



**Quarterly Analysis of  
Financial Performance**

**June 2018**



## Management's Discussion and Analysis of Financial Performance for the Quarter and Nine Months Ended June 30, 2018

JEA is a municipal utility operating in Jacksonville, Florida (Duval County) and parts of three adjacent counties. The operation is comprised of three enterprise funds: the Electric Enterprise Fund (Electric Enterprise), the Water and Sewer Enterprise Fund (W&S), and the District Energy System (DES). Electric Enterprise is comprised of the JEA Electric System, Bulk Power Supply System (Scherer), and St. Johns River Power Park System (SJRPP). Electric Enterprise, W&S, and DES are presented on a combined basis in the statements of net position, statements of revenue, expenses and changes in net position, and statements of cash flows.

### Operating Revenues

Total Electric Enterprise operating revenues for the quarter ended June 2018 decreased approximately \$61 million (16.2 percent) over the prior year comparable quarter. Revenues from territorial sales decreased \$11 million and territorial MWh sales were down 82,582 megawatt hours (MWh) (2.7 percent) this quarter compared to the prior year comparable quarter, driven by a 4.2 percent decrease in average MWhs per customer, which was partially offset by a 2.2 percent increase in degree days and a 1.6 percent increase in customers. SJRPP saleback and off system revenues decreased by \$35 million. Florida Power & Light (FPL) megawatt hour sales decreased by 490,181 MWh and off-system sales decreased by 30,532 MWh, which brought the net decrease in total MWh sales to 603,295 MWh (16.5 percent). Stabilization fund transfers, mainly related to fuel, showed a net decrease of \$11 million. Other operating income decreased \$4 million, largely driven by lower transmission revenues and a prior year mutual aid reimbursement not repeated in the current year.

Total Electric Enterprise operating revenues for the nine months ended June 2018 increased approximately \$24 million (2.4 percent) over the prior year comparable nine months. Revenues from territorial sales increased \$28 million and territorial MWh sales were up 308,749 megawatt hours (MWh) (3.7 percent) for the nine months compared to the prior year comparable period, driven by a 19.9 percent increase in degree days, a 2.0 percent increase in average MWhs per customer, and a 1.6 percent increase in customers. SJRPP saleback and off-system revenues decreased by \$65 million. FPL megawatt hour sales decreased by 813,499 MWh and off-system sales decreased by 87,557 MWh, which brought the net change in MWh sales to a 592,307 MWh (6.1 percent) decrease. Stabilization fund transfers related to fuel and debt management showed a net increase of \$13 million. Other operating income increased \$48 million, driven by revenues received from FPL related to the closure of SJRPP, which were slightly offset by lower transmission revenues and a prior year mutual aid reimbursement not repeated in the current year.

Total W&S operating revenues for the quarter ended June 2018 decreased approximately \$2 million (2.0 percent) over the prior year comparable quarter. Water revenues decreased approximately \$3 million (7.1 percent) due to a 7.6 percent decrease in consumption, mainly due to irrigation sales, which was partially offset by a 2.0 percent increase in customer accounts. Water consumption decreased 767,638 thousands of gallons (kgals) to 9,276,996 kgals. Sewer revenues decreased approximately \$1 million (0.9 percent), primarily related to a 3.5 percent decrease in sales, which was partially offset by a 2.4 percent increase in sewer accounts. This decrease was offset by a \$2 million increase in environmental stabilization transfers. Sewer sales decreased 242,608 kgals to 6,694,756 kgals.

Total W&S operating revenues for the nine months ended June 2018 decreased approximately \$4 million (1.3 percent) over the prior year comparable nine months. Water revenues decreased approximately \$4 million (3.0 percent) due to a 3.6 percent decrease in consumption, mainly due to irrigation sales, which was partially offset by a 2.1 percent increase in customer accounts. Water consumption decreased 1,001,855 kgals to 26,722,846 kgals. Sewer revenues increased approximately \$2 million (1.2 percent), primarily related to a 2.5 percent increase in sewer accounts that was partially offset by a 1.0 percent decrease in sales. Sewer sales decreased 206,969 kgals to 19,615,528 kgals. Additionally, there was a \$3 million decrease in environmental stabilization transfers. Other operating revenues increased by \$1 million due to additional waste disposal revenues.

DES operating revenues for the quarter and nine months ended June 2018 remained flat when compared to prior periods at \$2 million and \$6 million, respectively.

## Operating Expenses

Total Electric Enterprise operating expenses for the quarter ended June 2018 decreased approximately \$54 million (18.8 percent) over the prior year comparable quarter. Total Electric Enterprise operating expenses increased approximately \$38 million (4.9 percent) over the prior year comparable nine months.

Fuel and purchased power expense decreased about \$37 million (25.1 percent) over the prior year comparable quarter. There was a \$31 million decrease in generation costs driven by lower coal and natural gas expenses as well as a \$3 million decrease in purchased power cost. In addition to the decreases in cost, there was a \$3 million decrease due to lower MWh generated and purchased, which decreased 4.4 percent over the prior year comparable quarter to 3,154,184 MWh.

Fuel and purchased power expense decreased approximately \$1 million (0.2 percent) over the prior year comparable nine months. There was a \$5 million decrease in generation costs due to lower coal and natural gas expenses that was offset by a \$5 million increase due to higher MWh generated and purchased, which increased 2.8 percent over the prior year comparable nine months to 9,098,241 MWh. In addition, there was a \$1 million decrease in purchased power cost.

As commodity prices fluctuate, the mix between generation and purchased power shifts, with JEA taking advantage of the most economical source of power. JEA's power supply mix is detailed below.

	Quarter Ended		Nine Months Ended	
	June 30		June 30	
	FY 2018	FY 2017	FY 2018	FY 2017
Natural gas	55.5%	38.1%	47.1%	38.8%
Coal	11.6%	45.3%	23.2%	42.9%
Purchased power	22.7%	11.6%	18.6%	12.0%
Petroleum coke	10.2%	5.0%	10.7%	6.3%
Oil	0.0%	0.0%	0.4%	0.0%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Electric Enterprise operating expenses, other than fuel and purchased power, decreased approximately \$17 million over the prior year comparable quarter. Depreciation expense decreased \$14 million due to the SJRPP impairment write-down of those plant assets expected to be dismantled and lower depreciation of other electric enterprise assets whose depreciable base decreased over the prior year. Maintenance and other operating expenses decreased \$2 million due largely to lower expenses at SJRPP due to plant shutdown and lower benefits costs, mainly pension expense. The decreases were mostly offset by higher outage expenses related to Plant Scherer and increased maintenance expenses at other plants. State utility and franchise taxes decreased \$1 million as a result of a decrease in tax-based revenues.

Electric Enterprise operating expenses, other than fuel and purchased power increased approximately \$39 million over the prior year comparable nine months. Maintenance and other operating expenses increased \$44 million due largely to expenses related to SJRPP plant shutdown and dismantlement activities, higher outage expenses at Plant Scherer, and increased maintenance expenses at the other plants. Depreciation expense decreased \$15 million due to the SJRPP impairment write-down of those plant assets expected to be dismantled, which was partially offset by higher depreciation of other electric enterprise assets whose depreciable base increased over the prior year. Recognition of deferred costs and revenues, net increased \$8 million due to the SJRPP impairment write-down and the SJRPP Issue Two defeasance. State utility and franchise taxes increased \$2 million as a result of an increase in tax-based revenues.

W&S operating expenses remained flat when compared to prior year quarter at \$76 million.

W&S operating expenses increased \$2 million (0.8 percent) over the prior year comparable nine months. The increase was due to increases of \$2 million in maintenance expenses, \$2 million in depreciation expense, related to a higher depreciable base, \$1 million in compensation costs, and \$1 million in shared services expenses. The increase was partially offset by a \$4 million decrease in amortization of deferred environmental costs.

DES operating expenses remained flat when compared to prior year quarter and nine months at \$2 million and \$5 million, respectively.

## Nonoperating Expenses, Net

There was a decrease of approximately \$4 million (12.7 percent) in total nonoperating expenses, net over the prior year comparable quarter and a decrease of \$12 million (9.9 percent) for the comparable nine months. The drivers of the changes are detailed below.

*(Dollars in millions)*

<b>Changes in nonoperating expenses, net</b>	<b>Quarter</b>	<b>Six Months</b>
Decrease in interest on debt	\$ (6)	\$ (11)
Investment income (loss) - fair market value adjustments	1	(6)
Increase in investment income - realized	-	4
Decrease in other nonoperating income	(1)	(2)
Increase in earnings from The Energy Authority	1	1
Increase in interest expense on customer deposits	1	1
Increase in allowance for funds used during construction	-	1
<b>Total change in nonoperating expenses, net</b>	<b>\$ (4)</b>	<b>\$ (12)</b>

## Debt Administration

Debt outstanding at June 30, 2018 was \$3,999 million, a decrease of approximately \$408 million from the prior fiscal year.

The ratings for all JEA bonds, as detailed below, remained the same through June 30, 2018.

	<u>Fitch</u>	<u>Moody's</u>	<u>Standard &amp; Poor's</u>
JEA Electric System			
Senior	AA	Aa2	AA-
Subordinated	AA	Aa3	A+
SJRPP	AA	Aa2	AA-
Scherer	AA	Aa2	AA-
W&S			
Senior	AA	Aa2	AAA
Subordinated	AA	Aa2	AA+
DES	AA	Aa3	AA+

At the end of the quarter and nine months, there were \$3 million in outstanding bank draws under the revolving lines of credit.

Debt service coverage ratios for JEA Electric System and W&S bonds are as follows:

	<b>Quarter Ended</b>		<b>Nine Months Ended</b>	
	<b>June 30</b>		<b>June 30</b>	
	<u>FY 2018</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2017</u>
JEA Electric System				
Senior	7.10 x	7.79 x	6.88 x	7.05 x
Senior and subordinated	2.51 x	2.35 x	2.41 x	2.46 x
W&S				
Senior	3.49 x	3.47 x	3.31 x	3.35 x
Senior and subordinated	2.92 x	2.93 x	2.77 x	2.82 x

The decrease in JEA Electric System senior coverage ratios for the quarter and nine months were due to lower net revenues and higher debt service requirements. The increase in the JEA Electric System senior and subordinated coverage for the quarter was due to lower debt service requirements, which were partially offset by lower net revenues. The decrease in the JEA Electric System senior and subordinated coverage for the nine months was due to lower net revenues, which were partially offset by lower debt service requirements.

The increase in W&S senior coverage for the quarter was due to lower debt service requirements, which were mostly offset by lower net revenues. The decrease in W&S senior coverage for the nine months was due to lower net revenues, which were partially offset by lower debt service requirements. The decreases in W&S senior and subordinated coverage for the quarter and nine months were due to lower net revenues, which were partially offset by reductions in debt service requirements.

### **Capital Assets**

JEA's investment in capital assets was \$5,317 million (net of accumulated depreciation). This included \$2,667 million in Electric Enterprise assets, \$2,615 million in W&S assets, and \$35 million in DES assets. For the quarter ended June 2018, capital expenditures were \$90 million, made up primarily of approximately \$44 million in Electric Enterprise, \$45 million in W&S, and \$1 million in DES. For the nine months ended June 2018, capital expenditures were \$260 million, made up primarily of approximately \$132 million in Electric Enterprise, \$127 million in W&S, and \$1 million DES. JEA has ongoing capital improvement programs for Electric Enterprise and W&S. The cost of the capital improvement program is planned to be provided from revenues generated from operations and existing fund balances.

### **Storm Costs**

Hurricane Matthew tracked parallel along the coast of Florida on October 7, 2016 and Hurricane Irma passed to the west of Jacksonville as a tropical storm on September 11, 2017, causing extensive damage within the JEA service territory. Damage to JEA property was primarily to the transmission and distribution systems. Because of the extensive damage, Jacksonville was declared a federal major disaster area, making JEA eligible to receive reimbursement from FEMA. Requests for Public Assistance for both declared disasters were filed and accepted.

Total storm costs incurred as of June 30, 2018 were approximately \$44 million. JEA is in the midst of the cost reimbursement process through the Federal Emergency Management Agency (FEMA), which allows cost share of 87.5% of eligible cost (75.0% from FEMA and 12.5% from the State of Florida), for those costs not covered by insurance. JEA believes it is probable FEMA will reimburse JEA for the eligible cost incurred.

### **SJRPP Closure**

On January 5, 2018, JEA closed SJRPP and received a \$90.4 million payment from its operating partner, Florida Power & Light Company (FPL), made up of FPL's cash reserves at SJRPP and a shutdown cash payment. The SJRPP Issue-Two debt was defeased on January 5, 2018. FPL will pay 20% of the SJRPP environmental remediation and dismantlement costs. Upon completion of dismantlement and environmental remediation, which is expected to take approximately two years, FPL will convey their 20% interest of SJRPP and related assets to JEA. JEA is assuming FPL's 20% share of the pension liability. The transactions related to the asset termination agreement were recorded in January 2018.



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Aaron Zahn, Interim Managing Director / CEO

**JEA**  
**Statements of Net Position**  
**(in thousands - unaudited)**

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	June	
	2018	2017
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 236,070	\$ 269,290
Investments	214,116	235,659
Accounts and interest receivable, less allowance for doubtful accounts of \$1,690 and \$1,898, respectively	230,984	224,451
Inventories:		
Fuel	55,547	72,803
Materials and supplies	79,522	70,377
Total current assets	<u>816,239</u>	<u>872,580</u>
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	134,021	65,614
Investments	707,180	896,471
Accounts and interest receivable	79	664
Total restricted assets	<u>841,280</u>	<u>962,749</u>
Costs to be recovered from future revenues	798,799	456,880
Investment in The Energy Authority	6,529	6,072
Other assets	17,831	19,336
Total noncurrent assets	<u>1,664,439</u>	<u>1,445,037</u>
Capital assets:		
Land and easements	194,634	193,439
Plant in service	11,217,147	10,925,211
Less accumulated depreciation	<u>(6,429,260)</u>	<u>(5,656,935)</u>
Plant in service, net	4,982,521	5,461,715
Construction work in progress	334,749	349,356
Net capital assets	<u>5,317,270</u>	<u>5,811,071</u>
Total assets	<u>7,797,948</u>	<u>8,128,688</u>
<b>Deferred outflows of resources</b>		
Unrealized pension contributions and losses	177,704	137,010
Unamortized deferred losses on refundings	146,562	137,020
Accumulated decrease in fair value of hedging derivatives	98,346	126,723
Unrealized asset retirement obligation	43,884	-
Total deferred outflows of resources	<u>466,496</u>	<u>400,753</u>
<b>Total assets and deferred outflows of resources</b>	<b>\$ 8,264,444</b>	<b>\$ 8,529,441</b>
<b>Liabilities</b>		
Current liabilities:		
Accounts and accrued expenses payable	\$ 124,253	\$ 116,483
Customer deposits	59,566	56,585
Total current liabilities	<u>183,819</u>	<u>173,068</u>
Current liabilities payable from restricted assets:		
Debt due within one year	185,790	229,095
Renewal and replacement reserve	96,371	79,792
Interest payable	37,875	42,193
Construction contracts and accounts payable	16,511	24,524
Total current liabilities payable from restricted assets	<u>336,547</u>	<u>375,604</u>
Noncurrent liabilities:		
Net pension liability	557,665	493,346
Asset retirement obligation	35,701	-
Other liabilities	52,945	49,818
Total other noncurrent liabilities	<u>646,311</u>	<u>543,164</u>
Long-term debt:		
Bonds payable, less current portion	3,813,680	4,178,295
Unamortized premium, net	160,163	119,682
Fair value of debt management strategy instruments	95,594	126,615
Total long-term debt	<u>4,069,437</u>	<u>4,424,592</u>
Total liabilities	<u>5,236,114</u>	<u>5,516,428</u>
<b>Deferred inflows of resources</b>		
Revenues to be used for future costs	239,519	471,069
Unrealized pension gains	12,955	12,683
Total deferred inflows of resources	<u>252,474</u>	<u>483,752</u>
<b>Net position</b>		
Net investment in capital assets	1,893,516	1,644,571
Restricted	530,682	549,903
Unrestricted	351,658	334,787
Total net position	<u>2,775,856</u>	<u>2,529,261</u>
<b>Total liabilities, deferred inflows of resources, and net position</b>	<b>\$ 8,264,444</b>	<b>\$ 8,529,441</b>

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

	Quarter		Year-to-Date	
	2018	2017	2018	2017
<b>Operating revenues</b>				
Electric	\$ 305,230	\$ 362,391	\$ 950,864	\$ 975,937
Water and sewer	107,314	110,248	313,741	319,242
District energy system	1,947	2,044	5,852	5,807
Other	7,142	10,265	76,964	26,739
Total operating revenues	421,633	484,948	1,347,421	1,327,725
<b>Operating expenses</b>				
Operations and maintenance:				
Fuel	80,915	126,373	294,459	319,923
Purchased power	29,450	20,886	80,045	55,295
Maintenance and other operating expenses	96,347	99,006	329,952	281,659
Depreciation	85,985	99,290	274,981	288,451
State utility and franchise taxes	16,535	17,357	51,206	49,480
Recognition of deferred costs and revenues, net	(3,009)	(2,420)	77	(3,648)
Total operating expenses	306,223	360,492	1,030,720	991,160
Operating income	115,410	124,456	316,701	336,565
<b>Nonoperating expenses, net</b>				
Interest on debt	(38,980)	(45,109)	(127,425)	(137,951)
Investment income, net	3,777	4,696	6,931	5,051
Allowance for funds used during construction	3,120	2,865	7,987	8,845
Other nonoperating income, net	1,833	1,371	6,364	3,830
Earnings from The Energy Authority	763	1,552	3,304	4,716
Other interest, net	(815)	(93)	(1,521)	(362)
Total nonoperating expenses, net	(30,302)	(34,718)	(104,360)	(115,871)
Income before contributions and special item	85,108	89,738	212,341	220,694
<b>Contributions (to) from</b>				
General Fund, City of Jacksonville, Florida	(29,155)	(28,956)	(87,465)	(86,867)
Developers and other	25,548	20,558	56,551	51,994
Reduction of plant cost through contributions	(17,786)	(12,349)	(37,117)	(33,485)
Total contributions	(21,393)	(20,747)	(68,031)	(68,358)
<b>Special items</b>				
SJRPP deferred revenues, net	-	-	451,037	-
SJRPP impairment loss	-	-	(451,037)	-
Total special items	-	-	-	-
Change in net position	63,715	68,991	144,310	152,336
Net position, beginning of year	2,712,141	2,460,270	2,631,546	2,376,925
<b>Net position, end of period</b>	<b>\$ 2,775,856</b>	<b>\$ 2,529,261</b>	<b>\$ 2,775,856</b>	<b>\$ 2,529,261</b>

**Statements of Cash Flows**  
**(in thousands - unaudited)**

	Quarter		Year-to-Date	
	June		June	
	2018	2017	2018	2017
<b>Operating activities</b>				
Receipts from customers	\$ 372,558	\$ 439,294	\$ 1,292,446	\$ 1,285,467
Payments to suppliers	(158,982)	(182,797)	(595,838)	(543,277)
Payments to employees	(58,445)	(68,000)	(206,875)	(194,001)
Other operating activities	16,974	9,847	80,851	24,729
Net cash provided by operating activities	172,105	198,344	570,584	572,918
<b>Noncapital and related financing activities</b>				
Contribution to General Fund, City of Jacksonville, Florida	(29,148)	(28,948)	(87,401)	(86,737)
Net cash used in noncapital and related financing activities	(29,148)	(28,948)	(87,401)	(86,737)
<b>Capital and related financing activities</b>				
Defeasance of debt	-	-	(993,690)	(153,210)
Proceeds from issuance of debt	-	-	821,000	90,405
Acquisition and construction of capital assets	(90,266)	(90,553)	(260,450)	(238,848)
Interest paid on debt	(70,739)	(85,984)	(175,385)	(186,544)
Repayment of debt principal	-	-	(229,095)	(181,525)
Developer and other contributions	7,762	8,209	19,434	18,509
Other capital financing activities	44	651	40,869	(1,623)
Net cash used in capital and related financing activities	(153,199)	(167,677)	(777,317)	(652,836)
<b>Investing activities</b>				
Purchase of investments	(141,897)	(321,549)	(814,390)	(1,368,116)
Proceeds from sale and maturity of investments	107,208	290,475	853,430	1,255,972
Investment income	2,507	3,467	8,114	11,996
Distributions from The Energy Authority	252	1,644	3,037	4,787
Net cash used in investing activities	(31,930)	(25,963)	50,191	(95,361)
Net increase (decrease) in cash and cash equivalents	(42,172)	(24,244)	(243,943)	(262,016)
Cash and cash equivalents at beginning of year	412,263	359,148	614,034	596,920
<b>Cash and cash equivalents at end of period</b>	<b>\$ 370,091</b>	<b>\$ 334,904</b>	<b>\$ 370,091</b>	<b>\$ 334,904</b>
<b>Reconciliation of operating income to net cash provided by operating activities</b>				
Operating income	\$ 115,410	\$ 124,456	\$ 316,701	\$ 336,565
Adjustments:				
Depreciation and amortization	86,301	99,622	275,945	289,461
Recognition of deferred costs and revenues, net	(3,009)	(2,420)	77	(3,648)
Other nonoperating income, net	760	34	1,050	(1,095)
Changes in noncash assets and noncash liabilities:				
Accounts receivable	(25,105)	(23,915)	47,805	23,372
Accounts receivable, restricted	-	4	-	4
Inventories	1,530	1,957	7,426	(25,378)
Other assets	1,509	1,842	(1,538)	(1,409)
Accounts and accrued expenses payable	11,043	18,713	(22,397)	113
Liabilities payable from restricted assets	(7,155)	(6,226)	(7,078)	(4,316)
Deferred credits and other liabilities	(9,179)	(15,723)	(47,407)	(40,751)
<b>Net cash provided by operating activities</b>	<b>\$ 172,105</b>	<b>\$ 198,344</b>	<b>\$ 570,584</b>	<b>\$ 572,918</b>
<b>Noncash activity</b>				
Contribution of capital assets from developers	\$ 17,786	\$ 12,349	\$ 37,117	\$ 33,485
Unrealized gains (losses) on fair value of investments, net	\$ (146)	\$ 1,056	\$ (1,492)	\$ (7,704)

**Combining Statement of Net Position**  
**(in thousands - unaudited) June 30, 2018**

	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
<b>Assets</b>							
Current assets:							
Cash and cash equivalents	\$ 138,867	\$ 22,276	\$ -	\$ 161,143	\$ 70,891	\$ 4,036	\$ 236,070
Investments	194,113	247	-	194,360	19,756	-	214,116
Accounts and interest receivable, less allowance for doubtful accounts of \$1,690	177,408	5,276	(5,235)	177,449	52,832	703	230,984
Inventories:							
Fuel	38,383	17,164	-	55,547	-	-	55,547
Materials and supplies	2,149	23,765	-	25,914	53,608	-	79,522
Total current assets	550,920	68,728	(5,235)	614,413	197,087	4,739	816,239
Noncurrent assets:							
Restricted assets:							
Cash and cash equivalents	223	131,359	-	131,582	321	2,118	134,021
Investments	376,569	6,000	-	382,569	324,611	-	707,180
Accounts and interest receivable	20	47	-	67	12	-	79
Total restricted assets	376,812	137,406	-	514,218	324,944	2,118	841,280
Costs to be recovered from future revenues	268,754	308,243	-	576,997	221,775	27	798,799
Investment in The Energy Authority	6,529	-	-	6,529	-	-	6,529
Other assets	12,524	-	-	12,524	5,303	4	17,831
Total noncurrent assets	664,619	445,649	-	1,110,268	552,022	2,149	1,664,439
Capital assets:							
Land and easements	123,708	6,660	-	130,368	61,215	3,051	194,634
Plant in service	5,423,001	1,316,051	-	6,739,052	4,421,720	56,375	11,217,147
Less accumulated depreciation	(3,014,269)	(1,312,465)	-	(4,326,734)	(2,077,582)	(24,944)	(6,429,260)
Plant in service, net	2,532,440	10,246	-	2,542,686	2,405,353	34,482	4,982,521
Construction work in progress	124,228	-	-	124,228	209,939	582	334,749
Net capital assets	2,656,668	10,246	-	2,666,914	2,615,292	35,064	5,317,270
Total assets	3,872,207	524,623	(5,235)	4,391,595	3,364,401	41,952	7,797,948
<b>Deferred outflows of resources</b>							
Unrealized pension contributions and losses	95,814	20,631	-	116,445	61,259	-	177,704
Unamortized deferred losses on refundings	87,255	4,238	-	91,493	54,872	197	146,562
Accumulated decrease in fair value of hedging derivatives	80,015	-	-	80,015	18,331	-	98,346
Unrealized asset retirement obligation	-	43,884	-	43,884	-	-	43,884
Total deferred outflows of resources	263,084	68,753	-	331,837	134,462	197	466,496
<b>Total assets and deferred outflows of resources</b>	<b>\$ 4,135,291</b>	<b>\$ 593,376</b>	<b>\$ (5,235)</b>	<b>\$ 4,723,432</b>	<b>\$ 3,498,863</b>	<b>\$ 42,149</b>	<b>\$ 8,264,444</b>

**Combining Statement of Net Position**  
**(in thousands - unaudited) June 30, 2018**

	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
<b>Liabilities</b>							
Current liabilities:							
Accounts and accrued expenses payable	\$ 104,736	\$ 6,929	\$ (4,409)	\$ 107,256	\$ 16,966	\$ 31	\$ 124,253
Customer deposits	44,120	-	-	44,120	15,446	-	59,566
Total current liabilities	148,856	6,929	(4,409)	151,376	32,412	31	183,819
Current liabilities payable from restricted assets:							
Debt due within one year	130,690	1,720	-	132,410	51,720	1,660	185,790
Renewal and replacement reserve	-	96,371	-	96,371	-	-	96,371
Interest payable	19,585	2,802	-	22,387	15,148	340	37,875
Construction contracts and accounts payable	3,706	2,661	(826)	5,541	10,914	56	16,511
Total current liabilities payable from restricted assets	153,981	103,554	(826)	256,709	77,782	2,056	336,547
Noncurrent liabilities:							
Net pension liability	330,025	16,640	-	346,665	211,000	-	557,665
Asset retirement obligation	-	35,701	-	35,701	-	-	35,701
Other liabilities	43,645	-	-	43,645	9,265	35	52,945
Total other noncurrent liabilities	373,670	52,341	-	426,011	220,265	35	646,311
Long-term debt:							
Bonds payable, less current portion	2,019,350	278,885	-	2,298,235	1,480,620	34,825	3,813,680
Unamortized premium, net	80,840	2,734	-	83,574	76,624	(35)	160,163
Fair value of debt management strategy instruments	77,263	-	-	77,263	18,331	-	95,594
Total long-term debt	2,177,453	281,619	-	2,459,072	1,575,575	34,790	4,069,437
Total liabilities	2,853,960	444,443	(5,235)	3,293,168	1,906,034	36,912	5,236,114
<b>Deferred inflows of resources</b>							
Revenues to be used for future costs	213,396	-	-	213,396	26,123	-	239,519
Unrealized pension gains	4,867	4,976	-	9,843	3,112	-	12,955
Total deferred inflows of resources	218,263	4,976	-	223,239	29,235	-	252,474
<b>Net position</b>							
Net investment in capital assets	565,916	47,035	-	612,951	1,281,810	(1,245)	1,893,516
Restricted	291,794	26,939	826	319,559	209,345	1,778	530,682
Unrestricted	205,358	69,983	(826)	274,515	72,439	4,704	351,658
Total net position	1,063,068	143,957	-	1,207,025	1,563,594	5,237	2,775,856
<b>Total liabilities, deferred inflows of resources, and net position</b>	<b>\$ 4,135,291</b>	<b>\$ 593,376</b>	<b>\$ (5,235)</b>	<b>\$ 4,723,432</b>	<b>\$ 3,498,863</b>	<b>\$ 42,149</b>	<b>\$ 8,264,444</b>

**Combining Statement of Net Position**  
**(in thousands - unaudited) June 30, 2017**

	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
<b>Assets</b>							
Current assets:							
Cash and cash equivalents	\$ 150,425	\$ 35,243	\$ -	\$ 185,668	\$ 79,171	\$ 4,451	\$ 269,290
Investments	225,420	10,239	-	235,659	-	-	235,659
Accounts and interest receivable, less allowance for doubtful accounts of \$1,898	181,214	23,027	(17,920)	186,321	37,794	336	224,451
Inventories:							
Fuel	38,749	34,054	-	72,803	-	-	72,803
Materials and supplies	1,987	19,174	-	21,161	49,216	-	70,377
<b>Total current assets</b>	<b>597,795</b>	<b>121,737</b>	<b>(17,920)</b>	<b>701,612</b>	<b>166,181</b>	<b>4,787</b>	<b>872,580</b>
Noncurrent assets:							
Restricted assets:							
Cash and cash equivalents	39	33,624	-	33,663	29,682	2,269	65,614
Investments	346,876	223,219	-	570,095	326,376	-	896,471
Accounts and interest receivable	48	604	-	652	12	-	664
<b>Total restricted assets</b>	<b>346,963</b>	<b>257,447</b>	<b>-</b>	<b>604,410</b>	<b>356,070</b>	<b>2,269</b>	<b>962,749</b>
Cost to be recovered from future revenues	240,418	6,741	-	247,159	209,721	-	456,880
Investment in The Energy Authority	6,072	-	-	6,072	-	-	6,072
Other assets	12,030	-	-	12,030	7,303	3	19,336
<b>Total noncurrent assets</b>	<b>605,483</b>	<b>264,188</b>	<b>-</b>	<b>869,671</b>	<b>573,094</b>	<b>2,272</b>	<b>1,445,037</b>
Capital assets:							
Land and easements	123,569	6,660	-	130,229	60,159	3,051	193,439
Plant in service	5,242,362	1,317,509	-	6,559,871	4,310,100	55,240	10,925,211
Less accumulated depreciation	(2,821,218)	(841,913)	-	(3,663,131)	(1,970,308)	(23,496)	(5,656,935)
Plant in service, net	2,544,713	482,256	-	3,026,969	2,399,951	34,795	5,461,715
Construction work in progress	168,308	3,907	-	172,215	175,742	1,399	349,356
<b>Net capital assets</b>	<b>2,713,021</b>	<b>486,163</b>	<b>-</b>	<b>3,199,184</b>	<b>2,575,693</b>	<b>36,194</b>	<b>5,811,071</b>
<b>Total assets</b>	<b>3,916,299</b>	<b>872,088</b>	<b>(17,920)</b>	<b>4,770,467</b>	<b>3,314,968</b>	<b>43,253</b>	<b>8,128,688</b>
<b>Deferred outflows of resources</b>							
Unamortized deferred losses on refundings	80,398	11,955	-	92,353	44,462	205	137,020
Accumulated decrease in fair value of hedging derivatives	102,538	-	-	102,538	24,185	-	126,723
Unrealized pension contributions and losses	77,673	11,731	-	89,404	47,606	-	137,010
<b>Total deferred outflows of resources</b>	<b>260,609</b>	<b>23,686</b>	<b>-</b>	<b>284,295</b>	<b>116,253</b>	<b>205</b>	<b>400,753</b>
<b>Total assets and deferred outflows of resources</b>	<b>\$ 4,176,908</b>	<b>\$ 895,774</b>	<b>\$ (17,920)</b>	<b>\$ 5,054,762</b>	<b>\$ 3,431,221</b>	<b>\$ 43,458</b>	<b>\$ 8,529,441</b>

**Combining Statement of Net Position  
(in thousands - unaudited) June 30, 2017**

	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
<b>Liabilities</b>							
Current liabilities:							
Accounts and accrued expenses payable	\$ 80,874	\$ 22,221	\$ (1,489)	\$ 101,606	\$ 14,823	\$ 54	\$ 116,483
Customer deposits	41,788	-	-	41,788	14,797	-	56,585
Total current liabilities	122,662	22,221	(1,489)	143,394	29,620	54	173,068
Current liabilities payable from restricted assets:							
Debt due within one year	135,105	41,330	-	176,435	51,020	1,640	229,095
Renewal and replacement reserve	-	79,792	-	79,792	-	-	79,792
Interest payable	21,048	4,786	-	25,834	16,013	346	42,193
Construction contracts and accounts payable	3,293	18,079	(16,431)	4,941	19,454	129	24,524
Total current liabilities payable from restricted assets	159,446	143,987	(16,431)	287,002	86,487	2,115	375,604
Noncurrent liabilities:							
Net pension liability	297,819	12,993	-	310,812	182,534	-	493,346
Other liabilities	39,551	1,758	-	41,309	8,508	1	49,818
Total noncurrent liabilities	337,370	14,751	-	352,121	191,042	1	543,164
Long-term debt:							
Bonds payable, less current portion	2,171,305	408,885	-	2,580,190	1,561,620	36,485	4,178,295
Unamortized premium (discount), net	59,412	12,593	-	72,005	47,717	(40)	119,682
Fair value of debt management strategy instruments	102,430	-	-	102,430	24,185	-	126,615
Total long-term debt	2,333,147	421,478	-	2,754,625	1,633,522	36,445	4,424,592
Total liabilities	2,952,625	602,437	(17,920)	3,537,142	1,940,671	38,615	5,516,428
<b>Deferred inflows of resources</b>							
Revenues to be used for future costs	295,257	150,625	-	445,882	25,187	-	471,069
Unrealized pension gains	6,545	2,126	-	8,671	4,012	-	12,683
Total deferred inflows of resources	301,802	152,751	-	454,553	29,199	-	483,752
<b>Net position</b>							
Net investment in capital assets	461,056	10,474	-	471,530	1,174,856	(1,815)	1,644,571
Restricted	260,483	32,355	16,431	309,269	238,710	1,924	549,903
Unrestricted	200,942	97,757	(16,431)	282,268	47,785	4,734	334,787
Total net position	922,481	140,586	-	1,063,067	1,461,351	4,843	2,529,261
<b>Total liabilities, deferred inflows of resources, and net position</b>	<b>\$ 4,176,908</b>	<b>\$ 895,774</b>	<b>\$ (17,920)</b>	<b>\$ 5,054,762</b>	<b>\$ 3,431,221</b>	<b>\$ 43,458</b>	<b>\$ 8,529,441</b>

**Combining Statement of Revenue, Expenses and Changes in Net Position**  
**(in thousands - unaudited) for the quarter ended June 30, 2018**

	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
<b>Operating revenues</b>								
Electric	\$ 307,561	\$ 6,955	\$ (5,350)	\$ 309,166	\$ -	\$ -	\$ (3,936)	\$ 305,230
Water and sewer	-	-	-	-	107,467	-	(153)	107,314
District energy system	-	-	-	-	-	2,007	(60)	1,947
Other	5,092	(338)	-	4,754	3,138	-	(750)	7,142
Total operating revenues	312,653	6,617	(5,350)	313,920	110,605	2,007	(4,899)	421,633
<b>Operating expenses</b>								
Operations and maintenance:								
Fuel	79,500	1,415	-	80,915	-	-	-	80,915
Purchased power	34,800	-	(5,350)	29,450	-	-	-	29,450
Maintenance and other operating expenses	61,133	3,066	-	64,199	36,027	1,020	(4,899)	96,347
Depreciation	49,525	102	-	49,627	35,754	604	-	85,985
State utility and franchise taxes	13,869	-	-	13,869	2,666	-	-	16,535
Recognition of deferred costs and revenues, net	(681)	(4,150)	-	(4,831)	1,822	-	-	(3,009)
Total operating expenses	238,146	433	(5,350)	233,229	76,269	1,624	(4,899)	306,223
Operating income	74,507	6,184	-	80,691	34,336	383	-	115,410
<b>Nonoperating expenses, net</b>								
Interest on debt	(21,722)	(2,629)	-	(24,351)	(14,285)	(344)	-	(38,980)
Investment income (loss), net	1,904	454	-	2,358	1,391	28	-	3,777
Allowance for funds used during construction	1,054	-	-	1,054	2,051	15	-	3,120
Other nonoperating income, net	1,081	93	-	1,174	659	-	-	1,833
Earnings from The Energy Authority	763	-	-	763	-	-	-	763
Other interest, net	(684)	-	-	(684)	(131)	-	-	(815)
Total nonoperating expenses, net	(17,604)	(2,082)	-	(19,686)	(10,315)	(301)	-	(30,302)
Income before contributions	56,903	4,102	-	61,005	24,021	82	-	85,108
<b>Contributions (to) from</b>								
General Fund, City of Jacksonville, Florida	(22,868)	-	-	(22,868)	(6,287)	-	-	(29,155)
Developers and other	490	-	-	490	25,058	-	-	25,548
Reduction of plant cost through contributions	(490)	-	-	(490)	(17,296)	-	-	(17,786)
Total contributions	(22,868)	-	-	(22,868)	1,475	-	-	(21,393)
<b>Special items</b>								
SJRPP deferred revenues, net	-	-	-	-	-	-	-	-
SJRPP impairment loss	-	-	-	-	-	-	-	-
Total special items	-	-	-	-	-	-	-	-
Change in net position	34,035	4,102	-	38,137	25,496	82	-	63,715
Net position, beginning of year	1,029,033	139,855	-	1,168,888	1,538,098	5,155	-	2,712,141
<b>Net position, end of period</b>	<b>\$ 1,063,068</b>	<b>\$ 143,957</b>	<b>\$ -</b>	<b>\$ 1,207,025</b>	<b>\$ 1,563,594</b>	<b>\$ 5,237</b>	<b>\$ -</b>	<b>\$ 2,775,856</b>

**Combining Statement of Revenue, Expenses and Changes in Net Position**  
**(in thousands - unaudited) for the quarter ended June 30, 2017**

	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
<b>Operating revenues</b>								
Electric	\$ 330,652	\$ 78,950	\$ (43,050)	\$ 366,552	\$ -	\$ -	\$ (4,161)	\$ 362,391
Water and sewer	-	-	-	-	110,300	-	(52)	110,248
District energy system	-	-	-	-	-	2,136	(92)	2,044
Other	8,265	-	-	8,265	2,568	-	(568)	10,265
Total operating revenues	338,917	78,950	(43,050)	374,817	112,868	2,136	(4,873)	484,948
<b>Operating expenses</b>								
Operations and maintenance:								
Fuel	74,361	52,012	-	126,373	-	-	-	126,373
Purchased power	63,936	-	(43,050)	20,886	-	-	-	20,886
Maintenance and other operating expenses	53,006	12,867	-	65,873	36,905	1,101	(4,873)	99,006
Depreciation	52,616	10,689	-	63,305	35,390	595	-	99,290
State utility and franchise taxes	14,542	-	-	14,542	2,815	-	-	17,357
Recognition of deferred costs and revenues, net	(836)	(3,006)	-	(3,842)	1,422	-	-	(2,420)
Total operating expenses	257,625	72,562	(43,050)	287,137	76,532	1,696	(4,873)	360,492
Operating income	81,292	6,388	-	87,680	36,336	440	-	124,456
<b>Nonoperating expenses, net</b>								
Interest on debt	(22,922)	(6,018)	-	(28,940)	(15,821)	(348)	-	(45,109)
Investment income, net	2,300	827	-	3,127	1,558	11	-	4,696
Allowance for funds used during construction	1,562	-	-	1,562	1,296	7	-	2,865
Other nonoperating income, net	1,099	97	-	1,196	175	-	-	1,371
Earnings from The Energy Authority	1,552	-	-	1,552	-	-	-	1,552
Other interest, net	(91)	-	-	(91)	(2)	-	-	(93)
Total nonoperating expenses, net	(16,500)	(5,094)	-	(21,594)	(12,794)	(330)	-	(34,718)
Income before contributions	64,792	1,294	-	66,086	23,542	110	-	89,738
<b>Contributions (to) from</b>								
General Fund, City of Jacksonville, Florida	(23,068)	-	-	(23,068)	(5,888)	-	-	(28,956)
Developers and other	135	-	-	135	20,423	-	-	20,558
Reduction of plant cost through contributions	(135)	-	-	(135)	(12,214)	-	-	(12,349)
Total contributions	(23,068)	-	-	(23,068)	2,321	-	-	(20,747)
Change in net position	41,724	1,294	-	43,018	25,863	110	-	68,991
Net position, beginning of year	880,757	139,292	-	1,020,049	1,435,488	4,733	-	2,460,270
<b>Net position, end of period</b>	<b>\$ 922,481</b>	<b>\$ 140,586</b>	<b>\$ -</b>	<b>\$ 1,063,067</b>	<b>\$ 1,461,351</b>	<b>\$ 4,843</b>	<b>\$ -</b>	<b>\$ 2,529,261</b>

**Combining Statement of Revenue, Expenses and Changes in Net Position**  
**(in thousands - unaudited) for the year-to-date ended June 30, 2018**

	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
<b>Operating revenues</b>								
Electric	\$ 932,951	\$ 82,985	\$ (53,020)	\$ 962,916	\$ -	\$ -	\$ (12,052)	\$ 950,864
Water and sewer	-	-	-	-	314,176	-	(435)	313,741
District energy system	-	-	-	-	-	6,082	(230)	5,852
Other	16,131	54,587	-	70,718	8,300	-	(2,054)	76,964
Total operating revenues	949,082	137,572	(53,020)	1,033,634	322,476	6,082	(14,771)	1,347,421
<b>Operating expenses</b>								
Operations and maintenance:								
Fuel	244,186	50,273	-	294,459	-	-	-	294,459
Purchased power	133,065	-	(53,020)	80,045	-	-	-	80,045
Maintenance and other operating expenses	176,430	57,551	-	233,981	107,606	3,136	(14,771)	329,952
Depreciation	153,881	10,893	-	164,774	108,414	1,793	-	274,981
State utility and franchise taxes	43,392	-	-	43,392	7,814	-	-	51,206
Recognition of deferred costs and revenues, net	(2,043)	(1,707)	-	(3,750)	3,827	-	-	77
Total operating expenses	748,911	117,010	(53,020)	812,901	227,661	4,929	(14,771)	1,030,720
Operating income	200,171	20,562	-	220,733	94,815	1,153	-	316,701
<b>Nonoperating expenses, net</b>								
Interest on debt	(65,007)	(17,664)	-	(82,671)	(43,724)	(1,030)	-	(127,425)
Investment income, net	3,935	562	-	4,497	2,367	67	-	6,931
Allowance for funds used during construction	2,567	-	-	2,567	5,377	43	-	7,987
Other nonoperating income, net	3,248	976	-	4,224	2,140	-	-	6,364
Earnings from The Energy Authority	3,304	-	-	3,304	-	-	-	3,304
Other interest, net	(1,296)	-	-	(1,296)	(225)	-	-	(1,521)
Total nonoperating expenses, net	(53,249)	(16,126)	-	(69,375)	(34,065)	(920)	-	(104,360)
Income before contributions	146,922	4,436	-	151,358	60,750	233	-	212,341
<b>Contributions (to) from</b>								
General Fund, City of Jacksonville, Florida	(68,604)	-	-	(68,604)	(18,861)	-	-	(87,465)
Developers and other	1,152	-	-	1,152	55,399	-	-	56,551
Reduction of plant cost through contributions	(1,152)	-	-	(1,152)	(35,965)	-	-	(37,117)
Total contributions	(68,604)	-	-	(68,604)	573	-	-	(68,031)
<b>Special items</b>								
SJRPP deferred revenues, net	-	451,037	-	451,037	-	-	-	451,037
SJRPP impairment loss	-	(451,037)	-	(451,037)	-	-	-	(451,037)
Total special items	-	-	-	-	-	-	-	-
Change in net position	78,318	4,436	-	82,754	61,323	233	-	144,310
Net position, beginning of year	984,750	139,521	-	1,124,271	1,502,271	5,004	-	2,631,546
<b>Net position, end of period</b>	<b>\$ 1,063,068</b>	<b>\$ 143,957</b>	<b>\$ -</b>	<b>\$ 1,207,025</b>	<b>\$ 1,563,594</b>	<b>\$ 5,237</b>	<b>\$ -</b>	<b>\$ 2,775,856</b>

**Combining Statement of Revenue, Expenses and Changes in Net Position**  
**(in thousands - unaudited) for the year-to-date ended June 30, 2017**

	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
<b>Operating revenues</b>								
Electric	\$ 895,570	\$ 193,376	\$ (100,942)	\$ 988,004	\$ -	\$ -	\$ (12,067)	\$ 975,937
Water and sewer	-	-	-	-	319,452	-	(210)	319,242
District energy system	-	-	-	-	-	6,190	(383)	5,807
Other	21,219	-	-	21,219	7,227	-	(1,707)	26,739
Total operating revenues	916,789	193,376	(100,942)	1,009,223	326,679	6,190	(14,367)	1,327,725
<b>Operating expenses</b>								
Operations and maintenance:								
Fuel	203,773	116,150	-	319,923	-	-	-	319,923
Purchased power	156,237	-	(100,942)	55,295	-	-	-	55,295
Maintenance and other operating expenses	154,584	35,096	-	189,680	103,209	3,137	(14,367)	281,659
Depreciation	147,795	32,066	-	179,861	106,821	1,769	-	288,451
State utility and franchise taxes	41,597	-	-	41,597	7,883	-	-	49,480
Recognition of deferred costs and revenues, net	(2,508)	(9,024)	-	(11,532)	7,884	-	-	(3,648)
Total operating expenses	701,478	174,288	(100,942)	774,824	225,797	4,906	(14,367)	991,160
Operating income	215,311	19,088	-	234,399	100,882	1,284	-	336,565
<b>Nonoperating expenses, net</b>								
Interest on debt	(71,527)	(18,059)	-	(89,586)	(47,319)	(1,046)	-	(137,951)
Investment income (loss), net	2,788	463	-	3,251	1,775	25	-	5,051
Allowance for funds used during construction	4,988	-	-	4,988	3,845	12	-	8,845
Other nonoperating income, net	3,230	292	-	3,522	308	-	-	3,830
Earnings from The Energy Authority	4,716	-	-	4,716	-	-	-	4,716
Other interest, net	(330)	-	-	(330)	(32)	-	-	(362)
Total nonoperating expenses, net	(56,135)	(17,304)	-	(73,439)	(41,423)	(1,009)	-	(115,871)
Income before contributions and special item	159,176	1,784	-	160,960	59,459	275	-	220,694
<b>Contributions (to) from</b>								
General Fund, City of Jacksonville, Florida	(69,203)	-	-	(69,203)	(17,664)	-	-	(86,867)
Developers and other	851	-	-	851	51,143	-	-	51,994
Reduction of plant cost through contributions	(851)	-	-	(851)	(32,634)	-	-	(33,485)
Total contributions	(69,203)	-	-	(69,203)	845	-	-	(68,358)
Change in net position	89,973	1,784	-	91,757	60,304	275	-	152,336
Net position, beginning of year	832,508	138,802	-	971,310	1,401,047	4,568	-	2,376,925
<b>Net position, end of period</b>	<b>\$ 922,481</b>	<b>\$ 140,586</b>	<b>\$ -</b>	<b>\$ 1,063,067</b>	<b>\$ 1,461,351</b>	<b>\$ 4,843</b>	<b>\$ -</b>	<b>\$ 2,529,261</b>

**Combining Statement of Cash Flows**  
**(in thousands - unaudited) for the quarter ended June 30, 2018**

	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
<b>Operating activities</b>								
Receipts from customers	\$ 261,022	\$ 11,720	\$ (5,539)	\$ 267,203	\$ 107,857	\$ 1,647	\$ (4,149)	\$ 372,558
Payments to suppliers	(142,594)	(4,348)	5,539	(141,403)	(21,579)	(899)	4,899	(158,982)
Payments to employees	(41,297)	(1,429)	-	(42,726)	(15,588)	(131)	-	(58,445)
Other operating activities	14,549	(338)	-	14,211	3,513	-	(750)	16,974
Net cash provided by (used in) operating activities	91,680	5,605	-	97,285	74,203	617	-	172,105
<b>Noncapital and related financing activities</b>								
Contribution to General Fund, City of Jacksonville, Florida	(22,868)	-	-	(22,868)	(6,280)	-	-	(29,148)
Net cash used in noncapital and related financing activities	(22,868)	-	-	(22,868)	(6,280)	-	-	(29,148)
<b>Capital and related financing activities</b>								
Defeasance of debt	-	-	-	-	-	-	-	-
Acquisition and construction of capital assets	(44,776)	-	-	(44,776)	(44,982)	(508)	-	(90,266)
Interest paid on debt	(37,679)	(5,600)	-	(43,279)	(26,780)	(680)	-	(70,739)
Developer and other contributions	-	-	-	-	7,762	-	-	7,762
Other capital financing activities	38	(1)	-	37	7	-	-	44
Net cash used in capital and related financing activities	(82,417)	(5,601)	-	(88,018)	(63,993)	(1,188)	-	(153,199)
<b>Investing activities</b>								
Purchase of investments	(62,816)	(12,489)	-	(75,305)	(66,592)	-	-	(141,897)
Proceeds from sale and maturity of investments	62,312	17,408	-	79,720	27,488	-	-	107,208
Investment income	1,763	(262)	-	1,501	978	28	-	2,507
Distributions from The Energy Authority	252	-	-	252	-	-	-	252
Net cash provided by (used in) investing activities	1,511	4,657	-	6,168	(38,126)	28	-	(31,930)
Net change in cash and cash equivalents	(12,094)	4,661	-	(7,433)	(34,196)	(543)	-	(42,172)
Cash and cash equivalents at beginning of year	151,184	148,974	-	300,158	105,408	6,697	-	412,263
<b>Cash and cash equivalents at end of period</b>	<b>\$ 139,090</b>	<b>\$ 153,635</b>	<b>\$ -</b>	<b>\$ 292,725</b>	<b>\$ 71,212</b>	<b>\$ 6,154</b>	<b>\$ -</b>	<b>\$ 370,091</b>
<b>Reconciliation of operating income to net cash provided by operating activities</b>								
Operating income	\$ 74,507	\$ 6,184	-	80,691	\$ 34,336	\$ 383	\$ -	\$ 115,410
Adjustments:								
Depreciation and amortization	49,525	102	-	49,627	36,070	604	-	86,301
Recognition of deferred costs and revenues, net	(681)	(4,150)	-	(4,831)	1,822	-	-	(3,009)
Other nonoperating income, net	23	700	-	723	37	-	-	760
Changes in noncash assets and noncash liabilities:								
Accounts receivable	(27,579)	4,067	-	(23,512)	(1,234)	(359)	-	(25,105)
Inventories	(2,148)	4,585	-	2,437	(907)	-	-	1,530
Other assets	1,081	-	-	1,081	424	4	-	1,509
Accounts and accrued expenses payable	8,429	1,272	-	9,701	1,361	(19)	-	11,043
Current liabilities payable from restricted liabilities	-	(7,155)	-	(7,155)	-	-	-	(7,155)
Other noncurrent liabilities and deferred inflows	(11,477)	-	-	(11,477)	2,294	4	-	(9,179)
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 91,680</b>	<b>\$ 5,605</b>	<b>\$ -</b>	<b>\$ 97,285</b>	<b>\$ 74,203</b>	<b>\$ 617</b>	<b>\$ -</b>	<b>\$ 172,105</b>
<b>Non-cash activity</b>								
Contribution of capital assets from developers	\$ 490	\$ -	\$ -	\$ 490	\$ 17,296	\$ -	\$ -	\$ 17,786
Unrealized gains (losses) on fair value of investments, net	\$ (373)	\$ 491	\$ -	\$ 118	\$ (264)	\$ -	\$ -	\$ (146)

**Combining Statement of Cash Flows**  
(in thousands - unaudited) for the quarter ended June 30, 2017

	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	Elimination of intercompany transactions	Total JEA
<b>Operating activities</b>								
Receipts from customers	\$ 287,062	\$ 78,739	\$ (37,305)	\$ 328,496	\$ 112,995	\$ 2,108	\$ (4,305)	\$ 439,294
Payments to suppliers	(149,475)	(50,332)	37,305	(162,502)	(24,185)	(983)	4,873	(182,797)
Payments to employees	(43,600)	(7,939)	-	(51,539)	(16,337)	(124)	-	(68,000)
Other operating activities	8,718	-	-	8,718	1,697	-	(568)	9,847
Net cash provided by operating activities	102,705	20,468	-	123,173	74,170	1,001	-	198,344
<b>Noncapital and related financing activities</b>								
Contribution to General Fund, City of Jacksonville, Florida	(23,068)	-	-	(23,068)	(5,880)	-	-	(28,948)
Net cash used in noncapital and related financing activities	(23,068)	-	-	(23,068)	(5,880)	-	-	(28,948)
<b>Capital and related financing activities</b>								
Defeasance of debt	-	-	-	-	-	-	-	-
Proceeds from issuance of debt	-	-	-	-	-	-	-	-
Acquisition and construction of capital assets	(43,262)	-	-	(43,262)	(46,121)	(1,170)	-	(90,553)
Interest paid on debt	(42,933)	(9,571)	-	(52,504)	(32,788)	(692)	-	(85,984)
Developer and other contributions	-	-	-	-	8,209	-	-	8,209
Other capital financing activities	1,251	-	-	1,251	(600)	-	-	651
Net cash used in capital and related financing activities	(84,944)	(9,571)	-	(94,515)	(71,300)	(1,862)	-	(167,677)
<b>Investing activities</b>								
Purchase of investments	(119,153)	(123,214)	-	(242,367)	(79,182)	-	-	(321,549)
Proceeds from sale and maturity of investments	94,409	107,949	-	202,358	88,117	-	-	290,475
Investment income	1,388	1,107	-	2,495	961	11	-	3,467
Distributions from The Energy Authority	1,644	-	-	1,644	-	-	-	1,644
Net cash provided by (used in) investing activities	(21,712)	(14,158)	-	(35,870)	9,896	11	-	(25,963)
Net change in cash and cash equivalents	(27,019)	(3,261)	-	(30,280)	6,886	(850)	-	(24,244)
Cash and cash equivalents at beginning of year	177,483	72,128	-	249,611	101,967	7,570	-	359,148
<b>Cash and cash equivalents at end of period</b>	<b>\$ 150,464</b>	<b>\$ 68,867</b>	<b>\$ -</b>	<b>\$ 219,331</b>	<b>\$ 108,853</b>	<b>\$ 6,720</b>	<b>\$ -</b>	<b>\$ 334,904</b>
<b>Reconciliation of operating income to net cash provided by operating activities</b>								
Operating income	\$ 81,292	\$ 6,388	\$ -	\$ 87,680	\$ 36,336	\$ 440	\$ -	\$ 124,456
Adjustments:								
Depreciation and amortization	52,616	10,689	-	63,305	35,722	595	-	99,622
Recognition of deferred costs and revenues, net	(836)	(3,006)	-	(3,842)	1,422	-	-	(2,420)
Other nonoperating income, net	34	-	-	34	-	-	-	34
Changes in noncash assets and noncash liabilities:								
Accounts receivable	(22,653)	(212)	-	(22,865)	(1,022)	(28)	-	(23,915)
Accounts receivable, restricted	-	-	-	-	4	-	-	4
Inventories	647	3,961	-	4,608	(2,651)	-	-	1,957
Other assets	1,704	-	-	1,704	134	4	-	1,842
Accounts and accrued expenses payable	9,270	8,864	-	18,134	569	10	-	18,713
Current liabilities payable from restricted liabilities	-	(6,226)	-	(6,226)	-	-	-	(6,226)
Other noncurrent liabilities and deferred inflows	(19,369)	10	-	(19,359)	3,656	(20)	-	(15,723)
<b>Net cash provided by operating activities</b>	<b>\$ 102,705</b>	<b>\$ 20,468</b>	<b>\$ -</b>	<b>\$ 123,173</b>	<b>\$ 74,170</b>	<b>\$ 1,001</b>	<b>\$ -</b>	<b>\$ 198,344</b>
<b>Non-cash activity</b>								
Contribution of capital assets from developers	\$ 135	\$ -	\$ -	\$ 135	\$ 12,214	\$ -	\$ -	\$ 12,349
Unrealized gains (losses) on fair value of investments, net	\$ 546	\$ 297	\$ -	\$ 843	\$ 213	\$ -	\$ -	\$ 1,056

**Combining Statement of Cash Flows**  
**(in thousands - unaudited) for the year-to-date ended June 30, 2018**

	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	Elimination of intercompany transactions	Total JEA
<b>Operating activities</b>								
Receipts from customers	\$ 912,309	\$ 95,095	\$ (29,929)	\$ 977,475	\$ 321,759	\$ 5,929	\$ (12,717)	\$ 1,292,446
Payments to suppliers	(480,913)	(81,367)	29,929	(532,351)	(75,509)	(2,749)	14,771	(595,838)
Payments to employees	(124,380)	(34,765)	-	(159,145)	(47,306)	(424)	-	(206,875)
Other operating activities	19,459	54,587	-	74,046	8,859	-	(2,054)	80,851
Net cash provided by (used in) operating activities	326,475	33,550	-	360,025	207,803	2,756	-	570,584
<b>Noncapital and related financing activities</b>								
Contribution to General Fund, City of Jacksonville, Florida	(68,670)	-	-	(68,670)	(18,731)	-	-	(87,401)
Net cash used in noncapital and related financing activities	(68,670)	-	-	(68,670)	(18,731)	-	-	(87,401)
<b>Capital and related financing activities</b>								
Defeasance of debt	(405,105)	(128,280)	-	(533,385)	(460,305)	-	-	(993,690)
Proceeds from issuance of debt	383,840	-	-	383,840	437,160	-	-	821,000
Acquisition and construction of capital assets	(132,409)	-	-	(132,409)	(127,348)	(693)	-	(260,450)
Interest paid on debt	(91,489)	(16,683)	-	(108,172)	(65,842)	(1,371)	-	(175,385)
Repayment of debt principal	(135,105)	(41,330)	-	(176,435)	(51,020)	(1,640)	-	(229,095)
Developer and other contributions	-	-	-	-	19,434	-	-	19,434
Other capital financing activities	23,096	(7,158)	-	15,938	24,931	-	-	40,869
Net cash used in capital and related financing activities	(357,172)	(193,451)	-	(550,623)	(222,990)	(3,704)	-	(777,317)
<b>Investing activities</b>								
Purchase of investments	(356,574)	(225,471)	-	(582,045)	(232,345)	-	-	(814,390)
Proceeds from sale and maturity of investments	245,458	420,674	-	666,132	187,298	-	-	853,430
Investment income	6,473	(2,694)	-	3,779	4,268	67	-	8,114
Distributions from The Energy Authority	3,037	-	-	3,037	-	-	-	3,037
Net cash provided by (used in) investing activities	(101,606)	192,509	-	90,903	(40,779)	67	-	50,191
Net change in cash and cash equivalents	(200,973)	32,608	-	(168,365)	(74,697)	(881)	-	(243,943)
Cash and cash equivalents at beginning of year	340,063	121,027	-	461,090	145,909	7,035	-	614,034
<b>Cash and cash equivalents at end of period</b>	<b>\$ 139,090</b>	<b>\$ 153,635</b>	<b>\$ -</b>	<b>\$ 292,725</b>	<b>\$ 71,212</b>	<b>\$ 6,154</b>	<b>\$ -</b>	<b>\$ 370,091</b>
<b>Reconciliation of operating income to net cash provided by operating activities</b>								
Operating income	\$ 200,171	\$ 20,562	-	\$ 220,733	\$ 94,815	\$ 1,153	-	\$ 316,701
Adjustments:								
Depreciation and amortization	153,881	10,893	-	164,774	109,378	1,793	-	275,945
Recognition of deferred costs and revenues, net	(2,043)	(1,707)	-	(3,750)	3,827	-	-	77
Other nonoperating income, net	80	700	-	780	270	-	-	1,050
Changes in noncash assets and noncash liabilities:								
Accounts receivable	36,049	11,411	-	47,460	497	(152)	-	47,805
Inventories	(351)	13,049	-	12,698	(5,272)	-	-	7,426
Other assets	(2,074)	-	-	(2,074)	540	(4)	-	(1,538)
Accounts and accrued expenses payable	(6,244)	(12,727)	-	(18,971)	(3,368)	(58)	-	(22,397)
Current liabilities payable from restricted liabilities	-	(7,078)	-	(7,078)	-	-	-	(7,078)
Other noncurrent liabilities and deferred inflows	(52,994)	(1,553)	-	(54,547)	7,116	24	-	(47,407)
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 326,475</b>	<b>\$ 33,550</b>	<b>\$ -</b>	<b>\$ 360,025</b>	<b>\$ 207,803</b>	<b>\$ 2,756</b>	<b>\$ -</b>	<b>\$ 570,584</b>
<b>Non-cash activity</b>								
Contribution of capital assets from developers	\$ 1,152	\$ -	\$ -	\$ 1,152	\$ 35,965	\$ -	\$ -	\$ 37,117
Unrealized gains (losses) on fair value of investments, net	\$ (3,142)	\$ 4,165	\$ -	\$ 1,023	\$ (2,515)	\$ -	\$ -	\$ (1,492)

## Combining Statement of Cash Flows

(in thousands - unaudited) for the year-to-date ended June 30, 2017

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Inter- company transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
<b>Operating activities</b>								
Receipts from customers	\$ 875,014	\$ 188,123	\$ (97,065)	\$ 966,072	\$ 326,060	\$ 5,995	\$ (12,660)	\$ 1,285,467
Payments to suppliers	(439,999)	(141,309)	97,065	(484,243)	(70,522)	(2,879)	14,367	(543,277)
Payments to employees	(123,674)	(24,298)	-	(147,972)	(45,626)	(403)	-	(194,001)
Other operating activities	21,411	-	-	21,411	5,025	-	(1,707)	24,729
Net cash provided by operating activities	332,752	22,516	-	355,268	214,937	2,713	-	572,918
<b>Noncapital and related financing activities</b>								
Contribution to General Fund, City of Jacksonville, Florida	(69,157)	-	-	(69,157)	(17,580)	-	-	(86,737)
Net cash used in noncapital and related financing activities	(69,157)	-	-	(69,157)	(17,580)	-	-	(86,737)
<b>Capital and related financing activities</b>								
Defeasance of debt	(153,210)	-	-	(153,210)	-	-	-	(153,210)
Proceeds from issuance of debt	90,405	-	-	90,405	-	-	-	90,405
Acquisition and construction of capital assets	(116,250)	-	-	(116,250)	(121,055)	(1,543)	-	(238,848)
Interest paid on debt	(97,445)	(20,227)	-	(117,672)	(67,481)	(1,391)	-	(186,544)
Repayment of debt principal	(102,240)	(43,785)	-	(146,025)	(33,875)	(1,625)	-	(181,525)
Developer and other contributions	-	-	-	-	18,509	-	-	18,509
Other capital financing activities	(2,486)	195	-	(2,291)	668	-	-	(1,623)
Net cash used in capital and related financing activities	(381,226)	(63,817)	-	(445,043)	(203,234)	(4,559)	-	(652,836)
<b>Investing activities</b>								
Purchase of investments	(496,240)	(461,396)	-	(957,636)	(410,480)	-	-	(1,368,116)
Proceeds from sale and maturity of investments	459,719	438,512	-	898,231	357,741	-	-	1,255,972
Investment income	4,606	3,034	-	7,640	4,331	25	-	11,996
Distributions from The Energy Authority	4,787	-	-	4,787	-	-	-	4,787
Net cash provided by (used in) investing activities	(27,128)	(19,850)	-	(46,978)	(48,408)	25	-	(95,361)
Net change in cash and cash equivalents	(144,759)	(61,151)	-	(205,910)	(54,285)	(1,821)	-	(262,016)
Cash and cash equivalents at beginning of year	295,223	130,018	-	425,241	163,138	8,541	-	596,920
<b>Cash and cash equivalents at end of period</b>	<b>\$ 150,464</b>	<b>\$ 68,867</b>	<b>\$ -</b>	<b>\$ 219,331</b>	<b>\$ 108,853</b>	<b>\$ 6,720</b>	<b>\$ -</b>	<b>\$ 334,904</b>
<b>Reconciliation of operating income to net cash provided by operating activities</b>								
Operating income	\$ 215,311	\$ 19,088	\$ -	\$ 234,399	\$ 100,882	\$ 1,284	\$ -	\$ 336,565
Adjustments:								
Depreciation and amortization	147,795	32,066	-	179,861	107,831	1,769	-	289,461
Recognition of deferred costs and revenues, net	(2,508)	(9,024)	-	(11,532)	7,884	-	-	(3,648)
Other nonoperating income, net	22	-	-	22	(1,117)	-	-	(1,095)
Changes in noncash assets and noncash liabilities:								
Accounts receivable	26,518	(5,253)	-	21,265	2,302	(195)	-	23,372
Accounts receivable, restricted	-	-	-	-	4	-	-	4
Inventories	(2,138)	(18,853)	-	(20,991)	(4,387)	-	-	(25,378)
Other assets	(1,294)	-	-	(1,294)	(112)	(3)	-	(1,409)
Accounts and accrued expenses payable	(5,930)	8,172	-	2,242	(2,025)	(104)	-	113
Current liabilities payable from restricted liabilities	-	(4,316)	-	(4,316)	-	-	-	(4,316)
Other noncurrent liabilities and deferred inflows	(45,024)	636	-	(44,388)	3,675	(38)	-	(40,751)
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 332,752</b>	<b>\$ 22,516</b>	<b>\$ -</b>	<b>\$ 355,268</b>	<b>\$ 214,937</b>	<b>\$ 2,713</b>	<b>\$ -</b>	<b>\$ 572,918</b>
<b>Non-cash activity</b>								
Contribution of capital assets from developers	\$ 851	\$ -	\$ -	\$ 851	\$ 32,634	\$ -	\$ -	\$ 33,485
Unrealized gains (losses) on fair value of investments, net	\$ (2,292)	\$ (2,468)	\$ -	\$ (4,760)	\$ (2,944)	\$ -	\$ -	\$ (7,704)

**Electric System**  
**Schedules of Debt Service Coverage**  
**(in thousands - unaudited)**

	Quarter June		Year-to-Date June	
	2018	2017	2018	2017
<b>Revenues</b>				
Electric	\$ 298,036	\$ 310,076	\$ 872,459	\$ 848,261
Investment income <sup>(1)</sup>	1,893	1,390	5,940	4,017
Earnings from The Energy Authority	763	1,552	3,304	4,716
Other, net <sup>(2)</sup>	5,114	8,294	16,204	21,236
Plus: amount paid from the rate stabilization fund into the revenue fund	14,062	23,755	71,631	59,212
Less: amount paid from the revenue fund into the rate stabilization fund	(4,537)	(3,179)	(11,139)	(11,903)
Total revenues	315,331	341,888	958,399	925,539
<b>Operating expenses <sup>(3)</sup></b>				
Fuel	75,612	65,382	226,031	176,391
Purchased power <sup>(4)</sup>	52,894	81,201	188,872	205,564
Other operations and maintenance	49,555	47,260	146,705	140,249
Utility taxes and fees	13,559	14,248	42,421	40,722
Total operating expenses	191,620	208,091	604,029	562,926
<b>Net revenues</b>	\$ 123,711	\$ 133,797	\$ 354,370	\$ 362,613
<b>Aggregate debt service</b>	\$ 18,188	\$ 17,926	\$ 53,819	\$ 53,652
Less: investment income on sinking fund	(385)	(364)	(1,138)	(1,063)
Less: Build America Bonds subsidy	(381)	(379)	(1,141)	(1,137)
Debt service requirement	\$ 17,422	\$ 17,183	\$ 51,540	\$ 51,452
<b>Senior debt service coverage <sup>(5)</sup></b>	7.10 x	7.79 x	6.88 x	7.05 x
<b>Net revenues (from above)</b>	\$ 123,711	\$ 133,797	\$ 354,370	\$ 362,613
<b>Debt service requirement (from above)</b>	17,422	17,183	51,540	51,452
Plus: aggregate subordinated debt service on outstanding subordinated bonds	32,458	40,198	97,002	97,686
Less: Build America Bonds subsidy	(512)	(517)	(1,534)	(1,552)
Total debt service requirement and aggregate subordinated debt service	49,368	56,864	147,008	147,586
<b>Senior and subordinated debt service coverage <sup>(6)</sup></b>	2.51 x	2.35 x	2.41 x	2.46 x

<sup>(1)</sup> Excludes investment income on sinking funds.

<sup>(2)</sup> Excludes the Build America Bonds subsidy.

<sup>(3)</sup> Excludes depreciation and recognition of deferred costs and revenues, net.

<sup>(4)</sup> 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.

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

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

## JEA

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

	Quarter June		Year-to-Date June	
	2018	2017	2018	2017
<b>Revenues:</b>				
JEA	\$ 18,093	\$ 17,264	\$ 55,806	\$ 49,327
Investment Income	32	29	92	95
Total revenues	18,125	17,293	55,898	49,422
<b>Operating expenses <sup>(1)</sup></b>				
Fuel	3,888	8,979	18,155	27,382
Other operations and maintenance	5,259	4,095	13,774	11,015
Total operating expenses	9,147	13,074	31,929	38,397
<b>Net revenues</b>	\$ 8,978	\$ 4,219	\$ 23,969	\$ 11,025
<b>Aggregate debt service</b>	\$ 2,486	\$ 2,420	\$ 7,457	\$ 7,260
Less: Build America Bonds subsidy	(166)	(175)	(500)	(525)
Aggregate debt service	\$ 2,320	\$ 2,245	\$ 6,957	\$ 6,735
<b>Debt service coverage <sup>(2)</sup></b>	3.87 x	1.88 x	3.45 x	1.64 x

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

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

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

	Quarter June		Year-to-Date June	
	2018	2017	2018	2017
<b>Revenues</b>				
JEA	\$ -	\$ 41,515	\$ 98,013	\$ 96,336
FPL	-	35,900	28,360	92,434
Investment income (loss)	-	894	(4,289)	2,749
Total revenues	-	78,309	122,084	191,519
<b>Operating expenses <sup>(1)</sup></b>				
Fuel	-	52,012	48,858	116,150
Other operations and maintenance	-	11,383	11,877	30,641
Total operating expenses	-	63,395	60,735	146,791
<b>Net revenues</b>	\$ -	\$ 14,914	\$ 61,349	\$ 44,728
<b>Aggregate debt service</b>	\$ -	\$ 11,880	11,260	35,640
<b>Debt service coverage <sup>(2)</sup></b>		1.26 x	5.45 x	1.25 x

<sup>(1)</sup> Excludes depreciation and recognition of deferred costs and revenues, net

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

## JEA

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

	Quarter June		Year-to-Date June	
	2018	2017	2018	2017
<b>Revenues</b>				
JEA	\$ 4,400	\$ 3,642	\$ 11,704	\$ 10,928
Investment income	453	55	686	182
Total revenues	4,853	3,697	12,390	11,110
<b>Operating expenses</b>	-	-	-	-
<b>Net revenues</b>	\$ 4,853	\$ 3,697	\$ 12,390	\$ 11,110
<b>Aggregate debt service</b>	\$ 3,231	\$ 3,238	\$ 9,694	\$ 9,713
Less: Build America Bonds subsidy	(92)	(97)	(276)	(292)
Aggregate debt service	\$ 3,139	\$ 3,141	\$ 9,418	\$ 9,421
<b>Debt service coverage <sup>(1)</sup></b>	1.55 x	1.18 x	1.32 x	1.18 x

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

**Water and Sewer System  
Schedules of Debt Service Coverage  
(in thousands - unaudited)**

	Quarter June		Year-to-Date June	
	2018	2017	2018	2017
<b>Revenues</b>				
Water	\$ 43,531	\$ 46,896	\$ 126,941	\$ 131,006
Water capacity fees	2,677	2,966	6,748	6,625
Sewer	65,607	66,244	193,936	191,644
Sewer capacity fees	5,055	5,228	12,641	11,864
Investment income	1,655	1,345	4,882	4,719
Other <sup>(1)</sup>	3,174	2,568	8,570	7,227
Plus: amounts paid from the rate stabilization fund into the revenue fund	4,417	3,813	10,955	14,847
Less: amounts paid from the revenue fund into the rate stabilization fund	(6,088)	(6,653)	(17,656)	(18,045)
Total revenues	120,028	122,407	347,017	349,887
<b>Operating expenses</b>				
Operations and maintenance <sup>(2)</sup>	38,693	39,720	115,420	111,092
Total operating expenses	38,693	39,720	115,420	111,092
<b>Net revenues</b>	\$ 81,335	\$ 82,687	\$ 231,597	\$ 238,795
<b>Aggregate debt service</b>	\$ 23,950	\$ 24,456	\$ 71,907	\$ 73,254
Less: Build America Bonds subsidy	(624)	(625)	(1,871)	(1,875)
Aggregate debt service	\$ 23,326	\$ 23,831	\$ 70,036	\$ 71,379
<b>Senior debt service coverage <sup>(3)</sup></b>	3.49 x	3.47 x	3.31 x	3.35 x
<b>Net revenues (from above)</b>	\$ 81,335	\$ 82,687	\$ 231,597	\$ 238,795
<b>Aggregate debt service (from above)</b>	\$ 23,326	\$ 23,831	\$ 70,036	\$ 71,379
Plus: aggregate subordinated debt service on outstanding subordinated debt	4,574	4,427	13,532	13,193
Total aggregate and aggregate subordinated debt service	\$ 27,900	\$ 28,258	\$ 83,568	\$ 84,572
<b>Senior and subordinated debt service coverage excluding capacity fees <sup>(4)</sup></b>	2.64 x	2.64 x	2.54 x	2.60 x
<b>Senior and subordinated debt service coverage including capacity fees <sup>(4)</sup></b>	2.92 x	2.93 x	2.77 x	2.82 x

<sup>(1)</sup> Excludes the Build America Bonds subsidy.

<sup>(2)</sup> Excludes depreciation and recognition of deferred costs and revenues, net.

<sup>(3)</sup> Net revenues divided by aggregate debt service. Minimum annual coverage is 1.25x.

<sup>(4)</sup> 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 fees) or the sum of 1.00x aggregate debt service and 1.20x aggregate subordinated debt service (including capacity fees).

## JEA

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

	Quarter June		Year-to-Date June	
	2018	2017	2018	2017
<b>Revenues:</b>				
Service revenues	\$ 2,007	\$ 2,136	\$ 6,082	\$ 6,190
Investment income	28	11	67	25
Total revenues	2,035	2,147	6,149	6,215
<b>Operating expenses: <sup>(1)</sup></b>				
Operations and maintenance	1,020	1,101	3,136	3,137
Total operating expenses	1,020	1,101	3,136	3,137
<b>Net revenues</b>	1,015	1,046	3,013	3,078
<b>Aggregate debt service <sup>(2)</sup></b>	754	756	2,264	2,267
<b>Debt service coverage <sup>(3)</sup></b>	1.35 x	1.38 x	1.33 x	1.36 x

<sup>(1)</sup> Excludes depreciation.

<sup>(2)</sup> 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.

<sup>(3)</sup> Net revenues divided by aggregate debt service. Minimum annual coverage is 1.15x.

**Electric Enterprise Fund**  
**Operating Statistics**

	Quarter		Year-to-Date	
	June		June	
	2018	2017	2018	2017
<b>Electric revenues sales (000's omitted):</b>				
Residential	\$ 144,468	\$ 149,191	\$ 429,952	\$ 397,868
Commercial and industrial	150,140	151,538	428,385	425,483
Public street lighting	3,230	3,250	9,644	9,859
Sales for resale - territorial	146	4,520	4,219	11,091
Electric revenues - territorial	297,984	308,499	872,200	844,301
Saleback to Florida Power & Light	1,605	35,900	29,965	92,434
Sales for resale - off system	452	1,673	1,041	4,056
Electric revenues	300,041	346,072	903,206	940,791
Less: rate stabilization and recovery	9,525	20,576	60,492	47,309
Less: allowance for doubtful accounts	(400)	(96)	(782)	(96)
<b>Net electric revenues</b>	<b>309,166</b>	<b>366,552</b>	<b>962,916</b>	<b>988,004</b>
<b>MWh sales</b>				
Residential	1,264,577	1,308,665	3,752,695	3,459,724
Commercial and industrial	1,750,616	1,749,887	4,911,507	4,839,144
Public street lighting	15,097	15,983	44,852	50,897
Sales for resale - territorial	-	38,337	38,640	89,180
Total MWh sales - territorial	3,030,290	3,112,872	8,747,694	8,438,945
Saleback to Florida Power & Light	-	490,181	332,467	1,145,966
Sales for resale - off system	15,208	45,740	33,052	120,609
<b>Total MWh sales</b>	<b>3,045,498</b>	<b>3,648,793</b>	<b>9,113,213</b>	<b>9,705,520</b>
<b>Number of accounts <sup>(1)</sup></b>				
Residential	410,951	404,069	409,063	402,344
Commercial and industrial	52,675	52,123	52,498	52,009
Public street lighting	3,782	3,736	3,766	3,717
Sales for resale	1	2	1	2
<b>Total average accounts</b>	<b>467,409</b>	<b>459,930</b>	<b>465,328</b>	<b>458,072</b>
<b>Residential averages</b>				
Revenue per account - \$	351.55	369.22	1,051.07	988.88
kWh per account	3,077	3,239	9,174	8,599
Revenue per kWh - ¢	11.42	11.40	11.46	11.50
<b>Degree days</b>				
Heating degree days	35	21	1,103	782
Cooling degree days	951	944	1,541	1,424
<b>Total degree days</b>	<b>986</b>	<b>965</b>	<b>2,644</b>	<b>2,206</b>
Degree days - 30 year average		910		2,561

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

**JEA**  
**Water and Sewer Enterprise Fund**  
**Operating Statistics**

	Quarter June		Year-to-Date June	
	2018	2017	2018	2017
<b>Water</b>				
<i>Revenues (000's omitted):</i>				
Residential	\$ 23,417	\$ 24,750	\$ 68,354	\$ 69,251
Commercial and industrial	11,634	11,475	35,059	34,350
Irrigation	8,540	10,714	23,704	27,449
Total water revenues	43,591	46,939	127,117	131,050
Less: rate stabilization environmental	(3,677)	(4,093)	(10,547)	(10,926)
Less: allowance for doubtful accounts	(60)	(43)	(176)	(44)
Net water revenues	\$ 39,854	\$ 42,803	\$ 116,394	\$ 120,080
<i>Kgal sales (000's omitted):</i>				
Residential	4,424,698	4,854,246	12,600,575	13,203,453
Commercial and industrial	3,407,034	3,241,247	10,255,440	9,757,449
Irrigation	1,445,264	1,949,141	3,866,831	4,763,799
Total kgal sales	9,276,996	10,044,634	26,722,846	27,724,701
<i>Number of accounts <sup>(1)</sup>:</i>				
Residential	286,201	279,877	284,448	277,973
Commercial and industrial	25,753	25,475	25,664	25,389
Irrigation	37,109	36,876	37,019	36,674
Total average accounts	349,063	342,228	347,131	340,036
<i>Residential averages:</i>				
Revenue per account - \$	81.82	88.43	240.30	249.13
Kgals per account	15.46	17.34	44.30	47.50
Revenue per kgals - \$	5.29	5.10	5.42	5.24
<b>Sewer</b>				
<i>Revenues (000's omitted):</i>				
Residential	\$ 35,620	\$ 37,013	\$ 103,769	\$ 104,703
Commercial and industrial	26,412	25,572	80,525	77,483
Total sewer revenues	62,032	62,585	184,294	182,186
Less: rate stabilization environmental	2,006	1,253	3,846	7,728
Less: allowance for doubtful accounts	(90)	(65)	(263)	(66)
Net sewer revenues	\$ 63,948	\$ 63,773	\$ 187,877	\$ 189,848
<i>Kgal sales (000's omitted):</i>				
Residential	3,848,430	4,191,007	10,902,494	11,409,616
Commercial and industrial	2,846,326	2,746,357	8,713,034	8,412,881
Total kgal sales	6,694,756	6,937,364	19,615,528	19,822,497
<i>Number of accounts <sup>(1)</sup>:</i>				
Residential	253,310	247,179	251,620	245,354
Commercial and industrial	18,367	18,168	18,321	18,126
Total average accounts	271,677	265,347	269,941	263,480
<i>Residential averages:</i>				
Revenue per account - \$	140.62	149.74	412.40	426.74
kgals per account	15.19	16.96	43.33	46.50
Revenue per kgals - \$	9.26	8.83	9.52	9.18
<b>Reuse</b>				
<i>Revenues (000's omitted):</i>				
Reuse revenues	\$ 3,665	\$ 3,724	\$ 9,905	\$ 9,524
<i>Kgal sales (000's omitted):</i>				
Reuse sales (kgals)	824,347	887,676	2,268,808	2,448,256
<i>Number of accounts <sup>(1)</sup>:</i>				
Reuse accounts	11,769	9,631	11,192	9,146
<b>Rainfall</b>				
Normal	11.57	11.57	30.85	30.85
Actual	20.91	21.27	37.46	39.56
Rain Days	30	33	73	61

<sup>(1)</sup> The quarter column represents a fiscal quarter average and the year-to-date column represents a fiscal year-to-date average.