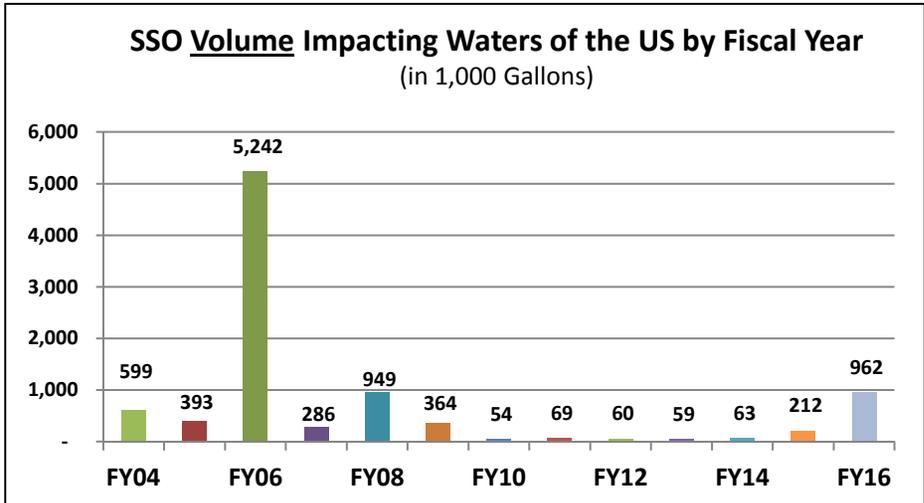
Environmental Compliance Wastewater System

Compliance	Metric	FY2016 YTD	FY2016 Target	FY2015	FY2014
Sewer	Nitrogen (N) Tons – FY basis	193	600	553 (TMDL of 682*)	577 (TMDL of 720*)



Nitrogen Discharge to St. Johns River
 Florida Department of Environmental Protection (FDEP) has reduced the Total Maximum Daily Load (TMDL) to 682 tons with Water Quality Trading Credits allocated to the COJ

Sanitary Sewer Overflows (SSOs)
 FY15 SSO achievement of 23 events matches the lowest annual total. A single event in October 2015 has elevated the SSO volume for FY16.





JEA Water and Sewer System

Financial Results and Cost Metrics

(\$ in thousands)

Revenues	FY16 Forecast	FY15 Actual	FY16 Budget	FY16F vs FY15 (\$)	Variance (%)
Water & Sewer Revenues	\$ 387,522	\$ 393,167	\$ 383,162	\$ (5,645)	-1.4%
Other Revenue	34,113	43,750	34,529	(9,637)	-22.0%
Total Revenues	\$ 421,635 ①	\$ 436,917	\$ 417,691	\$ (15,282)	-3.5%
		\$4M			
Select Expenses					
O & M Expense	\$ 134,090 ②	\$ 127,174	\$ 138,368	\$ (6,916)	-5.4%
Net Revenues	\$ 262,338	\$ 278,471	\$ 275,985	\$ (16,133)	-5.8%
		\$(14M)			
Capital Expenditures	\$ 172,056 ③	\$ 100,806	\$ 175,000	\$ (71,250)	-70.7%
Debt Service	\$ 99,756	\$ 101,108	\$ 105,370	\$ 1,352	1.3%

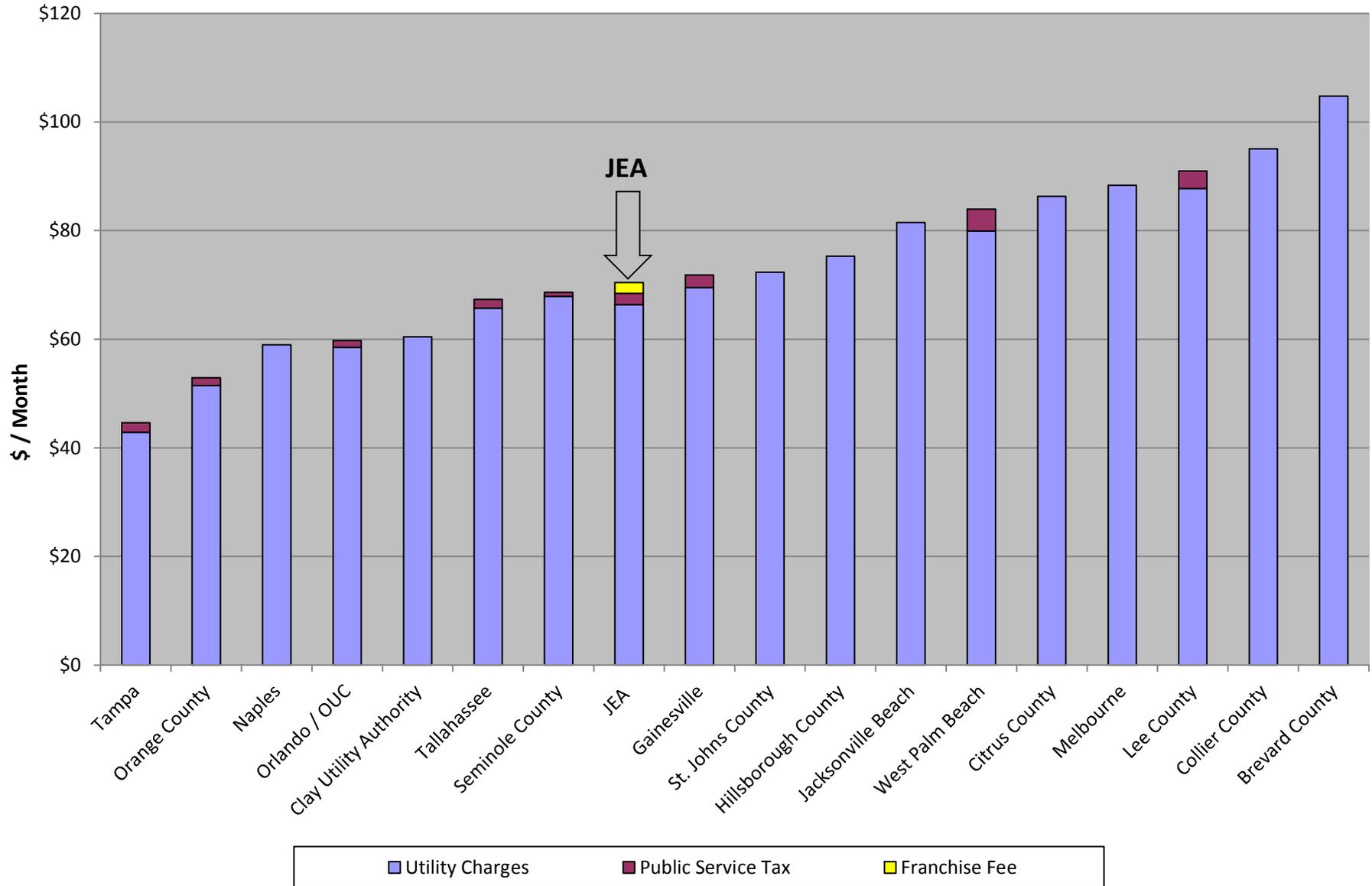
Depreciation
\$132 million

Metrics	FY16 Forecast
Coverage:	2.6x
Days Cash/Liquidity:	143 / 262
Debt/Asset:	53% (2% lower)
Total Debt:	\$1.6B (\$33M lower)

Cost / KGal	Water	Sewer
Target	\$ 3.98	\$ 7.26
Forecast	<u>4.82</u>	<u>8.20</u>
Difference	\$ (0.84)	\$ (0.94)

Water & Sewer Rates in Florida

Residential Service with a 5/8" meter and 6 kgals of Consumption
Residential Rates as of February 2016





JEA Operations Report

Customer Experience

Presenter: Monica Whiting

Date: February 2016

FY16 Customer Satisfaction Goal

Achieve 1st Quartile Ranking for JD Power Customer Satisfaction Index for both Residential and Business Studies

Residential (R)

FY14		FY15		Wave 1		Wave 2		Wave 3		Wave 4		FY16 YTD	
3Q	647	1Q	692	2Q	698	2Q	700					2Q	699

Business (B)

FY14		FY15		FY16 YTD	
1Q	682	1Q	705	1Q	754

"Highest Customer Satisfaction with Business Electric Service in the South among Midsize Utilities."



Residential



Business



2016 Residential # of companies ranked: 137
 2016 Business # of companies ranked: 86

1Q= 1st quartile 2Q= 2nd quartile 3Q= 3rd quartile 4Q= 4th quartile

Achieve 1st Quartile Ranking on All Drivers

Be Easy to Do Business With

Customer Service

		FY15		Wave 1		Wave 2		Wave 3		Wave 4		FY16 YTD	
R	1Q	775	1Q	777	1Q	777						1Q	777
B	1Q	754	1Q	798	2Q	767						1Q	782

Power Quality & Reliability

		FY15		Wave 1		Wave 2		Wave 3		Wave 4		FY16 YTD	
R	2Q	736	2Q	744	2Q	751						2Q	747
B	2Q	736	1Q	813	1Q	774						1Q	794

Empower Customers to Make Informed Decisions

Billing & Payment

		FY15		Wave 1		Wave 2		Wave 3		Wave 4		FY16 YTD	
R	1Q	755	2Q	753	1Q	770						1Q	762
B	1Q	756	1Q	809	2Q	762						1Q	785

Communication

		FY15		Wave 1		Wave 2		Wave 3		Wave 4		FY16 YTD	
R	1Q	653	2Q	660	2Q	654						2Q	657
B	1Q	648	1Q	741	1Q	701						1Q	721

Price

		FY15		Wave 1		Wave 2		Wave 3		Wave 4		FY16 YTD	
R	2Q	615	2Q	619	2Q	620						2Q	620
B	1Q	650	1Q	728	2Q	674						1Q	701

Demonstrate Community Responsibility

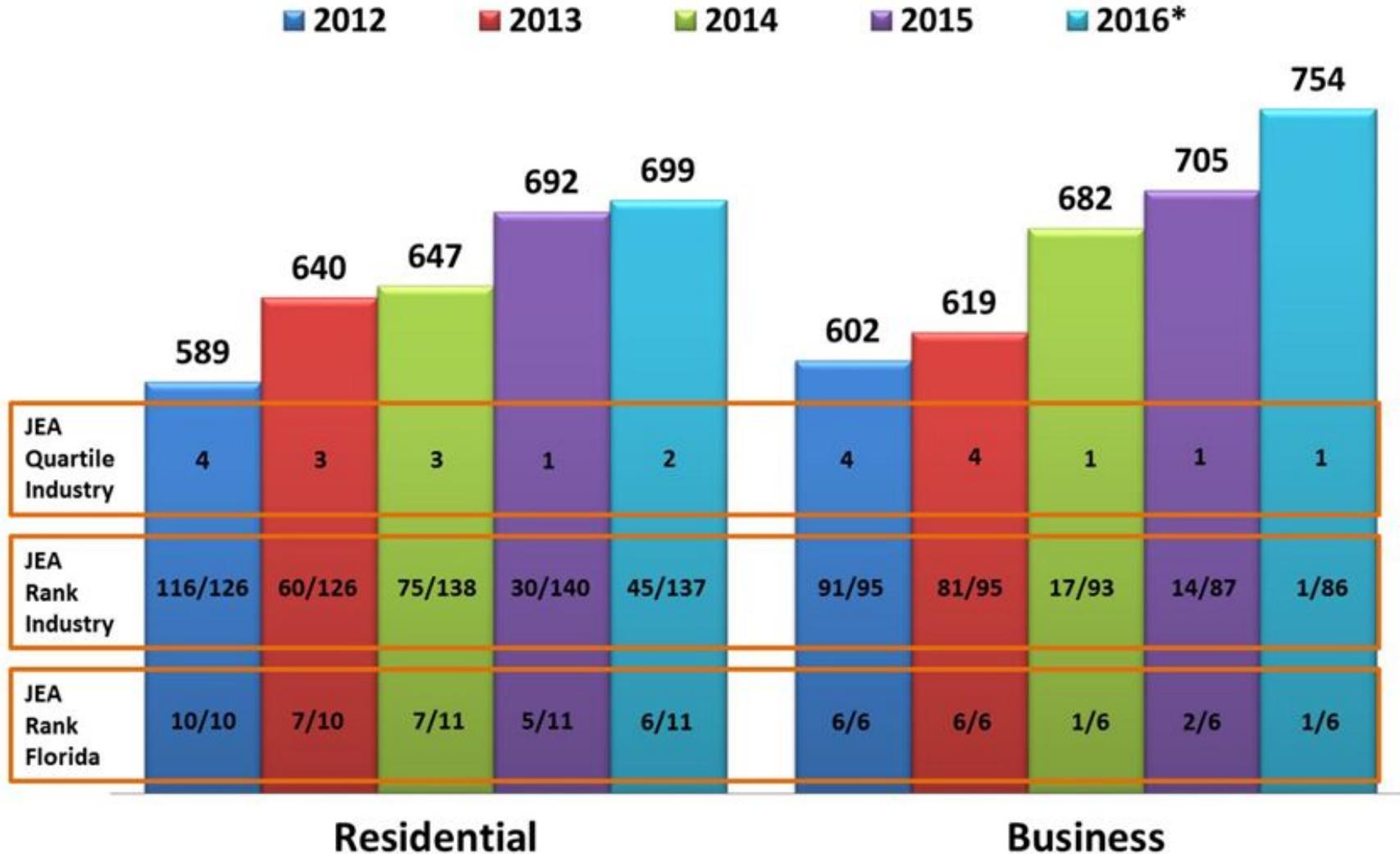
Corporate Citizenship

		FY15		Wave 1		Wave 2		Wave 3		Wave 4		FY16 YTD	
R	2Q	634	2Q	655	2Q	635						2Q	645
B	1Q	673	1Q	736	1Q	727						1Q	731



Building Community

Customer Satisfaction Index Scores



* Data for residential is YTD with the recent Wave 2 survey results. Business is final for 2016.



Building Community

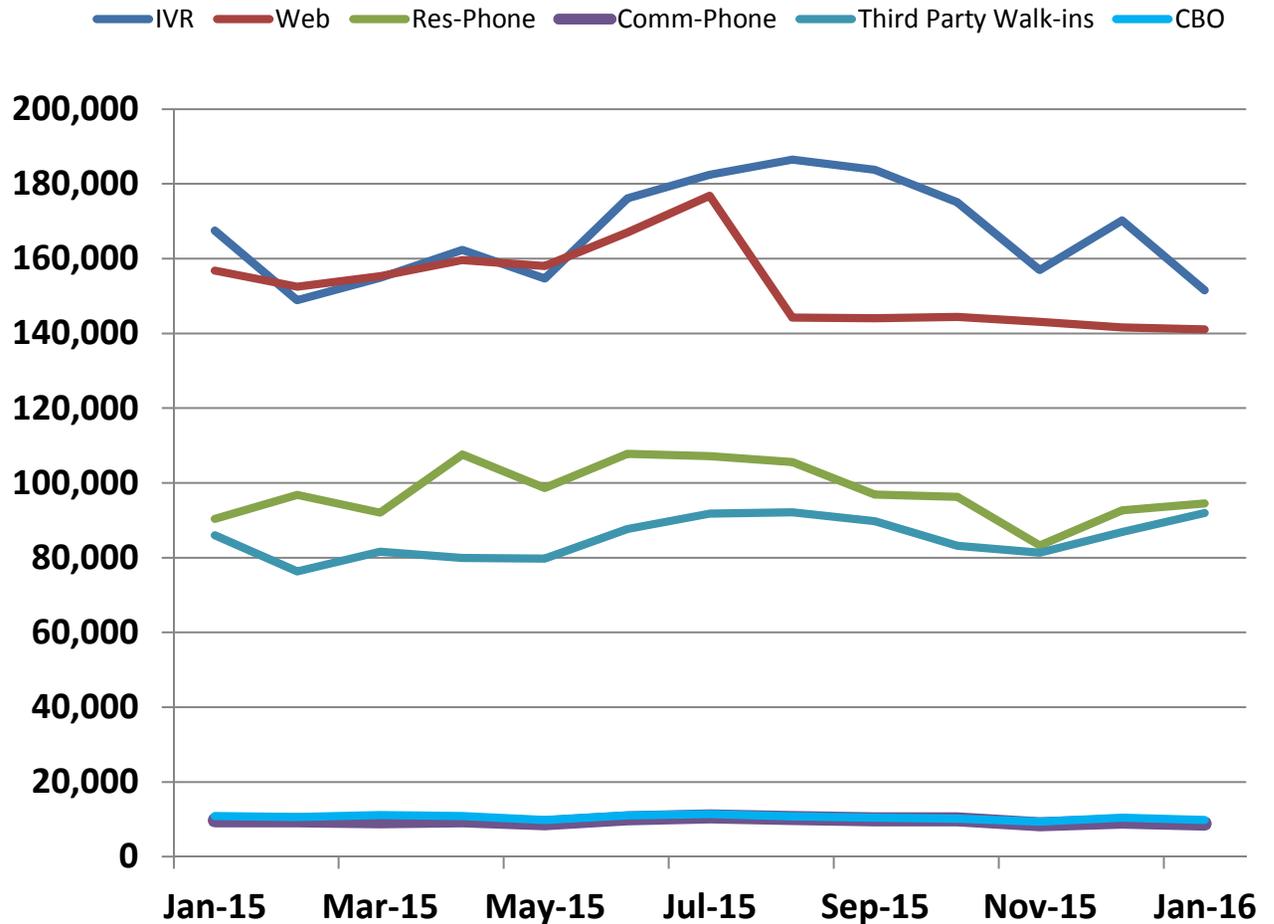
JEA Operations Report

Providing multiple contact channels allows the customer to interact with JEA in a way that's easiest for them.

Customer Satisfaction Rating: 8s-10s by Channel - JDP

	FY15	FY16	Ind.
Phone	60.8%	63.1%	58.7%
IVR	68.5%	75.2%	58.7%
Web	74.0%	63.2%	61.7%

Transactional Volume





Easy to do Business With Customer Service

Accurately addressing a customer's needs the first time produces a positive customer experience

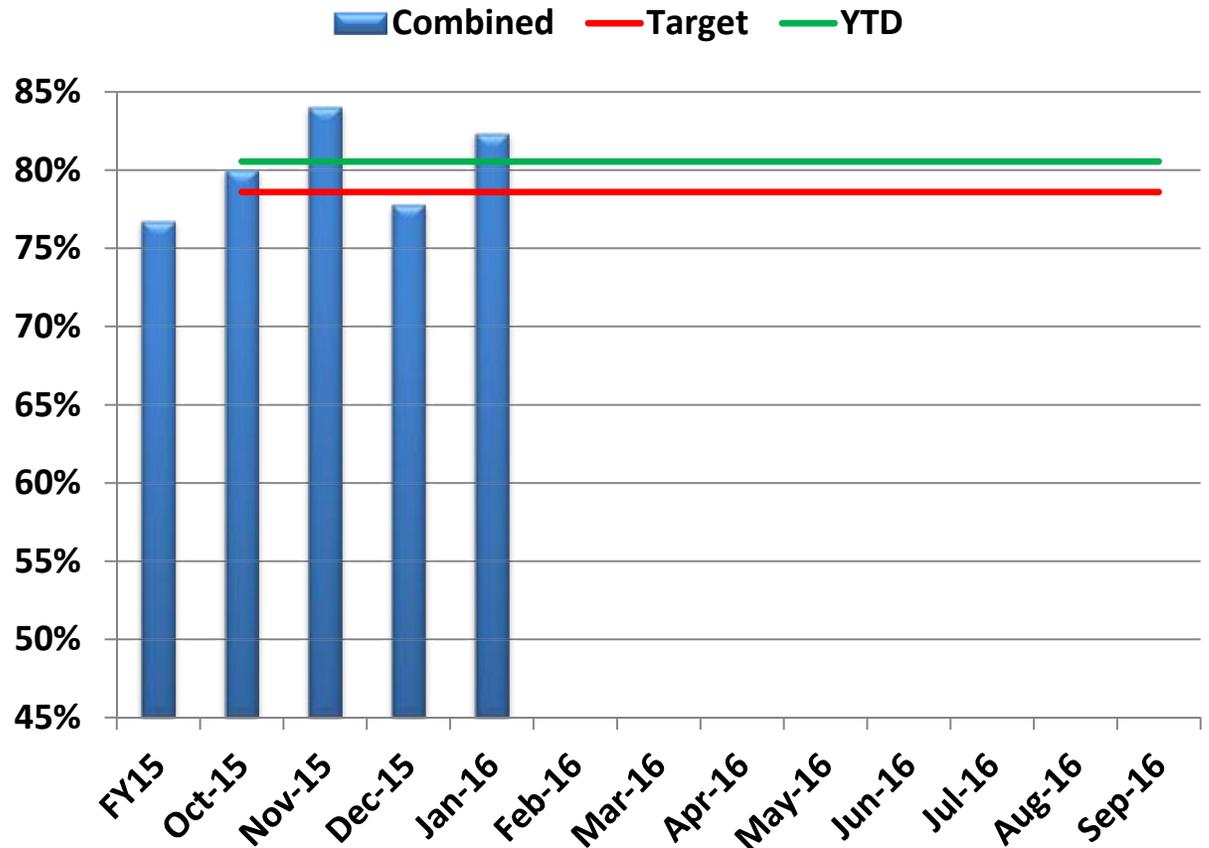
FY2016 YTD

Residential CC	76.7%
Branches	85.9%
Commercial CC	76.7%
IVR	85.1%
jea.com	78.0%
Overall	80.5%

JD Power FCR

	FY15	FY16	Ind.
Res CC/IVR	74.3%	75.6%	73.2%
Jea.com	80.2%	76.0%	74.6%
Bus CC/IVR	73.8%	71.4%	67.8%

First Contact Resolution Branches, Call Centers, and jea.com





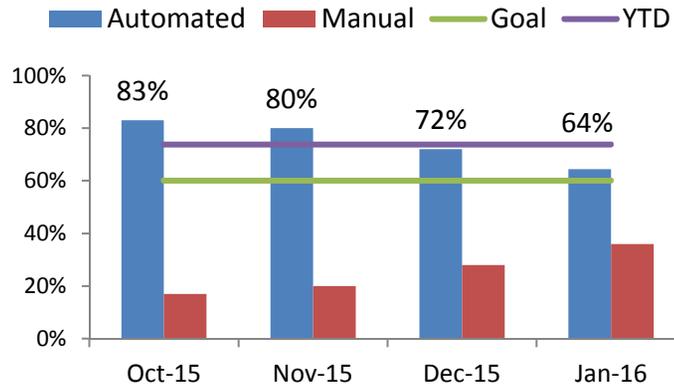
Easy to do Business With Power Quality & Reliability

Customers are more satisfied when receiving additional information when reporting an outage and when given updates when power is restored.

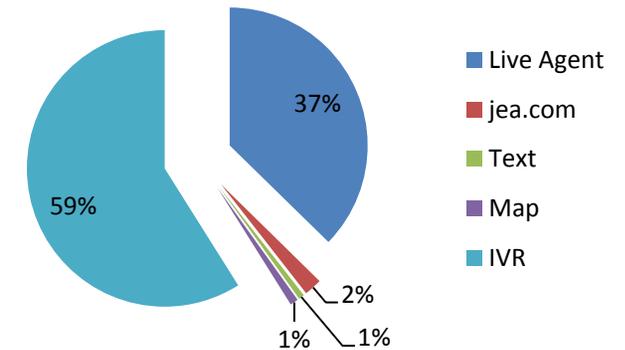
JD Power
"Keeping you informed about outage"

Score	FY15	FY16	Ind.
8 – 10	36.1%	38.7%	34.3%
< 5	24.1%	20.9%	20.8%

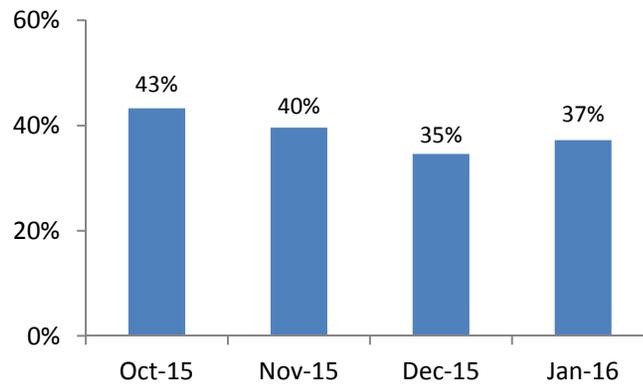
Automated Outage Reporting



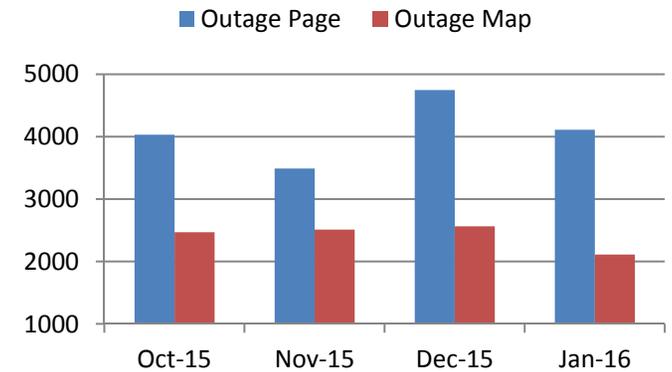
Outage Reporting by Channel



Outage Updates Requested



jea.com Outage Page Volume





Empowering Customers to Make Informed Decisions Billing & Payment: Customer Solutions

Customer Solution Participation	FY16 Goal	FY16 YTD
e-Billing Participation	72,600	64,029
Levelized Bill Participation	20,186	19,384
AutoPay Participation	36,640	31,321
JEAs MyWay Participation	11,235	10,331

Just surpassed 10K enrollment mark for JEAs MyWay participation

Promotional campaign underway for JEAs MyBudget – January & February

e-Bill promotional campaign scheduled for April & May

	FY16YTD	Industry Benchmark*
e-Bill	16.3%	18.5%
Budget Bill	4.9%	9.0%
Auto Pay	8.0%	13.0%
*2015 IOU Benchmark Average		



Building Community

Empowering Customers to Make Informed Decisions Communications

Communicating with customers is a key driver of satisfaction and impacts all drivers.

JDP Frequency of Comm

Received

FY16 YTD

Not enough	13%
Just right	82%
Too much	5%

JDP Comm Awareness

Residential

FY13	48.8%
FY14	51.9%
FY15	54.6%
FY16 YTD	52.0%

Commercial

FY13	53.4%
FY14	55.7%
FY15	70.4%
FY16	54.8%



Thank You to Our Customers

"Empowering our community through high-value energy and water solutions," is JEA's business mission, and being so is a privilege versus a profit. Thank you to our customers for allowing us to serve them, for whom our business customers, large and small, stand as "Highly Satisfied Customers" with Business Credit Service in the South among Midsize-Billion" through the 2015 U.S. Small Business Credit Service Customer Satisfaction Study we were honored and well pleased.

On behalf of the JEA Board of Directors and all 2,200 employees of JEA, I thank you for the trust and confidence you have invested in us and for the growing recognition we are committed to being your community - both residential and business - that together we can all benefit from a stronger economy and higher quality of life.

Over the last three years we have focused on listening more intently to your needs and worked harder to find solutions that benefit customers and the community. We believe the focus helped JEA to achieve the highest score in all six study factors, which include: Power Quality & Reliability, Customer Satisfaction, Price, Billing & Payment, Communications, and Customer Service. Below is information about the initiatives JEA implemented throughout the last year to enhance our customer overall experience within each of these categories.

- Power Quality and Reliability** - In 2015, we improved the electric reliability and reduced the number of sustained outages by over 75 percent, and we have continued to improve in communication to customers during outages.
- Price** - JEA moved our fuel credits to customers in 2015, helping to clear their utility bills.
- Billing and Payments** - We have made changes to our billing and payment process, enhanced automated bills including eBill, and now offer business customers more than eight ways to pay, including eBilling.
- Customer Choice** - JEA awarded over \$95,000 in SmartSmart rebates to customers in the community for energy efficiency improvements. We developed new rate options to support economic development for expanding and existing businesses and continued to increase our employee onboarding and ambassador work in the community.
- Communication** - We expanded our business newsletter and added a new Business Resource section on our website, jea.com.
- Customer Service** - We improved our response time to customer requests and expanded offerings to include online job for business customers.

But we are not stopping here. We have a commitment to continuous improvement and we plan to keep listening and to keep setting the bar for our performance, and ultimately our service to you and our community. We are very proud to bring official utility service to our community because this is our home, too. Now we are even prouder, because together we have done something amazing. Thank you for the partnership and the tremendous honor.

Tom Peterson
Tom Peterson
JEA President, JEA Board Chair



Business: JEA received highest customer satisfaction rating (7.9/10) in the South in the 2015 Small Business Credit Service Customer Satisfaction Study based on 2,200 employees and including the experience and perception of business customers reported March and November 2015. See www.usbiz.com for details.

ELECTRIC RELIABILITY

JEA is working to smart grid technologies that are reducing outages and electric outages. Computer models to help us predict power outages even before you have a chance to report them. Visit jea.com for more.

COMMUNITY INVESTMENT

JEA employees are celebrating their 25th Anniversary for the 27th year in a row. This year's theme is Business Experience. Share your stories, photos and videos. For more information visit jea.com.

ELECTRIC SAFETY

Never try and prune or remove vegetation growing on or near to power lines. For more ways to be safe around electricity, visit jea.com for more.

Protecting the Environment

JEA has a mandate to power from less nuclear power plants near water construction in Wisconsin, CA. More solar in 2015/2016. Plant Florida Units 1 and 2 will help JEA serve 120,000 customers with clean, carbon free electricity. More at jea.com/renewable.

Communication Channels
FY16
Volume: 82,998,913

- e-Com** (jea.com, email, social) 12,307,366
- Paid Media** (Radio, TV, Print) 66,209,869
- Community Engagement** (Events, Workshops) 150,973
- Other Communication** (Bill Inserts, Brochures, 4,330,705)





Empowering Customers to Make Informed Decisions Corporate Citizenship

Giving back to our community through volunteering is foundational as a community-owned utility

**FY16 YTD
Volunteers—218**

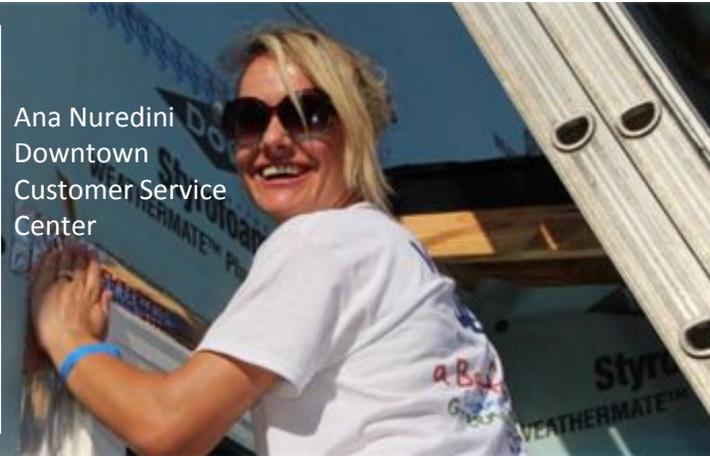
January— 17 Volunteers

- Feeding NE Florida
- Food Bank Dignity U Wear
- Feeding NE Florida Citrus Drive

February—Vol. Events

- NE Florida Regional Science Fair – February 8
- DLC Nurse and Learn Center – February 12
- 26.2 with Donna to Finish Breast Cancer – February 12 and 13
- MathCounts – February 26
- Feeding NE Florida Food Bank – February 26

JEA Employee Volunteer Participation



Ana Nuredini
Downtown
Customer Service
Center

JEA Ambassadors are engaging customers throughout our community in a greatly expanded way.

FY16 Activities:

- Speakers Bureau—15
- Facility Tours—13
- Community Events—32
- Educational Partnership Activities—12



20 JEA Employee Ambassadors kicked off the JEA Power Pals Program at RV Daniels Elementary and SP Livingston Elementary in January; the 4 week program consists of JEA Ambassadors spending 1 hour a week teaching 1st graders about electric and water safety. The schools are very proud to let the community know about the partnership with JEA.

JEA Employee Ambassadors at the Northside Generating Station hosted the Northeast Florida Regional Council for a tour of the facility, the group consisted of regional planning directors.



JEA Ambassador Program





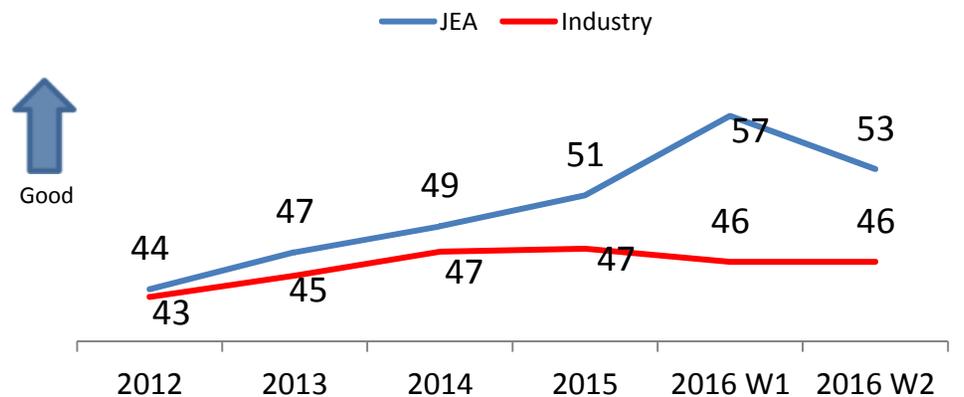
Demonstrating Community Responsibility Corporate Citizenship: Environmental

DSM Programs & Participation	FY16 Goal	FY16 YTD
Efficiency Assessment	N/A	1887
Tracker Participation (Entering Site)	105,000	36,297
Invest Smart	350	55
Shop Smart	62,030	15,984
Neighborhood Energy Efficiency	1,274	387
Electric Vehicle Rebates	55	13
Charging Stations Installed	28	21

JEA “Leads the Charge”
The Department of Energy’s Workplace Charging Challenge recognized JEA for supporting the development of the national PEV charging infrastructure. JEA has promoted workplace charging via channels such as social media and outreach events to the community.

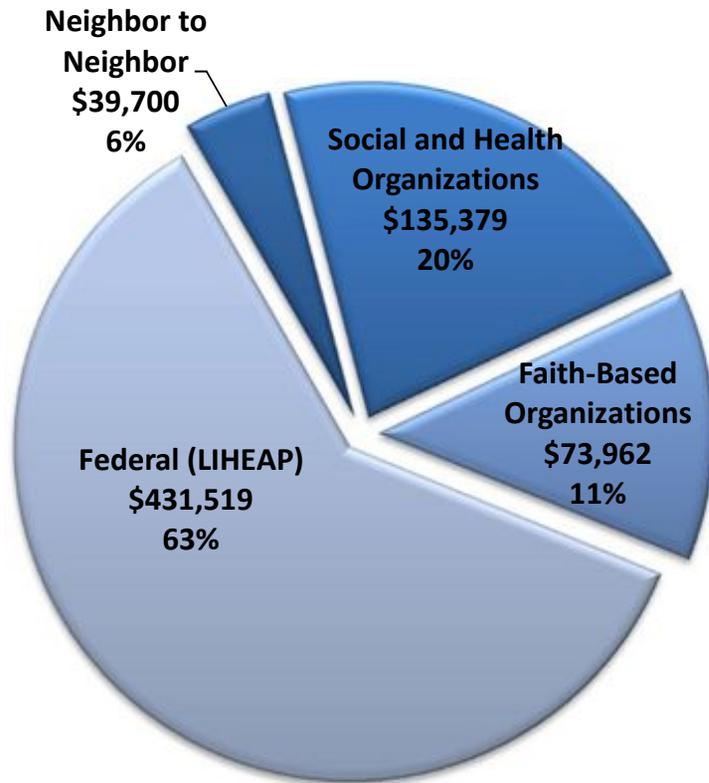


Familiarity with Utility Energy Efficiency or Conservation Programs (%)





Demonstrating Community Responsibility Corporate Citizenship: Customer Assistance Funding



Agency & Federal
Customer Assistance
FY 16 YTD
\$680,561

28 agencies provided **714** utility payments on behalf of JEA customers in January 2016 totaling **\$213,288**



Number of Customers Receiving
Agency & Federal Utility Assistance
FY 16 YTD
2,234





JEA
Building Community
AGENDA ITEM SUMMARY

February 5, 2016

SUBJECT:	REAL ESTATE PURCHASE & SALE AGREEMENT FOR SOUTHSIDE GENERATING STATION (SGS) PROPERTY - UPDATE & TIME EXTENSION REQUEST
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Purpose:	<input type="checkbox"/> Information Only	<input checked="" type="checkbox"/> Action Required	<input type="checkbox"/> Advice/Direction
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Issue: JEA entered into a Purchase and Sale Agreement for the Southside Generating Station site in February 2015 with Elements Development of Jacksonville, LLC. The contract included a due diligence period of 365 days with one 45-day extension. Elements has asked to extend the contract length to 2016 year end due to the need to complete the remaining entitlements for the development of the property, including a development agreement with the City of Jacksonville for the overall development. Elements has indicated that approval of the full entitlements is essential to closing.

Significance: Contractually, the purchaser may elect to extend the due diligence period 45 days and has indicated the desire to extend. The 45-day extension would end on March 28, 2016 with 30 days to close by April 27, 2016. The purchaser has asked to extend the due diligence period and closing to the end of the year with no additional deposit. The current deposit in escrow is \$200,000.

Effect: The extension would allow the opportunity for the purchaser and JEA to complete the sale. The purchaser needs to complete the remaining entitlements, including a development agreement with the City for the overall development.

Cost or Benefit: Approval of the extension would maintain the existing contract and allow the purchaser to complete approvals needed, increasing the likelihood of closing. The additional time would also allow more time for JEA and the purchaser to work with the Florida Department of Environmental Protection (FDEP) on the transfer of the Brownfield responsibilities to the Purchaser for the development site.

Recommended Board action: Staff recommends the Board approve the extension of the purchase and sale agreement due diligence period to November 30, 2016 with closing by end of December.

For additional information, contact: Nancy Kilgo Veasey 904-509-5021

Submitted by: PEM/MRH/NKV



Commitments to Action

- 1 Earn Customer Loyalty
- 2 Deliver Business Excellence
- 3 Develop an Unbeatable Team



INTER-OFFICE MEMORANDUM

February 5, 2016

**SUBJECT: REAL ESTATE PURCHASE & SALE AGREEMENT FOR SOUTHSIDE
GENERATING STATION (SGS) PROPERTY - UPDATE & TIME EXTENSION
REQUEST**

FROM: Paul E. McElroy, Managing Director/CEO

TO: JEA Board of Directors

BACKGROUND:

JEA entered into a Purchase and Sale Agreement for the Southside Generating Station site in February 2015 with Elements Development of Jacksonville, LLC. The contract included a due diligence period of 365 days with one 45-day extension. Elements has asked to extend the contract length to 2016 year end due to the need to complete the remaining entitlements for the development of the property, including a development agreement with the City of Jacksonville for the overall development. Elements has indicated that approval of the full entitlements is essential to closing.

DISCUSSION:

Approval of the extension would maintain the existing contract and allow the purchaser to complete approvals needed, increasing the likelihood of closing. The additional time would also allow more time for JEA and the purchaser to work with the Florida Department of Environmental Protection (FDEP) on the transfer of the Brownfield responsibilities to the Purchaser for the development site. The purchaser has asked to extend the due diligence period and closing to the end of the year with no additional deposit. The current deposit in escrow is \$200,000.

RECOMMENDATION:

Staff recommends the Board approve the extension of the purchase and sale agreement due diligence period to November 30, 2016 with closing by end of December.

Paul E. McElroy, Managing Director/CEO

PEM/MRH/NKV



One Independent Drive
Suite 1200
Jacksonville, Florida 32202

P (904) 301.1269
F (904) 301.1279
www.dmphlaw.com

February 9, 2016

VIA E-mail and FEDEX

Nancy Kilgo
JEA
21 West Church Street, T-11
Jacksonville, FL 32202
kilgna@jea.com

David J. Edwards, Esq.
Edwards, Cohen, Dawson, Mangu & Noble, P.A.
200 West Forsyth Street, Ste. 1300
Jacksonville, FL 32202
dedwards@edcolaw.com

Re: Purchase and Sale Agreement dated February 11, 2015, between JEA, a body politic and corporate (“Seller”) and ELEMENTS DEVELOPMENT OF JACKSONVILLE, LLC, a Florida limited liability company (“Purchaser”), as amended (the “Agreement”) for property known as the JEA Southside Generating Station Site, as more particularly described in the Agreement
File No. 11959.00002

Dear Nancy and David:

I am writing on behalf of the Purchaser under the Agreement. As you know, Purchaser has expended considerable time and money to obtain project entitlements and to complete its due diligence on the contemplated development of the former JEA South Side Generating Station site (the “Project”). In fact, in addition to the deposit under the Agreement, the Purchaser has spent close to one million dollars so far on the development and is still working diligently through the entitlement process. Of particular note were issues presented in obtaining transportation concurrency for the Project and solving the issues presented by the transition from the Downtown DRI to the mobility fee system. The Purchaser spent the time and money necessary to solve an issue that would have stalled not only the Project but other large scale downtown mixed use projects as well. This issue was not anticipated by any parties to the Agreement when the RFP was originally awarded to the Purchaser.

To date the Purchaser has received numerous governmental approvals in pursuit of the Project including an Allocation of Development Rights Agreement, a Notice of Proposed Change to the

Consolidated Downtown DRI and access agreements with the school board to modify access to the Project. Additional approvals that are required to permit development of the Project to move forward include a Redevelopment Agreement with the City of Jacksonville and a modification to the existing Brownfield Site Rehabilitation Agreement.

As a consequence of the complexity of the issues in the permitting to date, particularly the DRI issue, Purchaser's entitlement timeline has been delayed beyond what was originally anticipated but the Purchaser remains steadfastly engaged in procuring the remaining entitlements for the Project. To that end, at the JEA Board meeting on February 16, 2016, Purchaser will request an extension of the Inspection Period until November 30, 2016 with a Closing Date 30 days thereafter in order to allow the Purchaser the necessary time to obtain the various governmental approvals required to develop the Project. We have also discussed this issue with the Administration of the City of Jacksonville as well as the CEO of the Downtown Investment Authority and they have indicated their concurrence with this request.

Please do not hesitate to contact me if you have any questions.

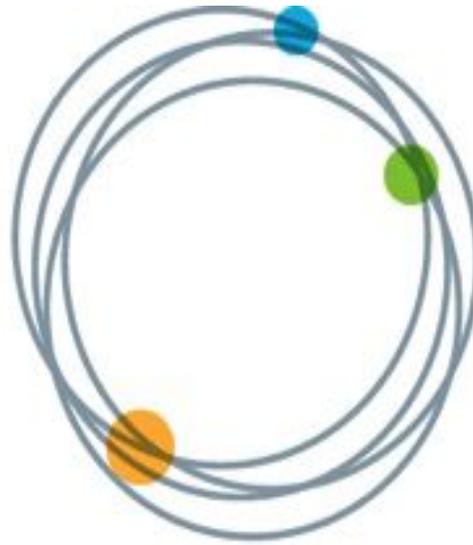
Sincerely,



Richard W. Hawthorne

Enclosure

CC: Michael F. Balanky (via e-mail: mbalanky@chaseproperties.com)
Jason S. Lichtstein (via e-mail: Jason.Lichtstein@akerman.com)



THE DISTRICT

L I F E W E L L L I V E D



JACKSONVILLE





THE DISTRICT
Jacksonville, Florida

Context Diagram
FEBRUARY 1, 2016

DRAFT

ELKUS | MANFREDI
ARCHITECTS



24

THE DISTRICT
Jacksonville, Florida

Bird's Eye View
FEBRUARY 1, 2016

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ARCHITECTS



THE DISTRICT
Jacksonville, Florida

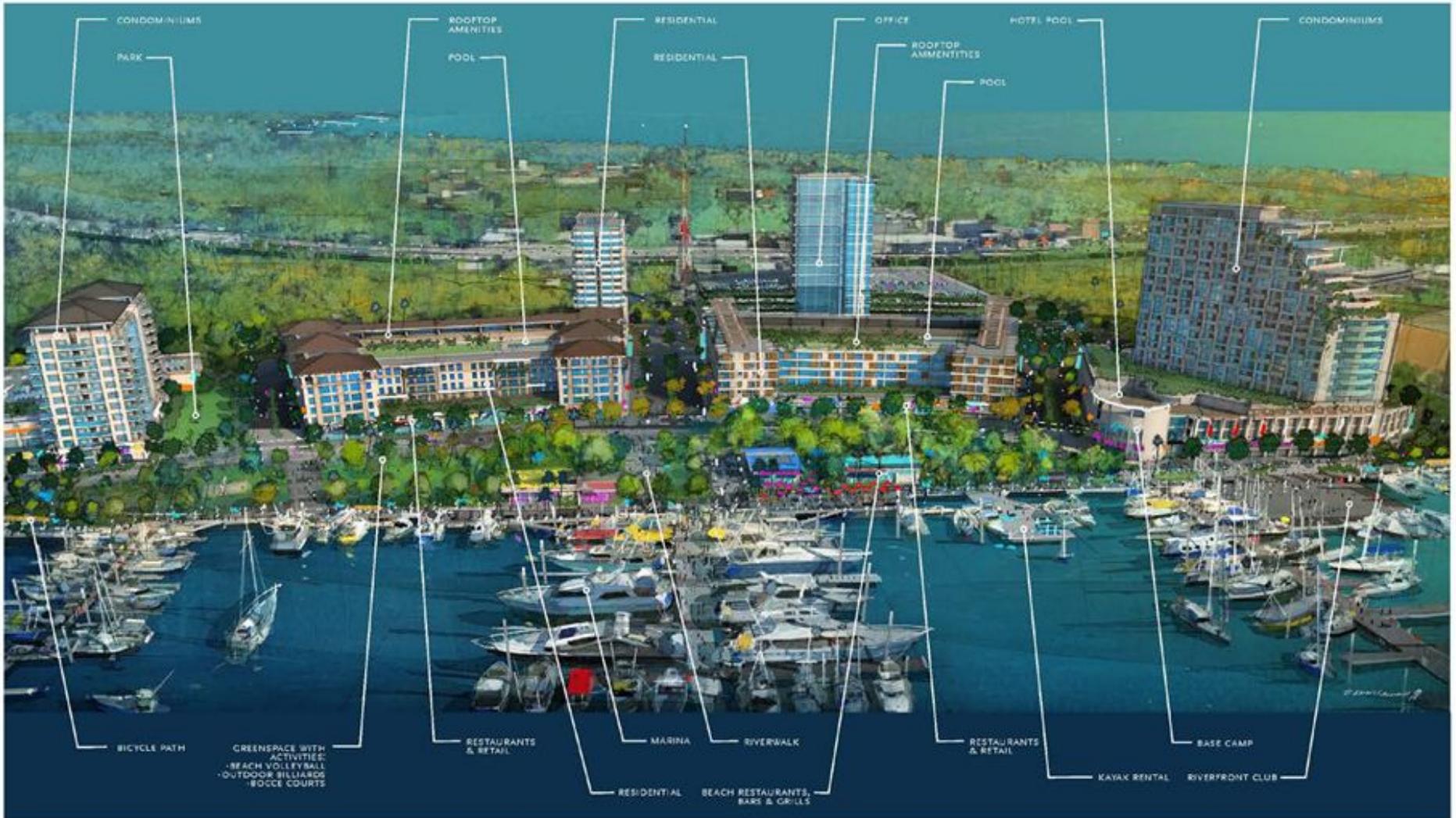
Downtown Design Guideline Diagrams - .15 Rooftops
FEBRUARY 1, 2016



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ARCHITECTS





<p>THE DISTRICT Jacksonville, Florida</p>	<p>Waterfront Aerial View by Key Elements FEBRUARY 3, 2016</p>	<p>DRAFT</p>	<p>ELKUS MANFREDI ARCHITECTS</p>
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THE DISTRICT
Jacksonville, Florida

Riverfront Precedent Images - Active Uses
FEBRUARY 3, 2016

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ARCHITECTS





THE DISTRICT
Jacksonville, Florida

Riverfront Restaurant Precedent Images
FEBRUARY 1, 2016

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THE DISTRICT
Jacksonville, Florida

Riverfront Precedent Images - Character
FEBRUARY 3, 2016

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THE DISTRICT
Jacksonville, Florida

Riverfront Restaurant Precedent Images
FEBRUARY 1, 2016

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THE DISTRICT
Jacksonville, Florida

Riverfront Precedent Images - Sports
FEBRUARY 5, 2016

DRAFT

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ARCHITECTS



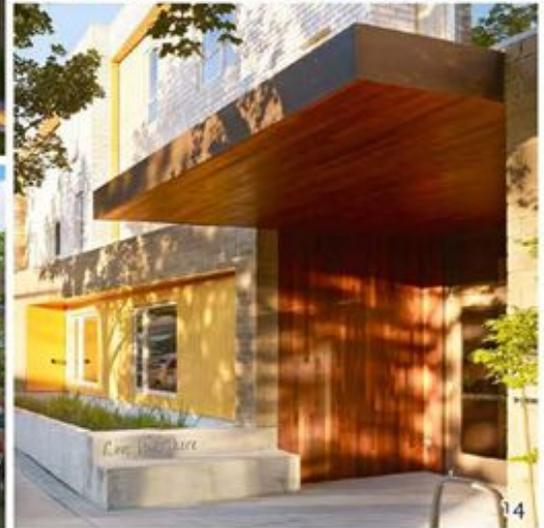


THE DISTRICT
Jacksonville, Florida

Riverfront Precedent Images - Activation and Community
FEBRUARY 1, 2015

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THE DISTRICT
Jacksonville, Florida

Precedent Images - .18 Transparency
FEBRUARY 3, 2016

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THE DISTRICT
Jacksonville, Florida

Precedent Images - 18 Transparency
FEBRUARY 3, 2016

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THE DISTRICT
Jacksonville, Florida

Riverfront Precedent Images - 18 Transparency
FEBRUARY 3, 2016

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ARCHITECTS



<p>THE DISTRICT Jacksonville, Florida</p>	<p>Ground Level Plan - Full Build FEBRUARY 1, 2016</p>	<p>0 50' 100' 200'</p>	<p>DRAFT</p>	<p>ELKUS MANFREDI ARCHITECTS</p>
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41

THE DISTRICT
Jacksonville, Florida

Upper Level Plan - Full Build
FEBRUARY 1, 2016



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ARCHITECTS



Section 656.361.14. - River Views & Height of Buildings and Structures

- Encourage enticing views of the river from as many places in downtown as possible.
- Encourage building forms and massing that is respectful of the context of their surroundings and the pedestrian environment by stepping buildings up from the river.
- Define height zones as delineated hereunder to break up building form to allow views through the architecture, particularly down public rights-of-way.
- Discourage large undifferentiated building masses and encourage building breaks, respect the scale of the context in which development occurs, including transition between development segments or areas.
- Encourage a variety of roof forms.

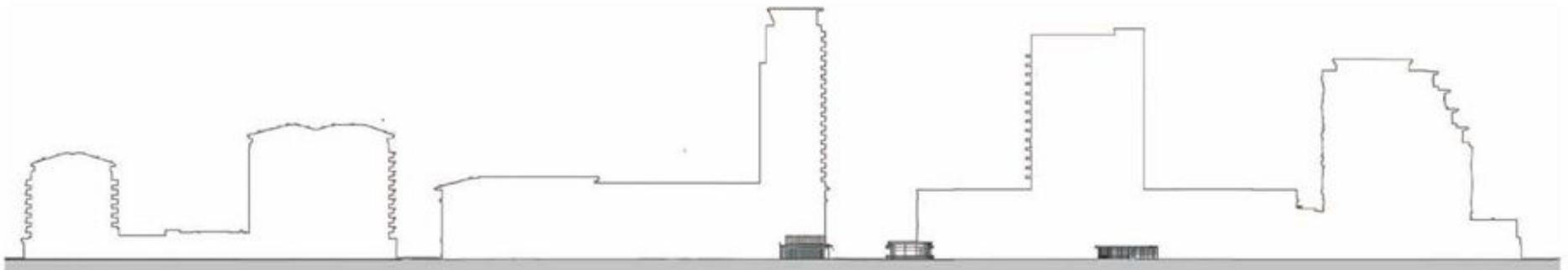
(a) Tall buildings shall be set back from the riverfront as far as possible to avoid blocking riverfront views from other buildings.

(b) The height of a building or structure shall be subject to the maximum height requirements of the underlying zoning district. Height increases of buildings or structures, in appropriate areas, may be approved as a deviation provided that sufficient articulation of the building or structure has occurred to respect the scale of adjacent buildings and structures and further provided that all other applicable design requirements of these regulations and the design standards and guidelines adopted herein are met. The request for additional height shall be evaluated on the basis of the public benefits provided, the possible impacts of the additional height, consistency with the City's land use policies, and items (1) through (5).

6



THE DISTRICT
Jacksonville, Florida
Site Sections - Full Build
FEBRUARY 1, 2016
0 25' 50' 100'
DRAFT
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ARCHITECTS



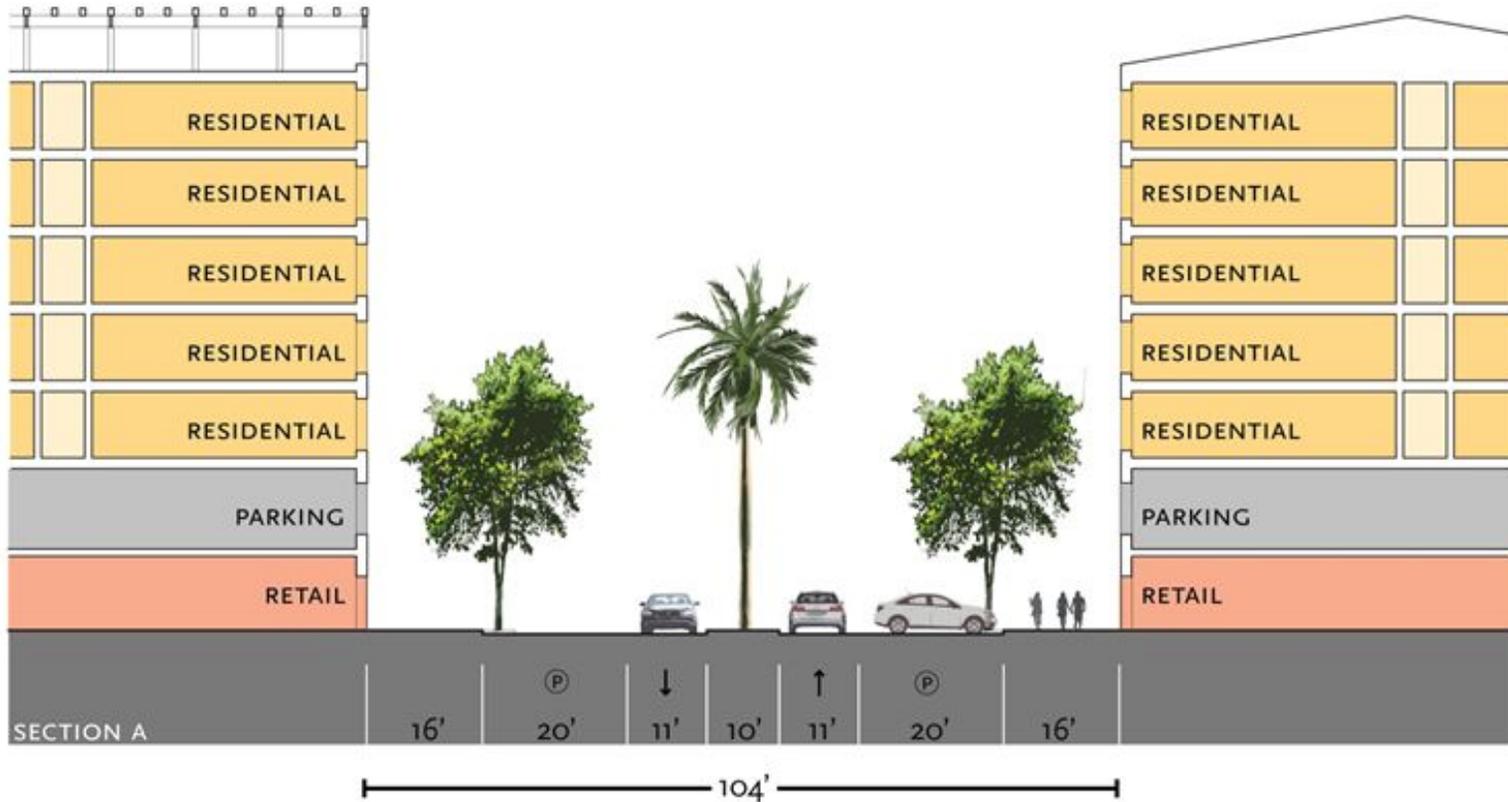
THE DISTRICT
Jacksonville, Florida

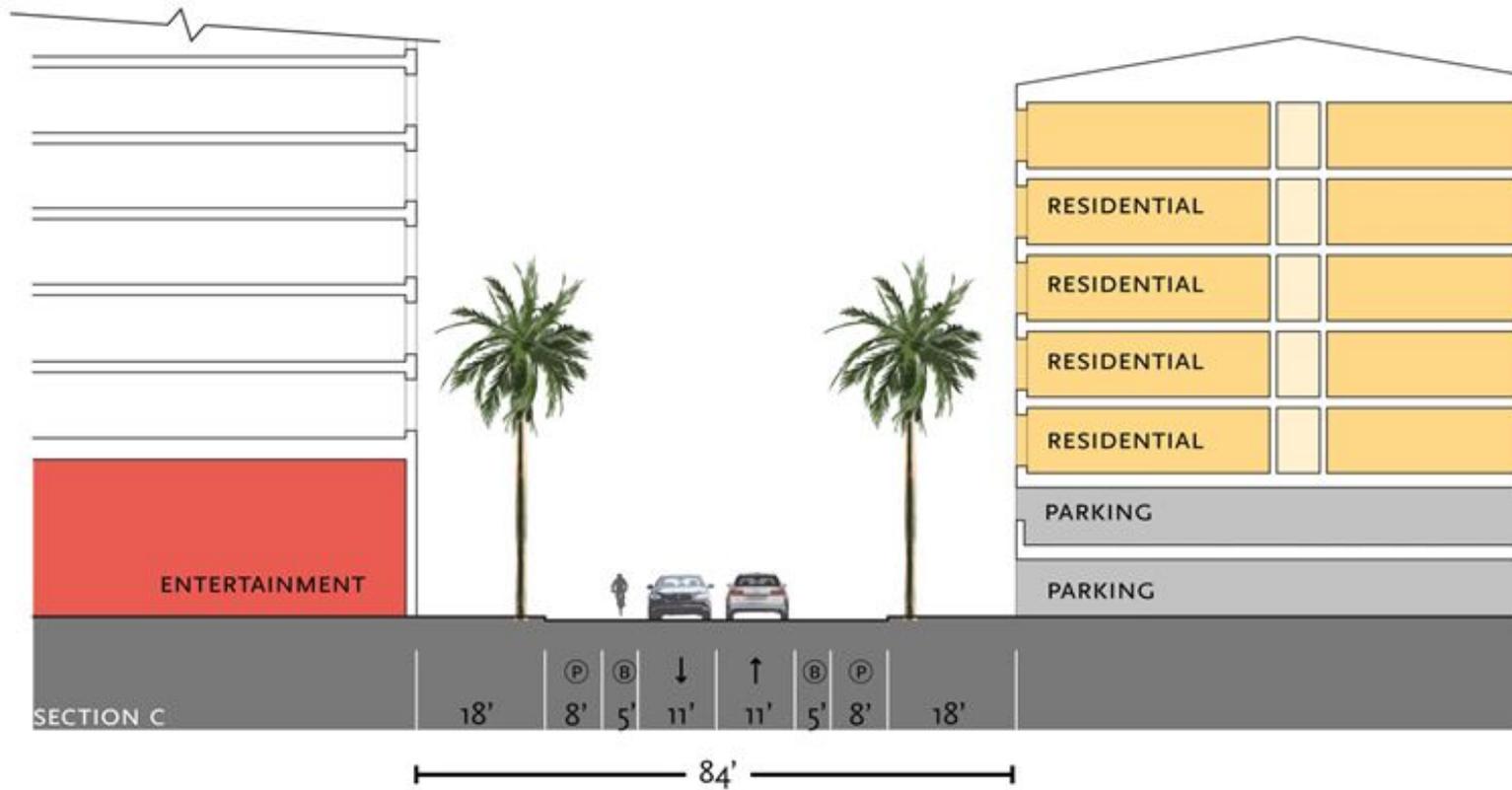
Riverside Elevation - Full Build
FEBRUARY 1, 2016

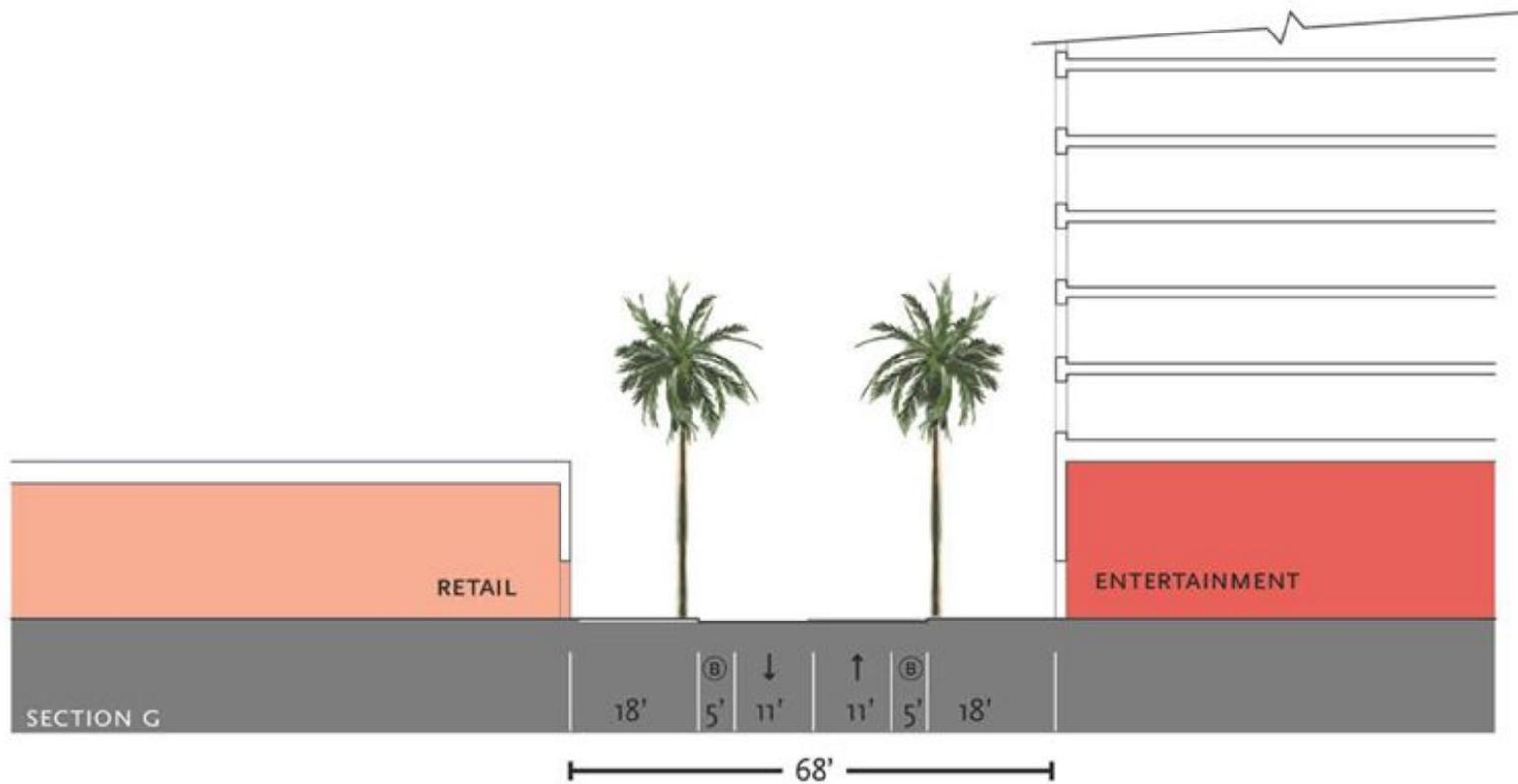
0 15' 30' 60'

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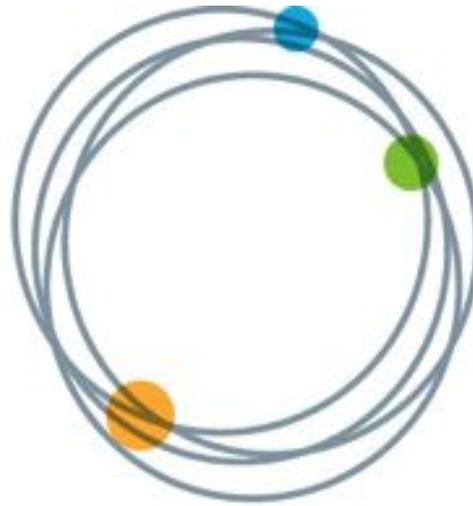
ELKUS | MANFREDI
ARCHITECTS







HealthyTown, Jacksonville FL 2015 Elkus Manfredi Architects										Full Build	
	1A	2A	3A	4A	5A	6A	7A	8A	9A	TOTALS	
Block Uses	street level retail 5 levels apartments	street level retail 5 levels apartments	street level service retail 15 levels apartment tower	street level retail Cinema 6 levels office	Retail	restaurant	2 levels base camp 8 levels hotel/ 8 levels condos	waterfront restaurants marina fitness area	11&7 levels luxury condos townhouses		
Block Parking	2 levels parking	2 levels parking	4 levels parking	6 levels parking		surface lot parking	3 levels parking	0 levels parking	2 levels parking		
Retail Space	43,190	43,190	5,800	43,300	-	6,000	-	14,800	-	191,280	parking ratio 5.0
Pharmacy	-	-	-	-	-	-	-	61	-	-	parking ratio 5.0
Grocery	-	-	-	-	-	-	-	-	-	-	
Cinema	-	-	-	35,000	-	-	-	-	-	-	ratio 1 / 4 seats
Base Camp	-	-	-	-	-	-	21,600	-	-	-	
Storage/Service	-	-	-	13,500	-	-	-	-	-	-	
Parking Required	216	216	29	392	-	30	-	74	-	-	
Retail Space Total	43,190	43,190	5,800	78,300	-	6,000	-	14,800	-	191,280	Retail
lobby	-	-	-	-	-	-	-	-	-	-	
typ. floor plate	±60,678	±60,678	11,750	-	-	-	-	-	16,250	-	1375/DU gross
Residential	303,390	303,390	176,250	-	-	-	-	-	-	-	
Condos	-	-	-	-	-	-	74,200	-	-	-	
Luxury Condos	-	-	-	-	-	-	-	-	340,000	-	192 DU's
live/work	-	-	-	-	-	-	-	-	-	-	22 townhouse 6 penthouse
Residential Total	303,390	303,390	176,250	-	-	-	74,200	-	340,000	1,197,230	Residential
Apartment Units	276	276	176	-	-	-	-	-	-	728	parking ratio 1.5
Condo Units	-	-	-	-	-	-	62	-	-	62	parking ratio 1.75
Luxury Condo Units	-	-	-	-	-	-	-	-	210	210	parking ratio 1.75
Parking Required	421	421	264	-	-	-	108	-	368	1,582	
Hotel	-	-	-	-	22,800	-	100,000	-	-	122,800	Hotel
Parking Required	-	-	-	-	125	-	150	-	-	-	150 keys
Marina	-	-	-	-	-	-	-	57 slips	-	-	Marina
								30' (22 slips)			
								35' (12 slips)			
								40' (11 slips)			
								45' (6 slips)			
								50' (4 slips)			
								60' (2 slips)			
Office Total	-	-	-	150,000	-	-	-	-	-	150,000	Office
parking required	-	-	-	600	-	-	-	-	-	-	
Total Development	346,580	346,580	182,050	228,300	22,800	6,000	195,800	14,800	340,000	1,682,910	Total
Parking levels	2	2	4	6.0	-	-	3	-	2	-	
lower level	53,912	53,912	41,907	-	-	-	-	-	68,000	-	
upper level	102,775	102,775	-	61,050	-	-	29,775	-	-	-	
Parking Total	156,687	156,687	167,628	354,307	-	-	89,325	-	136,000	1,060,634	Parking
Street Parking Provided	-	-	-	-	-	-	-	-	-	-	409
Parking Spaces Provided	421	421	420	1,012	125	30	255	-	389	+	3,074
Parking Spaces Required	637	637	293	992	125	30	258	160	368	-	3,499
Surplus (deficit)	(216)	(216)	127	21	-	-	(3)	(160)	21	-	(16)
Total Development w/ Parking	503,267	503,267	349,678	582,607	22,800	6,000	285,125	14,800	476,000	2,743,544	Total w/ Parking



THE DISTRICT

L I F E W E L L L I V E D



JACKSONVILLE



JEA
Building Community
AGENDA ITEM SUMMARY

February 2, 2016

SUBJECT:	JEA SOLARSMART AND INTEGRATION OF SOLAR RESOURCES
-----------------	--

Purpose:	<input checked="" type="checkbox"/> Information Only	<input type="checkbox"/> Action Required	<input type="checkbox"/> Advice/Direction
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Issue: The continued changes in solar technologies, solar-related markets, environmental regulations, and our customers' desire for renewable energy options have resulted in a need to realign our solar strategies and policies and further incorporate solar into JEA's business processes and customer product offerings.

Significance: Updating JEA's solar strategies and policies ensures that JEA and its customers are positioned to effectively respond to the Clean Power Plan requirements, the expansion of customer-owned generation and the growing customer expectation of renewable energy options.

Effect: This presentation will provide the background for a March 2016 Board of Directors agenda item requesting the approval of modifications to JEA's Net Metering and Distributed Generation Policies, and a proposed March 2016 rate hearing to consider the new JEA SolarSmart offering.

Cost or Benefit: Benefits include:

- (1) Greater customer choice offerings
- (2) Reduced customer effort when evaluating distributed generation options
- (3) Increased fuel diversity and reduced emissions

Recommended Board action: Information Only.

For additional information, contact: Steve McInall, 665-4309 or Richard Vento, 665-6764

Submitted by: PEM/MJB/SGM



Commitments to Action

- 1 Earn Customer Loyalty
- 2 Deliver Business Excellence
- 3 Develop an Unbeatable Team



INTER-OFFICE MEMORANDUM

February 2, 2016

SUBJECT: JEA SOLARSMART AND INTEGRATION OF SOLAR RESOURCES

FROM: Paul E. McElroy, Managing Director/CEO

TO: JEA Board of Directors

BACKGROUND:

The continued changes in solar technologies, solar-related markets, environmental regulations, and our customers' desire for renewable energy options have resulted in a need to realign our solar strategies and policies. This realignment will aid in the further incorporation of solar into JEA's business processes and customer product offerings.

The JEA SolarSmart offering and JEA's Solar Resource Integration Plan will better position JEA to effectively respond to the Clean Power Plan requirements, manage the expansion of customer-owned generation, and meet growing customer expectations for renewable energy options.

DISCUSSION:

The attached presentation provides an overview of JEA's history with solar, our current state and our desired future state. It outlines the changes in the technology and marketplace which are driving the need for policy changes and the creation of new customer product offerings.

This presentation will provide the background for a March 2016 Board of Directors agenda item requesting the approval of modifications to JEA's Net Metering and Distributed Generation Policies, and a proposed March 2016 Rate Hearing to consider the addition of the new SolarSmart offering. The following documents are attached:

- JEA Net Metering Policy – Proposed Clean Draft – effective April 30, 2016
- JEA Net Metering Policy – Redline against December 2, 2014 Policy
- JEA Distributed Generation Policy – Proposed Clean Draft – effective April 30, 2016
- JEA Distributed Generation Policy – Redline against December 2, 2014 Policy

Policies have been changed from the December 2, 2014 version to align with the JEA SolarSmart and Solar Resource Integration Plan, as described in the attached presentation.

Key changes to the Net Metering Policy include the following:

- Increase net metering limit from 10 MW to 20 MW (10 MW for Tier 1 and 2; 10 MW for Tier 3).
- Clarify the determination of "excess energy" sold to JEA.
- Clarify the application process, including the timing of approvals.
- Require a Demand Rate, when available, for net metered customers.
- Clarify that change of property ownership requires a new interconnection agreement, which updates the policy to that active at the time of the ownership change.
- Change the rate at which any energy flowing from the customer to JEA will be paid for at JEA Cost of Solar (SolarSmart Rider – currently \$0.075/kWh, to be updated annually). Currently Tier

1 and 2 solar customers are paid the full retail rate (\$0.104/kWh) and Tier 3 customers are paid avoided cost (\$0.03675/kWh).

- Change the policy to transfer Renewable Energy Credits to JEA for energy purchased by JEA.

The Distributed Generation Policy was modified to remain consistent with the changes in the Net Metering Policy.

RECOMMENDATION:

Information Only – Action to be recommended for approval at the March 2016 meeting.

PEM/MJB/SGM

Paul E. McElroy, Managing Director/CEO

JEA SolarSmart and Integration of Solar Resources

Board of Directors

February 16, 2016

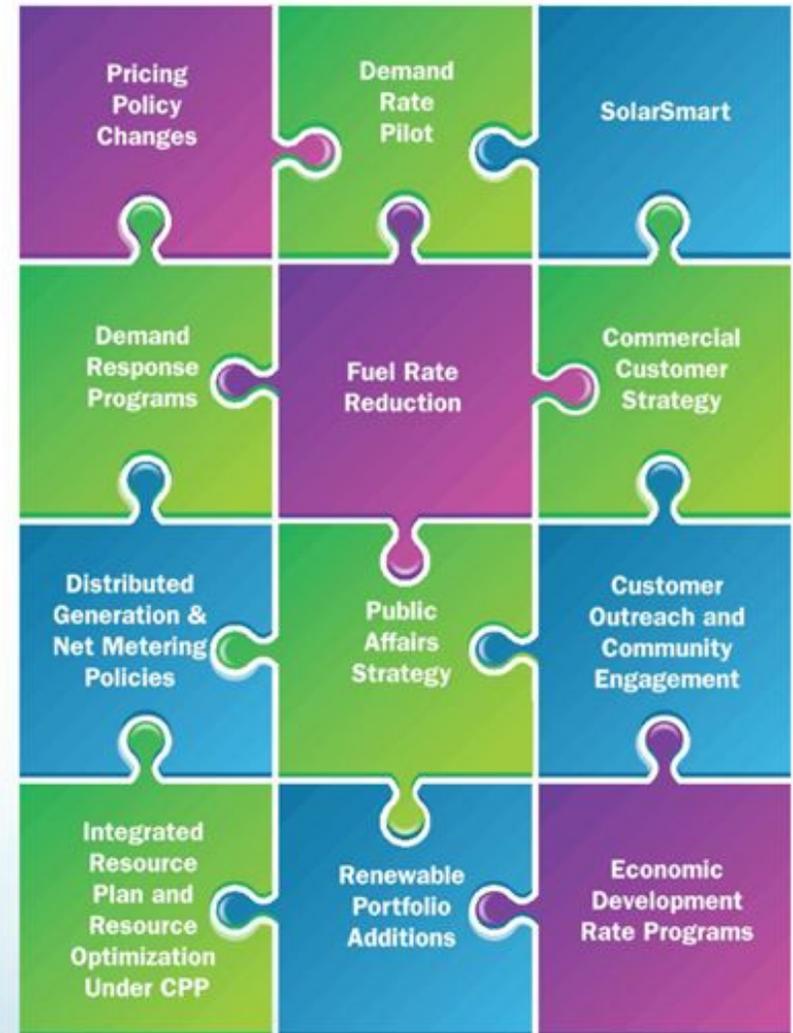
Past, Current and Future State



The Electric Industry is Facing Transformative Changes in the Coming Years

- Customers want choice
- Clean energy production is a cornerstone of our strategy as we face new industry regulations (Clean Power Plan)
- Level the playing field with respect to new technology in a changing industry
- Reduce customer costs by improving system utilization
- Recent declines in unit sales highlights the importance of revenue stability

GOAL
JEA will provide reliable, affordable, environmentally responsible utility service now and in the future

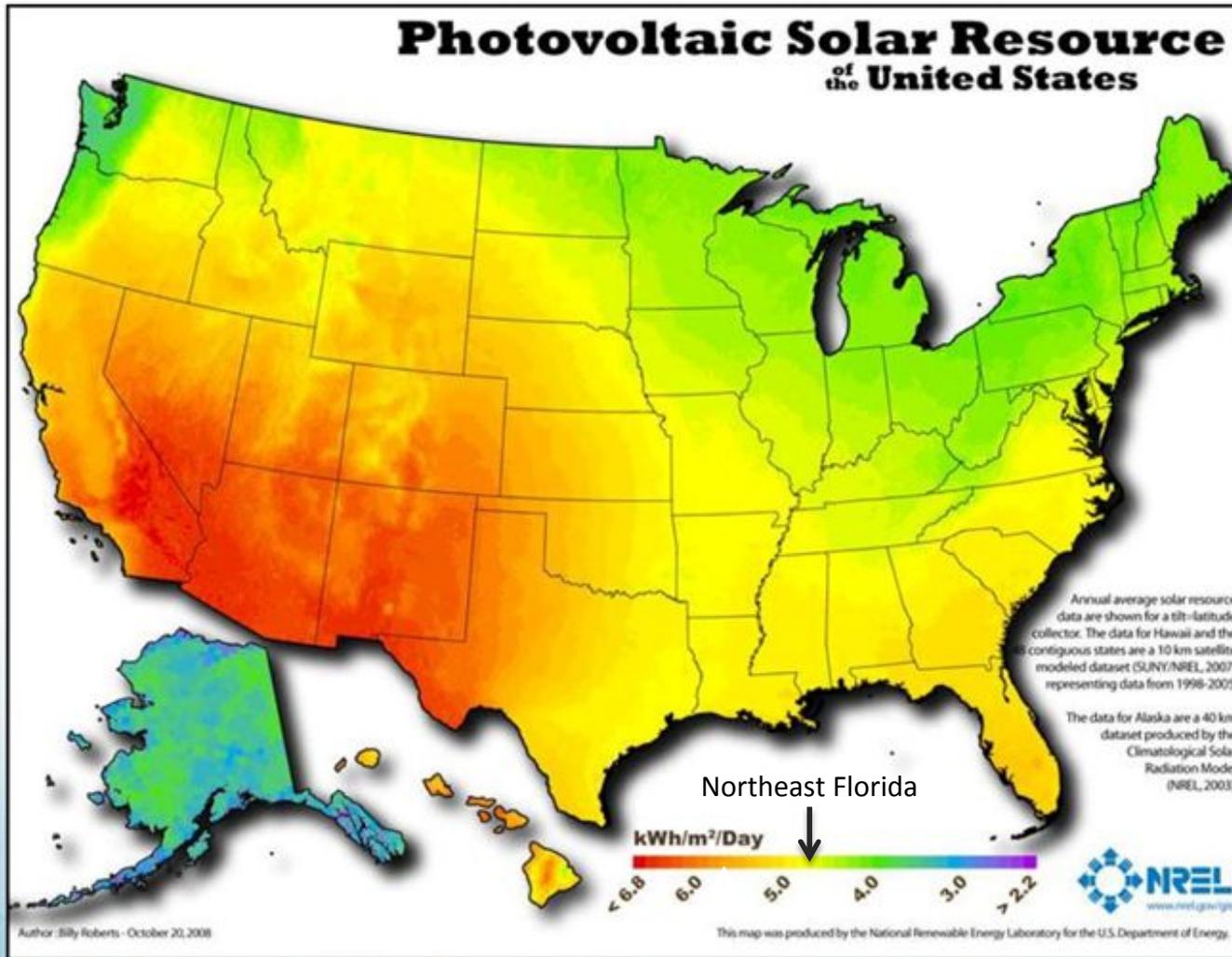


Past

Current

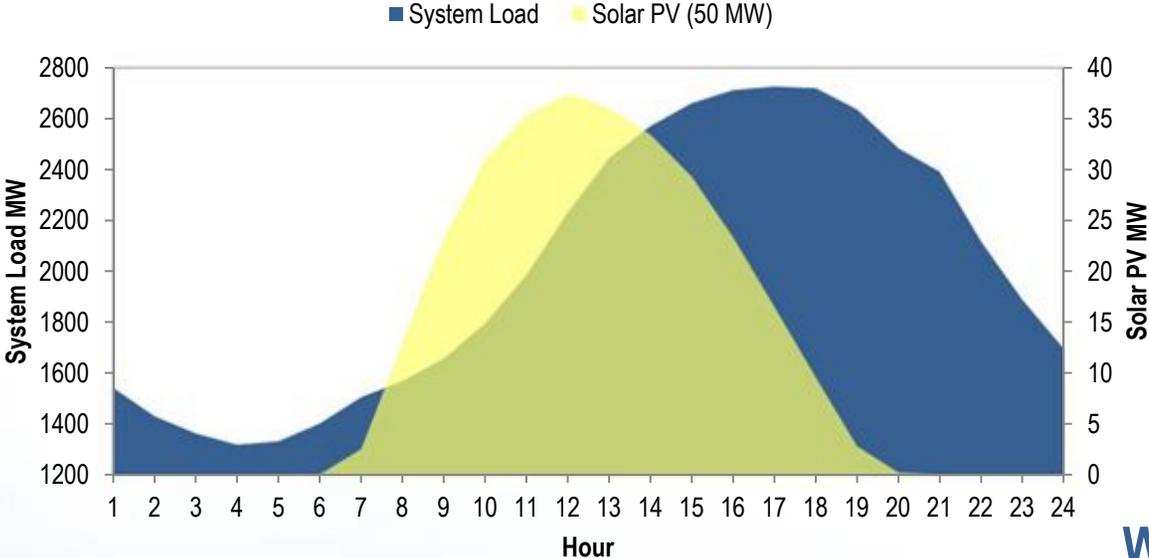
Future

While Less Efficient Than Other Regions, Solar Energy is a Viable Renewable Technology in Florida

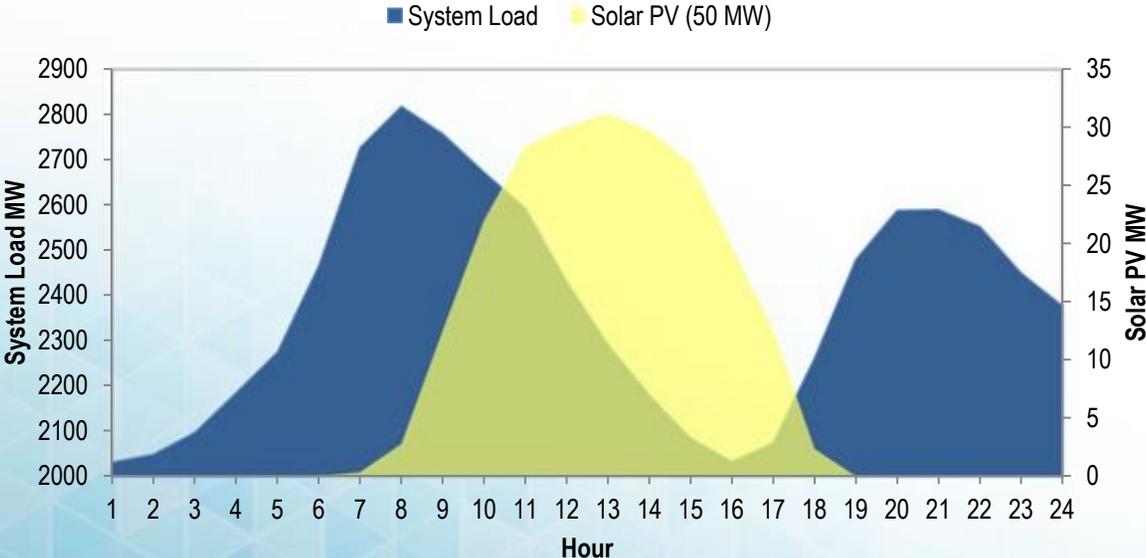


Solar Integration – Electric System Impact of Solar PV

Summer Peak Day



Winter Peak Day



JEA Has Supported the Development of Solar Technologies Since 1999

- In 1999 JEA pioneered distributed solar energy in Florida by piloting photovoltaic (PV) panel deployments at:
 - 22 Duval County public schools
 - Jacksonville Zoo
 - Jax Chamber of Commerce
 - Jacksonville International Airport
 - Jacksonville University
 - FSCJ
 - COJ Fire Rescue Station
 - JEA downtown parking
- The **12MW Jacksonville Solar** project will provide power to JEA through 2040

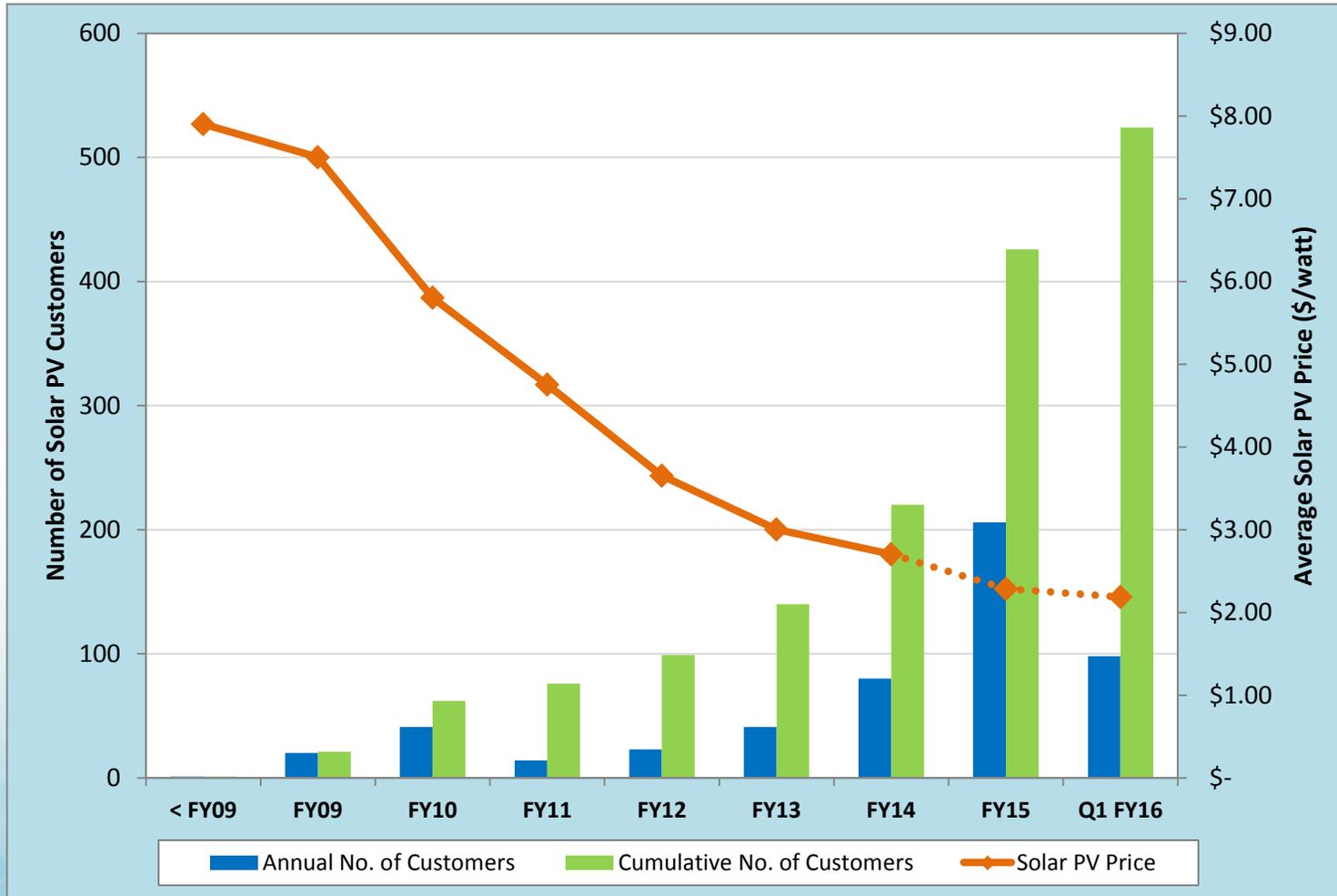


JEA Has Supported Customer-Owned Solar Generation Since 2009

- Customer-Owned solar arrays are installed at customer facilities, typically on rooftops.
- JEA Net Metering Policy established in 2009 to encourage customer-owned systems.
 - Matched programs provided by all other Florida utilities
 - Support for emerging renewable energy technologies to help market transformation
 - Guidelines for connection of customer-owned solar systems to the JEA grid
 - Billing and payment methodology for buying and selling electricity to/from the JEA grid
 - Credits for solar energy at the JEA Retail Rate as incentive for solar
 - Current level of inherent subsidy is small, but expected to grow



Cost of Solar Has Substantially Declined and Growth of JEA Customer-Owned Systems is Accelerating



JEA Engaged Stakeholders Throughout the Community in the Development of the Solar Strategy

Stakeholder Outreach

Environmental

- Sierra Club of North Florida
- Consumer Energy Alliance
- U.S. Green Building Council

Solar Industry

- Local PV Solar Contractors
- Solar Energy Power Association
- Florida Municipal Electric Association

Business

- JAX Chamber
- Green contractors, home energy designers

Nonprofit and Low Income

- United Way of Northeast Florida
- Habijax

JEA's New Solar Programs Offer More Choices to Customers

JEA is encouraging the addition of new solar resources by taking a holistic view of policies and products.

Solar Program Objectives:

1. Grow JEA's solar resources

- Increase the number and diversity of new utility scale solar installations in the JEA service territory

2. Expand customer offerings

- Identify and implement new value-added products made available as a result of JEA's new solar resources

3. Align customer-owned solar pricing policies to current market conditions

- Ensure that JEA treats all customers fairly



Objective 1 - Grow JEA's Solar Resources

Policy

- The JEA Solar Photovoltaic Policy establishes goals for increasing JEA's solar generation portfolio from the current capacity of 12 MW to a total of 50 MW by the end of 2016.

Actions

- JEA has already signed agreements for six solar installations to be installed in Jacksonville with a generation capacity of 25.5 MW.
- JEA is negotiating agreements for 11 MW additional solar generation.
- Cost of solar energy is higher than current energy costs.
 - Provides a hedge for CO2 regulations (Clean Power Plan)
 - Allows JEA to offer solar energy sales to customers who cannot install their own solar systems

Operations

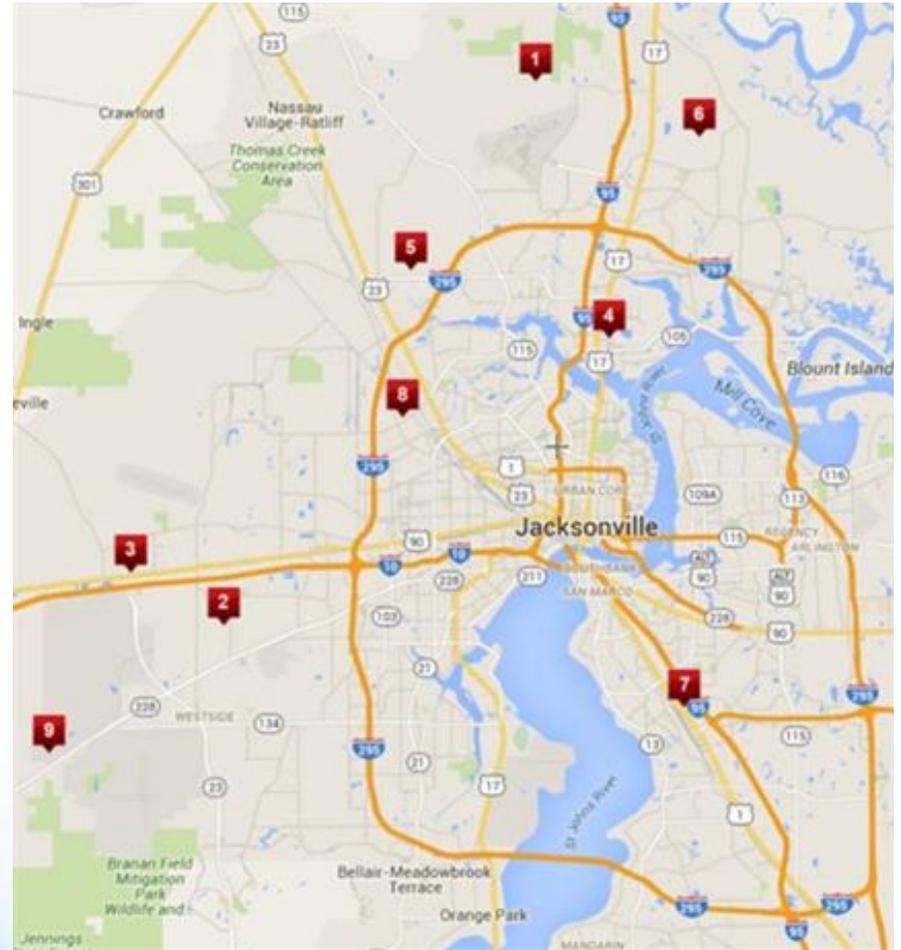
- The first new solar projects are expected to start producing energy by July 2016.

JEA will increase its solar generation capacity by over 300%



Objective 1 - Grow JEA's Solar Resources

Project Name	Size (MW)
1- Montgomery Solar Farm	7.0
2- Blair Site Solar	4.0
3- Old Plank Road Solar Farm	3.0
4- Imeson Solar Farm	5.0
5- Simmons Road Solar	2.0
6- Starratt Solar	5.0
7- SunE Solar Farm	4.5
8- Soutel Solar	1.0
9- Yellow Water	5.0
Total MW	36.5

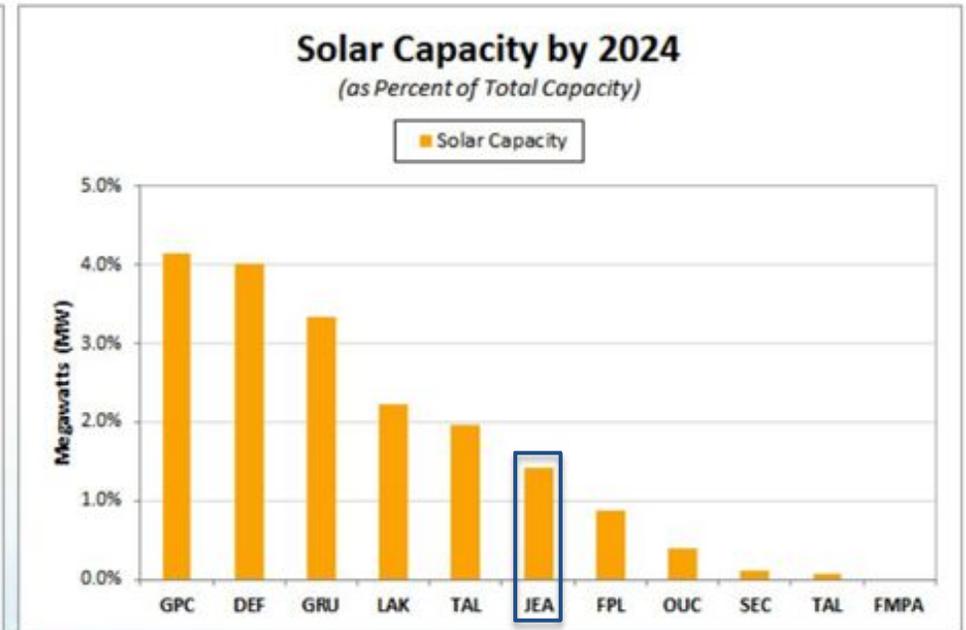
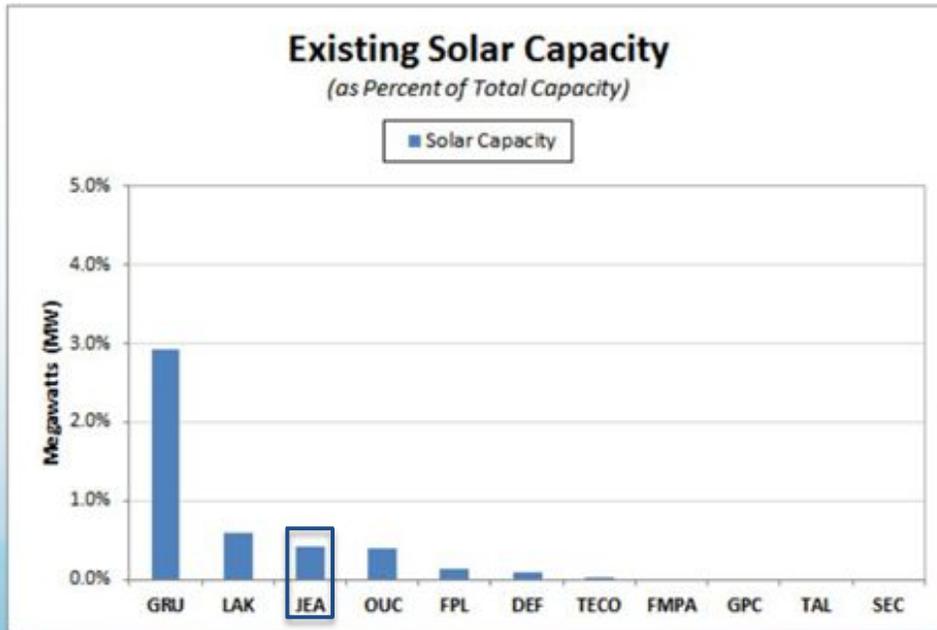


Solar resources will be geographically distributed to mitigate negative system impacts



JEA Utility Scale Solar vs Other Florida Utilities

- After the addition of the 38 MW of solar PV, JEA will have approximately 50 MW of utility scale solar generation - 1.4% of total generation capacity.



Based on the 2015-2024 Ten-Year Site Plan.
Site plan does not include any CPP assumptions or scenarios.



Objective 2 - Expand Customer Offerings

Policy

- JEA's Solar Policy allows for the energy produced from JEA's new solar arrays to be made available to JEA customers through new product options.

Actions

- JEA is proposing a new product to provide customers the rights to the energy produced by the new solar arrays:
 - The new product will be branded as **JEA SolarSmart**.
 - The pricing for SolarSmart will be higher due to the higher cost of solar energy
 - JEA will be selling the solar energy "at cost," as it does for the fuel used to generate electricity
 - Customers can enroll up to 100% of their energy to come from JEA's solar installations.



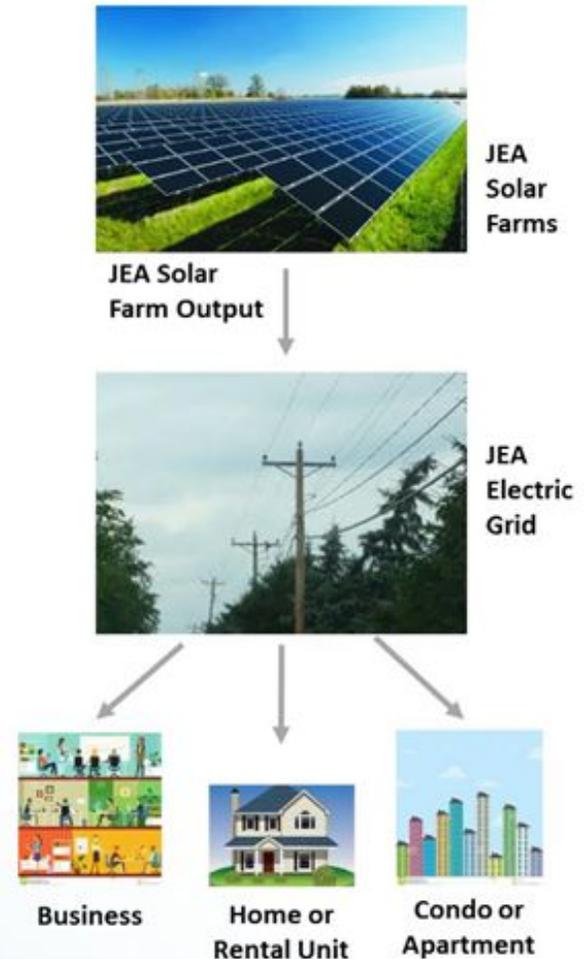
Objective 2 - Expand Customer Offerings

Operations

- The proposed new SolarSmart would be open for subscription October 1, 2016 as we bring the first new solar projects online over the summer.

Customer Benefits

- SolarSmart will allow customers to participate and show commitment to improving the environment.
- It is an alternative for residential or business customers who can't afford the upfront and long-term cost of a solar system, or for whom rooftop solar is not viable or desired.
- It is suitable for customers living in condos, rental housing, or in properties with insufficient sunlight.



Business owners, renters and condo owners can “Go Green” with JEA SolarSmart

Objective 3 – Align customer-owned solar pricing policies to current market conditions

Under the current Net Metering policy, non-solar customers subsidize the cost to serve solar customers

Recommended Changes

- Treat all solar energy the same, regardless of source;
 - Modify the rate which JEA pays for excess electricity from full retail for Tier 1 & 2 customers and avoided cost for Tier 3 customers to JEA's cost to acquire solar energy, \$0.075/kWh for 2016 (to be updated annually)
 - These changes are applicable only to customers who purchase a solar PV system after April 30th 2016
 - Economics for solar producers are the same regardless of the type of solar installation
 - JEA's proposed SolarSmart will match JEA's cost to acquire solar, and ensures that all solar energy purchased is market-based
- JEA is evaluating retail rate structures, including demand rates and/or monthly customer charges. Solar customers will receive service under a demand rate if adopted in the future.

Net Metering Credits by Other Utilities in Florida

Avoided Cost

(2.2 to 2.4 cents per kWh)

- City of Bushnell
- City of Clewiston
- Fort Pierce Utilities Authority
- City of Green Cove Springs
- Town of Havana
- Keys Energy Services
- Kissimmee Utility Authority
- City of Leesburg
- City of Newberry
- Ocala Utility Services
- City of Starke

Retail Rate

(9.1 to 13.3 cents per kWh)

- City of Fort Meade
- Clay Electric Cooperative
- Gainesville Regional Utilities
- Beaches Energy Services
- Orlando Utilities Commission
- Florida Power and Light
- Gulf Power Company
- Progress Energy Florida
- Tampa Electric Company

Objective 3 – Align customer-owned solar pricing policies to current market conditions

Recommended Changes, continued

- Increase net metering limit from 10 MW total (tiers 1-3) under current policy to 20 MW (10 MW for Tier 1 and 2; 10 MW for Tier 3) under proposed limit
- Clarify the determination of “excess energy” sold to JEA.
- Clarify the application process, including the timing of approvals.
- Clarify that change of property ownership requires a new interconnection agreement, which updates the policy to that active at the time of the ownership change.
- Change the policy to transfer Renewable Energy Credits to JEA for energy purchased by JEA.
- The Distributed Generation Policy was also modified to remain consistent with the changes in the Net Metering Policy.

Equal Pricing for Solar

Consuming Solar Energy (Buyer)



Equal Pricing For Solar

JEA SolarSmart



Producing Solar Energy (Seller)

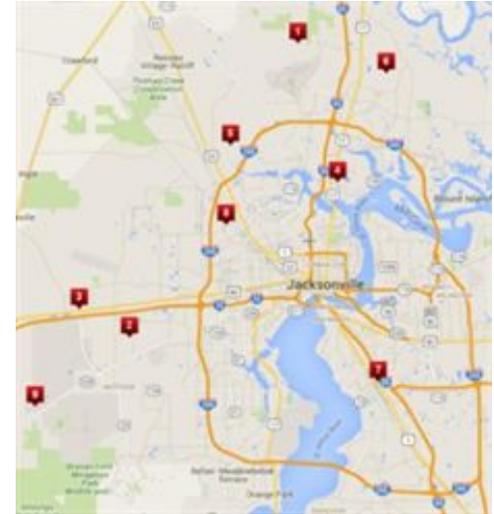


The Integration of Solar Expands our Community's Energy Options

Summary

JEA's Strategy

- Support the use of solar energy and the advancement of solar generation in financially responsible ways.
- Provide customers with options to buy solar energy under JEA SolarSmart.
- Ensure solar pricing is fair and transparent for all customers.



JEA Net Metering Policy

(Effective April 30, 2016)

Summary

The JEA Net Metering Policy is intended to facilitate generation from customer-owned renewable energy sources to offset up to all of the customer's energy requirements. The policy provides system interconnection and net metering requirements for customer-owned renewable generation systems connecting to the JEA electric grid that ensure the safety of JEA employees and customers and maintain the reliability of the electric grid. This policy applies to customers who submit a complete application package after April 29th, 2016. Customers who submit a complete application package on or before April 29th, 2016 will be subject to the current Net Metering Policy (Policy Effective Date - 12/02/2014).

Background

JEA's Net Metering Policy was established to provide support to emerging renewable energy technologies that could someday provide clean, cost effective electric power. As these technologies mature, JEA will adjust its level of support through the implementation of rates that equitably apportion costs based on the cost to serve these Net Metering customers.

Definitions

For the purposes of this policy the following definitions apply:

- Distributed Generation (DG) - Customer-owned generation located in the JEA electric service territory that does not qualify under JEA's Net Metering Policy. Size may result in annual generation in excess of the customer's annual energy demand. Excludes customer-owned generation which is used for back-up/standby and does not operate in sync w/ the JEA system.
- Gross Power Rating (GPR) – The total manufacturer's AC nameplate generating capacity of an on-site customer-owned generation system that will be interconnected to and operate in parallel with JEA's distribution facilities. For inverter-based systems, the GPR shall be calculated by multiplying the total installed DC nameplate generating capacity by 0.85 in order to account for losses during the conversion from DC to AC.
- JEA SolarSmart – The cost of solar energy sold to customers as indicated in the JEA Tariff.
- Net Metering - A metering and billing methodology that supports the interconnection of customer-owned renewable generation systems and the associated flow of energy to and from the customer premises to the JEA grid.
- Renewable Generation - Energy produced from sources identified as renewable in Florida Statute 366.91(2) (d).
- Utility Distribution Service Rating - Distribution capacity rating of the JEA assets serving the customer up to the point of service. This includes, but is not limited to, the utility distribution transformer and utility service conductor.

JEA Net Metering Policy

(Effective April 30, 2016)

Qualifications

In order to qualify for a net metered interconnection to JEA's distribution grid the customer's renewable generation system must have a gross power rating that:

1. Does not exceed 90% of the customer's utility distribution service rating.
2. Falls into one of the following generation ranges:
 - Tier 1 – 10 kW or less.
 - Tier 2 – greater than 10 kW and less than or equal to 100 kW.
 - Tier 3 – greater than 100 kW and less than or equal to 2 MW.
3. Does not result in annual energy (kWh) sent to the JEA grid that exceeds the customer's annual energy (kWh) obtained from the JEA grid at a single contiguous site of delivery under a single customer account.

In the event a net metered customer is in violation of any of the above criteria, JEA reserves the right to move the customer from a net metered account to a distributed generation account, per the JEA Distributed Generation Policy. Such instances will be handled on a case-by-case basis, with minor and/or temporary excess generation issues being allowed. Further, customer-owned nonrenewable generation, and customer-owned renewable generation in excess of 2 MW, or that otherwise does not qualify for Net Metering, is addressed in the JEA Distributed Generation Policy.

JEA reserves the right to monitor the aggregate load of all Net Metering generation connected to the JEA grid and at management's sole discretion institute aggregate load limits in the future that will limit the Net Metering customers by total MWs connected, date connected or other aggregate characteristics. This policy authorizes an aggregate JEA system load limit of 20 MW for Net Metering. The 20 MW are divided in 10 MW for Tiers 1 & 2 combined and 10 MW for Tier 3.

Application

An application for interconnection must be submitted by the customer and approved by JEA prior to initiating construction or installation of the renewable generation system. The customer must complete a JEA Application Form for Interconnection of Renewable Generation Systems, Net Metering Interconnection Agreement, and IRS W-9 form and provide all required generation system documentation. The documents must be signed by the individual who is listed in the JEA account. The application documents can be found at jea.com and uploaded by selecting Environment / Solar / Net Metering.

The customer may submit the application package electronically to netmeter@jea.com or deliver to:

Manager Customer Solutions / Net Metering
JEA T-12
21 West Church Street
Jacksonville, FL 32202

JEA Net Metering Policy

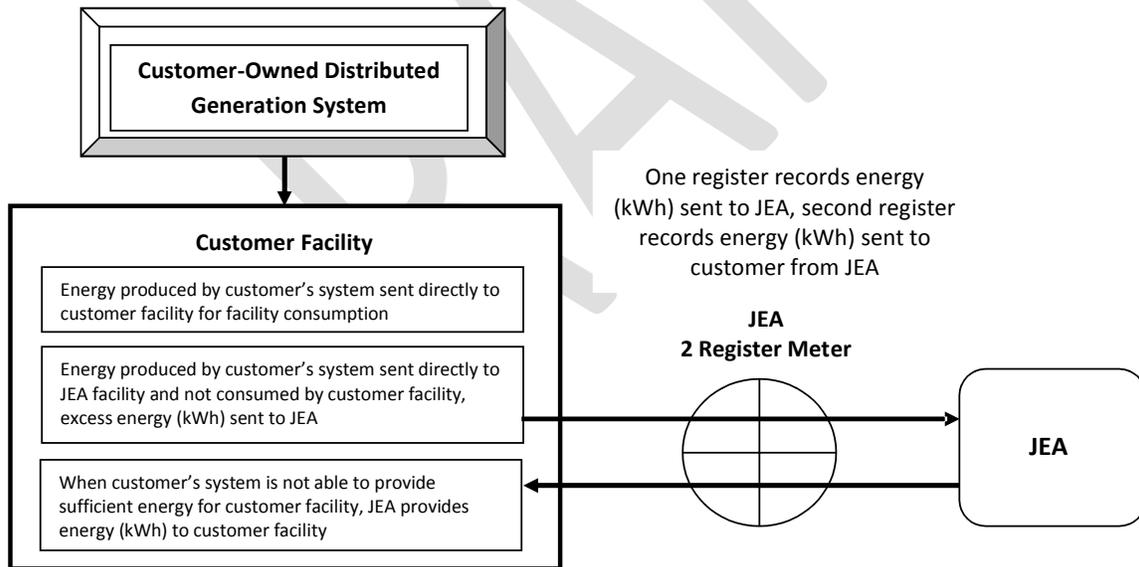
(Effective April 30, 2016)

Upon receipt of the submittal package, a JEA employee will verify that the documentation is complete, evaluate if the proposed generation system qualifies for net metering and inform the customer that the application for interconnection has been approved or rejected. Any rejections will include required remedies. If the application is approved, a JEA employee will contact the customer to review their proposed installation and interconnection analysis to determine any additional requirements and/or costs. The customer shall be responsible for all equipment upgrades which would be necessary to complete the interconnection. The interconnection agreement serves as a contract between JEA and the customer and includes the specific terms and conditions of the interconnection.

Installation

The customer will be required to install the system in accordance with JEA Rules and Regulations section 2.16 and Electric Systems Procedure ES20202 902 or its successor, as appropriate. An electrical construction permit must be obtained from the appropriate jurisdiction. The system must pass JEA inspection prior to connection and operation. JEA will furnish, install, own, and maintain metering equipment at the installation point capable of monitoring the flow of energy (kWh) from JEA to the customer and from the customer to JEA.

Example:



Billing

The customer will always pay the basic monthly charge and demand charges per the applicable Retail Rate plus taxes and fees on the basic monthly charge and demand charges regardless of the amount of energy billed. All customers under this policy are required to take service under current or future applicable demand rates.

JEA Net Metering Policy

(Effective April 30, 2016)

The consumption for each billing period will be billed using the applicable Retail Rate for energy, demand, fuel, environmental and conservation charges for the kW and kWh received as measured by the JEA meter.

Net Metering systems with a gross power rating of 50 kW or greater and a customer kW demand greater than or equal to 75 kW will require standby and/or supplemental energy from JEA and will take service under **Rate Schedule SS-1 “Standby and Supplemental Service”**.

Credits

The kWh energy generated by the customer-owned renewable generation system that is sent to the grid and measured at the meter for each billing period will be credited at the Solar Option Rider. The credits will be applied before taxes and fees are calculated. Taxes and fees will never be less than those applied to the basic monthly and demand charges.

If the credit for a billing period is larger than the combined JEA customer account bill charges, JEA will carry over the credit balance to the next billing period. JEA will not distribute a monthly payment for a credit balance. JEA will apply the credit balance to the combined JEA customer account balance for each billing period through the end of the calendar year. If at the end of the calendar year the customer has a Net Metering service related credit balance in excess of \$100, JEA will, at the customer's request, distribute a payment for the credit balance. If the customer does not request a payment, the credit will be applied to any future outstanding balance on the combined JEA customer account. JEA will also apply any credit balance to the final bill at the time the service agreement, or account, is closed and final billed. At the beginning of each calendar year JEA will total all monthly credits for the previous year and issue an IRS 1099-MISC tax form to any customers with total credits of \$600 or greater.

The customer will retain any renewable energy attributes associated with customer utilized renewable generation. For any kWh purchased by JEA the renewable energy attributes will be transferred to JEA.

Change of Ownership

Ownership change of a renewable generation system will result in that system being exclusively governed by the Net Metering Policy in effect at the time of ownership change.

Additional Requirements for Tier 3 Systems

The following requirements are in addition to those stated above and must be submitted with the application:

1. An application fee of \$1,000.
2. Proof of general liability insurance of \$2 million.
3. Evidence of the proposed installation of an externally accessible, lockable a/c disconnect device in close proximity to the meter location.

JEA Net Metering Policy

(Effective April 30, 2016)

Please note that given the complexity and variability of systems of this size, there may be other protection equipment required beyond the disconnect switch which will be determined through the interconnection study performed by JEA. Any additional equipment costs will be incurred by the customer.

APPENDIX

The following table summarizes the rates associated with this policy for each category of Net Metering.

Net Metering Policy Rates Summary

Generation Range	Energy (kWh) Received (Purchased) from JEA	Energy (kWh) Delivered (Sold) to JEA
Tier 1 - 10 kW or less	Retail Rate	Solar Option Rider
Tier 2 – over 10 kW and less than 50 kW	Retail Rate	Solar Option Rider
Tier 2 - 50 kW up to 100 KW	Retail Rate or SS-1 Retail Rate as applicable	Solar Option Rider
Tier 3 – over 100 kW up to 2 MW	SS-1 Retail Rate	Solar Option Rider

JEA Net Metering Policy — ~~Tiers 1-3~~

(Effective April 30, 2016)

Summary

The JEA Net Metering Policy is intended to facilitate generation from customer-owned renewable energy sources to offset up to all of the customer's energy requirements. The policy provides system interconnection and net metering requirements for customer-owned renewable ~~generators connecting to the JEA electric grid.~~ generation systems connecting to the JEA electric grid that ensure the safety of JEA employees and customers and maintain the reliability of the electric grid. This policy applies to customers who submit a complete application package after April 29th, 2016. Customers who submit a complete application package on or before April 29th, 2016 will be subject to the current Net Metering Policy (Policy Effective Date - 12/02/2014).

~~Policy Statement~~

Background

JEA's Net Metering Policy was established to provide support to emerging renewable energy technologies that could someday provide clean, cost effective electric power. As these technologies mature, JEA will adjust its level of support through the implementation of rates that equitably apportion costs based on the cost to serve these Net Metering customers.

Definitions

For the purposes of this policy the following definitions apply:

- ~~• Net Metering is a metering and billing methodology that supports the interconnection of customer owned renewable generation and the associated flow of energy to and from the customer premises.~~
- Distributed Generation (DG) - Customer-owned generation located in the JEA electric service territory that does not qualify under JEA's Net Metering Policy. Size may result in annual generation in excess of the customer's annual energy demand. Excludes customer-owned generation which is used for back-up/standby and does not operate in sync w/ the JEA system.
- Gross Power Rating ~~means the~~(GPR) – The total manufacturer's AC nameplate generating capacity of an on-site customer-owned generation system that will be interconnected to and operate in parallel with JEA's distribution facilities. For inverter-based systems, the ~~AC nameplate generating capacity~~GPR shall be calculated by multiplying the total installed DC nameplate generating capacity by 0.85 in order to account for losses during the conversion from DC to AC.
- JEA SolarSmart – The cost of solar energy sold to customers as indicated in the JEA Tariff.

JEA Net Metering Policy—~~Tiers 1-3~~ (Effective April 30, 2016)

- Net Metering - A metering and billing methodology that supports the interconnection of customer-owned renewable generation systems and the associated flow of energy to and from the customer premises to the JEA grid.
- Renewable Generation ~~is energy-~~ Energy produced from sources identified as renewable in Florida Statute 366.91(2) (d).
- Utility Distribution Service Rating - Distribution capacity rating of the JEA assets serving the customer up to the point of service. This includes, but is not limited to, the utility distribution transformer and utility service conductor.

Qualifications

In order to qualify for a net metered interconnection to JEA's distribution grid the customer's renewable generation system must have a gross power rating that:

1. Does not exceed 90% of the customer's utility distribution service rating.
2. Falls into one of the following generation ranges:
 - Tier 1 – 10 kW or less.
 - Tier 2 – greater than 10 kW and less than or equal to 100 kW.
 - Tier 3 – greater than 100 kW and less than or equal to 2 MW.
3. Does not result in annual energy (kWh) sent to the JEA grid that exceeds the customer's annual energy (kWh) obtained from the JEA grid at a single contiguous site of delivery under a single customer account.

~~Customer~~In the event a net metered customer is in violation of any of the above criteria, JEA reserves the right to move the customer from a net metered account to a distributed generation account, per the JEA Distributed Generation Policy. Such instances will be handled on a case-by-case basis, with minor and/or temporary excess generation issues being allowed. Further, customer-owned nonrenewable generation, and customer-owned renewable generation in excess of 2 MW, or that otherwise does not qualify for Net Metering, is addressed in the JEA Distributed Generation Policy.

JEA reserves the right to monitor the aggregate load of all Net Metering generation connected to the JEA grid and at management's sole discretion institute aggregate load limits in the future that will limit the ~~net metering~~Net Metering customers by total MWs connected, date connected or other aggregate characteristics. ~~Currently, This policy authorizes~~ an aggregate JEA system load limit of 20 MW for Net Metering. The 20 MW are divided in 10 MW ~~is in place~~for Tiers 1 & 2 combined and 10 MW for Tier ~~1~~—3 Net Metering.

Application

~~Before service begins, the~~An application for interconnection must be submitted by the customer will be required and approved by JEA prior to initiating construction or installation of the

JEA Net Metering Policy ~~—Tiers 1-3~~ (Effective April 30, 2016)

~~renewable generation system. The customer must complete and sign an application, a JEA Application Form for Interconnection of Renewable Generation Systems, Net Metering Interconnection Agreement, and IRS W-9 form and provide all required generation system documentation including an IRS W-9 form and an interconnection agreement. These documents can be found at jea.com. These. The documents must be signed by the individual who is listed on the JEA account in the JEA account. The application documents can be found at jea.com and uploaded by selecting Environment / Solar / Net Metering.~~

The customer ~~will send~~ may submit the ~~submittal~~ application package electronically to: netmeter@jea.com or deliver to:

Manager Customer Solutions / Net Metering
JEA T-12
21 West Church Street
Jacksonville, FL 32202

Upon receipt of the submittal package, a JEA employee will verify that the documentation is complete, evaluate if the proposed generation system qualifies for net metering and inform the customer that the application for interconnection has been approved or rejected. Any rejections will include required remedies. If the application is approved, a JEA employee will contact the customer to review their proposed installation and ~~will begin the~~ interconnection analysis to determine any additional requirements and/or costs. The customer shall be responsible for all equipment upgrades, ~~or similar~~, which would be necessary to complete the interconnection. The interconnection agreement serves as ~~the~~ contract between JEA and the customer, and ~~will include additional details~~ includes the specific terms and conditions of the interconnection.

Installation

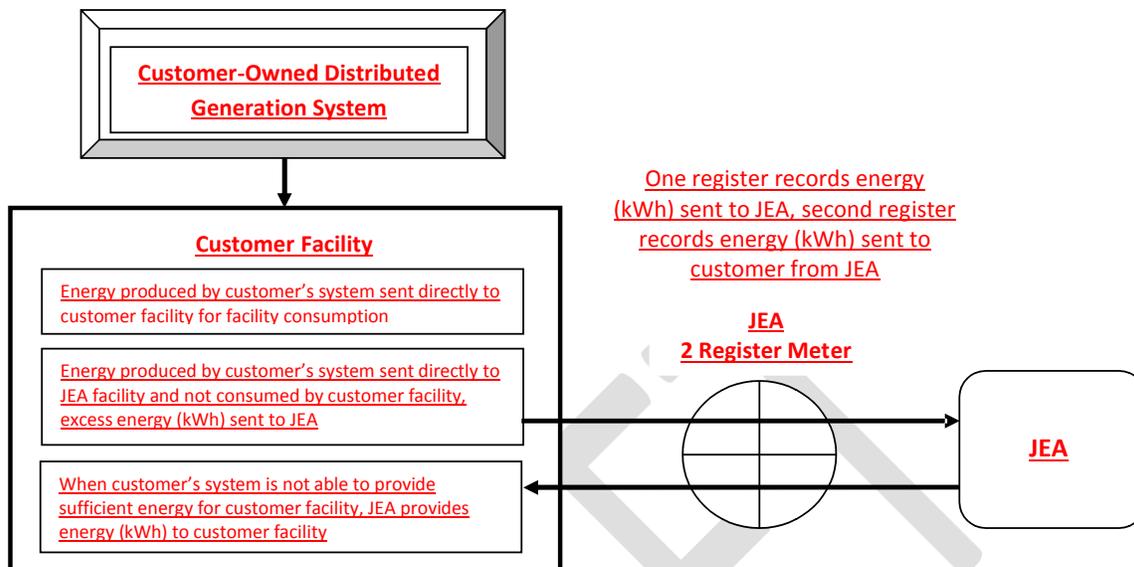
The customer will be required to install the system in accordance with JEA Rules and Regulations section 2.16 and Electric Systems Procedure ES20202 902 or its successor, as appropriate. An electrical construction permit must be obtained from the appropriate jurisdiction. The system must ~~also pass a~~ JEA inspection prior to connection and operation.

JEA will furnish, install, own, and maintain metering equipment at the installation point capable of monitoring the flow of energy (kWh) from JEA to the customer and from the customer to JEA.

JEA Net Metering Policy — **Tiers 1-3**

(Effective April 30, 2016)

Example:



Billing

~~The~~The customer will always pay the basic monthly charge and demand charges per the applicable Retail Rate plus taxes and fees on the basic monthly charge and demand charges regardless of the amount of energy billed kWh. All customers under this policy are required to take service under current or future applicable demand rates.

~~The~~consumption for each billing period will be the amount of kWh received from JEA measured at the meter at the end of the billing period. Customers will be charged/billed using the customer's applicable Retail Rate for energy, demand, fuel, environmental and conservation charges per kWh for the metered kW and kWh received from JEA during each billing cycle. The customer will always pay as measured by the monthly JEA meter.

Net Metering systems with a gross power rating of 50 kW or greater and a customer charge and the Retail Rate plus taxes and fees based on the kWh/kW demand greater than or equal to 75 kW will require standby and/or supplemental energy from JEA and will take service under **Rate Schedule SS-1 "Standby and Supplemental Service"**.

Credits

The kWh energy generated by the customer-owned renewable generation system that customer receives from JEA even if there is net zero consumption or net excess kWh exported to sent to the grid during and measured at the billing cycle. Monetary credits/meter for each billing period will be based on the kWh sent to JEA measured at the meter at the end of the billing period and the rate applicable to the customer's system. — credited at the Solar Option Rider. The credits

JEA Net Metering Policy—Tiers 1-3 **(Effective April 30, 2016)**

will be applied before taxes and fees are calculated. Taxes and fees will never be less than those applied to the basic monthly and demand charges.

If the credit for a billing period is larger than the combined JEA customer account bill charges for the kWh received from JEA, JEA will carry over the credit balance, ~~less any included taxes~~, to the next billing period. JEA will not distribute a monthly payment for ~~the~~ credit balance. JEA will apply the credit balance to the ~~electric service~~combined JEA customer account balance for each billing period through the end of the calendar year. If at the end of the calendar year the customer has a Net Metering service related credit balance in excess of \$100, JEA will, at the customer's JEA account related to their net metering service, request, distribute a payment for the credit balance. ~~If the customer does not request a payment, the credit~~ will be applied to any future outstanding balance on the combined JEA customer account. ~~JEA will then pay the customer the remaining account credit balance~~. JEA will also apply any credit balance to the final bill at the time the service agreement, or account, is closed and final billed. At the ~~end~~beginning of each calendar year JEA will ~~issue an IRS 1099-MISC tax form totalizing total~~ all monthly credits for the previous year ~~and issue an IRS 1099-MISC tax form to any~~ customers with total credits of \$600 or greater.

~~All Net Metering systems with a gross power rating of 50 kW or greater will require standby and/or supplemental energy from JEA and will be required to take service under Rate Schedule SS-1 "Standby and Supplemental Service".~~

The customer will retain any ~~Renewable Energy Certificates (REC)~~renewable energy attributes associated with ~~a customer's~~customer utilized renewable generation. For any kWh purchased by JEA the renewable energy attributes will be transferred to JEA.

~~JEA reserves the right to develop specific rate classifications that may have different cost recovery based rate structures than implied through net metering practices under this JEA Net Metering Policy.~~

Rates

Tier 1 & 2 Systems

~~In the Tier 1&2 net metering arrangement, the kWh generated by a renewable system that are not used by the customer and are sent to the grid will be credited at the prevailing applicable retail energy rate, demand, fuel, environmental, conservation charges, taxes and fees.~~

Tier 3 Systems

~~In the Tier 3 net metering arrangement, the kWh generated that are not used by the customer and are sent to the grid will be credited at JEA's fuel rate as published in JEA's Tariff.~~

Change of Ownership

Ownership change of a renewable generation system will result in that system being exclusively governed by the Net Metering Policy in effect at the time of ownership change.

JEA Net Metering Policy — ~~Tiers 1-3~~

(Effective April 30, 2016)

Additional Requirements for Tier 3 Systems

The following requirements are in addition to those ~~in the Policy Statement~~stated above and must be submitted with the application:

1. An application fee of \$1,000.
2. Proof of general liability insurance of \$2 million.
3. ~~The evidence~~Evidence of the proposed installation of an externally accessible, lockable a/c disconnect device in close proximity to the meter location.

Please note that given the complexity and variability of systems of this size, there may be other protection equipment required beyond the disconnect switch which will be determined through the interconnection study performed by JEA. ~~The~~Any additional equipment costs will be incurred by the customer.

JEA Net Metering Policy ~~Tiers 1-3~~

(Effective April 30, 2016)

APPENDIX

The following table summarizes the rates associated with this policy, for each category of Net Metering.

Net Metering Policy Rates Summary

Generation Range	Energy (kWh) Received (Purchased) from JEA	Energy (kWh) Delivered (Sold) to JEA
Tier 1 - 10 kW or less	Retail Rate	Retail Rate <u>Solar Option Rider</u>
Tier 2 – over 10 kW and less than 50 kW	Retail Rate	Retail Rate <u>Solar Option Rider</u>
Tier 2 - 50 kW up to 100 KW	Retail Rate or SS-1 Retail Rate <u>as applicable</u>	Retail Rate <u>Solar Option Rider</u>
Tier 3 – over 100 kW up to 2 MW	SS-1 Retail Rate	Fuel Rate <u>Solar Option Rider</u>

JEA Distributed Generation Policy

(Effective April 30, 2016)

Summary

This JEA Distributed Generation Policy provides requirements for customer-owned electric generators interconnecting to the JEA electric grid that ensure the safety of JEA employees and customers and maintain the reliability of the electric grid. This policy is applicable to all nonrenewable customer-owned generation and to all renewable customer-owned generation that does not qualify under the JEA Net Metering Policy. This policy applies to customers who submit a complete application package after April 29th, 2016. Customers who submit a complete application package on or before April 29th, 2016 will be subject to the initial Distributed Generation Policy (Policy Effective Date - 12/02/2014).

Definitions

For the purposes of this policy the following definitions apply:

- Avoided Cost – The value assigned to energy delivered to JEA, determined by the cost of the fuel that JEA would have used to generate the same amount of energy, and a representative heat rate.
- Distributed Generation (DG) - Customer-owned generation located in the JEA electric service territory that does not qualify under JEA Net Metering Policy. Size may result in annual generation in excess of the customer's annual energy demand. Excludes customer-owned generation which is used for back-up/standby and does not operate in sync w/ the JEA system.
- FERC - Federal Energy Regulatory Commission.
- Gross Power Rating (GPR) - The total manufacturer's AC nameplate generating capacity of an on-site customer-owned generation system that will be interconnected to and operate in parallel with JEA's distribution facilities. For inverter-based systems, the GPR shall be calculated by multiplying the total installed DC nameplate generating capacity by 0.85 in order to account for losses during the conversion from DC to AC.
- Power Purchase Agreement (PPA) - Technical and commercial agreement in which a third party developer owns, operates and maintains an electric generation system and an electric utility purchases the system's electric output for a predetermined period.
- PURPA - Public Utility Regulatory Policies Act of 1978. Provides the definition of a Qualifying Facility (applicable to cogeneration facilities).
- Renewable Generation - Energy produced from sources identified as renewable in Florida Statute 366.91(2) (d).
- Utility Distribution Service Rating - Distribution capacity rating of the JEA assets serving the customer up to the point of service. This includes, but is not limited to, the utility distribution transformer and utility service conductor.

JE A Distributed Generation Policy

(Effective April 30, 2016)

Qualifications

All nonrenewable distributed generation systems and renewable generation systems that do not qualify under the JEA Net Metering Policy will fall into one of the following categories:

- DG-1 – DG less than 50 kW gross power rating
- DG-2 – DG 50 kW or greater and less than or equal to 2 MW gross power rating.
- DG-3D – All DG over 2 MW gross power rating with distribution level connection to JEA's system.
- DG-3T – All DG over 2 MW gross power rating with transmission level connection to JEA's system.

JEA reserves the right to monitor the aggregate load of all distributed generation connected to the JEA grid and at management's sole discretion institute aggregate load limits in the future that will limit the total MWs connected. Distributed generation will be evaluated on a case-by-case basis. Limits may be applied to the utility distribution service rating. Customer-owned renewable generation that does not qualify for net metering under the JEA Net Metering Policy will be treated the same as nonrenewable generation of the same gross power rating.

Application

A JEA Application Form for Interconnection of Distributed Generation Systems to the Distribution System must be submitted by the customer and approved by JEA prior to initiating installation or construction of the generation system.

A Small Generator Interconnection Agreement is required for systems with less than or equal to 2 MW gross power rating to connect to JEA's system (DG-1 and DG-2 systems).

A Power Purchase Agreement (PPA) is required for systems with over 2 MW gross power rating to connect to JEA's system (DG-3D and DG-3T systems).

Customers interested in negotiating a PPA with JEA should contact:

Director, Electric Production Resource Planning
JEA T-10
21 West Church Street
Jacksonville, FL 32202

Customers are encouraged to utilize their key account representative if they are considering installing a DG system.

JEA Distributed Generation Policy

(Effective April 30, 2016)

Installation

The customer will be required to install the system in accordance with JEA Rules and Regulations section 2.16 and Electric Systems Procedure ES20202 902 or its successor, as appropriate. An electrical construction permit must be obtained from the appropriate jurisdiction. The system must also pass a JEA inspection prior to connection and operation. Any required upgrades to JEA's system will be paid by the customer, or if addressed under a PPA, may be paid by JEA with the cost of the upgrades being reflected in the negotiated rate.

JEA will furnish, install, own, and maintain metering equipment at the installation point capable of monitoring the flow of energy (kWh) from the customer to JEA. Service from JEA to the customer will be the same as for retail customers.

Billing

The customer will always pay the basic monthly charge and demand charge per the applicable Retail Rate plus taxes and fees on the basic monthly charge and demand charges regardless of the amount of energy billed. All customers under this policy are required to take service under current or future applicable demand rates.

The consumption for each billing period will be billed using the applicable Retail Rate for energy, demand, fuel, environmental and conservation charges for the kW and kWh received as measured by the JEA meter.

Distributed Generation systems with a gross power rating of 50 kW or greater and a customer kW demand greater than or equal to 75 kW will require standby and/or supplemental energy from JEA and will be required to take service under **Rate Schedule SS-1 "Standby and Supplemental Service"**.

Credits

DG-1 Systems

DG-1 Systems are any type of generating systems with less than 50 kW gross power rating that do not qualify for net metering. The monetary credits for DG-1 generation systems will be based on the Avoided Cost, and calculated using the DG-2 Systems methodology.

DG-2 Systems

DG-2 Systems are any type of generating systems with gross power rating of 50 kW up to and including 2 MW that do not qualify for net metering. The monetary credits for DG-2 generation systems will be based on Avoided Cost, as illustrated below:

$$\text{Avoided Cost (\$/MWh)} = \text{Henry Hub Natural Gas Index (\$/mmbtu)} \times \text{Average Combined Cycle Heat Rate (mmbtu/MWh)} \quad (\text{All values Monthly Average})$$

JEA Distributed Generation Policy

(Effective April 30, 2016)

For example, in September 2014:

Monthly Average Henry Hub Natural Gas Index (\$/mmbtu) = \$3.91/mmbtu

Average Combined Cycle Heat Rate (mmbtu/kWh) = 7094

Avoided Cost (\$/MWh) = \$3.91/mmbtu x 7.094 mmbtu/MWh = \$27.74/MWh

Monetary credits for the kWh energy generated by the customer-owned distributed generation system that is sent to the grid and measured at the meter will be applied before taxes and fees are calculated. Taxes and fees will never be less than those applied to the basic monthly and demand charges.

DG-3D and 3T Systems

Distributed Generation systems are considered to be DG-3D if connected to JEA's system at the distribution level, and DG-3T if connected at the transmission level. Other than the type of connection to JEA's electric grid, DG-3D and DG-3T are the same. The rates for energy delivered to JEA by DG-3D and DG-3T generation systems will be addressed on an individual basis with the customer through a Power Purchase Agreement (PPA). PURPA Qualifying Facilities may receive Avoided Cost payments for energy sold to JEA.

The factors used to evaluate DG-3D and DG-3T systems include, but are not limited to, the following:

- Location of customer's generation system;
- Size (MW) of customer's generation system;
- Point of Connection to JEA's electric system and JEA study of interconnection;
- Available capacity on the JEA Distribution (DG-3D) or Transmission (DG-3T) system;
- Fuel source of customer's proposed generation system;
- Availability (capacity factor) of customer's proposed generation system;
- Environmental impact of customer's proposed generation system;
- Required upgrades, if any, to JEA's system to accommodate customer's load;
- Required level of backup by JEA to customer's system; and
- JEA's current or projected capacity and energy needs.
- For DG units utilizing JEA's transmission system to transmit energy out of JEA's territory, customer will need to request transmission service through JEA's Open Access Transmission Tariff (OATT). JEA will also need to study and approve the proposed interconnection.
- Start-up, standby, and any other ancillary services to be provided by JEA; and
- Financial strength of PPA offeror (customer).

JE A Distributed Generation Policy

(Effective April 30, 2016)

Additional Qualifications

The following requirements are in addition to those in the policy statement above and must be submitted to JEA in order to properly evaluate the request to interconnect to the JEA grid:

1. Completed application with signature and fees as established in JEA Electric Service Tariff;
2. Completion and submittal of the interconnection agreement or power purchase agreement (PPA);
3. Proof of general liability insurance of \$2 million; and
4. Evidence of the proposed installation of an externally accessible, lockable a/c disconnect device located in close proximity to the meter location installation will be installed.

Please note that given the complexity and variability of systems of this size, there may be other protection equipment required beyond the disconnect switch which will be determined through the interconnection study performed by JEA. Any additional equipment costs will be incurred by the customer.

The customer will send the submittal package to:

Manager Business Client Relationships Key Accounts
JEA T-7
21 West Church Street
Jacksonville, FL 32202

Upon receipt of the submittal package, a JEA employee will contact the customer to review their proposed installation and will begin the interconnection analysis to determine any additional requirements and/or costs. The customer shall be responsible for all equipment upgrades, or similar, which would be necessary to complete the interconnection. The interconnection agreement or the power purchase agreement (PPA) serves as the contract between JEA and the customer, and will include additional requirements.

PURPA Qualifying Facilities

Facilities proposing to sell electricity as a "Qualifying Facility" as defined by the Public Utility Regulatory Policies Act of 1978 ("PURPA") and the Federal Energy Regulatory Commission ("FERC") regulations implementing PURPA, may fall into the DG-3D or DG-3T categories. A "Qualifying Facility" is one that meets certain federal guidelines and qualifies to receive avoided cost payments from the utility. Depending on the project, a customer may need to fill out FERC Form 556, which is available on the FERC website.

Facilities larger than 1 MW in size as defined by maximum net power production capacity must file a FERC Form No. 556 either as a self-certification (or self-recertification) or as an application for Commission certification.

PURPA Qualifying Facilities are eligible to receive payments of avoided costs from JEA for energy delivered to JEA.

JEA Distributed Generation Policy

(Effective April 30, 2016)

Renewable Energy Attributes

DG-1 and DG-2 customers will retain any renewable energy attributes associated with customer utilized renewable generation. For any kWh purchased by JEA the renewable energy attributes will be transferred to JEA.

Renewable energy attributes for DG-3D and DG-3T systems will be addressed on an individual customer basis through the Power Purchase Agreement (PPA).

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JEA Distributed Generation Policy

(Effective April 30, 2016)

Appendix

The following table summarizes the rates associated with this policy, for each category of distributed generation.

Distributed Generation Policy Rates Summary

Generation Range	Energy (kWh) Received (Purchased) from JEA	Energy (kWh) Delivered (Sold) to JEA
DG-1 – less than 50 kW	Retail Rate	Avoided Cost
DG - 2 – 50 kW up to 2 MW	Retail Rate or SS-1 Retail Rate as applicable	Avoided Cost
DG-3D - Over 2 MW - Distribution Level Connection	Retail Rate or SS-1 Retail Rate as applicable	Negotiated rate (PPA) or Avoided Cost (for PURPA Qualifying Facilities)
DG-3T - Over 2 MW - Transmission Level Connection	Retail Rate or SS-1 Retail Rate as applicable	Negotiated rate (PPA) or Avoided Cost (for PURPA Qualifying Facilities)

JEA Distributed Generation Policy

(Effective April 30, 2016)

Summary

This JEA Distributed Generation Policy provides requirements for customer-owned electric generators ~~connecting~~interconnecting to the JEA electric grid— that ensure the safety of JEA employees and customers and maintain the reliability of the electric grid. This policy is applicable to all nonrenewable customer-owned generation, and to all renewable customer-owned generation that does not qualify under the JEA Net Metering Policy. This policy applies to customers who submit a complete application package after April 29th, 2016. Customers who submit a complete application package on or before April 29th, 2016 will be subject to the initial Distributed Generation Policy (Policy Effective Date - 12/02/2014).

Policy Statement

Definitions

For the purposes of this policy the following definitions apply:

- Avoided Cost – The value assigned to energy delivered to JEA, determined by the cost of the fuel that JEA would have used to generate the same amount of energy, and a representative heat rate.
- ~~Distributed Generation~~ – Electricity produced by customer-owned generators.
- Distributed Generation (DG) - Customer-owned generation located in the JEA electric service territory that does not qualify under JEA Net Metering Policy. Size may result in annual generation in excess of the customer's annual energy demand. Excludes customer-owned generation which is used for back-up/standby and does not operate in sync w/ the JEA system.
- FERC - Federal Energy Regulatory Commission.
- Gross Power Rating (GPR) - The total manufacturer's AC nameplate generating capacity of an on-site customer-owned generation system that will be interconnected to and operate in parallel with JEA's distribution facilities. For inverter-based systems, the ~~AC nameplate generating capacity~~GPR shall be calculated by multiplying the total installed DC nameplate generating capacity by 0.85 in order to account for losses during the conversion from DC to AC.
- Power Purchase Agreements (PPAs) Agreement (PPA) - Technical and commercial ~~agreements~~agreement in which a third party developer owns, operates and maintains an electric generation system and an electric utility purchases the system's electric output for a predetermined period. ~~Any systems installed in JEA's service territory that are not covered under a net metering interconnection agreement must have a PPA in order to sell energy to JEA.~~

JEA Distributed Generation Policy

(Effective April 30, 2016)

- PURPA - Public Utility Regulatory Policies Act of 1978. Provides the definition of a Qualifying Facility (applicable to cogeneration facilities).
- Renewable Generation - Energy produced from sources identified as renewable in Florida Statute 366.91(2) (d).
- ~~Distributed Generation~~ Utility Distribution Service Rating - Distribution capacity rating of the JEA assets serving the customer up to the point of service. This includes, but is not limited to, the utility distribution transformer and utility service conductor.

Qualifications

All nonrenewable distributed generation systems and renewable generation systems that do not qualify under ~~JEA's~~the JEA Net Metering Policy will fall into one of the following categories:

- DG-1 – ~~Nonrenewable~~ DG less than 50 kW gross power rating
- DG-2 – ~~Nonrenewable~~ DG 50 kW or greater and less than or equal to 2 MW gross power rating.
- DG-3D – All DG over 2 MW gross power rating with distribution level connection to JEA's system.
- DG-3T – All DG over 2 MW gross power rating with transmission level connection to JEA's system.

JEA reserves the right to monitor the aggregate load of all distributed generation connected to the JEA grid and at management's sole discretion institute aggregate load limits in the future that will limit the total MWs connected. Distributed generation will be evaluated on a case-by-case basis. ~~Limits may be applied at~~to the utility distribution ~~feeder or transmission connection level.~~service rating. Customer-owned renewable generation that does not qualify for net metering under the JEA Net Metering ~~Tiers 1-3~~ Policy will be treated the same as nonrenewable generation of the same gross power rating.

Application

A JEA Application Form for Interconnection of Distributed Generation Systems to the Distribution System must be submitted by the customer and approved by JEA prior to initiating installation or construction of the generation system.

A Small Generator Interconnection Agreement is required for systems with less than or equal to 2 MW gross power rating to connect to JEA's system (DG-1 and DG-2 systems).

JEA Distributed Generation Policy

(Effective April 30, 2016)

A Power Purchase Agreement (PPA) is required for systems with over 2 MW gross power rating to connect to JEA's system outside of a net metering arrangement. This is a negotiated contract that requires considerable technical detail, proposed pricing, (DG-3D and terms and conditions- DG-3T systems).

Customers interested in negotiating a PPA with JEA should contact:

Director, Electric Production Resource Planning
JEA T-10
21 West Church Street
Jacksonville, FL 32202

Customers are encouraged to utilize their key account representative if they are considering installing a DG system.

Installation

The customer will be required to install the system in accordance with JEA Rules and Regulations section 2.16 and Electric Systems Procedure ES20202 902 or its successor, as appropriate. An electrical construction permit must be obtained from the appropriate jurisdiction. The system must also pass a JEA inspection prior to connection and operation. Any required upgrades to JEA's system will be paid by the customer, or if addressed under a PPA, may be paid by JEA with the cost of the upgrades being reflected in the negotiated rate.

JEA will furnish, install, own, and maintain metering equipment at the installation point capable of monitoring the flow of energy (kWh) from the customer to JEA. Service from JEA to the customer will be the same as for retail customers.

~~Metering and~~ Billing

~~The billing rates and cycles will be addressed in the PPA negotiated between JEA and the customer.~~

~~All distributed generation~~The customer will always pay the basic monthly charge and demand charge per the applicable Retail Rate plus taxes and fees on the basic monthly charge and demand charges regardless of the amount of energy billed. All customers under this policy are required to take service under current or future applicable demand rates.

The consumption for each billing period will be billed using the applicable Retail Rate for energy, demand, fuel, environmental and conservation charges for the kW and kWh received as measured by the JEA meter.

JEA Distributed Generation Policy

(Effective April 30, 2016)

Distributed Generation systems with a gross power rating of 50 kW or greater and a customer kW demand greater than or equal to 75 kW will require standby and/or supplemental energy from JEA and will be required to take service under **Rate Schedule SS-1 “Standby and Supplemental Service”**.

~~The customer will retain any Renewable Energy Certificates (REC) associated with a customer’s renewable generation, unless otherwise specified in the PPA.~~

~~JEA reserves the right to develop specific rate classifications that may have different cost recovery based rate structures than implied under this JEA Distributed Generation Policy.~~

Credits

DG-1 Systems

Rates

DG-1 Systems are ~~nonrenewable~~any type of generating systems with less than 50 kW gross power rating- that do not qualify for net metering. The monetary ~~credit~~credits for DG-1 generation systems will be based on ~~avoided cost~~the Avoided Cost, and calculated using the DG-2 Systems methodology.

DG-2 Systems

Rates

DG-2 Systems are ~~nonrenewable~~any type of generating systems with gross power ~~ratings~~rating of 50 kW up to and including 2 MW- that do not qualify for net metering. The monetary ~~credit~~credits for DG-2 generation systems will be based on ~~avoided cost~~Avoided Cost, as illustrated below:

$$\text{Avoided Cost (\$/MWh)} = \text{Henry Hub Natural Gas Index (\$/mmbtu)} \times \text{Average Combined Cycle Heat Rate (mmbtu/MWh)} \quad (\text{All values Monthly Average})$$

For example, in September 2014:

$$\begin{aligned} \text{Monthly Average Henry Hub Natural Gas Index (\$/mmbtu)} &= \$3.91/\text{mmbtu} \\ \text{Average Combined Cycle Heat Rate (mmbtu/kWh)} &= 7094 \\ \text{Avoided Cost (\$/MWh)} &= \$3.91/\text{mmbtu} \times 7.094 \text{ mmbtu/MWh} = \$27.74/\text{MWh} \end{aligned}$$

JEA Distributed Generation Policy

(Effective April 30, 2016)

Monetary credits for the kWh energy generated by the customer-owned distributed generation system that is sent to the grid and measured at the meter will be applied before taxes and fees are calculated. Taxes and fees will never be less than those applied to the basic monthly and demand charges.

~~Additional Qualifications~~

~~The following requirements are in addition to those in the Policy Statement above and must be submitted to JEA in order to properly evaluate the request to interconnect to the JEA grid:~~

- ~~1. Completed application with signature and an application fee of \$1,000;~~
- ~~2. Completion and submittal of the interconnection agreement;~~
- ~~3.1 Proof of general liability insurance of \$2 million; and~~
- ~~4.2 The evidence of the proposed installation of an externally accessible, lockable a/c disconnect device located in close proximity to the meter location installation will be installed.~~

~~Please note that given the complexity and variability of systems of this size, there may be other protection equipment required beyond the disconnect switch which will be determined through the interconnection study performed by JEA. The additional equipment costs will be incurred by the customer.~~

~~The customer will send the submittal package to:~~

~~Manager Business Client Relationships Key Accounts
JEA T-7
21 West Church Street
Jacksonville, FL 32202~~

~~Upon receipt of the submittal package, a JEA employee will contact the customer to review their proposed installation and will begin the interconnection analysis to determine any additional requirements and/or costs. The customer shall be responsible for all equipment upgrades, or similar, which would be necessary to complete the interconnection. The interconnection agreement serves as the contract between JEA and the customer, and will include additional requirements. Alternately, DG 2 customers may seek a PPA with JEA following the DG-3D policy outlined below.~~

DG-3D and 3T Systems

Distributed Generation systems are considered to be DG-3D if connected to JEA's system at the distribution level, and DG-3T if connected at the transmission level. ~~Other than the~~ type of connection to JEA's electric grid, DG-3D and DG-3T are the same. The rates for energy delivered to JEA by DG-3D and DG-3T generation systems will be addressed on an individual basis with the customer through a Power Purchase Agreement (PPA). PURPA Qualifying Facilities may receive Avoided Cost payments for energy sold to JEA.

JEA Distributed Generation Policy

(Effective April 30, 2016)

The factors used to evaluate DG-3D and DG-3T systems include, but are not limited to, the following:

- Location of customer's generation system;
- Size (MW) of customer's generation system;
- Point of Connection to JEA's electric system and JEA study of interconnection;
- Available capacity on the JEA Distribution (DG-3D) or Transmission (DG-3T) system;
- Fuel source of customer's proposed generation system;
- Availability (capacity factor) of customer's proposed generation system;
- Environmental impact of customer's proposed generation system;
- Required upgrades, if any, to JEA's system to accommodate customer's load;
- Required level of backup by JEA to customer's system; and
- JEA's current or projected capacity and energy needs.
- For DG units utilizing JEA's transmission system to transmit energy out of JEA's territory, customer will need to request transmission service through JEA's Open Access Transmission Tariff (OATT). JEA will also need to study and approve the proposed interconnection.
- Start-up, standby, and any other ancillary services to be provided by JEA; and
- Financial strength of PPA offeror (customer).

Additional Qualifications

The following requirements are in addition to those in the policy statement above and must be submitted to JEA in order to properly evaluate the request to interconnect to the JEA grid:

3. Completed application with signature and fees as established in JEA Electric Service Tariff;
4. Completion and submittal of the interconnection agreement or power purchase agreement (PPA);
5. Proof of general liability insurance of \$2 million; and
6. Evidence of the proposed installation of an externally accessible, lockable a/c disconnect device located in close proximity to the meter location installation will be installed.

Please note that given the complexity and variability of systems of this size, there may be other protection equipment required beyond the disconnect switch which will be determined through the interconnection study performed by JEA. Any additional equipment costs will be incurred by the customer.

The customer will send the submittal package to:

Manager Business Client Relationships Key Accounts
JEA T-7
21 West Church Street
Jacksonville, FL 32202

JEA Distributed Generation Policy

(Effective April 30, 2016)

Upon receipt of the submittal package, a JEA employee will contact the customer to review their proposed installation and will begin the interconnection analysis to determine any additional requirements and/or costs. The customer shall be responsible for all equipment upgrades, or similar, which would be necessary to complete the interconnection. The interconnection agreement or the power purchase agreement (PPA) serves as the contract between JEA and the customer, and will include additional requirements.

PURPA Qualifying Facilities

~~Any required upgrades to JEA's system will be paid by the customer, or if addressed under a PPA, may be paid by JEA with the cost of the upgrades being reflected in the negotiated rate.~~

Facilities proposing to sell electricity as a "Qualifying Facility" as defined by the Public Utility Regulatory Policies Act of 1978 ("PURPA") and the Federal Energy Regulatory Commission ("FERC") regulations implementing PURPA, may fall into ~~these~~ the DG-3D or DG-3T categories. A "Qualifying Facility" is one that meets certain federal guidelines and qualifies to receive avoided cost payments from the utility. Depending on the project, a customer may need to fill out FERC Form 556, which is available on the FERC website.

Facilities larger than 1 MW in size as defined by maximum net power production capacity must file a FERC Form No. 556 either as a self-certification (or self-recertification) or as an application for Commission certification.

~~QFs~~ PURPA Qualifying Facilities are eligible to receive payments of avoided costs from JEA for energy delivered to JEA.

JEA Distributed Generation Policy

(Effective April 30, 2016)

Renewable Energy Attributes

DG-1 and DG-2 customers will retain any renewable energy attributes associated with customer utilized renewable generation. For any kWh purchased by JEA the renewable energy attributes will be transferred to JEA.

Renewable energy attributes for DG-3D and DG-3T systems will be addressed on an individual customer basis through the Power Purchase Agreement (PPA).

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JEA Distributed Generation Policy

(Effective April 30, 2016)

Appendix

The following table summarizes the rates associated with this policy, for each category of distributed generation. ~~Note that rates differ for renewable and nonrenewable generation.~~

Distributed Generation Policy Rates Summary

Generation Range	Energy (kWh) Received (Purchased) from JEA	Energy (kWh) Delivered (Sold) to JEA
DG-1 – less than 50 kW	Retail Rate	Avoided Cost
DG - 2 – 50 kW up to 2 MW	Retail Rate or SS-1 Retail Service Rate as applicable	Negotiated rate (PPA) or Avoided cost
DG-3D - Over 2 MW - Distribution Level Connection	Retail Rate (or SS-1 Service may be required) Retail Rate as applicable	Negotiated rate (PPA) or Avoided cost (for PURPA QF Qualifying Facilities)
DG-3T - Over 2 MW - Transmission Level Connection	Retail Rate (or SS-1 Service may be required) Retail Rate as applicable	Negotiated rate (PPA) or Avoided cost (for PURPA QF Qualifying Facilities)



Building Community

AGENDA ITEM SUMMARY

February 1, 2016

SUBJECT:	RECOMMENDATION TO CALL A PUBLIC HEARING TO ADD NEW CUSTOMER RATE OPTIONS AND IMPLEMENT ADMINISTRATIVE CHANGES TO THE ELECTRIC TARIFF DOCUMENTATION
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Purpose:	<input type="checkbox"/> Information Only	<input checked="" type="checkbox"/> Action Required	<input type="checkbox"/> Advice/Direction
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Issue: JEA has an ongoing plan to review, update, and where possible, expand its rate options to provide customers more rate choices for their utility services.

Significance: High. JEA proposes to introduce a new SolarSmart option for customers interested in solar energy, additional street lighting services, and administrative changes to the electric tariff document including a Distributed Generation application fee and a modification to the Economic Development Program Rider to allow these customers to participate in SolarSmart.

Effect: The Board and public will be informed of the proposed modifications.

Cost or Benefit: Transparency of JEA's current and proposed rate options.

Recommended Board action: Staff recommends that the Board take action and call a public hearing to occur during the regularly scheduled Board meeting on March 15, 2016.

For additional information, contact: Melissa Dykes

Submitted by: PEM/ MHD/ RFW

MISSION 	VISION 	VALUES 
Energizing our community through high-value energy and water solutions.	JEA is a premier service provider, valued asset and vital partner in advancing our community.	<ul style="list-style-type: none"> • Safety • Service • Growth? • Accountability • Integrity

Commitments to Action

- 1** Earn Customer Loyalty
- 2** Deliver Business Excellence
- 3** Develop an Unbeatable Team



INTER-OFFICE MEMORANDUM

February 1, 2016

SUBJECT: RECOMMENDATION TO CALL A PUBLIC HEARING TO ADD NEW CUSTOMER RATE OPTIONS AND IMPLEMENT ADMINISTRATIVE CHANGES TO THE ELECTRIC TARIFF DOCUMENTATION

FROM: Paul E. McElroy, Managing Director/CEO

TO: JEA Board of Directors

BACKGROUND:

JEA continues to review, update, and where possible, expand its rate options to provide customers more choices for their utility services. As part of this ongoing initiative, JEA proposes to introduce a new SolarSmart option for customers interested in solar energy, additional street lighting services, and administrative changes to the electric tariff document.

DISCUSSION:

Subject to Board direction, staff will prepare for a March 15, 2016 Public Hearing to include:

- A. **JEA SolarSmart** – JEA proposes a new customer option, SolarSmart, which will match JEA’s cost to acquire solar, and ensures that all solar energy purchased is market-based. The proposed new SolarSmart would be open for subscription October 1st as the first new solar array is brought online over the summer.

SolarSmart will allow customers to participate and show commitment to improving the environment. It is an alternative for residential or business customers who can’t afford the upfront and long-term cost of a solar system or for whom rooftop solar is not viable or desired. It is suitable for customers in condos, rentals, or in properties with insufficient sunlight.
- B. **Street Lighting** – Staff recommends two additional standard decorative lighting options, two new LED lighting options, as well as an edit and a removal of an existing street light option.
- C. **Administrative Change** – Staff recommends including a Distributed Generation Application fee to recover the cost of engineering to evaluate and approve the installation of large customer owned generation systems. Staff also recommends modifications to the Economic Development Program Rider to allow these customers to participate in SolarSmart.

Staff will submit all Electric Tariff Documentation changes to the Florida Public Service Commission.

RECOMMENDATION:

Staff recommends that the Board take action and call a public hearing to occur during the regularly scheduled Board meeting on March 15, 2016.

Paul E. McElroy, Managing Director/CEO

PEM/MHD/RFW

SUMMARY OF PROPOSED RATE SCHEDULES

JEAsolarSmart – JEA is proposing a new product to provide customers the rights to the energy produced by JEA’s new solar arrays.

- The pricing for SolarSmart will be higher than JEA’s Fuel Charge due to the higher cost of solar energy. JEA will price the option to match JEA’s cost, as it does for the fuel used to generate electricity.
- Open for subscription October 1st as the first new solar array is brought online over the summer.
- Customers can enroll up to 100% of their energy to come from solar energy generated within JEA’s service territory.
- Customer Benefits:
 - SolarSmart will allow customers to show commitment to improving the environment by purchasing solar energy.
 - It is an alternative for residential or business customers who can’t afford the upfront and long-term cost of a solar system or for whom rooftop solar is not viable or desired.
 - It is suitable for customers in condos, rentals, or in properties with insufficient sunlight.

SUMMARY OF PROPOSED RATE SCHEDULES

Street Lighting – Staff recommends two additional standard decorative lighting options, two new LED lighting options, as well as an edit and a removal of an existing street light rate.

Rate Code	Wattage and Type	Fixture Type	Monthly Non-Fuel Charge \$/Fixture*
SLMHS5	MH 320W	Shoebox	\$18.06
SLMHS5	MH 150W	Decorative Acorn	\$13.36
SLMHS7	MH 175W	Decorative Acorn	\$13.45
SLLED4	LED 162W	Shoebox	\$17.92
SLLED4	LED 162W	Shoebox	\$11.02
SLLED6	LED 72W	Post Top	\$7.48
SLLED7	LED 100W	Decorative Acorn	\$14.96

*Valid for bills of 30 days only

Administrative Changes – Staff recommends including a Distributed Generation Application fee to recover the cost of engineering to evaluate and approve the installation of large customer owned generation systems. This fee applies to systems larger than 50kW. Staff also recommends modifications to the Economic Development Program Rider to allow these customers to participate in SolarSmart.

JEA

Thirty-~~Third~~ Revised Sheet No. 1.0
Canceling Thirty-~~Second~~ Revised Sheet No. 1.0

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ELECTRIC TARIFF DOCUMENTATION

VOLUME 1

JEA
21 W. Church St.
Jacksonville, Florida 32202-3139
(904) 665-6000

DESCRIPTION OF TERRITORY SERVED

JEA furnishes retail electric service to the major portion of Duval County, including the City of Atlantic Beach and the Town of Baldwin. In addition, JEA provides retail electric service to the Town of Orange Park, to parts of St. Johns and Clay Counties and wholesale electric service to the City of Fernandina Beach.

Submitted to the Public Service Commission

Approved by the JEA Board

~~March 15, 2016~~

Deleted: January 19, 2016

RYAN WANNEMACHER, DIRECTOR
FINANCIAL PLANNING, BUDGETS, AND RATES

Effective ~~May 1, 2016~~

Deleted: February 1, 2016

JEA

Canceling ~~Sixteenth~~ Revised Sheet No. 3.2
~~Fifteenth~~ Revised Sheet No. 3.2

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(Continued from Sheet No. 3.1)

- 12. JEA will require a contribution-in-aid-of-construction by a developer for underground utilities in an amount not to exceed the difference in costs between an underground system and an equivalent overhead system. JEA's Policy and Procedure for underground distribution should be referenced for further information.
- 13. A \$5.00 service charge will be added to electric bills when a field notification is provided to a customer to pay the bill in lieu of disconnecting the service. The notification will count as an infraction toward delinquent deposit review.
- 14. A minimum \$75.00 service charge will be assessed for all temporary services. Temporary electric service for residential construction will be charged \$150.00. This single fee will cover all costs and consumption; consumption will not be metered by JEA. This fee is payable to JEA at the time the permit for construction is obtained. Temporary service will not be provided unless the customer has obtained the necessary building/construction permit.
- 15. A special service charge may be added to energy, water or sewer bills when a customer requests a related water, sewer or energy service which is not normally provided, including the repayment over time to JEA of the onetime capital costs of connecting customers to the water and/or sewer system. These special services will be priced based on the cost of the service. JEA's provision of special services requires execution of a contract between JEA and the Customer. Contract approval authorizations shall be as established in applicable JEA Management Directives, Policies or Procedures.
- 16. JEA will charge a customer \$25.00 for each return trip whenever JEA must make a return trip to a customer's service address to perform maintenance and/or activate service because the work requested by the customer was not able to be completed at the first scheduled visit.
- 17. Account Fraud charge shall be \$50.00
- 18. Application fee shall be \$1,000.00 for Tier 3 net metering, DG-2 and DG-3 Distributed Generation applications.

RYAN WANNEMACHER, DIRECTOR
FINANCIAL PLANNING, BUDGETS, AND RATES

Effective May 1, 2016

Deleted: October 1, 2015

JEA

Canceling ~~Nineteenth~~ Revised Sheet No. 4.1
~~Eighteenth~~ Revised Sheet No. 4.1

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(Continued from Sheet No. 4.0)

Rate Schedule Designations		Sheet Number
SL	Street Lighting	13.0
SSR	SolarSmart Rider	15.00
MA	Multiple Account Load Factor Improvement Rider	16.00
GSLDR-5	General Service Large Demand Rider (Closed to new customers)	16.10
GSXLD	General Service Extra Large Demand Rider	16.20
LDI	Load Density Improvement Rider (Closed to new customers)	16.30
IS	Interruptible Service Rider	16.40
CS	Curtailable Service Rider	16.50
EDP	Economic Development Rider	17.00
OS	Unmetered Miscellaneous Service for Traffic Signals and Other Uses	18.0
	Disclaimer	19.0

DRAFT

RYAN WANNEMACHER, DIRECTOR
 FINANCIAL PLANNING, BUDGETS, AND RATES

Effective ~~October 1, 2015~~ October 1, 2016

Deleted: October 1, 2015

JE A

Forty-~~Fifth~~ Revised Sheet No. 5.0
 Canceling Forty-~~Forth~~ Revised Sheet No. 5.0

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FUEL AND PURCHASED POWER COST RECOVERY CHARGE POLICY - FPPC

The Retail Rates section of this Fuel and Purchased Power Cost Recovery Charge Policy (FPPC or the Fuel Charge) shall be applicable to all JEA Retail Rate Schedules. The said energy charge stated in each rate schedule for each kilowatt hour billed in accordance with JEA's normal billing cycle shall be increased by the fuel charge per kilowatt hour as indicated below.

The Sale For Resale Rates section of this Fuel and Purchased Power Cost Recovery Charge Policy shall be applicable to all JEA Sale for Resale Rate Schedules. The said energy charge stated in each such rate schedule for each kilowatt hour billed in accordance with JEA's normal billing cycle shall be increased by the fuel charge per kilowatt hour as indicated below for service taken at 26.4 kV and above.

Variable Fuel Rate Policy

The Variable Fuel Rate charge for each retail rate schedule shall be rounded to the nearest 0.001 cents per kilowatt hour of sales to reflect recovery of costs of fuels and purchased power (excluding capacity payments) for each kilowatt hour delivered. The Fuel Charge is normally calculated annually, for the billing period October through September and is adjusted to incorporate changes in costs from one period to the next, using a method approved by the Board. The Fuel Charge may be adjusted or credited during the billing period if the costs for fuel and purchased power are projected to deviate more than +/- 10% of the original forecast. Any intra-year adjustment or credit must be approved by the Board. The current Variable Fuel Rate is 3.675 cents per kWh.

A Fuel Stabilization Fund (Fuel Reserve) charge shall apply to all kilowatt hours delivered under all retail rate schedules. This charge is used to fund the Fuel Reserve for managing short term fluctuations in fuel and purchased power costs, where the Fuel Stabilization fund target is 15% of annual fuel and purchased power costs. The current Fuel Stabilization charge is 0.000 cents per kWh. A Fuel Recovery charge shall apply to all kilowatt hours delivered under all retail rate schedules. This charge is used to repay funds used from other electric system sources to pay fuel expenses. The current Fuel Recovery charge is 0.000 cents per kWh.

The total fuel rate charge for each rate schedule shall be the sum of the Variable Fuel Rate plus the Fuel Stabilization charge plus the Fuel Recovery charge.

FUEL CHARGE PER kWh

<u>RETAIL RATES</u>	<u>LEVELIZED</u>	<u>OFF PEAK</u>	<u>ON PEAK</u>
Residential	3.675 cents per kWh	3.563 cents per kWh	3.920 cents per kWh
General Service	3.675 cents per kWh	3.566 cents per kWh	3.923 cents per kWh
General Service Demand	3.675 cents per kWh	3.572 cents per kWh	3.930 cents per kWh
General Service Lrg Demand	3.675 cents per kWh	3.575 cents per kWh	3.932 cents per kWh
Rate Schedules SL & OL	3.675 cents per kWh		
Riders GSXLD, IS & CS	3.675 cents per kWh		
SolarSmart	7.500 cents per kWh		

<u>SALE FOR RESALE RATES</u>	<u>LEVELIZED</u>
Municipal Rates	3.675 cents per kWh

RYAN WANNEMACHER, DIRECTOR
 FINANCIAL PLANNING, BUDGETS, AND RATES

Effective ~~February 1, 2016~~ **May 1, 2016**

Deleted: February 1, 2016

JEA

Thirty-~~Third~~ Revised Sheet No. 5.1
Canceling Thirty-~~Second~~ Revised Sheet No. 5.1

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EXCESS REACTIVE DEMAND (KVAR) POLICY

Effective October 1, 2006:

This policy applies to all accounts receiving service under GSD, GSDT, GSLD, GSLDT, GSXLD, IS, CS, and the Multiple Account Rider as applied to any of these rates.

The customer's utilization equipment shall not result in a target power factor (TPF) at the point of delivery of less than ninety percent (90%) lagging at the time of maximum demand. Should this TPF be less than ninety percent (90%) lagging during any month, JEA may adjust the readings taken to determine the Total Demand.

If TPF is less than ninety percent (90%) lagging then the Billing Demand (BD) is calculated using the following formula:

$$BD = \text{Maximum measured 15-minute demand (kW)} \times (TPF / PF)$$

PF = power factor calculated per the following formula

$$PF = \text{COS(ATAN(kVar/kW))}$$

kVar in the above formula is the kVar measured coincident with the maximum 15-minute kW demand used in the formula. For GSDT and GSLDT the off-peak demand will be used for determining Excess Reactive Demand.

ENVIRONMENTAL CHARGE

Effective October 1, 2007

This Environmental Charge applies to all rate classes. The said energy charge stated in each rate schedule for each kilowatt hour billed in accordance with JEA's normal billing cycle shall be increased by the Environmental Charge per kilowatt hour as indicated below.

Rate for all rate classes = \$0.00062 per kWh

SolarSmart kWh as defined on Sheet 15.00 are exempt from Environmental Charge.

NET METERING

Effective October 1, 2009

Net metering is authorized for residential and commercial customers in accordance with JEA's Net Metering Policy.

RYAN WANNEMACHER, DIRECTOR
FINANCIAL PLANNING, BUDGETS, AND RATES

Effective October 1, 2016

Deleted: October 1, 2015

JEA

Twenty-~~Sixth~~ Revised Sheet No. 13.0
 Canceling Twenty-~~Fifth~~ Revised Sheet No. 13.0

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SL

Revenue Codes See Rate Code

RATE SCHEDULE SL
STREET LIGHTING

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Available

In all territory served by the retail distribution system of JEA.

Applicable

To any Public Agency (State, County or Municipal governments) and to Owner's Associations for automatically-controlled lighting of public thoroughfares and to JEA's private residential customers who are owners of the property in question for automatically-controlled area lighting.

Character of Service

Dusk-to-dawn automatically-controlled lighting owned, operated and maintained by JEA, and governed by JEA's Management Directive for Street Lighting, MD909.

Schedule of Rates

Rate Code	Service Type	Wattage & Type	Fixture Types	Monthly kWh	Monthly Non-Fuel Charge \$/Fixture*
SLHPS1	Standard	70W HPS	CH, PT	29	\$6.36
SLHPS2	Standard	200W HPS	CH, FL	88	\$7.43
SLHPS3	Standard	250W HPS	CH	108	\$7.58
SLHPS4	Standard	400W HPS	CH, FL	169	\$8.42
SLMHS1	Standard	100W MH	DA	47	\$10.61
SLMHS2	Standard	150W MH	PT	67	\$7.57
SLMHS3	Standard	175W MH	PT	76	\$7.65
SLMHS4	Standard	320W MH	CH, FL	130	\$8.10
SLMHS5	Standard	150W MH	DA	67	\$13.36
SLMHS6	Standard	400W MH	CH, FL	164	\$8.42
SLMHS7	Standard	175W MH	DA	76	\$13.45
SLMHE1	Historic Energy & O&M	150W MH	DA	67	\$1.92
SLMHE2	Historic Energy & O&M	175W MH	DA	76	\$2.01
SLMHE3	Energy & O&M	320W MH	CH, FL, SB	130	\$2.51
SLMHE4	Energy & O&M	400W MH	CH, FL, SB	164	\$2.82
SLLLED1	Standard	40W LED	CH	15	\$6.32
SLLLED2	Standard	40W LED	PT	16	\$7.07
SLLLED3	Standard	115W LED	CH	41	\$7.20
SLLLED4	Standard	162W LED	SB	59	\$11.02
SLLLED5	Standard	275W LED	CH	99	\$8.90
SLLLED6	Standard	72W LED	PT	26	\$7.48
SLLLED7	Standard	100W LED	DA	36	\$14.96

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HPS = High Pressure Sodium LED = Light Emitting Diode MH = Metal Halide ¶

CH = Cobra Head DA = Decorative Acorn FL = Floodlight PT = Post Top SB = Shoebox¶

¶

Energy Only (Rate Code ENERGY97) The monthly charge shall be computed as follows:¶

¶

· Total Wattage (including Ballast) x 360 Hours x \$0.03325

Deleted: October 1, 2015

HPS = High Pressure Sodium LED = Light Emitting Diode MH = Metal Halide

CH = Cobra Head DA = Decorative Acorn FL = Floodlight PT = Post Top SB = Shoebox

*Monthly Fixture charge is valid for bills of 30 days only.
 The charge will vary depending on the actual number of days billed.

(Continued to Sheet No. 13.1)

RYAN WANNEMACHER, DIRECTOR
 FINANCIAL PLANNING, BUDGETS, AND RATES

Effective June 1, 2016

JEA

~~Eighteenth~~ Revised Sheet No. 13.1
 Canceling ~~Seventeenth~~ Revised Sheet No. 13.1

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(Continued from Sheet No. 13.0)

Energy Only (Rate Code ENERGY97) The monthly charge shall be computed as follows:

$$\underline{\text{Total Wattage (including Ballast) x 360 Hours x \$0.03325}}$$

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Moved (insertion) [2]
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 HPS = High Pressure Sodium LED = Light Emitting Diode MH = Metal Halide¶
 ¶
 CH = Cobra Head DA = Decorative Acorn FL = Floodlight PT = Post Top SB = Shoebox¶
 ¶

Types of Service

The types of service are defined as follows:

- (a) **STANDARD SERVICE:** (Applicable Rate Codes SLHPS1-4, SLMHS1-7, SLLED1-7). In addition to Energy and O&M service, as described below, this service also includes an ownership cost for the initial installation of the fixture assembly including bracket, accessories, and labor. The applicable rates are for both overhead and underground fed lighting systems. Underground systems and fixture types not listed above require a contribution-in-aid-of construction to cover the differential cost between overhead versus underground systems and standard versus non-standard fixture types.
- (b) **HISTORIC (PED LIGHT) ENERGY & O&M SERVICE:** (Applicable Rate Codes SLMHE1-2). This service shall apply to those Historic Pedestrian Lights that are usually installed within predefined "whitelight areas" (see Rules & Regulations, Downtown Service Area Boundary Maps). JEA is responsible for maintenance of these lights which include replacement of failed electrical components, bulbs, glassware, and the cleaning of glassware at such intervals as necessary to keep the system presentable and efficient. JEA is not responsible for the installation/removal/maintenance of the street banners and associated banner rod equipment. The capital cost is the responsibility of the City or the using Agency.
- (c) **ENERGY AND O&M SERVICE:** (Applicable Rate Codes SLMHE 3-4). This service includes dusk-to-dawn powering, maintenance and replacement of the standard, replacement of failed electrical components, bulbs, glassware, and the cleaning of glassware at such intervals as necessary to keep the system presentable and efficient. The capital cost is the responsibility of the City or the using Agency. This service is not available for new installations after the effective date of this policy.

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(Continued to Sheet No. 13.2)

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Moved down [1]: (d) ENERGY ONLY SERVICE: (Applicable Rate Code ENERGY97). This service shall apply to those lights where special arrangements have been made with JEA and applies to those decorative standards which are supplied and installed by others in the Downtown area. Maintenance and replacement of the standard shall be on a contractual or cost plus basis.¶
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RYAN WANNEMACHER, DIRECTOR
 FINANCIAL PLANNING, BUDGETS, AND RATES

Effective June 1, 2016

Deleted: October 1, 2015

JEA

~~Seventeenth~~ Revised Sheet No. 13.2
Canceling ~~Sixteenth~~ Revised Sheet No. 13.2

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(Continued from Sheet No. 13.1)

~~(d) ENERGY ONLY SERVICE: (Applicable Rate Code ENERGY97). This service shall apply to those lights where special arrangements have been made with JEA and applies to those decorative standards which are supplied and installed by others in the Downtown area. Maintenance and replacement of the standard shall be on a contractual or cost plus basis.~~

Moved (insertion) [1]

Fuel Charge

As stated in the Fuel and Purchased Power Cost Recovery Charge Policy (Sheet No. 5.0). The FFPC is applied to the Monthly kWh.

Environmental Charge

As stated in the Environmental Charge (Sheet No. 5.1). The Environmental Charge is applied to the Monthly kWh.

Terms and Conditions

The following Terms and Conditions apply to Lighting Service:

- (a) Monthly charges for all Rate Codes are based upon JEA having an existing source of electrical power to each lighting installation.
- (b) Monthly charges are based on an overhead service. An initial charge will be required for all underground installations, unless a facilities charge is applied.
- (c) Prior to installation of area lighting facilities, JEA's private residential customers who are owners of the property in question, shall execute a contract for lighting service with JEA. The initial term for such contracts shall be three (3) years. In the event the light is removed prior to the expiration of the first three (3) year contract, either at the customer's request or for non-payment of bill, a "Take-Down" fee shall be assessed the customer. All charges due under this contract shall be applicable to any account the customer may then or thereafter have with JEA.

RYAN WANNEMACHER, DIRECTOR
FINANCIAL PLANNING, BUDGETS, AND RATES

Effective June 1, 2016

Deleted: October 1, 2015

JEA

Canceling ~~Nineteenth~~ Revised Sheet No. 15.0
~~Eighteenth~~ Revised Sheet No. 15.0

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SOLARSMART RIDER

AVAILABLE:

In all territory served by JEA

APPLICABLE:

Available upon request to any customer that meets the following conditions:

- a) No delinquent account balance
- b) Not currently served under a time of day rate schedule

RATE PER MONTH:

The charge per month shall consist of the basic monthly, demand (where applicable), energy, fuel, and environmental charges per the applicable rate schedule as modified below:

Fuel Charge: The SolarSmart kWh will be billed at the SolarSmart Rate as stated in the Fuel and Purchased Power Cost Recovery Charge Policy (Sheet No. 5.0).

Remaining kWh will be billed at the Levelized Fuel Rate as stated in the Fuel and Purchased Power Cost Recovery Charge Policy (Sheet No. 5.0).

Environmental Charge: SolarSmart kWh are exempt from the Environmental Charge (Sheet No. 5.1)

Definition of SolarSmart kWh: The elected percentage of total kWh per billing period rounded to the nearest kWh.

TERMS AND CONDITIONS:

- (a) Customers may elect to receive up to 100% of their energy from JEA solar energy sources.
- (b) Customers may enroll at any time but must remain on SolarSmart for at least one (1) billing period after enrollment. A customer may cancel any time thereafter and enroll again at a later date.
- (c) No refund or adjustments of SolarSmart charges will be made if service is canceled.
- (d) Energy produced from JEA solar energy sources may not be specifically delivered to the customer.
- (e) Any Fuel Credit, approved by JEA's Board, will be calculated using the total kWh less SolarSmart kWh in the month a credit is given.

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(For Future Use)
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RYAN WANNEMACHER, DIRECTOR
FINANCIAL PLANNING, BUDGETS, AND RATES

Effective October 1, 2016

JEA

~~Thirteenth~~ Revised Sheet No. 17.2
 Canceling ~~Twelfth~~ Revised Sheet No. 17.2

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(Continued from Sheet No. 17.1)

Term of Service

- a) Service under this rider shall be for at least six (6) years but not more than eight (8) years for projects greater than 5,000 kW, from the commencement of service and will terminate at the end of the final year.
- b) JEA may terminate service under this Rider if the Customer fails to maintain the full-time employees and/or the Customer fails to take the required amount of metered demand specified in the Economic Development Program Rider Service Agreement. If JEA elects to terminate the Economic Development Program Rider Service Agreement for noncompliance with Rider EDP, the Customer is no longer entitled to discounts provided by Rider EDP.
- c) Customers desiring to terminate service under this rider will be required to give JEA thirty (30) days written notice. If the Customer elects to terminate the Economic Development Program Rider Service Agreement the Customer is no longer entitled to discounts provided by Rider EDP.

Terms and Conditions

- a) Service hereunder shall be subject to the Rules and Regulations of JEA.
- b) Service under this Rider shall not be available where the service is provided solely or predominately for:
 - 1) Multi-tenant residential or commercial properties
 - 2) Any service deemed "Temporary"
- c) A name change or other superficial change at an existing location, where the ownership and/or control over the premise is not changed, will not be considered as a new Customer.
- d) If a change of ownership of the same business occurs after the Customer has initiated an Economic Development Program Rider Service Agreement, the successor Customer may be allowed to continue the balance of the agreement provided there are no reductions in employment or metered demand.
- e) This Rider is not available for load shifted between service delivery points within JEA's service territory.
- f) This Rider is not available for renewal or extension beyond the date listed in the Economic Development Program Rider Service Agreement.
- g) Election of this Rider will preclude the election of any other JEA Rider, with the exception of SolarSmart Rider, for new metered demand.
- h) Customer must maintain their JEA account in a current status. JEA retains the right to terminate this Rider at any time if Customer is classified as a "High Risk Customer" as defined in JEA Procedure MBC 302 Credit & Collections

RYAN WANNEMACHER, DIRECTOR
 FINANCIAL PLANNING, BUDGETS, AND RATES

Effective October 1, 2016

Deleted: October 1, 2015



JEA
Building Community
AGENDA ITEM SUMMARY

SUBJECT: JEA STRATEGIC PLANNING UPDATE

Purpose: Information Only Action Required Advice/Direction

Issue: Update on JEA's Strategic Plan and Implementation

Significance: JEA launched its initial Strategic Plan in October 2013 and is revised and relaunched each year. The plan is a focused strategy and engages all areas of JEA.

Effect: JEA has made significant progress on our Strategic Initiatives: Earn Customer Loyalty, Deliver Business Excellence and Develop an Unbeatable Team.

Cost or Benefit: Among the many benefits are: increased customer satisfaction, decreased or leveled costs and increased new revenue.

Recommended Board action: This item is provided for information and discussion purposes.

For additional information, contact: Vickie Cavey; 904/665-6383

Submitted by: PEM/MHD/VC



MISSION
Energizing our community through high-value energy and water solutions.

VISION
JEA is a premier service provider, valued asset and vital partner in advancing our community.

VALUES
• Safety
• Service
• Growth
• Accountability
• Integrity

Commitments to Action

- 1 Earn Customer Loyalty
- 2 Deliver Business Excellence
- 3 Develop an Unbeatable Team

JEA Strategic Planning Update

February 2016



Confronting Reality FY13

JEA has a proud history.

- Operational excellence
- Environmental leadership
- Heart of service for our community

But dark clouds are on the horizon...

- Declining revenue
- Rising costs
- Dissatisfied customers
- Disruptive technologies
- Competitive and regulatory threats
- Unprecedented Environmental Regulatory Issues

***...and they could harm our customers
and our employees if not addressed.***

New CEO and organizational structure.

We needed to develop a strategy and rise to the challenge together.



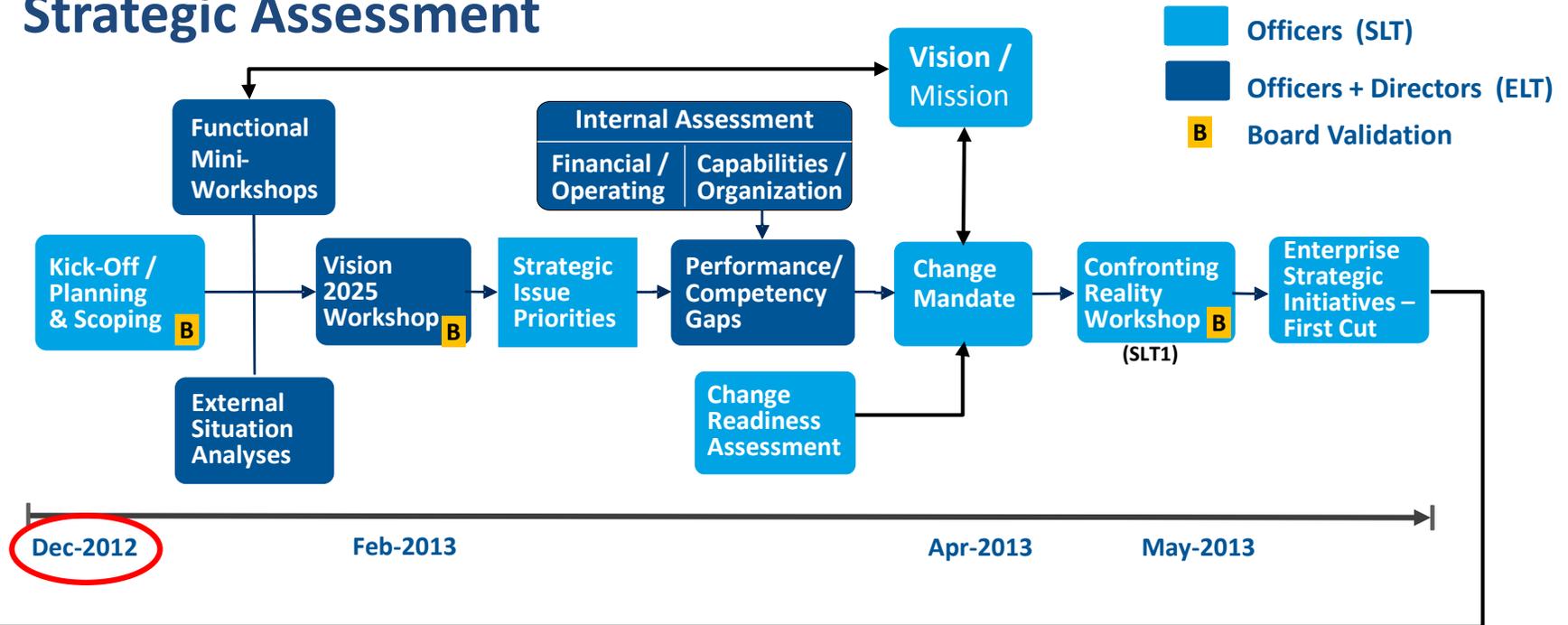
Strategic Planning Process

- JEA's Strategic Plan was launched in 2013.
- Began with Board vision and executed using the ACT model, ultimately involving each and every employee
- Improved and streamlined over 25 years of real world applications and used by
 - Southern Company, IBM, GE, Rockwell, National Semiconductor, Office Depot, Symantec, and the PGA Tour
- Designed to be simple, fast, effective, and part of the management process. A Trojan Horse for Leadership Development
- ***Enables transformational organizational improvements in a simple, high-engagement manner to achieve breakthrough results***



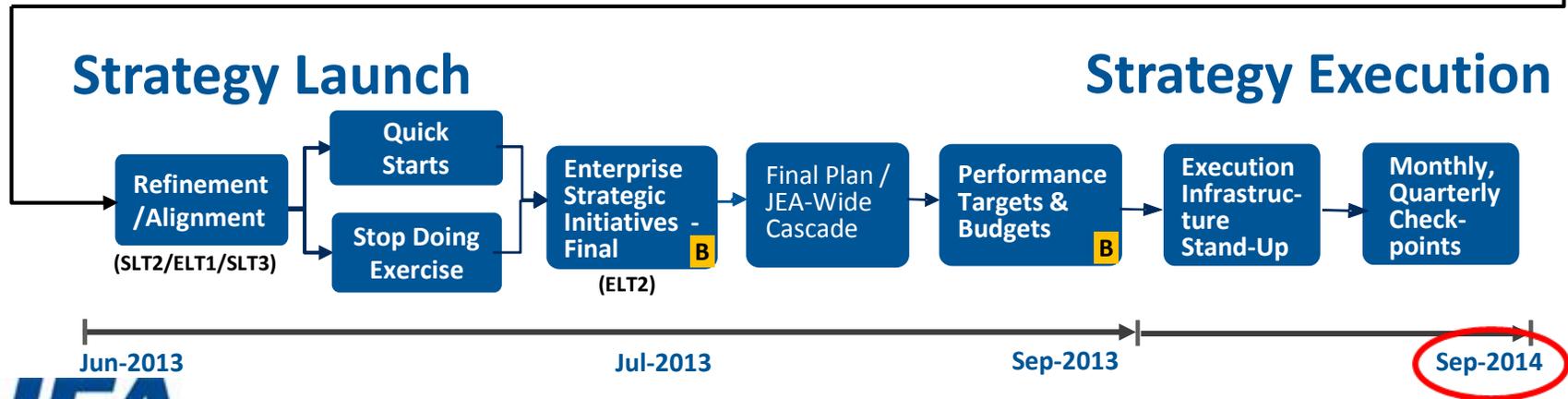
JEA Board Provides Key Input during Strategic Planning

Strategic Assessment



Strategy Launch

Strategy Execution



Strategy



Building Community®



MISSION



Energizing our community through high-value energy and water solutions.

VISION



JEA is a premier service provider, valued asset and vital partner in advancing our community.

VALUES



- Safety
- Service
- Growth²
- Accountability
- Integrity



Our Commitments to Action

1 Earn Customer Loyalty

- Be easy to do business
- Empower customers to make informed decisions
- Demonstrate community responsibility

2 Deliver Business Excellence

- Grow net revenues
- Improve cost efficiency
- Improve operational performance

3 Develop an Unbeatable Team

- Institute agile employment and HR model
- Facilitate and expect employee growth and development
- Ensure a safe, healthy and ethical workplace

Definition of Success

What matters to our customers matters to us. We earn our customers' loyalty by continually improving.

We provide high-quality service at an affordable cost. Service, safety and compliance are ingrained in our culture.

We deliver the highest level of proficiency and performance for our customers by attracting, retaining and developing a competent, motivated and agile workforce.



Our Areas of Focus



Develop an Unbeatable Team

- Improve employee satisfaction
- Engage employees in personal growth
- Ensure a safe, healthy and ethical workplace



Deliver Business Excellence

- Grow revenues
- Improve cost efficiency
- Improve operational performance



Earn Customer Loyalty

- Be easy to do business with
- Empower customers to make informed decisions
- Demonstrate community responsibility

Definition of Success

We deliver the highest level of proficiency and performance for our customers by attracting, retaining and developing a competent, motivated and agile workforce.

We provide high-quality service at an affordable cost. Service, safety and compliance are ingrained in our culture.

What matters to our customers matters to us. We earn our customers' loyalty by continually improving.



Confronting Reality FY16

JEA has achieved excellent results through the strategic planning and execution process

- Customer satisfaction
- Operational excellence
- Improvements in employee engagement
- Cost discipline
- Launch of new businesses

But dark clouds remain on the horizon...

- Anemic sales growth, projected to further decline as a result of distributed generation
- Unprecedented environmental regulatory issues (Clean Power Plan, water supply issues and wastewater reduction requirements)
- Disruptive technologies, new entrants
- COJ/JEA contribution agreement (significant progress to date)

Accelerated Corporate Transformation model gives JEA a proven tool to address these significant challenges



Our Areas Of Focus



Deliver Business Excellence

- Grow revenues
- Create a more agile and cost efficient business
- Improve operational performance



Develop an Unbeatable Team

- Improve employee satisfaction
- Engage employees in personal growth
- Ensure a safe, healthy and ethical workplace



Earn Customer Loyalty

- Be easy to do business with
- Empower customers to make informed decisions
- Demonstrate community responsibility

Definition of Success

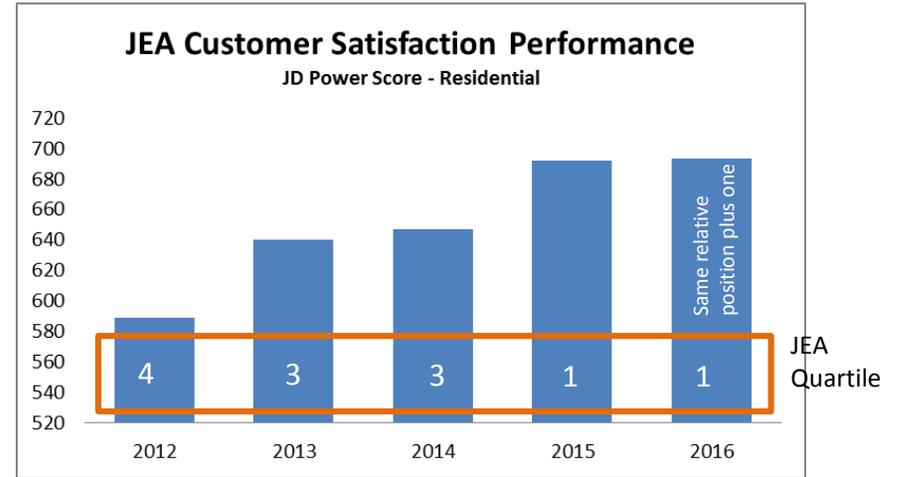
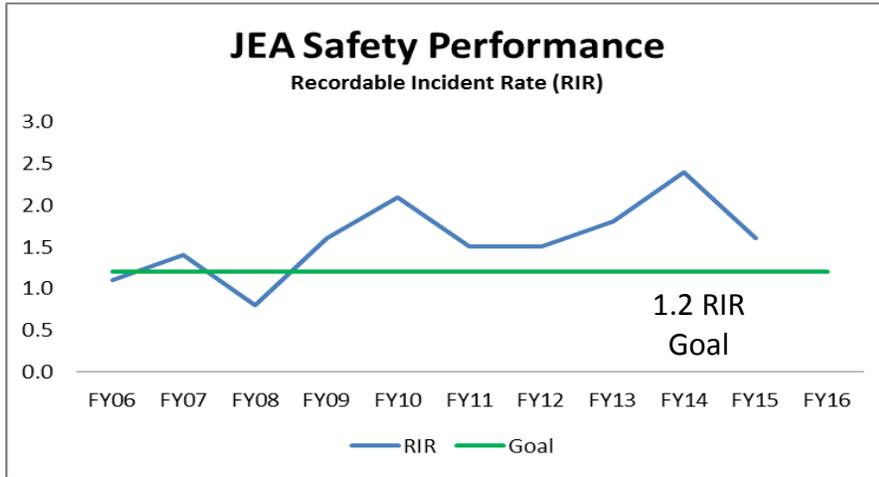
JEA is defined by delivering high quality services at an affordable cost. Our employees make smart business decisions and spend our customers' money wisely and responsibly. We have successfully grown the business.

JEA is recognized as an employer of choice in Northeast Florida, enabling us to attract, retain and develop the most competent, motivated and agile workforce.

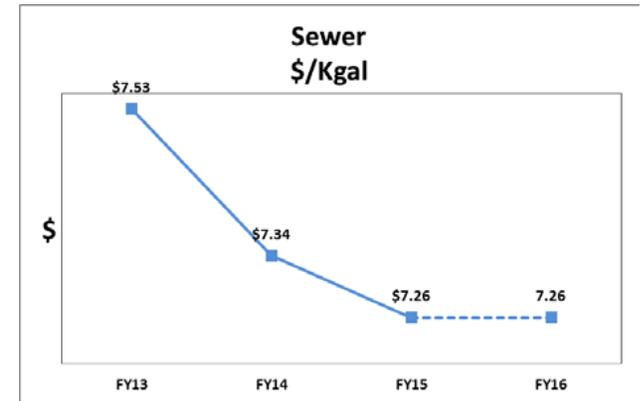
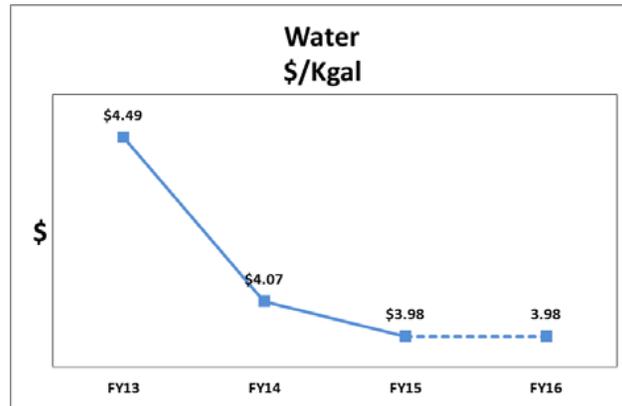
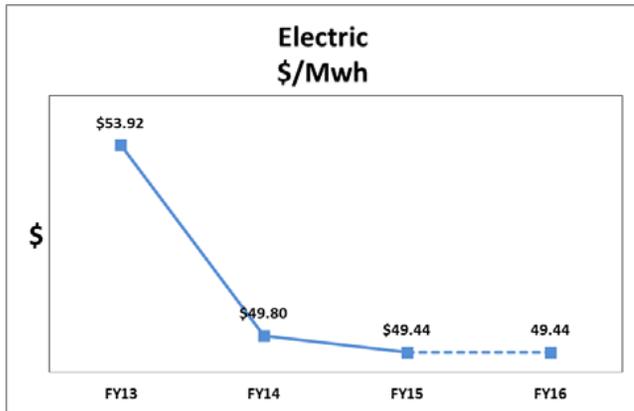
What matters to our customers, matters to us. JEA is the utility of choice for our customers and community.



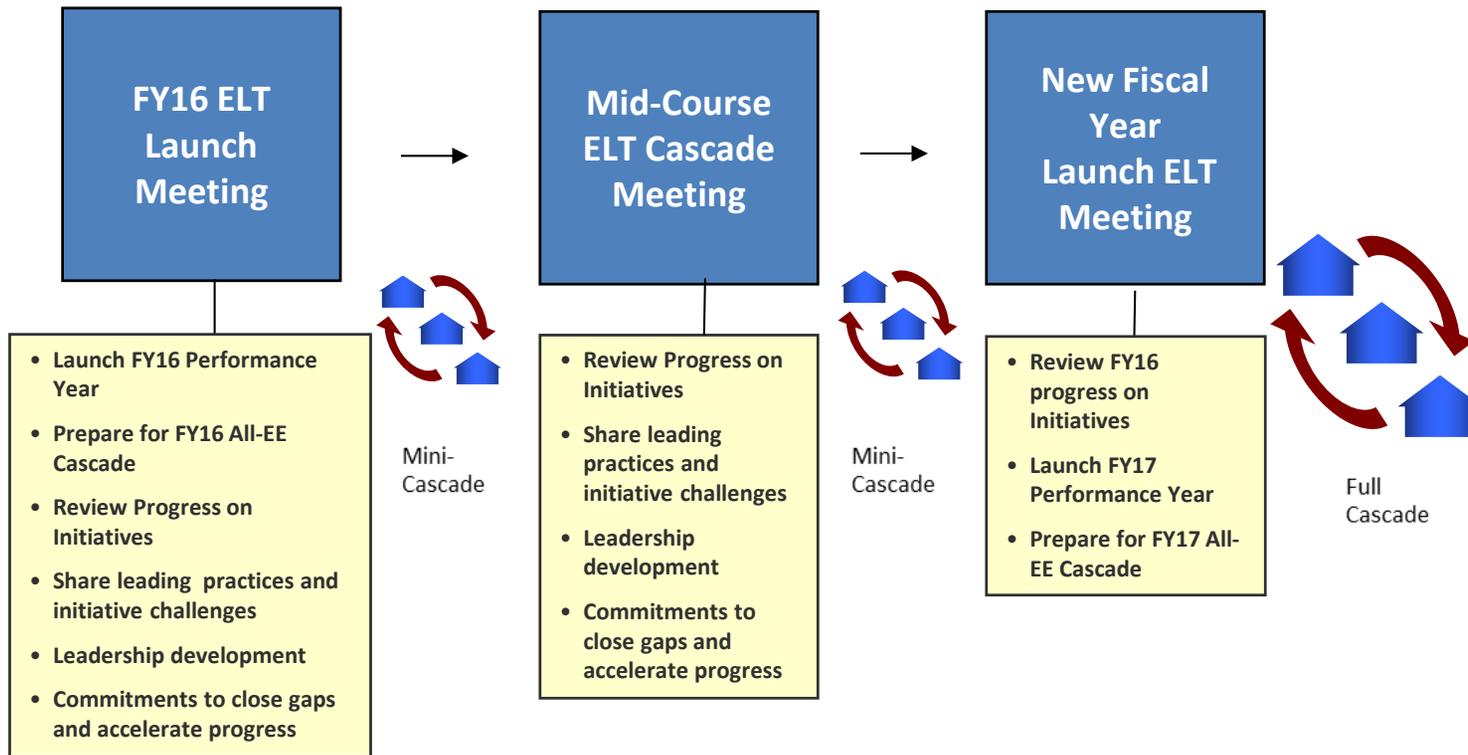
Pay For Performance: FY16 Strategic Goals



Cost Measures



FY16 Strategy Execution Schedule



Planning and Execution of Strategic Enterprise Initiatives

F.A.C.E. Focus Align Communicate Execute Cascade Meetings



FY16 Strategy Execution

Planning and Execution of Strategic Enterprise Initiatives

Clean Power Plan

- Public affairs strategy and execution
- Resource optimization
- Customer education

Contribution Agreement

- Negotiation of new agreement
- Incorporation of community water/sewer expansion

Distributed Generation Strategy

- Potential impact on sales
- Considering JEA role in DG and as environmental compliance tool

Water Supply Challenge and Wastewater Discharge Reduction

- Potential future options for wastewater discharge stream at Buckman



Annual Strategy Launch



Annual Strategy Launch



Co-Champions
Presentation

Quarterly
Employee
Cascades

Managers –
Directors Table
Work



CEO
Moderates

Document
CTA's

Report Out



Quarterly Mini Cascades – Entire Workforce



Strategy Outcomes

FOCUS

ALIGN

COMMUNICATE

EXECUTE

- ✓ **Clearly understood strategic vision and direction**
- ✓ **Focused, aligned and engaged organization**
- ✓ **More effective management process**
- ✓ **Enduring shift in culture and leadership practices**

**Achieved rapid,
quantum
improvements in
performance:**

- **Loyal customers**
- **Sustainable business excellence**
- **Skilled and satisfied employees**



Feedback and Discussion on FY16 Strategic Plan

Attachment: Strategy Initiative Detail FY16



Deliver Business Excellence Initiative Detail FY16

Definition of Success: JEA is defined by delivering high quality services at an affordable cost. Our employees make smart business decisions and spend our customers' money wisely and responsibly. Service, safety, compliance are engrained in our culture. We have successfully grown the business.

Areas of Focus	Outcome Metrics	Corporate Commitments to Action (CTAs)
Grow Revenues	<ul style="list-style-type: none"> • Grow revenue from non-traditional sources to \$3 million in FY2016 • Reduce unbilled production to increase water & electric revenue by \$1 million in FY2016 • Grow electric sales by 27,500 MWh in FY16 	<ul style="list-style-type: none"> • Grow new business lines through focused expansion, marketing, and incubation • Continue to collaborate in identifying, screening, and launching potential new business lines, using consistent approach • Reduce unbilled production (equipment, process, customer theft) • Grow traditional electric sales and stabilize electric revenues
Create a more agile and cost efficient business	<ul style="list-style-type: none"> • Rate competitiveness –Residential typical bills below median of Florida peers by FY2016 (electric, water, sewer) • Cost performance – Achieve flat cost per unit delivered (kwh, kgal) vs. FY2012 baseline and maintain flat fuel rate through FY2016 • Debt reduction - No new debt in FY2016 • Non-fuel operating expense per customer 5% below FY15 	<ul style="list-style-type: none"> • Optimize business processes by ESSA: Elimination, Simplification, Standardization, and Automation • Apply stringent business case criteria to IT projects and hold business and technology sponsors accountable for realizing benefits
Improve Operational Performance	<ul style="list-style-type: none"> • Electric Service Quality – Improve CEMI-5 to 1.5% by FY2016 & top quartile by FY2017 • Water service quality - Unplanned water main outages at less than 5000 customers in FY2016 • Availability of IT essential systems at least 99.75% 	<ul style="list-style-type: none"> • Improve reliability of non-customer Essential Business Systems • Incorporate operational risks into capital and O&M planning • Improve electric water and sewer reliability

Develop an Unbeatable Team Initiative Detail FY16

Definition of Success: JEA is recognized as an employer of choice in Northeast Florida, enabling us to attract, retain and develop the most competent, motivated and agile workforce.

Areas of Focus	Outcome Metrics	Corporate Commitments to Action (CTAs)
Improve Employee Satisfaction	<ul style="list-style-type: none"> • Workplace survey - 5% improvement in positive overall satisfaction ratings FY2015 vs FY2016 - Goal 79.4% • Delivery of market based compensation and benefits to all employees annually • Consistent implementation of performance based evaluations with appropriate high/medium/low distribution of performance ratings by FY2016 for appointed and PEA 	<ul style="list-style-type: none"> • Strengthen the drivers of employee engagement (supervisory relationship, recognition, compensation, benefits, work-life balance) • Increase effectiveness of performance management • All business units actively participate in the New Hire Buddy System
Engage Employees In Personal Growth	<ul style="list-style-type: none"> • Increase Training/development hours by 10% - measured as Sum of Total training or development hours/total # of employees. • Quality Individual Development plans that encompasses job related competencies or progressive development completed for 100% of appointed and 50% non-appointed by end of FY2016 • 100% completion rate by Appointed of Leadership Competency Refresher Learning Path by end of FY 2016 	<ul style="list-style-type: none"> • Build job-specific and general competencies • Build company-wide skill base in cultural competencies and inclusivity
Ensure a Safe, Healthy and Ethical Workplace.	<ul style="list-style-type: none"> • Safety - Recordable Incident Rate of 1.2 in FY2016 • Ethics – 100% compliance with ethics training requirements in FY2016 including new employees must take within 10 days of employment. • Increase the overall JEA Health/wellness score from 74 to 80. (calculated by carrier) • Participation of at least 70% of employees in at least one (1) of three (3) targeted health activities (Bio-metric screening, annual wellness exam, personal health assessment) 	<ul style="list-style-type: none"> • Plan for zero RIRs • Compliance with JEA’s ethics standards and training requirements • Emphasize and promote a total approach to employee wellness

Earn Customer Loyalty Initiative Detail FY16

Definition of Success: What matters to our customers, matters to us. JEA is the utility of choice for our customers and community. (All metrics for this initiative will be based on JD Power customer satisfaction ratings.)

Areas of Focus (AFs)	Outcome Metrics	Corporate Commitments to Action (CTAs)
Be Easy to Do Business With	<u>FY2016 Goals-Residential</u> <ul style="list-style-type: none"> Customer Service: 1st Quartile Power Quality & Reliability: 1st Quartile <u>FY2016 Goals-Business</u> <ul style="list-style-type: none"> Customer Service: 1st Quartile Power Quality & Reliability: 1st Quartile 	<ul style="list-style-type: none"> Revise and implement policies and processes to ensure customer experience is easy, timely, and accurate. Enhance customer facing technology to provide customer centric functionality and 24/7 reliability Demonstrate empathy, courtesy and knowledge in every customer interaction Provide consistent customer experience across all channels and all touch points
Empower Customers to Make Informed Decisions	<u>FY2016 Goals--Residential</u> <ul style="list-style-type: none"> Communications: 1st Quartile Billing & Payment: 1st Quartile Price: 1st Quartile <u>FY2016 Goals--Business</u> <ul style="list-style-type: none"> Communications: 1st Quartile Billing & Payment: 1st Quartile Price: 1st Quartile 	<ul style="list-style-type: none"> Increase awareness of and participation in customer solutions. Enhance customer solution portfolio options leveraging leading edge technology Improve customer perception of value for price Make JEA our customers' first and best source of relevant utility information, and ultimately be their Trusted Advisor
Demonstrate Community Responsibility	<u>FY2016 Goals--Residential</u> <ul style="list-style-type: none"> Corporate Citizenship: 1st Quartile <u>FY2016 Goals--Business</u> <ul style="list-style-type: none"> Corporate Citizenship: 1st Quartile 	<ul style="list-style-type: none"> Grow JEA's ambassador and volunteer programs to deepen customer and community engagement Develop and communicate JEA's strategy to meet the community's future electric, water and sewer needs in an economically and environmentally responsible way. Proactively capture and incorporate the voice of customers, including silent and low-income customers, in business decisions Demonstrate JEA's support of Economic Development in the local community Demonstrate JEA's support of local governments and regulators through enhanced communication and collaboration.



JEA Monthly Financial Summary

as of January 31, 2016

Board of Directors
February 16, 2016



Key Financial Metrics

Electric System	Year-to-Date		FY2016 Full Year		Result
	FY2016	FY2015	Forecast	Target	
Debt Service Coverage	2.7x	2.5x	2.4x	≥ 2.2x	✓
Days Liquidity	321	254	314	150 to 250 days ¹	✓
<i>Days Cash on Hand</i>	<i>197</i>	<i>159</i>	<i>195</i>		✓
Debt to Asset %	68%	73%	66%	72% ²	✓

Water and Sewer System	Year-to-Date		FY2016 Full Year		Result
	FY2016	FY2015	Forecast	Target	
Debt Service Coverage	2.9x	2.6x	2.6x	≥ 1.8x	✓
Days Liquidity	293	240	262	≥ 100 days	✓
<i>Days Cash on Hand</i>	<i>168</i>	<i>132</i>	<i>143</i>		✓
Debt to Asset %	54%	55%	53%	55% ³	✓

¹ Moody's Aa benchmark: 150 to 250 days

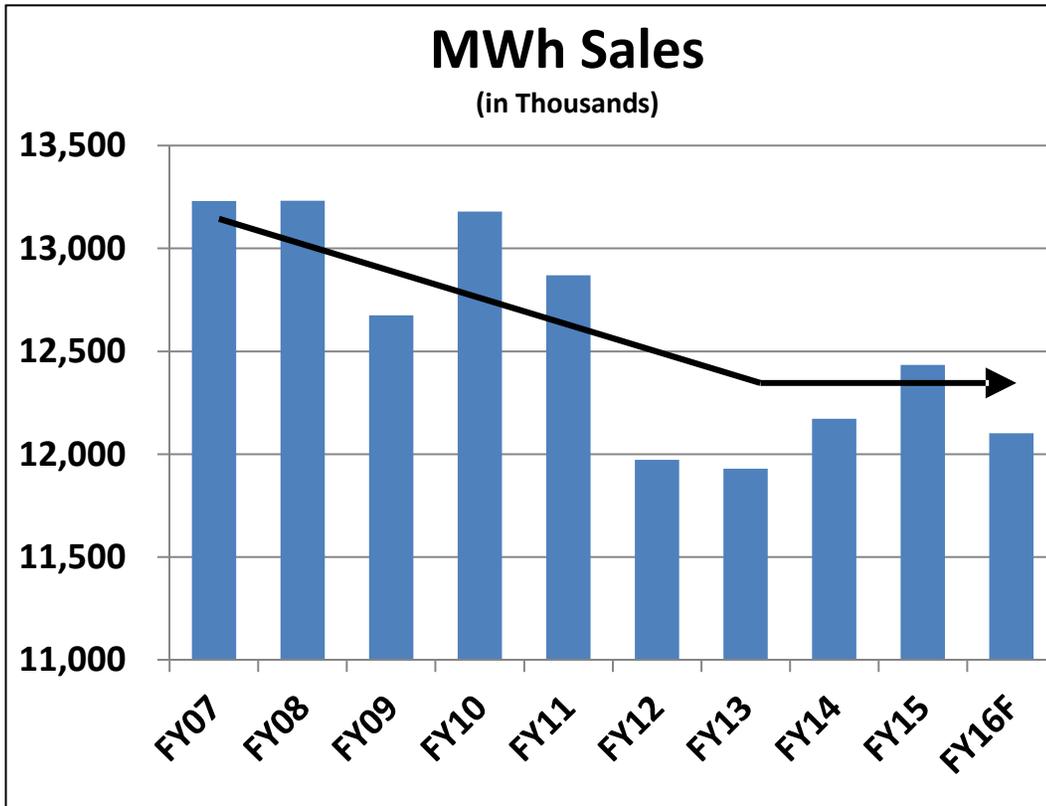
² Long-term target is 52%: per Moody's Sector In-Depth Report "Top 30 City Owned Utilities (by debt outstanding)", Sept. 2015

³ Long-term target is 50%: calculated peer group from Moody's 214 Aa rated public water-sewer utilities, Dec. 2015



JEA Electric System

MWh Sales



Month	FY15	FY16	% Change
Oct	971,595	952,515	(2.0%)
Nov	895,617	923,705	3.1%
Dec	943,753	922,956	(2.2%)
Jan	1,035,621	1,049,897	1.4%
Year-to-Date	3,846,586	3,849,073	0.1%
Feb	934,102		
Mar	898,524		
Apr	954,803		
May	1,062,459		
Jun	1,187,741		
Jul	1,254,252		
Aug	1,212,295		
Sep	1,083,446		
Total/Forecast	12,434,208	12,100,999	

Unit Sales Driver: Degree days 4% lower than last year.

YTD Degree Days		
30-yr. Avg.	FY15	FY16
1,166	1,111	1,067

Total System	0.1%
Residential	(2.9%)
Comm./Industrial	2.7%
Interruptible	(0.6%)
Wholesale (FPU)	(2.0%)



JEA Electric System

Financial Results and Cost Metrics

(\$ in thousands)

Revenues	FY16 Forecast	FY15 Actual	FY16 Budget	FY16F vs FY15 (\$)	Variance (%)
Fuel Revenue	\$ 408,903 ¹	\$ 486,362 ²	\$ 485,631	\$ (77,459)	-15.9%
Base Revenue	718,777	741,411	711,502	(22,634)	-3.1%
Other Revenue	45,429	38,183	51,716	7,246	19.0%
Total Revenues	\$ 1,173,109	\$ 1,265,956	\$ 1,248,849	\$ (92,847)	-7.3%
<div style="border: 1px solid black; padding: 2px; display: inline-block;">\$ (76M)</div>					
Select Expenses					
Fuel Expense	\$ 393,680	\$ 441,076	\$ 460,315	\$ 47,396	10.7%
Fuel Fund Transfers	15,223	45,286	25,255	30,063	
O & M Expense	208,516	191,764	222,827	(16,752)	-8.7%
Non-fuel Purchased Power	99,290	114,804	113,015	15,514	13.5%
Net Revenues	\$ 444,221	\$ 461,604	\$ 405,311	\$ (17,383)	-3.8%
<div style="border: 1px solid black; padding: 2px; display: inline-block;">\$ 39M</div>					
Capital Expenditures	\$ 152,353	\$ 116,728	\$ 153,200 ³	\$ (35,625)	-30.5%
Debt Service	\$ 182,867	\$ 175,779	\$ 185,614	\$ (7,088)	-4.0%

Electric Costs / MWh	Non-Fuel
Target	\$ 49.44
Forecast	53.45
Difference	\$ (4.01)

Fuel Fund (\$ in millions)	
Beginning Balance	\$ 151
Surplus/(Deficit)	72
Fuel Credit	(57)
Ending Balance	\$ 166

¹ Net of \$57 million fuel credit in October bill and fuel rate reduction in February

² Net of \$50 million fuel credit in FY15

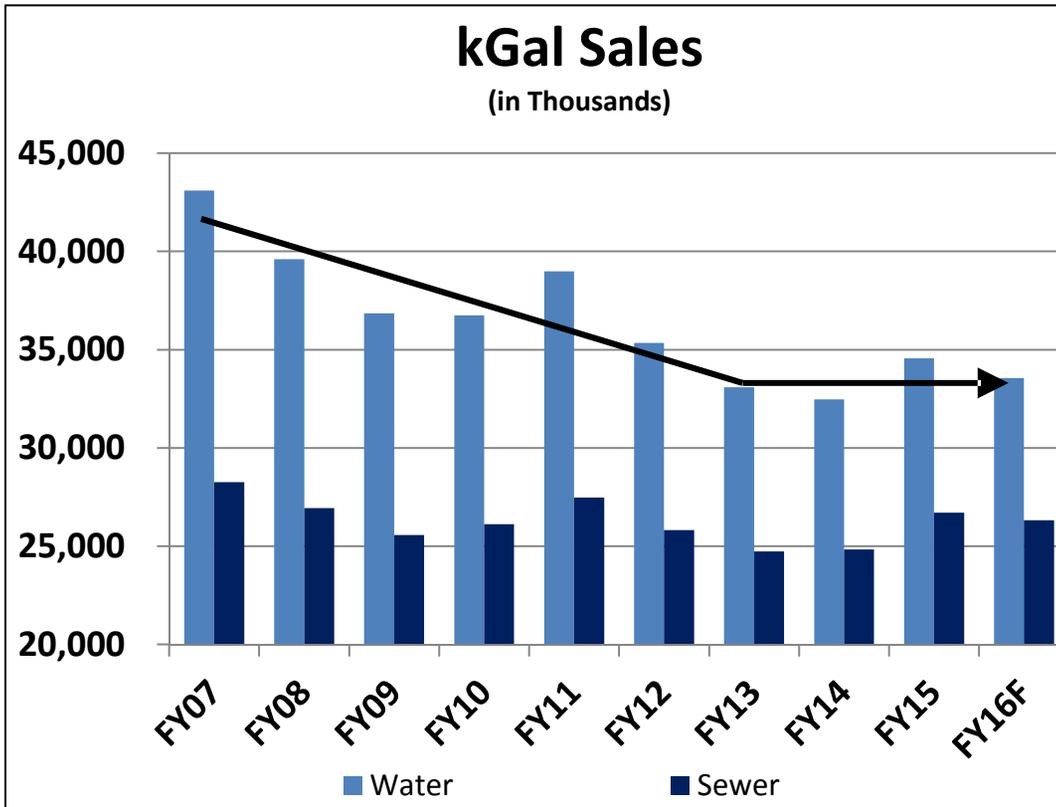
³ Council approved limit for capital expenditures in FY15 is \$170 million



JEA Water and Sewer System

kGal Sales

(in Thousands)



Month	FY15	FY16	% Change
Oct	3,052	3,121	2.3%
Nov	2,597	2,641	1.7%
Dec	2,708	2,758	1.8%
Jan	2,502	2,527	1.0%
Year-to-Date	10,859	11,047	1.7%
Feb	2,237		
Mar	2,732		
Apr	2,765		
May	3,509		
Jun	3,382		
Jul	3,300		
Aug	3,062		
Sep	2,712		
Total/Forecast	34,558	33,563	

Unit Sales Driver: Rainfall down 5 inches; rain days up 7.

YTD Rain			
	30-Yr. Avg.	FY15	FY16
Inches	12	13	8
Days	31	22	29

Total System	1.7%
Residential	0.4%
Comm./Industrial	4.7%
Irrigation	(1.9%)



JEA Water and Sewer System

Financial Results and Cost Metrics

(\$ in thousands)

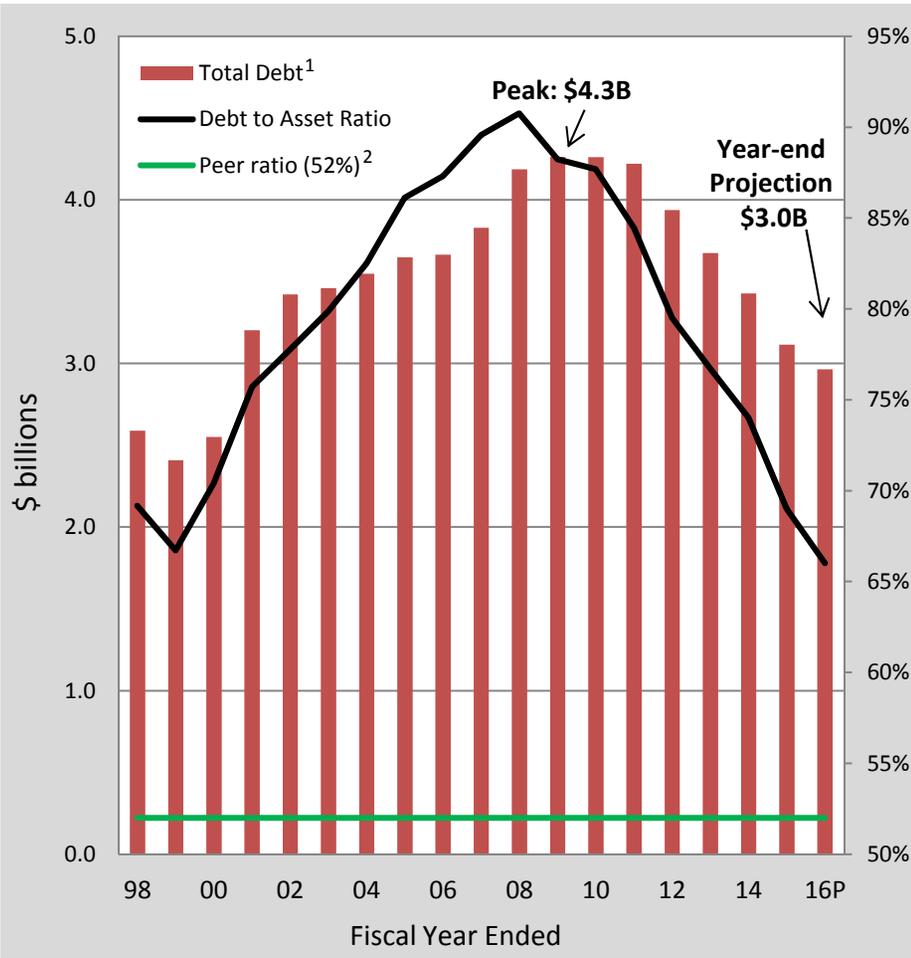
Revenues	FY16 Forecast	FY15 Actual	FY16 Budget	FY16F vs FY15 (\$)	Variance (%)
Water & Sewer Revenues	\$ 387,522	\$ 393,167	\$ 383,162	\$ (5,645)	-1.4%
Other Revenue	34,113	43,750	34,529	(9,637)	-22.0%
Total Revenues	\$ 421,635	\$ 436,917	\$ 417,691	\$ (15,282)	-3.5%
		\$4M			
Select Expenses					
O & M Expense	\$ 134,090	\$ 127,174	\$ 138,368	\$ (6,916)	-5.4%
Net Revenues	\$ 262,338	\$ 278,471	\$ 254,266	\$ (16,133)	-5.8%
		\$8M			
Capital Expenditures	\$ 172,056	\$ 100,806	\$ 175,000	\$ (71,250)	-70.7%
Debt Service	\$ 99,756	\$ 101,108	\$ 105,370	\$ 1,352	1.3%

Cost / KGal	Water	Sewer
Target	\$ 3.98	\$ 7.26
Forecast	<u>4.82</u>	<u>8.20</u>
Difference	\$ (0.84)	\$ (0.94)

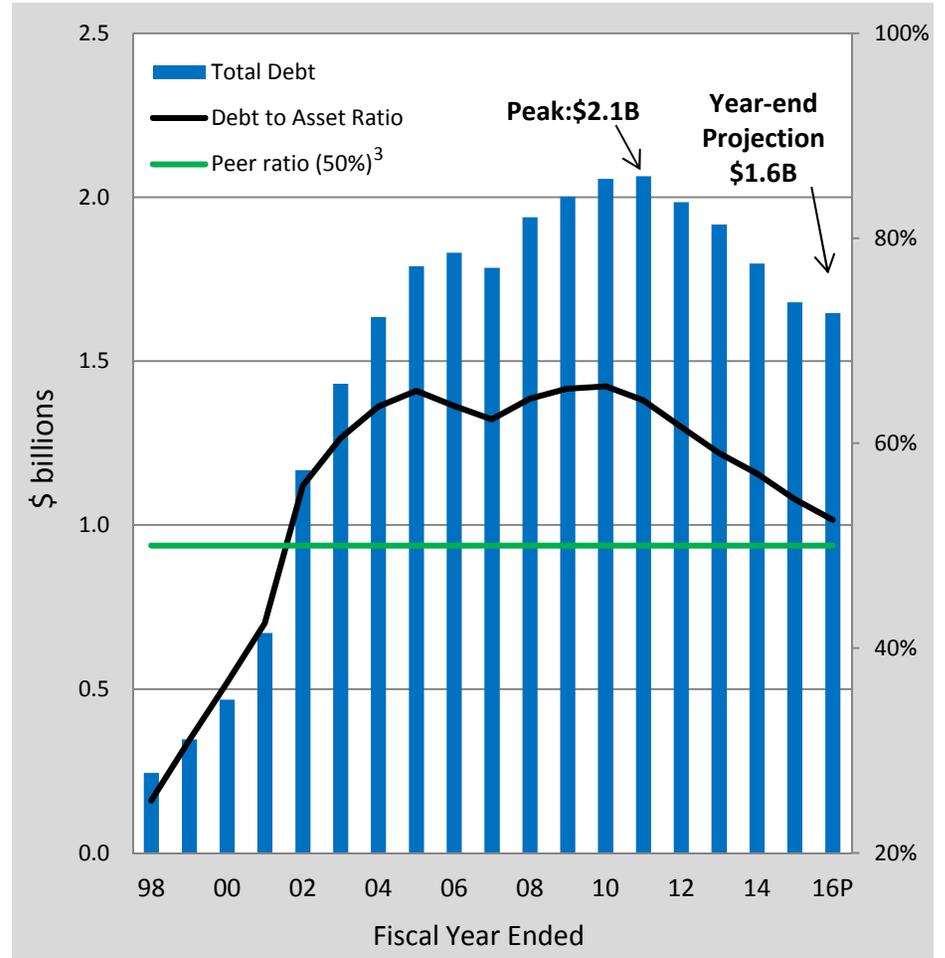


JEA Debt and Debt to Asset Ratios

Electric System



Water and Sewer System



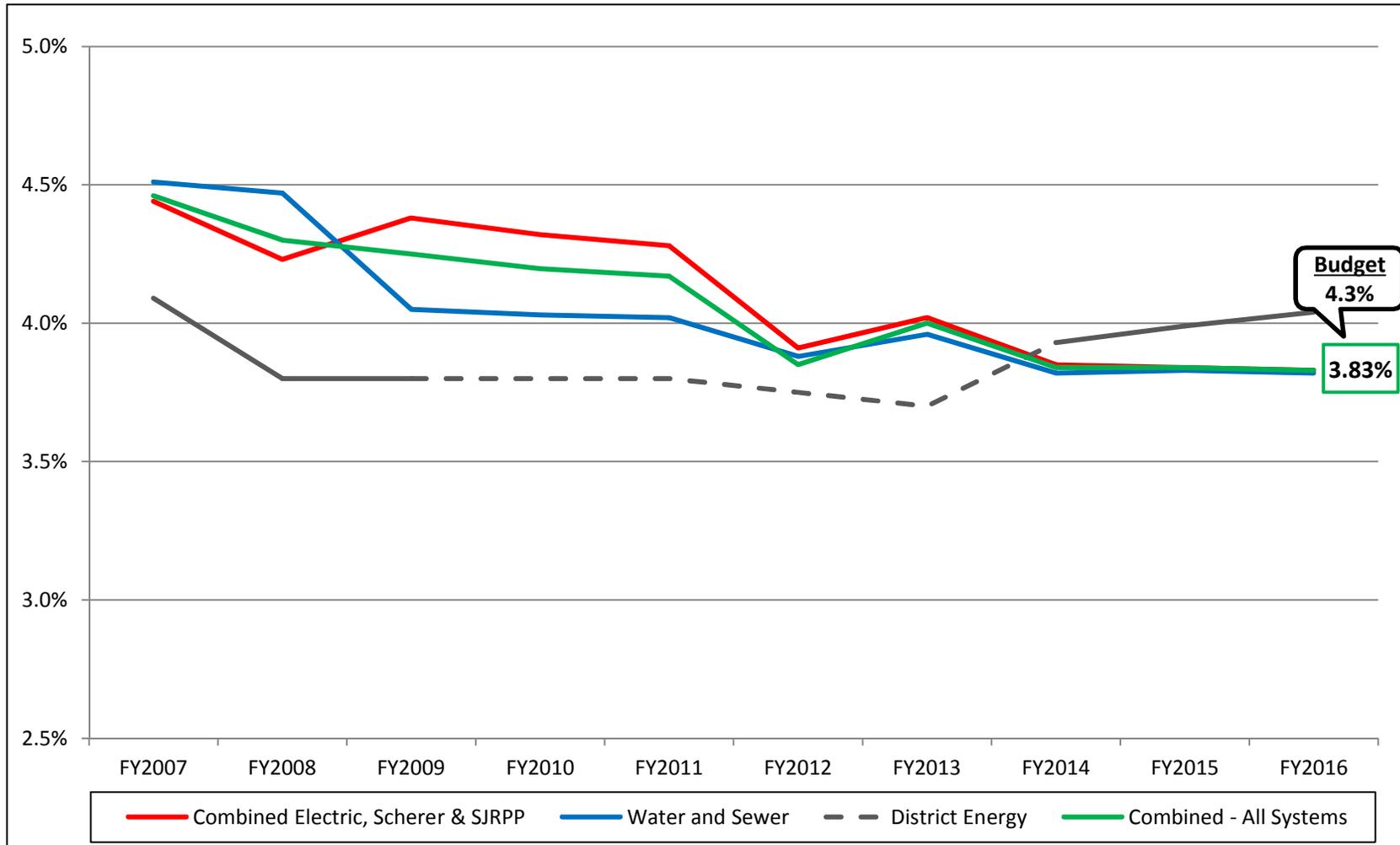
¹ Includes JEA, Scherer and SJRPP

² Per "Top 30 City Owned Utilities (By Debt Outstanding)" reported in Moody's Sector In-Depth Report, Sept. 8, 2015

³ Calculated from Moody's Municipal Financial Ratio Analysis database of 214 Aa rated public water-sewer utilities, Dec. 17, 2015



Combined Debt Outstanding Weighted Average Interest Rates*

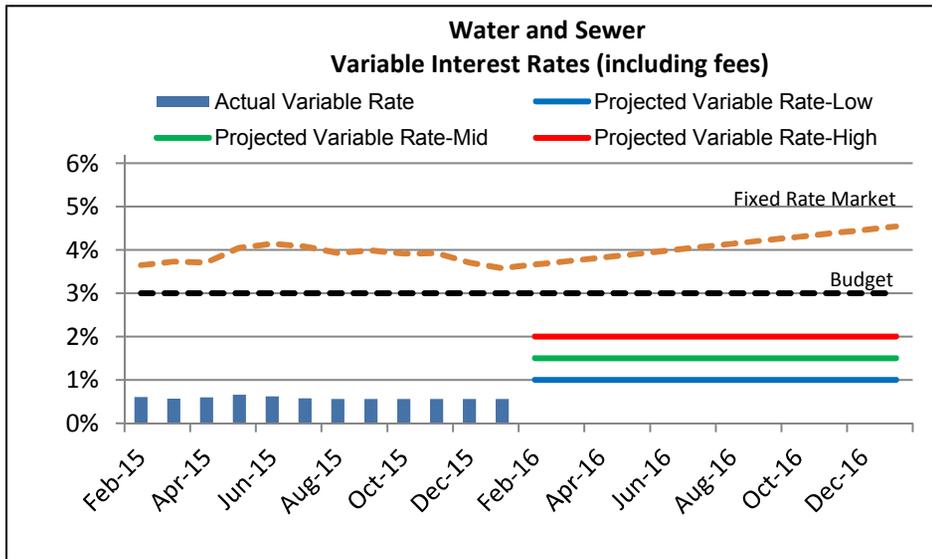
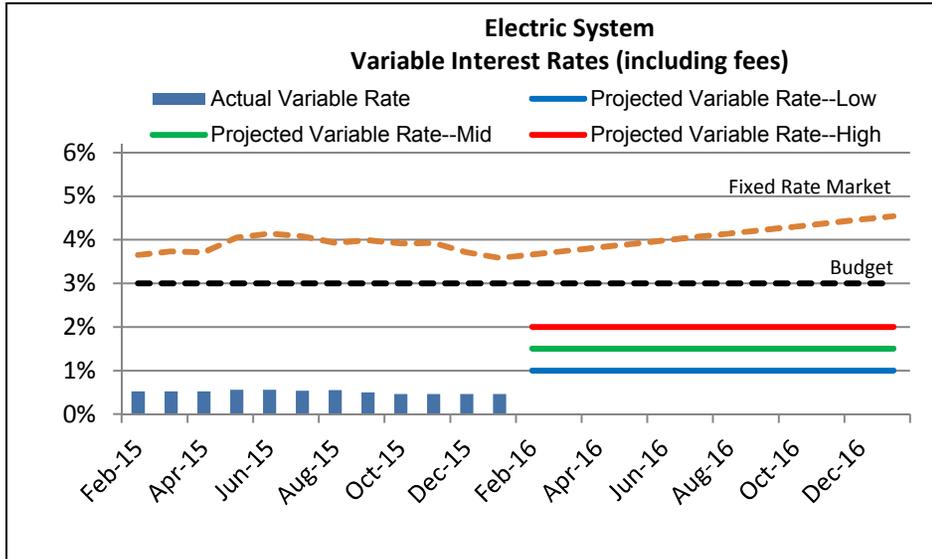


- Fiscal year end interest rates are net of BABs subsidy, original issue premiums / discounts and includes variable debt liquidity / remarketing fees and interest rate swap payments.
- - - - During FY2008 – FY2013 DES was funded with variable rate debt at an average of 1 percent.



Variable Rate Debt Risk Analysis

(\$ in millions)



Total variable rate debt of \$890 with \$532 swapped to fixed rate

Liquidity Facilities and Direct Purchase Bonds (DPBs)			
Bank	Long-Term Ratings Moody's/S&P/Fitch	\$ (in millions)	%
Wells Fargo Bank N.A. (100% DPBs)	Aa2/AA-/AA	\$225	26
JP Morgan Chase Bank N.A.	Aa3/A+/AA-	199	23
Royal Bank of Canada	Aa3/AA-/AA	193	23
US Bank, N.A.	A1/AA-/AA	149	18
Sumitomo	A1/A/A	52	6
State Street Bank	A1/AA-/AA	31	4
Total		\$849	

Swap Providers			
Bank	Long-Term Ratings Moody's/S&P/Fitch	\$ (in millions)	%
Morgan Stanley Capital Services	A3/BBB+/A	\$184	35
Goldman Sachs Mitsui Marine Derivative Products	Aa2/AA+ /NR	136	25
JP Morgan Chase Bank N.A.	Aa3/A+/AA-	127	24
Merrill Lynch	Baa1/BBB+/A	85	16
Total		\$532	

- Items of Interest**
- Variable debt as a percentage of total debt:
 - Unhedged variable at 6% for Electric and 10% for Water and Sewer.
 - Hedged variable at 14% for Electric and 7% for Water and Sewer.
 - Liquidity facilities / direct purchase bonds are with highly rated providers.
 - No change in swap counterparty credit quality.
 - Wells Fargo direct purchase bonds - three year renewal in Sep 2015.
 - State Street liquidity facility renewed in Feb 2015 through March 2018.
 - Variable rate reserve to mitigate risk of higher rates – \$62 million.



Rating Agency Sector Outlooks

U.S. Public Power and Water and Sewer Utilities

- Fitch, Moody's and Standard and Poor's have each recently issued 2016 Outlooks for U.S. Public Power and Water and Sewer Utilities
- All three rating agencies believe both sectors will be stable through 2016, taking certain strengths and challenges in account

Public Power Sector

Strengths:

- Essential service with largely autonomous rate-setting authority
- Generally strong operating results and financial metrics

Challenges:

- Carbon compliance challenges, which may include uncertain costs to transition from coal generation
- Unanticipated gas price hikes and transmission capacity constraints

Water and Sewer Sector

Strengths:

- Essential service, monopolistic nature with local rate-setting authority
- History of willingness to raise rates to support coverage and liquidity

Challenges:

- Drinking water supply pressures
- Gradually tightening environmental regulations
- Stagnant sales and rising costs
- Climate-related challenges persist, but remain manageable: West droughts and rains in the East



Rating Agency Methodology Changes

Standard & Poor's

- On May 20, 2015, Standard & Poor's proposed changes to its criteria for U.S. Public Finance issue credit ratings
 - JEA's senior and subordinated Water and Sewer System bonds are both currently rated "AA" by S&P; under the proposal, subordinated bonds would generally be rated one notch lower than senior bonds
- On January 19, 2016, S&P released an updated rating methodology and assumptions for U.S. Public Finance Waterworks, Sanitary Sewer and Drainage Utility Systems, which include JEA's Water and Sewer System; the objective is to make S&P ratings more transparent and comparable
 - The methodology uses the same framework as its criteria for other municipal enterprise sectors and employs an evaluation of weighted factors of enterprise risks and financial risks
 - Public Financial Management developed a model of the new criteria, and based on their analysis no rating change is anticipated

Moody's

- On December 29, 2015 Moody's published an updated "US Public Power Electric Utilities with Generation Ownership Exposure" rating methodology, which refined its 2011 methodology
 - No ratings changed as result of the 2015 publication

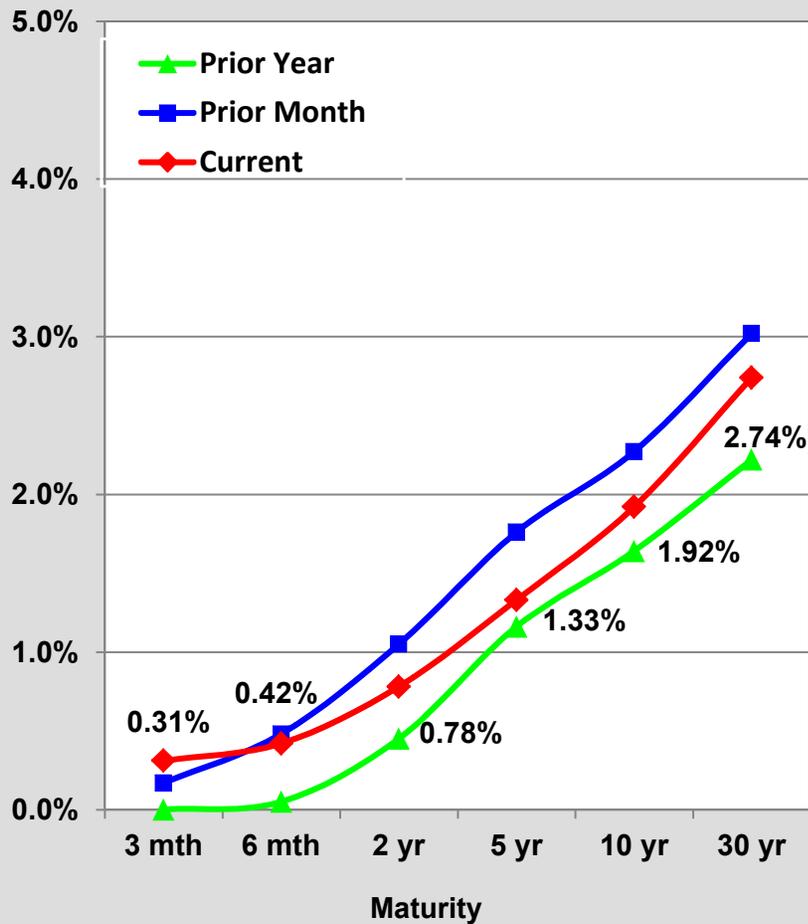
Fitch

- No methodology changes

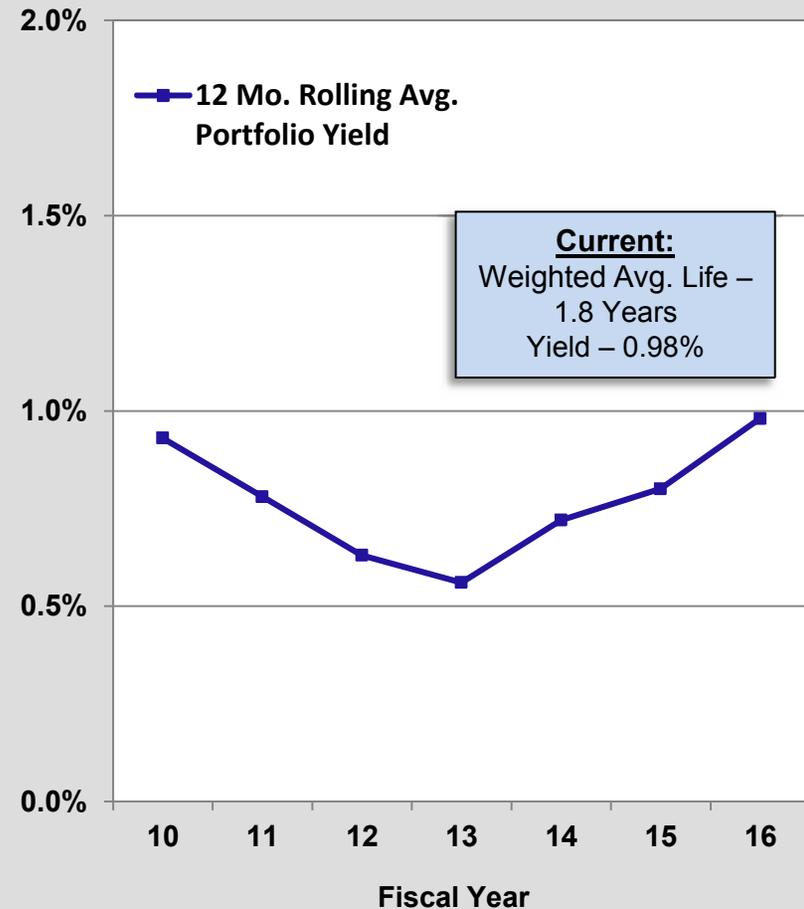


JEA Combined Investments Outstanding

U. S. Treasury Yield Curve



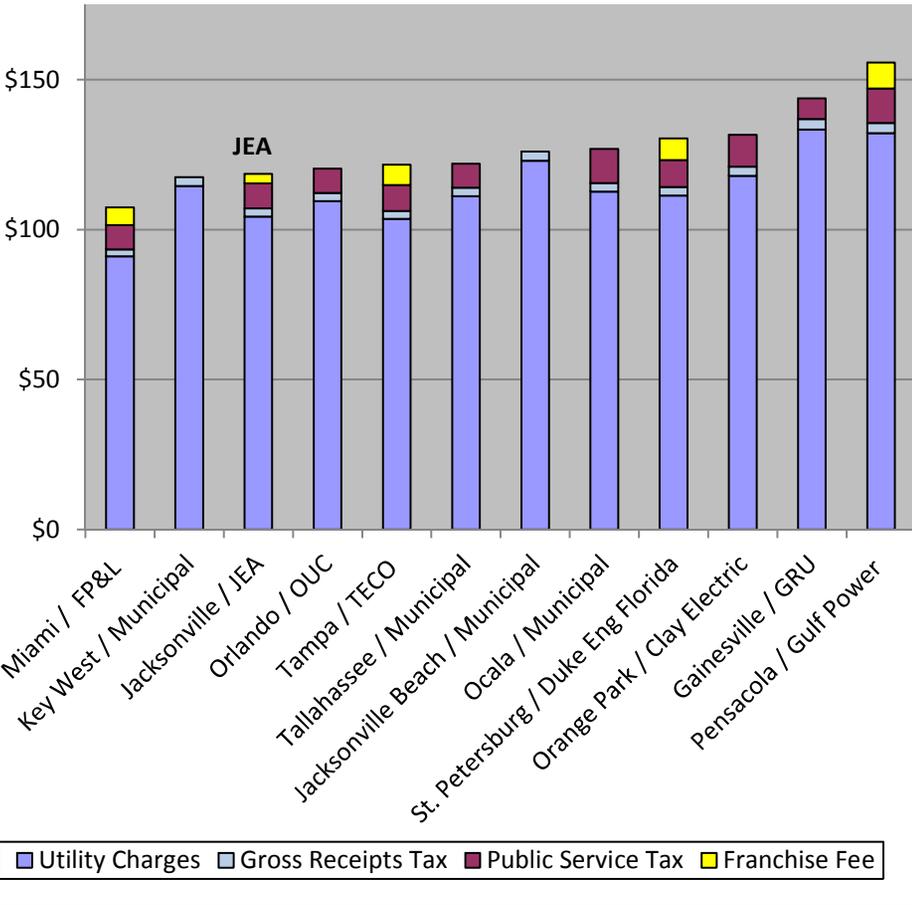
Investment Portfolio Yield



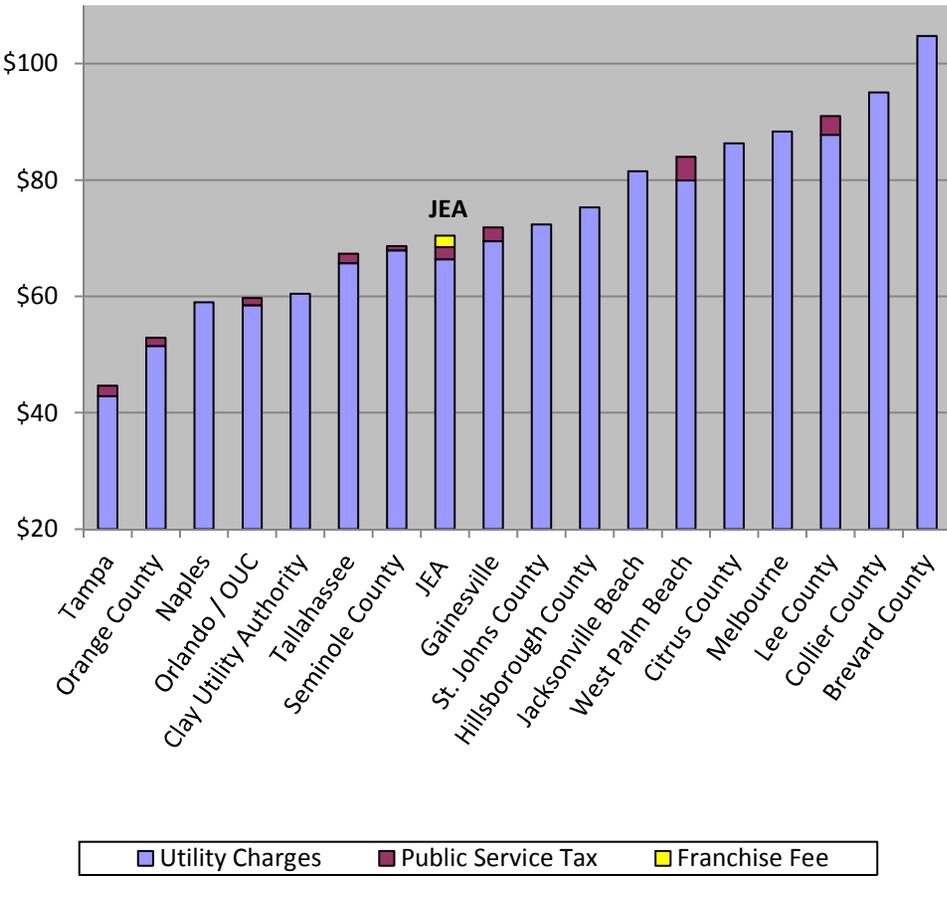


Florida Utilities Monthly Bill Comparison

Monthly Residential Electric Bills
Consumption @ 1,000 kWh



Monthly Residential Water Bills
5/8" meter and 6 kgal of Consumption





Committee Members will meet on the 8th Floor
 Other Board Members may join via conference call
 by dialing 904-665-7100 - No password is needed.

COMPENSATION COMMITTEE AGENDA

DATE: February 10, 2016
TIME: 1:00 – 2:30 PM
PLACE: 21 W. Church Street
 8th Floor

	Responsible Person	Action (A) Info (I)	Total Time
I. OPENING CONSIDERATIONS	Delores Kesler		
A. Call to Order			
B. Adoption of Agenda		A	
C. Approval of Minutes – January 5, 2016	Cheryl Mock	A	
II. NEW BUSINESS			
A. FY2016 CEO Scorecard	Paul McElroy	A	10 mins.
B. Open Discussion			10 mins.
C. Announcements			
1. Schedule Next Meeting as Appropriate			
D. Adjournment			

JEA COMPENSATION COMMITTEE MINUTES
January 5, 2016

The Compensation Committee of JEA met on Tuesday, January 5, 2016, in the 8th Floor Conference Room, JEA Plaza Tower, 21 W. Church Street, Jacksonville, Florida.

Agenda Item I – Opening Considerations

- A. Call to Order – Committee Chair Delores Kesler called the meeting to order at 11:02 AM with Members Tom Petway and Kelly Flanagan in attendance. Also present were Paul McElroy, Angie Hiers, Jane Upton, Judi Spann, Melissa Dykes, Jody Brooks, Office of General Counsel and Robert Campbell, Office of the Council Auditor.
Committee Chair Kesler thanked Angie Hiers, Chief Human Resources Officer, and her team for their hard work in putting together the information for today’s meeting.
- B. Adoption of Agenda – The Agenda was adopted on **motion** by Mr. Petway and second by Ms. Flanagan.
- C. Approval of Minutes – The December 15, 2015 meeting minutes were approved on **motion** by Ms. Flanagan and second by Mr. Petway.

Agenda Item II – New Business

- A. Committee Charter Draft – Paul McElroy, Managing Director/Chief Executive Officer, provided the Committee with a final draft of the Charter for the Compensation Committee. On **motion** by Mr. Petway and second by Ms. Flanagan the Charter was approved.
- B. Market Definition – Angie Hiers, Chief Human Resources Officer, presented the committee with information related to JEA’s defined market. Ms. Hiers communicated that JEA’s various job descriptions and comparable skill sets are matched up to those from local utilities, similar industries in the local area, other municipalities and utilities in the neighboring states. JEA positions compensation at the 50th percentile, with the exception of some appointed personnel who may receive more due to experience. Ms. Hiers also indicated that the members of the bargaining units are on a step progression and will begin the process below the 50th percentile and progress to that level. Members of the International Brotherhood of Electric Workers (IBEW) 2358 are matched up to data points provided by the Large Public Power Council (LPPC) and American Public Power Association (APPA). Ms. Hiers advised the Committee that JEA undergoes a robust survey process to ensure that JEA has valid data, remains competitive, retains valuable employees and recruits the best new talent to the organization.
- C. FY2016 Pay for Performance Plan: Goals and Compensation – Angie Hiers, Chief Human Resources Officer, shared that the previous Pay for Performance Plan had been adjusted to incorporate previous recommendations. Ms. Hiers shared two different versions of the plan with the Committee. The first version summarizes the goals and payout amounts. The second version converts the payout as a percentage of the respective salaries. The Committee then held discussions regarding the goals and the funding of a payout. Mr. McElroy pointed to a new formula incorporated into the memo, which indicates that there must be sufficient cash from revenues to cover any payout. On **motion** by Ms. Flanagan and second by Mr. Petway, the FY2016 Pay for Performance Plan was approved. It will be presented to the full Board for a vote at the January 19, 2016 Board Meeting. The Committee and Mr. McElroy held further discussion on how information will be presented to the full Board.
- D. FY2016 CEO Goals – Mr. McElroy presented an overview of the FY2016 CEO goals. 1) The Committee held discussions regarding the CEO scorecard process. Chair Kesler requested that

staff review and create scoring definitions. Mr. McElroy and Ms. Brooks indicated that the goals could be approved by the Committee and scoring techniques could be incorporated at a later date. On **motion** by Mr. Petway and second by Ms. Flanagan, the FY2016 CEO Goals were approved. The goals will be presented to the full board for a vote at the January 19, 2016 Board Meeting.

E. Announcements – Mr. Petway advised the Committee that the January 19, 2016 Board Meeting will begin at noon. Mr. McElroy provided an update on how the Mayor’s recently announced plan for pension reform may impact JEA.

1. The next meeting will be scheduled as needed.

F. Adjournment – With no further business claiming the attention of this Committee, the meeting was adjourned at 12:20 PM.

APPROVED BY:

Delores Kesler, Committee Chair
Date: _____

Submitted by:

Cheryl Mock
Executive Assistant



Building Community

AGENDA ITEM SUMMARY

February 2, 2016

SUBJECT:	FY2016 CEO SCORECARD
-----------------	-----------------------------

Purpose: Information Only Action Required Advice/Direction

Issue: The CEO goals were approved by the Board at the January 19, 2016 Board Meeting. The scorecard has been referred back to the Compensation Committee for gradation.

Significance: N/A

Effect: N/A

Cost or Benefit: The scoring technique will allow the Board to rate the CEO’s performance in an objective manner and place emphasis on key objectives and goals.

Recommended Board action: It is requested that the Board: 1) Identify the most important goals, 2) Evaluate the recommended weighting of each goal and 3) Approve or modify the gradation for each goal.

For additional information, contact: Angie Hiers 904-665-4747

Submitted by: PEM/ARH



Commitments to Action

- 1 Earn Customer Loyalty
- 2 Deliver Business Excellence
- 3 Develop an Unbeatable Team



FY2016 CEO Goals

Revised per 2/10/16 Compensation Committee to amend the weights as a point system instead of a percentage.

GOAL	WEIGHT	NEEDS IMPROVEMENT	MEETS REQUIREMENTS		EXCEEDS REQUIREMENTS	COMMENTS
			50%	75%		
Scale	Points	0	50%	75%	100%	
Exceed budgeted (\$682.6M) combined ¹ annual net revenues (excluding weather contingency), per the "Schedules of Debt Service Coverage", this is a proxy for EBITDA (schedule and source documents attached)	(3 points)	X < \$682M	X > \$682M	X > \$695M	X > \$708M	
Effectively execute the Capital Investment Plan or Capital Budget (\$331.9M) (schedule attached)	(3 points)	X > \$332M	X < \$332M	X < \$316M	X < \$300M	
Improve the 12 utility reliability and environmental metrics, per the attached schedule and reported to the Board monthly	(4 points)	X < 9	X = 9	X = 10/11	X=12	
Achieve first quartile rankings for Residential and Commercial J.D. Power Customer Satisfaction Ratings						
Residential	(1 point)	X < 2015	X = 2015+1	X = 2015 + 10	X = top half first quartile	
Commercial	(1 point)	X < 2015-10	X = 2015-10	X = 2015 - 5	X = 2015	
Improve employee satisfaction and engagement, as measured by an independent employee survey (baseline 74.4%)	(1 points)	X < 74.4%	X > 74.4%	X > 75.4%	X > 76.4%	
Demonstrate significant progress on the Electric System revenue stabilization plan	(1 points)	Pilot launched after 12/31/16	Pilot launched by 12/31 by 10/31		Pilot launched by 9/30/16	
Maintain positive and constructive relationships with all key stakeholders	(1 points)					
Total	(15 points)					

1. Please comment on any other aspect of the CEO's performance, including exceptional performance or other areas that require attention:

2. Please identify the three or four key areas facing the company that you would like the CEO to focus on in his objectives:

Strategic Focus:

Talent and Culture:

Other:

¹ Combined = Electric System plus Water and Sewer System plus District Energy

FY2016 JEA Net Revenues Goal - Excluding Weather Contingency						
\$ in Millions	FY2016			FY2015	FY2014	FY2013
	<u>Actual</u>	<u>Goal</u>	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>
Electric System		\$415.6	\$405.3	\$461.6	\$389.6	\$397.0
Water and Sewer System		\$288.7	\$273.8	\$278.5	\$281.7	\$276.8
District Energy System		\$3.7	\$3.5	\$3.9	\$3.9	\$3.4
Total		\$708.0	\$682.6	\$744.0	\$675.2	\$677.2

FY2016 JEA Capital Investment Plan/Budget Execution				
\$ in Millions	FY2016		FY2015	FY2014
	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Electric System		\$153.2	\$116.7	\$86.2
Water and Sewer System		\$175.0	\$100.8	\$76.9
District Energy System		\$3.7	\$0.9	\$0.5
Total		\$331.9	\$218.4	\$163.6

FY2016 JEA Reliability and Environmental Metrics Goal					
<u>Electric System</u>	<u>Improvement</u>		<u>Water and Sewer System</u>	<u>Improvement</u>	
	Yes	No		Yes	No
1. Customer Outage Frequency			1. Unplanned Water Main Outages		
2. Experiencing More than 5 Outages in the Previous Year (CEMI ₅)			2. Water Distribution System Pressure		
3. Customer Outage Duration			3. Customer Response Time		
4. Transmission Fault Frequency Index			4. Consumptive Use Permits		
5. Fleet Forced Outage Rate			5. Total Nitrogen Discharge		
6. Reportable Environmental Events			6. Sanitary Sewer Overflows		

Note: Assuming general reliability performance will remain consistent with the previous three years, CEMI₅ is perhaps the reliability index with the greatest impact on customer satisfaction.

* Customers Experiencing Momentary Interruptions: 5 Times

Electric Systems Reliability
Customer Outage Frequency – The number of extended outages (one minute or longer) experienced by the average JEA customer per year.
Service Reliability – The cumulative number of outage minutes experienced by the average JEA customer per year.
CEMI₅ – The percentage of JEA’s customers experiencing more than 5 extended outages (one minute or longer) in the last 12 months.
Transmission Fault Frequency Index – The number of transmission line faults experienced per 100 line miles in the last 12 months.
Fleet Forced Outage Rate - The amount of hours as a percentage of total hours, fiscal year-to-date, that JEA generators are not available and running when needed.
Reportable Environmental Events REEs - The number of environmental events that have occurred at power plants, fiscal year-to-date, that are reportable permit violations to FDEP and the EPA.

Water and Sewer Systems Reliability
Unplanned Water Main Outages - # of Customers affected by unplanned water outages per year
Water Distribution System Pressure - Average minutes per month less than 30 psi across a total of 110 monitoring stations across the service area
Customer Response Time - Average annual minutes from a customer call to the ticket completion or transfer to a field crew for a more extensive repair
Consumptive Use Permit (CUP) - Meeting annual CY basis CUP requirements including Total System Limit and South Grid Wellfield Allocation Limits
Total Nitrogen Discharge - Amount of tons of Nitrogen discharged annually to the St. Johns River
Sanitary Sewer Overflow - # of annual sanitary sewer overflow events