JEA BOARD AGENDA

DATE:	June 16, 2015
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- **TIME:** 1:00 PM
- PLACE: JEA 21 West Church Street 8th Floor, Board Room

I. <u>WELCOME</u>

- A. Call to Order
- B. Time of Reflection
- C. Pledge to Flag
- D. Adoption of the Agenda action
- E. Safety Briefing Timothy Carter, Power Plant Operator

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 Bill Bishop

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.
 - 1. Approval of Board Meeting Minutes May 19, 2015 action
 - 2. Approval of Board Planning Retreat Minutes May 4, 2015 action
 - 3. Appointment of Helen Kehrt to Civil Service Board action
 - 4. Draft Workforce Committee Minutes June 3, 2015 information
 - 5. Article: "Net Metering: The Dark Cloud in a Sunny Sky" information
 - 6. Monthly JEA Operations Report information
 - 7. Monthly JEA Financial Review & Statements information
 - 8. FY15 Communications & Community Engagement Update information
 - 9. JEA Community Engagement Calendar information

June 16, 2015

- B. Strategic Discussions/Action
 - 1. Follow-up Memo from Bond Counsel Regarding Disclosure Policy Jody Brooks, Office of General Counsel 5 minutes presentation/information
 - 2. Recommendation to Call a Public Hearing to Modify the Electric Tariff Documentation and the Water and Sewer Rate Document – Melissa Dykes, Chief Financial Officer – 10 minutes – presentation/action
 - 3. Strategy Implementation Update Vickie Cavey, Director Strategy Development & Execution – 10 minutes – presentation/information
 - 4. Proposed FY2016 Operating and Capital Budgets Melissa Dykes, Chief Financial Officer 10 minutes presentation/action
 - 5. Bi-Monthly Finance Presentation Melissa Dykes, Chief Financial Officer – 10 minutes – presentation/information
 - 6. JEA Hurricane Readiness Ed Dendor, Director Emergency Preparedness 10 minutes presentation/information
- C. Other New Business
- D. Old Business none

IV. <u>REPORTS</u>

- A. Workforce Readiness Report Wyman Winbush, Committee Chair
 - 1. Approval of Committee Minutes January 13, 2015 action This item was discussed in the Committee; however, no action was taken due to a lack of quorum.
 - 2. Review and Approval of the Revised Workforce Committee Charter action This item was discussed in the Committee; however, no action was taken due to a lack of quorum.
 - 3. Quarterly Workforce Update information
 - 4. Diversity, Inclusion, and Succession Outreach Strategy information
 - 5. Civil Service / Employment Testing Process information
 - 6. Announcements information
 - a. Schedule Next Meeting as Appropriate
- B. American Association of Blacks in Energy (AABE) National Conference Report – Secretary Wyman Winbush
- C. Managing Director/CEO's Report

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D. Chair's Report

V. CLOSING CONSIDERATIONS

- A. Announcements
- B. Adjournment

A. If you have a disability that requires reasonable accommodations to participate in the above meeting, please call **665-7550** by **8:30 AM** the day before the meeting and we will provide reasonable assistance for you.

B. If a person decides to appeal any decision made by the JEA Board with respect to any matter considered at this meeting, that person will need a record of the proceedings, and, for such purpose needs to ensure that verbatim record of the proceedings is made, which record includes the evidence and testimony upon which the appeal is to be based.



INTER-OFFICE CORRESPONDENCE

June 10, 2015

SUBJECT:	BOARD MEETING AGENDA
FROM:	Gina Kyle and Melissa Charleroy, JEA Executive Assistants
TO:	All Members, JEA Board of Directors

Scheduled times and locations for JEA meetings to be held *Tuesday, June 16, 2015,* are as follows:

12:00 PM	Pre-Board Meeting Conference Room, 8 th Floor, JEA Tower
1:00 PM	Board Meeting Board Room, 8 th Floor, JEA Tower

We are looking forward to seeing you on the 16th. Please call Gina Kyle at 665-7974 or Melissa Charleroy at 665-7313 if you require additional information.

/mmc

Cc:			
P. McElroy	B. Para	D. Champ	W. Stanford
M. Brost	B. Roche	M. Charleroy	M. Evans
P. Cosgrave	M. Whiting	G. Kyle	J. Brooks, OGC
M. Dykes	J. Upton	N. NesSmith	J. Gabriel, OGC
A. Hiers	G. Boyce	J. Ryan	C. Edgar
T. Hobson	J. Gutos	E. White	B. Fore

e-copy: Patrick Maginnis Security Desk Security Office Brandi Sneed Russell Park Ted Delay V. Wright J. Bryant

Timothy McL Carter Power Plant Operator Northside Generating Station

Length of Time at JEA:	6 years, all in current position

Reporting To:	Steve Lankford, NGS Operations Manager
	Mike Brost, VP/GM Electric Systems

Present Position and Responsibilities: Responsible for the operation of Auxiliary Equipment for CFBs and Turbine Generators *2014 PASS Award Recipient

Past Experience:

20 combined years in Pulp/Paper Industry with: Gilman Paper- Durango/Georgia Company And Rayonier Performance Fibers

4 years in Nuclear Power Generation with: Southern Company

Education & Expertise:

HS Diploma from Camden County High St. Mary's, Ga

Personal: Married 28 years to wife Debbie We have 1 son, Brandon, 1 daughter, Brittney and a Son in Law, John

> Past time activities include: fishing, riding motorcycles, tinkering with antique automobiles

JEA Board Meeting - I. E. Safety Briefing - Timothy Carter, Power Plant Operator

JEA BOARD MINUTES May 19, 2015

The JEA Board held a Pre-Board Meeting at 12:01 PM on Tuesday, May 19, 2015, in the Conference Room on the 8th Floor, 21 W. Church Street, Jacksonville, Florida. Present were Helen Albee, Peter Bower, Wyman Winbush, Husein Cumber, John Hirabayashi, Robert Heekin, Paul McElroy, Bill Bishop, JEA City Council Liaison, Jody Brooks, Office of General Counsel, and Leah Donelan, Nonprofit Center of Northeast Florida. Lisa Weatherby attended the meeting telephonically.

The Pre-Board discussion consisted of the following topics:

- 1. APPA National Conference Minneapolis, MN June 5-10, 2015 Mr. McElroy provided a brief summary of scheduled meetings for those Board Members attending the conference.
- 2. Board Retreat Follow-up Ms. Donelan presented the 2015 Board of Directors Draft Work Plan. This draft work plan will take place over the next six months. A copy of the draft work plan is on file.
- 3. Today's Meeting Mr. McElroy provided the Board Members with a schedule of today's meetings and presentations.

With no action taken and no further business claiming the attention of the Board, the Pre-Board Meeting was adjourned at 12:46 PM and the Board moved to the 8th Floor Board Meeting Room for the regularly scheduled meeting.

The JEA Board met in regular session on Tuesday, May 19, 2015, in the 8th Floor Board Meeting Room, 21 W. Church Street, Jacksonville, Florida. Present were Helen Albee, Peter Bower, Wyman Winbush, Husein Cumber, John Hirabayashi, and Robert Heekin. Lisa Weatherby attended telephonically.

Agenda Item I – Welcome

- **A.** The meeting was **called to order** at 1:00 PM by Chair Albee.
- B. A Moment of Reflection was observed by all.
- C. The Pledge of Allegiance was led by Mr. Heekin.
- **D.** Adoption of Agenda The amended agenda was approved on motion by Mr. Cumber and second by Mr. Winbush.
- **E.** The **Safety Briefing** was given by Charles D. Crosby, Wastewater Operation Team Leader.

Agenda Item II – Presentations and Comments

A. Wi\$e Money Week Corporate Award – Monica Whiting, Chief Customer Officer, presented the Wi\$e Money Corporate Award by Family Foundation, which celebrates local employers who help both their employees and customers become more wise about money. Ms. Whiting stated JEA has a commitment to assisting their customers in

JEA Board M	linutes
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May 19, 2015

managing their utilities to save energy and money. Through public education campaigns, classroom education, ambassadors, weatherization program, and individual outreach, JEA has set a high standard of excellence for financial education within the community. Through a partnership with the Real\$ense Prosperity Campaign with United Way, JEA offers workshops for their customers and employees. JEA is training ambassadors to become financial instructors. JEA was chosen for this award for our initiative in developing a robost and comprehensive approach to financial education within our community. Ms. Whiting thanked Jane Upton, Angie Hiers, their employees, as well as their teams for their successful work in educating our customers and employees in financial literacy.

- **B.** Comments from the Public None
- C. Council Liaison's Comments Council Member Bill Bishop had no comments.

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. Upon **motion** by Mr. Heekin and second by Mr. Cumber, item 1 on the Consent Agenda was unanimously approved and items 2, 3, 4, 5, and 6 were received for information.
 - 1. Approval of Board Meeting Minutes April 21, 2015 approved.
 - 2. Real Estate Acquisition Status Report received for information.
 - 3. Monthly JEA Operations Report received for information.
 - 4. Monthly JEA Financial Review & Statements received for information.
 - 5. FY15 Communications & Community Engagement Update received for information.
 - 6. JEA Community Engagement Calendar received for information.

B. Strategic Discussions/Action

1. JEA Disclosure Policies and Procedures – Melissa Dykes, Chief Financial Officer, presented that JEA is responsible for complete and accurate disclosure to its investors. As presented at the recent training provided by Nixon Peabody, the Board has two primary roles. The first role is to ensure that if there are any big issues which are discussed on multiple occasions that they are broadly included in the disclosure to JEA's investors. The second role is a standard called Reasonable Delegation, which means having the appropriate officials and staff included in the process to ensure the right disclosure is provided to JEA's investors. Ms. Dykes noted that having a written, approved Board disclosure policy is the best way to demonstrate Reasonable Delegation. The proposed draft was provided at the disclosure training to Board Members on March 17, 2015, and provided again for review and discussion at the April 21, 2015 Board Meeting. Board Members held discussions regarding conflict of interests with Board Members in their professional positions, and whether the investor disclosure policy should address the conflict avoidance process. Ms. Brooks stated that Board Members are required to declare any conflict of interest, but is not aware of any requirements for it to be stated in the

May 19, 2015

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Disclosure Policy. Ms. Dykes stated that Nixon Peabody provided input and guidance in the drafting of this policy, and utilized an attorney that specializes in SEC law. On **motion** by Mr. Cumber and second by Mr. Heekin, the Board authorized and approved the JEA Disclosure Policies and Procedures in substantially the form distributed to Members on April 21, 2015, with a follow-up action from Nixon Peabody to determine if additional language is needed that if a Board Member has a potential conflict, disclosure action is taken.

- 2. Professional Employees' Association (PEA), Collective Bargaining Agreement (October 1, 2014 to September 30, 2016) – Angie Hiers, Chief Human Resources Officer, presented that after completing Interest Based Bargaining training in March 2015, negotiating parties met on April 6, 7, and 17, 2015, and successfully negotiated a successor agreement. PEA held a ratification vote on April 23 and 24, 2015, at which the membership approved the proposed agreement. This collective bargaining agreement represents the finalization of negotiations for a contract that will cover the period from October 1, 2014 to September 30, 2016. Approximately 290 employees are covered by the PEA Bargaining Unit. Significant changes to the existing status quo agreement include: (1) it was agreed that bargaining for FY 2013-2014 is waived and the status quo set forth by the October 1, 2012 through September 30, 2013 Imposed Terms and Conditions of Employment governs for that time period; (2) a 1.5% performance-based pool pay increase will become effective upon ratification and 3.0% effective October 1, 2015; (3) a one-time ratification payment of 1.75% of unit base payroll, not applied to base salary; and (4) an increase in the stand-by pay from \$28 per day to \$31 per day, effective October 1, 2015. This two-year agreement will be effective October 1, 2014 through September 30, 2016. On **motion** by Vice Chair Bower and second by Mr. Cumber, the Board approved the ratified Agreement between JEA and the Professional Employees' Association.
- 3. St. Johns River Power Park (SJRPP) Retirement Plan Amendment Resolution 2015-03 Angie Hiers, Chief Human Resources Officer, presented that the SJRPP and International Brotherhood of Electrical Workers Local Union 1618 Bargaining Unit (IBEW) entered into an approved and ratified Collective Bargaining Agreement (CBA) for the period October 1, 2015 through September 30, 2018. The CBA requires certain changes to the SJRPP Retirement Plan and requires SJRPP to amend the plan document to incorporate the terms of the CBA. The plan is effective October 1, 2015 and includes the following amendments: (1) the employer pay credits shall be increased from two percent (2.0%) of earnings to four and one-half percent (4.5%) of earnings; and (2) an employee may elect to purchase additional vesting service, up to a maximum of two (2) years total, for time spent performing active military service. On motion by Vice Chair Bower, and second by Mr. Cumber, the Board adopted Resolution 2015-3, which approves the amendment effective October 1, 2015.
- 4. JEA Hurricane Readiness John McCarthy, Director Supply Chain Management, delivered a presentation outlining JEA's current state of hurricane readiness and how JEA will communicate its readiness to its customers. Mr. McCarthy stated JEA is operating at the highest level of hurricane readiness ever. JEA has a dedicated team that was established in 2013 that works on JEA's emergency preparedness every day and has fully implemented the National Incident Management System (NIMS), which is a national, comprehensive approach to incident management that provides a

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common organizational structure that is fully integrated with County, State and Federal agencies. JEA's Senior Leadership Team and employees have completed over 8,000 hours of NIMS training requirements. On May 18 – 21, 2015, JEA staff is participating in a Statewide Table Top Exercise with participants from agencies across all 67 Counties in Florida. While simulating an actual hurricane, staff will test its skills on JEA's hurricane readiness, which includes response and restoration, standards of preparedness, financial cost and reimbursement, and communication. Mr. McCarthy provided information on communication methods to the Board and customers. Mr. McElroy informed Board Members that within 24 hours, they will begin to receive email messages providing updates on the mock hurricane. The presentation was provided for information only.

- 5. 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, FY2015 fuel revenue and expense, financial performance, and residential electric bill comparison information. Ms. Whiting presented the J.D. Power Customer Satisfaction Index, increased participation in key customer solutions, billing and payment solutions, communication metrics, JEA corporate citizenship initiatives, including the JEA Ambassador program, Senior Day events, customer education, receivables - net write offs, and continuous improvement efforts. Ms. Whiting presented the Board with a video highlighting the Senior Day events held in partnership with the United Way and the Northeast Florida Community Action Agency. Within the first two Senior Day events, 55 senior citizens received approximately \$21,000 in federal aid. The presentation was received for information.
- C. Other New Business none
- D. Old Business none

Agenda Item IV – Reports

In the interest of time, Committee Chair Bower reordered various agenda items; however the minutes reflect the original order of the agenda.

- A. Finance and Audit Committee Report Committee Chair, Peter Bower reviewed the Finance and Audit Committee meeting held on May 11, 2015, bringing items to the Board for action and information.
 - 1. Upon **motion** by Mr. Cumber and second by Mr. Heekin, the Board unanimously approved the March 9, 2015 Committee meeting minutes.
 - FY2016 Budget Presentation Melissa Dykes, Chief Financial Officer, presented a JEA FY2016 Proposed Budget summary which will be presented at the June 16, 2015 Board Meeting for approval. Highlights included:
 - a. Total budget lower for the 4th year
 - b. Continued decline in per-customer-consumption (Electric and Water/Wastewater)
 - c. No rate increases planned for FY2016

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- d. Between the years of 2007 and 2015, transfers to Government (City and State) have increased nearly \$100 million a year
- e. O&M Expenses In Electric Systems, the O&M budget has increased by \$4.5 million year over year primarily due to planned outages at Brandy Branch Combined Cycle Facility and Northside Generating Station Units 1, 2, and 3. In Water/Wastewater Systems, the budget has increased \$1.6 million year over year. The biggest drivers of this increase include: pension, overtime and salaries, following the recent approved Collective Bargaining Unit Agreements.
- f. Capital Expenses in Electric Systems are \$170 million; Water/Wastewater Systems has increased to \$195 million, which includes the expansion project at the Blacks Ford Wastewater Treatment Plant.
- g. Regulatory Accounting items outlined include: Pension, DSM/Conservation, Debt Management, Environmental, Fuel, Purchased Power, and Self-Funded Health Plan

The end result for the FY16 Budget includes healthy debt service coverage and healthy liquidity metrics, necessary to support JEA's relatively high, yet improving debt load. The presentation/information was provided for information only.

- 3. Chief Risk and Compliance Officer Report received for information.
- 4. Audit Services Quarterly ERM/Audit Update received for information.
- 5. Update on Rates Restructuring Initiative Melissa Dykes, Chief Financial Officer, stated JEA has embarked on an initiative to update and realign its rate structure and options, providing customers with new and enhanced rate options, providing JEA and its customers with long-term rate stability, and to help drive efficiencies. The Rate Strategy Team has developed various proposals including:
 - a. Fuel rate decrease for fiscal year 2016
 - b. Modification of the streetlight rates, offering new LED streetlight rates, and discontinuing the General Service eXtra-Large Demand (GSXLD) streetlight discount
 - c. Decreasing the rates for the General Services Large Demand (GSLD) customer class due to the elimination of the GSXLD streetlight discount
 - d. Exploring conducting a residential pilot program. Ms. Dykes provided a graphic demonstrating how JEA will communicate the pilot program to its customers.

Staff will call for a public rate hearing at the June 16, 2015 JEA Board Meeting, with a public hearing to occur at the July 21, 2015 Board Meeting. This presentation was received for information.

- 6. Treasury
 - a. Electric System and Water and Sewer System Reserve Fund Quarterly Report – Ms. Dykes stated this quarterly report was provided to the Finance and Audit Committee for information and transparency.
 - b. Recap of Recent JEA St. Johns River Power Park Fixed Rate Debt Refunding Delegated Transactions Ms. Dykes provided an overview of the recent St.

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Johns River Power Park refunding which will produce over \$11.3 million of present value savings and generate approximately \$12.1 million of annual debt service savings over the next five and half years.

- 7. JEA Energy Market Risk Management Policy Report received for information.
- 8. Announcements
 - a. Next Meeting, August 10, 2015, 8:00-10:00 AM
- 9. Committee Discussion Sessions
 - a. Director, Audit Services information
 - b. Ernst & Young information
 - c. Council Auditor's Office information
- **B.** EPA Committee Report Committee Chair Cumber reviewed that the EPA Committee held a meeting on May 19, 2015, bringing items to the Board for action and information.
 - 1. On **motion** by Mr. Hirabayashi and second by Secretary Winbush, the Board unanimously approved the February 11, 2015 Committee meeting minutes.
 - 2. Update on EPA's Proposed Clean Power Plan received for information.
 - 3. Community Engagement Process received for information.
 - 4. Florida Water Policy Update received for information.
 - 5. Other Business
 - a. Revise Committee Name and Charter On **motion** by Ms. Weatherby and second by Vice Chair Bower, the Board unanimously approved the Environmental Committee Charter with the following amendments:
 - The Committee shall consist of three Board Members, appointed annually by the Board Chair.
 - The Board Chair shall appoint one of the Committee Members as Chairperson.
 - 6. Announcements
 - 7. Schedule Next Meeting as Appropriate
- C. Managing Director/CEO's Report Mr. McElroy stated JEA's values of Growth² were demonstrated today by Mr. Crosby's presentation in sharing his experience over 10 years at JEA, progressing from an entry-level position to his growth into management. JEA also has demonstrated our commitment to the community with the Wi\$e Money Corporate Award, as well as the environment with the receipt of the David W. York Award for the utilization of reuse. Mr. McElroy thanked JEA employees for their efforts in hurricane preparedness and assured the Board that JEA will be prepared in the event of a major event. Mr. McElroy stated JEA has been successful in reducing the cost of debt under 4%, but will continue to work to reduce the debt to under \$4 billion. Mr. McElroy thanked the Board Members for their time, passion, and commitment.
- **D.** Chair's Report Chair Albee provided an overview of the May 4, 2015 Board Planning Retreat. Chair Albee thanked the Nonprofit Center of Northeast Florida for facilitating the retreat, and Board Members for their attendance.

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Agenda Item V – Closing Considerations

- A. Announcements none
- B. Adjournment

With no further business claiming the attention of the Board, Chair Albee adjourned the meeting at 3:30 PM.

APPROVED BY:

SECRETARY
DATE: _____

Board Meeting recorded by:

Melissa M. Charleroy Executive Assistant JEA Board Planning Retreat Minutes May 4, 2015

The JEA Board met for a Planning Retreat on Monday, May 4, 2015, at the Jacksonville Main Library, 303 N. Laura Street, Room G4, Jacksonville, FL 32202. Members in attendance were Helen Albee, Peter Bower, Wyman Winbush, Husein Cumber, John Hirabayashi, and Robert Heekin. Others in attendance were Paul McElroy, Angie Hiers, Gerri Boyce, Former Board Member Ron Townsend, Preston Haskell, Founder and Chairman, The Haskell Company, Jody Brooks, Office of General Counsel, Leah Donelan, Nonprofit Center of Northeast Florida, and Gregory Todaro and Saphara Harell, WJCT. Lisa Weatherby was absent and excused.

Introductions, Engaging as a Team

The Planning Retreat began at 8:52 AM with a welcome and introductions by Chair Albee. Mr. McElroy provided the agenda for the day and thanked the Board for their time, passion, and commitment. Leah Donelan, Board Planning Retreat Facilitator with the Nonprofit Center of Northeast Florida, provided a brief overview of her professional background, her role as the facilitator, the objectives and operating guidelines for the Planning Retreat, as well as an overview of the Nonprofit Center of Northeast Florida.

Mr. McElroy reviewed JEA's Mission, Vision, Values, and the Commitments to Action. Mr. McElroy provided a brief background of the strategic planning process that began with the Board and senior management in 2013.

Mr. Cumber stepped out at 9:32 AM to conduct business.

Prior to the Planning Retreat, Board Members were provided an opportunity to take an anonymous, online survey. Ms. Donelan reviewed the Board's assessment results as they relate to JEA's Mission, Vision, and Values with all scores (out of 5) ranking 4.5 or higher. Ms. Donelan also provided the responses to the question "Why I Joined the JEA Board". Ms. Donelan conducted an interactive exercise that allowed Board Members to share personal and professional facts and events that represent each decade between the years 1970 - 2010.

Mr. Cumber returned at 9:54 AM.

Ms. Donelan reviewed the assessment results of individual Board Member strengths and the collective Board strengths. The Board held discussions related to the Board Norms and Behaviors document. This document will be reviewed at a future workshop. A copy of the assessment results and the Board Norms and Behaviors are on file.

Board Members took a break from 10:43 – 10:53 AM.

Governance

Jody Brooks, Office of General Counsel, provided a presentation on Government in the Sunshine and Public Records. Ms. Brooks read an excerpt from an article located in the Vero Beach Press Journal, dated April 22, 2015, "Town Officials Fined for Law Violation" by Dan Garcia. A copy of the article is on file.

Angie Hiers, JEA Chief Human Resources Officer entered at 11:25 AM.

Mr. McElroy reviewed the JEA Charter noting any change to the JEA Charter requires the City Council to hold a public hearing no earlier than 30 days after the introduction of an ordinance. Council may vote on the ordinance no sooner than 60 days after the public hearing, with a 2/3 majority required for passage.

Ron Townsend, Former JEA Board Member entered at 11:37 AM.

Chair Albee provided an overview of the JEA By-Laws and noted the need for the By-Laws to be reviewed and streamlined. Mr. McElroy reviewed the current structure for Board Committees and the Board held general discussions. Board Members requested a workshop to be scheduled in the near future to review the JEA Charter and By-Laws.

Mr. McElroy provided an overview of the following JEA policies: Electric Compliance, Debt Management, Investment, Enterprise Risk and Compliance, and Compensation.

Lunch was served from 11:58 AM - 12:20 PM.

Mr. McElroy introduced Preston Haskell, Founder and Chairman of The Haskell Company. Mr. Haskell commended the Board for their investment of time in attending today's Planning Retreat. Mr. Haskell spoke to the Board regarding electric generation, environmental restrictions, fuel costs, natural gas, alternative sources of energy such as wind and solar, battery storage, biofuels, fiber, water and wastewater issues, Board governance, and government affairs. Mr. Haskell asked the Board to maintain its independent culture and continue operating and adopting the best practices for governance from the investor owned utility model. Chair Albee and Mr. McElroy presented Mr. Haskell with an award in appreciation for his presentation and his service to the community.

As Board Members took a break, Mr. Haskell and Mr. Townsend departed at 1:11 PM. All Board Members, with the exception of Mr. Cumber, returned at 1:18 PM.

Ms. Donelan distributed a facilitator evaluation to Board Members.

Mr. McElroy reviewed the Board Policy Manual and stated there are approximately 160 tasks consisting of 90 tasks for the CEO and 70 tasks for Board Members. The Board Policy Manual was adopted on February 16, 2010. Mr. McElroy noted that at this time, JEA does not have a mechanism for monitoring the tasks.

Mr. Cumber entered at 1:25 PM. Gregory Todaro and Saphara Harell with WJCT entered at 1:27 PM.

Board Members held discussions regarding the Board Policy Manual. A workshop will be conducted in the near future for Board Members to review and streamline the Board Policy Manual.

Ms. Donelan reviewed individual and collective Board Member assessment results related to Board Member challenges. Board Members held discussions regarding Board structure, content, and logistics.

Gerri Boyce, JEA Media Relations Coordinator, entered at 1:42 PM.

Ms. Donelan reviewed assessment results related to the Board's relationship with the CEO and staff.

Policy Information, Discussion, Decision Making Information and Processes

Ms. Hiers provided an overview on JEA bargaining units, including a status of the agreements for each bargaining unit. Ms. Hiers presented that management and bargaining unit leaders for PEA and IBEW 1618 recently participated in Interest Based Bargaining (IBB) training. Ms. Hiers stated that this training has proven that through learning negotiating tips and becoming acquainted with one another, management and bargaining unit leaders can expeditiously negotiate a bargaining unit agreement. Other bargaining units have shown interest in participating in the training. Ms. Hiers reviewed, and the Board Members held discussions on additional topics including: succession planning, talent scouting, talent reviews, employee development programs, individual career plans for employees, outsourcing, and customer satisfaction.

Gregory Todaro and Saphara Harell with WJCT departed at 2:26 PM.

JEA Labor

Mr. McElroy reviewed labor policy information related to market-based compensation and benefits, performance-based incentive compensation, and pension. The Board held general discussions related to these topics.

Resource Planning

Mr. McElroy discussed resource planning related to the electric, water, and wastewater systems. The Board held general discussions related to these topics.

Ms. Hiers and Ms. Boyce departed at 2:57 PM.

Economic Development Transactions

Mr. McElroy reviewed the procedure for economic development transactions. Mr. McElroy will continue to work with the Board Chair, and will provide updates to the Board when appropriate.

Policy Direction

Mr. McElroy briefly reviewed JEA government transfers.

Residency Requirements

Mr. McElroy reviewed the proposed City of Jacksonville residency ordinance 2015-253, which is based on a non-binding straw ballot that was passed in March 2015. This ordinance 2015-253 would impose residency requirements on all new employees of the City of Jacksonville and the Independent Authorities, with the exception of employees of Duval County Schools. Mr. McElroy stated that he provided JEA's employee count by county to Council Members at the CEO update on April 28, 2015. A copy of the JEA employee count by county is included in the Planning Retreat materials.

New Revenue

Mr. McElroy briefly reviewed new revenue opportunities. A draft of the New Revenue Task Force Potential Business Plan is included in the Planning Retreat materials.

JEA Board Retreat Minutes

May 4, 2015

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Wrap Up and Commitments to Improvement

Ms. Donelan reviewed the follow-up items that have been grouped into three subcategories: Governance, Business, and Relationships. Board Members provided a personal reflection on how the planning retreat was beneficial to them. Ms. Donelan expressed appreciation to the Board for their service. Mr. McElroy thanked the Board for their time and the investment in JEA and the community.

With no further business claiming the attention of the Board, the planning retreat was adjourned at 3:30 PM.

APPROVED BY:

SECRETARY

DATE: _____

Prepared by:

Melissa Charleroy Executive Assistant



June 1, 2015

SUBJECT: APPOINTMENT OF HELEN KEHRT TO CIVIL SERVICE BOARD

Purpose:	Information Only	🛛 Action Required	Advice/Direction
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Issue: Per Article 17 of the Jacksonville Municipal Code, JEA makes two appointments to the ninemember Civil Service Board ("CSB"). Appointees are limited to two 3-year terms. The incumbent Elaine Tisdale's second term ends June 30, 2015. Ms. Helen Kehrt is eligible for appointment, and has agreed to serve. If she is not approved, another candidate will need to be selected. Board approval is required for appointment.

Significance: The majority of JEA's employees are "civil service"; therefore, fall under the auspices of the CSB.

Effect: CSB appeals are an end-point of JEA's progressive discipline process, particularly terminations for cause. CSB decisions, upholding (or not upholding), JEA's disciplinary actions materially influences JEA's ability to manage its workforce.

Cost or Benefit: Cost N/A. Benefit: Compliance with requirements of Article 17 of the Jacksonville Municipal Code.

Recommended Board action: Staff recommends that the Board approve the appointment of Ms. Kehrt to serve an initial three-year term on the Civil Service Board.

For additional information, contact: Walettte Stanford, Director, Emerging Workforce Strategies

Submitted by: PEM/ ARH/ WMS/ MDE







Ver.2.0D 9/21/2013 jer



INTER-OFFICE MEMORANDUM

June 1, 2015

SUBJECT: APPOINTMENT OF HELEN KEHRT TO CIVIL SERVICE BOARD

FROM: Paul E. McElroy, Managing Director/CEO

TO: JEA Board of Directors

BACKGROUND:

Per Article 17 of the Jacksonville Municipal Code, JEA makes two appointments to the nine-member Civil Service Board ("CSB"). Appointees are limited to two 3-year terms. Incumbent Elaine Tisdale's second term ends June 30, 2015. Ms. Helen Kehrt is eligible for appointment, and has agreed to serve. Now retired from JEA, her 20-plus year work career with JEA was consummated with her serving as Treasurer. If she is not approved, it will be required that another candidate be selected. Board approval is required for appointment.

DISCUSSION:

The CSB functions include: "Hear and determine appeals initiated by employees who are charged with violations of the personnel provisions of this chapter and the civil service regulations authorized by ordinance or civil service rules ..." CSB appeals are an end-point of JEA's progressive discipline process, particularly terminations for cause. CSB decisions, upholding (or not upholding), JEA disciplinary action materially influences JEA's ability to manage its workforce. After receiving documentary evidence and testimony, the CSB engages in deliberations before rendering a decision. While she will be a neutral member, during deliberations Ms. Kehrt will be able to draw upon her institutional knowledge of JEA to provide other CSB members with perspective as to "why" JEA pursued a particular course of action and providing them with the insight necessary toward reaching a just and proper result.

RECOMMENDATION:

Staff recommends that the Board approve the appointment of Ms. Kehrt to an initial 3-year term serving on the CSB.

Paul E. McElroy, Managing Director/CEO

PEM/ARH//WMS/MDE

HELEN KEHRT

1794 Providence Hollow Lane, Jacksonville Fl 32223 Phone: (904) 262-5988 Email: sidewinder7@att.net

Profile

IEA

An expert in financial anaylsis concepts and investment portofolios. Knowledgable of Governmental Accounting Standards Board (GASB)/Financial Accounting Standards Board (FASB) accounting practices relating to cash, investment, debt and hedging transactions. Understands IRS rules and regulations applicable to tax exempt debt.

EDUCATION

Bachelor of Administration, Accounting; Jacksonville University

Maintains a license as a Certified Public Accountant in the State of Florida Member of the American Institute of Certified Public Accountants Member of the Florida Government Finance Officers Association

PROFESSIONAL EXPERIENCE:

6/13/1988 - 8/12/2012 (Retired)

Treasurer/Director, Treasury Services

- > Management and safeguarding of the cash and investments of JEA which totaled \$1.0 billion at December 31, 2009.
- Management of the financing activities including debt issuance and related hedging instruments. Outstanding debt at December 31, 2009 was \$6.3 billion and outstanding interest rate swap agreements at December 31, 2009 was \$1.1 billion.
- > Administration of debt outstanding in order to maintain continued compliance with tax, regulatory and contractural requirements.
- Administration of various debt and investment counterparty agreements including liquidity agreements and remarketing agreements for variable rate debt.
- > Participated as a Committee member on the SJRPP Pension Committee.
- Working team member for negotiation of the MEAG purchase power agreement.

St. Johns River Power Park Senior Accountant

- > Maintained SJRPP accounting records for cash, investment interest income and bonds payable developing accounting preedures for recording and reconciling the same as relating to operatins and construction phases of SRPP.
- > Structured debt service and R&R billings to the Co-Owners in compliance with the Joint Ownership Agreement.

City of Jacksonville Auditor

- Performed operational audits on the accounting systems of the COJ and it's independent agencies for the purpose of determining an agency's level of compliance with authorized policies and procedures.
- Reviewed quarterly budgeted information and annual operational and capital budgets for the city and it's independent agencies.

5/19/1986 - 6/10/1988

5/5/1980 - 5/12/1986

JEA WORKFORCE COMMITTEE MINUTES June 3, 2015

The Workforce Committee of JEA met on Wednesday, June 3, 2015, 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 Wyman Winbush called the meeting to order at 12:07 PM with Member Lisa Weatherby attending telephonically. Also present were Paul McElroy, Angie Hiers, Judi Spann, Gerri Boyce, and Jody Brooks, Office of General Counsel.
- B. Adoption of Agenda The Agenda was adopted on **motion** by Ms. Weatherby.
- C. Approval of Committee Meeting Minutes January 13, 2015 Due to the lack of a quorum, the Committee referred the January 13, 2015 Workforce Committee Meeting Minutes to the full Board for approval at the June 16, 2015 meeting.

Agenda Item II – New Business

- A. Review and Approval of the Revised Workforce Committee Charter Paul McElroy, CEO, provided the Committee with an overview of the revisions made to the Workforce Committee Charter at the direction of the Committee. Revisions are highlighted in yellow and include changes such as: the Committee will report to the Board on a semi-annual basis, shall consist of two Board Members, will be appointed annually by the Board Chair, the Board Chair shall appoint one of the Committee Members as Chairperson, the Committee will meet at least three times per year, special meetings may be called by the Committee Chair, and the Committee will not review Collective Bargaining Unit articles. Due to the lack of a quorum, this item was discussed by Committee Members and referred to the full Board for approval at the June 16, 2015 meeting.
- B. Quarterly Workforce Update Angie Hiers, Chief Human Resources Officer, presented the Ouarterly Workforce Update, bringing the following topics to the Committee for information: composition and assignment, historic staffing levels, demographics, turnover rates, turnover and risk categories, and attrition risk mitigation results. Ms. Hiers noted that currently the operations and maintenance staff comprises the largest category of employees at JEA. JEA's workforce numbers are currently stable. Data is continuously reviewed to ensure JEA is staffed correctly to maintain all goals. The data effective December 31, 2014, reflects that the population of employee's length of service in the group between 0-5 years has increased, while the 5-10year segment has doubled. Ms. Hiers stated that with the implementation of the succession planning initiative, JEA is better equipped to fill positions of those employees eligible for retirement. Ms. Hiers provided an overview of the Employee Satisfaction Mid-Year Report Out, which took place on May 21, 2015. As result of Town Hall Meetings, the October 2013 Employee Satisfaction Survey, and the information obtained from the employee focus groups formed in November 2013, a company-wide initiative was launched to increase the speed of change for JEA employee satisfaction and engagement. Nine teams consisting of 140 employees were formed. In May, a report was provided to Management and Bargaining Unit Leaders. A copy of the Employee Satisfaction and Engagement initiatives are located in the file. This item was received for information.
- C. Diversity, Inclusion, and Succession Outreach Strategy Angie Hiers, Chief Human Resources Officer, provided the Committee with an update on recent steps JEA is taking to create a diverse

June 3, 2015

workforce. Pat Sams, Emerging Workforce Strategies Program Manager, is currently conducting workforce analytics and serving as a talent sourcer. Along with Ms. Sams, Wes Grant, Manager Technical Utility Training, has conducted 21 outreach sessions in schools. The outreach sessions included videos, open houses, and agility test previews. Ms. Hiers stated the Water/Wastewater Apprenticeship Program will begin on June 12, 2015. In partnership with Brian Roche, Vice President/General Manager Water/Wastewater Systems, Ms. Sams is identifying colleges and universities that JEA can begin to work with to recruit minority students. Recently, eight employees of Job Corps were selected to shadow JEA's Water and Wastewater employees. Ms. Hiers also reviewed the various internship opportunities JEA is providing to students this year such as, the Mayor's Summer Internship Program, as well as internships with Edward Waters College, and various other schools including Florida State College at Jacksonville, who is receiving a grant for veterans. Additionally, JEA is reviewing the Lakeland Electric Academy located in Lakeland, FL, as a model for JEA to potentially partner with Duval County Schools to develop a similar program. This item was received for information.

- D. Civil Service/Employment Testing Process This item was not reviewed during the Committee Meeting.
- E. Announcements Mr. McElroy provided a brief update on recent public records requests.
 - 1. Committee Members agreed to schedule the next meeting in October 2015.
- F. Adjournment With no further business claiming the attention of this Committee, the meeting was adjourned at 1:28 PM.

APPROVED BY:

Wyman Winbush, Committee Chair Date: _____

Submitted by:

Melissa Charleroy Executive Assistant



June 4, 2015

SUBJECT:	ARTICLE: "NET METERING: THE DARK CLOUD IN A SUNNY SKY"
Purpose:	☐ Information Only ☐ Action Required ☐ Advice/Direction
powerful tool for	pports solar as an environmentally responsible source of generation. Solar could be a or us to comply with new environmental regulations. However, distributed solar presents xities around how we operate our system and how we bill our customers.
complexities th payments to di	This article provides a valuable viewpoint from a Harvard professor around these rough an overview of net metering, followed by discussions of inequitable cost distribution in fferent power producers, distortions in price signals based on production time of day, the late cost recovery for electric transmission and distribution, and alternative approaches to eration.
Effect: N/A	
Cost or Benef	it: N/A
Recommende	d Board action: This article is provided for information.
For additional	information, contact: Melissa Dykes
Submitted by: PEI	M/MHD/JER



Ver.2.0D 9/21/2013 jer



By Ashley C. Brown, Executive Director, Harvard Electricity Policy Group, John F. Kennedy School of Government, Harvard University

Distributed Solar PV continues to gain popularity with American consumers as an energy source. Solar installation costs are declining and customer choices are increasing. Electric utilities, especially public power utilities, are responding to customer needs and factoring solar into their resource mix and rate structures.

Unfortunately, some solar PV vendors, accustomed to taking advantage of flaws in tariff structures to enhance their profits, paint utilities as the villains who want to keep the sun from shining on their customers — and these vendors are seizing on the arcane nature of ratemaking to mislead the media and the public about costs and prices.

In reality, the growth of solar is impeded not by utilities but by well-intentioned but flawed policies and rate structures that have evolved with little or no thought in many states and fail to appropriately price the value and output of distributed solar

Distributed Solar PV has some very real benefits and long-term potential. The marginal costs of producing this energy are zero. Carbon emissions from the actual process of producing the energy itself, without taking the secondary effects into consideration, are also zero. The costs of solar PV panels have declined significantly in recent years, adding to its potential long-term viability, although as a recent study has pointed out, those reduced panels costs are being accompanied by increased installer charges which effectively preclude consumers from seeing the full savings associated with the declining costs.

In its current, most common configuration, however, solar PV has some drawbacks — it is intermittent, requiring backup from other generation sources. Its energy value is entirely dependent on when it is produced and its capacity value, given its intermittent availability, is, at best, marginal.

To fully develop solar as a cost-effective energy resource, it is imperative to provide **pricing that** offers incentives for productivity and reliability.

NET METERING TAKES US "BACKWARD"

Retail net energy metering, the most commonly used pricing methodology in the U.S., is a very seriously flawed scheme for pricing solar PV distributed generation because it:

- Overvalues the energy produced and the installed capacity by compensating at retail rather than `wholesale rates;
- Fails to cover the fixed costs of the distribution system and, therefore, requires heavy cross-subsidization by non-solar customers (in addition to the tax and REC/SREC subsidies it already receives;
- Is socially regressive, transferring wealth from less affluent to more affluent consumers. Hides actual costs and enables greater profitability for installers at a significant cost to consumers.

Let's look at the very nature of retail NEM. Meters run forward when solar PV DG customers are purchasing energy from the grid. When those customers produce energy and consume it on premises, the meter simply stops. When the customer produces more energy than is consumed on premises, the meter runs backwards. Thus the solar PV customer pays full retail value for all energy taken off the grid, pays nothing for energy or distribution when self consuming energy produced on premises, and is paid the fully delivered RETAIL price for all energy exported into the system. At the end of whatever period is specified, the meter is read and the customer either pays the net balance due, or the utility pays the customer for excess energy delivered. The reconciliation is made **without regard to when energy is produced or consumed.**

Many in the solar industry have come to recognize that NEM is no longer a defensible method for pricing solar DG.

NEM was never developed as part of a fully and deliberatively reasoned pricing policy. It is basically a default product of two no longer relevant considerations, one practical and the other technological. The practical reason is that distributed generation had such an insignificant presence in the market that its economic impact was marginal at best. Thus, no one was seriously concerned about "getting the prices right." The second, technological reason is that the meters most commonly deployed, especially at residential premises, until recently have had very little capability other than to run forward, backward, and stop. NEM was simple to implement and administer, and, there was no compelling reason to go to the trouble of remedying a clearly defective pricing regime.

Many states have now recognized the problems with NEM, but seeing no alternatives to it, put in place production caps to limit any harm caused by a clearly deficient pricing regime. In effect, the production limits are a statement by policy makers that they are using a seriously flawed system, and in effect, saying, "stop me before I do more damage."

PAYING RETAIL RATES FOR WHOLESALE DOES NOT MAKE ECONOMIC SENSE

Under NEM, when DG providers export energy into the system, utilities are required to pay them full retail rates for a wholesale product. What many energy experts agree upon is that solar PV DG provides an energy value, although there is considerable disagreement about what that value is. Solar proponents argue that it has a capacity value as well. I believe that value, if it exists at all, is minimal. It is also possible that DG, might relieve congestion on the transmission grid, although that is a matter of local conditions at any given moment in time and not necessarily always the case.

However, both energy and capacity are wholesale products and should be compensated as such. Absent a solar host leaving the grid, there is absolutely no reason to discriminate between wholesale and DG producers in regard to the fixed costs of the distribution system and its operations.

Solar providers don't provide distribution services. Under NEM, however, solar PV DG providers are not only relieved of their obligation to pay their fair share of the fixed costs, they are actually compensated at full retail prices for what they provide. That includes the not-insignificant cost of services that they, indisputably, do NOT provide, including distribution and administration costs. There simply can be no justification for forcing consumers to pay a provider for services they not only do not provide, but, in fact, have no capability to provide.

Solar PV DG producers remain connected to the grid, and unless they pair their solar arrays with battery storage (still a nascent and expensive technology), or perfectly timed demand response, they are fully reliant upon the grid 24 hours of the day, either to import or export energy, or for back up supply.. Under NEM, that solar PV DG producer is excused from paying his/her share of the costs of the distribution system when energy is being produced on premises. If the costs of the distribution costs are fixed, and do not vary with energy production or consumption. **So, excusing solar PV DG customers from paying for their own distribution costs at the time their solar units are functioning has no justification in either policy or economics.** As noted, of course, that ratemaking flaw is compounded by paying for energy as if it were a full retail product, when, in fact, it is not. In effect, solar PV DG providers under NEM are **compensated three times for the same thing,** the energy they produce, the full retail price above and beyond the energy, and being excused from paying their fair share of the fixed costs of the system on which they rely.

To make matters worse, **the costs solar PV DG providers do not pay under NEM are either reallocated to non-solar customers or have to be absorbed by the utility.** Both outcomes are unacceptable and unjustifiable. There simply is no reason why solar PV DG customers should receive much of their service compliments of either their neighbors or the utility. It runs directly contrary to the age old principle of both utility regulation and sound economic principle, namely that the "cost causer pays for the costs he/she causes to be incurred."

There is still another cross-subsidy. It relates to the intermittent nature of solar energy. No utility can fully rely on the availability of solar when it is needed. This gives rise to two types of cross-subsidy. The first arises when the distributor relies on the availability of solar for making day-ahead purchases, and the other arises when it does not do so. When it does rely on the availability of solar and it turns out that solar energy is not available when called upon, the utility is compelled to purchase replacement energy in the spot market at the marginal cost, which is almost certainly higher than the price of the solar energy on whose availability it had relied.

This is, in notable contrast to what happens in the wholesale market when a supplier who is relied upon fails to deliver. When a generator whose capacity is contracted for fails to deliver, he/she is required to pay the marginal cost of available energy. Solar DG providers, under net metering, assume no such risk. The incremental costs incurred by the failure of a solar DG provider to deliver when called upon are borne by the utility, which passes them on to all customers, as opposed to being borne by the specific solar PV DG customer whose failure to deliver caused the costs to be incurred.

The second cross subsidy arises if the distributor, in recognition of solar's intermittency, instead chooses to hedge against the risk of solar's unavailability, the cost of the hedge is likewise passed on to all customers rather than simply those whose supply unpredictability caused the cost to be

incurred. Because the solar provider assumes no risk associated with a failure to deliver, its capacity value is virtually nil. The essence of capacity value is that the generator can be called on to deliver and he/she either does so, or bears all of the risks associated with failure to deliver. Given that solar DG providers, under NEM, are not callable, their capacity value is, at best, very marginal.

TIME OF DAY MATTERS

Electricity prices can be quite volatile over the course of every day, and, of course, vary seasonally as well. Rather than reflecting those prices, **NEM simply treats all energy the same regardless of the time during which it is produced.** For example, it fails to differentiate between energy produced on peak and off peak. It pays off-peak solar PV DG a price that is averaged with on-peak prices, thus effectively over-valuing the off-peak energy. Conversely, if solar PV DG were actually produced on peak, NEM would average that price with off-peak prices, thus undervaluing the energy. Any form of dynamic pricing, ranging from time of use to real time, could address this issue with more precision than flat, averaged prices.

For example, Lakeland Electric, a public power utility in Florida, revised its net metering tariff so that customers who sign an interconnection agreement after October 1, 2015 will be on a demand pricing rate schedule. Residential customers will pay a \$4.80 per kW-month demand rate. They will still be credited at the energy rate, but the energy rate will now be lower. According to Lakeland's tariff, billing demand charge is based on the "maximum 30-minute integrated kilowatt demand in the month." This kW demand is intended to be a fair representation of the capacity that the utility is required to stand ready to supply to the customer.

Residential demand charges will enable solar PV customers to continue to receive a billing credit that is the same as the kWh energy charge, but these same customers will pay a higher proportion of their overall cost to the utility through the demand charge. This allows the utility to collect revenue from customers based on their peak usage each month.

If solar units produce on peak, they will be better compensated than if they are off peak, so

their financial performance will be driven in large part by their efficiency as producers. However, most solar vendors seek a pricing regime that has, at its core, the assurance of profitability, without regard to productivity or efficiency. NEM accomplishes that for them. The New York Times recently did a story showing one of the adverse consequences of NEM. The main incentive under net metering is to produce kWh without regard to the time it is produced, even though solar energy has greater value when it is coincident with peak than when it is not. To achieve that, most solar panels in the U.S. face south, an exposure that contributes to the fact that most solar production in the U.S. is off peak. Time sensitive pricing for solar, however, would incentivize solar installers and hosts to deploy panels for western exposure, a direction that would produce fewer kWh, but which would produce at the time it has the highest system value. Thus, simple retail NEM is a powerful price signal for inefficiency and reduced value. Rational price signals would do exactly the opposite, namely incentivize efficient production not sub-optimal performance.

SOLAR PRODUCERS DO NOT DISTRIBUTE, THE GRID DOES

Solar hosts, and I use that term to generically encompass both owners and lessees of solar panels, have very unique characteristics. They are users of the distribution system, either as active users or passive users (i.e., reliability backup), depending on when their panels are generating energy. They also depend on the system to deliver their excess output for sale. Under NEM they do not, however, pay for the service the grid provides them when they are consuming their own energy production.

Moreover, under NEM, they are paid as if they were providing distribution services even though they provide no such service. Those are a very unique set of characteristics that I do not believe are

shared by any other class of customers, and that justify the imposition of a facilities charge on them that may not be imposed on a different class of customer.

Indeed, the failure to recognize that solar hosts are a different type of customer, as is implicit in NEM, imposes more costs on non-solar customers and is, in fact, discriminatory as to those customers because it forces them to pay costs which they did not cause to be incurred.

In regard to the demand charge, solar PV DG customers are unique. They are intermittent and somewhat unpredictable generators of energy, but the utility has an open ended obligation to serve them. The utility will have to buy energy at the marginal cost to serve solar hosts when they fail to generate their own supply, or it will have to hedge against that contingency. Either way, those costs arise from the nature of solar PV DG and are attributable to the hosts of those facilities. It is hardly discrimination to compel a customer to pay for costs he/she caused to be incurred.

WE NOW HAVE ALTERNATIVES

We now have pricing methods that are more capable of measuring DG production as well as consumption on a more dynamic basis. In addition, solar DG market penetration has dramatically increased to the point that it can no longer be dismissed as marginal, so appropriate pricing is now a non-trivial issue.

We now, in our organized markets, have very precise, location-specific energy and transmission price signals (LMP) that provide a very transparent market price by which one can measure the economic value of distributed generation. Even in the non-organized markets, there are proxies for LMP that can be deployed and are able to achieve a reasonable approximation of LMP values. Coincident with the evolution of more sophisticated prices is the deployment of smart meters that are capable of measuring far more than gross input and output. In fact, NEM is a system that was put in place not as a rational, reasoned pricing system, but rather because with "dumb meters" and "dumb" energy prices, there were few options. Moreover, as long as solar DG deployment was not widespread, the actual costs associated with such an inferior pricing system were hardly worth worrying about. With smart meters, sophisticated wholesale pricing, and widespread use of solar DG, there can be no justification for reliance on a hopeless relic of a bygone era. It is now time for a full-blown policy consideration of the most appropriate pricing policy for distributed generation.

NEM reduces the competitiveness of the market. What some in the solar industry are seeking is not the right to compete, but rather the right to be compensated at arbitrarily high levels justified only by the highly inflated price derived from net metering, a primitive and unsophisticated relic of the age of dumb prices. The effect of the status quo on net metering is to require consumers to pay a higher price for a designated technology — distributed solar PV — and provide less market opportunity for other, more efficient producers. This is a point that was noted in a recent MIT study on "Future of Solar," which stated that solar DG should not be given a price advantage over larger scale, more efficient, solar, and that pricing solar based on kwh produced, rather than stimulating solar energy, could, in fact impede its development. The logic is quite simple. Subsidizing without end, a product that is inefficient and not competitive with other sources of comparable energy (e.g. large scale solar), rewards lack of productivity and provides absolutely no incentive for improvement.

The solar PV industry could play a constructive role in increasing the level of competition, but to do that they would have to increase their productivity and give up their demands for prices substantially higher than those earned by their more efficient competitors.

Utility-proposed alternatives to net metering would certainly not deprive solar generators of the right to compete. In fact, quite the opposite is the case. Utilities can enable solar PV to participate in the market on a fair, relatively level, and open basis.

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Posted on May 27, 2015 by Ashley C. Brown, Public Power.org

Many utilities are prepared to purchase any energy produced by distributed solar that is in excess of what is required on the premises of the solar host. In fact, this would provide some competitive advantage to solar PV DG because it would provide an assurance of purchase without asking for a reciprocal commitment of guaranteed delivery.

If utilities pay all energy producers, large or small, central or distributed, at the locational market price, it has the advantage of bundling both transmission costs or savings and energy costs. It is a rather level playing field for all generators, with a slight advantage to solar PV DG because, again, it assures purchase without assured delivery.

Solar PV will realize its full potential, and benefit all parties, especially electricity customers, only when we get rid of outdated pricing policies. Every community should be allowed to decide what's fair and what's feasible for it. The objective should be price signals that incentivize efficiency and productivity, that result in cost savings for consumers, and that are not socially regressive.

- See more at: http://blog.publicpower.org/sme/?p=576#sthash.1e3wnQch.dpuf





Ashley C. Brown

Executive Director, Harvard Electricity Policy Group, John F. Kennedy School of Government, Harvard University



JEA Operations Report as of May 31, 2015

Board of Directors Meeting June 16, 2015



JEA Safety (May 31, 2015)

Units	FY2015 YTD	FY2015 Target	FY2014	FY2013
RIR	1.55	1.20	2.29	1.84

- RIR = 2.29
- # of Recordables = 46
- May YTD Recordables = 31

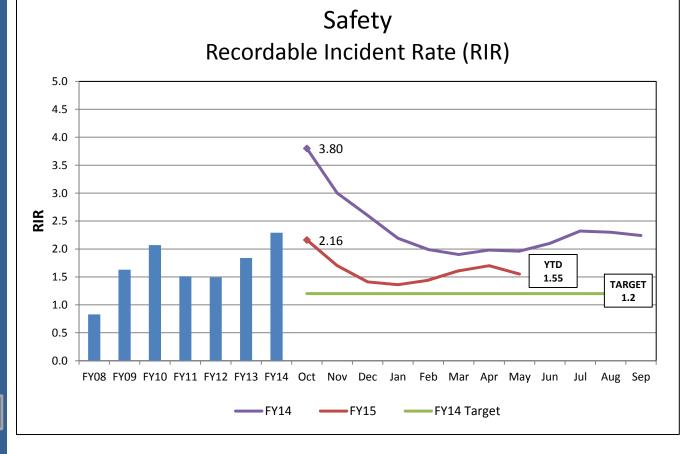
FY2015

FY2014

- May Recordables = 1
- May YTD Recordables = 21 6 were lost time (29%)
 - Electric Systems = 14
 - Water/WW Systems = 6
 - Financial/Logistics Support = 1
- Continuing "Planning for Zero" Program
- Maintaining focus on severity and lost time incidents

Industry Benchmarks*

Average Municipal Utility RIR is 6.3

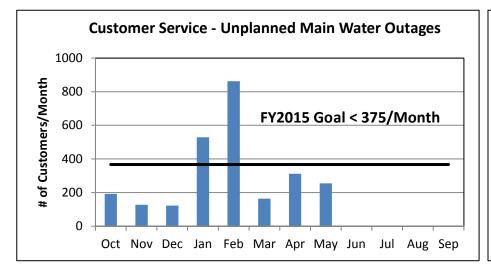


*Provided by Bureau of Statistics



JEA FY2015 Performance Objectives Water and Wastewater System Reliability

Water Grid Performance	Metric	FY2015 YTD	FY2015 Target	FY2014	FY2013
Water Main Outages	# of Customers per Year	2,565	4,500	4,645	3,671



Unplanned Water Outages

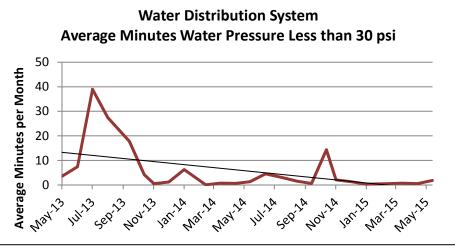
of Customers Affected by Unplanned Outages

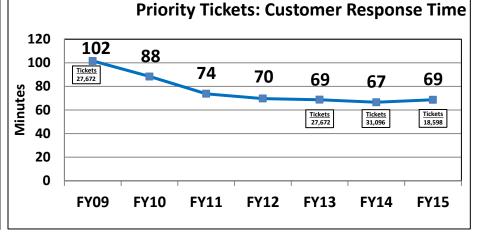
Water Pressure

Measured by 109 pressure monitoring stations in the distribution system

Customer Response Time

Average time from a customer call to the ticket completion or transfer to a field crew for repair





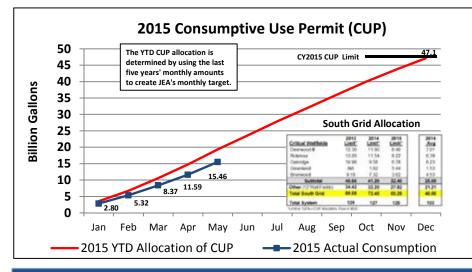
3

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



Environmental Compliance Water and Wastewater System

Compliance	Metric	FY2015 YTD	FY2015 Target	FY2014	FY2013
Water	CUP Limits (MGD) – CY basis	102	129	104 (127 limit)	100 (126 limit)
Sewer	Nitrogen (N) Tons – FY basis	371	650 (TMDL of 720*)	577	767 (1536 limit)



St. Johns River Water Management CUP

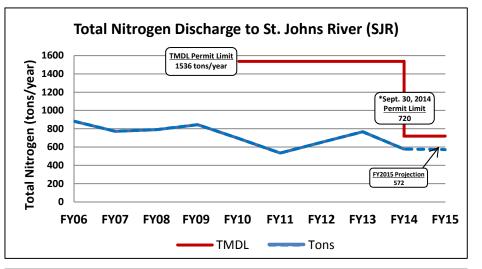
YTD average daily flow is 21% below CY limit of 129 MGD, and the YTD South Grid consumption is below allocation limits

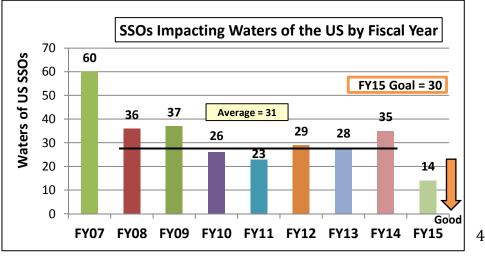
Nitrogen Discharge to St. Johns River (SJR)

Florida Department of Environmental Protection (FDEP) has set the Total Maximum Daily Load (TMDL) at 720 tons

Sanitary Sewer Overflows (SSOs)

Quote from FDEP: "Since 2007, JEA has reduced the number of SSOs by almost 60%. However, it must be stressed that the volume of SSOs has been reduced by 90%."



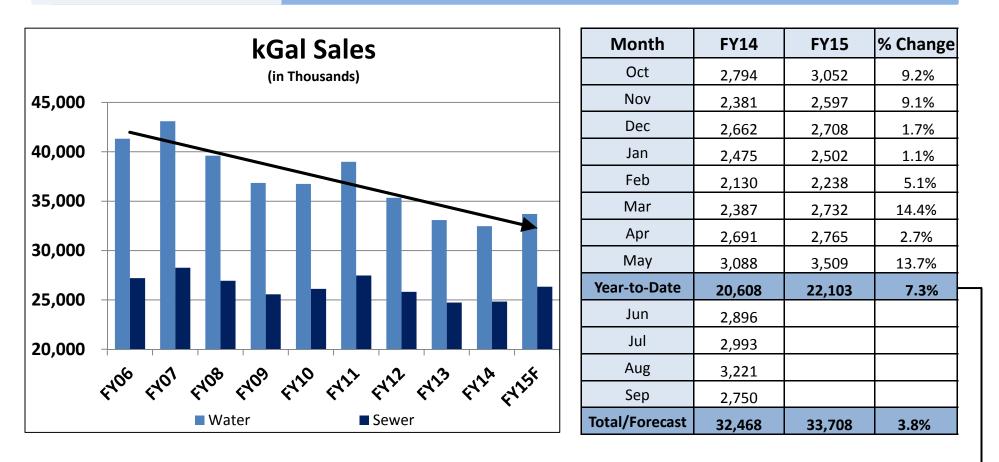


33



JEA Water and Sewer System kGal Sales

in Thousands)



Unit Sales Driver: Rainfall is down 9 inches, rain days are down 17 from prior year.

YTD Rain				
	<u> 30-Yr. Avg.</u>	<u>FY14</u>	<u>FY15</u>	
Inches	24	31	22	
Days	59	69	52	

Total System	7.3%	←
Residential	5.9%	
Comm./Industrial	5.2%	
Irrigation	18.7%	5



JEA Water and Sewer System Financial Results and Cost Metrics

(\$ in thousands)

Revenues	FY15 Forecast	FY14 Actual	FY15 Budget	FY15F vs FY14 (\$)	Variance (%)
Water & Sewer Revenues	\$ 387,202	\$ 375,372	\$ 390,392	\$ 11,830	3.2%
Other Revenue	33,617	32,518	28,868	1,099	3.4%
Total Revenues	\$ 420,819	\$ 407,890	\$ 419,260	\$ 12,929	3.2%
	1	\$2M			
Select Expenses					
O & M Expense	\$ 127,337	\$ 119,466	\$ 136,523	\$ (7,871)	-6.6%
Net Revenues	\$ 289,999	\$ 281,727	\$ 279,426	\$ 8,272	2.9%
	1	\$11M			
Capital Expenditures	\$ 110,409	\$ 76,852	\$ 130,900	\$ (33,557)	-43.7%
Debt Service	\$ 103,868	\$ 114,372	\$ 124,443	\$ 10,504	9.2 %

Metrics	FY15 Forecast	
Coverage:	2.8x	
Days Cash/Liquidity:	116 / 232	
Debt/Asset:	54% (2% lower)	
Total Debt:	\$1.8B (\$44M lower)	

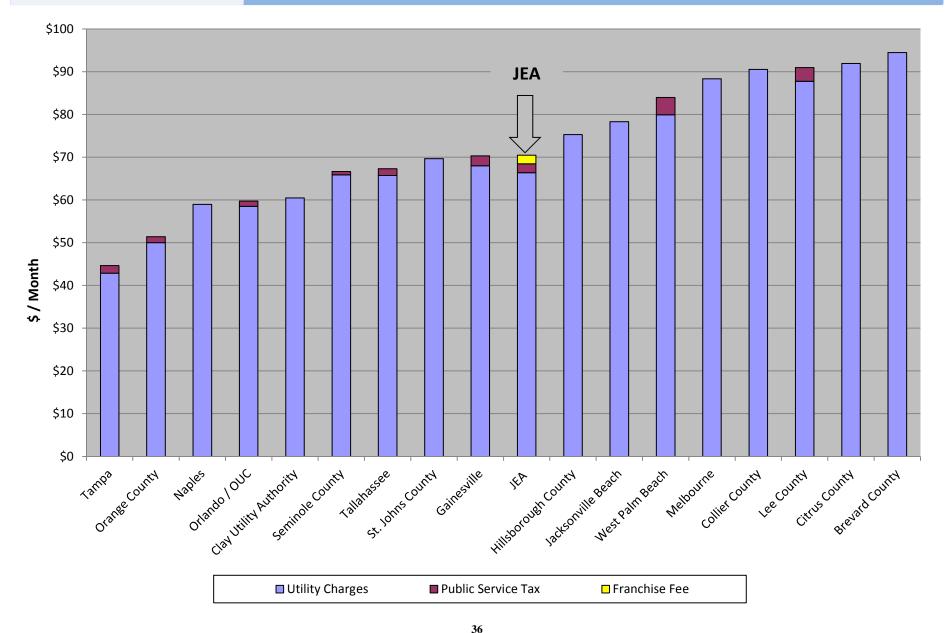
Cost / KGal	Water	Sewer
Target	\$ 4.47	\$ 7.96
Forecast	4.22	7.52
Difference	\$ 0.25	\$ 0.44
Difference	\$ 0.25	\$ 0.4



Water & Wastewater Rates in Florida

Residential Service with a 5/8" Meter and 6 kgals of Consumption (as of June 2015)

7





JEA FY2015 Performance Objectives Electric System Reliability Metrics

T&D Grid Performance	Metric	FY2015 YTD	FY2015 Target	FY2014	FY2013
Customer Outage Frequency	# of Outages per Year	1.60	1.8	1.7	1.7
Electric Service Available	% Available	99.984	99.985	99.987	99.987
Transmission Line Faults	# of Faults	3.4	3.5	2.4	3.8
CEMI ₅	% Customers > 5 outages	1.85	1.5	2.34	N/A

Electric Service Reliability

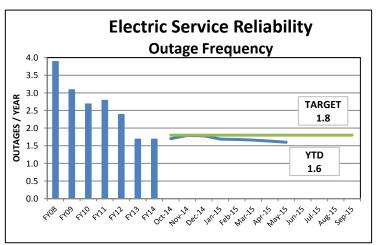
- Outage frequency and duration has been cut in half over the last 6 years; running flat this year and near the FY2015 targets
- The typical JEA customer sees 1.6 outages per year and a total outage duration of 86 minutes
- CEMI₅: 8,372 (1.85%) of our customers have experienced more than 5 outages in the past 12 months

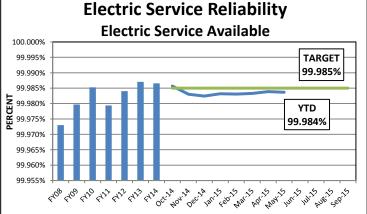
Transmission Line Reliability

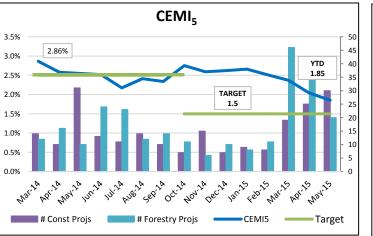
- Overall downward trend over the last six years
- YTD running below FY15 target

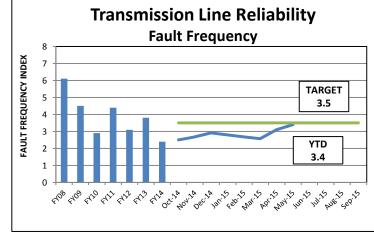
Other Operational Metrics

• Continue showing favorable trends over time





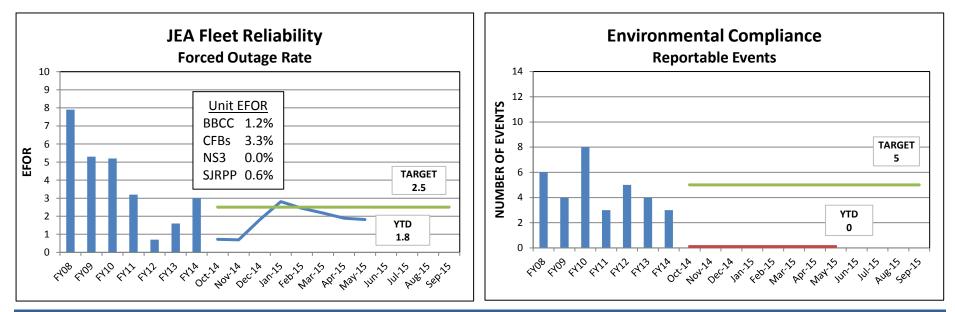






JEA FY2015 Performance Objectives Electric System Reliability Metrics

Generating Plant Performance	Metric	FY2015 YTD	FY2015 Target	FY2014	FY2013
Generation Fleet Reliability	Forced Outages Rate	1.8	2.5	3.0	1.6
Environmental Compliance	Permit Exceedances	0	5	3	4



Generating Fleet Reliability

- The JEA fleet Forced Outage Rate is in line with prior 6-year performance and under FY15 target
- Planned outage work was successfully completed in the Fall on NS1, NS2, and BBCC; and in the Spring on both SJRPP units
- Favorable performance contributes to lower fuel and non-fuel expenses

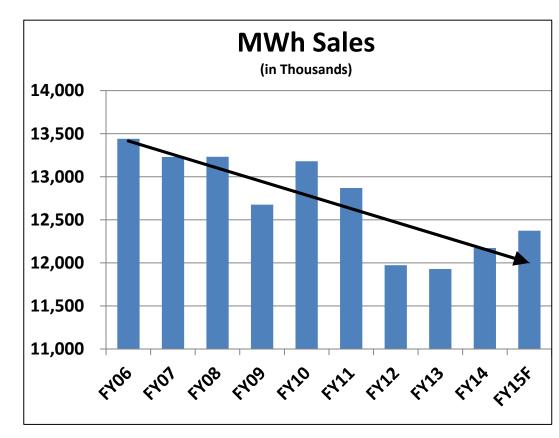
Environmental Compliance

- Zero reportable events through first 8 months
- Excellent performance in prior years, with no air permit violations
- Mercury Air Toxics Standards (MATS) effective April 2015



JEA Electric System

MWh Sales



Month	FY14	FY15	% Change
		_	1.3%
Oct	959,319	971,595	1.5%
Nov	835,344	895,617	7.2%
Dec	914,615	943,753	3.2%
Jan	1,104,547	1,035,621	(6.2%)
Feb	843,507	934,102	10.7%
Mar	933,671	898,524	(3.8%)
Apr	900,972	954,803	6.0%
May	1,028,801	1,062,459	3.3%
Year-to-Date	7,520,776	7,696,474	2.3%
Jun	1,124,764		
Jul	1,207,001		
Aug	1,255,262		
Sep	1,064,186		
Total/Forecast	12,171,989	12,372,882	1.7%

Unit Sales Driver: YTD degree days were 5% higher than last year.

YTD Degree Days									
30-yr. Avg. FY14 FY15									
2,112 2,103 2,206									

Total System	2.3%
Residential	3.5%
Comm./Industrial	1.3%
Interruptible	4.6%
Wholesale (FPU)	(2.3%)

39



JEA Electric System Financial Results and Cost Metrics

Non-Fuel \$ 54.73

50.45

4.28

(\$ in thousands)

Revenues	FY15 Forecast	FY14 Actual	FY15 Budget	FY15F vs FY14 (\$)	Variance (%)
Fuel Revenue	\$ 483,176 ¹	\$ 498,930 ²	\$ 516,398	\$ (15,754)	-3.2%
Base Revenue	739,341	725,203	711,462	14,138	2.0%
Other Revenue	38,926	39,571	42,626	(645)	-1.6%
Total Revenues	\$ 1,261,443	\$ 1,263,704	<u>\$ 1,270,486</u>	\$ (2,261)	-0.2%
	1	\$(9M)			
Select Expenses					
Fuel Expense	\$ 442,215	\$ 501,763	\$ 503,519	\$ 59,548	11.9%
Fuel Fund Transfers	40,961	(2 <i>,</i> 833)	12,879	(43,794)	
O & M Expense	198,214	168,688	207,337	(29,526)	-17.5%
Non-fuel Purchased Power	103,645	194,030	123,663	90,385	46.6%
Net Revenues	\$ 464,101	\$ 389,604	\$ 414,571	\$ 74,497	19.1%
		\$50M			
Capital Expenditures	\$ 132,403	\$ 86,155	\$ 129,000 ³	\$ (46,248)	-53.7%
Debt Service	\$ 182,040	\$ 161,509	\$ 196,591	\$ (20,531)	-12.7%

Financial Metrics	FY15 Forecast
Coverage:	2.6x
Days Cash/Liquidity:	160 / 276
Debt/Asset:	72% (2% lower)
Total Debt:	\$3.2B (\$215M lower)

Fuel Fund (\$ in n	nillions)
Beginning Balance	\$ 105
Surplus/(Deficit)	91
Fuel Credit	(50)
Ending Balance	\$ 146

¹ Net of \$50 million fuel credit in April bill

² Net of \$26 million fuel credit in FY14

³ Council approved limit for capital expenditures in FY15 is \$150 million

Electric Costs / MWh

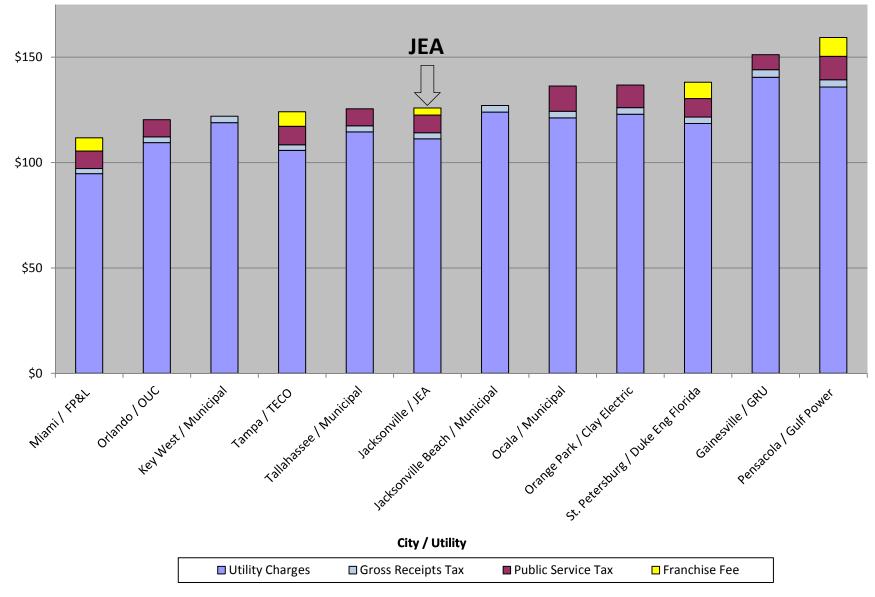
Target Forecast

Difference



Residential Electric Bill Comparison Consumption @1,000 kWh

(as of June 2015)



41

12

FY15 Customer Satisfaction Goal

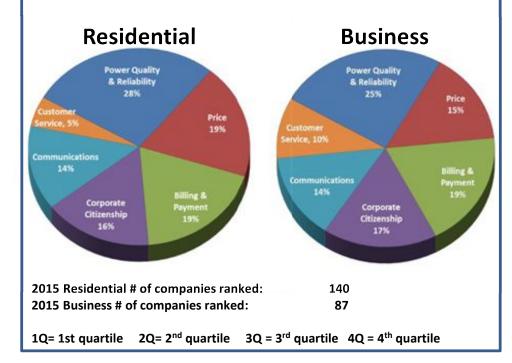
Achieve National 2nd Quartile Ranking for Residential and 1st for Business on the J.D. Power Customer Satisfaction Index

Residential (R)

F١	′13	FY	FY14 Wave 1		ve 1	Wa	Wave 2 Wave		ve 3	3 Wave 4		FY15 YTD	
3Q	640	3Q	647	1Q	701	3Q	663	1Q	709			1Q	691

Business (B)

FY	′13	FY14		Wave 1		Wave 2		FY15 YTD	
4Q	619	1Q	682	1Q	723	2Q	686	1Q	705



Improve Quartile Rankings from FY14

Be Easy to Do Business With

Cu	Customer Service											
	FY14 Wave 1			Wa	Wave 2		ve 3	Wave 4	FY15 YTD			
R	2Q	731	1Q	799	3Q	717	1Q	767		1Q	761	
В	2Q	716	1Q	757	2Q	750				1Q	754	

Power Quality & Reliability

	FY14 Wave 1		Wa	ve 2	Wave 3 Wave 4			FY15	FY15 YTD			
R	3Q	701	2Q	743	3Q	703	1Q	755			2Q	734
В	2Q	721	1Q	763	3Q	709					2Q	736

Billing & Payment

	FY	14	Way	ve 1	Wa	ve 2	Way	ve 3	Wa	ve 4	FY15	YTD
R	2Q	736	1Q	762	2Q	740	1Q	764			1Q	755
В	1Q	740	1Q	754	1Q	758					1Q	756

Empower Customers to Make Informed Decisions

Communication

	FY	14	Wa	ve 1	Wa	ve 2	Way	ve 3	Wa	ve 4	FY15	YTD
R	2Q	600	1Q	669	3Q	620	1Q	667			1Q	652
В	1Q	627	1Q	679	2Q	618					1Q	648

Price FY14 Wave 1

	FY	14	Way	ve 1	Wa	ve 2	Way	ve 3	Way	ve 4	FY15	S YTD
R	4Q	538	1Q	626	3Q	588	1Q	635			2Q	616
В	2Q	612	1Q	674	2Q	625					1Q	650

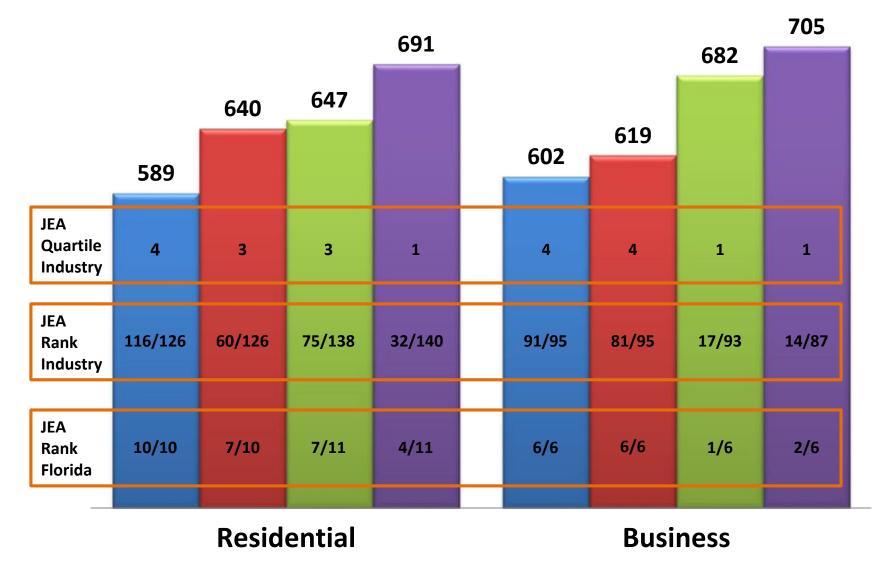
Demonstrate Community Responsibility

Corporate Citizenship

	FY	14	Wa	ve 1	Wa	ve 2	Wa	ve 3	Way	ve 4	FY15	YTD
R	2Q	592	2Q	644	3Q	601	1Q	658			2Q	634
В	1Q	635	1Q	687	1Q	659					1Q	673

Customer Satisfaction Index Scores

■ 2012 ■ 2013 ■ 2014 ■ 2015 *



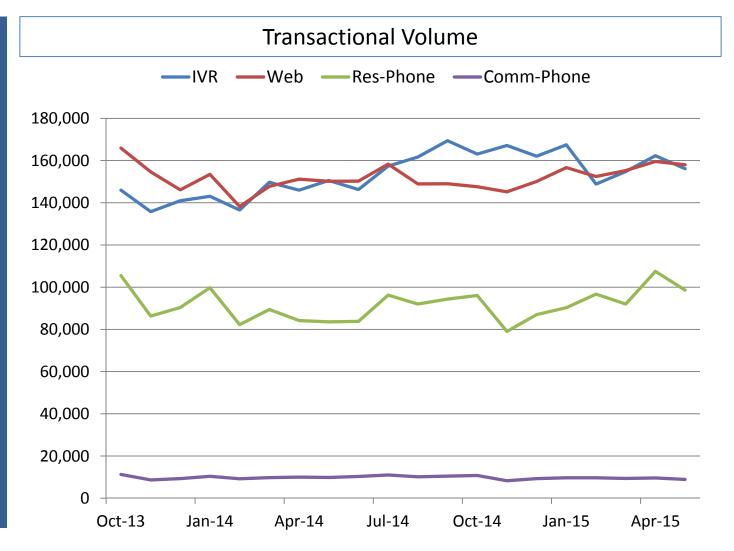
Easy to Do Business With

Customer Service

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

Customer Satisfaction by Channel -- JDP

	FY 14	FY15
Phone	68.0%	66.4%
IVR	54.7%	67.9%
Web	59.6%	69.6%





15

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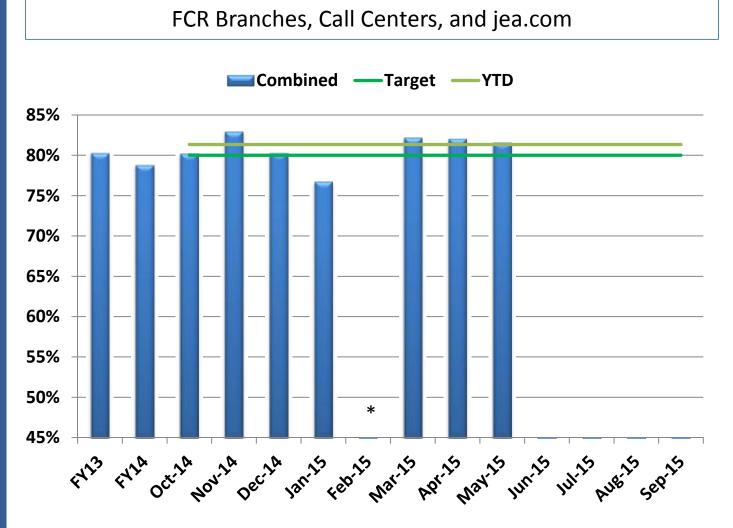
Easy to Do Business With

Customer Service

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

FY2015 YTD

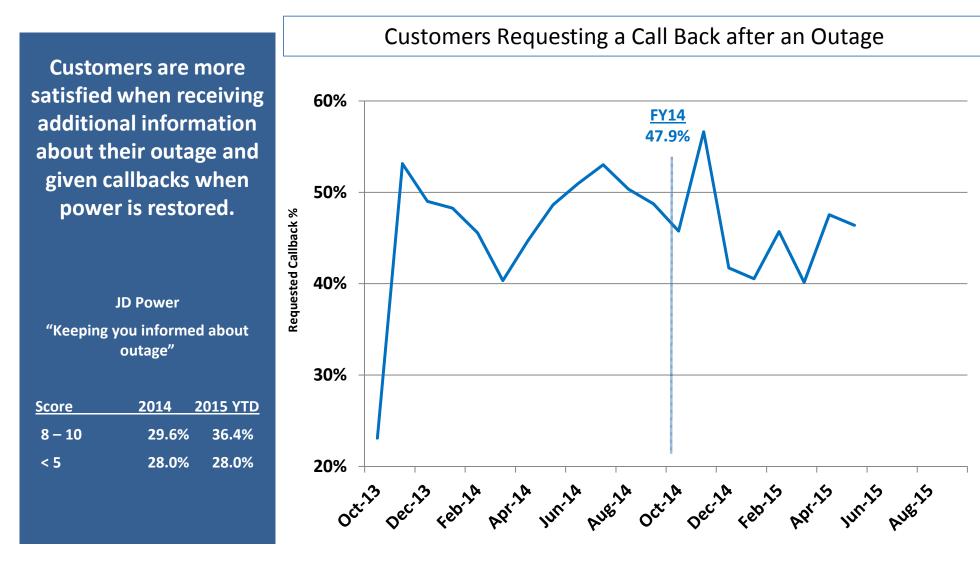
2015 JD Power FCRResidential CC72.5%Jea.com83.8%Business CC73.8%





Easy to Do Business With

Power Quality and Reliability



JEA

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Empowering Customers to Make Informed Decisions

Billing & Payment

Customer Solution Participation	2015 Goal	FY14	FY15	Status
e-Billing Participation	62,000	48,900	56,932	On Track
Budget Bill Participation	30,000	15,394	18,127	Not On Track
Auto Pay Participation	35,012	25,012	28,245	Not On Track
JEA MyWay Participation	8,750	5,675	7,464	On Track

April – May campaign for Auto Pay complete. Nearly 1,000 new enrollees signed up during this time.

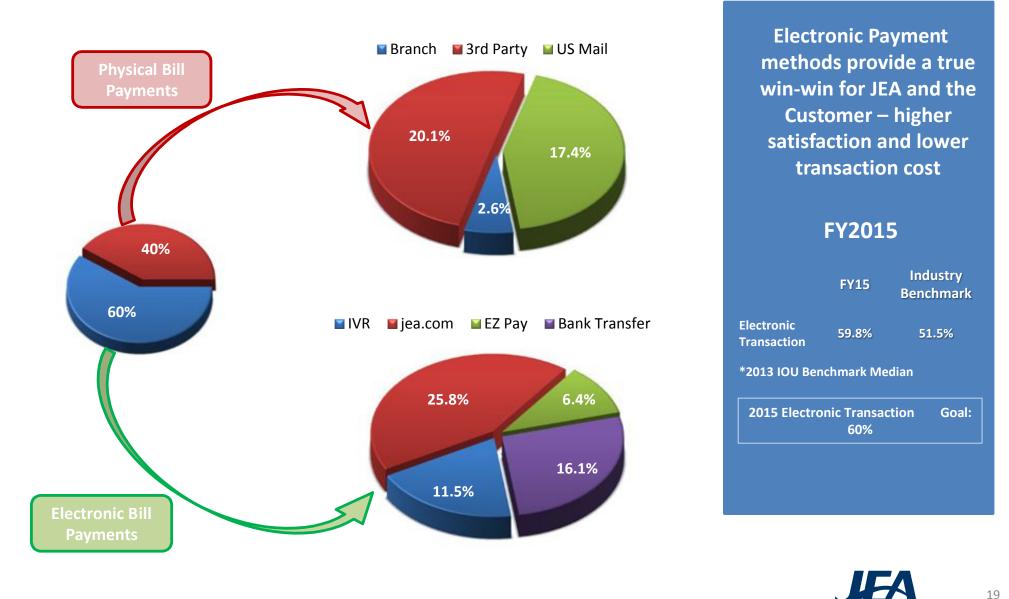
Research study on JEA MyBudget recently completed. Study was designed to provide insight into customer understanding of this program and how to better position.

	FY15	Industry Benchmark*			
e-Bill	14.6%	14.5%			
Budget Bill	4.6 %	11.0%			
Auto Pay	7.2%	14.0%			
*2013 IOU Benchmark Median					



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Empowering Customers to Make Informed Decisions Billing & Payment



Empowering Customers to Make Informed Decisions

Communication

Communicating with customers about utility programs and services that impact them is a key driver to satisfaction

JDP Comm Awareness

Residential	
FY13	48.8%
FY14	51.9%
FY15	54.2%

Commercial

FY13	53.4%
FY14	55.7%
FY15	70.4%



Hurricane Restoration It's Time to Update



ELECTRIC SAFETY

no lane nor parente colt 48 a 80 inseas" a consel the parente check to par hand a di table the using an obsention colt is power a de aplatena, pare tree the parenter cold distor" the parente here and easy of which or most an injeg to the Parent and the mandachers's



JEA JEA

The Reiman family would like to thank you for when you IMAveOver and takes their husband/daddy safe! (2) https://www.jea.com/move-over/

Environment



Communication Channels FY15 Volume: 299,505,938

- e-Com
 (jea.com, email, social)
 15,247,719
- Paid Media (Radio, TV, Print) 80,105,330
- Community Engagement (Events, Workshops) 375,622
- Other Communication (Bill Inserts, Brochures, 8,661,440
- Earned Media 195,115,938



the farmer in



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Follow us on Twitter

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

May- 94 Volunteers

- First Coast Kids Triathlon
- The Players Championship
- Achievers for Life
- TourdeCure
- Jacksonville Jazz Festival
- Miracle on Ashley Street
- HabiJax Build –multiple dates
- Undie Collection Drive benefiting Dignity U Wear--256 items collected

June-Vol. Events

- Food Fight benefitting Lutheran Social Services – June 4
- Sulzbacher Center for the Homeless June 4
- Feeding NE Florida Food Bank June 19
- Sulzbacher Center for the Homeless June 29
- HabiJax Build June 4, 5, 11, 12, 18, 19, 25, 26

Corporate Citizenship



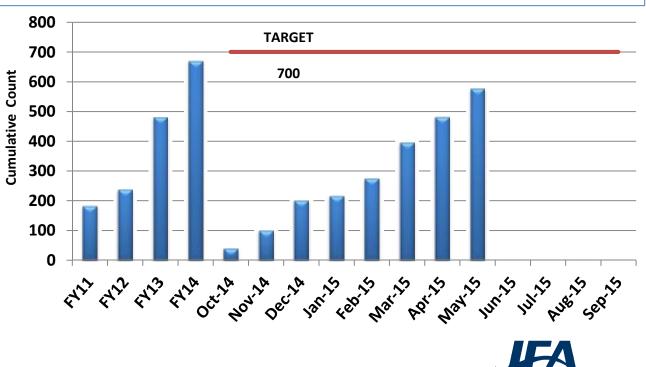
Charlene West Office Support Associate, HR JEA Employee Volunteer of the Month



JEA employees brought along their fury friends to hit the trails for the annual Charity Walk benefitting Community Health Charities!



JEA Employee Volunteer Participation Community Service



Corporate Citizenship

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

FY15 Activities:

- Speakers Bureau—58
- Facility Tours—16
- Community Events—45
- Educational Partnership Activities—35





JEA Ambassadors at World of Nations: Daryl Davis, CCC Yolanda Rapasky and Meter Specialist Senior John Funches work the crowd and engage both young and old with the Conservation Wheel at the World of Nations.

JEA Ambassador Program



3rd Annual STEM Festival at River City Science Academy :

Doug Chrystie participated in the 3rd Annual STEM Festival at River City Science Academy and the kids got a kick out of the difference in the amount of heat and energy between the different lightbulbs used in homes.



Corporate Citizenship: Environmental

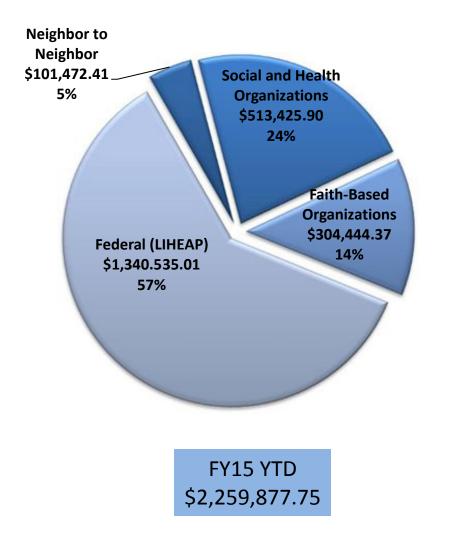
DSM Programs & Participation	2015 Goal	FY14	FY15	Status
Efficiency Assessment	22,400	24,462	13,612	On Track
Electric Efficiency Online Assessment	15,100	14,975	6,995	Not On Track
Electric and Water Efficiency in-home Assessment	8,900	8,967	6,240	On Track
Irrigation Efficiency at home Assessment	500	520	377	On Track
Invest Smart & Shop Smart	70,290	65,313	65,022	On Track
Neighborhood Energy Efficiency	1,132	1,140	779	On Track
Electric Vehicle Rebates	150	N/A	31	Not On Track



L-R: Jerome Williams, Jason Chesser, JEA NEE Program Manager Payson Tilden, Cliff Ford The Atlanta-based company of GoodCents Energy has recognized JEA's Neighborhood EE team with an annual Excellence Award for their performance in customer satisfaction. The team's scores are excellent on all client evaluation and production reports, and they have hit targeted goals every year since 2009. Great Job Team!

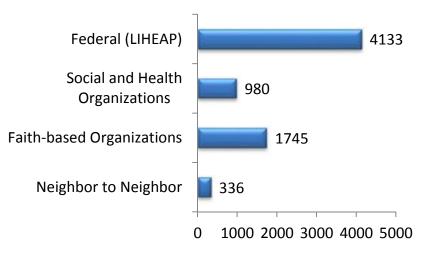


Corporate Citizenship: Customer Assistance Funding



28 agencies provided 839 utility payments in May 2015 totaling \$250,724.24





YTD Agency Payments 7,194



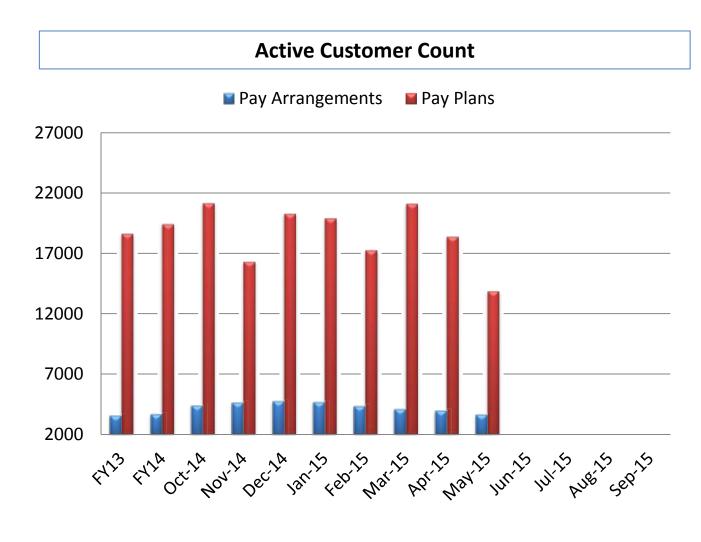
Corporate Citizenship: Customer Assistance

JEA works with customers during times of financial stress, offering assistance through Payment Plans and Payment Arrangements

Write-offs YTD Combined – 0.17% Residential – 0.16% Commercial – 0.01%

Receivables YTD < 30 Days = 83.5% Goal > 82%

> 90 Days = 1.8% Goal < 2%







JEA Monthly Financial Summary as of May 31, 2015

Board of Directors June 16, 2015



Key Financial Metrics

	Year-to	o-Date	FY2		
Electric System	FY2015	FY2014	Forecast	Target	Result
Debt Service Coverage	2.5x	2.4x	2.6x	≥ 2.2x	1
Days Liquidity	263	251	276	150 to 250 days ¹	~
Days Cash on Hand	150	142	160		~
Debt to Asset %	72%	75%	72%	72% ²	1

Water and Sewer System	FY2015	FY2014	Forecast	Target	Result
Debt Service Coverage	2.9x	2.4x	2.8x	≥ 1.8x	~
Days Liquidity	238	207	232	≥ 100 days	~
Days Cash on Hand	125	99	116		~
Debt to Asset %	54%	58%	54%	55% ³	~

¹ Moody's Aa benchmark: 150 to 250 days

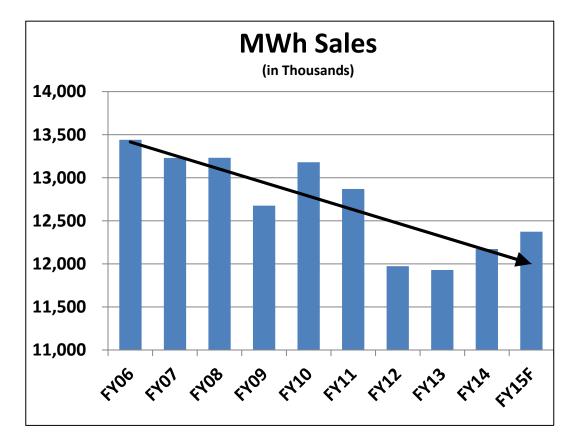
² Long-term target is 60%

³ Long-term target is 50%: calculated peer group from Moody's large Aa rated public water-sewer utilities



JEA Electric System

MWh Sales



Month	FY14	FY15	% Change
Oct	959,319	971,595	1.3%
Nov	835,344	895,617	7.2%
Dec	914,615	943,753	3.2%
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Sep	1,064,186		
Total/Forecast	12,171,989	12,372,882	1.7%

Unit Sales Driver: YTD degree days were 5% higher than last year.

YTD Degree Days			
<u>30-yr. Avg.</u>	FY14	<u>FY15</u>	
2,112	2,103	2,206	

Total System	2.3%	
Residential	3.5%	
Comm./Industrial	1.3%	
Interruptible	4.6%	
Wholesale (FPU)	(2.3%)	

3



JEA Electric System Financial Results and Cost Metrics

(\$ in thousands)

Revenues	FY15 Forecast	FY14 Actual	FY15 Budget	FY15F vs FY14 (\$)	Variance (%)
Fuel Revenue	\$ 483,176 ¹	\$ 498,930 ²	\$ 516,398	\$ (15,754)	-3.2%
Base Revenue	739,341	725,203	711,462	14,138	2.0%
Other Revenue	38,926	39,571	42,626	(645)	-1.6%
Total Revenues	\$ 1,261,443	\$ 1,263,704	\$ 1,270,486	\$ (2,261)	-0.2%
	•	\$(9M)			
Select Expenses					
Fuel Expense	\$ 442,215	\$ 501,763	\$ 503,519	\$	11.9%
Fuel Fund Transfers	40,961	(2 <i>,</i> 833)	12,879	(43,794)	\sim
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Net Revenues	\$ 464,101	\$ 389,604	\$ 414,571	\$ 74,497	19.1%
		\$50M			
Capital Expenditures	\$ 132,403	\$ 86,155	\$ 129,000 ³	\$ (46,248)	-53.7%
Debt Service	\$ 182,040	\$ 161,509	\$ 196,591	\$ (20,531)	-12.7%

Non-Fuel
\$ 54.73
50.45
\$ 4.28

Fuel Fund (\$ in m	illions)
Beginning Balance	\$ 105
Surplus/(Deficit)	91
Fuel Credit	(50)
Ending Balance	\$ 146

¹ Net of \$50 million fuel credit in April bill

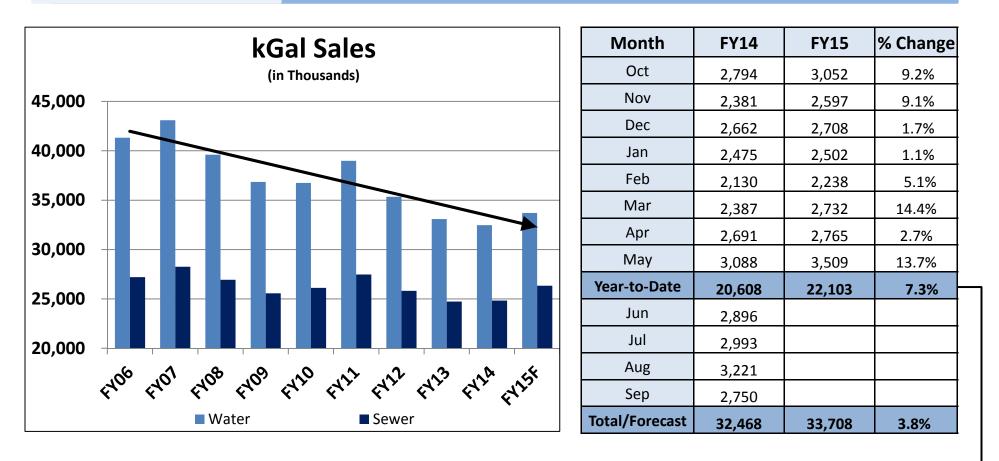
² Net of \$26 million fuel credit in FY14

³ Council approved limit for capital expenditures in FY15 is \$150 million



JEA Water and Sewer System kGal Sales

in Thousands)



Unit Sales Driver: Rainfall is down 9 inches; rain days are down 17 from prior year.

	YTD Rain	l	
	<u>30-Yr. Avg.</u>	<u>FY14</u>	<u>FY15</u>
Inches	24	31	22
Days	59	69	52

Total System	7.3%	←
Residential	5.9%	
Comm./Industrial	5.2%	
Irrigation	18.7%	5



JEA Water and Sewer System Financial Results and Cost Metrics

(\$ in thousands)

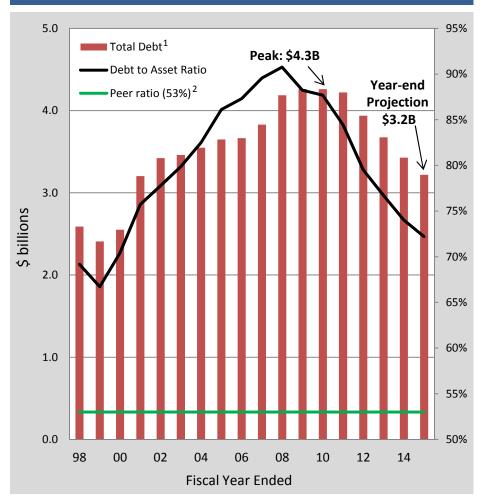
Revenues	FY15 Forecast	FY14 Actual	FY15 Budget	FY15F vs FY14 (\$)	Variance (%)
Water & Sewer Revenues	\$ 387,202	\$ 375,372	\$ 390,392	\$ 11,830	3.2%
Other Revenue	33,617	32,518	28,868	1,099	3.4%
Total Revenues	\$ 420,819	\$ 407,890	\$ 419,260	\$ 12,929	3.2%
		\$2M			
Select Expenses					
O & M Expense	\$ 127,337	\$ 119,466	\$ 136,523	\$ (7,871)	-6.6%
Net Revenues	\$ 289,999	\$ 281,727	\$ 279,426	\$ 8,272	2.9%
	▲	\$11M			
Capital Expenditures	\$ 110,409	\$ 76,852	\$ 130,900	\$ (33,557)	-43.7%
Debt Service	\$ 103,868	\$ 114,372	\$ 124,443	\$ 10,504	9.2%

Cost / KGal	Water	Sewer
Target	\$ 4.47	\$ 7.96
Forecast	4.22	7.52
Difference	\$ 0.25	\$ 0.44
Difference	۶ U.2J	- 3 0.44

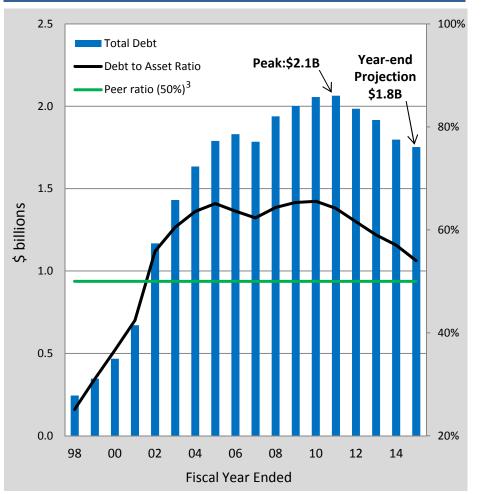


JEA Debt and Debt to Asset Ratios

Electric System



Water and Sewer System



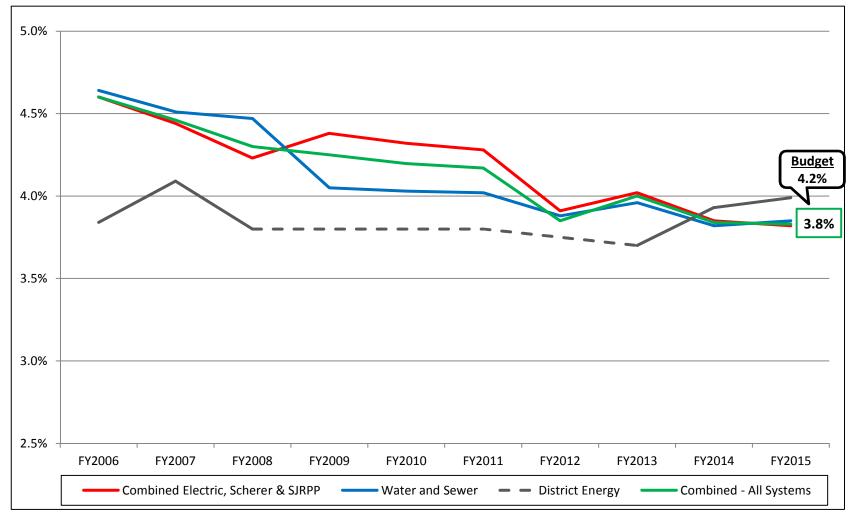
¹ Includes JEA, Scherer and SJRPP

² Per Moody's Special Comment, June 2014

³ As calculated from Moody's data for large Aa rated public water-sewer utilities



Combined Debt Outstanding Weighted Average Interest Rates^{*}

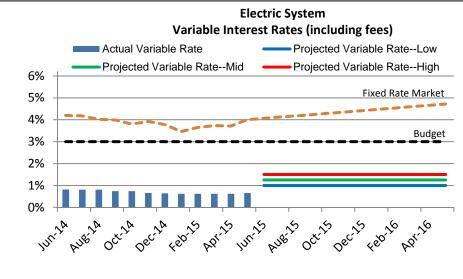


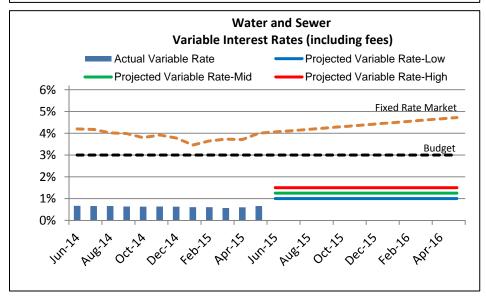
- Fiscal year end interest rates are net of BABs subsidy, original issue premiums / discounts and includes variable debt liquidity / remarketing fees and interest rate swap payments.
- – – During FY2008 FY2013 DES was funded with variable rate debt at an average of 1 percent.



Variable Rate Debt Risk Analysis







Total variable rate debt of \$931 with \$532 swapped to fixed rate
--

Liquidity Facilities and D	Direct Purchase Bonds (D	PBs)	
Bank	Long-Term Ratings Moody's/S&P/Fitch	\$ (in millions)	%
JP Morgan Chase Bank N.A.	Aa3/A+/AA-	\$240	27
Wells Fargo Bank N.A. (100% DPBs)	Aa2/AA-/AA	228	25
Royal Bank of Canada	Aa3/AA-/AA	193	22
US Bank, N.A.	Aa1/AA-/AA-	149	17
Sumitomo	A1/A+/A-	52	6
State Street Bank	A1/AA-/AA	31	3
Total		\$893	

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

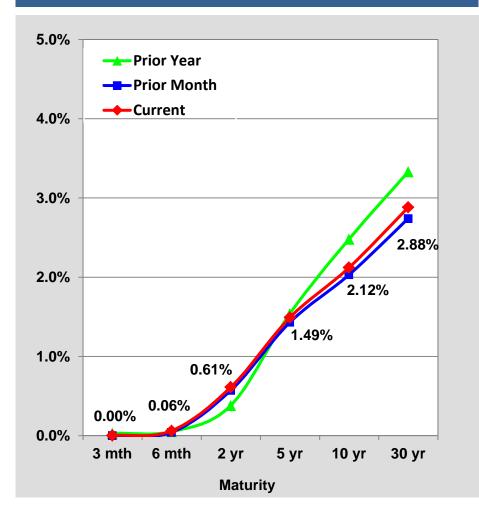
Items of Interest

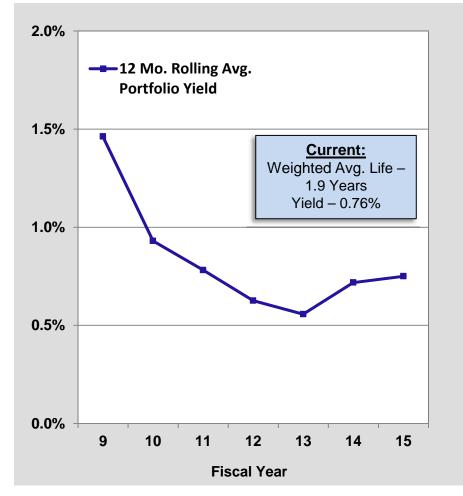
- Variable debt as a percentage of total debt:
 - Unhedged variable at 7% for Electric and 9% for Water & Sewer.
 - Hedged variable at 13% for Electric and 7% for Water & Sewer.
- Liquidity facilities / direct purchase bonds are with highly rated providers.
- No change in swap counterparty credit quality.
- Wells Fargo direct purchase bonds up for renewal in Fall 2015.
- State Street liquidity facility renewed in Feb 2015 through March 2018.
- Variable rate reserve to mitigate risk of higher rates \$62 million.



JEA Combined Investments Outstanding

U. S. Treasury Yield Curve

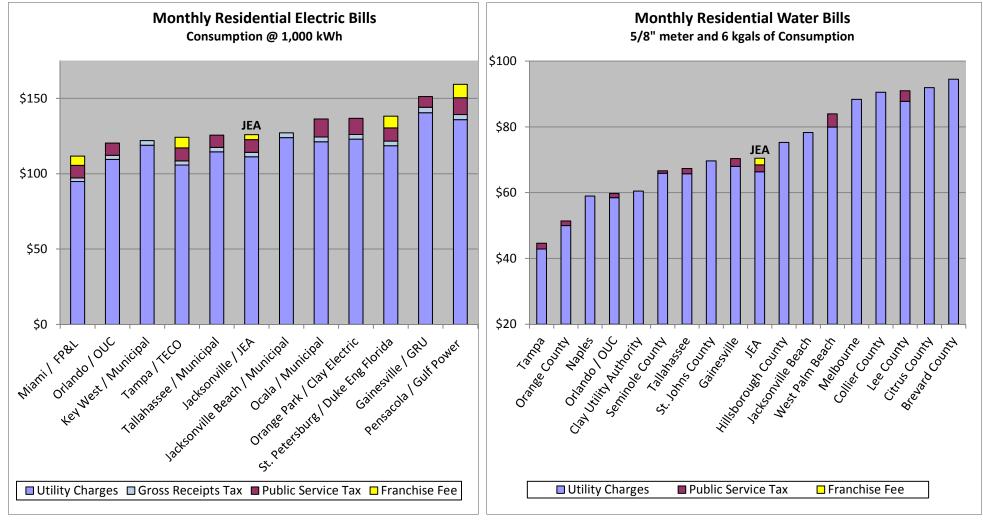




Investment Portfolio Yield



Florida Utilities Monthly Bill Comparison





Building Community®

Monthly Financial Statements

MAY 2015

Monthly Financial Statements May 31, 2015

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JEA

Statements of Net Position

(in thousands - unaudited) May 31, 2015 and 2014

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	2015	2014
Current assets:		
Cash and cash equivalents	\$ 147,120	\$ 142,556
Investments	314,343	273,147
Customer accounts receivable, less allowance for		
doubtful accounts - \$ 4,159 in 2015 and \$ 4,576 in 2014	188,113	190,481
Miscellaneous accounts receivable	29,849	52,916
Interest receivable	1,942	1,637
Inventories, less reserve of \$471 in 2015 and \$1,874 in 2014:		
Fuel inventory - Electric System	66,333	63,115
Fuel inventory - Plant Scherer	4,129	6,230
Materials and supplies - Electric System	19,941	19,842
Materials and supplies - Plant Scherer	2,088	2,129
Materials and supplies - Water and Sewer	43,428	47,152
Total current assets	 817,286	799,205
Restricted assets:	 ······	
Cash and cash equivalents	33,164	81,315
Investments	933,335	892,501
Accounts and interest receivable	5,556	4,517
Total restricted assets	972,055	978,333
Noncurrent assets:		
Other assets	19,014	21,034
Notes receivable - City of Jacksonville	189	189
Investment in The Energy Authority	7,382	8,097
Total noncurrent assets	 26,585	29,320
Capital assets:		
Land and easements	167,395	136,796
Plant in service	10,586,389	10,460,947
Less accumulated depreciation	(4,825,348)	(4,507,684)
Plant in service, net	5,928,436	6,090,059
Construction work in progress	 172,399	182,768
Capital assets, net	6,100,835	6,272,827
Total assets	 7,916,761	8,079,685
Deferred outflows of resources:		
Costs to be recovered from future revenues	18,762	19,293
Unamortized losses on refundings	158,715	167,259
Accumulated decrease in fair value of fuel hedging derivatives	1,891	-
Accumulated decrease in fair value of interest swaps derivatives	 153,143	88,087
Total deferred outflows of resources	 332,511	274,639
Total assets and deferred outflows of resources	\$ 8,249,272	\$ 8,354,324

JEA Statements of l

Statements of Net Position

(in thousands - unaudited) May 31, 2015 and 2014	(in	thousands -	unaudited)	Mav 3	31.	2015	and	2014
--	-----	-------------	------------	-------	-----	------	-----	------

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	 2015	 2014
Current liabilites:		
Accounts and accrued expenses payable	\$ 90,880	\$ 117,097
State utility taxes payable	2,365	2,426
City of Jacksonville payable	9,360	9,146
Compensated absences due within one year	6,152	6,241
Customer deposits	55,958	55,716
Total current liabilities	164,715	190,626
Current liabilites payable from restricted assets:		
Revenue bonds and line of credit due within one year	187,500	257,276
Interest payable	32,296	35,328
Construction contracts and accounts payable	10,670	12,561
Renewal and replacement reserve	83,661	84,617
Total current liabilities payable from restricted assets	314,127	389,782
Noncurrent liabilites:	· · · · · · · · · · · · · · · · · · ·	
OPEB liability	2,560	5,043
Compensated absences due after one year	20,619	20,195
Environmental liabilites	18,662	18,662
Other liabilities	4,508	284
Total noncurrent liabilities	46,349	44,184
Long-term debt:		
Bonds payable, less current portion	4,779,520	5,078,871
Commercial notes payable	40,800	40,800
Unamortized premium (discount)	181,117	180,416
Fair value of debt management strategy instruments	153,143	88,087
Total long-term debt	5,154,580	5,388,174
Total liabilities	5,679,771	6,012,766
Deferred inflows of resources:		
Revenues to be used for future costs	224,565	219,975
Total deferred inflows of resources	224,565	219,975
Net position:		
Net investment in capital assets	1,154,173	968,871
Restricted	556,065	558,997
Unrestricted	634,698	593,715
Total net position	2,344,936	 2,121,583
Total liabilities, deferred inflows of resources, and net position	\$ 8,249,272	\$ 8,354,324

VIII (II)OUSBILIOS - AIIBUUICEU MAY 21, 2013								
	Electric System and		Elimination of Inter-	Total Electric	Water and Sewer	District Energy		
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	Bulk Power Supply System	System	company transactions	Enterprise Fund	Enterprise Fund	System Fund	Eliminations	Total JEA
Current assets:								
Cash and cash equivalents	\$ 72,474 \$		י \$	\$ 105,330	\$ 37,944	\$ 3,846	י \$	\$ 147,120
Investments	272,445	34,822	ı	307,267	7,076	'	,	314,343
Customer accounts receivable, less allowance for								
doubtful accounts of \$4,159	148,730	ı		148,730	38,827	556	1	188,113
Miscellaneous accounts receivable	13,179	25,073	(11,274)	26,978	2,871	'	ı	29,849
Interest receivable	1,071	'		1,071	871	ı	1	1,942
Inventories, less reserve of \$ 471:								
Fuel inventory - Electric System	31,472	34,861	'	66,333	'	•	,	66,333
Fuel inventory - Plant Scherer	4,129		'	4,129	•			4,129
Materials and supplies - Electric System	1	19.941	•	19,941	'		•	19,941
Materials and supplies - Plant Scherer	2,088	1	'	2,088	·	•	,	2.088
Materials and subplies - Water and Sewer		'	'		43 428		,	43,428
Total current assets	545 588	147 553	(11 274)	681 867	131 017	4 402		817.286
Restricted assets:		2001						
Cash and cash equivalents	384	28.188	•	28 572	734	3 858	,	33 164
Inviaetmente	345 356	230 014		585 270	348 065			033 335
Accounts and interact reaction to	040,000	100,014		000'7'00	1000	1		300,000 E EEE
	2,203	1001	•	00000	1,330	- 000	'	0,000
	346,003	203,403	1	011,400	200,708	3,030	•	812,000
Noncurrent assets:								
Other assets	8,759		•	8,759	10,255	•	•	19,014
Notes receivable - City of Jacksonville		'	'	•	189	•	,	189
Investment in The Energy Authority	7,382	•	-	7,382	•	-	-	7,382
Total noncurrent assets	16,141	•	-	16,141	10,444	1	-	26,585
Capital assets:								
Land and easements	95,412	6,660	'	102,072	62,272	3,051	,	167,395
Plant in service	5,052,658	1,371,388	'	6,424,046	4,109,927	52,416	'	10,586,389
Less accumulated depreciation	(2,437,143)	(798,698)	•	(3,235,841)	(1,570,748)	(18,759)	'	(4,825,348)
Plant in service, net	2,710,927	579,350		3,290,277	2,601,451	36,708		5,928,436
Construction work in progress	78,640	11,138	•	89,778	82,109	512	•	172,399
Capital assets, net	2,789,567	590,488		3,380,055	2,683,560	37,220		6,100,835
Total assets	3,699,301	1,007,444	(11,274)	4,695,471	3,175,810	45,480		7,916,761
Deferred outflows of resources:								
Costs to be recovered from future revenues	14,209	4,553	•	18,762	•	'	,	18,762
Unamortized losses on refundings	86,686	21,964	ı	108,650	49,843	222	•	158,715
Accumulated decrease in fair value of fuel hedging derivatives	1.891	•		1.891	•	'	•	1.891
Accumulated decrease in fair value of interest swaps derivatives	123.754		•	123.754	29.389	1	'	153,143
Total deferred outflows of resources	226.540	26.517	•	253.057	79.232	222		332,511
		ľ						

JEA Board Meeting - III. A. Consent Agenda

JEA Board Meeting - III. A. Consent Agenda

JEA Combining Statement of Net Postion (in thousands - unaudited) May 31, 2015								Pag	Page 5
I IABILITIES DEFEDDEN INELOWS DE DESCUIDCES AND NET DOSITION	Electric System and Bulk Power	SJRPP Surform	Elimination of Inter- company Transactions	Total Electric Enterprise	Water and Sewer Enterprise	District Energy System Fund	Fliminations	Total JFA	E A
Current liabilities	illaneko kiddino	ayatelli	I I AI ISACIIUIS		200	200			<u> </u>
Accounts and accounts evanances resurble	¢ 71127	¢ 11160	C /3 550)	¢ 81737	¢ 0127	1A 9	' ť	900 8	880
State differ force on other ises payable	-			5		2			20,000 2 265
	20212	•		202,2	1 10 1	•	•	vic	
City of Jacksonville payable	7,509	1	,	609'/	1,851	• •	•	ົ່	9,30U
Compensated absences due within one year	3,950	1,486	,	5,436	710	9		ί	6,152
Customer deposits	42,989	1	,	42,989	12,969	1	'	22	55,958
Total current liabilities	127,950	15,645	(3,559)	140,036	24,657	22	'	164,	164,715
Current liabilites payable from restricted assets:									
Revenue bonds and line of credit due within one year	98,765	50,945	,	149,710	36,180	1,610	•	187,	187,500
Interest payable	16,277	4,221	'	20,498	11,563	235	1	32,	32,296
Construction contracts and accounts payable	3,443	11,209	(7,715)	6,937	3,733	•	•	10,	10,670
Renewal and replacement reserve	•	83,661		83,661	•	ı	•	83,	83,661
Total current liabilities payable from restricted assets	118,485	150,036	(7,715)	260,806	51,476	1,845		314,	314,127
Noncurrent liabilites:									
OPEB liability	1.622	1	,	1,622	938	ı	'	Ń	2,560
Compensated absences due after one vear	13.079	1.280	'	14.359	6.205	55	1	20,	20,619
Environmental liabilites	18,662		ı	18,662	,	•	1	18,	18,662
Other liabilities	1,891		ı	1,891	2,617			4	4,508
Total noncurrent liabilities	35,254	1,280		36,534	9,760	55		46,	46,349
Long-term debt:		-							
Bonds payable, less current portion	2,498,685	524,205	,	3,022,890	1,716,880	39,750	I	4,779,520	,520
Commercial notes payable	40,800	'	,	40,800	•	•	•	40,	40,800
Unamortized premium (discount)	86,945	29,754	,	116,699	64,468	(20)	'	181,	181,117
Fair value of debt management strategy instruments	123,754		,	123,754	29,389	-	•	153,	153,143
Total long-term debt	2,750,184	553,959	•	3,304,143	1,810,737	39,700	-	5,154,580	,580
Total liabilities	3,031,873	720,920	(11,274)	3,741,519	1,896,630	41,622	•	5,679,771	177,
Deferred inflows of resources:									
Revenues to be used for future costs	50,486	174,079	,	224,565	,	I	'	224,	224,565
Accumulated increase in fair value of fuel derivatives	•	'	'	'	,	•	-		'
Total deferred inflows of resources	50,486	174,079		224,565	•	•	1	224,	224,565
Net position:			•						
Net investment in capital assets	180,784	(36,232)	,	144,552	1,013,489	(3,868)	•	1,154,173	,173
Restricted	262,282	44,566	7,715	314,563	237,879	3,623	1	556,	556,065
Unrestricted	400,416	130,628	(7,715)	523,329	107,044	4,325	'	634	<u>634,698</u>
I otal net position					- 1	4,080	'	2,344,930	130
I otal liabilities, deferred inflows of resources, and net position	\$ 3,925,841	\$ 1,033,961	\$ (11,2/4)	\$ 4,948,528	\$ 3,255,042	\$ 49,702	, ,	φ α,243,	717

	Sys Sys Rull	Electric System and Bulk Power	Q R P P	Elimination of Inter- comnany	Total Electric Enternrise	Water and Sewer Fnternrise	District Energy Svstem		
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	Supp	Supply System	System	Transactions	Fund	Fund	Fund	Eliminations	Total JEA
Current assets:									
Cash and cash equivalents	ŝ	70,541 \$	31,880	ہ ج	\$ 102,421	\$ 36,260	\$ 3,875	ج	- \$ 142,556
Investments		270,501	2,627	1	273,128		19	•	- 273,147
Customer accounts receivable, less allowance for									
doubtful accounts of \$ 4,576		152,246	ı	ı	152,246	37,593	642	•	- 190,48
Miscellaneous accounts receivable		21,860	44,612	(14,756)	51,716	1,200		•	- 52,916
Interest receivable		830	•	•	830	807	•		- 1,637
Inventories, less reserve of \$ 1,874:									
Fuel inventory - Electric System		35,600	27,515	•	63,115	•	•		- 63,115
Fuel inventory - Plant Scherer		6,230	1	'	6,230	•	1	•	- 6,23(
Materials and supplies - Electric System		1	19,842		19,842	1	•	•	- 19,842
Materials and supplies - Plant Scherer		2,129		ı	2,129	•	•		- 2,129
Materials and supplies - Water and Sewer		•	1	'	•	47,152	•	•	47,152
Total current assets		559,937	126,476	(14,756)	671,657	123,012	4,536		- 799,205
Restricted assets:									
Cash and cash equivalents		2,524	45,930	•	48,454	29,100	3,761	•	- 81,315
Investments		303,046	289,831		592,877	299,624	'	•	- 892,501
Accounts and interest receivable		1,255	1,283	•	2,538	1,979			4,517
Total restricted assets		306,825	337,044		643,869	330,703	3,761		- 978,333
Noncurrent assets:									
Other assets		9,208	ı	ı	9,208	11,826	'	•	- 21,034
Notes receivable - City of Jacksonville		,			1	189	'		. 189
Investment in The Energy Authority		8,097	-	-	8,097	-	1		8,097
Total noncurrent assets		17,305			17,305	12,015	1		29,320
Capital assets:									
Land and easements		73,603	6,660	'	80,263	53,482	3,051	•	- 136,796
Plant in service		5,035,699	1,348,180	'	6,383,879	4,025,185	51,883	•	- 10,460,947
Less accumulated depreciation)	(2,266,147)	(777,915)	1	(3,044,062)	(1,447,138)	(16,484)		- (4,507,684)
Plant in service, net		2,843,155	576,925	1	3,420,080	2,631,529	38,450	•	- 6,090,059
Construction work in progress		43,664	70,399	-	114,063	68,397	308		- 182,768
Capital assets, net		2,886,819	647,324		3,534,143	2,699,926	38,758	•	6,272,827
Total assets		3,770,886	1,110,844	(14,756)	4,866,974	3,165,656	47,055		8,079,685
Deferred outflows of resources:									
Costs to be recovered from future revenues		14,102	5,191	I	19,293	•	•	•	- 19,293
Unamortized losses on refundings		92,651	26,186	1	118,837	48,192	230	•	- 167,259
Accumulated decrease in fair value of fuel hedging derivatives			'	•	•	•	,	•	
Accumulated decrease in fair value of interest swaps derivatives		74,247	•		74,247	13,840	1		- 88,087
Total deferred outflows of resources		181,000	31,377	•	212,377	62,032	230		- 274,639
Total assets and deferred outflows of resources	6	3.951.886 \$	1.1	\$ (14.756)	\$ 5.079.351	\$ 3.227.688	\$ 47,285	•	- \$ 8,354,324

EA	ombining Statement of Net Postion	n thousands - unaudited) May 31, 2014	
JEA	Com	(in th	

	Electric		Elimination	Total	Water	District		
	System and Bulk Power	SJRPP	of Inter- company	Electric Enterorise	and Sewer Enterprise	Energy Svstem		
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	Supply System		Transactions	Fund	Fund	Fund	Eliminations	Total JEA
Current liabilites:								
Accounts and accrued expenses payable	\$ 88,182	2 \$ 18,374	\$ (250)	\$ 106,306	\$ 10,776	\$ 15 \$	•	\$ 117,097
State utility taxes payable	2,426	. 0		2,426			I	2,426
City of Jacksonville payable	7,277		•	7,277	1,869	•	'	9,146
Compensated absences due within one year	4,152	2 1,296	•	5,448	785	80	•	6,241
Customer deposits	42,845		ı	42,845	12,871	'	•	55,716
Total current liabilities	144,882	2 19,670	(250)	164,302	26,301	23	•	190,626
Current liabilites payable from restricted assets:								i
Revenue bonds and line of credit due within one year	78,615	5 132,025	ı	210,640	45,031	1,605	'	257,276
Interest payable	17,083		•	22,639	12,453	236	'	35,328
Construction contracts and accounts payable	2,776	6 21,409	(14,506)	9,679	2,800	82	'	12,561
Renewal and replacement reserve		- 84,617		84,617	•		•	84,617
Total current liabilities payable from restricted assets	98,474	4 243,607	(14,506)	327,575	60,284	1,923	•	389,782
Noncurrent liabilites:								
OPEB liability	3,215.	5	'	3,215	1,828	'	'	5,043
Compensated absences due after one year	12,587	7 1,432	•	14,019	6,134	42		20,195
Environmental liabilites	18,662	-	•	18,662	•			18,662
Other liabilities			•	•	284	•	•	284
Total noncurrent liabilities	34,464	4 1,432	1	35,896	8,246	42	•	44,184
Long-term debt:							-	
Bonds payable, less current portion	2,633,450	0 578,085	ı	3,211,535	1,825,976	41,360	1	5,078,871
Commercial notes payable	40,800		'	40,800	•	•	•	40,800
Unamortized premium (discount)	104,608	8 28,818	•	133,426	47,045	(22)	'	180,416
Fair value of debt management strategy instruments	74,247		•	74,247	13,840		•	88,087
Total long-term debt	2,853,105	5 606,903	1	3,460,008	1,886,861	41,305		5,388,174
Total liabilities	3,130,925	5 871,612	(14,756)	3,987,781	1,981,692	43,293	1	6,012,766
Deferred inflows of resources:								
Revenues to be used for future costs	54,364			219,975	-	1		219,975
Total deferred inflows of resources	54,364	4 165,611	1	219,975	•	•		219,975
Net position:								
Net investment in capital assets	150,761	1 (106,499)	· (44,262	928,613	(4,004)	•	968,871
Restricted	217,940	0 106,123	14,506	338,569	216,903	3,525	•	558,997
Unrestricted	397,896		(14,506)	488,764	100,480	4,471	1	593,715
Total net position	766,597		•	871,595		3,992		2,121,583
Total liabilities deferred inflows of resources and net position	\$ 3 051 ARG	6 \$ 1.142.221	\$ (14.756)	\$ 5.079.351	\$ 3.227.688	\$ 47.285 \$	•	\$ 8354324

JEA Schedule of Cash and Investments _(in thousands - unaudited) May 31, 2015

	Sys Bu	electric stem and lk Power bly System	SJRPP System	E	Total Electric Enterprise Fund	-	Water nd Sewer Interprise Fund		District Energy System Fund		Total JEA
Unrestricted cash and investments:				•	~~~~~	•		•	4 400	~	400.000
Operations	\$	80,714	\$ 9,219	\$	89,933	\$	11,761	\$	1,109	\$	102,803
Debt management strategy reserve		-	-		-		-		-		-
Self insurance reserve funds:											
Self funded health plan		9,041	-		9,041		-		-		9,041
Property insurance reserve		10,000	 -		10,000		-		-		10,000
Total self insurance reserve funds		19,041	 -		19,041		-		-		19,041
Rate stabilization:											
DSM/Conservation		3,272	-		3,272		-		-		3,272
Debt management		42,126	-		42,126		20,290		2,737		65,153
Environmental		20,919	-		20,919		-		-		20,919
Fuel		105,364	-		105,364		-		-		105,364
Purchased Power		12,000	-		12,000		· -		-		12,000
Total rate stabilization funds		183,681	-		183,681		20,290		2,737		206,708
Environmental liability reserve		18,662	-		18,662		-		-		18,662
General reserve		-	58,459		58,459		-		-		58,459
Customer deposits		42,821	-		42,821		12,969		-		55,790
Total unrestrictred cash and investments	\$	344,919	\$ 67,678	\$	412,597	\$	45,020	\$	3,846	\$	461,463
Restricted assets:											
Debt service funds	\$	80,400	\$ 34,846	\$	115,246	\$	35,212	\$	1,308	\$	151,766
Debt service reserve account		69,446	135,478		204,924		114,182		-		319,106
Renewal and replacement funds		190,604	83,526		274,130		193,935		2,550		470,615
Construction funds		8	293		301		664		-		965
Subtotal		340,458	254,143	÷	594,601		343,993		3,858		942,452
Other funds		354	14,509		14,863		70		-		14,933
Unrealized holding gain (loss) on investments		4,928	(550)		4,378		4,736		-		9,114
Total restricted cash and investments	\$	345,740	\$ 268,102	\$	613,842	\$	348,799	\$	3,858	\$	966,499

JEA

Schedule of Cash and Investments

(in thousands - unaudited) May 31, 2014	Sy: Bu	Electric stem and Ik Power bly System	SJRPP System		Total Electric Enterprise Fund	 Water nd Sewer nterprise Fund	 District Energy System Fund	Total JEA
Unrestricted cash and investments:			 					
Operations	\$	70,383	\$ 9,424	\$	79,807	\$ 2,795	\$ 1,157	\$ 83,759
Debt management strategy reserve		-	-		-	304	-	304
Self insurance reserve funds:								
Self funded health plan		19,064	-		19,064	-	-	19,064
Property insurance reserve		10,000	-		10,000	-	-	10,000
Total self insurance reserve funds		29,064	-		29,064	-	 -	29,064
Rate stabilization:								
DSM/Conservation		3,548	-		3,548	-	-	3,548
Debt management		42,126	-		42,126	20,290	2,737	65,153
Environmental		14,254	-		14,254	-	-	14,254
Fuel		120,322	-		120,322	-	-	120,322
Purchased Power		-	-		-	-	-	-
Total rate stabilization funds		180,250	-		180,250	20,290	2,737	203,277
Environmental liability reserve		18,662	-		18,662	-	-	18,662
General reserve		-	25,083		25,083	-	-	25,083
Customer deposits		42,683	-		42,683	12,871	-	55,554
Total unrestrictred cash and investments	\$	341,042	\$ 34,507	\$	375,549	\$ 36,260	\$ 3,894	\$ 415,703
Restricted assets:								
Debt service funds	\$	66,687	\$ 84,915	\$	151,602	\$ 41,667	\$ 1,306	\$ 194,575
Debt service reserve account		69,692	139,226		208,918	119,915	-	328,833
Renewal and replacement funds		164,913	84,520		249,433	164,634	2,455	416,522
Construction funds		2,110	329		2,439	289	-	2,728
Subtotal		303,402	308,990		612,392	326,505	3,761	942,658
Other funds		441	28,977		29,418	-	-	29,418
Unrealized holding gain (loss) on investments		1,727	(2,206)		(479)	2,219		1,740
Total restricted cash and investments	\$	305,570	\$ 335,761	\$	641,331	\$ 328,724	\$ 3,761	\$ 973,816

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

Investment income9558Net increase (decrease) in fair value of investments-Other revenue1,0456Other expense-Interest on debt(14,539)(16,0)Debt management strategy(1,648)(1,648)		Yea	ar-To-E	Date
Operating revenues (net of allowances and discounts) : \$ 68,812 \$ 65,3 Electric - fuel and purchased power 48,982 56,7 Water and Sewer 37,265 33,8 District Energy 571 6 Other, net of allowances 3,011 2,8 Total operating revenues 158,641 159,4 Operating expenses: Operations: Fuel 38,365 44,3 Purchased power 4,022 4,2 Other 21,825 20,8 Maintenance 7,686 8,7 0,55 Recognition of deferred costs and revenues, net (921) 6,0 Total operating expenses 106,784 120,6 106,784 120,6 Operating income 51,857 38,8 0 0 104,784 120,6 Operating income 51,857 38,8 0 0 106,784 120,6 Detrainings from The Energy Authority 82 ((1,045 6 Other revenue 1,045 6 0			May	
Electric - base \$ 68,812 \$ 65,3 Electric - fuel and purchased power 48,982 56,7 Water and Sewer 37,265 33,8 District Energy 571 6 Other, net of allowances 3,011 2,8 Total operating revenues 158,641 159,4 Operating expenses: Operations: 7,866 8,7 Purchased power 4,022 4,2 0,1 Other 21,825 20,8 Maintenance 7,686 8,7 Depreciation 30,337 30,7 State utility taxes and franchise fees 5,470 5,5 Recognition of deferred costs and revenues, net (921) 6,0 Total operating expenses): Earnings from The Energy Authority 82 (Investment income 955 8 8 Nonoperating revenues (expenses): - - Earnings from The Energy Authority 82 (Investment income 955 8 Net increase (decr		2015		2014
Electric - fuel and purchased power 49,982 56,7 Water and Sewer 37,265 33,8 District Energy 571 6 Other, net of allowances 3,011 2,8 Total operating revenues 158,641 159,4 Operating expenses: Operations: Fuel 38,365 44,3 Purchased power 4,022 4,2 0.14 2,8 20,8 Maintenance 7,686 8,7 Depreciation 30,337 30,7 State utility taxes and franchise fees 5,470 5,5 Recognition of deferred costs and revenues, net (921) 6,0 Total operating expenses 106,784 120,6 120,6 Operating income 51,857 38,8 Nonoperating revenues (expenses): Earnings from The Energy Authority 82 0 0 Investment income 965 8 Nother expense - Interest on debt (14,539) (16,0 0 16,0 Other interest, net 100 (14,682) 10	~ ~	¢ 400 4	.	407 400
Water and Sewer 37,265 33,8 District Energy 571 6 Other, net of allowances 3,011 2,8 Total operating revenues 158,641 159,4 Operating expenses: 0 38,365 44,3 Purchased power 4,022 4,2 0 Other 21,825 20,8 Maintenance 7,686 8,7 Depreciation 30,337 30,7 State utility taxes and franchise fees 5,470 5,5 Recognition of deferred costs and revenues, net (921) 6,0 Total operating expenses 106,784 120,6 Operating income 51,857 38,8 Nonoperating revenues (expenses): 2 (Earnings from The Energy Authority 82 (Investment income 955 8 Net increase (decrease) in fair value of investments - Other expense - - Interest on debt (14,539) (16,0 Other interest, net (10) </td <td>-</td> <td></td> <td>•</td> <td>487,163</td>	-		•	487,163
District Energy 571 6 Other, net of allowances 3,011 2,8 Total operating revenues 158,641 159,4 Operating expenses: Operations: 158,641 159,4 Operations: Fuel 38,365 44,3 Purchased power 4,022 4,2 0 Other 21,825 20,8 Maintenance 7,686 8,7 Depreciation 30,337 30,7 State utility taxes and franchise fees 5,470 5,5 Recognition of deferred costs and revenues, net (921) 6,0 Total operating expenses 106,784 120,6 Operating income 51,857 38,8 Nonoperating revenues (expenses): Earnings from The Energy Authority 82 (Investment income 955 8 Not increase (decrease) in fair value of investments - - Other expense - - - - Other interest, net (10) (Allowance for funds used during construction 494 3 Loss on sal		356,22		419,737
Other, net of allowances 3,011 2,8 Total operating revenues 158,641 159,4 Operating expenses: Operations: Fuel 38,365 44,3 Purchased power 4,022 42,2 Other 21,825 20,8 Maintenance 7,686 8,7 Depreciation 30,337 30,7 State utility taxes and franchise fees 5,470 5,5 Recognition of deferred costs and revenues, net (921) 6,0 Total operating expenses 106,784 120,6 120,6 Operating income 51,857 38,8 Nonoperating revenues (expenses): Earnings from The Energy Authority 82 ((Investment income 955 8 Net increase (decrease) in fair value of investments - - Interest on debt (14,539) (16,00 (Allowance for funds used during construction 494 3 Loss on sale of asset - - - - - Total nonoperating revenues (expenses), net (13,621) (15,9		261,8		249,988
Total operating revenues 158,641 159,4 Operating expenses: Operations: Fuel 38,365 44,3 Purchased power 4,022 4,2 0ther 21,825 20,8 Maintenance 7,686 8,7 55 Recognition of deferred costs and revenues, net (921) 6,0 Total operating expenses 106,784 120,6 7,686 120,6 Operating income 51,857 38,8 Nonoperating revenues (expenses): 22 (0,784) 120,6 Operating income 51,857 38,8 Nonoperating revenues (expenses): 22 (0,784) 120,6 Coperating income 51,857 38,8 Nonoperating revenues (expenses): 22 (0,186,784) 120,6 Contributions in the Energy Authority 82 (0,186,986) 106,784) 120,6 106,784 120,6 Other revenue 1,045 6 0 160,784 120,6 10,839) 16,7 Other interest, net (10,10) (14,539) (16,00) 10,045 6 10,045 6 16,0		5,2		5,344
Operating expenses: Operations: Fuel 38,365 44,3 Purchased power 4,022 4,2 Other 21,825 20,8 Maintenance 7,686 8,7 Depreciation 30,337 30,7 State utility taxes and franchise fees 5,470 5,5 Recognition of deferred costs and revenues, net (921) 6,0 Total operating expenses 106,784 120,6 Operating income 51,857 38,8 Nonoperating revenues (expenses): Earnings from The Energy Authority 82 (0 Investment income 955 8 Net increase (decrease) in fair value of investments - Other expense - - Interest on debt (14,539) (16,0 Debt management strategy (1,648) (1,66) (16,0 (16,0) (16,0) (16,0) (16,0) (16,0) (16,0) (16,0) (16,0) (16,0) (16,0) (16,0) (16,0) (16,0) (16,0) (16,0) (16,0) (16,0)		24,0		25,302
Operations: Fuel 38,365 44,3 Furchased power 4,022 4,2 Other 21,825 20,8 Maintenance 7,686 8,7 Depreciation 30,337 30,7 State utility taxes and franchise fees 5,470 5,5 Recognition of deferred costs and revenues, net (921) 6,0 Total operating expenses 106,784 120,6 Operating income 51,857 38,8 Nonoperating revenues (expenses): Earnings from The Energy Authority 82 (Investment income 955 8 Net increase (decrease) in fair value of investments - Other revenue 1,045 6 0 6 Other revenue 1,045 6 0 16.0 Other revenue 1,045 6 0 16.0 16.0 Other revenue 1,045 6 0 16.0 16.0 16.0 16.0 16.0 16.0 16.0 16.0 16.0 16.0 16.0 <td></td> <td>1,143,8</td> <td>20</td> <td>1,187,534</td>		1,143,8	20	1,187,534
Fuel 38,365 44,3 Purchased power 4,022 42,2 Other 21,825 20,8 Maintenance 7,686 8,7 Depreciation 30,337 30,7 State utility taxes and franchise fees 5,470 5,5 Recognition of deferred costs and revenues, net (921) 6,0 Total operating expenses 106,784 120,6 Operating income 51,857 38,8 Nonoperating revenues (expenses): Earnings from The Energy Authority 82 ((Investment income 955 8 Net increase (decrease) in fair value of investments - Other revenue 1,045 6 - Other management strategy (1,648) (16,0 Other interest, net (10) ((Allowance for funds used during construction 494 3 Loss on sale of asset - - Total nonoperating revenues (expenses), net (13,621) (15,9 Income before contributions 38,236 22,9 22,9 <td></td> <td></td> <td></td> <td></td>				
Purchased power 4,022 4,2 Other 21,825 20,8 Maintenance 7,686 8,7 Depreciation 30,337 30,7 State utility taxes and franchise fees 5,470 5,5 Recognition of deferred costs and revenues, net (921) 6,0 Total operating expenses 106,784 120,6 Operating income 51,857 38,8 Nonoperating revenues (expenses): Earnings from The Energy Authority 82 ((Investment income 955 8 Net increase (decrease) in fair value of investments - Other revenue 1,045 6 - Other interest on debt (14,539) (16,0 Debt management strategy (1,648) (1,6 Other interest, net (10) (Allowance for funds used during construction 494 3 Loss on sale of asset - - Total nonoperating revenues (expenses), net (13,621) (15,9) Income before contributions 36,236 22,9				
Other 21,825 20,8 Maintenance 7,686 8,7 Depreciation 30,337 30,7 State utility taxes and franchise fees 5,470 5,5 Recognition of deferred costs and revenues, net (921) 6,0 Total operating expenses 106,784 120,6 Operating income 51,857 38,8 Nonoperating revenues (expenses): Earnings from The Energy Authority 82 ((Investment income 955 8 Net increase (decrease) in fair value of investments - Other expense - - 0 11,045 6 Other expense - - - 11,045 6 Other expense - - - - 11,045 6 Other interest, net (10) (1 1,648) (1,6 0 1,621) (15,9 Loss on sale of asset - - - - - - Income before contributions 38,236 22,9 -	57	295,4	40	332,028
Maintenance 7,686 8,7 Depreciation 30,337 30,7 State utility taxes and franchise fees 5,470 5,5 Recognition of deferred costs and revenues, net (921) 6,0 Total operating expenses 106,784 120,6 Operating income 51,857 38,8 Nonoperating revenues (expenses): Earnings from The Energy Authority 82 (Investment income 955 8 Net increase (decrease) in fair value of investments - Other revenue 1,045 6 6 Other expense - - 1 Interest on debt (14,539) (16,0 Other interest, net (10) (1 Allowance for funds used during construction 494 3 3 Loss on sale of asset - - - Income before contributions 38,236 22,9 22,9 Contributions (to) from: General fund, City of Jacksonville (9,307) (9,0 Developers and other 6,470	29	32,2	91	29,917
Maintenance 7,686 8,7 Depreciation 30,337 30,7 State utility taxes and franchise fees 5,470 5,5 Recognition of deferred costs and revenues, net (921) 6,0 Total operating expenses 106,784 120,6 Operating income 51,857 38,8 Nonoperating revenues (expenses): Earnings from The Energy Authority 82 (Investment income 955 8 Net increase (decrease) in fair value of investments - Other revenue 1,045 6 6 Other expense - - 1 Interest on debt (14,539) (16,0 Other interest, net (10) (1 Allowance for funds used during construction 494 3 3 Loss on sale of asset - - - Income before contributions 38,236 22,9 22,9 Contributions (to) from: General fund, City of Jacksonville (9,307) (9,0 Developers and other 6,470	92	162,2	03	175,963
Depreciation 30,337 30,7 State utility taxes and franchise fees 5,470 5,5 Recognition of deferred costs and revenues, net (921) 6,0 Total operating expenses 106,784 120,6 Operating income 51,857 38,8 Nonoperating revenues (expenses): Earnings from The Energy Authority 82 (Investment income 955 8 Net increase (decrease) in fair value of investments - Other revenue 1,045 6 0 0 Other revenue 1,045 6 0 16,045 6 Other expense - - 11 16,045 6 0 16,045 6 0 16,045 6 0 16,045 6 0 16,045 6 0 16,045 6 0 16,045 16,0 0 16,045 16,0 16,0 16,0 16,0 16,0 16,0 16,0 16,0 16,0 16,0 16,0 16,0 16,0 16,0	33	72,7	64	62,323
State utility taxes and franchise fees5,4705,5Recognition of deferred costs and revenues, net(921)6,0Total operating expenses106,784120,6Operating income51,85738,8Nonoperating revenues (expenses):2(Earnings from The Energy Authority82(Investment income9558Net increase (decrease) in fair value of investments-Other revenue1,0456Other revenue1,0456Other expense-Interest on debt(14,539)(16,0)Debt management strategy(1,648)(1,6Other interest, net(10)(Allowance for funds used during construction4943Loss on sale of assetTotal nonoperating revenues (expenses), net(13,621)(15,9)Income before contributions38,23622,9Contributions (to) from:((General fund, City of Jacksonville(9,307)(9,0)Developers and other6,4702,9Total contributions(2,837)(6,1Change in net position35,39916,7		244,8		250,446
Recognition of deferred costs and revenues, net(921)6.0Total operating expenses106,784120,6Operating income51,85738,8Nonoperating revenues (expenses):2(Earnings from The Energy Authority82(Investment income9558Net increase (decrease) in fair value of investments-Other revenue1,0456Other revenue1,0456Other expense-Interest on debt(14,539)(16,0Debt management strategy(1,648)(1,6Other interest, net(10)(Allowance for funds used during construction4943Loss on sale of assetTotal nonoperating revenues (expenses), net(13,621)(15,9Income before contributions38,23622,9Contributions (to) from:(9,307)(9,0General fund, City of Jacksonville(9,307)(9,0Developers and other6,4702,9Total contributions(2,837)(6,1Change in net position35,39916,7		44,3	91	46,085
Total operating expenses106,784120,6Operating income51,85738,8Nonoperating revenues (expenses):Earnings from The Energy Authority82(Investment income9558Net increase (decrease) in fair value of investmentsOther revenue1,0456Other expenseInterest on debt(14,539)(16,0Debt management strategy(1,648)(1,6Other interest, net(10)(Allowance for funds used during construction4943Loss on sale of assetTotal nonoperating revenues (expenses), net(13,621)(15,9Income before contributions38,23622,9Contributions (to) from:(9,307)(9,00)Developers and other6,4702,9Total contributions(2,837)(6,1Change in net position35,39916,7		(7,1		35,484
Nonoperating revenues (expenses): Earnings from The Energy Authority 82 Investment income 955 Net increase (decrease) in fair value of investments - Other revenue 1,045 6 Other expense - Interest on debt (14,539) (16,0 Debt management strategy (1,648) (1,648) (1,648) Other interest, net (10) (10) (10) (10) Allowance for funds used during construction 494 33 Loss on sale of asset - Total nonoperating revenues (expenses), net (13,621) (15,9) (15,9) Income before contributions 38,236 22,9) Contributions (to) from: (9,307) (9,0) Developers and other 6,470 2,9) Total contributions (2,837) (6,1 Change in net position 35,399 16,7		844,8		932,246
Nonoperating revenues (expenses): Earnings from The Energy Authority 82 Investment income 955 Net increase (decrease) in fair value of investments - Other revenue 1,045 6 Other expense - Interest on debt (14,539) (16,0 Debt management strategy (1,648) (1,648) (1,648) Other interest, net (10) (10) (10) (10) Allowance for funds used during construction 494 33 Loss on sale of asset - Total nonoperating revenues (expenses), net (13,621) (15,9) (15,9) Income before contributions 38,236 22,9) Contributions (to) from: (9,307) (9,0) Developers and other 6,470 2,9) Total contributions (2,837) (6,1 Change in net position 35,399 16,7				
Earnings from The Energy Authority82((Investment income9558Net increase (decrease) in fair value of investments-Other revenue1,0456Other revenue1,0456Other expense-Interest on debt(14,539)(16,0Debt management strategy(1,648)(1,6Other interest, net(10)(Allowance for funds used during construction4943Loss on sale of assetTotal nonoperating revenues (expenses), net(13,621)(15,9Income before contributions38,23622,9Contributions (to) from:(9,307)(9,0General fund, City of Jacksonville(9,307)(9,0Developers and other6,4702,9Total contributions(2,837)(6,1Change in net position35,39916,7	50	298,9	84	255,288
Earnings from The Energy Authority82((Investment income9558Net increase (decrease) in fair value of investments-Other revenue1,0456Other revenue1,0456Other expense-Interest on debt(14,539)(16,0Debt management strategy(1,648)(1,6Other interest, net(10)(Allowance for funds used during construction4943Loss on sale of assetTotal nonoperating revenues (expenses), net(13,621)(15,9Income before contributions38,23622,9Contributions (to) from:(9,307)(9,0General fund, City of Jacksonville(9,307)(9,0Developers and other6,4702,9Total contributions(2,837)(6,1Change in net position35,39916,7				
Investment income9558Net increase (decrease) in fair value of investments-Other revenue1,0456Other expense-Interest on debt(14,539)(16,0Debt management strategy(1,648)(1,6Other interest, net(10)(Allowance for funds used during construction4943Loss on sale of assetTotal nonoperating revenues (expenses), net(13,621)(15,9Income before contributions38,23622,9Contributions (to) from:General fund, City of Jacksonville(9,307)(9,0Developers and other6,4702,9Total contributions(2,837)(6,1Change in net position35,39916,7	28)	9.	40	3,293
Net increase (decrease) in fair value of investments-Other revenue1,0456Other expense-Interest on debt(14,539)(16,0Debt management strategy(1,648)(1,6Other interest, net(10)(Allowance for funds used during construction4943Loss on sale of assetTotal nonoperating revenues (expenses), net(13,621)(15,9Income before contributions38,23622,9Contributions (to) from:(9,307)(9,0Developers and other6,4702,9Total contributions(2,837)(6,1Change in net position35,39916,7	31	7,0	98	7,156
Other revenue1,04566Other expense-Interest on debt(14,539)(16,0Debt management strategy(1,648)(1,6Other interest, net(10)(Allowance for funds used during construction49433Loss on sale of assetTotal nonoperating revenues (expenses), net(13,621)(15,9Income before contributions38,23622,9Contributions (to) from:General fund, City of Jacksonville(9,307)(9,0Developers and other6,4702,9Total contributions(2,837)(6,1Change in net position35,39916,7	_	3,5		6,099
Other expense-Interest on debt(14,539)(16,0)Debt management strategy(1,648)(1,6Other interest, net(10)(Allowance for funds used during construction4943Loss on sale of assetTotal nonoperating revenues (expenses), net(13,621)(15,9)Income before contributions38,23622,9Contributions (to) from:General fund, City of Jacksonville(9,307)(9,0)Developers and other6,4702,9Total contributions(2,837)(6,1)Change in net position35,39916,7)7	6,5		4,851
Interest on debt(14,539)(16,0Debt management strategy(1,648)(1,6Other interest, net(10)(Allowance for funds used during construction4943Loss on sale of assetTotal nonoperating revenues (expenses), net(13,621)(15,9Income before contributions38,23622,9Contributions (to) from:General fund, City of Jacksonville(9,307)(9,0Developers and other6,4702,9Total contributions(2,837)(6,1Change in net position35,39916,7	_		 13)	.,
Debt management strategy(1,648)(1,6Other interest, net(10)(Allowance for funds used during construction4943Loss on sale of assetTotal nonoperating revenues (expenses), net(13,621)(15,9Income before contributions38,23622,9Contributions (to) from:(9,307)(9,0General fund, City of Jacksonville(9,307)(9,0Developers and other6,4702,9Total contributions(2,837)(6,1Change in net position35,39916,7	99)	(119,4	-	(134,628
Other interest, net(10)(Allowance for funds used during construction4943Loss on sale of asset-Total nonoperating revenues (expenses), net(13,621)(15,9)Income before contributions38,23622,9Contributions (to) from:38,23622,9General fund, City of Jacksonville(9,307)(9,0)Developers and other6,4702,9Total contributions(2,837)(6,1)Change in net position35,39916,7	-	(12,9		(12,799
Allowance for funds used during construction4943Loss on sale of asset-Total nonoperating revenues (expenses), net(13,621)(15,9Income before contributions38,23622,9Contributions (to) from: General fund, City of Jacksonville(9,307)(9,0Developers and other6,4702,9Total contributions(2,837)(6,1Change in net position35,39916,7	10)		50)	(12,700
Loss on sale of asset-Total nonoperating revenues (expenses), net(13,621)Income before contributions38,23622,9Contributions (to) from:General fund, City of Jacksonville(9,307)Developers and other6,4702,9Total contributions(2,837)Change in net position35,399		3,2	,	2,226
Total nonoperating revenues (expenses), net(13,621)(15,9)Income before contributions38,23622,9Contributions (to) from: General fund, City of Jacksonville(9,307)(9,0Developers and other6,4702,9Total contributions(2,837)(6,1Change in net position35,39916,7	_		78)	2,220
Contributions (to) from:General fund, City of Jacksonville(9,307)(9,0Developers and other6,4702,9Total contributions(2,837)(6,1Change in net position35,39916,7	17)	(111,1		(123,823
Contributions (to) from:General fund, City of Jacksonville(9,307)(9,0Developers and other6,4702,9Total contributions(2,837)(6,1Change in net position35,39916,7				
General fund, City of Jacksonville(9,307)(9,0Developers and other6,4702,9Total contributions(2,837)(6,1Change in net position35,39916,7	33	187,8	22	131,465
General fund, City of Jacksonville(9,307)(9,0Developers and other6,4702,9Total contributions(2,837)(6,1Change in net position35,39916,7				
Developers and other6,4702,9Total contributions(2,837)(6,1Change in net position35,39916,7	99)	(74,4	58)	(72,792
Total contributions(2,837)(6,1Change in net position35,39916,7		35,5		23,173
		(38,8		(49,619
Net position - beginning of period 2,309,537 2,104,8	33	148,9	30	81,846
	00	2,196,0	06	2,039,737
Net position - end of period \$ 2,344,936 \$ 2,121,5	33 \$	\$ 2,344,9	36 \$	2,121,583

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

		ctric		Elimination	Total	Water	District		_
	-	m and	6 1000	of Inter-	Electric	and Sewer	Energy		
		Power System	SJRPP System	company transactions	Enterprise Fund	Enterprise Fund	System Fund	Eliminations	Total JEA
Operating revenues (net of allowances and discounts):	Coppij	<u>ojotom</u>	oyotom				1 4114	Linnationo	Total DER
Electric - base	\$	69,030	\$-	\$-	\$ 69,030	\$-	\$-	\$ (218)	\$ 68,812
Electric - fuel and purchased power		38,719	25,052	(13,968)	49,803	-	-	(821)	48,982
Water and Sewer		-	-	-	-	37,306	-	(41)	37,265
District Energy		-	-	-	-	-	571	-	571
Other, net of allowances		2,439	-	-	2,439	779	-	(207)	3,011
Total operating revenues		110,188	25,052	(13,968)	121,272	38,085	571	(1,287)	158,641
Operating expenses:									
Operations:									
Fuel		23,936	14,429	-	38,365	-	-	-	38,365
Purchased power		17,990	-	(13,968)	4,022	-	-	-	4,022
Other		11,900	1,670	-	13,570	9,214	328	(1,287)	21,825
Maintenance		3,528	2,952	-	6,480	1,140	66	-	7,686
Depreciation		15,633	3,476	-	19,109	11,038	190	-	30,337
State utility taxes and franchise fees		4,624	-	-	4,624	846	-	-	5,470
Recognition of deferred costs and revenues, net		(312)	(609)	-	(921)	-	-	-	(921
Total operating expenses		77,299	21,918	(13,968)	85,249	22,238	584	(1,287)	106,784
Operating income		32,889	3,134	-	36,023	15,847	(13)		51,857
Nonoperating revenues (expenses):									
Earnings from The Energy Authority		82	-	-	82	-	-	-	82
Investment income		393	310	-	703	252	-	-	955
Net increase (decrease) in fair value of investments		-	-	-	-	-	-	-	-
Other revenue		363	34	-	397	648	-	-	1,045
Other expense		-	-	-	-	-	-	-	
Interest on debt		(6,610)	(2,664)	-	(9,274)	(5,146)	(119)	-	(14,539
Debt management strategy		(1,278)	-	-	(1,278)	(370)	-	-	(1,648
Other interest, net		(10)	-	-	(10)	-	-	-	(10
Allowance for funds used during construction		235	-	-	235	258	1	-	494
Loss on sale of asset		-	-	-	_		-	-	-
Total nonoperating revenues (expenses), net		(6,825)	(2,320)		(9,145)	(4,358)	(118)		(13,621
Income before contributions		26,064	814		26,878	11,489	(131)		38,236
Contributions (to) from:									
General fund, City of Jacksonville		(7,509)	-	-	(7,509)	(1,798)	-	-	(9,307
Developers and other	· · · · · · · · · · · · · · · · · · ·	-	-	-	-	6,470	-		6,470
Total contributions		(7,509)	-	•	(7,509)	4,672	-	-	(2,837
Change in net position		18,555	814	· •	19,369	16,161	(131)		35,399
Net position - beginning of period		824,927	138,148		963,075	1,342,251	4,211		2,309,537
Net position - end of period	\$	843,482	\$ 138,962	\$-	\$ 982,444	\$ 1,358,412	\$ 4,080	\$-	\$ 2,344,936

JEA

Combining Statement of Revenues, Expenses and Changes in Net Position (in thousands - unaudited) for the month ended May 31, 2014

	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
Operating revenues (net of allowances and discounts) :			•	• • • • • • •	•	\$ -	¢ (000)	• • • • • • • • • • • • • • • • • • •
		\$ -	\$ -	\$ 65,630	\$-	\$-	\$ (290)	
Electric - fuel and purchased power	44,557	31,146	(17,877)	57,826	-	-	(1,092)	56,734
Water and Sewer	-	-	-	-	33,924	-	(64)	33,860
District Energy	-	•	-	-	-	678	-	678
Other, net of allowances	2,250	-		2,250	798		(207)	2,841
Total operating revenues	112,437	31,146	(17,877)	125,706	34,722	678	(1,653)	159,453
Operating expenses:								
Operations:								
Fuel	33,217	11,140	-	44,357	-	-	-	44,357
Purchased power	22,106	-	(17,877)	4,229	-	-	-	4,229
Other	11,146	2,695	-	13,841	8,401	303	(1,653)	20,892
Maintenance	4,449	3,367	-	7,816	882	65	-	8,763
Depreciation	16,438	3,412	-	19,850	10,760	188	-	30,798
State utility taxes and franchise fees	4,737	-	-	4,737	812	-	-	5,549
Recognition of deferred costs and revenues, net	(451)	6,466	-	6,015	-	-	-	6,015
Total operating expenses	91,642	27,080	(17,877)	100,845	20,855	556	(1,653)	120,603
Operating income	20,795	4,066	-	24,861	13,867	122		38,850
Nonoperating revenues (expenses):								
Earnings from The Energy Authority	(28)	-	-	(28)	-	-	-	(28
Investment income	339	299	-	638	243	-	-	881
Net increase (decrease) in fair value of investments	-	-	-	-	-	-	-	-
Other revenue	365	34	-	399	208	-	-	607
Other expense	-	-	-	-	-	-	-	
Interest on debt	(6,911)	(3,406)	-	(10,317)	(5,663)	. ,	-	(16,099
Debt management strategy	(1,287)	-	-	(1,287)	(318)	-	-	(1,605
Other interest, net	(10)	-	-	(10)	-	-	-	(10
Allowance for funds used during construction	114	-	-	114	222	1	-	337
Loss on sale of asset	-	-	-	-	-	- (110)	-	
Total nonoperating revenues (expenses), net	(7,418)	(3,073)	-	(10,491)	(5,308)	(118)	-	(15,917
Income before contributions	13,377	993	-	14,370	8,559	4	-	22,933
Contributions (to) from:								
General fund, City of Jacksonville	(7,277)	-	-	(7,277)	(1,822)		-	(9,099
Developers and other	-	-	-	-	2,949	-	-	2,949
Total contributions	(7,277)	-	-	(7,277)	1,127		-	(6,150
Change in net position	6,100	993	-	7,093	9,686	4		16,783
Net position - beginning of period	760,497	104,005	-	864,502	1,236,310	3,988	-	2,104,800

JEA Combining Statement of Revenues, Expenses and Changes in Net Position (in thousands - unaudited) for the eight month(s) ended May 31, 2015

	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
Operating revenues (net of allowances and discounts):								
Electric - base	\$ 498,490		\$-	\$ 498,490	\$ -	\$-	\$ (2,089)	
Electric - fuel and purchased power	282,685	183,827	(102,430)	364,082	-	-	(7,859)	356,223
Water and Sewer	-	-	-	-	262,231	-	(343)	261,888
District Energy	-	-	-	-	-	5,295	-	5,295
Other, net of allowances	19,902	-		19,902	5,783	-	(1,672)	24,013
Total operating revenues	801,077	183,827	(102,430)	882,474	268,014	5,295	(11,963)	1,143,820
Operating expenses:								
Operations:								
Fuel	191,686	103,754	-	295,440	-	-	-	295,440
Purchased power	134,721	-	(102,430)	32,291	-	-	-	32,291
Other	86,100	14,933	-	101,033	70,951	2,182	(11,963)	162,203
Maintenance	46,206	17,069	-	63,275	8,759	730	-	72,764
Depreciation	127,158	28,416	-	155,574	87,769	1,521	-	244,864
State utility taxes and franchise fees	37,899	-	-	37,899	6,492	-	-	44,391
Recognition of deferred costs and revenues, net	(2,499)	(4,618)	-	(7,117)		-	-	(7,117
Total operating expenses	621,271	159,554	(102,430)	678,395	173,971	4,433	(11,963)	844,836
Operating income	179,806	24,273		204,079	94,043	862	-	298,984
Nonoperating revenues (expenses):								
Earnings from The Energy Authority	940	-	-	940	-	-	-	940
Investment income	2,651	2,415	-	5,066	2,029	3	-	7,098
Net increase (decrease) in fair value of investments	1,730	637	-	2,367	1,203	-	-	3,570
Other revenue	2,931	272	-	3,203	3,329	-	-	6,532
Other expense	(13)	-	-	(13)		-	-	(13
Interest on debt	(55,483)	(21,353)	-	(76,836)	(41,653)	(948)	-	(119,437
Debt management strategy	(10,329)	-	-	(10,329)	(2,596)	-	-	(12,925
Other interest, net	(50)	-	-	(50)	-	-	-	(50
Allowance for funds used during construction	1,468	-	-	1,468	1,726	7	-	3,201
Loss on sale of asset	(78)	-	-	(78)		-	-	(78
Total nonoperating revenues (expenses), net	(56,233)	(18,029)		(74,262)	(35,962)	(938)	-	(111,162
Income before contributions	123,573	6,244		129,817	58,081	(76)		187,822
Contributions (to) from:								
General fund, City of Jacksonville	(60,072)	-	-	(60,072)	(14,386)	-	-	(74,458
Developers and other	-	-	-		35,566	-	-	35,566
Total contributions	(60,072)	-		(60,072)	21,180	-	-	(38,892
Change in net position	63,501	6,244	-	69,745	79,261	(76)	-	148,930
Net position - beginning of period	779,981	132,718		912,699	1,279,151	4,156		2,196,006

JEA

Combining Statement of Revenues, Expenses and Changes in Net Position (in thousands - unaudited) for the eight month(s) ended May 31, 2014

	Electric System and Bulk Power Supply System	SJRPP n System	Elimination of Inter- company Transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating revenues (net of allowances and discounts) :					_			
Electric - base	\$ 489,414	•	\$-	\$ 489,414	\$-	\$-	\$ (2,251)	
Electric - fuel and purchased power	325,910	257,590	(155,294)	428,206	-	-	(8,469)	419,737
Water and Sewer	-	-	-	-	250,410	-	(422)	249,988
District Energy	-	-	-	-	-	5,344	-	5,344
Other, net of allowances	21,165		-	21,165	5,794	7	(1,664)	25,302
Total operating revenues	836,489	257,590	(155,294)	938,785	256,204	5,351	(12,806)	1,187,534
Operating expenses:								
Operations:								
Fuel	212,448		-	332,028	-	-	-	332,028
Purchased power	185,211		(155,294)	29,917	-	-	-	29,917
Other	92,212		-	114,668	71,825	2,276	(12,806)	175,963
Maintenance	36,952		-	53,567	8,175	581	-	62,323
Depreciation	133,769		-	161,549	87,464	1,433	-	250,446
State utility taxes and franchise fees	39,766		-	39,766	6,319	-	-	46,085
Recognition of deferred costs and revenues, net	(3,859			35,484				35,484
Total operating expenses	696,499	225,774	(155,294)	766,979	173,783	4,290	(12,806)	932,246
Operating income	139,990	31,816		171,806	82,421	1,061		255,288
Nonoperating revenues (expenses):								
Earnings from The Energy Authority	3,293		-	3,293	-	-	-	3,293
Investment income	2,808		-	5,362	1,792	2	-	7,156
Net increase (decrease) in fair value of investments	2,689	-	-	4,300	1,798	1	-	6,099
Other revenue	2,919	272	-	3,191	1,660	-	-	4,851
Other expense	-	-	-	-	-	-	-	
Interest on debt	(60,269			(87,184)	(46,491)	(953)	-	(134,628
Debt management strategy	(10,316		-	(10,316)	(2,483)	-	-	(12,799
Other interest, net	(30		-	(30)	. 9	-	-	(21
Allowance for funds used during construction	725	-	-	725	1,490	11	-	2,226
Loss on sale of asset		-		-	-	-		
Total nonoperating revenues (expenses), net	(58,181) (22,478)		(80,659)	(42,225)	(939)	-	(123,823
Income before contributions	81,809	9,338		91,147	40,196	122		131,465
Contributions (to) from:	v							
General fund, City of Jacksonville	(58,212	:) -	-	(58,212)	(14,580)	-	-	(72,792
Developers and other					23,173	-	-	23,173
Total contributions	(58,212)		(58,212)	8,593	-		(49,619
Change in net position	23,597	9,338		32,935	48,789	122		81,840
Net position - beginning of period	743,000	95,660	-	838,660	1,197,207	3,870	•	2,039,73
Net position - end of period	\$ 766,597	\$ 104,998	\$-	\$ 871,595	\$ 1,245,996	\$ 3,992	\$ -	\$ 2,121,583

JEA Statement of Cash Flows		Page 14
in thousands - unaudited) for the eight month(s) ended May 31, 20)15	
Operations:		
Receipts from customers	\$	1,159,869
Other receipts		23,384
Payments to suppliers		(511,118)
Payments to employees		(145,457)
Net cash provided by operating activities		526,678
Noncapital and related financing activities:		
Contribution to General Fund, City of Jacksonville, Florida		(74,246
Other revenues, net		1,682
Build America Bonds subsidies		3,627
Net cash used in noncapital financing activities		(68,937
Capital and related financing activities:		
Acquisition and construction of capital assets		(120,442
Proceeds from issuance of debt		156,450
Loss on disposal of assets		(536
Debt issue costs and discounts		10,352
Defeasance of debt		(160,968
Repayment of debt principal		(257,869
Interest paid on debt		(200,885
Contribution from developers and others		12,854
Proceeds from sales of property Net cash used in capital and related financing activities	· · · · · · · · · · · · · · · · · · ·	140 (560,904
Investing activities:		
Purchase of investments		(1,188,322
Proceeds from sale and maturities of investments		874,202
Investment income		6,316
Distributions from The Energy Authority		1,629
Net cash used in investing activities		(306,175
Net change in cash and cash equivalents		(409,338
Cash and cash equivalents at October 1, 2014		589,622
Cash and cash equivalents at May 31, 2015	\$	180,284
Reconciliation of operating income to net cash provided by operating activities:		
Operating Income:	\$	298,984
Adjustments to reconcile operating income		
to net cash provided by operating activities:		045 050
Depreciation and amortization		245,852
Recognition of deferred costs and revenues, net		(7,117
Changes in noncash assets and noncash liabilities:		40.040
Decrease (increase) accounts receivable		19,848
Decrease (increase) accounts receivable, restricted		(697
Decrease (increase) in inventories		970
Increase (decrease) in other assets		(378
Increase (decrease) in accounts and expenses payable		(21,202
		(9,583
Increase (decrease) in liabilities payable, restricted Increase (decrease) in other liabilities		1

Non-cash activity:

Contribution of capital a	ssets from developers	\$

22,712

JEA Combining Statement of Cash Flows (in thousands - unaudited) for the eight month(s) ended May 31, 2015

	Sy: Bu	lectric stem and lk Power bly System		SJRPP System	c	imination of Inter- ompany insactions	Ele Ente	otal ectric erprise und		Water nd Sewer nterprise Fund	E	District Energy System Fund	Eliminations		Total JEA
Operations:	\$	818,233	¢	102 007	¢	(95,423)	• •	906,637	¢	257 004	\$	E 620	¢ (10 201)	¢	1 150 960
Receipts from customers	Φ	18,848	Ф	183,827	\$	(95,423)	Ф ?	18,848	\$	257,884 6,208	Ф	5,639	\$ (10,291) (1,672)	Ф	23.384
Other receipts				(161 280)		05 400						-			
Payments to suppliers		(405,650)		(161,289)		95,423		171,516)		(49,004)		(2,561)	11,963		(511,118
Payments to employees		(93,814)		(16,951)				10,765)		(34,343)		(349)			(145,457
Net cash provided by operating activities		337,617		5,587		-		343,204		180,745		2,729	-		526,678
Noncapital and related financing activities:															
Contribution to General Fund, City of Jacksonville, Florida		(59,840)		-		-		(59,840)		(14,406)		-	-		(74,246
Other revenues, net		12		-		-		12		1,670		-	-		1,682
Build America Bonds subsidies		2,179		204		-		2,383		1,244			-		3,627
Net cash used in noncapital financing activities		(57,649)		204		-		(57,445)	_	(11,492)					(68,93
								<u></u> _/							
Capital and related financing activities:															
Acquisition and construction of capital assets		(61,066)		-		-		(61,066)		(59,036)		(340)	-		(120,442
Proceeds from issuance of debt		83,325		73,125		-		156,450		-		-	-		156,450
Loss on disposal of assets		(536)		-		-		(536)					-		(536
Debt issue costs and discounts		49		10,561		-		10,610		(258)		-	-		10,35
Defeasance of debt		(83,169)		(77,801)		-	(160,970)		2		-	-		(160,968
Repayment of debt principal		(79,854)		(132,085)		-	(211,939)		(44,325)		(1,605)	-		(257,86
Interest paid on debt		(104,290)		(27,246)		-	Ì	131,536)		(67,936)		(1,413)	-		(200,88
Contribution from developers and others		-		-		-	`	· -		12,854		-	-		12,85
Proceeds from sales of property		-		-		-		-		140		-	-		14
Net cash used in capital and related financing activities		(245,541)		(153,446)		-	(;	398,987)		(158,559)		(3,358)	-	_	(560,904
Investing activities: Purchase of investments Proceeds from sale and maturities of investments Investment income Distributions from The Energy Authority Net cash used in investing activities		(427,234) 284,068 2,536 1,629 (139,001)		(420,622) 359,353 2,028 		-	Ì	847,856) 643,421 4,564 <u>1,629</u> 198,242)		(340,466) 230,781 1,749 - (107,936)		- 3	-		(1,188,32) 874,20 6,310 1,62 (306,17
Net cash used in investing activities		(139,001)		(59,241)		•		190,242)		(107,930)		3	•		(300,17
Net change in cash and cash equivalents		(104,574)		(206,896)		-	(;	311,470)		(97,242)		(626)	-		(409,33
Cash and cash equivalents at October 1, 2014		177,432		267,940		-	Ì	445,372		135,920		8,330	-		589,62
Cash and cash equivalents at May 31, 2015	\$	72,858	\$	61,044	\$	-	\$	133,902	\$	38,678	\$	7,704	\$ -	\$	180,28
Reconciliation of operating income to net cash provided by operating activities:															
Operating Income:	\$	179,806	\$	24,273	\$	-	\$ 3	204,079	\$	94,043	\$	862	\$-	\$	298,98
Adjustments to reconcile operating income to net cash provided by operating activities:															
Depreciation and amortization		127,158		28,416		-		155,574		88,757		1,521	-		245,85
Recognition of deferred costs and revenues, net		(2,499)		(4,618)		-		(7,117)		-		-	-		(7,11
Changes in noncash assets and noncash liabilities:								,							• • •
Decrease (increase) accounts receivable		37,058		(13,206)		-		23,852		(4,348)		344	-		19,84
Decrease (increase) accounts receivable, restricted		(1,063)		-		-		(1,063)		366		-	-		(69
Decrease (increase) in inventories		3,486		(4,860)		-		(1,374)		2,344		-	-		97
Increase (decrease) in other assets		(181)				-		(181)		(197)		-	-		(37
Increase (decrease) in accounts and expenses payable		(5,221)		(14,789)		-		(20,010)		(1,186)		(6)	-		(21,20
Increase (decrease) in liabilities payable, restricted		-		(9,583)				(9,583)				-	-		(9,58
Increase (decrease) in other liabilities		(927)		(46)		-		(973)		966		8	-		(0,00
Net cash provided by operating activities	\$	337,617	\$	5,587	\$			343,204	\$		\$	2,729	\$ -	\$	526,67

Non-cash activity:

Contribution of capital assets from developers

\$ 22,712

JEA Statement of Cash Flows (in thousands - unaudited) for the eight month(s) ended May 31, 20	14	Page 16
in thousands - unaudited) for the eight month(s) ended may 51, 20		
Operations:		
Receipts from customers	\$	1,196,351
Other receipts		27,681
Payments to suppliers		(565,635
Payments to employees		(142,627
Net cash provided by operating activities		515,770
Noncapital and related financing activities:		
Contribution to General Fund, City of Jacksonville, Florida		(72,571
Other revenues, net		
Build America Bonds subsidies		3,639
Net cash used in noncapital financing activities		(68,932
Capital and related financing activities:		
Acquisition and construction of capital assets		(104,466
Proceeds from issuance of debt		449,170
Loss on disposal of assets		
Debt issue costs and discounts		21,425
Defeasance of debt		(471,073
Repayment of debt principal		(239,697
Interest paid on debt		(217,176
Contribution from developers and others		11,930
Proceeds from sales of property		991
Net cash used in capital and related financing activities		(548,896
Investing activities:		
Purchase of investments		(1,238,322
Proceeds from sale and maturities of investments		970,736
Investment income		6,141
Distributions from The Energy Authority		1,486
Net cash used in investing activities		(259,959
Net change in cash and cash equivalents		(362,017
Cash and cash equivalents at October 1, 2013		585,888
Cash and cash equivalents at May 31, 2014	\$\$	223,87
Reconciliation of operating income to net cash provided by operating activities:		
Operating Income:	\$	255,288
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization		251,548
Recognition of deferred costs and revenues, net		35,484
Changes in noncash assets and noncash liabilities:		
Decrease (increase) accounts receivable		(2,735
Decrease (increase) accounts receivable, restricted		2,379
Decrease (increase) in inventories		3,554
Increase (decrease) in other assets		(8,883
Increase (decrease) in accounts and expenses payable		(11,698
Increase (decrease) in liabilities payable, restricted		(6,758
Increase (decrease) in other liabilities	_	(2,409
Increase (decrease) in other liabilities Net cash provided by operating activities	\$	515,770

Non-cash activity:

Contribution of capital assets from developers	<u>\$ 11,243</u>

JEA Combining Statement of Cash Flows (in thousands - unaudited) for the eight month(s) ended May 31, 2014

	Sy Bu	Electric stem and ilk Power ply System		SJRPP System		Elimination of Inter- company ransactions	E	Total Electric interprise Fund		Water nd Sewer nterprise Fund	E S	istrict nergy ystem Fund	E	liminations		Total JEA
Operations:	\$	045 070	•	257 500	\$	(450.000)	¢	061.064		250 745		E 504	•	(11,142)	¢	4 400 364
Receipts from customers Other receipts	Þ	845,873 22,291	Ф	257,590	ф	(152,209)	ф	22,291	Ф	250,715 7.047	\$	5,524 7	\$		Þ	27,681
				(102.006)		452.000								(1,664)		
Payments to suppliers		(487,496)		(183,886)		152,209		(519,173)		(56,726)		(2,542)		12,806		(565,635
Payments to employees Net cash provided by operating activities		<u>(92,121)</u> 288,547		(18,127) 55,577	_			(110,248) 344,124		(32,048) 168,988		(331) 2,658				(142,627 515,770
Net cash provided by operating activities		200,047		55,577				344,124		100,900		2,000			-	515,770
Noncapital and related financing activities:																
Contribution to General Fund, City of Jacksonville, Florida		(57,932)		-		-		(57,932)		(14,639)		-		-		(72,571
Other revenues, net		-		-		-		-		-		-		-		• •
Build America Bonds subsidies		2,189		204		-		2,393		1,246		-		-		3,639
Net cash used in noncapital financing activities		(55,743)		204		-		(55,539)		(13,393)				•		(68,932
o																
Capital and related financing activities:		(40 500)						(46 550)		(57.007)		(640)				1104 401
Acquisition and construction of capital assets		(46,550)		-		-		(46,550)		(57,297)		(619)		-		(104,466
Proceeds from issuance of debt		360,380		88,790		-		449,170		-		-		-		449,17
Loss on disposal of assets		-		-		-		-		-		-		-		
Debt issue costs and discounts		20,504		921		-		21,425		-		-		-		21,42
Defeasance of debt		(382,247)		(88,826)		-		(471,073)		-		-		-		(471,073
Repayment of debt principal		(65,450)		(127,390)		-		(192,840)		(46,492)		(365)		-		(239,69)
Interest paid on debt		(104,421)		(36,933)		-		(141,354)		(74,712)		(1,110)		-		(217,176
Contribution from developers and others		-		-		-		-		11,930		-		-		11,93
Proceeds from sales of property		707		-		-		707		284		-		-		99
Net cash used in capital and related financing activities		(217,077)	_	(163,438)				(380,515)		(166,287)		(2,094)		-	_	(548,896
Investing activities: Purchase of investments Proceeds from sale and maturities of investments Investment income Distributions from The Energy Authority		(479,172) 370,991 2,527 1,486		(411,360) 335,986 2,261		-		(890,532) 706,977 4,788 1,486		(347,790) 263,752 1,351	_	- 7 2 -				(1,238,322 970,736 6,141 1,486
Net cash used in investing activities		(104,168)		(73,113)		· · · ·		(177,281)		(82,687)		9				(259,95
Net change in cash and cash equivalents		(88,441)		(180,770)		_		(269,211)		(93,379)		573		_		(362.01)
Cash and cash equivalents at October 1, 2013		161.506		258,580		_		420.086		158.739		7.063		_		585,888
Cash and cash equivalents at May 31, 2013	\$	73,065	\$	77,810	\$		\$	150,875	\$	65,360	\$	7,636	\$	-	\$	223,87
Reconciliation of operating income to net cash provided by operating activities:	<u></u>							- <u></u>		<u></u>						
Operating Income:	\$	139,990	\$	31,816	\$	-	\$	171,806	\$	82,421	\$	1,061	\$	-	\$	255,28
Adjustments to reconcile operating income to net cash provided by operating activities:																
Depreciation and amortization		133,769		27,780		-		161,549		88,566		1,433		-		251,54
Recognition of deferred costs and revenues, net		(3,859)		39,343		-		35,484		•		.,		-		35,48
Changes in noncash assets and noncash liabilities:		(0,000)														
Decrease (increase) accounts receivable		30,549		(33,769)		-		(3,220)		305		180		-		(2,73
Decrease (increase) accounts receivable, restricted		1,126				-		1,126		1,253				-		2.37
Decrease (increase) in inventories		(1,715)		5,543		-		3,828		(274)		-		-		3,55
Increase (decrease) in other assets		(8,612)				-		(8,612)		(271)		-		-		(8,88
Increase (decrease) in accounts and expenses payable		(1,233)		(6,934)		-		(8,167)		(3,510)		(21)		-		(11,69
Increase (decrease) in liabilities payable, restricted		(.,_00)		(6,758)		_		(6,758)		(0,070)		(-		(6,75
Increase (decrease) in other liabilities		(1,468)		(1,444)		-		(2,912)		498		5		-		(2,40
Net cash provided by operating activities	\$	288,547		55,577	\$	-	\$	344,124	\$		\$	2,658		-	\$	515,77

Non-cash activity:

Contribution of capital assets from developers

\$ 11,243

JEA Electric System Changes in Debt Service, R & R and Construction Funds (in thousands - unaudited) for the eight month(s) ended May 31, 2015 and May 31, 2014

		Debt service		ay 31, 2015 Renewal and eplacement	 nstruction	 Debt service	ay 31, 2014 Renewal and placement	с	onstruction
Beginning balance	\$	funds 194,776	\$	funds 148,110	funds 43	\$ funds 178,886	\$ funds 142,868	\$	funds 5,185
Additions:	•	,	·					· ·	
Debt issuance:									
Bonds		-		-	-	-	-		360,380
Transfer from:									
Revenue fund		125,072		106,253	-	112,476	74,068		665
Debt Service		-		-	-	-	-		1,619
Proceeds from property sales		-		-	-	-	707		-
ncrease in accounts payable		-		-	27	-	-		855
Debt issue premiums		-		-	-	-	-		21,987
Total additions		125,072		106,253	 27	112,476	 74,775		385,506
Deductions:									
Increase in utility plant		-		56,221	62	-	36,106		3,337
Interest/principal payments from sinking funds		169,757		-	-	153,364	-		-
Defeasance		-		-	-	-	-		383,745
Transfer to:									
Revenue fund		245		-	-	-	-		905
Construction fund		-		-	-	1,619	-		-
Deposits		-		-	-	-	7,500		-
Debt issue costs and discounts		-		-	-	-	-		593
Decrease in accounts payable		-		4,815	-	-	7,869		-
Loss from property sales		-		458	-	-	-		-
Total deductions		170,002		61,494	 62	154,983	51,475		388,580
	\$	149,846	*	192,869	\$ 8	\$ 136,379	\$ 166,168	٠	2,111

Street light & other customer loans	\$ 192,869	\$ 166,168	
Construction fund: Generation projects	\$	4 \$ 1,716	
T& D and other capital projects Accounts receivable	\$	4 394 - 1 8 \$ 2,111	

JEA Water and Sewer System Changes in Debt Service, R & R and Construction Funds (in thousands - unaudited) for the eight month(s) ended May 31, 2015 and May 31, 2014

	 	May 31, 2	2015			 	May 31, 2	2014	
	 Debt Service Funds	Renew and Replacer Funds	nent	Co	onstruction Funds	Debt Service Funds	Renew and Replacen Funds	nent	 truction unds
Beginning balance	\$ 191,848	\$14	2,417	\$	670	\$ 200,232	\$ 13 [.]	1 <u>,</u> 128	\$ 2,305
Additions:									
Debt issuance:									
Bonds	-		-		-	-		-	-
Transfer from:									
Revenue fund	68,876	9	8,473		-	78,675	7	7,517	-
R & R fund	-		-		-	-		-	1,893
Construction fund	-		-		-	-		172	-
Proceeds from property sales	-		140		-	-		284	-
Contribution in aid of construction	 -	1	2,854		-	 -	1	1,930	 -
Total additions	68,876	11	1,467		-	78,675	- 8	9,903	1,893
Deductions:	 								
Increase in utility plant	-	4	9,076		-	-	4	3,783	1,058
Interest/principal payments from sinking funds	108,683		-		-	117,325		-	-
Transfer to:						-		-	-
Revenue fund	2,647		-		-	-		-	-
R&R fund	-		-			-		-	172
Construction fund	-		-		-	-		1,893	-
Debt issuance costs and discounts	-		-		-	-		-	48
Decrease in accounts payable	-		9,954		6	-		9,823	2,631
Total deductions	111,330	5	9,030		6	117,325	5	5,499	3,909
Ending balance	\$ 149,394	\$ 19	4,854	\$	664	\$ 161,582	\$ 16	5,532	\$ 289

Recap: Renewal and replacement fund: Cash & investments Accounts / notes receivable:	\$ 1	93,935		\$ 164,634	
Accounts receivable		894		868	
Notes receivable	<u>\$</u> 1	25 94,854		\$ <u>30</u> 165,532	
Construction fund:					
Construction reserves		\$	-	\$	-
Accounts receivable			-		-
Project funds			664		289
		\$	664	\$	289

Electric System			Month	Prior Year Month			
Budget vs. Actual	ANNUAL BUDGET	BUDGET	ACTUAL	Variance	ACTUAL	Variance	
lay 31, 2015 and 2014	2014-15	2014-15	2014-15	%	2013-14	%	
uel Related Revenues & Expenses							
Fuel Rate Revenues	\$ 542,218,303 \$	45,061,272 \$	38,666,770	-14.19%	44,316,480	-12.75%	
Fuel Expense and Purchased Power:							
Fuel Expense - Electric System	308,686,899	24,626,314	21,340,162		30,392,624		
Fuel Expense - SJRPP	129,171,400	11,460,400	8,815,265		6,542,435		
Other Purchased Power	90,396,444	6,693,805	5,851,338		6,273,160		
Subtotal Energy Expense	528,254,744	42,780,519	36,006,765	15.83%	43,208,218	16.67%	
Transfer to (from) Rate Stabilization, Net	12,879,123	_	2,609,835		(207)		
Fuel Related Uncollectibles	1,084,437	90,370	50,170		64,558		
Total	542,218,303	42,870,889	38,666,770	9.81%	43,272,569	10.64%	
lotal		42,070,009	38,000,770	3.0170	43,272,309		
Fuel Balance	-	2,190,383	(0)		1,043,911		
Ionfuel Related Revenues							
Base Rate Revenues	738,359,977	61,361,705	63,913,034		60,443,287		
Conservation Charge Revenue	989,059	82,196	30,818		28,168		
Environmental Charge Revenue	7,686,000	638,748	650,066		623,867		
Investment Income	2,941,782	245,149	388,869		332,829		
Other Revenues	39,684,121	3,307,010	2,724,692		2,555,831		
Total	789,660,939	65,634,808	67,707,479	3.16%	63,983,982	5.82%	
Ionfuel Related Expenses							
Non-Fuel O&M	196,099,082	16,082,662	13,692,043		12,154,442		
DSM / Conservation O&M	9,202,382	761,222	499,894		418,999		
Environmental O&M	2,228,500	185,708	28,378		37,820		
Net Transfer to Rate Stabilization - DSM	(1,925,041)	(158,605)	(1,010)		72,019		
Transfer to Environmental Fund/RSF	5,457,500	454,792	624,003		586,047		
Debt Principal - Electric System	94,955,000	7,912,917	7,928,385		6,656,377		
Debt Interest - Electric System	113,174,619	9,431,218	8,462,016		8,861,483		
R&R - Electric System	67,286,054	5,607,171	5,460,179		5,258,521		
Operating Capital Outlay	82,713,946	15,000,000	15,000,000		8,000,000		
City Contribution Expense	90,108,598	7,509,050	7,509,050		7,276,502		
Taxes & Uncollectibles	1,697,349	141,446	100,227		105,750		
Emergency Reserve	5,000,000						
Nonfuel Purchased Power:	0,000,000						
SJRPP D/S Principal	46.090.484	3,840,874	2,958,177		7,163,313		
SJRPP D/S Interest	22,734,025	1,894,502	1,695,584		2,181,540		
** Other Non-Fuel Purchased Power	54,838,443	4,158,785	3,034,524				
Total Nonfuel Expenses	789,660,939	72,821,741	<u>3,034,524</u> 66,991,450	8.01%	<u>5,982,631</u> 64,755,443	-3.45%	
Non-Fuel Balance		(7,186,933)	716,029		(771,461)		
		(4.000.550)	740.000		070.450		
fotal Balance	-	(4,996,550)	716,029		272,450		
Total Revenues	1,331,879,242	110,696,080	106,374,249	-3.90%	108,300,462	-1.78%	
Total Expenses	1,331,879,242	115,692,630	105,658,220	8.67%	108,028,012	2.19%	
KWH Sold - Territorial	12,600,000,000	1,047,128,077	1,062,459,000	1.46%	1,028,801,000	3.27%	
KWH Sold - Off System	-	-	2,952,000		8,213,000		
	12,600,000,000	1,047,128,077	1,065,411,000	1.75%	1,037,014,000	2.74%	

* Gross debt service

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

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	E A
_ ປ	EA

Electric System			Year-To-Date		Prior Year-To-Date		
udget vs. Actual	ANNUAL BUDGET	BUDGET	ACTUAL	Variance	ACTUAL	Variance	
ay 31, 2015 and 2014	2014-15	2014-15	2014-15	%	2013-14	%	
uel Related Revenues & Expenses							
Fuel Rate Revenues	542,218,303	330,403,886	280,686,348	-15.05%	323,703,058	-13.29%	
Fuel Expense and Purchased Power:							
Fuel Expense - Electric System	308,686,899	185,418,309	167,955,397		193,209,787		
Fuel Expense - SJRPP	129,171,400	81,391,500	64,264,731		77,561,912		
Other Purchased Power	90,396,444	57,323,909	48,123,926		39,055,217		
Subtotal Energy Expense	528,254,744	324,133,718	280,344,054	13.51%	309,826,916	9.52%	
Transfer to (from) Rate Stabilization, Net	12,879,123	-	(92,289)		12,032,418		
Fuel Related Uncollectibles	1,084,437	722,958	434,583		515,600		
Total	542,218,303	324,856,676	280,686,348	13.60%	322,374,934	12.93%	
Fuel Balance	-	5,547,210	0		1,328,124		
Ionfuel Related Revenues							
Base Rate Revenues	738,359,977	449,923,960	457,057,190		446,433,089		
Conservation Charge Revenue	989,059	602,689	334,970		366,777		
Environmental Charge Revenue	7,686,000	4,683,509	4,691,165		4,563,463		
Investment Income	2,941,782	1,961,188	2,607,917		2,757,567		
Other Revenues	39,684,121	26,456,081	22,109,350		23,539,851		
Total	789,660,939	483,627,426	486,800,591	0.66%	477,660,748	1.91%	
onfuel Related Expenses							
Non-Fuel O&M	196,099,082	124,324,727	117,777,120		106,377,566		
DSM / Conservation O&M	9,202,382	6,134,527	4,440,262		4,465,057		
Environmental O&M	2,228,500	1,485,667	411,378		331,793		
Net Transfer to Rate Stabilization - DSM	(1,925,041)	(1,278,904)	(297,876)		(343,508)		
Transfer to Environmental Fund/RSF	5,457,500	3,638,333	4,279,787		4,231,670		
Debt Principal - Electric System	94,955,000	63,303,333	63,340,458		49,809,491		
Debt Interest - Electric System	113,174,619	75,449,746	69,569,953		72,577,532		
R&R - Electric System	67,286,054	44,857,369	43,681,433		42,068,167		
Operating Capital Outlay	82,713,946	62,571,316	62,571,316		32,000,000		
City Contribution Expense	90,108,598	60,072,399	60,072,399		58,212,014		
Taxes & Uncollectibles	1,697,349	1,131,565	839,240		851,610		
Emergency Reserve	5,000,000	-	-		-		
Nonfuel Purchased Power:					i.		
SJRPP D/S Principal	46,090,484	30,726,989	23,665,417		57,297,896		
SJRPP D/S Interest	22,734,025	15,156,017	13,564,676		17,491,603		
* Other Non-Fuel Purchased Power	54,838,443	33,270,277	21,905,397		30,260,773		
Total Nonfuel Expenses	789,660,939	520,843,362	485,820,960	6.72%	475,631,664	-2.14%	
Non-Fuel Balance	<u> </u>	(37,215,936)	979,631		2,029,084		
otal Balance		(31,668,725)	979,632		3,357,208		
Total Revenues	1,331,879,242	814,031,313	767,486,939	-5.72%	801,363,806	-4.23%	
Total Expenses	1,331,879,242	845,700,038	766,507,308	9.36%	798,006,598	3.95%	
KWH Sold - Territorial KWH Sold - Off System	12,600,000,000	7,677,883,270	7,696,474,000 69,793,000	0.24%	7,520,776,000 80,746,000	2.34%	
	12,600,000,000	7,677,883,270	7,766,267,000	1.15%	7,601,522,000	2.17%	
	12,000,000,000	1,011,000,210	1,100,201,000	1.1370	.,001,322,000		

 * Gross debt service ** Includes transmission capacity, SJRPP and Scherer R & R, O & M and Investment Income

JEA Water and Sewer System				 Month			Prior Year I	Jonth
	A A 1	NUAL BUDGET	BUDGET		Verie			
Budget vs. Actual	ANI	2014-15			Varia		ACTUAL	Variance
May 31, 2015 and 2014		2014-15	2014-15	 2014-15	%		2013-14	%
REVENUES								
Water & Sewer Revenues	\$	401,527,942	\$ 35,821,893	\$ 36,518,522			\$ 33,329,108	
Capacity & Extension Fees		15,000,000	1,250,000	2,267,318			1,608,102	
Capital Contributions		-	-	4,502			277,132	
Investment Income		2,484,863	173,835	247,915			239,298	
Other Income		11,383,371	948,614	1,431,444			1,010,286	
Total		430,396,176	38,194,342	 40,469,701	5	.96%	36,463,926	10.99%
EXPENSES								
O & M Expenses		136,523,219	11,065,957	10,180,302			9,084,925	
Debt Principal - Water & Sewer		49,111,097	4,092,591	3,015,000			3,751,810	
Debt Interest - Water & Sewer		80,741,791	6,728,483	5,927,977			6,402,560	
R&R - Water & Sewer		20,670,050	1,722,504	1,722,504			1,711,625	
Operating Capital Outlay		82,157,618	13,000,000	13,000,000			8,304,863	
Operating Capital Outlay - Capacity/Extension		15,000,000	1,250,000	2,267,318			1,608,102	
Operating Capital Outlay - Contributions		-	-	4,502			277,132	
Operating Capital Outlay - Environmental		22,137,705	1,844,809	1,875,784			1,765,720	
City Contribution Expense		21,578,940	1,798,245	1,798,245			1,822,460	
Uncollectibles & Fees		845,756	70,480	58,488			216,687	
Interlocal Agreements		630,000	-	-			-	
Emergency Reserve		1,000,000	-	-			-	
Total Expenses		430,396,176	41,573,069	 39,850,120	4	.14%	34,945,884	-14.03%
Total Balance	_\$	-	\$ (3,378,727)	\$ 619,581			\$ 1,518,042	
Sales kgals								
Water		36,750,000	3,440,770	3,509,268	1	.99%	3,087,669	13.65%
Sewer		27,012,394	2,465,442	2,604,402	5	.64%	2,267,927	14.84%
Total		63,762,394	5,906,212	 6,113,670	3	.51%	5,355,596	14.15%

				Year-To-Date		Prior Year	to Date
	AN	NUAL BUDGET	BUDGET	ACTUAL	Variance	ACTUAL	Variance
		2014-15	2014-15	2014-15	%	2013-14	%
REVENUES							
Water & Sewer Revenues	\$	401,527,942	\$ 264,039,836	\$ 256,178,88	7	\$ 244,722,070	
Capacity & Extension Fees		15,000,000	10,000,000	12,576,33	7	10,976,370	
Capital Contributions		-	-	277,25	3	953,962	
Investment Income		2,484,863	1,392,640	1,991,584	4	1,751,668	
Other Income		11,383,371	7,588,914	9,137,613	3	7,494,821	
Total		430,396,176	283,021,390	280,161,67	4 -1.01%	265,898,891	5.36%
EXPENSES							
O & M Expenses		136,523,219	88.138.625	78.952.95	0	77,818,311	
Debt Principal - Water & Sewer		49,111,097	32,740,731	24,120,000	0	30,010,618	
Debt Interest - Water & Sewer		80,741,791	53,827,861	47,943,772	2	52,261,439	
R&R - Water & Sewer		20,670,050	13,780,033	13,780,03	3	13,693,000	
Operating Capital Outlay		82,157,618	70,880,721	70,880,72	1	50,609,725	
Operating Capital Outlay - Capacity/Extension		15,000,000	10,000,000	12,576,33	7	10,976,370	
Operating Capital Outlay - Contributions		-	-	277,25	3	953,962	
Operating Capital Outlay - Environmental		22,137,705	14,758,470	13,812,834	4	13,214,192	
City Contribution Expense		21,578,940	14,385,960	14,385,960	0	14,579,678	
Uncollectibles & Fees		845,756	563,837	439,86	7	630,976	
Interlocal Agreements		630,000	-		-	-	
Emergency Reserve		1,000,000				-	
Total Expenses		430,396,176	299,076,238	277,169,72	77.32%	264,748,271	-4.699
Total Balance	\$	<u> </u>	\$ (16,054,848)	\$ 2,991,94	7	\$ 1,150,620	
Sales kgals							
Water		36,750,000	23,825,315	22,102,592	2 -7.23%	20,608,300	7.25%
Sewer		27,012,394	17,403,979	17,295,529	9 -0.62%	16,074,289	7.609
Total		63,762,394	41,229,294	39,398,12	1 -4.44%	36,682,589	7.409

District Energy System				Month		Prior Year	Month
Budget vs. Actual May 31, 2015 and 2014	ANN	IUAL BUDGET 2014-15	BUDGET 2014-15	ACTUAL 2014-15	Variance %	ACTUAL 2013-14	Variance %
REVENUES							
Revenues	\$	9,444,887	\$ 731,893	\$ 570,703		\$ 678,480	
Investment Income		-	-	333		-	
Total		9,444,887	731,893	571,036	-21.98%	678,480	15.84%
EXPENSES							
O & M Expenses		5,397,311	424,484	395,517		369,731	
Debt Principal - DES		1,610,000	134,167	134,167		133,750	
Debt Interest - DES		1,409,300	117,442	117,442		117,977	
R&R - DES		449,570	37,464	36,229		32,883	
Operating Capital Outlay		578,706	48,226	-		-	
Total Expenses		9,444,887	761,783	683,355	10.30%	654,341	4.43%
Total Balance	\$	-	\$ (29,890)	\$ (112,319)		\$ 24,139	

				Year-To-Date		Prior-Year-	To-Date
	ANN	UAL BUDGET 2014-15	BUDGET 2014-15	ACTUAL 2014-15	Variance %	ACTUAL 2013-14	Variance %
REVENUES							
Revenues	\$	9,444,887	\$5,752,098	\$ 5,295,486		\$ 5,350,468	
Investment Income		-	-	3,365		201	
Total		9,444,887	5,752,098	5,298,851	-7.88%	5,350,669	-0.97%
EXPENSES							
O & M Expenses		5,397,311	3,066,154	2,907,190		2,856,283	
Debt Principal - DES		1,610,000	1,073,333	1,073,333		1,070,000	
Debt Interest - DES		1,409,300	939,533	939,533		943,813	
R&R - DES		449,570	299,713	289,833		263,067	
Operating Capital Outlay		578,706	385,804	-		-	
Total Expenses		9,444,887	5,764,537	5,209,889	9.62%	5,133,163	-1.49%
Total Balance	\$	-	\$ (12,439)	\$ 88,962		\$ 217,506	

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

		nth ay			Year-To-Date May			
	2015	-,	2014		2015	-,	2014	
Revenues:								
Electric	\$ 107,749	\$	110,187	\$	781,175	\$	815,324	
Investment income (1)	252		205		1,596		1,741	
Earnings from The Energy Authority	82		(28)		940		3,293	
Other, net (2)	2,439		2,250		19,914		21,165	
Plus: amounts paid from the rate stabilization fund into the revenue fund	6,396		419		54,342		4,466	
Less: amounts paid from the revenue fund into the rate stabilization fund	(9,629)		(1,077)		(58,231)		(20,387)	
Total revenues	 107,289		111,956		799,736		825,602	
Operating expenses (3):								
Fuel	21,340		30,392		167,955		193,210	
Purchased power (4)	22,533		28,405		174,817		227,569	
Other operations and maintenance	14,316		12,824		122,593		112,012	
State utility taxes and franchise fees	4,542		4,652		37,271	-	39,009	
Total operating expenses	 62,731		76,273		502,636		571,800	
Net revenues	\$ 44,558	\$	35,683	\$	297,100	\$	253,802	
Debt service:	\$ 6,911	\$	6,300	\$	55,428	\$	50,127	
Less: investment income on sinking fund	(141)		(134)		(1,055)		(1,067)	
Less: Build America Bonds subsidy	(126)		(126)	_	(1,006)		(1,007)	
Debt service requirement	\$ 6,644	\$	6,040	\$	53,367	\$	48,053	
Senior debt service coverage (5), (min 1.20x)	 6.71 >	(5.91 x		5.57 x		5.28	
Net revenues (from above):	\$ 44,558	\$	35,683	\$	297,100	\$	253,802	
Debt service requirement (from above):	\$ 6,644	\$	6,040	\$	53,367	\$	48,053	
Plus: aggregate subordinated debt service on outstanding subordinated bonds	8,196		7,931		65,536		59,819	
Less: Build America Bonds subsidy	 (174)		(174)		(1,391)		(1,396)	
Total debt service requirement and aggregate subordinated debt service	\$ 14,666	\$	13,797	\$	117,512	\$	106,476	
Senior and subordinated debt service coverage (6), (min 1.15x)	 3.04 >	(2.59 x		2.53 x		2.38	
Fixed charge coverage (7)	2.12 >	(1.61 x		1.74 x		1.48	

(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)

		Month				Year-To-Date			
		Мау				м	ay		
		2015		2014		2015		2014	
Revenues:									
JEA	\$	4,543	\$	6,298	\$	40,096	\$	42,358	
Investment income		9		8		73		52	
Other, net (1)		-		-		-		-	
Total revenues		4,552		6,306		40,169		42,410	
Operating expenses (2):									
Fuel		2,596		2,825		23,731		19,238	
Other operations and maintenance		1,076		1,049		9,452		11,233	
Total operating expenses	<u> </u>	3,672		3,874		33,183		30,471	
Net revenues	\$	880	\$	2,432	\$	6,986	\$	11,939	
Aggregate Debt Service	\$	817	\$	682	\$	6,534	\$	5,728	
Less: Build America Bonds subsidy		(64)		(65)		(509)		(516)	
Aggregate debt service	\$	753	\$	617	\$	6,025	\$	5,212	
Debt service coverage (3)		1.17	x	3.94	x	1.16	x	2.29	

Excludes the Build America Bonds subsidy.
 Excludes all current expenses paid or accrued to the extent that such expenses are to be paid from revenues.
 Net revenues divided by aggregate debt service. Minimum annual coverage is 1.15x.

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

	Month May			Year-1 M	te	
	2015		2014	 2015	-	2014
Revenues:						
JEA	\$ 12,076	\$	15,854	\$ 90,604	\$	156,809
FPL	11,084		13,269	81,398		102,296
Investment income	310		(207)	 2,415		2,048
Total revenues	 23,470		28,916	 174,417		261,153
Operating expenses (1):						
Fuel	14,429		11,140	103,754		119,580
Other operations and maintenance	4,070		4,598	 27,583		27,357
Total operating expenses	18,499		15,738	131,337		146,937
Net revenues	\$ 4,971	\$	13,178	\$ 43,080	\$	114,216
Aggregate debt service	\$ 4,419	\$	11,715	\$ 35,351	\$	93,717
Debt service coverage (2)	1.12	<	1.12 x	 1.22 >	(1.22 >

(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 May				Year-T M	e	
	2015		2014		2015	-	2014
Revenues:							
JEA	\$ 1,892	\$	2,023	\$	16,868	\$	18,070
Investment income	-		-		-		-
Other, net (1)	-		34		-		272
Total revenues	1,892		2,057 16,868		18,342		
Operating expenses (2):							
Fuel	-		-		-		-
Other operations and maintenance	 -		-		-		-
Total operating expenses	-		-		-		-
Net revenues	\$ 1,892	\$	2,057	\$	16,868	\$	18,342
Aggregate debt service	\$ 1,926	\$	2,057	\$	15,407	\$	16,487
Less: Build America Bonds subsidy	(34)		-		(272)		-
Aggregate debt service (3)	\$ 1,892	\$	2,057	\$	15,135	\$	16,487
Debt service coverage (4), (5)	 1.00 x 1.0		1.00 ×	. 1.11 x		< 1.11 ×	

(1) Effective July 14, 2014, the St. Johns River Power Park System Second Revenue Bond Resolution was amended to exclude from revenues the subsidy related to Build America Bonds.

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

(3) Effective July 14, 2014, the St. Johns River Power Park System Second Revenue Bond Resolution was amended to exclude from

interest in aggregate debt service the subsidy related to Build America Bonds.

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

(5) Had the Build America Bonds subsidy not been excluded from revenues and not been excluded from interest in aggregate debt service, current year-to-date debt service coverage would have been 1.13x.

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

			onth lay			Year-T M	(e	
		2015		2014		2015		2014
Revenues:								
Water	\$	15,302	\$	13,927	\$	105,227	\$	100,251
Water capacity fees (1)		784		610		4,503		4,006
Sewer		22,004		19,997		157,004		150,159
Sewer capacity fees (1)		1,483		998		8,073		6,970
Investment Income		252		243		2,029		1,792
Other (2)		1,220		798		7,453		5,794
Plus: amounts paid from the rate stabilization fund into the revenue fund		1,876		1,766		13,813		13,214
Less: amounts paid from the revenue fund into the rate stabilization fund		(1,876)		(1,766)		(13,813)		(13,214)
Total revenues		41,045		36,573		284,289	_	268,972
Operating & Maintenance Expenses:								
Operations and maintenance (3)		11,201		10.094		86,202		86.318
Total operating expenses		11,201		10,094		86,202		86,318
Net revenues	\$	29,844	\$	26,479	\$	198,087	\$	182,654
Aggregate debt service:	\$	7.650	\$	8.910	\$	61,141	\$	71.256
Less: Build America Bonds subsidy	¥	(207)	Ť	(208)	Ψ	(1.659)	Ψ	(1.661)
Aggregate debt service:	\$	7,443	\$	8,702	\$	59,482	\$	69,595
Senior debt service coverage (4), (min 1.25x)		4.01 >	<i>.</i>	3.04 x		3.33 ×		2.62
		4.017	<u> </u>	0.04 x	·	0.00 *	<u> </u>	2.02
Net revenues (from above)	\$	29,844	\$	26,479	\$	198,087	\$	182,654
Aggregate debt service (from above)	\$	7,443	\$	8,702	\$	59,482	\$	69.595
Plus: aggregate subordinated debt service on outstanding subordinated debt	•	1,024	•	875	-	8,140	•	6,986
Total aggregate debt service and aggregate subordinated debt service	\$	8,467	\$	9,577	\$	67,622	\$	76,581
Senior and subordinated debt service coverage (5)		3.52 >	<	2.76 ×		2.93 ×	:	2.39
Fixed charge coverage		3.31	,	2.57 ×		2.72 ×		2.19

 (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 May 2015 and 2014, then the debt service coverage would have been 2.74x and 2.24x.
 (2) Excludes the Build America Bonds subsidy.

(2) Excludes the build America b

(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 2.74x and 2.24x. Based on the second requirement, net revenues must exceed 100% of aggregate debt service and 120% of aggregate subordinated debt service, or \$69,250 and \$77,978 for the year-to-date period ending May 2015 and 2014.

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

		Month			Year-To-Date				
	Мау			M	ay				
	1	2015		2014	2015		2014		
Revenues:									
Service revenues	\$	571	\$	678	\$ 5,295	\$	5,344		
Investment income		-		-	3		2		
Other		-		-	-		7		
Plus: amounts paid from the rate stabilization fund									
into the revenue fund		-		-	-		-		
Less: amounts paid from the revenue fund into the									
rate stabilization fund		-		-	 -		-		
Total revenues		571		678	 5,298		5,353		
Operating expenses (1):		394		368	2,912		2,857		
Total operating expenses		394		368	2,912		2,857		
Net revenues	\$	177	\$. 310	\$ 2,386	\$	2,496		
Aggregate debt service (2)	\$	252	\$	252	\$ 2,013	\$	2,014		
Debt service coverage (3) (min 1.15x)		0.70 ×	(1.23 ×	 1.19 >	(1.24		

(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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JEA Electric System, St. Johns River Power Park System and Scherer Principal Amount of Debt Outstanding and Average Interest Rates May 31, 2015

Schedule of Outstanding Indebtedness

	Interest Rates	Principal Payment Dates	Par Amount Principal Outstanding	Current Portion of Long-Term Del
Issue/Average Coupon Rate	Interest Kates	Payment Dates	Outstanding	Long-Lenn Dei
ectric System - Fixed Rate Bonds				•
Series Three 2004 A	5.000%		\$ 5,000	\$-
Series Three 2005 B	4.750%	2033	100,000	1 225 00
Series Three 2005 D	3.625% 5.000%	2015 2015	1,335,000 14,560,000	1,335,00 14,560,00
Series Three 2008 E	5.000%	2015	15,730,000	14,300,00
Series Three 2009 C				
Series Three 2009 D	6.056%	2033-2044	45,955,000	4,755,00
Series Three 2010 A	4.000% 2.000 - 4.500%	2015-2020 2015-2030	29,715,000 5,535,000	4,755,00
Series Three 2010 B	4.000 - 4.500%	2013-2030	11,420,000	450,00
Series Three 2010 C Series Three 2010 D	3.000 - 5.000%	2015-2038	162,470,000	5,870,00
Series Three 2010 E	5.350 - 5.482%	2028-2040	34,255,000	0,010,00
Series Three 2010 E Series Three 2012A	4.000 - 4.500%	2023-2033	60,750,000	
Series Three 2012A Series Three 2012B	2.000 - 5.000%	2015-2039	133,990,000	600.00
Series Three 2012B	2.500 - 5.000%	2015-2026	119,080,000	7,950,00
Series Three 2013B	1.875 - 5.000%	2021-2038	7,600,000	7,350,00
	3.000 - 5.000%	2015-2030	33,170,000	2,230,00
Series Three 2013C Series Three 2014A	2.600 - 5.000%	2015-2030	49,420,000	1,855,00
			83,325,000	1,515,00
Series Three 2015A	1.000 - 5.000%	2015-2041		
Total Fixed Rate Senior Bonds			808,415,000	41,120,00
2005 Series C	3.500%	2015	875,000	875,00
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%	2015-2018	4,835,000	770,00
2009 Series F	3.875 - 6.406%	2015-2034	66,600,000	1,000,0
2009 Series G	3.750 - 5.000%	2015-2021	27,675,000	4,700,0
2010 Series A	3.000 - 5.000%	2015-2017	10,830,000	5,870,00
2010 Series B	3.000 - 5.000%	2015-2024	36,210,000	830,00
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%	2015-2016	7,570,000	3,065,00
2012 Series A	3.000 - 5.000%	2015-2033	112,645,000	1,865,0
2012 Series B	2.250 - 5.000%	2015-2037	108,020,000	2,220,0
2013 Series A	2.500 - 5.000%	2017-2030	59,330,000	_,,
2013 Series B	2.500 - 5.000%	2015-2026	50,875,000	9,660,0
2013 Series C	1.375 - 5.000%	2015-2038	88,625,000	20,00
2013 Series D	2.625 - 5.250%	2015-2035	155,670,000	10,615,00
2013 Series D 2014 Series A	3.000 - 5.000%	2015-2039	231,950,000	8,180,00
Total Fixed Rate Subordinated Bonds	3.000 - 5.000 %	2013-2033	1,068,275,000	49,670,00
Total Fixed Rate Subordinated Bonds Total Fixed Rate Electric System Bonds/4.537%			1,876,690,000	90,790,0
Issue 2 Series 17 Issue 2 Series 18	4.700% 4.500%	2019 2018	100,000 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%	2015-2021	92,830,000	
Issue 2 Series 24	3.000 - 4.000%	2015-2021	42,550,000	
Issue 2 Series 25	3.000 - 5.000%	2016-2021	42,195,000	
Issue 2 Series 26	2.000 - 5.000%	2019-2021	65,970,000	
	0.600 - 2.505%	2015-2021	7,155,000	
Issue 2 Series 27			100,000	
Issue 3 Series 1	4.500%	2037		
Issue 3 Series 2	5.000%	2034-2037	29,370,000	
Issue 3 Series 4	3.875 - 5.450%	2016-2028	25,720,000	
Issue 3 Series 5	4.000%	2015	1,595,000	
Issue 3 Series 6	2.000 - 5.000%	2015-2037	114,725,000	
Issue 3 Series 7	2.000 - 5.000%	2015-2033	88,715,000	
Issue 3 Series 8	2.000 - 5.000%	2015-2039	63,865,000	
Total Fixed Rate St. Johns River Power Park Bonds/4.107%			575,150,000	50,945,0
lulk Power Supply System, Scherer 4 Project - Fixed Rate Bonds				
Series 2010A	3.350 - 5.920%	2015-2030	45,640,000	
Series 2014A	2.000 - 5.000%	2015-2038	71,280,000	2,095,0
Total Fixed Rate Bulk Power Supply System Bonds/4.280%			116,920,000	4,950,0
Cu Iectric System - Variable Rate Bonds	irrent Interest Rates	(1)		
Series Three 2008 A	0.101%	2027-2036	51,680,000	
Series Three 2008 B-1	0.706%	2015-2040	61,095,000	
Series Three 2008 B-1 Series Three 2008 B-2	0.101%	2015-2040	41,900,000	
Series Three 2008 B-2 Series Three 2008 B-3	0.101%	2023-2040	37,000,000	
		2024-2036	50,535,000	
Series Three 2008 B-4	0.706%		44,145,000	
Series Three 2008 C-1	0.120%	2024-2034		
Series Three 2008 C-2	0.125%	2024-2034	43,900,000	
Series Three 2008 C-3	0.070%	2030-2038	25,000,000	
Series Three 2008 D-1	0.706%	2015-2036	116,165,000	
Total Variable Rate Senior Bonds			471,420,000	
	0.083%	2021-2035	30,965,000	
Series 2000 A	0.084%	2026-2030	37,200,000	
Series 2000 A Series 2000 F-1			24,800,000	
Series 2000 F-1	0.092%	2026-2030		
Series 2000 F-1 Series 2000 F-2)
Series 2000 F-1 Series 2000 F-2 Series 2008 D	0.087%	2024-2038	39,455,000	
Series 2000 F-1 Series 2000 F-2 Series 2008 D Series C Commercial Paper			39,455,000 40,800,000)
Series 2000 F-1 Series 2000 F-2 Series 2008 D	0.087%	2024-2038	39,455,000))

 Current month interest rate excluding variable debt fees.
 Weighted Average Cost of debt is net of BABs subsidy, original issue premiums/discounts and excludes variable debt liquidity/remarketing fees and interest rate swap payments. Electric System Power Park Issue Th

	Electric System	Powe	r Park Issue Inree
 Remaining New Money Authorization 	\$ 465,160,992	\$	103,865,000
 Remaining Senior Refunding Authorization 	\$ 1,281,957,381	\$	250,810,000
 Remaining Subordinated Refunding Authorization 	\$ 892,378,000		n/a

JEA Water and Sewer System Principal Amount of Debt Outstanding and Average Interest Rates May 31, 2015

Schedule of Outstanding Indebtedness

Issue/Average Coupon Rate	Interest Rates	Principal Payment Dates	Par Amount Principal Outstanding	Current Portion of Long-Term Debt
ed 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	3.750 - 5.700%	2015-2025	19,030,000	1,730,000
2010 Series C	3.500 - 5.000%	2015-2040	20,795,000	5,495,000
2010 Series D	3.000 - 5.000%	2015-2039	173,755,000	3,190,000
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	2.000 - 3.000%	2015-2016	1,525,000	740,000
2012 Series A	3.000 - 5.000%	2017-2041	317,935,000	-
2012 Series B	2.000 - 5.000%	2015-2041	133,425,000	1,660,000
2013 Series A	3.000 - 5.000%	2015-2027	92,385,000	1,300,000
2013 Series B	0.776 - 1.882%	2015-2017	23,205,000	6,475,000
2014 Series A	2.000 - 5.000%	2015-2040	300,200,000	10,635,000
Total Fixed Rate Senior Bonds			1,297,445,000	31,225,000
2010 Series A	3.000 - 5.000%	2015-2022	14,950,000	885,000
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%	2015-2029	79,660,000	3,620,000
Total Fixed Rate Subordinated Bonds			169,340,000	4,505,000
Total Fixed Rate Bonds/4.611%		·	1,466,785,000	35,730,000
	Current Interest Rates	s (2)		
riable Rate Bonds - Senior				
2006 Series B - CPI Bonds	0.867% (1)	2016-2022	38,730,000	-
2008 Series A-2	0.113%	2028-2042	51,820,000	-
2008 Series B	0.119%	2023-2041	85,290,000	
Total Variable Rate Senior Bonds			175,840,000	
riable Rate Bonds - Subordinated				
2008 Series A-1	0.087%	2015-2038	53,950,000	450,000
2008 Series A-2	0.137%	2030-2038	25,600,000	-
2008 Series B-1	0.119%	2030-2036	30,885,000	
Total Variable Rate Subordinated Bonds			110,435,000	450,000
Total Variable Rate Bonds			286,275,000	450,000

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

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

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

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

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JEA District Energy System Principal Amount of Debt Outstanding and Average Interest Rates May 31, 2015

Schedule of Outstanding Indebtedness

Issue/Average Coupon	Interest Rates	Principal Payment Dates	-	Par Amount Principal Dutstanding	Current Portion of Long-Term Debt		
Fixed Rate Bonds							
2013 Series A/3.982%	0.6410 - 4.538%	2015-2034	\$	41,360,000	\$	1,610,000	
Weighted Average Cost(1) / Tota	Weighted Average Cost(1) / Total Outstanding Debt				\$	1,610,000	

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

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JEA INVESTMENT PORTFOLIO REPORT May 2015 All Funds

	INVESTMENT	BOOK VALUE	YIELD	% OF TOTAL	LAST MONTH	6 MONTH AVERAGE
*	Treasuries	\$ 67,305,760	0.18%	4.73%	4.79%	3.47%
	Agencies					
	Federal Farm Credit Bank	223,343,174	0.70%	15.70%	15.89%	17.57%
	Federal Home Loan Bank	443,982,552	0.73%	31.22%	31.11%	29.34%
	Total	667,325,726	0.72%	46.92%	47.00%	46.91%
	Municipal Bonds	295,624,883	2.04%	20.79%	19.76%	20.85%
	Commercial Paper	277,069,535	0.19%	19.48%	21.01%	19.07%
	U.S. Treasury Money Market Funds (1)	10,306,371	0.03%	0.72%	0.72%	0.85%
	Agency Money Market Funds (2)	12,925,000	0.04%	0.91%	1.63%	1.17%
	Wells Fargo Bank Accounts (3)					
	Electric, Scherer	43,287,944	0.06%	3.04%	1.84%	3.40%
	SJRPP	36,295,461	0.06%	2.55%	2.35%	2.74%
	Water & Sewer, DES	12,126,581	0.06%	0.85%	0.90%	1.56%
	Total Portfolio	\$ 1,422,267,260	0.80%	100.00%	100.00%	100.00%

* Backed by Full Faith and Credit of U. S. Government

Weighted Avg. Annual Yield for May 2015, Excluding Bank & Money Market Funds: 0.88%

Weighted Avg. Annual Yield for May 2015, Including Bank & Money Market Funds: 0.80%

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

(3) Month-end bank balances

JEA Debt Management Swaps Variable to Fixed (BMA Index) (2)

		Effective	Terminat'n	Electric System	Water/Sewer	Fixed	Floating		Rate	
ID	Dealer Date Date		Allocation	Allocation	Rate	Rate (1)	Spread	Сар	Index	
1	Goldman Sachs	9/18/2003	9/18/2033	\$ 84,800,000	\$-	3.717	0.123	3.594	n/a	68% 1 mth Libor
3	Morgan Stanley	1/27/2005	10/1/2039	82,575,000	-	4.351	0.106	4.244	n/a	BMA
4	JPMorgan	1/27/2005	10/1/2035	86,725,000	-	3.661	0.123	3.538	n/a	68% 1 mth Libor
6	JPMorgan	1/27/2005	10/1/2037	39,175,000	-	3.716	0.123	3.593	n/a	68% 1 mth Libor
7	Morgan Stanley	10/31/2006	10/1/2022		38,730,000	3.996	0.867	3.129	n/a	CPI
8	Morgan Stanley	1/31/2007	10/1/2031	62,980,000	-	3.907	0.106	3.801	n/a	BMA
9	Merrill Lynch	3/8/2007	10/1/2041	-	85,290,000	3.895	0.106	3.789	n/a	BMA
10	Goldman Sachs	1/31/2008	10/1/2036	51,680,000	-	3.836	0.106	3.730	n/a	BMA
			Total	\$ 407,935,000	\$ 124,020,000	Wtd Avg Sp	read	3.721		

Notes: (1) The "Floating Rate" column is the average of the floating rate for each instrument for this month. (2) The Current BMA rate is .10% (reset date is 5/28/15)

JEA Electric System Operating Statistics

	Mon			Year-T		
	Ma 2015	2014	Variance	Ma 2015	2014	Variance
Electric revenue sales (000's omitted):						
Residential	\$ 51,218	\$ 48,818	4.92%	\$ 367,771	\$ 374,848	-1.89%
Commerical	35,479	36,055	-1.60%	249,620	259,647	-3.86%
Industrial	20,294	21,404	-5.19%	138,163	150,319	-8.09%
Public street lighting	940	1,095	-14.16%	7,796	9,668	-19.36%
Sales for resale - territorial	(146)	2,674	-105.46%	16,553	19,452	-14.90
Electric revenues - territorial	107,785	110,046	-2.05%	779,903	813,934	-4.18
Sales for resale - off system	97	290	-66.55%	2,356	2,610	-9.73
Electric revenues	107,882	110,336	-2.22%	782,259	816,544	-4.20
Less: allowance for doubtful accounts	(133)	(149)	-10.74%	(1,084)	(1,220)	-11.159
Electric revenues - net	107,749	110,187	-2.21%	781,175	815,324	-4.19
		110,101		101,110	010,021	
MWh sales:						
Residential	422,524	399,737	5.70%	3,160,494	3,054,918	3.46
Commercial	353,751	336,730	5.05%	2,468,531	2,400,580	2.83
Industrial	253,687	254,991	-0.51%	1,806,101	1,781,111	1.40
Public street lighting	6,742	8,546	-21.11%	59,557	77,581	-23.23
Sales for resale - territorial	25,755	28,797	-10.56%	201,791	206,586	-2.32
Total MWh sales - territorial	1,062,459	1,028,801	3.27%	7,696,474	7,520,776	2.34
Sales for resale - off system	2,952	8,213	-64.06%	69,793	80,746	-13.56
Total MWh sales	1,065,411	1,037,014	2.74%	7,766,267	7,601,522	2.17
Number of accounts (1):	200 772	202 505	4.000/	207.000	204 205	4 74
Residential	390,773	383,565	1.88%	387,960	381,325	1.74
Commercial	50,794	49,078	3.50%	50,548	48,316	4.62
Industrial	209	216	-3.24%	211	217	-2.76
Public street lighting	3,564	3,469	2.74%	3,534	3,472	1.79
Sales for resale	2	2	0.00%	2	2	0.00
Total average accounts	445,342	436,330	2.07%	442,255	433,332	2.06
Residential averages:						
Revenue per account - \$	131.07	127.27	2.99%	947.96	9 83.01	-3.57
kWh per account	1,081	1,042	3.74%	8,146	8,011	1.69
Revenue per kWh - ¢	12.12	12.21	-0.74%	11.64	12.27	-5.13
Degree days:						
Heating degree days	2	6	(4)	1,337	1,309	2
Cooling degree days	309	285	24	869	794	7
	311	291	20	2,206	2,103	10
Total degree days		201	20	2,200	2,105	

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

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JEA
Water and Sewer System
Operating Statistics

		Year-To-Date May							
		M: 2015	ay	2014	Variance	Ma 2015	ay 2014		Variance
Water		2010							
Revenues (000's omitted):									
Residential	\$	7,957	\$	7,386	7.73%	\$ 56,048	\$ 53	,970	3.85%
Commercial and industrial		3,915		3,626	7.97%	29,641	28	,812	2.88%
Irrigation		3,453		3,002	15.02%	19,714	17	,721	11.25%
Water revenues		15,325		14,014	9.35%	105,403	100	,503	4.889
Less: allowance for doubtful a	accounts	(23)		(87)	-73.11%	(176)		(252)	-30.189
Water revenues, net	\$	15,302	\$	13,927	9.87%	\$ 105,227	\$ 100	,251	4.96
Water Sales (kgals*):									
Residential		1,692,680		1,482,471	14.18%	10,602,775	10,016		5.85
Commercial and industrial		1,176,164		1,074,545	9.46%	8,336,190	7,927		5.16
Irrigation		640,424		530,653	20.69%	3,163,627	2,664		18.74
Total kgals sales		3,509,268		3,087,669	13.65%	22,102,592	20,608	,300	7.25
Number of accounts (1):									
Residential		266,412		260,060	2.44%	264,231		,121	2.37
Commercial and industrial		23,978		23,761	0.91%	23,900	23	682	0.92
Irrigation		36,103		35,874	0.64%	35,925		,784	0.39
Total average accounts		326,493		319,695	2.13%	324,056	317	,587	2.04
Residential averages:									
Revenue per account - \$		29.87		28.40	5.16%	212.12	20	9.09	1.45
kgals per account		6.35		5.70	11.46%	40.13	3	8.81	3.41
Revenue per kgals - \$		4.70		4.98	-5.65%	5.29		5.39	-1.89
Reuse									
Revenues (000's omitted):									
Reuse revenues	\$	711	\$	576	23.44%	\$ 4,144	<u>\$</u> 3	3,077	34.68
Reuse Sales (kgals*):									
Reuse sales (kgals)		175,831		136,874	28.46%	972,764	631	,706	53.99
Number of accounts:									
Reuse accounts		6,025		4,711	27.89%	5,659	2	1,248	33.22
Sewer									
Revenues (000's omitted):	•		•		0 700/	<u>م</u> مح ممم	• • • •		
Residential	\$	12,426	\$	11,422	8.79%			2,458	4.17
Commercial and industrial		8,902		8,129	9.51%	67,224		5,003	3.42
Sewer revenues		21,328		19,551	9.09%	153,124		7,461	3.84
Less: allowance for doubtful a		(35)		(130)		(264)		(379)	-30.34
Sewer revenues, net	\$	21,293	\$	19,421	9.64%	\$ 152,860	\$ 147	7,082	3.93
Sewer Sales (kgals*):				4 000 4 4-	4 4 9 491	0 400 501	0 504		
Residential		1,444,309		1,263,147	14.34%	9,108,531	8,599		5.92
Commercial and industrial		984,262		867,906	13.41%	7,214,234	6,842		5.43
Total kgals sales		2,428,571		2,131,053	13.96%	16,322,765	15,442	2,583	5.70
Number of accounts (1):									
Residential		234,222		228,089	2.69%	232,090		5,232	2.59
Commercial and industrial		17,813		17,638	0.99%	17,738		7,599	0.79
Total average accounts		252,035		245,727	2.57%	249,828	243	3,831	2.46
Residential averages:									
Revenue per account - \$		53.05		50.08	5.94%	370.12		64.48	1.54
kgals per account		6.17		5.54	11.35%	39.25	:	38.01	3.24
Revenue per kgals - \$		8.60		9.04	-4.86%	9.43		9.59	-1.65
*kgals = 1000 gallons									
Rainfall (Y	TD IS BASED ON CU	MULATIVE	FIG		Diff in Inches				Diff in Inch
Normal		2.48		2.48		24.40	2	24.40	
Actual		1.08		5.48	(4.40)	22.01	:	31.11	(9.1
Rain Days		2		8		52		69	

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JEA Electric System Production Statistics

				Month				Yea	ar-To-Date	
		2015		May 2014	Variance		2015		May 2014	Variance
Generated power:					- Turner of	_				
Steam:										
Fuel oil										
Fuel expense						\$	1,262,985	\$	1,518,801	-16.84
Barrels #6 oil consumed						•	11,680	•	14,049	-16.86
\$/ per barrel consumed						\$	108.13	\$	108.11	0.02
kWh oil generated (1)						Ψ	4,480,583	Ŷ	7,084,456	-36.75
Cost per MWh - oil						\$	281.88	\$	214.38	31.49
Natural gas units #1-3						Ψ	201.00	Ψ	214.00	01.40
Gas expense - variable	\$	4,743,834	¢	3,424,974	38.51%	\$	14,315,909	\$	11,438,469	25.16
MMBTU's consumed	Ψ	1,433,449	Ψ	696,133	105.92%	Ψ	4,502,812	Ψ	2.430.535	85.26
\$/ per MMBTU consumed	\$	3.31	\$	4.92	-32.72%	\$	4,002,012	¢	4.71	-32.48
kWh - gas generated (1)	φ	139,256,973	Φ	4.92 67,711,422	105.66%	φ	379,884,891	φ	198,434,461	-32.40
	\$	34.07	\$	50.58	-32.64%	\$	379,004,091	\$	57.64	-34.63
Cost per MWh - gas	Φ	34.07	Φ	50.56	-32.04%	Φ	37.00	Φ	57.04	-34.03
Coal	•	0.040.500	۴	0.005.000	00.070/	•	00.050.040	•	00 550 700	00.00
Coal expense	\$	2,042,590	\$	3,385,693	-39.67%	\$	29,053,018	Ф	22,556,708	28.80
kWh generated	-	62,239,319		92,616,398	-32.80%	-	908,259,334		608,421,758	49.28
Cost per MWh - coal	\$	32.82	\$	36.56	-10.23%	\$	31.99	\$	37.07	-13.70
Pet coke and limestone										
Expense	\$	3,458,423	\$	7,543,328	-54.15%	\$	23,622,163	\$	43,269,029	-45.41
kWh generated		108,903,960		227,664,838	-52.16%		752,497,290		1,341,901,191	-43.92
Cost per MWh - pet coke and limestone	\$	31.76	\$	33.13	-4.14%	\$	31.39	\$	32.24	-2.64
Cost per MWh - coal & petcoke - steam	\$	32.14	\$	34.12	-5.80%	\$	31.72	\$	33.75	-6.01
Combustion turbine: Fuel oil										
Fuel expense	\$	41,128	\$	97,039	-57.62%	\$	432,018	\$	724,144	-40.34
Barrels #2 oil consumed	Ψ	206	Ψ	955	-78.43%	Ψ	3,295	Ψ	5,909	-44.24
\$/ per barrel consumed	\$	199.65	¢	101.61	96.49%	\$	131.11	¢	122.55	6.98
kWh - oil generated	Ψ	10.768	Ψ	304,909	-96.47%	Ψ	883,149	Ψ	2,014,394	-56.16
Cost per MWh - oil	\$	3,819.47	\$	318.26	1100.11%	\$	489.18	\$	359.48	36.08
Natural gas (includes landfill)	¢	004 400	¢	05 554	110 500/	¢	700 770	¢	0 707 045	74.00
Gas expense Kennedy & landfill - variable	\$	201,188	\$	95,551	110.56%	\$	766,772	Ф	2,707,215	-71.68
MMBTU's consumed		62,244		19,977	211.58%		222,712		557,085	-60.02
\$/ per MMBTU consumed	\$	3.23	\$	4.78	-32.43%	\$	3.44	\$	4.86	-29.22
kWh - gas generated (1)		5,092,698		1,134,717	348.81%		16,023,030		42,878,564	-62.63
Cost per MWh - gas	\$	39.51	\$	84.21	-53.08%	\$	47.85	\$	63.14	-24.22
Gas expense BB simple - variable	\$	310,773	\$	202,777	53.26%	\$	974,926	\$	1,077,104	-9.49
MMBTU's consumed		114,759	\$	44,502	157.87%		331,606		233,084	42.27
\$/ per MMBTU consumed	\$	2.71	\$	4.56	-40.57%	\$	2.94	\$	4.62	-36.36
kWh - gas generated (1)		10,304,600		3,510,577	193.53%		28,073,699		17,750,500	58.16
Cost per MWh - gas simple	\$	30.16	\$	57.76	-47.78%	\$	34.73	\$	60.68	-42.77
Gas expense BB combined - variable	\$	6,263,854	\$	11,175,178	-43.95%	\$	58,805,444	\$	71,629,068	-17.90
MMBTU's consumed	÷	2,419,062	Ŧ	2.335.113	3.60%	Ť	17,981,005	¥	16,056,894	11.98
\$/ per MMBTU consumed	\$	2,410,002	\$	4.79	-45.93%	\$	3.27	\$	4.46	-26.68
kWh - gas generated (1)	Ψ	338,308,417	Ψ	326,673,243	3.56%	Ψ	2,536,566,809	Ψ	2,242,433,751	13.12
Cost per MWh - gas combined	\$	18.52	\$	34.21	-45.86%	\$	2,000,000,009	\$	31.94	-27.43
Gas expense GEC simple - variable	\$	423,385	\$	33,410	1167.24%	\$	1,416,215	\$	631,371	124.31
MMBTU's consumed		158,768		8,137	1851.19%		523,488		212,264	146.62
\$/ per MMBTU consumed	\$	2.67	\$	4.11	-35.04%	\$	2.71	\$	2.97	-8.75
kWh - gas generated	ŕ	14,185,716	¢	464,091	2956.67%	۴	43,751,976	¢	14,031,614	211.8
Cost per MWh - gas simple	\$	29.85	Ф	71.99	-58.54%	\$	32.37	\$	45.00	-28.07
Natural gas expense - fixed	\$	2,520,796	\$	2,164,600	16.46%	\$	20,382,485	\$	18,917,317	7.75
Total generated power:										
Fuels expense	\$	20,005,971	\$	28,122,550	-28.86%	\$		\$	174,469,226	-13.43
kWh generated		678,302,451		720,080,195	-5.80%		4,670,420,761		4,474,950,689	4.37
Cost per MWh	\$	29.49	\$	39.05	-24.48%	\$	32.34	¢.	38.99	-17.06

(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	\$-	\$-	\$ 1,262,985 \$	1,518,801
Natural gas units #1-3 with landfill - variable	4,743,834	3,424,974	14,315,909	11,438,469
Coal	2,042,590	3,385,693	29,053,018	22,556,708
Petcoke	3,458,423	7,543,328	23,622,163	43,269,029
Fuel oil #2	41,128	97,039	432,018	724,144
Natural gas - simple cycle (BB & GEC) - variable	935,346	331,738	3,157,913	4,415,690
Natural gas - combined (BB) - variable	6,263,854	11,175,178	58,805,444	71,629,068
Natural gas - fixed	2,520,796	2,164,600	20,382,485	18,917,317
Total	\$ 20,005,971	\$ 28,122,550	\$ 151,031,935 \$	174,469,226

JEA
Electric System
Production Statistics (Con't.)

				Month May		Year-To-Date May					
		2015		2014	Variance		2015		2014	Variance	
Production Statistics (Con't.)						-					
Purchased power:											
Plant Scherer											
Purchases	\$	3,790,400	\$	5.680.569	-33.27%	\$	34,071,498	\$	37,146,974	-8.28%	
kWh purchased	•	102,996,000	•	103,422,000	-0.41%	Ċ	846,040,000		679,159,000	24.57%	
Cost per MWh	\$	36.80	\$	54.93	-33.00%	\$	40.27	\$	54.70	-26.37%	
TEA & other											
Purchases	\$	4,022,095	\$	4,229,222	-4.90%	\$	32,291,775	\$	29,917,436	7.94%	
kWh purchased		95,676,226		69,901,546	36.87%		690,580,345		465,696,763	48.29%	
Cost per MWh	\$	42.04	\$	60.50	-30.52%	\$	46.76	\$	64.24	-27.21%	
SJRPP											
Purchases	\$	13,968,001	\$	17,876,762	-21.87%	\$		\$	155,293,930	-34.04%	
kWh purchased		238,277,000		184,908,000	28.86%		1,828,046,000		2,236,627,000	-18.27%	
Cost per MWh	\$	58.62	\$	96.68	-39.37%	\$	56.03	\$	69.43	-19.30%	
Total purchased power:			-			_	100 200 020	_	000 050 040		
Purchases	\$	21,780,496	\$	27,786,553	-21.61%	\$	168,792,970	\$	222,358,340	-24.09%	
kWh purchased		436,949,226	-	358,231,546	21.97%		3,364,666,345	•	3,381,482,763	-0.50%	
Cost per MWh	\$	49.85	\$	77.57	-35.74%	\$	50.17	\$	65.76	-23.71%	
Subtotal - generated								•			
and purchased power:	\$	41,786,467	\$	55,909,103	-25.26%	\$	319,824,905	\$	396,827,566	-19.40%	
Fuel interchange sales		(96,561)		(289,919)	-66.69%		(2,355,873)		(2,610,117)	-9.74%	
Earnings of The Energy Authority		(82,099)		28,253	-390.59%		(940,195)		(3,293,298)	-71.45%	
Fuel procurement and handling		643,484		716,108	-10.14%		7,604,231		6,942,225	9.54%	
By product reuse		690,707		1,553,965	-55.55%		9,319,231		11,798,336	-21.01%	
Total generated and											
net purchased power:											
Cost, net		42,941,998		57,917,510	-25.86%		333,452,299		409,664,712	-18.60%	
kWh generated and purchased	-	1,115,251,677		1,078,311,741	3.43%		8,035,087,106		7,856,433,452	2.27%	
Cost per MWh	\$	38.50	\$	53.71	-28.31%	\$	41.50	\$	52.14	-20.41%	
Reconciliation:											
Generated and purchased power per above	\$	42,941,998	\$	38.50		\$	333,452,299	\$	41.50		
SJRPP operating expenses:											
SJRPP O & M		(2,539,632)		(2.28)			(17,224,890)		(2.14)		
SJRPP debt service		(4,325,210)		(3.88)			(34,445,029)		(4.29)		
SJRPP R & R		1,712,106		1.54			13,504,953		`1.68 [´]		
SCHERER operating expenses:											
Scherer power production		(574,275)		(0.51)			(5,434,939)		(0.68)		
Scherer R & R		(119,014)		(0.11)			(888,671)		(0.00)		
Scherer R & R Scherer transmission		(419,419)		(0.38)			(3,389,472)		(0.42)		
Scherer transmission Scherer taxes		(81,814)		(0.38) (0.07)			(3,389,472) (627,521)		(0.42)		
Florida and other capacity		(587,975)		(0.53)			(4,602,676)		(0.57)		
Rounding		-		-			-		-		
	_\$	36,006,765	\$	32.29		\$	280,344,054	\$	34.89		

JEA Electric System Purchased Power from SJRPP

		Mo				Year-To-Date May		
		Ma 2015	ay	2014	2015	ay	2014	
Fuel costs :		\$ 8,816,920	\$	6,544,560	\$ 64,281,508	\$	77,583,214	
(Includes fuel handling expenses) Less interest credits: inventory bank		(1,612)		(2,182)	(16,736)		(21,023)	
Plus (less): true-up interest Total	-	(43) 8,815,265		58 6,542,436	 (41) 64,264,731		(279) 77,561,912	
Cost per MWh		\$ 37.00	\$	35.38	\$ 35.15	\$	34.68	
Operating and maintenance expenses:		2,540,049		2,860,712	17,229,652		17,149,049	
Less: operations bank interest		(417)		(430)	(3,578)		(3,998	
Less: annual variable o & m true-up	-	 -		2,860,282	 (1,184) 17,224,890		<u>(15,256)</u> 17,129,795	
Total	-	2,539,632		2,000,202	 17,224,690		17,129,795	
Cost per MWh		\$ 10.66	\$	15.47	\$ 9.42	\$	7.66	
Debt service contribution:	Р	2,958,177		7,163,313	23,665,417		57,297,896	
	I.	1,729,591		2,215,583	13,836,730		12,172,951	
Less credits: Reserve units 1 & 2		(255,765)		258,936	(1,963,154)		(1,657,341	
Debt service units 1 & 2		(470)		(41)	(23,363)		(8,337	
Bond proceeds COB		(300)		(2,916)	(9,168)		(6,055	
General reserve		(1,065)		(898)	(41,943)		(26,561	
Build america bonds subsidy		(34,007)		(34,043)	(272,054)		(272,348	
Inventory carrying costs	_	 (53,515)		(57,656)	 (445,752)		(443,946	
Total	-	 4,342,647		9,542,278	 34,746,712		67,056,259	
Cost per MWh		\$ 18.23	\$	51.61	\$ 19.01	\$	29.98	
R & R contribution:		345,221		915,207	2,761,771		7,321,659	
Less: interest credit		(49,764)		(45,941)	(355,379)		(322,657	
Less: cumulative capital recovery amount Accrued transfer to jea 253203		(2,025,000)		(1,937,500) -	(16,213,028)		(13,453,038	
	-	(1,729,543)		(1,068,234)	 (13,806,636)		(6,454,036	
Cost per MWh		\$ (7.26)	\$	(5.78)	\$ (7.55)	\$	(2.89	
Debt service coverage:		-		-	5,043,000		19,585,000	
Less: rebate from sjrpp gen reserve fund Transfer to JEA	-	 		-	 (5,043,000)		(19,585,000	
	-	 -		-	 -		•	
Cost per MWh		-		-	-			
Total	-	\$ 13,968,001	\$	17,876,762	\$ 102,429,697	\$	155,293,930	
kWh purchased		238,277,000		184,908,000	1,828,046,000		2,236,627,000	
Cost per MWh		\$ 58.62	\$	96.68	\$ 56.03	\$	69.43	
•								



FY15 Communications & Community Engagement April/May Update

<u>Communications</u>: In April and May our AutoPay promotion offering a Nest to three lucky customers netted us 985 new enrollments in the program. Also in May, at the request of the property management group, we hosted an event held at the Summit Buildings in Southpoint that are home to 12 companies. More than 200 hundred of their employees participated. We provided information about all of our customer solution programs as well as—through coordination with local car dealerships offered their employees the opportunity to learn about JEA's electric vehicle rebate and to drive an electric vehicle. June's e-newsletters reminded customers how easy it is to do business using jea.com. It also introduced the new look of the homepage which makes jea.com even easier to use because it takes fewer clicks for customers to find the information they need. In addition, we have our ongoing communications outreach which includes the messaging portfolio of efficiency, electric safety, convenience options and the like that address the drivers of satisfaction. All paid and owned messaging are supported by social media, using Twitter, Facebook, Linkedin, Google+ and YouTube to provide additional timely, relevant information. Proactive media for the period addressed hurricane preparedness stories and changes to the Move-Over Law that includes utility workers. The potential of a new JEA administration building, sewer cave-in and hurricane prep were in the news.

<u>Community Engagement</u>: June volunteer activities include Food Fight benefitting Lutheran Social Services, Sulzbacher Center for the Homeless, Feeding NE Florida Food Bank, Sulzbacher Center for the Homeless, and HabiJax Build – June 4, 5, 11, 12, 18, 19, 25, 26. Ambassador activities continue to increase. In May they included speaking engagements at the NW Jax Senior Day, Matthew Gilbert Career Fair, Westview Career Fair, Mamie Jones Passport to Science; events such as World of Nations, Clean Air Fest, Caregivers Expo, and Hurricane Expo; and instruction at Family Foundation Wise Money, Family Foundation Train the Trainer and Parent Academy.

Со	Communications Contacts Generated Year to Date 299,505,938				
٠	Number of Paid Communications Contacts	80,105,330			
	(Radio, Television, Out of Home, Online, Print)				
٠	Number of Other Communications Contacts	203,777,378			
	(Bill Insert, Bill Envelop, Brochure, Earned Media etc.)				
٠	Number of E-communications Contacts	15,247,719			
	(jea.com Visitors, Email, Social Media, Videos)				
٠	Number of Community Engagement Communications Contacts	375,622			
	(Events, Public Speaking, Presentations, Training, Workshops, etc.)				

JEA Community Engagement Calendar - May - September 2015

Page 1

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

	А	В	С	D	E	F
1	Date	Event/Activity	Location	Time	Туре	Opportunity for Public to Attend or Participate
2	May-15					
3	5/2 - 3/2015	World of Nations	Metropolitan Park	All day	Ambassador Event	Yes
4	5/2/2015	Family Foundation Wise Week	NW Jax CDC	10am	Ambassador Instructor	Yes
5	5/2/2015	Clean Air Festival	MOSH	10am - 4pm	Ambassador Event	Yes
6	5/2/2015	NW Jax Senior Day	Emmett Reed Community Center	2 - 3pm	Ambassador Speaker	Yes
7	5/3/2015	Jax Golf & CC Safety Expo	Jax Golf & CC - 3985 Hunt Club Rd.	2pm - 4pm	Ambassador Event	Yes
8	5/4/2015	Sustainability Officers Rountable	University Center - UNF	11:30am	Ambassador Speaker	Yes
9	5/9/2015	3rd Annual STEM Expo	Rivercity Science Academy	10am - 2pm	Ambassador Event	Yes
10	5/9/2015	San Mateo Little League Troop Tree Planting	1185 Kraft Road	9am - 2pm	Ambassador Event	Yes
11	5/13/2015	Family Foundation Train the Trainer	JEA Tower	8am - 12noon	Ambassador Instructor	Yes
12	5/16/2015	Tour de' Cure	Ponte Vedra	All day	Volunteer Event	Yes
13	5/16/2015	Caregiver Expo	University Center - UNF	All day	Ambassador Event	Yes
14	5/19/2015	Career fair	Matthew Gilbert Middle	9am - 12pm	Ambassador Speaker	No
15	5/19/2015	Parent Academy	Terry Parker High	6pm	Amabssador Instructor	Yes
16	5/21/2015	STEM Night	Arlington Heights Elem	6pm	Ambassador Event	Yes
17	5/21/2015	Employee Preparedness Event CIT Jacksonville	10201 Centurion Pkwy N	11:00 AM – 2:00 PM	Ambassador Event	Yes
18	5/22/2015	Woodland Acres Elem. Career Fair	Woodland Acres Elem.	8:30am - 11:00	Ambassador Event	No
19	5/22 - 23/2015	Jax Jazz Fest	Downtown	All day	Volunteer Event	Yes
20	5/26/2015	Westview K-8 Career	5270 Connie Jean Rd.	8am - 12pm	Ambassador Speaker	No
21	5/27/2015	Crown Point Career fair	Crown Point Elem.	9 - 11:30am	Ambassador Event	No

JEA Community Engagement Calendar - May - September 2015

Page 2

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

	А	В	С	D	E	F
22	Date	Event/Activity	Location	Time	Туре	Opportunity for Public to Attend or Participate
23	5/28/2015	Enterprise Learning Academy	8085 Old Middleburg Rd	6pm	Ambassador Speaker	No
24	5/28/2015	Enterprise Learning Academy	8085 Old Middleburg Rd	6pm	AmbassadorEvent	No
25	5/28/2015	Ride & Drive at Summit Building	6440 Southpoint Parkway	10:30am - 1:30 pm	Ambassador Event	Yes
26	5/28/2015	Hurricane Expo JP Morgan Chase	7301 Baymeadows Way	10:30 AM – 2:00 PM	Ambassador Event	Yes
27	5/28/2015	Mamie A Jones Elem. Passport to Science	700 Orange Ave.	9am - 2pm	Ambassador Speaker	No
28	Jun-15					
29	6/3/&4/2015	Lutheran Social Services Food Fight	EverBank Field	12 - 9pm	Volunteer Event	Yes
30	6/4/2015	Sulzbacher Feeding the Homeless	Sulzbacher Center	9am - 1pm	Volunteer Event	Yes
31	6/17/2015	US Green Building	1028 Park St	6-8pm	Ambassador Speaker	Yes
32	6/19/2015	Feeding NE FL Food Bank	NE FL Food Bank	1 - 3:30pm	Volunteer Event	Yes
33	6/20/2015	Masonic Lodge	5917 Old Timuquana Road	4pm	Ambassador Speaker	No
34	6/27/2015	Home Buyers Expo	UNF University Center	9am - 3pm	Ambassador Speaker	Yes
35	6/27/2015	Home Buyers Expo	UNF University Center	9am - 3pm	Ambassador Event	Yes
36	6/29/2015	Sulzbacher Feeding the Homeless	Sulzbacher Center	9am - 1pm	Volunteer Event	Yes
37						
38						
39						
40						
41						
42	15-Jul					

JEA Community Engagement Calendar - May - September 2015

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

	А	В	С	D	E	F
43	Date	Event/Activity	Location	Time	Туре	Opportunity for Public to Attend or Participate
44	7/2/2015	Emergency Preparedness For Persons With Disabilities	303 N Laura St.	8:30 - 1pm	Ambassador Event	Yes
45	7/6/2015	ShadCo Zone 4 Meeting	6710 Wiley St	7pm	Ambassador Speaker	Yes
46	7/18/2015	Jax Family & Community Awareness Expo	Jax Ice & Sports Complex	9am	Ambassador Event	Yes
47	15-Aug					
48						
49						
50						
51						
52						
53	15-Sep					
54	9/12/2015	TEACH Conference	Hyatt Riverfront	8am	Ambassador Event	Yes
55						
56						
57						



June 3, 2015

SUBJECT:	FOLLOW-UP MEMO FROM BOND COUNSEL REGARDING DISCLOSURE POLICY
Purpose:	☐ Information Only ☐ Action Required ☐ Advice/Direction
Procedures. A	April 21, 2015 Board Meeting, the Board approved the JEA Disclosure Policies and A follow-up request was made to determine if additional language is needed in the Disclosure rocedures addressing potential Board Member conflicts on interest.
	Board-approved written disclosure policies help demonstrate that the Board is fulfulling its gations to bond investors.
	pard Policy Manual adequately addresses Board Member conflicts, and the recommendation unsel is not to include additional language in the Board-approved JEA Disclosure Policies es.
Cost or Benef	fit: Risk mitigation
Recommende	ed Board action: This opinion is provided for information.
For additional	I information, contact: Melissa Dykes
Submitted by: PE	M/ MHD/ DRJ



III. B. 1. 6/16/2015



437 Madison Avenue New York, NY 10022 Tel: (212) 940-3000 Fax: (212) 940-3111

То:	JEA Board
From:	Nixon Peabody LLP Nexon Peabody LLP
Subject:	Disclosure Policies and Procedures: Conflicts of Interest
Date:	June 8, 2015

We have been asked to consider whether JEA's Disclosure Policies and Procedures, approved by the JEA Board at its May 19, 2015 meeting, should be revised to include provisions regarding disclosure of a conflict of interest involving a JEA Board Member.

In its enforcement efforts since 2010, the SEC has repeatedly used a lack of written policies and procedures and consistent and effective training by issuers as the basis for its conclusion that a municipal issuer has acted negligently in the preparation of its disclosure. The importance of having written disclosure policies and procedures was emphasized in a speech made by the Securities and Exchange Commission's ("SEC") then-Director of the Division of Enforcement, Linda Chatman Thomsen, in 2007 which summarized her view of what lessons the municipal securities market should learn from the SEC's then recent action against the City of San Diego. The first lesson related to the importance of written disclosure policies and procedures. The second lesson related to the importance of training. This speech remains the most detailed statement by Commission staff concerning what disclosure policies and procedures should contain. When preparing policies and procedures:

"[C]ities should consider whether their internal controls and systems produce financial reports and disclosure documents that are accurate and complete. By internal controls and systems, I mean, among other things, written policies and procedures that, at a minimum:

- clearly identify who is responsible for what;
- clearly state the process by which the disclosure is drafted and reviewed; and
- provide checks and balances so there is adequate supervision and reasonable disbursement of responsibilities so that too much power and information is not placed with just one person."¹

¹ Linda Chatman Thomsen, Director, Division of Enforcement, U.S. SEC, "Lessons Learned from San Diego," AICPA National Conference on Current SEC and PCAOB Developments (Dec. 11, 2007) available at https://www.sec.gov/news/speech/2007/spch121107lct.htm.

The SEC in the City of Harrisburg report in 2013 again made it clear that to reduce the risk of misleading investors issuers should "consider adopting policies and procedures that are reasonably designed to result in accurate, timely, and complete public disclosures; identifying those persons involved in the disclosure process; evaluating other public disclosures that the municipal securities issuer has made, including financial information and other statements, prior to public dissemination; and assuring that responsible individuals receive adequate training about their obligations under the federal securities laws."²

JEA's Disclosure Policies and Procedures were written to clearly identify who is responsible when it comes to disclosure matters and to clearly state the process by which the disclosure is to be drafted and reviewed, and to ensure that the process considers those facts related to JEA that are important in making an investment decision in JEA bonds. Preparation of good disclosure should be the product of the appropriate individuals within an organization coming together, asking the right questions, obtaining all of the information, and then thinking that information through so that it is properly presented to investors.

Section 4.6.2.a. of JEA's Board Policy Manual, adopted February 16, 2010 ("Board Policy"), currently requires that JEA Board Members annually disclose their involvement with vendors and organizations that might present a conflict of interest, such as a board member that is an employee of an underwriter or bank with whom JEA works. In addition, Section 4.5 of the Board Policy provides that each Board Member commits itself to lawful, ethical and businesslike conduct, following all requirements of Florida Law, Ordinances of the City of Jacksonville (the "City"), and the JEA Charter including proper use of its authority and appropriate decorum when acting as Board members.³

We would not recommend revising the Disclosure Policies and Procedures to address any specific issue, such as conflicts of interest. While it is important to have detailed disclosure policies and procedures, the purpose of having such policies and procedures in place is to assist JEA in identifying any significant credit issues that should be disclosed to investors and producing disclosure that is complete and accurate under the circumstances. Since the Board Policy already requires each JEA Board Member to annually disclose any involvement with vendors and organizations that might present a conflict of interest and to follow all requirements of Florida Law, the City, and the JEA Charter when acting as a JEA Board member, any disclosure by a JEA Board Member of a conflict of interest should be known by or communicated to the Chief Financial Officer, Finance Staff and Counsel to the City who can then determine with the advice of bond counsel if such conflict of interest requires disclosure in the context of disclosure to investors. It is commonly the case that an authority like JEA encounters many facts that investors consider to be important. The Disclosure Policies and Procedures are designed to keep JEA focused on the key facts that matter to investors and discussing specific issues like conflicts of interests runs the risk of diffusing that focus.

² See Report of Investigation in the Matter of the City of Harrisburg, Pennsylvania Concerning the Potential Liability of Public Officials with Regard to Disclosure Obligations in the Secondary Market, SEC Rel. No. 69516 (May 6, 2013).

³ Section 21.03(b) of JEA's Charter provides that members of JEA shall be subject to the provisions of Section 286.012, Florida Statutes, relating to voting at meetings of JEA, and to the provisions of Sections 112.311 through 112.3175, inclusive, Florida Statutes, as from time to time amended, relating to financial disclosure and conflicts of interest.



June 4, 2015

RECOMMENDATION TO CALL A PUBLIC HEARING TO MODIFY THESUBJECT:ELECTRIC TARIFF DOCUMENTATION AND THE WATER AND SEWER RATEDOCUMENT

Purpose: Information Only Action Required Advice/Direction	
--	--

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 eliminate the General Service Extra Large Demand (GSXLD) streetlight discount, which affords the opportunity to decrease rates for the General Service Large Demand (GSLD) commercial customer class. This helps improve JEA's competitive position for commercial rates, supporting economic development. Administrative changes include extending the Economic Development Program through September 2018. Additionally, JEA proposes to modify streetlight rates to reflect current energy standards and to include additional streetlight rate offerings for LED lighting. In addition to the Public Hearing, staff will also recommend a Fuel Charge reduction at the July 21, 2015 Board Meeting.

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 July 21, 2015.

For additional information, contact: Melissa Dykes

Submitted by: PEM/ MHD/ JEC



Ver.2.0D 9/21/2013 jer



INTER-OFFICE MEMORANDUM

June 1, 2015

SUBJECT:	RECOMMENDATION TO CALL A PUBLIC HEARING TO MODIFY THE ELECTRIC TARIFF DOCUMENTATION AND THE WATER AND SEWER RATE DOCUMENT
FROM:	Paul E. McElroy, Managing Director/CEO
то:	JEA Board of Directors

BACKGROUND:

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. As part of this initiative, JEA proposes to eliminate the General Service Extra Large Demand (GSXLD) streetlight discount, which affords the opportunity to decrease rates for the General Service Large Demand (GSLD) commercial customer class. This helps improve JEA's competitive position for commercial rates, supporting economic development. Additionally, JEA proposes to modify streetlight rates to reflect current energy standards and to include additional streetlight rate offerings for LED lighting. In addition to the Public Hearing, staff will also recommend a Fuel Charge reduction at the July 21, 2015 Board Meeting.

DISCUSSION:

Subject to Board direction, staff will prepare for a July 21, 2015 Public Hearing to include:

- A. Street Lighting The most recent streetlight field survey to audit the light counts and comprehensive cost of service study were completed in late 2014. The proposed streetlight rates better reflect the current cost to serve and are aligned with improved energy standards. JEA is also including five new LED streetlight rates, providing the City of Jacksonville and other streetlight customers the opportunity to install energy efficient and attractive lights.
- B. GSXLD Streetlight Discount Realignment of streetlight rates is consistent with JEA's philosophy to collect rates based on cost of service; therefore the GSXLD streetlight discount will be discontinued.
- C. **GSLD** Realignment of streetlight rates is consistent with JEA's philosophy to collect rates based on cost of service, and provides opportunity to realign large commercial rates through a rate decrease. This decrease reflects a decrease in the cost to serve this rate class and helps JEA improve its competitive position for commercial rates, supporting economic development.
- D. Administrative Changes Staff recommends:
 - Changing the terms "Customer Charge" and "Service Availability Charge" to "Basic Monthly Charge" within the Electric Tariff Documentation and Water and Sewer Rate Document
 - Extending the Economic Development Program through September 2018; currently there are two customers enrolled in the program and one customer in the application process
 - Additional administrative changes

Page 2

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

In addition to the Public Hearing, staff will also recommend a Fuel Charge reduction as a separate agenda item.

• **Fuel Charge** – lower-than-budgeted fuel expenses have enabled JEA to refund more than \$111 million to customers over the past three years. Because fuel prices are projected to remain low, staff will recommend a reduction in the Fuel Charge. Fuel related expenses are a pass-through to JEA's customers.

RECOMMENDATION:

Staff recommends that the Board take action and call a Public Hearing to occur during the regularly scheduled Board meeting on July 21, 2015.

Paul E. McElroy, Managing Director/CEO

PEM/MHD/JEC

SUMMARY OF PROPOSED RATE SCHEDULES

Street Lighting – The most recent streetlight field survey to audit the light counts and comprehensive cost of service study were completed in late 2014. The proposed streetlight rates better reflect the current cost to serve and are aligned with improved energy standards. JEA is also including five new LED streetlight rates, providing the City of Jacksonville and other streetlight customers the opportunity to install energy efficient and attractive lights.

GSXLD Streetlight Discount – Realignment of streetlight rates is consistent with JEA's philosophy to collect rates based on cost of service; therefore the GSXLD streetlight discount will be discontinued.

GSLD – Realignment of streetlight rates is consistent with JEA's philosophy to collect rates based on cost of service, and provides opportunity to realign large commercial rates through a rate decrease. This decrease reflects a decrease in the cost to serve this rate class and helps JEA improve its competitive position for commercial rates, supporting economic development.

Administrative Changes – Staff recommends:

- Changing the terms "Customer Charge" and "Service Availability Charge" to "Basic Monthly Charge" within the Electric Tariff Documentation and Water and Sewer Rate Document
- Extending the Economic Development Program through September 2018; currently there are two customers enrolled in the program and one customer in the application process
- Additional administrative changes

Fuel Charge – In addition to the Public Hearing, staff will also recommend a Fuel Charge reduction at the July 21, 2015 Board Meeting.





June 1, 2015

SUBJECT:	STRATEGY IMPLEMENTATION UPDATE
Purpose:	☐ Information Only ☐ Action Required ☐ Advice/Direction
Issue: Update	on JEA's Strategic Plan and Implementation
	JEA launched its initial Strategic Plan in October 2013 and relaunched in October 2014. ocused strategy and engages all areas of JEA.
	is made significant progress on our Strategic Areas of Focus: Earn Customer Loyalty, ss Excellence and Develop an Unbeatable Team.
	it: Among the many benefits are : increased customer satisfaction, decreased or levelized eased new revenue.
Recommende	d Board action: This item is provided for information purposes only.
For additional	information, contact: Vickie Cavey; 904/665-6383

Submitted by: PEM/MHD/VC



Ver.2.0D 9/21/2013 jer

Vickie Cavey Director, Strategy Development and Execution JEA Financial Services Group

Present Position:

Director, Strategy Development and Execution – December 2012 to Present Responsible for leading the creation and implementation of JEA's Strategic Plan

Reports to:

Melissa Dykes, Chief Financial Officer

Prior JEA Experience:

Director, Strategic Partnerships and Acquisitions, 2001 – 2012

Led the negotiation, acquisition, and integration of four private water/wastewater companies which represents an asset value of \$250M. Responsible for negotiation and management of all Purchased Power Agreements, Chilled Water Service Agreements, Bulk Reclaimed Water Agreements, Interlocal Agreements, Cell Tower Agreements, Pole Attachment Agreements and Large Development (DRI) Agreements for JEA

Manager, Special Projects 1999 – 2001 – Reporting to CEO

Responsible for leading the creation of Colectric from conception, membership recruitment to startup and staffing. Negotiated original contracts with GE for the shared Long Term Service Agreement for Brandy Branch gas turbines and Gas Turbine Shared Spare Parts Agreements with Colectric members.

Manager, Commercial/Key Accounts/Power Quality 1996 - 1999

Responsible for creation, staffing and training of original large Key Accounts Group. Managed customer service of all Commercial Accounts. Managed Commercial/Industrial Power Quality. Managed Commercial Energy Efficiency

Key Accounts Representative/Residential Energy Conservation 1992 – 1996

Performance Plus Coordinator for Power Generation Group (Deming Performance Improvement) 1989 – 1992 Engineering Project Manager – 1984 – 1989

Education/Awards:

Bachelor of Science, Mechanical Engineering, University of Florida, 1984 Certified Six Sigma Green Belt Woman of Influence Award 2007 Volunteer Jacksonville Service Award 2008

Community Service/Personal:

Current: United Way of NE Florida – Resource Management Committee **RealSense Prosperity Campaign- Steering Committee** River Club – Board of Directors Palms Presbyterian Church – Elder, Outreach Coordinator Malivia Washington Kids Foundation-Ambassador Previous United Way of NE FL Board of Directors – 6 yrs, Leadership Jacksonville – Class of 2007 Jacksonville Women's Network, Board of Directors Mayor's Commission on the Status of Women, Appointed by John Peyton JCCI, Board of Directors - Vice President WJCT, Community Advisory Council Haven Hospice Advisory Board St. Vincent's Foundation - Delicious Destinations Chair Married and proud mother of one daughter



STRATEGY IMPLEMENTATION

JEA BOARD

June 16, 2015



DILBERT's Strategy Problems:





ACCELERATED CORPORATE TRANSFORMATION (A.C.T.)

Six mistakes that can derail your company's attempts to change.

Harvard Business Review

SPOTLIGHT ON REINVENTION

Accelerating Corporate Transformations (Don't Lose Your Nerve!)

by Robert H. Miles



New CEO New Organizational Structure New CHRO New CFO New CIO

Business Realities:

Declining Sales Higher Customer Expectations Low Customer Satisfaction Non Agile Workforce Aging Infrastructure Unprecedented Environmental Regulatory Issues New Distribution Paradigm Green Power Mandates / Environmental values rising Water Financing and regulation concerns



Needed to drive change, alignment and sense of urgency.



LEADERSHIP SKILL DEVELOPMENT

- ✓ Confront business realities
- ✓ Focus the organization
- Construct clear performance standards
- ✓ Create simple, compelling messages
- ✓ Engage employees in dialogue
- ✓ Respond quickly to feedback
- ✓ Establish accountability
- $\checkmark\,$ Follow through for execution

"Trojan Horse" for leadership development and team building. Engages EVERYONE at JEA.

4





A.C.T. – MOST IMPORTANT OUTCOMES

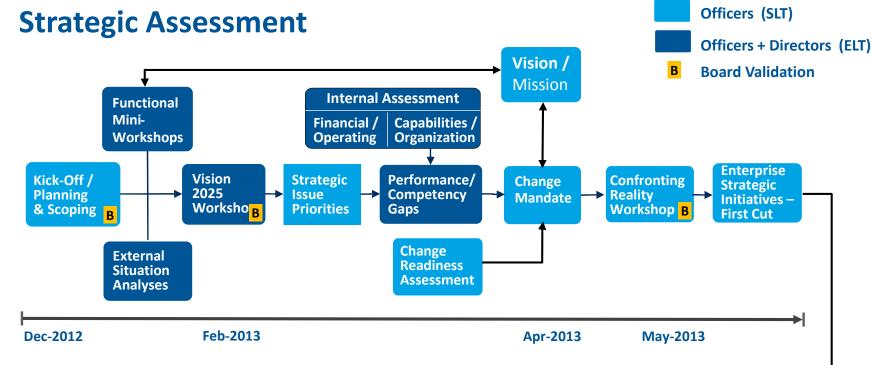
FOCUS ALIGN COMMUNICATE EXECUTE

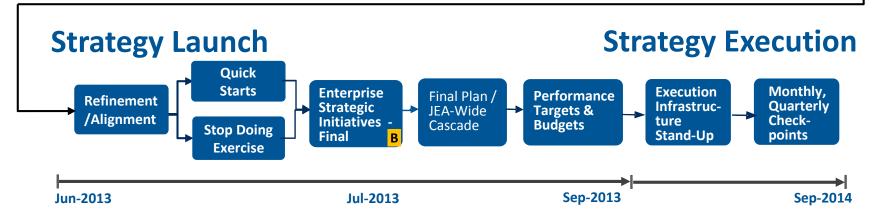
- Clearly understood strategic vision and direction
- Focused, aligned and engaged organization
- ✓ More effective management process
- Enduring shift in culture and leadership practices

To achieve rapid, quantum improvements in performance:

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

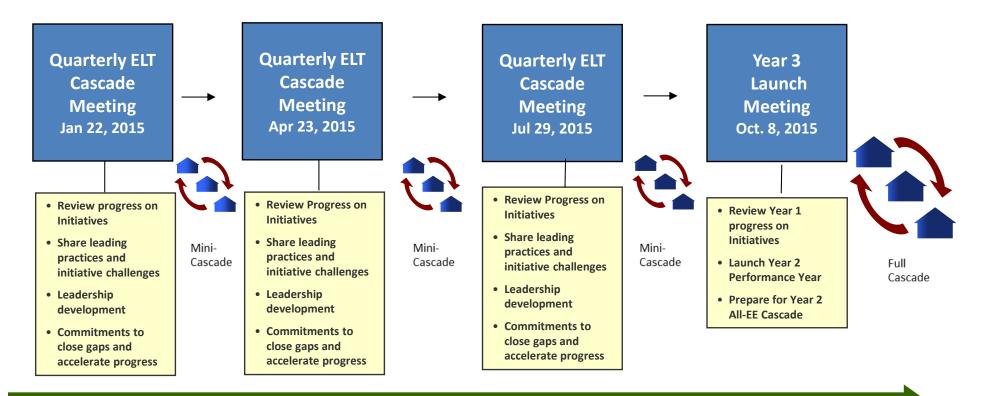








STRATEGY EXECUTION SCHEDULE 2015



Development Projects

F.A.C.E. Focus Align Communicate Engage



MISSION, VISION, VALUES





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.



Develop an Unbeatable Team

Co-Champions:

Angie Hiers Brian Roche





Deliver Business Excellence

Co-Champions:

Melissa Dykes Ted Hobson





Earn Customer Loyalty

Co-Champions:

Mike Brost Monica Whiting







After all the planning . . .

how to . . .

- Generate enormous energy?
- Develop common understanding and purpose?
- □ Stimulate intense dialogue?
- □ Focus creativity and risk taking?
- □ Create deep alignment and accountability?

Answer: Rapid, all-employee, high engagement cascade





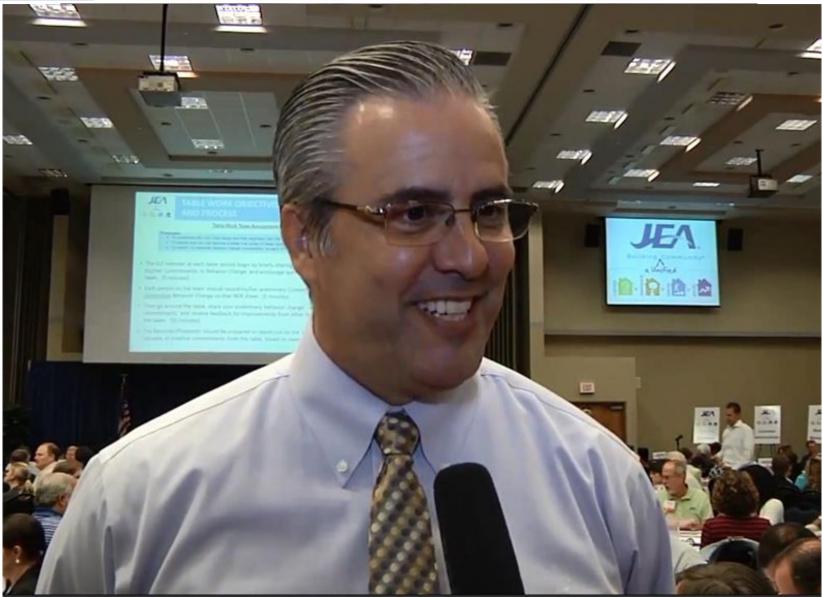














EMPLOYEE SUCCESS STORIES/SPEAKERS









Videos, strategy posters, mini posters, wallet cards, strategy.com.



QUARTERLY MINI CASCADES ENTIRE WORKFORCE





STRATEGY SHAREPOINT SITE

ite Actions + 📑 📝	Browse Page			
Strategy Development &	Execution	All Sites	~	ρ
Libraries New Revenue Library	Strategy Implementation Update - 2nd Quarter FY 2015	_		
ACT Central Calendar ELT	02 FY 2015 Mini Cascade Presentation - Embedded Video 02 FY 2015 Mini Cascade Video Only - YouTube 02 FY 2015 Mini Cascade Presentation - No Videos (for printing) FY 2015 Mini Cascade Tracking		54.	
SLT Lists Earn Customer Loyalty Updates	Each quarter since our new strategy launched in October 2013, the Extended Leadership Team (ELT) comprised of the Senior Leadership Team and all Directors, meet to evaluate our progress toward our goals. Following their meeting, the latest information is shared throughout the organization through cascade meetings in each work area.		Community®	
Deliver Business Excellence Updates Develop an Unbestable Team Updates Protected	The ELT met on April 23 for the Second Quarter Update of fiscal year (FY) 2015, CEO Paul McElroy opened the meeting with compliments for employees achieving better reliability in all systems, continued cost control and debt reduction even with reduced sales, developing customer solutions that help hold down the cost of customers' bills, and providing excellent service as evidenced by our recent climb into the first quartile of the J.D. Power Residential Customer Satisfaction Study.	a Uni	fied	
Shared Documents	Paul also highlighted how we continue to face new challenges that will affect the utility industry including water supply issues, cyber security challenges, and emerging technologies related to whole house battery storage for distributed generation including solar.	(
Al Site Content	Each of the co-champions presented progress metric updates with employee guest speakers to highlight specific programs in their area. Videos from each presentation will be part of the work area cascade meetings. Employee presentations included:	Q2 2015 Cascade Meeting Q2 2015 Cascade Meeting	SNA	<
	Develop an Unbeatable Team:			
	 Black Belts Heather Fontaine, Lindsay Lawrence and Protection & Controls System Tech Cameron Foster spoke about the effort of the nine Employee Satisfaction Teams that are working on 14 specific issues from the employee satisfaction surveys. Blake Osner, manager Employee Leadership & Development, discussed the JEA Academy and how the Training group has built a structure for employee development at all levels. 			
	Deliver Business Excellence: David Nechvatal, senior manager Water Meter Services, presented a success story with the Large Water Meter Change			
	 Out project which will result in an additional \$2 million annually when the project is complete. Water/Wastewater Engineer Ryan Popko and Greg Peugh, manager water/wastewater reuse maintenance planning and engineering, shared the results of an Odor Control Cost Reduction project that has saved \$253,000 in capital costs and \$192,000 in chemical costs in the last 12 months. 	() 321/4424		¢ ∞@) (
	 Jessica Keeler, senior purchasing agent, reported that the inventory value and the number of lines we carry are at their lowest levels in three years. Purchasing has successfully reduced our inventory value by 15% and our number of stock 	Enovation Partners ACT Promotiona Accelerated Corporate Transformation	i video reatuning JEA	<



Develop an Unbeatable Team

Co-Champions:

Angie Hiers Brian Roche





OUTCOME METRICS

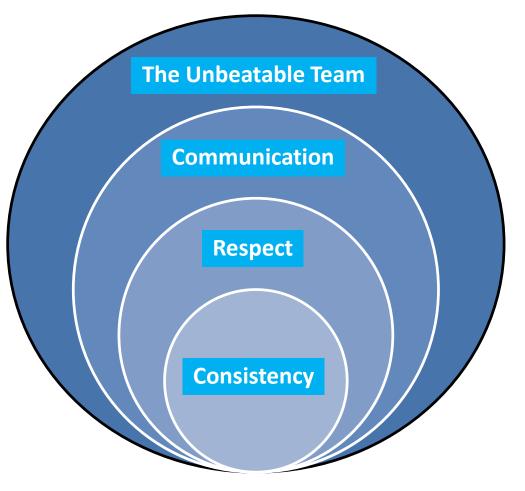
Develop an Unbeatable		Q1		Q2			
Team	Start	Target	Result				
Area of Focus 1: Improve Employee Satisfaction							
Workplace survey – 10% improvement in positive overall satisfaction ratings in FY2015	71% Baseline	TBD		TBD			
Delivery of market based compensation assessment to all employees annually	FY15 Baseline	TBD		TBD			
Consistent implementation of performance based evaluations with appropriate high/medium/low distribution of ratings by FY2015 for appointed and PEA	N/A	10% High 80% Med 10% Low	N/A		N/A		



EMPLOYEE SATISFACTION INITIATIVE

9 Teams Tackling 14 Initiatives

- Fair Pay
- Values Diverse Talent
- Reward and Incentive Program
- Respect, Honesty and Integrity
- Management and Non-Management Working Well Together
- Cost Saving Methods
- Corporate and Department Communications
- Policies and Operations Consistent With Overall JEA Objectives





OUTCOME METRICS

		Q1		Q2		
Develop an Unbeatable Team	Start	Target	Result	Target	Result	
Area of Focus 2: Engage Employees in Personal Growth						
10% increase in average core competencies ratings and completed career enrichment opportunities per employee by FY2015 (over FY2014)	FY14 Baseline	110% FY14	N/A		N/A	
Individual development plans completed for 100% of appointed and 50% of other employees by end of FY2015	Appointed Others	85% 12.5%	85% 2%	90% 25%	95% 16%	
50% overall participation in cultural competency programs in FY2015	N/A	12.5%	9%	25%	37%	











OUTCOME METRICS

	Q1		Q2		
Develop an Unbeatable Team	Start	Target	Result	Target	Result
Area of Focus 3: Ensure a Saf Workplace					
Safety - Recordable Incident Rate (RIR) of 1.2 in FY2015.	FY14 = 2.24	1.20	1.41	1.20	1.61
Wellness – No increase in incurred claim costs for FY2015 vs. 2014 and 10% increase in wellness program participation	FY14: \$26.5M Claim Costs	\$6M	\$7.95M	\$12M	\$14.9M
in FY2015 vs. FY2014.	FY14 = 75% participation	21%	37%	42%	59%
Ethics – 100% compliance with ethics standards and training requirements in FY2015.	FY14 baseline = 100% compliance	0%	0%*	100%	99%



STRATEGIC INITIATIVES

Deliver Business Excellence

Co-Champions:

Melissa Dykes Ted Hobson





OUTCOME METRICS

		C	1	Q2		
Deliver Business Excellence	Start	Target	Result	Target	Result	
Area of Focus 1: Grow Revenu						
Grow revenue from new sources to \$3 million in FY2015 <u>(\$5M Timber)</u>	\$0	\$750k	\$14,264	\$1.5M	\$925,191 (\$2,200,789)	
Reduce unbilled production to increase WS revenue by \$3 million total in FY2015 over FY2014	\$0	\$750k	\$185,006	\$1.5M	\$428,580	
Reduce unbilled production and internal usage to increase ES revenue and/or decrease ES fuel expense by \$2 million total in FY2015 over FY2014 (\$560K more Joint Use back billing)	\$ 0	\$500k	\$301,961	\$1M	\$2,242,111	



OUTCOME METRICS

	Q1			Q2		
Deliver Business Excellence	Start	Target	Result	Target	Result	
Area of Focus 2: Improv						
Rate competitiveness – Residential typical bills below median of Florida peers by FY2015 (electric, water, sewer)	E: 2 nd quartile	E: 2 nd	E: 2 nd	E: 2 nd	E: 2 nd	
	W/WW: 2 nd quartile	W/WW: 2 nd	W/WW: 2 nd	W/WW: 2 nd	W/WW 3 rd	
Cost performance – Achieve flat cost per unit delivered (MWh, kgal) vs. FY2012 baseline, and maintain flat non fuel rate through FY2015	Electric: \$54.73 /MWh	Electric: \$53.90	Electric: \$52.67	Electric: \$54.73	Electric: \$51.09	
	W/WW: \$12.43 /Kgal	W/WW: \$12.20	W/WW: \$12.94	W/WW: \$12.43	W/WW: \$12.13	
Debt Reduction - No new debt in FY2015	\$0	\$0	\$0	\$0	\$0	



OUTCOME METRICS

		Q1		Q2					
Deliver Business Excellence	Start	Target	Result	Target	Result				
Area of Focus 3: Improve operational performance									
Electric service quality - CEMI-5 to 1.5% by FY2015 and top quartile by FY2016	FY14 Q4: 2.34%	2.10%	2.59%	1.90%	2.40% (1.27)				
Water Service Quality – Unplanned water main outages at less than 4,500 customers in FY2015 (< 375/month)	FY14: 4,645	< 1,125	320	< 2,250	1998				
Water Service Quality – Duration of low pressure (less than 30 psi) averages less than 30 minutes per month at 100 critical distribution system pressure monitoring stations	FY15 baseline: 30 min/mth	90 min	17.74	180 min	19.4				



STRATEGIC INITIATIVES

Earn Customer Loyalty

Co-Champions:

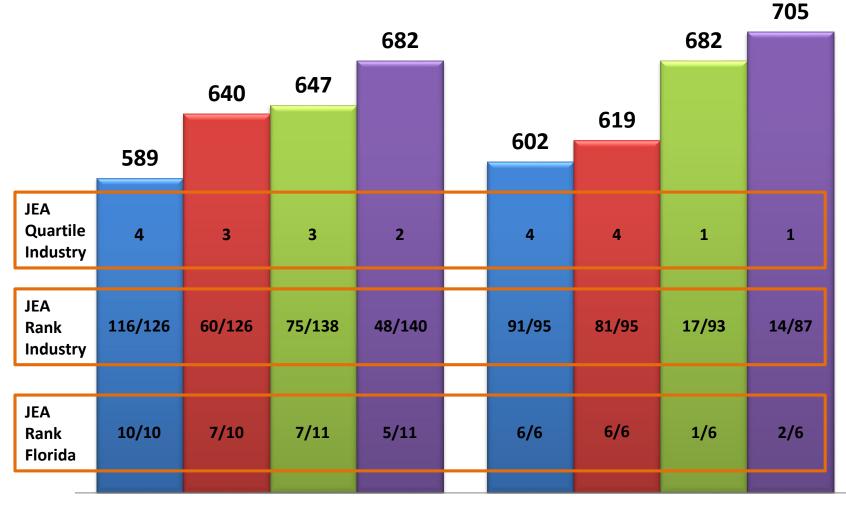
Mike Brost Monica Whiting





EARN CUSTOMER LOYALTY: LATEST JD POWER DATA ON JEA CUSTOMER SATISFACTION

■ 2012 ■ 2013 ■ 2014 ■ 2015 YTD

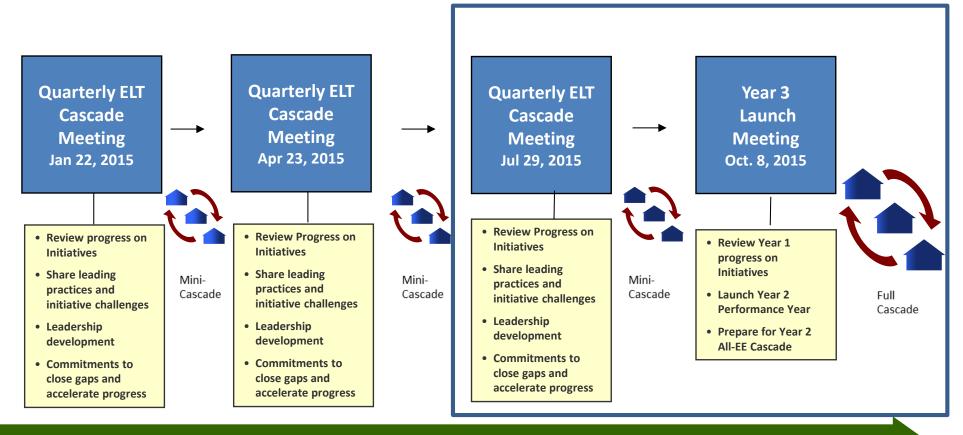


Residential

Business



STRATEGY EXECUTION SCHEDULE 2015

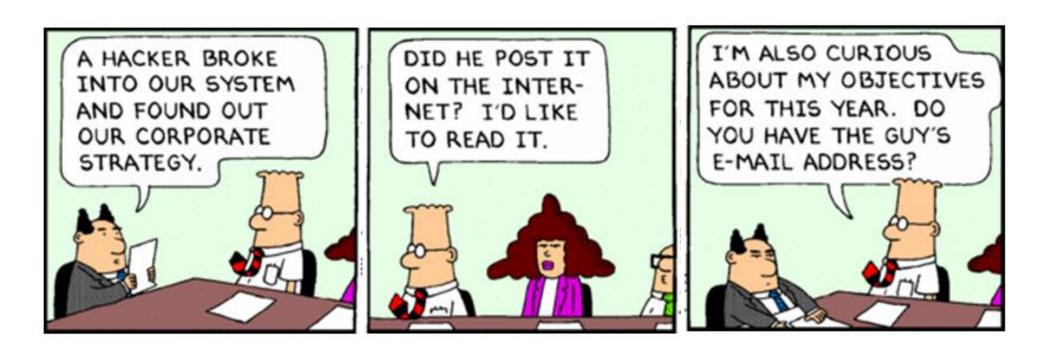


Development Projects

F.A.C.E. Focus Align Communicate Engage



DILBERT's Strategy Problems



NOT JEA's problem!



June 3, 2015

SUBJECT:	SUBJECT: PROPOSED FY2016 OPERATING AND CAPITAL BUDGETS									
Purpose:	Information Only	Action Required	Advice/Direction							
Issue: JEA must submit its proposed budget to the City Council by July 1 each year.										
Significance: High: The budget is the plan and basis for appropriating revenues and expenses, as well as capital expenditures and debt financing.										
Effect: The bu	doet affects customers and the	e City of Jacksonville and is in	tegral to JEA's strategic							
	cial performance, and resulting									
Cost or Benef	it: \$1.7 billion operating and \$	369 million capital.								

Recommended Board action: Staff recommends the Board approve the proposed FY2016 operating and capital budgets with regulatory accounting, authorize staff to transmit to the City Council, approve JEA's share of SJRPP and Plant Scherer operating and capital budgets, and authorize the Managing Director/CEO to make minor modifications within the total approved amounts, if necessary.

For additional information, contact: Melissa Dykes

Submitted by: PEM/ MHD/ DRJ





INTER-OFFICE MEMORANDUM

June 3, 2015

SUBJECT: PROPOSED FY2016 OPERATING AND CAPITAL BUDGETS

FROM: Paul E. McElroy, Managing Director/CEO

TO: JEA Board of Directors

BACKGROUND:

Annually, JEA staff recommends and, after the JEA Board's review and action, transmits JEA's recommended Electric System, Water and Sewer System, and District Energy System operating and capital budgets to the Jacksonville City Council for final action. By law, JEA must submit its proposed budget to the City Council by July 1, 2015.

DISCUSSION:

At the March 2015 and May 2015 Finance and Audit Committee meetings, staff presented key strategic initiatives and major budget assumptions for the FY2016 operating and capital budgets. Budget assumptions include: a Variable Fuel Rate reduction in Electric rates; no rate adjustments for Water and Sewer; and, financial metrics that are within Pricing Policy goals. The proposed budgets include internal funding for the capital program in an effort to support the "pay-go" philosophy for all recurring capital expenditures. The proposed budgets address key strategic initiatives to support the quality of service delivery, climate change, Total Water Resource Plan, regulatory compliance, workforce readiness, conservation, and customer satisfaction initiatives. In addition, the budget includes a record high contribution to the City of Jacksonville General Fund in the amount of \$114.2 million. The operating and capital budget schedules that will be transmitted to the City of Jacksonville, JEA transmits its Five-Year Capital Improvement Program during the annual budget process and it is attached as Schedule C.

The proposed budgets include the following:

- <u>Consolidated Operating Budget and Capital Budget Schedules</u> The proposed budgets include considerable internal funding for the capital program in an effort to support the "pay-go" philosophy for all recurring capital expenditures.
- 2. Electric System

A planned 6% Variable Fuel Rate reduction in FY2016 (\$43.60 to \$41.00/MWh), with the final reduction determined at this summer's rate hearing. The FY2016 operating budget includes a \$23.2 million reduction from FY2015. The proposed Salaries and Benefits budget includes a \$2.0 million increase in net pension payments. FY2016 Budget assumptions include stable debt service coverage and a debt service reduction of \$11.0 million.

3. Water and Sewer System

There are no planned rate increases in FY2016. The FY2016 operating budget includes a \$1.9 million reduction from FY2015. Budget assumptions include stable debt service coverage and a reduction of \$20.2 million in debt service. The proposed Salaries and Benefits budget includes a \$0.6 million increase in net pension payments.

Page 2

4. Government Transfers

The budget includes a record high contribution to the City of Jacksonville General Fund in the amount of \$114.2 million.

5. <u>Regulatory Accounting</u>

In connection with the Pricing Policy, the budget was prepared using the Utility Basis of ratemaking, resulting in the inclusion of regulatory accounting items such as Pension, DSM/Conservation, Debt Management, Environmental, Fuel, Purchased Power and Self-Funded Health Plan.

Under the terms of the St. Johns River Power Park (SJRPP) Joint Operating Agreement (JOA), the coowners share the cost of constructing, operating, and maintaining the two coal-fired units. The JEA Board approves the annual operating and capital budget for JEA's ownership interest in SJRPP. The total SJRPP budget is approved by the SJRPP Executive Committee representing the two co-owners. The SJRPP budget is not approved by the City Council. JEA's share of the SJRPP budget is a component of fuel and purchased power expense in JEA's Electric System Operating budget. Schedule D, attached, summarizes JEA's share of the proposed FY2016 operating and capital budgets for SJRPP.

JEA owns a 23.64 percent interest in Unit 4 of the Robert W. Scherer Electric Generating Plant (Scherer Unit 4). As with SJRPP, JEA's share of the operating and capital budgets for this unit is a component of the JEA Electric System fuel and purchased power expense. Decisions regarding the operation of Unit 4 are made by majority vote of the co-owners. The JEA Board approves JEA's share of the annual budget for Scherer Unit 4, but the City Council does not review or approve the Plant Scherer budget. Schedule D, attached, summarizes JEA's share of the FY2016 operating and capital budgets for Plant Scherer. Note that this budget is subject to approval by the other co-owners.

RECOMMENDATION:

Staff recommends the Board:

(1) approve the proposed operating and capital budgets as shown on Schedules A, B, and C (attached), commit to funding all future pension costs in rates, establish regulatory assets and liabilities persuant to regulatory accounting guidelines, authorize staff to transmit the recommended budgets to the Jacksonville City Council for final action, and transmit the Five-Year Capital Improvement Program (Schedule C) as required by the Jacksonville City Planning Department, and

(2) approve JEA's share of the SJRPP and Plant Scherer operating and capital budgets as shown on Schedule D (attached), and

(3) authorize the Managing Director/CEO to adjust the budget approved by the Board of Directors and submitted to Council, if necessary, within the total approved budget amounts for each system.

Paul E. McElroy, Managing Director/CEO

PEM/MHD/DRJ

JEA CONSOLIDATED OPERATING BUDGET FISCAL YEAR 2016

	Electric Water & Sewer Dis System System			trict Energy System		Total		
FUEL RELATED REVENUES & EXPENSES:								
FUEL REVENUES:	\$	509,884,201	\$	-	\$	-	\$	509,884,201
Total Net Revenues	\$	509,884,201	\$	-	\$	-	\$	509,884,201
FUEL EXPENSES:								
Fuel & Purchased Power	\$	509,884,201	\$	-	\$	-	\$	509,884,201
FUEL SURPLUS/(DEFICIT)	\$	-	\$	-	\$	-	\$	-
BASE RELATED REVENUES & EXPENSES								
BASE OPERATING REVENUES:								
Base Rate Revenues	\$	738,360,001	\$	371,123,321	\$	9,089,118	\$	1,118,572,440
Environmental Charge Revenue		7,686,000		22,804,950		-		30,490,950
Conservation Charge & Demand Side Revenue		989,059		-		-		989,059
Other Revenues		35,447,663		14,769,077		-		50,216,740
Natural Gas Pass Through Revenue Total Base Related Revenues	\$	<u>12,491,417</u> 794,974,140	\$	408,697,348	\$	- 9,089,118	\$	12,491,417
Total Base Related Revenues	Ψ	734,374,140	Ψ	400,037,340	Ψ	3,003,110	Þ	1,212,760,606
BASE OPERATING EXPENSES:								
Operating and Maintenance	\$	200,570,314	\$	136,320,816	\$	5,175,137	\$	342,066,267
Environmental	•	7,686,000	•	2,046,800	•	-	•	9,732,800
Conservation & Demand-side Management		7,289,059		-		-		7,289,059
Natural Gas Pass Through Expense		12,140,876		-		-		12,140,876
Non-Fuel Purchased Power		113,015,053		-		-		113,015,053
Non-Fuel Uncollectibles & PSC Tax		1,703,452		858,999		-		2,562,451
Emergency Reserve	\$	<u>5,000,000</u> 347,404,754	\$	<u>1,000,000</u> 140,226,615	\$	5,175,137		6,000,000
Total Base Related Expenses		347,404,734		140,220,015		5,175,157	\$	492,806,506
BASE OPERATING INCOME:	\$	447,569,386	\$	268,470,733	\$	3,913,981	\$	719,954,100
NON-OPERATING REVENUE:								
Investment Income		3,776,585		2,759,926		-		6,536,511
Transfer To/From Fuel Recovery		-		-		-		-
Capacity Fees		-		17,000,000		-		17,000,000
Total Non Operating Revenues	\$	3,776,585	\$	19,759,926	\$	-	\$	23,536,511
NON-OPERATING EXPENSES:								
Debt Service		197,132,899		109,655,149		3,023,980		309,812,028
Total Non Operating Expenses	\$	197,132,899	\$	109,655,149	\$	3,023,980	\$	309,812,028
· · · · · · · · · · · · · · · · · · ·	<u> </u>	,				-,,		
BASE INCOME BEFORE TRANSFERS	\$	254,213,072	\$	178,575,510	\$	890,001	\$	433,678,583
City Contribution Expense Interlocal Payments		91,720,182 -		22,467,356		-		114,187,538 -
Renewal and Replacement Fund		66,155,208		20,778,671		457,185		87,391,064
Operating Capital Outlay		96,337,682		118,329,483		432,816		215,099,981
Capacity Fees		-		17,000,000		-		17,000,000
Operating Contingency		-		-		-		-
Total Non-Fuel Expenses	\$	254,213,072	\$	178,575,510	\$	890,001	\$	433,678,583
SURPLUS/(DEFICIT)	\$	-	\$	-	\$	-	\$	-
TOTAL REVENUES	\$	1,308,634,926	\$	428,457,274	\$	9,089,118	\$	1,746,181,318
TOTAL APPROPRIATIONS	\$	1,308,634,926	\$	428,457,274	\$	9,089,118	\$	1,746,181,318
BUDGETED EMPLOYEE POSITIONS		1,554		599		5		2,158
BUDGETED TEMPORARY HOURS		208,000		41,600		0		249,600
		Schedule A						

Schedule A

JEA CONSOLIDATED CAPITAL BUDGET FISCAL YEAR 2016

	 Electric System	Wa	ter & Sewer System	trict Energy System	 Total
CAPITAL FUNDS:					
Renewal & Replacement Deposits	\$ 66,155,208	\$	20,778,671	\$ 457,185	\$ 87,391,064
Operating Capital Outlay	96,337,682		97,571,333	432,816	194,341,831
Environmental Capital Outlay	-		20,758,150	-	20,758,150
Capacity Fees	-		17,000,000	-	17,000,000
Debt Proceeds	-		-	-	-
Other Proceeds	7,507,110		38,891,846	2,766,999	49,165,955
Total Capital Funds	\$ 170,000,000	\$	195,000,000	\$ 3,657,000	\$ 368,657,000
CAPITAL PROJECTS:					
Generation Projects	\$ 27,466,000	\$	-	\$ -	\$ 27,466,000
Transmission & Distribution Projects	93,824,000		-	-	93,824,000
District Energy Projects	-		-	3,657,000	3,657,000
Water Projects	-		67,128,000	-	67,128,000
Sewer Projects	-		105,644,000	-	105,644,000
Other Projects	 48,710,000		22,228,000	 -	 70,938,000
Total Capital Projects	\$ 170,000,000	\$	195,000,000	\$ 3,657,000	\$ 368,657,000

JEA Five Year Capital Improvement Program Fiscal Years 2016-2020 (\$000'S Omitted)

Project Title	FY2016	FY2017	FY2018	FY2019	FY2020	Project Total
Expanded Generation Capacity	\$-	\$-	\$-	\$-	\$-	\$-
Electric System Distribution Projects	58,493	51,255	53,179	45,283	39,628	247,838
Electric System Substation & Transmission	35,331	25,213	22,642	13,196	12,910	109,292
Electric System Generation Projects	27,466	20,093	16,291	19,996	14,068	97,914
Electric System Other Projects	48,710	63,660	33,205	28,905	28,625	203,105
Total	\$ 170,000	\$ 160,221	\$ 125,317	\$ 107,380	\$ 95,231	\$ 658,149
Water Treatment	\$ 32,951	\$ 15,840	\$ 21,230	\$ 7,923	\$ 10,348	\$ 88,292
Water Distribution	34,177	26,039	23,211	30,576	26,916	140,919
Sewer Collection	43,000	39,022	29,704	32,752	35,263	179,741
Sewage Pump Stations	14,624	21,158	11,413	9,202	6,521	62,918
Wastewater Treatment	40,839	44,916	32,461	22,792	18,652	159,660
Reclaimed Water Distribution	7,181	7,028	9,798	9,804	5,550	39,361
Other Capital Projects	22,228	18,316	20,768	20,163	20,070	101,545
Total	\$ 195,000	\$ 172,319	\$ 148,585	\$ 133,212	\$ 123,320	\$ 772,436
District Energy System	\$ 3,657	\$ 971	\$ 1,324	\$ 1,342	\$ 1,250	\$ 8,544

Schedule C

JEA ST. JOHNS RIVER POWER PARK (SJRPP) AND PLANT SCHERER (SCHERER) OPERATING AND CAPITAL BUDGET FISCAL YEAR 2016

 SJRPP	SCHERER	
\$ 173,500,286	\$	76,666,090
\$ 142,164,258	\$	46,771,316
-		4,700,000
53,827,087		9,967,384
(19,207,859)		16,482,990
\$ 176,783,486	\$	77,921,690
\$ 14,500,000	\$	16,482,990
3,212,100		1,288,200
245		, ,
\$	\$ 173,500,286 \$ 142,164,258 - 53,827,087 (19,207,859) \$ 176,783,486 \$ 14,500,000 3,212,100	\$ 173,500,286 \$ \$ 142,164,258 \$ 53,827,087 (19,207,859) \$ \$ 176,783,486 \$ \$ 14,500,000 \$ 3,212,100 \$

Note: all Plant Scherer employees are Georgia Power Co. employees.

Schedule D

June 29, 2015

The Honorable Greg Anderson President, City Council City of Jacksonville 117 West Duval Street, Suite 425 Jacksonville, FL 32202

Dear Council President Anderson:

Pursuant to the City of Jacksonville Charter, I am transmitting the proposed JEA Fiscal Year (FY) 2016 budget for City Council action. The recommended operating and capital budgets provide funding for operational initiatives and capital projects which support our purpose of providing clean, safe, reliable, and affordable electric, water and sewer services while remaining environmentally sound and financially strong.

The budget includes the contractually required \$2.5 million minimum increase in City Contribution, bringing the total FY2016 contribution to \$114.2 million (approximately 10% of JEA budgeted base revenues). JEA's total local government transfer, including contribution, franchise fees, and public service tax, is forecasted to be \$234.9 million, which represents 21% of budgeted base revenues and 13% of the total proposed JEA budget. Annual government transfers funded by our customers have increased by \$86 million, or 58%, between FY2007 and FY2015. However, unit sales during recent years declined 11% in the Electric System and 25% in the Water and Sewer System. With the declining sales, the \$2.5 million minimum-increase provision has resulted in a \$30 million premium over the City Contribution millage calculation. This premium is being funded by cost reductions in every part of the business.

The three rating agencies that provide bond ratings for JEA have publicly offered the following comments regarding the effect of increased city contributions:

- "JEA has historically paid higher than average transfer payments by formula compared to its peers. Because transfer payments are considered equivalent to an operating expense, any increase in such payments would reduce annual debt service coverage ratios, a credit negative, unless otherwise mitigated by sales growth, cost reductions and or rate increases." - Moody's Investors Service
- "The recent proposal made by the City of Jacksonville's administration to increase JEA's already sizeable transfers made annually to the city is a credit concern."
 Fitch Ratings
- "The business profile reflects our assessment of the utility's competitive position, which low rates afford despite substantial contributions to Jacksonville's general fund." - Standard & Poor's

The FY2016 budget is sensitive to the challenges of the current economic conditions and does <u>not</u> include any base rate increases despite the fact that unit sales for both the Electric and Water and Sewer Systems have fallen when compared to pre-recession levels. In fact, there is an estimated 6% Variable Fuel Rate <u>decrease</u> in the Electric System. Current expectations are that unit sales will remain flat and financial margins are expected to decline over the next few years. In addition, environmental compliance costs associated with the five separate mandates are expected to be substantial to JEA. We

JEA Fiscal Year 2016 Operating and Capital Budgets Page 2 of 2

hope to achieve base rate stability by effectively balancing the need for very tight expense controls with continued investment in improving the utility system's operating performance, improving the quality of service delivery, achieving regulatory compliance, and ensuring workforce readiness. Environmental compliance costs could threaten that goal in the coming years.

The budget includes internal funding of the capital program to support the "pay-go" philosophy for all recurring capital expenditures.

The proposed operating budgets for FY2016 are \$1,309 million for the Electric System, \$428 million for the Water and Sewer System and \$9 million for the District Energy System. The proposed capital budgets for FY2016 are \$170 million for the Electric System, \$195 million for the Water and Sewer System, and \$3.7 million for the District Energy System.

Following are highlights of the proposed budget:

- FY2016 operating budget \$25.5 million lower than FY2015, and lower for the third year in a row
- Estimated 6% Variable Fuel Rate decrease (\$43.60 to \$41.00/MWh) in the Electric System
- > No planned Water and Sewer System rate adjustments
- Government transfers of \$234.9 million, including: record high City of Jacksonville General Fund contribution of \$114.2 million, up \$2.5 million over this current fiscal year; Franchise Fees of \$38.6 million; and Public Service Tax collection of \$82.1 million
- Capital budget no new debt
- > \$169 million scheduled debt reduction
- Financial metrics meeting Rating Agency commitments
- Funding for key strategic issues such as climate change, improving service delivery, and water resource planning
- Rigorous and disciplined focus on workplace safety
- > Funding for compliance, security, and enterprise risk management

We appreciate the City Council's past and current support of JEA. We believe the attached budget will enable us to continue to improve Jacksonville's environment while supporting the economy through high quality, low-cost utility infrastructure for the citizens of our community.

Sincerely,

Helen Albee, Chair Board of Directors

cc: Council Auditor Office of Mayor (3 copies)

Attachments: Schedules A and B

JEA CONSOLIDATED OPERATING BUDGET FISCAL YEAR 2016

	 Electric System	Water & Sewer District Energy System System				Total	
FUEL RELATED REVENUES & EXPENSES:							
FUEL REVENUES:	\$ 509,884,201	\$	-	\$	-	\$	509,884,201
Total Net Revenues	\$ 509,884,201	\$	-	\$	-	\$	509,884,201
FUEL EXPENSES:							
Fuel & Purchased Power	\$ 509,884,201	\$	-	\$	-	\$	509,884,201
FUEL SURPLUS/(DEFICIT)	\$ -	\$	-	\$	-	\$	-
BASE RELATED REVENUES & EXPENSES							
BASE OPERATING REVENUES:							
Base Rate Revenues Environmental Charge Revenue Conservation Charge & Demand Side Revenue	\$ 738,360,001 7,686,000 989,059	\$	371,123,321 22,804,950 -	\$	9,089,118 - -	\$	1,118,572,440 30,490,950 989,059
Other Revenues Natural Gas Pass Through Revenue	35,447,663 12,491,417		14,769,077		-		50,216,740 12,491,417
Total Base Related Revenues	\$ 794,974,140	\$	408,697,348	\$	9,089,118	\$	1,212,760,606
BASE OPERATING EXPENSES:							
Operating and Maintenance Environmental	\$ 200,570,314 7,686,000	\$	136,320,816 2,046,800	\$	5,175,137 -	\$	342,066,267 9,732,800
Conservation & Demand-side Management Natural Gas Pass Through Expense	7,289,059 12,140,876		-		-		7,289,059 12,140,876
Non-Fuel Purchased Power	113,015,053		-		-		113,015,053
Non-Fuel Uncollectibles & PSC Tax	1,703,452		858,999		-		2,562,451
Emergency Reserve Total Base Related Expenses	\$ 5,000,000 347,404,754	\$	1,000,000 140,226,615	\$	- 5,175,137	\$	6,000,000 492,806,506
BASE OPERATING INCOME:	\$ 447,569,386	\$	268,470,733	\$	3,913,981	\$	719,954,100
NON-OPERATING REVENUE:							
Investment Income Transfer To/From Fuel Recovery	3,776,585		2,759,926		-		6,536,511 -
Capacity Fees	 		17,000,000		-	_	17,000,000
Total Non Operating Revenues	\$ 3,776,585	\$	19,759,926	\$	-	\$	23,536,511
NON-OPERATING EXPENSES: Debt Service	407 400 000		400 055 440		2 000 000		200 040 020
Total Non Operating Expenses	\$ 197,132,899 197,132,899	\$	109,655,149 109,655,149	\$	3,023,980 3,023,980	\$	309,812,028 309,812,028
BASE INCOME BEFORE TRANSFERS	\$ 254,213,072	\$	178,575,510	\$	890,001	\$	433,678,583
City Contribution Expense Interlocal Payments	91,720,182		22,467,356		-		114,187,538
Renewal and Replacement Fund	66,155,208		20,778,671		457,185		87,391,064
Operating Capital Outlay Capacity Fees	96,337,682		118,329,483 17,000,000		432,816		215,099,981 17,000,000
Operating Contingency	 -		-		-		-
Total Non-Fuel Expenses	\$ 254,213,072	\$	178,575,510	\$	890,001	\$	433,678,583
SURPLUS/(DEFICIT)	\$ -	\$	-	\$	-	\$	-
TOTAL REVENUES	\$ 1,308,634,926	\$	428,457,274	\$	9,089,118	\$	1,746,181,318
TOTAL APPROPRIATIONS	\$ 1,308,634,926	\$	428,457,274	\$	9,089,118	\$	1,746,181,318
BUDGETED EMPLOYEE POSITIONS BUDGETED TEMPORARY HOURS	1,554 208,000		599 41,600		5 0		2,158 249,600
	200,000		-1,000		0		2-13,000

Schedule A

JEA CONSOLIDATED CAPITAL BUDGET FISCAL YEAR 2016

	 Electric System	Wa	ter & Sewer System	trict Energy System	 Total
CAPITAL FUNDS:					
Renewal & Replacement Deposits	\$ 66,155,208	\$	20,778,671	\$ 457,185	\$ 87,391,064
Operating Capital Outlay	96,337,682		97,571,333	432,816	194,341,831
Environmental Capital Outlay	-		20,758,150	-	20,758,150
Capacity Fees	-		17,000,000	-	17,000,000
Debt Proceeds	-		-	-	-
Other Proceeds	7,507,110		38,891,846	2,766,999	49,165,955
Total Capital Funds	\$ 170,000,000	\$	195,000,000	\$ 3,657,000	\$ 368,657,000
CAPITAL PROJECTS:					
Generation Projects	\$ 27,466,000	\$	-	\$ -	\$ 27,466,000
Transmission & Distribution Projects	93,824,000		-	-	93,824,000
District Energy Projects	-		-	3,657,000	3,657,000
Water Projects	-		67,128,000	-	67,128,000
Sewer Projects	-		105,644,000	-	105,644,000
Other Projects	48,710,000		22,228,000	-	70,938,000
Total Capital Projects	\$ 170,000,000	\$	195,000,000	\$ 3,657,000	\$ 368,657,000

Schedule B



JEA Monthly Financial Summary as of May 31, 2015

Board of Directors June 16, 2015



Key Financial Metrics

	Year-to	-Date	FY2		
Electric System	FY2015	FY2014	Forecast	Target	Result
Debt Service Coverage	2.5x	2.4x	2.6x	≥ 2.2x	1
Days Liquidity	263	251	276	150 to 250 days ¹	~
Days Cash on Hand	150	142	160		~
Debt to Asset %	72%	75%	72%	72% ²	1

Water and Sewer System	FY2015	FY2014	Forecast	Target	Result
Debt Service Coverage	2.9x	2.4x	2.8x	≥ 1.8x	~
Days Liquidity	238	207	232	≥ 100 days	~
Days Cash on Hand	125	99	116		~
Debt to Asset %	54%	58%	54%	55% ³	~

¹ Moody's Aa benchmark: 150 to 250 days

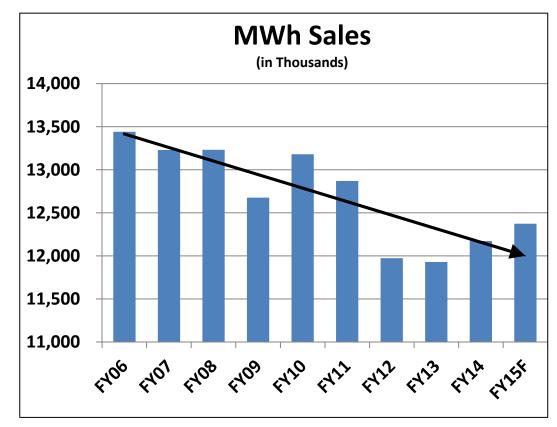
² Long-term target is 60%

³ Long-term target is 50%: calculated peer group from Moody's large Aa rated public water-sewer utilities



JEA Electric System

MWh Sales



Month	FY14	FY15	% Change
Oct	959,319	971,595	1.3%
Nov	835,344	895,617	7.2%
Dec	914,615	943,753	3.2%
Jan	1,104,547	1,035,621	(6.2%)
Feb	843,507	934,102	10.7%
Mar	933,671	898,524	(3.8%)
Apr	900,972	954,803	6.0%
May	1,028,801	1,062,459	3.3%
Year-to-Date	7,520,776	7,696,474	2.3%
Jun	1,124,764		
Jul	1,207,001		
Aug	1,255,262		
Sep	1,064,186		
Total/Forecast	12,171,989	12,372,882	1.7%

Unit Sales Driver: YTD degree days were 5% higher than last year.

YTD Degree Days				
30-yr. Avg. FY14 FY15				
2,112	2,103	2,206		

Total System	2.3%	<
Residential	3.5%	
Comm./Industrial	1.3%	
Interruptible	4.6%	
Wholesale (FPU)	(2.3%)	

3



JEA Electric System Financial Results and Cost Metrics

(\$ in thousands)

Revenues	FY15 Forecast	FY14 Actual	FY15 Budget	FY15F vs FY14 (\$)	Variance (%)
Fuel Revenue	\$ 483,176 ¹	\$ 498,930 ²	\$ 516,398	\$ (15,754)	-3.2%
Base Revenue	739,341	725,203	711,462	14,138	2.0%
Other Revenue	38,926	39,571	42,626	(645)	-1.6%
Total Revenues	\$ 1,261,443	\$ 1,263,704	\$ 1,270,486	\$ (2,261)	-0.2%
	•	\$(9M)			
Select Expenses					
Fuel Expense	\$ 442,215	\$ 501,763	\$ 503,519	\$ 59,548	11.9%
Fuel Fund Transfers	40,961	(2,833)	12,879	(43,794)	\sim
O & M Expense	198,214	168,688	207,337	(29,526)	-17.5%
Non-fuel Purchased Power	103,645	194,030	123,663	90,385	46.6%
Net Revenues	\$ 464,101	\$ 389,604	\$ 414,571	\$ 74,497	19.1%
		\$50M			
Capital Expenditures	\$ 132,403	\$ 86,155	\$ 129,000 ³	\$ (46,248)	-53.7%
Debt Service	\$ 182,040	\$ 161,509	\$ 196,591	\$ (20,531)	-12.7%

Non-Fuel
\$ 54.73
50.45
\$ 4.28

Fuel Fund (\$ in m	illions)
Beginning Balance	\$ 105
Surplus/(Deficit)	91
Fuel Credit	(50)
Ending Balance	\$ 146

¹ Net of \$50 million fuel credit in April bill

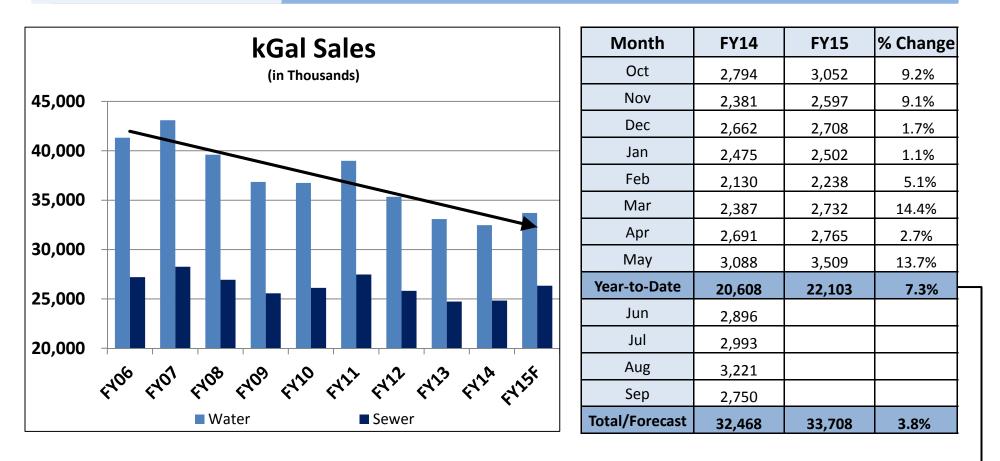
² Net of \$26 million fuel credit in FY14

³ Council approved limit for capital expenditures in FY15 is \$150 million



JEA Water and Sewer System kGal Sales

n Thousands)



Unit Sales Driver: Rainfall is down 9 inches; rain days are down 17 from prior year.

YTD Rain					
	<u>30-Yr. Avg.</u> <u>FY14</u> <u>FY15</u>				
Inches	24	31	22		
Days	59	69	52		

Total System	7.3%]←
Residential	5.9%	
Comm./Industrial	5.2%	
Irrigation	18.7%	



JEA Water and Sewer System Financial Results and Cost Metrics

(\$ in thousands)

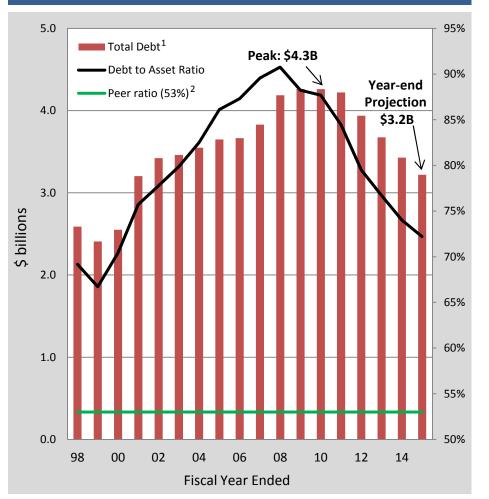
Revenues	FY15 Forecast	FY14 Actual	FY15 Budget	FY15F vs FY14 (\$)	Variance (%)
Water & Sewer Revenues	\$ 387,202	\$ 375,372	\$ 390,392	\$ 11,830	3.2%
Other Revenue	33,617	32,518	28,868	1,099	3.4%
Total Revenues	\$ 420,819	\$ 407,890	\$ 419,260	\$ 12,929	3.2%
		\$2M			
Select Expenses					
O & M Expense	\$ 127,337	\$ 119,466	\$ 136,523	\$ (7,871)	-6.6%
Net Revenues	\$ 289,999	\$ 281,727	\$ 279,426	\$ 8,272	2.9%
	▲	\$11M			
Capital Expenditures	\$ 110,409	\$ 76,852	\$ 130,900	\$ (33,557)	-43.7%
Debt Service	\$ 103,868	\$ 114,372	\$ 124,443	\$ 10,504	9.2%

Cost / KGal	Water	Sewer
Target	\$ 4.47	\$ 7.96
Forecast	4.22	7.52
Difference	\$ 0.25	\$ 0.44
Difference	\$ 0.25	\$ 0.

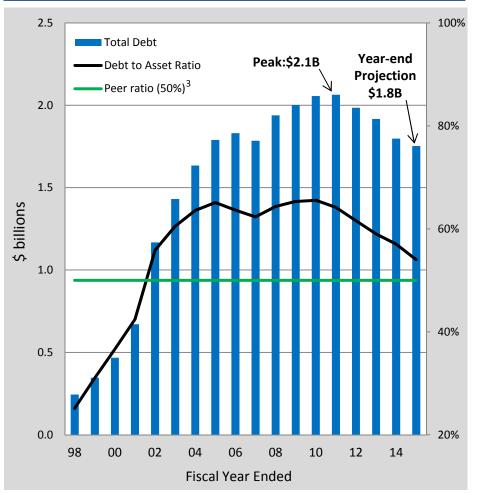


JEA Debt and Debt to Asset Ratios

Electric System



Water and Sewer System



¹ Includes JEA, Scherer and SJRPP

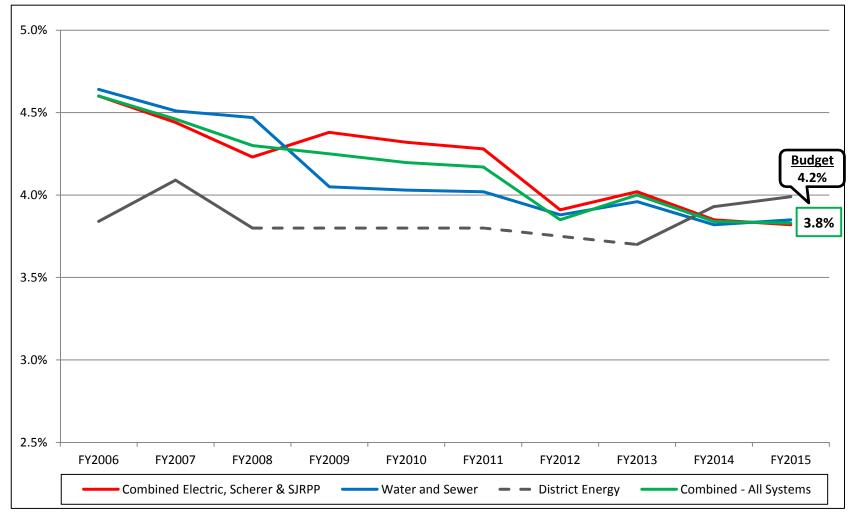
² Per Moody's Special Comment, June 2014

³ As calculated from Moody's data for large Aa rated public water-sewer utilities



Combined Debt Outstanding Weighted Average Interest Rates^{*}

8

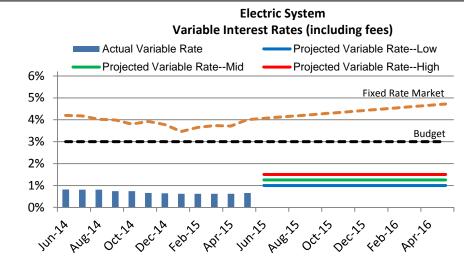


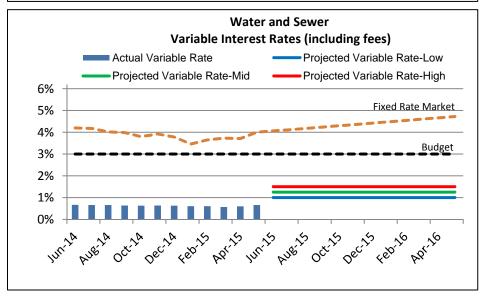
- Fiscal year end interest rates are net of BABs subsidy, original issue premiums / discounts and includes variable debt liquidity / remarketing fees and interest rate swap payments.
- – – During FY2008 FY2013 DES was funded with variable rate debt at an average of 1 percent.



Variable Rate Debt Risk Analysis







Liquidity Facilities and Direct Purchase Bonds (DPBs)				
Bank	Long-Term Ratings Moody's/S&P/Fitch	\$ (in millions)	%	
JP Morgan Chase Bank N.A.	Aa3/A+/AA-	\$240	27	
Wells Fargo Bank N.A. (100% DPBs)	Aa2/AA-/AA	228	25	
Royal Bank of Canada	Aa3/AA-/AA	193	22	
US Bank, N.A.	Aa1/AA-/AA-	149	17	
Sumitomo	A1/A+/A-	52	6	
State Street Bank	A1/AA-/AA	31	3	
Total		\$893		

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

Items of Interest

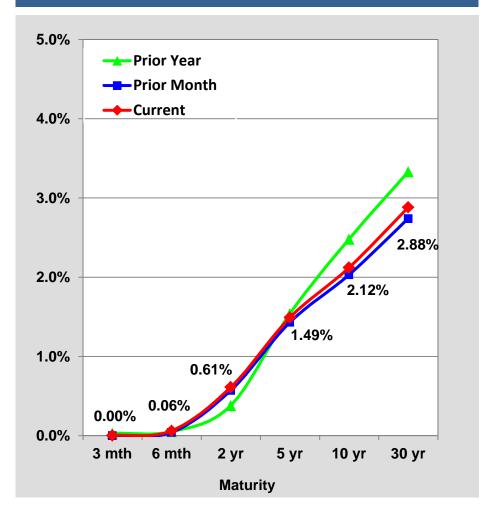
- Variable debt as a percentage of total debt:
 - Unhedged variable at 7% for Electric and 9% for Water & Sewer.
 - Hedged variable at 13% for Electric and 7% for Water & Sewer.
- Liquidity facilities / direct purchase bonds are with highly rated providers.
- No change in swap counterparty credit quality.
- Wells Fargo direct purchase bonds up for renewal in Fall 2015.
- State Street liquidity facility renewed in Feb 2015 through March 2018.
- Variable rate reserve to mitigate risk of higher rates \$62 million.

Total variable rate debt of \$931 with \$532 swapped to fixed rate

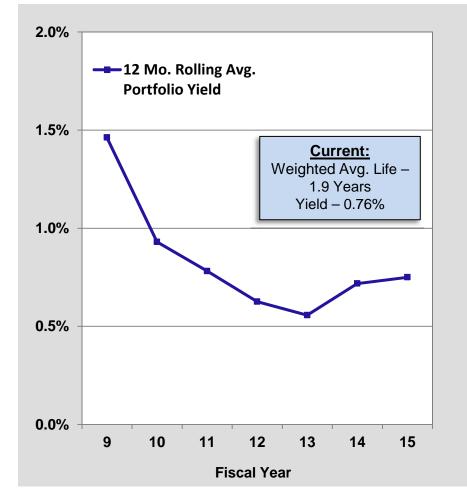


JEA Combined Investments Outstanding

U. S. Treasury Yield Curve

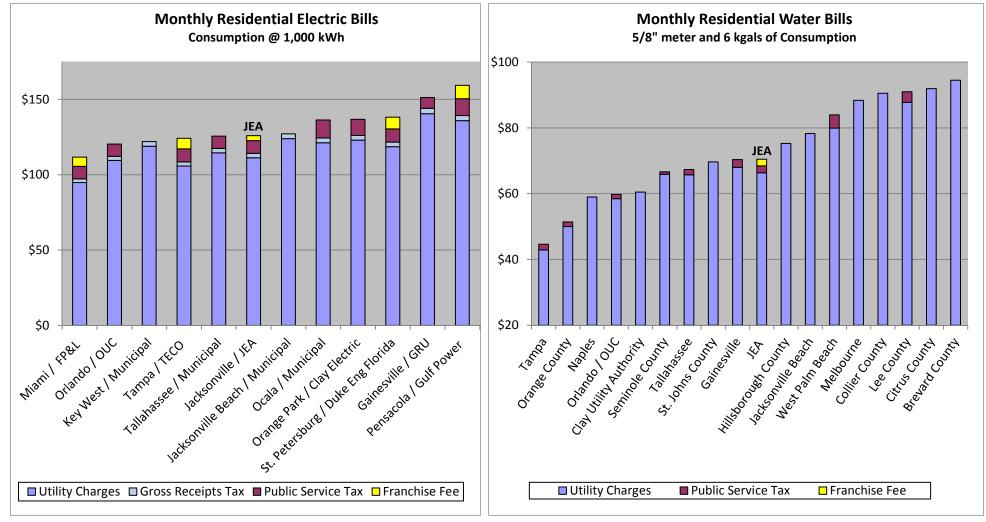


Investment Portfolio Yield





Florida Utilities Monthly Bill Comparison





June 01, 2015

SUBJECT:	JEA HURRICANE READINES	S	
Purpose:	Information Only	Action Required	Advice/Direction
Issue: To prov storm season.	vide the Board with a summary of	f JEA's hurricane drill last m	onth in preparation for 2015
Significance: JEA's hurricane preparedness activities are critical to JEA's ability to sustain operations and recover from threats and natural disasters while supporting the City of Jacksonville's Duval County Emergency Operation Center.			
Effect: JEA's o	customer base in the City of Jack	sonville and surrounding co	ounties
Cost or Benefit: Costs to JEA for recovery related operations which may involve Federal Emergency Management Agency (FEMA) reimbursement and costs to the community from potential interruptions of utility services			
Recommended Board action: This item is provided for information.			
For additional information, contact: Director of Emergency Preparedness, Edwin Dendor; 904-665-6079			

Submitted by: PEM/MHD/EHD







Hurricane Readiness

June 16, 2015







- Managing the Response and Recovery Effort
- Video of JEA's Hurricane Exercise
- Hurricane Season Forecast



National Incident Management System

- JEA's Response and Recovery Structure:
 - Scalable & Flexible
 - Defines Reasonable Span of Control
 - Aligns Key Roles and Responsibilities
 - Organizes Mutual Aid and Resources
 - Unifies Response and Command
 - Platform for Common Messaging











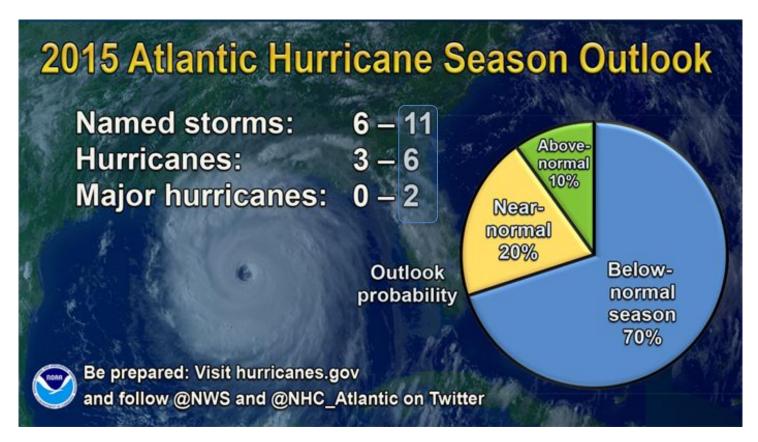


- Integrated with the State and Duval County
- Management taking the extra steps
- Damage Assessment Data Collection





• What's NOAA's Combination?







Thank You



JEA WORKFORCE COMMITTEE AGENDA

DATE: June 3, 2015

TIME: 12:00 PM

PLACE: 21 W. Church Street 8th Floor, Board Chair's Office

> **Committee Members will meet in the 8th Floor Board Conference Room** Other Board Members may join via conference call by dialing 904-665-7200 No password is needed.

			Responsible Person	Action (A) Info (I)	Total Time
Ι.	OPI	ENING CONSIDERATIONS	Wyman Winbush		
	A.	Call to Order			
	В.	Adoption of Agenda		А	
	C.	Approval of Committee Meeting Minutes January 13, 2015		А	
II.	NEW BUSINESS				
	A.	Review and Approval of the Revised Workforce Committee Charter	Paul McElroy	А	5 mins.
	В.	Quarterly Workforce Update	Angie Hiers	I	15 mins.
	C.	Diversity, Inclusion, and Succession Outreach Strategy	Angie Hiers	I.	15 mins.
	D.	Civil Service / Employment Testing Process	Angie Hiers	I	10 mins.
	E.	Announcements	Wyman Winbush	I	
		1. Schedule Next Meeting as Appropriate			

F. Adjournment

JEA WORKFORCE COMMITTEE MINUTES January 13, 2015

The Workforce Committee of JEA met on Tuesday, January 13, 2015, 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 Lisa Weatherby called the meeting to order at 11:30 AM with Member Ron Townsend in attendance. Board Member Wyman Winbush was present as an observer. Also present were Paul McElroy, Angie Hiers, Jane Upton, Gerri Boyce, Jody Brooks, Office of General Counsel, and Nate Monroe, Florida Times-Union.
- B. Adoption of Agenda The Agenda was adopted on motion by Mr. Townsend.

Agenda Item II – New Business

- A. Performance Based Compensation Angie Hiers, Chief Human Resources Officer, provided the committee with an overview of the transition of the performance management system from Mindsolve to the Oracle Performance Management system. Ms. Hiers stated JEA was able to utilize inside expertise to transition systems and to provide timely training on performance based goals to meet deadline requirements. Ms. Hiers provided the Committee with a high level overview of the performance management process. Ms. Hiers reminded the Committee that this year, JEA will participate in a company and an individual performance compensation program. This item was received for information.
- B. Succession Planning Angie Hiers, Chief Human Resources Officer Prior to Ms. Hiers' presentation, Mr. Townsend expressed the need for retirement risk assessment. Ms. Hiers presented that JEA is reviewing the workforce demographics and analytics quarterly. This assessment includes stop gap succession planning for the Senior Leadership Team. Ms. Hiers distributed the Manager Assessment and Career Development forms and stated this process will become a standard procedure. The information obtained from these forms will be entered into the Oracle Performance Management system to allow JEA to conduct queries for employee certifications and specific talents, and will be utilized to develop employee training. Ms. Hiers stated these forms will also be sent to the bargaining units. This item was received for information.
- C. Diversity and Inclusion Angie Hiers, Chief Human Resources Officer, provided the Committee with steps JEA is taking to create a diverse workforce. Pat Sams, Emerging Workforce Strategies Program Manager is currently working on workforce analytics and serving as a talent recruiter. The Committee also discussed military recruitment and the various placement tests required for recruitment. Ms. Hiers stated Nathaniel Glover, President Edward Waters College, will present at the Executive Leadership Team Strategy Session on January 22, 2015.
- D. Employee Satisfaction Initiative Angie Hiers, Chief Human Resources Officer, presented that as part of JEA's strategic initiative to build an "Unbeatable Team" JEA employees completed the Employee Satisfaction Survey, Senior Leaders met with employees in the fall in Town Hall Meetings, and the next steps will be to address employee concerns. Ms. Hiers stated employees from across the organization will be formed into small groups to address employee satisfaction. Additionally, a third party facilitator will be utilized to keep this initiative on track with the goal of building champions within the organization. This item was received for information.

January 13, 2015

Page - 2

- E. 2016 Benefit Preparation Angie Hiers, Chief Human Resources Officer, presented that JEA is currently reviewing the fiscal year 2016 benefits package. Ms. Hiers also reviewed recent changes in Florida law which will impact healthcare. Ms. Hiers reviewed the new retiree option which allows for a one-year grace period to allow retirees to select a non-JEA benefit plan, with the option to revert back to a JEA medical plan. JEA is currently offering education sessions to retirees. Ms. Hiers provided the Committee with a draft of the JEA Personal Total Compensation Statement and stated JEA employees will be receiving the statements soon.
- F. Announcements
 - 1. Committee Members agreed to continue with quarterly meetings.
- G. Adjournment With no further business claiming the attention of this Committee, the meeting was declared adjourned at 12:32 PM.

APPROVED BY:

Lisa Strange Weatherby, Committee Chair Date: _____

Submitted by:

Melissa Charleroy Executive Assistant

JEA Board of Directors Workforce Committee Charter

Role of the Workforce Planning Committee

The Workforce Planning Committee is appointed by, and is a standing Committee of, the Board of Directors of JEA. The Committee's primary function is to assist the Board in fulfilling its oversight responsibilities by reviewing JEA's workforce planning strategies. In conjunction with its primary function, it is the responsibility of the Committee to provide an open avenue of communication between the Board and Management. The committee will report to the Board on a semi-annual basis to keep the full Board apprised. The Workforce Planning Committee shall review and approve various agenda items and make recommendations to the JEA Board for final approval.

Membership

The Committee shall consist of two Board members, appointed annually by the Board Chair. The Board Chair shall appoint one of the Committee members as Chairperson. The Chief Human Resources Officer shall have direct access to the members of the Workforce Planning Committee.

Meetings

The Committee will meet at least at least three (3) times per year. The Committee may invite members of Management and/or others to attend meetings and provide pertinent information, as necessary. A schedule of regular meetings will be established by the Committee annually. Special meetings may be called by the Committee Chair. Meetings shall be subject to public information laws.

Responsibilities

The Committee shall:

- Report Committee actions and recommendations to the Board.
- Annually review and approve the Committee's Charter, updating as needed.
- Review and evaluate the effectiveness of JEA's process for ensuring workforce needs are being met now and in the future. Review and evaluation will include the areas of:
 - Workforce Planning: review reports, statistics and other information used to develop strategies.
 - Compensation for Non-Appointed (BU) Employees (Approval of proposed wages related to negotiations and market surveys)
 - Employee Benefits, including safety and wellness (Approval of proposed plan changes related to employer/employee contributions and offerings)
 - Pension (Approval of proposed plan design and employer/employee contribution)
- The Committee will not review Collective Bargaining Unit articles. This activity will be discussed with the full Board.

Employee Satisfaction Mid-Year Report Out May 21, 2015



Alpha Teams

Initiative A1: Compared with people in similar jobs in other companies, I feel my pay is fair.

Alpha 1	Alpha 2.0
Margaux Glover	Scott Anaheim
Paul Freeman	Bea Fore
Shellina Reeves	Paul Steinbrecher
Ryan Weeks	Andy Motsinger
Gaynelle Bain	David Edwards
William Tindell	Jim Stancin
Aimee Couturier	Rodney Williams
Gerald McInarnay	Ron Beverly
Attila Kozma	Payson Tilden
Glynn Wood	Eileen Connolly
Henry Angeli	Kristina Quarterman
Rosemary Crowder	Lee Montanez
Jeremy Whittemore	Eileen Hill
Richard Kellogg	
Nicholas Crosby	

FACILITATORS

Lindsay Lawrence

Brian Hancher

Heather Fontaine

Alpha Teams

- How Pay/Compensation is Determined
 QUICK HIT: PIN POINT DEPTS. W/COMPRESSION ISSUES
- Changes to Job Specifications and Associated Pay QUICK HIT: ASSIGN OWNERSHIP OF PROCESS
- Performance Management
- Differing Shift Hours and Overtime
- Stipends For Licenses, Certifications and Higher Education



Team Bravo

Initiative B1: JEA values the diverse talents of it's employees.

Initiative B2 : The reward/incentive system in place at JEA favorably influences me to do my best work.

TEAM MEMBERS			
Rachel Bountharack	Cameron Foster		
Terry Boykin	Jennifer Goodwin		
Thaliah Smith	Owen Cumiskey		
Denver Whittaker	Kyle Jones		
Kristin Anderson	Von Fuller		
Tammy Folsom	Casey Nettles		
Kevin Reinhardt			
FACILITATORS			
Heather Fontaine			
Lindsay Lawrence			



Team Bravo

- Reward and Recognition Program
- Safety Program
- Wellness Program
- Retirement Program
- Health Insurance/Benefits



Team Charlie

INITIATIVE C1:JEA does a good job of training and developing its employees.INITIATIVE C2:JEA offers me sufficient opportunity for personal development.

TEAM MEMBERS	
Angela Hardmon	Linda Reid
Brian Wray	Logan Coarsey
Chris Swihart	Melinda Fischer
Clifford Padgett	Nicholas Evans
Gary Denton	Paul Avedon
Greg Turner	Sally Dajero
Kendrick Taylor	Tonya Lewis
Victor Blackshear	

FACILITATORS

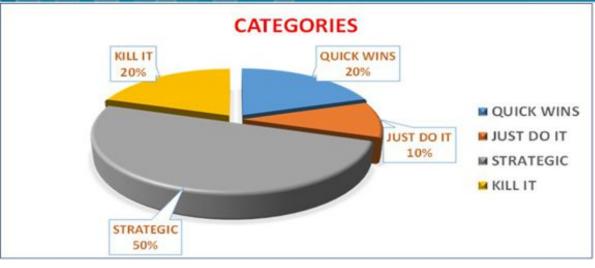
Baski Souppourattinam

Heather Fontaine

Brian Hancher



Team Charlie



- 1. Cancelled classes
- 2. Infrequent offering of classes
- 3. Need for a list of Subject Matter Experts (SME)
- 4. Lack of Commitment to Project-Determined Training Needs
- 5. Need for CBT for common classes
- 6. Lack of clearly defined professional paths



Team Delta

Initiative D1: Staff at JEA are treated with respect, regardless of the jobs they perform

TEAM MEMBERS	
Angela Allen	Leonard Holton
Crystal Ricketts	Christi Oca
Jennifer Horn	Don Brickle
Chasity Greenwood	Michele Domingo
Jacob Bianchi	Tim Konopka
Miranda Jones	Mike Davis
Alan Tablada	Margaret Limbaugh

FACILITATORS

Frank DeCoste

Landon Todd



Team Delta

- Leadership Potential Indicator Testing and Gap
 Training
- Regular Chief Meetings With Front Line Employees
 Similar to Town Hall Meetings
- Christmas Party or Other Annual Event
- Clearly Explain the Results of Towers Watson Study
- "Rate My Supervisor", Include Score as a Factor
- Regular Team Building Events
- Clearly Explain the GPS and Badge Swipe Programs



Team Echo

Initiative E1: Management and non-management employees work well together.

TEAM MEMBERS	
Luciana Mills	Larry Guevarra
Thurman McGlothlin	Branden Robins
Jaclyn Taricska	Mary Jo Whitten
Shannon Jordan	Jessica Keeler
Rick Ursry	Bryan Holmes
Pete Blackley	John Sgambettera
Carlos Sims	

FACILITATORS

Frank DeCoste

Heather Fontaine



Team Echo

- Increase CEO/Chief/Director Visibility In The Field
- Clarify GPS Policy
- Introduce Team Building Events
- Allow Manager Flexibility With Work Hours and Location
- Simplify Leave Sellback Process
- Reduce The Number of Business Reviews
- Reduce Manager Non-business Unit Related Responsibilities.
- Increase Employee Input On Factors and Goals
- Improve Two Way Feedbacks





Initiative F1: JEA values honesty and integrity

Initiative F2: I'm encouraged to find cost saving methods relative to my daily work

TEAM MEMBERS			
Akrayi, Jamila	Park, Russell		
Antique, Abelardo	Pugh, Nicole Wright		
Cottrell, Brandon	Rivera, Zasha		
Gresham, Amaris	Smith, Brandy		
Mastronardi, Alfred	Watts, Christine		
Maxwell, Jr., Timothy	George, Rashida		
Nichols, Daniel			
Olan-Diaz, Raymond			
FACILITATORS			

Maiden, Delphine

Todd, Landon



Team Foxtrot

- Honesty & Integrity
 - 1. Recruiting
 - 2. Job Evaluations
 - 3. Leadership Behaviors
- Encourage Cost Savings
 - 1. Process Improvement & Resources
 - 2. Training and Communication
 - 3. Workforce Culture



JEA Board Meeting - IV. Reports

Golf Team

Initiatives

Corporate Communication

Work Group(Mgr and staff) Communications

Team Members

Aaron Curtis	Herbert Taylor
Amp Johnson	Maritza Rivera-Clapp
Carole Jackson	Matt Stafford
Chris Barrington	Robert Roark
Curtis Stothers	Rodney Harris
Eric Petty	Sara Maginnis
Hai Vu	Sheri Cravey

FACILITATORS

Greg Wood

Baskaran Souppourattinam

JEA.

Com·mu·ni·cate (kəˈmyoōnə kāt) verb 1. share or exchange information, news, or ideas.

Golf Team

Category	Ratio	Owner	Value
Currents	8.00	Brand Management	
Recruitment	7.00	Employee Services	
Corporate	4.00	Multiple	
Training	3.00	Employee and Leadership Development	Gem
Video	2.25	Multiple	
Departmental	2.00	Multiple	
Facetime	2.00	Multiple	
Management meetings	2.00	Employee and Leadership Development	Go Do
Management	1.50	Multiple	
Contacts	1.43	Multiple	
Grid	1.29	Brand Management	Strategic
Intranet	1.00	Brand Management	Strat
OD / SOP	1.00	Multiple	0,
ІТ	0.70	IT	
Bulletin boards	0.57	Employee Services	o
Mentorship	0.50	Brand Management	Deferred
Safety	0.50	Employee and Leadership Development	ă



Golf Team

- 1. Advertise Defined Contribution and 457 options
- 2. Manage Events Calendar on the Grid (Currents)
- 3. Reduce repetitive info with operational definitions
- 4. Revert to NYCU style layout (no columns)
- 5. Develop RSS Feed foundation(Currents/Training)
- 6. Communicate and follow through with Mission/Vision
- 7. Revise Outlook training
- 8. Develop Digital Format for New Hire Orientation media
- 9. Management Meetings (Auditorium)





- Team Hotel (Two Sub-teams)
 - Bobbo Lewis (Hyatt)
 - Tawana Fairell-Simmons (Hilton)



Hotel - Hyatt

Initiative H1: JEA Policies are Administered Consistently

TEAM MEMBERS	
Randy Ellis	Scott Boyle
Jon Wells	Scott Sloniker
Jody Godsey	Bobbo Lewis

FACILITATORS
Frank DeCoste
Delphine Maiden



Hotel - Hyatt

- Clarify the Volunteerism Policy
- Improve JEA's cell phone policy
- Correct Issues with "low bidder" policy
- Improve the application of the Drug Test Policy
- Improve Safety Pre-qualification Policy
- Clarify Direct Appointment Policy
- Improve TABE and Testing Review Policy
- Create a Policy Creation/Revision Policy
- Increase Retention of the Pearl Street Apprentices





Initiative H1: JEA policies are administered consistently in my department.

Initiative H2: The way JEA operates on a day to day basis is consistent with its overall objectives.

TEAM MEMBERS	
Katherine Bizub	Henry Papa
Joanna Crain	Michael Sasan
Angela DuBose	Vondolyn Wright-Morgan
Tawana Fairell-Simmons	

FACILITATORS

Delphine Maiden

Frank DeCoste





- Policies Administered Consistently / Daily
 Operations Adhere to JEA Objectives
 - 1. TABE
 - 2. Cell Phone
 - 3. Policies/Procedures



JEA Board Meeting - IV. Reports



Workforce Readiness Update

Develop an "Unbeatable" Team

June 3, 2015

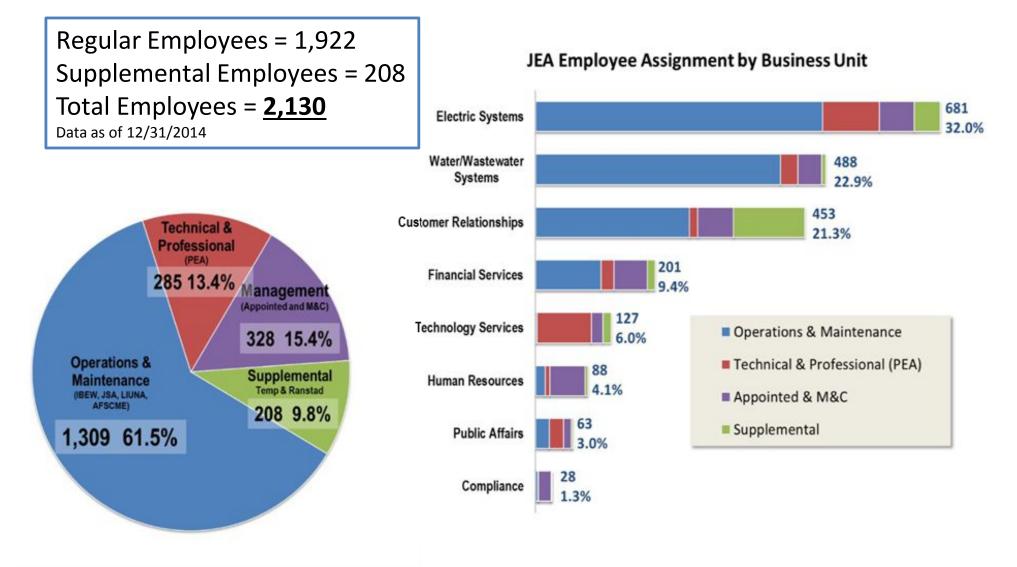
Human Resources/Organizational Performance Improvement/Organizational Effectiveness

Workforce Readiness Update Items

• The JEA Workforce – Current State

- Composition, Staffing Levels, Demographics & Diversity
- Turnover, Risk and Losses
- Retention
- Net Losses & Additions
- Vacancy Gap and Replacement Activity
- The JEA Workforce Moving Forward
 - The Workforce in Transition
 - The Highly Technical Workforce
 - Attrition Risk and Mitigation Effectiveness
- The Good, The Bad & The Ugly

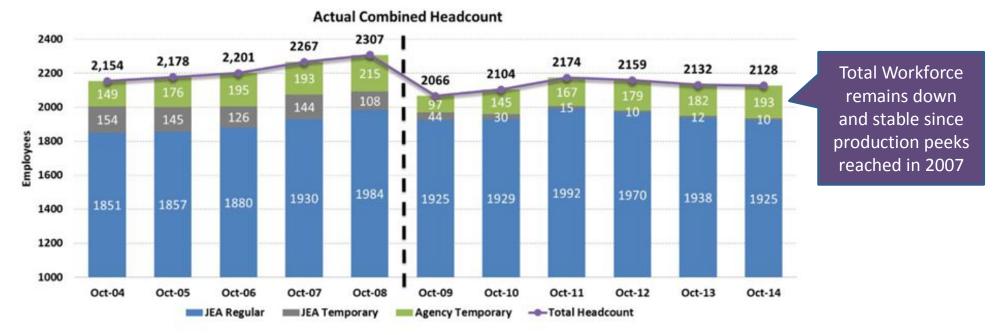
The JEA Workforce - Composition & Assignment

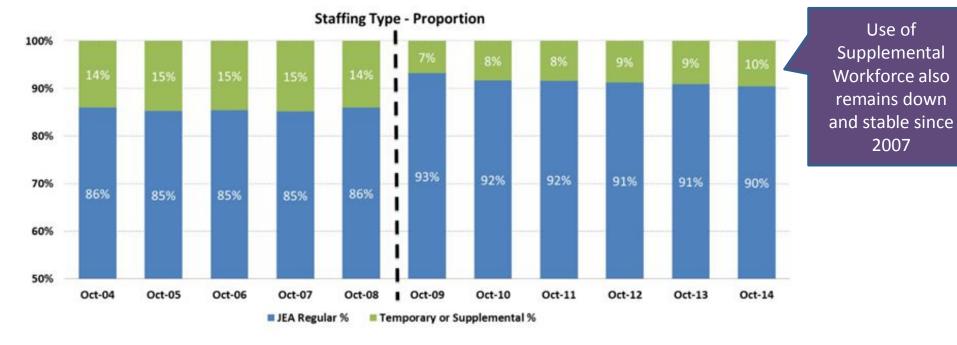


Excludes SJRPP regular and SJRPP supplemental employees

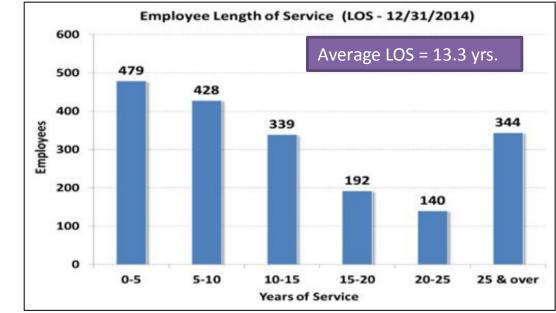
JEA Board Meeting - IV. Reports

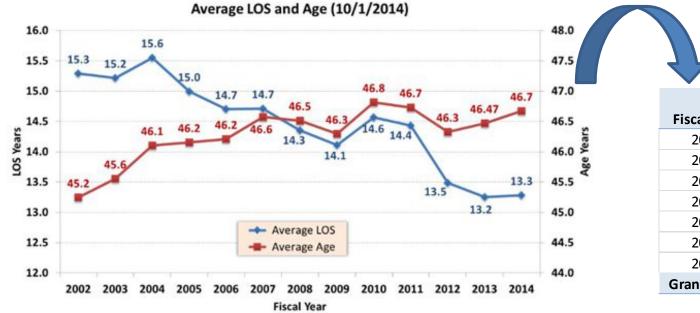
The JEA Workforce – Historic Staffing Levels





The JEA Workforce - Demographics





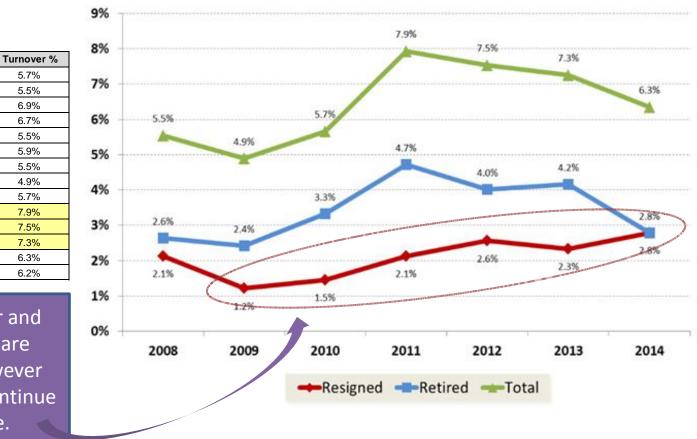
$\mathbf{\vee}$	
New Hires	
Fiscal Year	Average Age
2008	34.3
2009	31.9
2010	34.3
2011	37.6
2012	36.5
2013	38.7
2014	36.2
Grand Total	36.1

Excludes SJRPP, JEA Temporaries and External Contractors (Randstad)

The JEA Workforce - Diversity

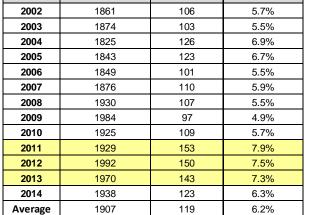


JEA Workforce - Turnover



Turnover Rates as a % of Headcount

Note: The balance between retired plus resigned and the total is made up of other terminations not initiated by the employee including death, term for cause, etc.



Terminations

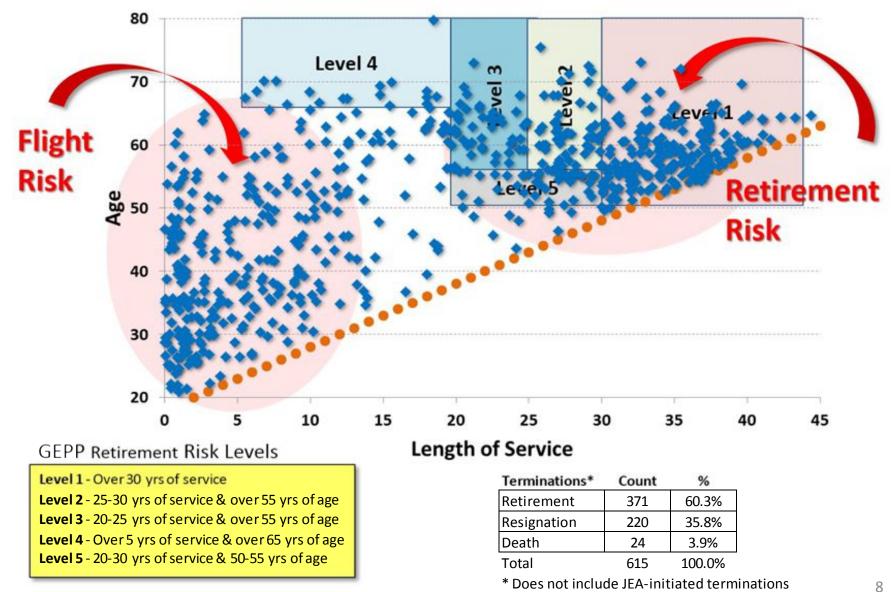
Fiscal Year

Headcount

Total Turnover and Retirements are declining, however <u>Resignations</u> continue to increase.

When JEA Employees are Leaving

Retirements & Resignations 5 Year History (FY2010 – FY2014)



Excludes SJRPP, JEA Temporaries and External Contractors (Randstad)

JEA Turnover & Attrition Risk Categories



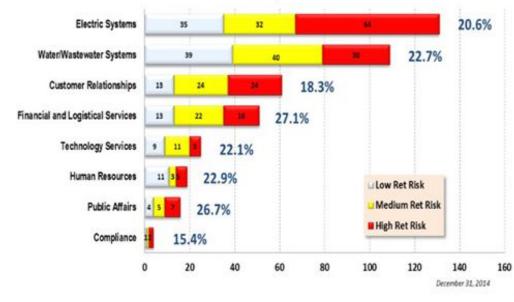
- Represents employees at some current level of pension eligibility
- Flight Risk
 - Represents employees that are not necessarily bound to the pension and may choose to leave for better compensation or opportunity

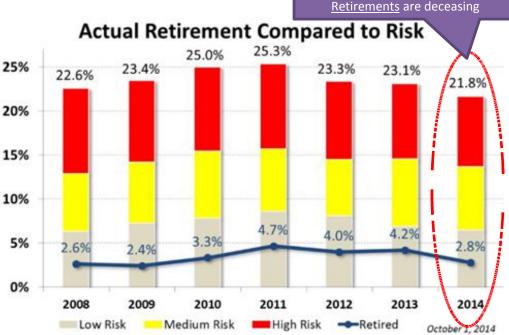
9

JEA Workforce - Retirement Risk

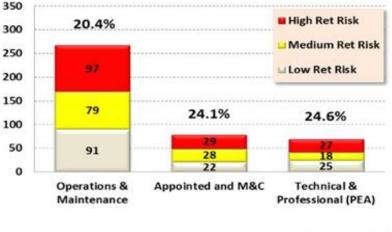


Retirement Risk by Business Unit





Retirement Risk by Type



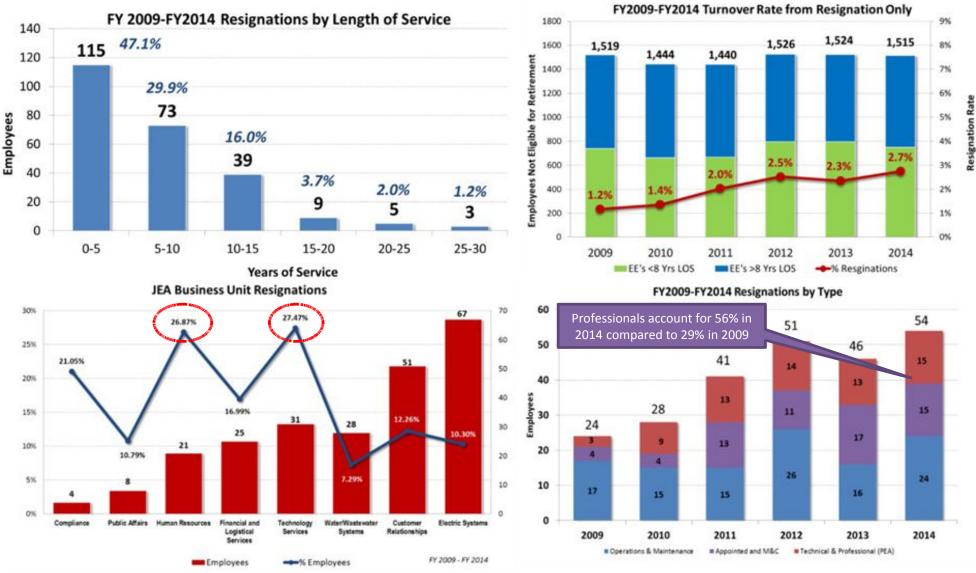
December 31, 2014

10

Excludes SJRPP, JEA Temporaries and External Contractors (Randstad). Percents reflect actual eligible divided by group population

JEA Workforce - Flight Risk

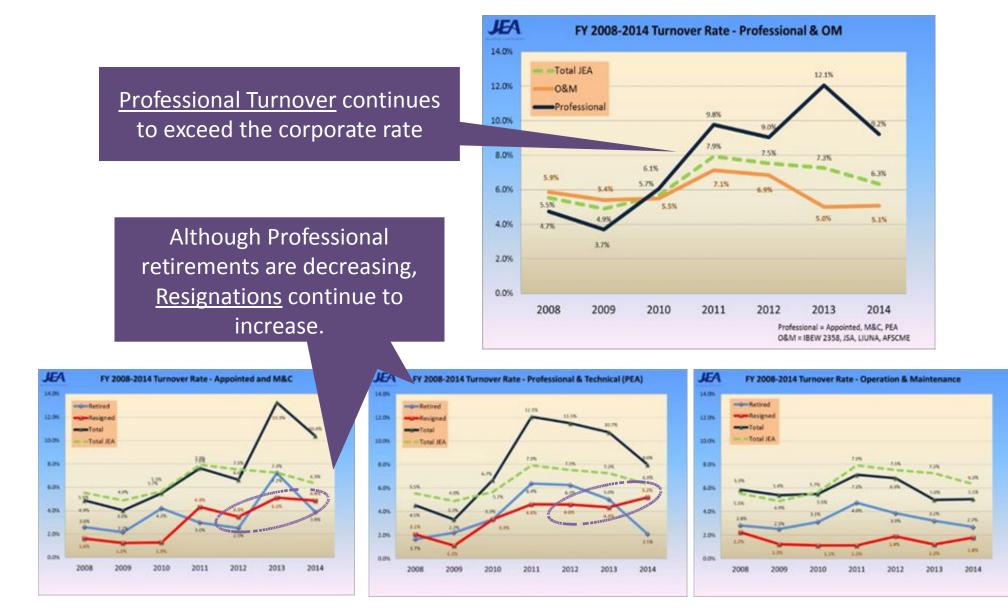
Flight Risk Resignations 6 Year History (FY2009-FY2014)



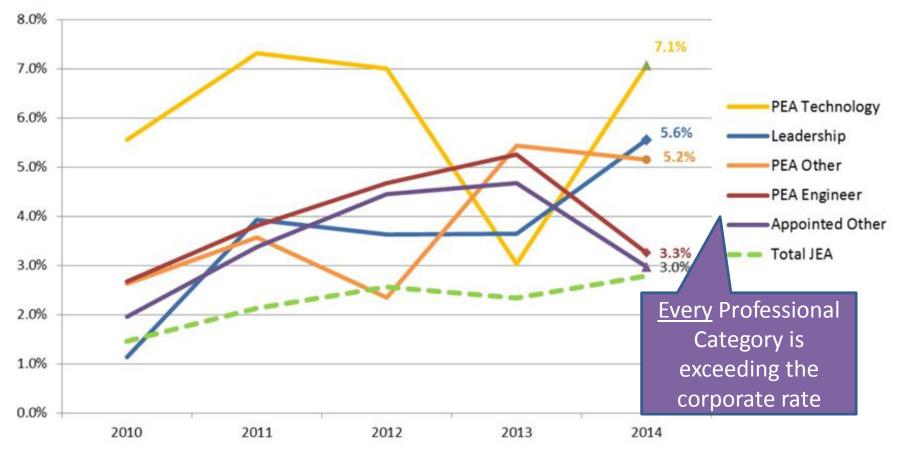
11

Excludes SJRPP, JEA Temporaries and External Contractors (Randstad). Percents reflect actual resignations divided by group population

JEA Workforce – Professional Turnover



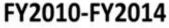
Resignation Rates by Professional Category FY2010-2014

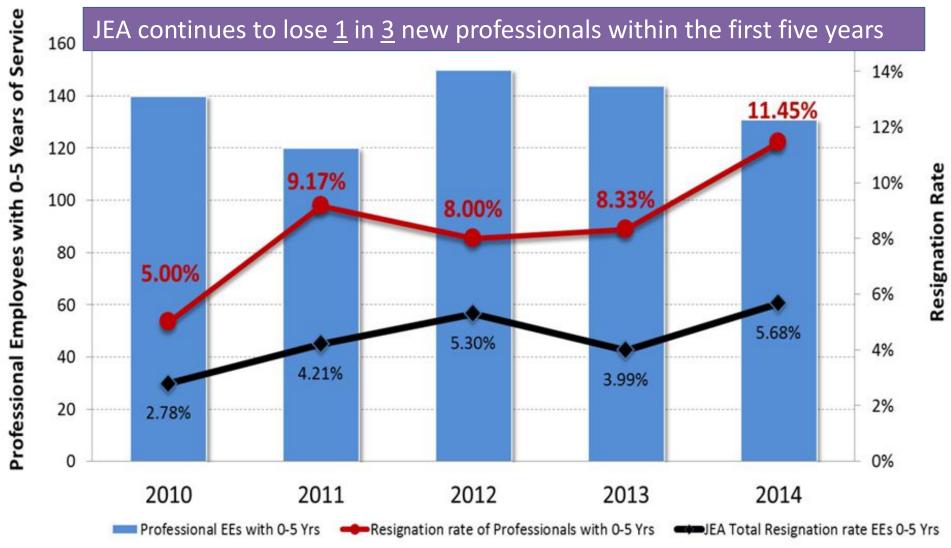


5 Year Average			
Technology	6.0%		
Leadership	3.6%		
PEA Other	3.8%		
Engineer	3.9%		
Appointed other	3.5%		
Total JEA	2.3%		

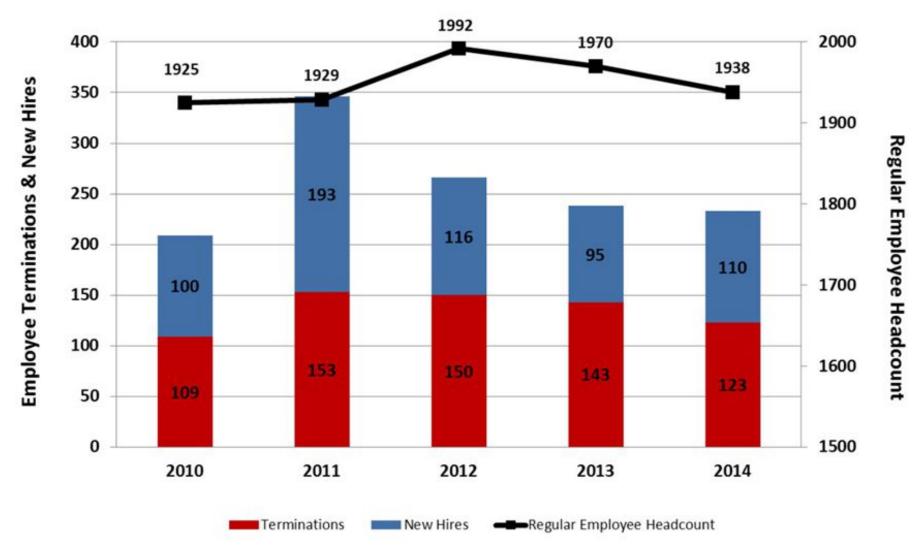
* These rates are calculated by summing the resignations in each labor category and dividing it by the population in that category.

Professional Retention

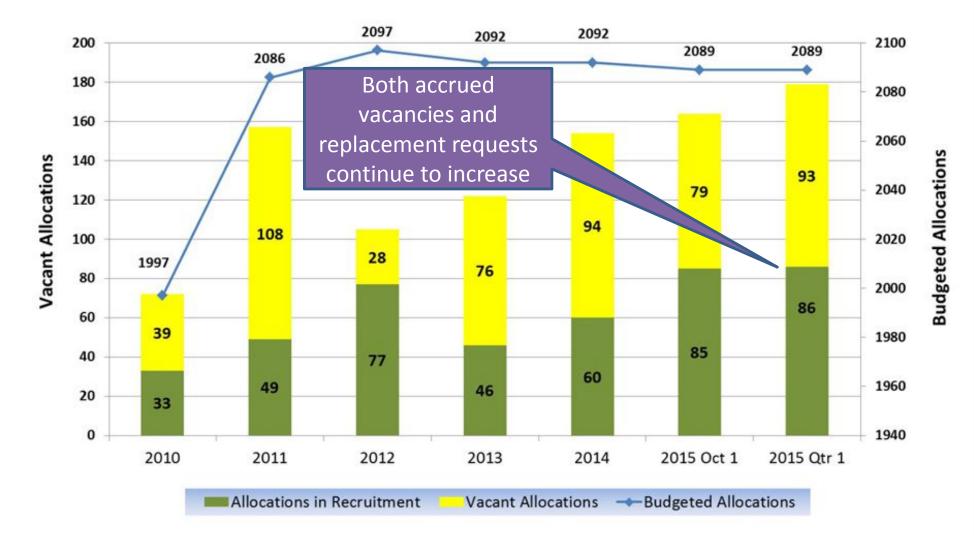




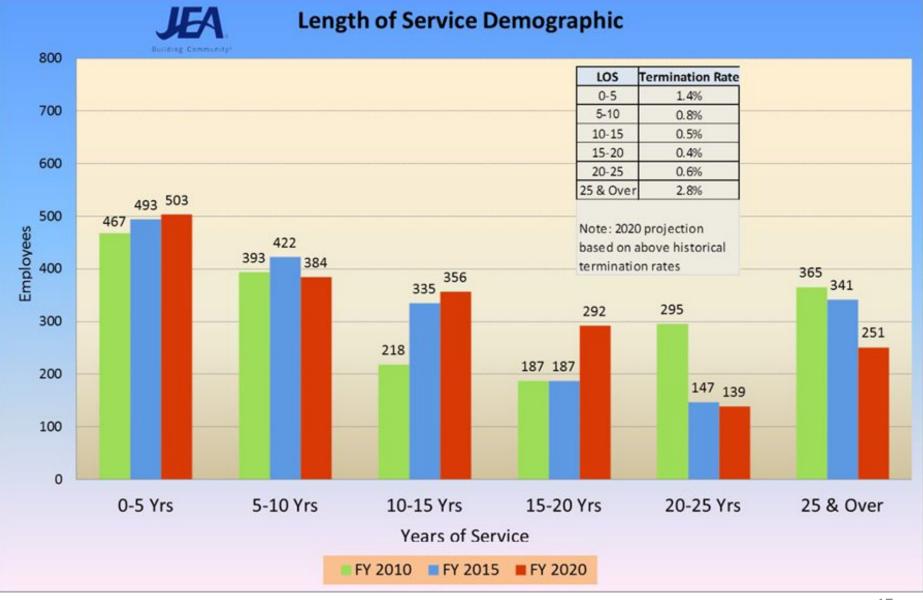
Headcount Net Losses & Additions FY2009-2014



Vacancy Gap & Replacement Activity FY2009-2014

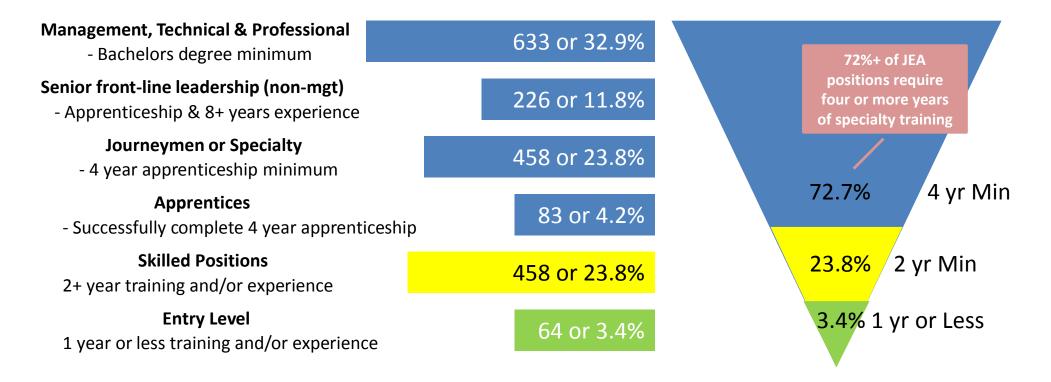


The Workforce in Transition



Note: 2020 projection based on using past five year actual termination rates

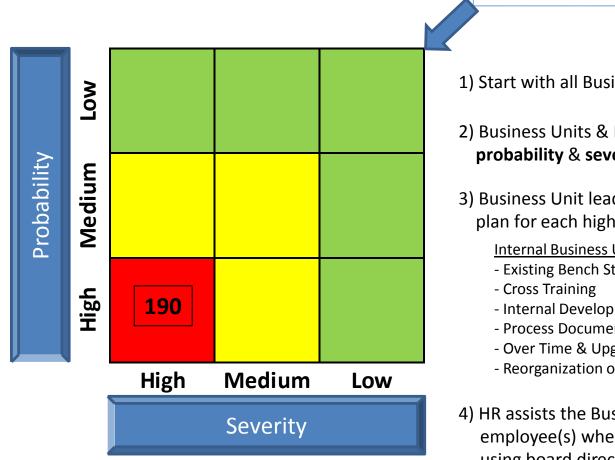
JEA Highly Technical Workforce



Replacement Costs:

-Estimated average recruitment and on-boarding costs: \$7,700/Professional & \$4,900/O&M -Estimated average cost to pay and train an apprentice to reach a journeymen level over a four year program is \$275,000 each

JEA Attrition Risk Mitigation Approach



1) Start with all Business Unit populations (Annual Review)

2) Business Units & HR assess and identify the highest probability & severity attrition risk positions & employees

3) Business Unit leadership develops an internal mitigation plan for each high attrition risk position & employee

- Internal Business Unit Mitigation Options Include:
- Existing Bench Strength, Refill Vacancy

1,938 Positions & Employees

- Internal Development/Mentoring
- Process Documentation/Knowledge Transfer
- Over Time & Upgrade Pay (short term coverage)
- Reorganization or Redistribution of duties
- 4) HR assists the Business Unit to acquire an early hire overlap employee(s) when no internal mitigation option exists using board directed funding (\$3.1M in FY15)

JEA Attrition Risk Mitigation Results



2014 Succession Fund Details (Board directed funding) \$2.6 M – Electric Succession Planning		
<u>\$0.5 M</u> – Water Succession Planning	Annual Effect	tiveness Rate
\$3.1 M – Used for early overlap hire employee salary & benefits	FY2012	96.3%
	FY2013	86.2%
2015 Succession Fund Details (Board directed funding)	FY2014	96.0%
\$2.6 M – Electric Succession Planning	FY2015	TBD
<u>\$0.5 M</u> – Water Succession Planning		
\$3.1 M – Used for early overlap hire employee salary & benefits		

2014 Risk Assessment Summary

The Good, The Bad & The Ugly



21

Good News

- Continued relief in the corporate turnover rate
- The retirement eligible community continues to decline
- Attrition Risk Mitigation planning efforts continue to be effective

Challenges

- Increasing Resignation Rate (Flight Risk)
- Professional Retention:
 - * Rate of Resignations has eclipsed rate of Retirements
 - * <u>1</u> in <u>3</u> new professionals entering JEA is choosing to leave in the first five years
- Finding, acquiring, training and retaining competent and prepared employees at the current rate of loss without a deterioration in best-inclass operational performance

Concern

- Unknown current and future impact caused by continued pension uncertainty



Employee Satisfaction & Engagement

June 11, 2015

1-12-15 JEA OPI

Opening the Dialogue



- CEO Paul McElroy has conducted employee "Town Hall" meetings annually to obtain input from employees
- In October 2013, JEA administered an Employee Satisfaction survey
- In November 2013, JEA conducted several employee focus groups to obtain more detailed information on survey results
- Throughout FY14, JEA made changes in response to employee input gathered from the survey, focus groups and town hall meetings
- A company-wide initiative is being launched in FY15 to increase the speed of change for JEA employee satisfaction and engagement

JEA Survey Results

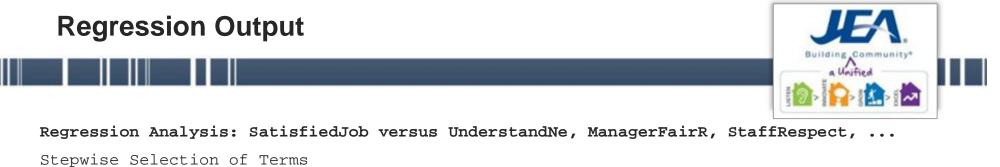


Survey Question	Employee Satisfaction Relative Weight	Employee Engagement Relative Weight	Weighted Average Score
Compared with people in similar jobs in other companies, I feel my pay is fair.	11.3	12.7	12.0
JEA does a good job of training and developing its employees.	11.9	17.8	15.0
Staff at JEA are treated with respect, regardless of the jobs they perform.	3.9	13.7	9.0
Management and non-management employees work well together.	0.0	9.4	4.9
JEA values the diverse talents of its employees.	3.0	7.1	5.1
JEA values honesty and integrity.	7.9	0.0	3.8
Employees at JEA are well informed about matters that impact them.	0.0	9.4	4.9
The reward/incentive system in place at JEA favorably influences my to do my best work.	1.7	0.0	0.8
The work in my department is well organized.	5.7	0.0	2.7
JEA policies are administered consistently in my department.	1.0	0.0	0.5
JEA offers me sufficient opportunity for personal development.	3.3	0.0	1.6
I'm encouraged to find cost-saving methods relative to my daily work.	2.0	0.0	1.0
The way JEA operates on a day-to-day basis is consistent with its overall objectives.	1.0	0.0	0.5
JEA provides adequate and effective written communications.	5.3	14.5	10.1
The information I need to perform my job is provided in a timely manner.	1.3	0.0	0.6
I have a clear understanding of what is expected of me.	12.7	10.2	11.4
My manager treats me fairly and with respect.	13.5	0.0	6.5
Providing efficient and effective customer service is a top priority in our company.	2.0	6.4	4.3
My department responds quickly and appropriately to customers' needs.	4.9	0.0	2.3
I have a clear understanding of how my performance impacts customer service.	1.0	0.0	0.5

Methodology Overview



- Selection of Key Indicators
 - Workplace Environment/Satisfaction
 - Workforce Engagement
- Sensitivity Analysis (Regression)
 - o Identify Drivers of Satisfaction and Engagement
- Question-to-Question Comparison (Chi-Sq.)
 - o Are there differences among groups?
 - Where are the biggest gaps?



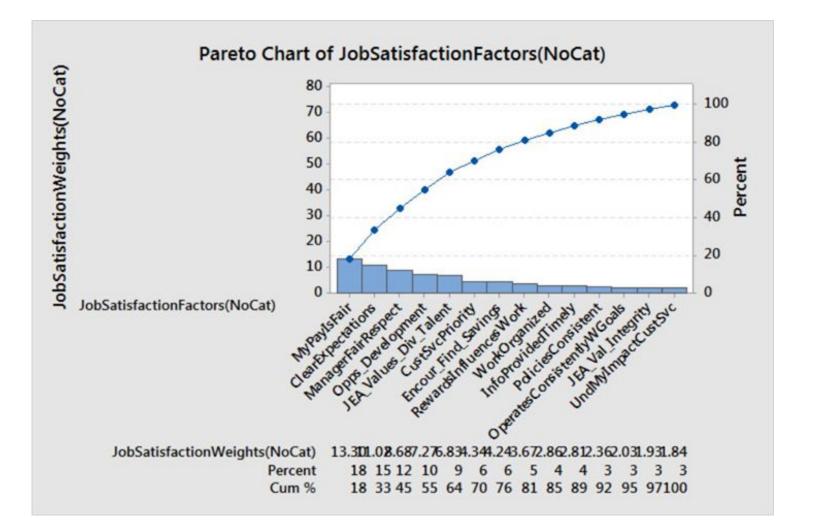
 α to enter = 0.05, α to remove = 0.05

Analysis of Variance

Source	DF	Adj SS	Adj MS	F-Value	P-Value	Statistical Significance
Regression	11	257.476	23.4069	58.96	0.000	
ManagerFairRespect	1	5.122	5.1217	12.90	0.000	
StaffRespected	1	2.082	2.0819	5.24	0.023	
WorkOrganized	1	2.340	2.3400	5.89	0.016	
DeptRespCustNeeds	1	2.603	2.6034	6.56	0.011	
ClearExpectations	1	4.140	4.1395	10.43	0.001	
MyPayIsFair	1	2.850	2.8497	7.18	0.008	
JEA_Val_Integrity	1	3.708	3.7082	9.34	0.002	
JEA_Develops_Emps	1	6.356	6.3563	16.01	0.000	
AdequateWritComms	1	2.832	2.8318	7.13	0.008	
EmployeeClass	2	3.771	1 8854	4.75	0.009	
Error	413	163.969	0.3270			
Lack-of-Fit	412	163.969	0.3980	*	*	
Pure Error	1	0.000	0.0000	Model	l Impact	(to Pareto Charts)
Total	424	421.445				
Model Summary						
	q(adj 60.06		red) .12%	,	- Model	Explanatory Power

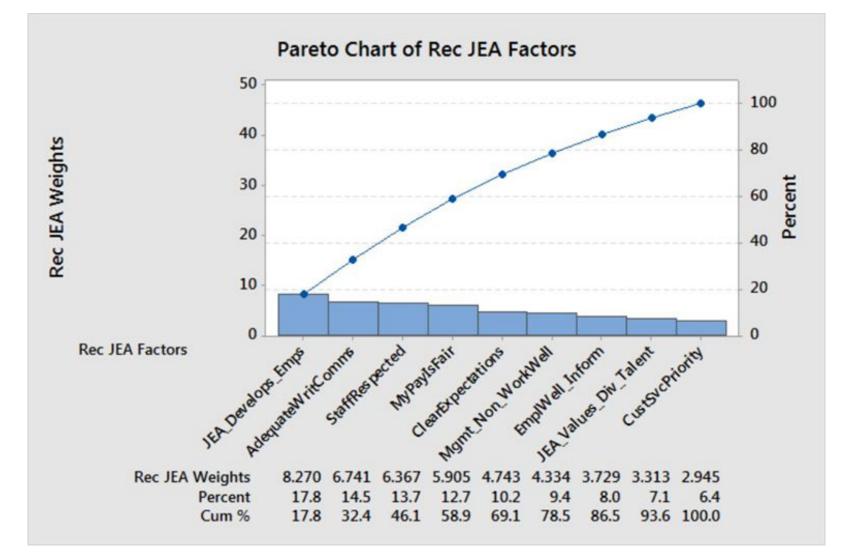
Job Satisfaction (without Employee Class as a Factor)





Engagement - Recommending JEA

- - No categorical variables are a factor









- Chi-Square Goodness-of-Fit test applied to each of the identified "drivers"
- Comparison made using the "Y" indicator as the "expected" proportion
- Example analysis followed by strength/gap summary

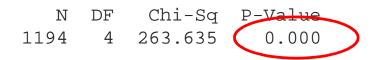




Chi-Square Goodness-of-Fit Test for Observed Counts in Variable: JEA_Develops_Emps

Using category names in Response

		Historical	Test		Contribution
Category	Observed	Counts	Proportion	Expected	to Chi-Sq
1	90	39	0.032773	39.131	66.1276
2	219	120	0.100840	120.403	80.7394
3	267	186	0.156303	186.625	34.6154
4	479	572	0.480672	573.923	15 6995
5	139	273	0.229412	273.918	66.4534



Building

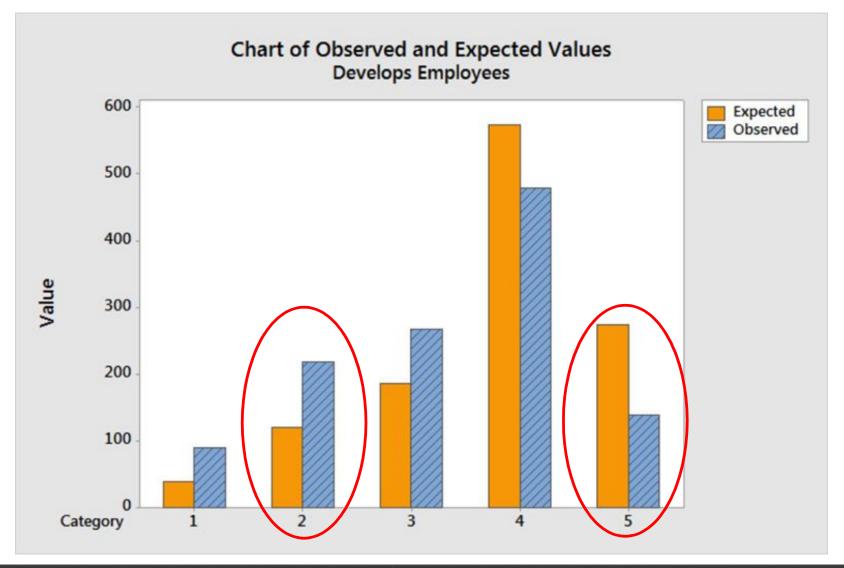
a Unified

Community*

~

Chi-Square Goodness-of-Fit

- - Developing Employees

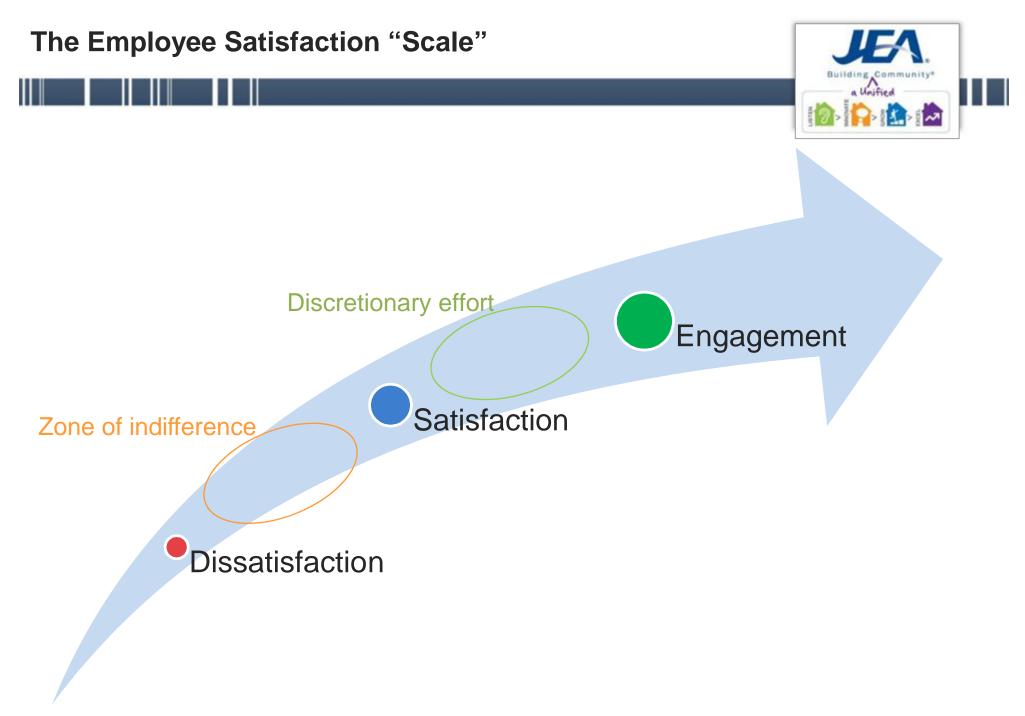


Satisfaction and Engagement Gap Analysis



Survey Question		Employee Satisfaction: "Satisfied w/ My Job"		Employee Engagement "Recommen JEA"
	Relative Weight	Survey Result	Relative Weight	Survey Resul
Compared with people in similar jobs in other companies, I feel my pay is fair.	11.33	1 High	12.7	1 High
Management and non-management employees work well together.			9.4	1 High
JEA values honesty and integrity.	7.93	1 High		
The reward/incentive system in place at JEA favorably influences me to do my best work.	1.67	1 High		
JEA policies are administered consistently in my department.	1.00	1 High		
JEA does a good job of training and developing its employees.	11.87	2 High	17.8	2 High
Staff at JEA are treated with respect, regardless of the jobs they perform.	3.87	2 High	13.7	2 High
Employees at JEA are well informed about matters that impact them.			9.4	2 High
JEA values the diverse talents of its employees.	3.00	2 High	7.1	2 High
The work in my department is well organized.	5.67	2 High		
IEA offers me sufficient opportunity for personal development.	3.33	3 High, 5 Low		
I'm encouraged to find cost-saving methods relative to my daily work.	2.00	3 High, 1 High		
The way JEA operates on a day-to-day basis is consistent with its overall business direction.	1.00	3 High, 5 Low		
IEA provides adequate and effective written communications.	5.27	5 Low, 3 High	14.5	5 Low
The information I need to perform my job is provided in a timely manner.	1.33	5 Low		
have a clear understanding of how my performance impacts customer service.	1.00	5 High		-
Providing efficient and effective customer service is a top priority in our company.	2.00	5 High	6.4	5 High
My department responds quickly and appropriately to customer's needs.	4.87	5 High		
I have a clear understanding of what is expected of me.	12.73	5 High	10.2	3 Low, 5 High
My manager treats me fairly and with respect.	13.53	5 High		

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What is Engagement



- Employee Engagement is the means or strategy by which an organization seeks to build a partnership between the organization and its employees, such that:
 - Employees fully understand and are committed to achieve the organization's objectives, and
 - The organization respects the personal aspirations and ambitions of its employees.
- A definition of a fully engaged employee
 - Is intellectually and emotionally bound with the organization
 - Gives 100 percent
 - Feels passionate about its goals and
 - Is committed to live by its values.
- The employee goes beyond the basic job responsibility to delight the customers and drive the business forward

Satisfaction ... Engagement ... What's the difference?







How Do Experts Look At Engagement?

TOWERS









Towers Perrin: 'Extent to which employees put discretionary effort into their work'

Gallup: 'Involvement with & enthusiasm for work'

Hewitt: 'Intellectual & emotional commitment to the organization'

Sibson: Knowing what to do at work and wanting to do at work

Hay Group: 'stimulating employees' enthusiasm for their work and directing it toward organizational success'



Hewitt Model Of Engagement

SAY

Behavior:

engaged employees consistently speak positively about the organization to co–workers, potential employees and customers

EOS Questions:

- Given the opportunity, I tell others great things about working here
- I would not hesitate to recommend this organization to a friend seeking employment



Behavior:

engaged employees have an intense desire to be a member of the organization

EOS Questions:

- It would take a lot to get me to leave this organization
- I rarely think about leaving this organization to work somewhere else



Behavior:

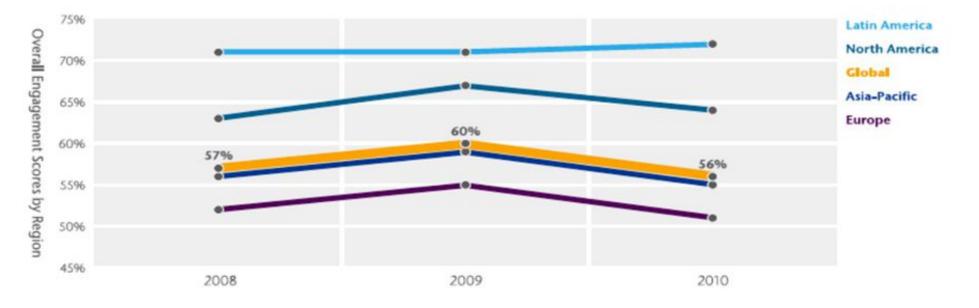
engaged employees exert extra effort and engage in behaviors that contribute to business success EOS Questions:

- This organization inspires me to do my best work every day
- This organization motivates me to contribute more than is normally required to complete my work

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Global Engagement Trends



In Aon Hewitt's global engagement research from 2008 to 2010 includes 6.7 million employees and represents more than 2,900 organizations.

The overall global average employee engagement score is 56% in 2010, down from 60% in 2009. The 4 percentage-point change is due to regional score changes in Asia-Pacific, Europe, and North America

Top 3 engagement drivers are career opportunities, brand alignment, and recognition

Source : Aon Hewitt

Percent of Organizations with an Increase or Decrease in Engagement





The connection between employees and organizations has been strained. The change can be attributed to the economic climate; however, there are organizations that continue to improve engagement and create success during these challenging times.

What Engagement Drivers Motivate Employees



Engagement Drivers	Global	Asia-Pacific	Europe	Latin America	North America
Career Opportunities	61%	62%	60%	60%	64%
Brand Alignment	44%	41%	48%	36%	42%
Recognition	40%	37%	40%	56%	34%
People/HR Practices	34%	30%	49%	-	-
Organization Reputation	34%	-	-	-	46%
Managing Performance	-	-	-	-	60%
Pay	-	31%	41%	33%	-
Valuing People/People Focus	-	-	-	27%	-

Source : Aon Hewitt

SHRM Study Results

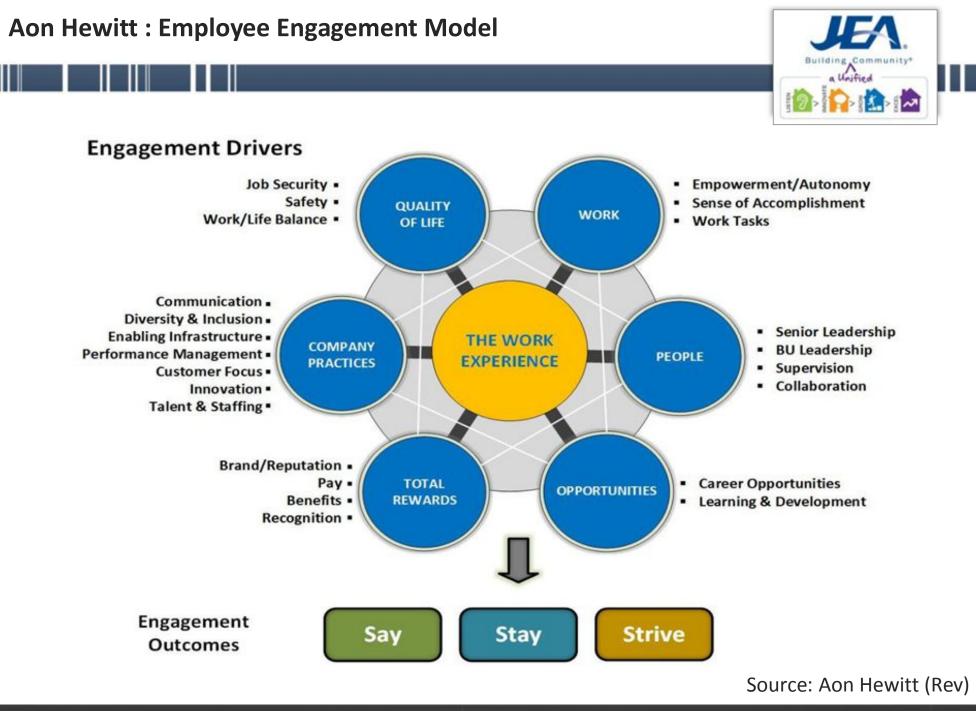


Table 1 Top Five Employee Engagement Aspects 2011-2012

	2011 (n = 600)	2012 (n = 600)
I am determined to accomplish my work goals and confident I can meet them	83% (1)	83% (1)
Relationship with co-workers	76% (2)	79% (2)
Opportunities to use skills/abilities	74% (3)	75% (3)
Contribution of work to organization's business goals	71% (5)	72% (4)
Relationship with immediate supervisor	73% (4)	71% (5)
I frequently feel that I'm putting all my effort into my work	70%	71% (5)
Source: 2012 Employee Job Satisfaction and Engagement: A Research Report by SHRM		

Table 2 Top Five As	spects of Job Satisfaction Most In	mportant to Employees: 2002 to 2012
---------------------	------------------------------------	-------------------------------------

	2002	2004	2005	2006	2007	2008	2009	2010	2011	2012
	(n = 604)	(n = 604)	(n = 601)	(n = 605)	(n = 604)	(n = 601)	(n = 601)	(n = 600)	(n = 600)	(n = 600)
Opportunities to use skills/abilities	N/A	47%	44%	51% (5)	44%	50% (4)	55% (4)	56% (3)	62% (2)	63% (1)
Job security	65% (1)	60% (4)	59% (4)	59% (3)	53% (2)	59% (1)	63% (1)	63% (1)	63% (1)	61% (2)
Compensation/pay	59% (4)	63% (2)	61% (2)	67% (1)	59% (1)	53% (3)	57% (3)	53% (5)	54% (4)	60% (3)
Communication between employees and senior management	62% (3)	54%	50%	48%	51% (4)	50% (4)	51%	47%	53% (5)	57% (4)
Relationship with immediate supervisor	49%	49%	46%	47%	48%	47% (5)	52%	48%	55% (3)	54% (5)
Source: 2012 Employee Job Satisfaction and Engagement: A Research Report	by SHRM									



JEA Survey Results

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Survey Question	Weighted Average Score	Hewitt Model Driver	Driver Antecedant
Compared with people in similar jobs in other companies, I feel my pay is fair.	12.0	Total Rewards	Рау
JEA does a good job of training and developing its employees.	15.0	Opportunities	Learning & Development
Staff at JEA are treated with respect, regardless of the jobs they perform.	9.0	People	People Focus
Management and non-management employees work well together.	4.9	People	Management
JEA values the diverse talents of its employees.	5.1	Total Rewards	Recognition
JEA values honesty and integrity.	3.8	Company Practices	Brand Alignment
Employees at JEA are well informed about matters that impact them.	4.9	Company Practices	Communication
The reward/incentive system in place at JEA favorably influences me to do my best work.	0.8	Total Rewards	Pay & Benefits
The work in my department is well organized.	2.7	Work	Work Processes
JEA policies are administered consistently in my department.	0.5	Company Practices	People/HR Practices
JEA offers me sufficient opportunity for personal development.	1.6	Opportunities	Learning & Development
I'm encouraged to find cost-saving methods relative to my daily work.	1.0	Company Practices	Brand Alignment
The way JEA operates on a day-to-day basis is consistent with its overall objectives.	0.5	Company Practices	Organizational Reputation
JEA provides adequate and effective written communications.	10.1	Company Practices	Communication
The information I need to perform my job is provided in a timely manner.	0.6	Company Practices	Communication
I have a clear understanding of what is expected of me.	11.4	Company Practices	Managing Performance
My manager treats me fairly and with respect.	6.5	People	Manager
Providing efficient and effective customer service is a top priority in our company.	4.3	People	Customers
My department responds quickly and appropriately to customers' needs.	2.3	People	Customers
I have a clear understanding of how my performance impacts customer service.	0.5	People	Customers





Employee Engagement generates important benefits, including:

- Better Safety Performance Higher engagement leads to improved safety. At MolsonCoors, engaged employees were five times less likely than non-engaged employees to have a safety incident and seven times less likely to have a lost-time safety incident. Source: Forbes.com
- Greater Customer Satisfaction Engaged employees go out of their way to meet customers' needs. Customers aren't slow to notice and this leads to higher levels of customer satisfaction.
- Better Performance Engaged employees work smarter, not harder. They keep looking for ways to improve performance at their workplace. This means more sales, lower costs, better quality and innovative products.

Why Engagement



- Better Communication Engaged employees communicate they share information with colleagues, they pass on ideas, suggestions and advice and they speak up for the organization. This leads to better performance, greater innovation and happier customers.
- Better Team Working Employee engagement is about increasing the employees' connection with the principles, strategies, processes, culture and purpose of the organization. It is a matter of commitment and encouragement. It is a matter of focusing on business results, and the employees having a clear sense of responsibility for delivering on the business agenda.
- Greater Commitment Engaged employees care about the future of the organization they work for, they feel proud to work for their company and they get on better each day with their colleagues.
- Lower Employee Turnover and Greater Ability to Recruit Great People Higher engagement leads to low attrition, they actively seek out new people who they believe can help the company get even better.

Now What?



- We have formed 9 teams each focused on one of four Hewitt Engagement Model Drivers:
 - Total Rewards 3 teams, 3 issues
 - Opportunities 1 team, 2 issues
 - People 2 teams, 2 issues
 - Company Practices 3 teams, 5 to 7 issues

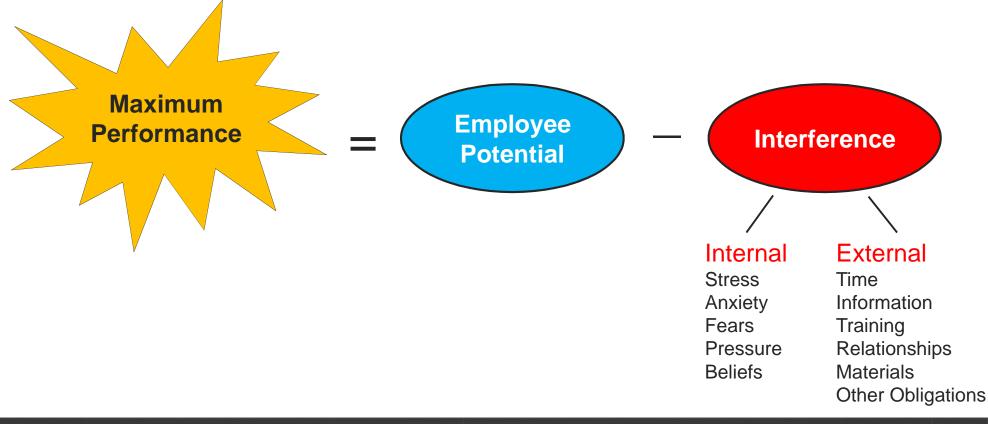


JEA Board Meeting - IV. Reports



Brawley believes, "To ensure long – term success, Managers need to learn to Coach and Develop their staff."

Sean Brawley's employee performance equation:



Rules of Engagement

Building Community* a Unified

Commit to actively participate as a member of this team.

This means attend every meeting, complete assignments on time, voice your opinion, etc. Due to the small number of team members, we need every person to be an active participant. Those who can't or choose not to actively participate can elect to give their spot up to another employee.

Commit to respecting the input of every member.

We will be honest AND respectful in all our dealings with each other. When we put an idea or point of view forward, we tend to become personally attached to that perspective. Team members should separate the person from the idea, and then move to discussing the pros and cons of the idea on its merits alone.

• Commit to honest, constructive dialogue to effect real change.

We've been asked to deal with difficult issues with multiple perspectives and often lots of history. While we must deal with the truth of each issue, we can only make progress if we are committed to constructive dialogue which focuses keenly on finding the root causes and formulating potential solutions. Our co-workers are counting on us to make a difference.

Commit to understand and honor our limitations.

We cannot advocate rate increases for our customers. We cannot advocate workplace conditions that unreasonably exceed local workplace norms. To succeed, our recommendations should provide good value (benefit to cost ratio) to our stakeholders.

Commit to discussing issues and solutions at the conceptual level as appropriate.

For example, if discussing benefits, we might discuss a "cafeteria-style" approach to benefits, and we might even suggest a ranking of potential options, but we would stop short of insisting in our recommendation on the exact mix of options to be included and excluded. Some issues we will discuss will contain details that must be negotiated with our collective bargaining units. Other issues are not bargaining unit issues (for example, working on the issue "JEA values honesty and integrity" should not directly involve bargaining agreements.)

Commit to following the lead of your team facilitator.

Groups can sometimes get sidetracked or stuck. Support your facilitator as they try to keep the discussions on task. Be willing to move on from a historical perspective when prompted.

What else?

Do team members want to establish any other rules of engagement by consensus?





Implement



Idea or				Team:	Date:
Initiative:	Der	anistics of Current State	Dracass Man List of st	nc or Decerinting fur	mary
	Des	scription of Current State	Process Map, List of ste	eps or Descriptive Sur	nmary)
Envision	Descrip	otion of desired Future Sta	i te (Process Map, List oj	steps or Descriptive	Summary)
Envi					
-			Gaps to be Addresed		
		Resources	Policies	Processes	Risk
	List the	e resources that will be	List policy and/or legal	Describe the	Describe the
-		needed:	obstacles:	required process	risks for this
-		Human:	Company Policy:	Existing processes:	Operational:
-		Technology:	Regulations:	New Process:	Financial:
		Financial:	Laws:	ross-functional Issues	Customer Satisfaction:
~					
Plan		Other:	Other: Other: Other: Ot		Other:
_	List Action Items to be completed Prior to Implementation (above items):				
-	#	Item Desc	· · · · · · · · · · · · · · · · · · ·	Person Responsible:	Date Due:
-	1		•	•	
-	2				
	3				
-	4				
	5				
-			Action Items Required f		
	#	Item Desc	ription:	Person Responsible:	Date Due:
ent	1				
Implement	3				
alq	4				
<u></u>	5				
-	Who	will be the operations pers	on responsible for this ir	nitiative? (name, posit	ion, area)
	Des	cribe the metric(s) that will	be used to track the init	iative (metric and how	v often):
a	#	Metric Des		Target/Time	Person Resp.
ete	1		•		•
ldu	2				
Complete	3				
5			process changes will be o		
-	#	Change De	scription	Method	Person Resp.
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Idea or		Team:	Date:		
Initiative:					
-	Description of Current State (Process Map, List of ste	eps or Descriptive Sur	nmary)		
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с 0	Description of desired Future State (Process Map, List of	steps or Descriptive	Summary)		
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-	Gaps to be Addresed				



	Resources		Policies	Processes	Risk
	List the resources tha	t will be	List policy and/or legal	Describe the	Describe the
	needed:		obstacles:	required process	risks for this
	Human:		Company Policy:	Existing processes:	Operational:
	Technology:		Regulations:	New Process:	Financial:
	Financial:		Laws:	ross-functional Issues	Customer
				ross-functional Issues	Satisfaction:
2	Other:		Other:	Other:	Employee
Plan	other				Satisfaction
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	List Action Ite	List Action Items to be completed <u>Prior to Implementation</u> (above items):			is):
	#	Item Desc	ription:	Person Responsible:	Date Due:
	1				
	2				
	3				
	4				
	5				

mplement

		List Deliverables and Action Iter	ns Required for Implementa	ation:
	#	Item Description:	Person Responsible:	Date Due:
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	3			
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	Who	will be the operations person responsible for this in	iitiative? (name, posi	tion, area)	
	Describe the metric(s) that will be used to track the initiative (metric and how often):				
പ	#	Metric Description	Target/Time	Person Resp.	
le t	1				
ď	2				
۳ ٥	3				
С	Describe how process changes will be documented?				
	#	Change Description	Method	Person Resp.	
	1				
	2				
	3				



Idea or Initiative:		Team:	Date:	
	Description of Current State (Process Map, List of ste	ps or Descriptive Sur	nmary)	
r o	Description of desired Future State (Process Map, List of	steps or Descriptive	Summary)	
n v isio	>			
ш	Gaps to be Addresed			
-	Cups to be Addresed			



Idea or		Team:	Date:
Initiative:	Reduce The Rumbling In Our Stomachs	<u>Employee</u>	2/12/2015
		Satisfaction Teams	2/12/2015
	Description of Current State (Process Map, List of ste	eps or Descriptive Sur	nmary)
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v i s	Description of desired Future State (Process Map, List of	f steps or Descriptive	Summary)
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	Gaps to be Addressed		



Idea or		Team:	Date:
Initiative:	Reduce The Rumbling In Our Stomachs	Employee	2/12/2015
milialive.		Satisfaction Teams	<u>2/12/2015</u>
	Description of Current State (Process Map, List of ste	ps or Descriptive Sur	nmary)
	Frank is droning on and on about a methodology and template that he's already said he		eady said he
	will handle. His lips are moving but at this point all I hear are clicks and whistles. This has		
с 0	<u>delayed our lunch.</u>		
is i	Description of desired Future State (Process Map, List of steps or Descriptive Summary)		
L L L			
	Gaps to be Addressed		



Idea or		Team:	Date:
Initiative:	Reduce The Rumbling In Our Stomachs	Employee	2/12/2015
milialive.		Satisfaction Teams	<u>2/12/2015</u>
	Description of Current State (Process Map, List of ste	eps or Descriptive Sur	nmary)
	Frank is droning on and on about a methodology and template that he's already said he		
	will handle. His lips are moving but at this point all I hear are clicks and whistles. This has		
с 0	delayed our lunch.		
v is i	Description of desired Future State (<i>Process Map, List of steps or Descriptive Summary</i>)		
ц Ц	The ideal future state is one in witch we enjoy a nice lunch that has been provided and is		ovided and is
	located just outside the doors.		
	Gaps to be Addressed		



Idea or		Team:	Date:
Initiative:	Reduce The Rumbling In Our Stomachs	Employee	2/12/2015
Initiative.		Satisfaction Teams	2/12/2013
	Description of Current State (Process Map, List of ste	eps or Descriptive Sur	nmary)
	Frank is droning on and on about a methodology and te	mplate that he's alr	eady said he
	will handle. His lips are moving but at this point all I hear	r are clicks and whis	tles. This has
	delayed our lunch.		
	Description of desired Future State (<i>Process Map, List of steps or Descriptive Summary</i>)		
Envision	The ideal future state is one in witch we enjoy our lunch in peace!		
Env	Gaps to be Addressed		
	1. Gather up your stuff. Notice the color coding.		
	2. Proceed to the lunch buffet.		
	3. Enjoy yourselves.		
	4. Meet with your team in the assigned color coded roc	om.	

JEA Board Meeting - IV. Reports





Questions?



June 2, 2015

SUBJECT: AMERICAN ASSOCIATION OF BLACKS IN ENERGY NATIONAL CONFERENCE

Purpose: Information Only Action Required Advice/Direction

Issue: The American Association of Blacks in Energy (AABE) hosted its 38^{th} Annual National Conference "Energy: Empowering a Generation Today, Tomorrow and Beyond" in Charlotte, North Carolina on May 5 – 8, 2015. Secretary Winbush is a member of the AABE Florida Chapter and was nominated and approved for the national AABE Board of Directors.

Significance: The mission of AABE is to provide energy professionals, executives, entrepreneurs, and students a pathway to learn more about the energy industry through education, mentoring, community service, and business networking.

Effect: Mr. Winbush attended seminars to obtain knowledge regarding distributed generation, clean energy, sustainability, and diversity, as well as recruitment and retention issues addressing generational differences.

Cost or Benefit: Obtaining utility industry knowledge is imperative for Board Members.

Recommended Board action: No action required. This item is provided for information only.

For additional information, contact: Melissa Charleroy

Submitted by: PEM/MMC

