JEA
BOARD AGENDA

DATE: April 19, 2016

TIME: 12:00 PM

PLACE: JEA
21 West Church Street
19th Floor

I. WELCOME

A. Call to Order

B. Time of Reflection

C. Pledge to Flag

D. Adoption of the Agenda

E. Safety Briefing

F. Sunshine Law/Public Records Statement – Office of General Counsel (OGC)

Meeting participants are asked to turn their cell phones completely off

II. PUBLIC HEARING – I

To consider: the Implementation of JEA's SolarSmart Program; Administrative Changes including the Addition of a Distributed Generation Application Fee and a Modification to the Economic Development Program Rider; and the Implementation of Two Additional Standard Decorative Lighting Options, Two New LED Lighting Options, and an Edit and Removal of an Existing Street Light Option

A. Call to Order and Comments from the Chair

B. Staff Presentation and Board Discussion – Melissa Dykes, Chief Financial Officer

C. Comments from the Public
Comments from the public at this time should only be related to the Public Hearing.

D. Adjourn Public Hearing

III. ACTION ON PUBLIC HEARING – I

A. Public Hearing to Add New Customer Rate Options and Implement Administrative Changes to the Electric Tariff Documentation – action

IV. PUBLIC HEARING – II

To consider changes to JEA's Net Metering and Distributed Generation Policies

A. Call to Order and Comments from the Chair

B. Staff Presentation and Board Discussion – Melissa Dykes, Chief Financial Officer

C. Comments from the Public
Comments from the public at this time should only be related to the Public Hearing.

D. Adjourn Public Hearing

V. ACTION ON PUBLIC HEARING – II

To consider changes to JEA's Net Metering and Distributed Generation Policies.

A. Public Hearing on Modification to the Net Metering and Distributed Generation Policies – action

VI. PRESENTATIONS AND COMMENTS

A. Council Liaison's Comments – The Honorable Bill Gulliford

B. Office of the Mayor Liaison's Comments – Dr. Johnny Gaffney

C. Nassau County's Ex-Officio Representative – Mike Mullin

D. 2016 Florida Municipal Electric Association (FMEA) Lineman Competition – AJ Smith, Manager, Distribution Maintenance

E. Comments from the Public

VII. FOR BOARD CONSIDERATION

A. Consent Agenda – The Consent Agenda consists of agenda items that require Board approval but are routine in nature, or have been discussed during previous public meetings of the Board. The Consent Agenda items require no explanation, discussion or presentation, and are approved by one motion and vote.

1. Approval of Board Meeting Minutes March 15, 2016 – action
2. Real Estate Acquisition Status Report – information
3. Monthly JEA Financial Statements – information
4. Monthly FY16 Communications & Engagement Calendar and Plan Update – information

5. Monthly JEA Operations Report – information

B. Strategic Discussions/Action

1. JEA FY2015 Annual Disclosure Reports – Melissa Dykes, Chief Financial Officer – presentation/action
2. Bi-Monthly Finance Presentation – Melissa Dykes, Chief Financial Officer – presentation/information
3. JEA Hurricane Readiness – Ed Dendor, Director Emergency Preparedness & Business Continuity – presentation/information
4. Sole Source & Emergency Procurement Report – John McCarthy, Director, Supply Chain Management – presentation/information

C. Other New Business

D. Old Business – none

VIII. REPORTS

A. Managing Director/CEO's Report

B. Chair's Report

IX. CLOSING CONSIDERATIONS

A. Announcements – Next Board Meeting – May 17, 2016

B. Adjournment

Board Calendar

Board Meeting:	Third Tuesday of Every Month *Lunch will be available at 11:15 am on the 8th floor* *Board Meeting will begin at noon on the 19th floor*	
Committees		
Finance & Audit Committee:	May 9, 2016	8:00 – 10:30 AM
	August 8, 2016	8:00 – 10:00 AM
	December 14, 2016	8:00 – 10:00 AM
Compensation Committee:	TBD	
Government Affairs Committee:	TBD	

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.

Building Community

INTER-OFFICE CORRESPONDENCE
April 13, 2016

SUBJECT:	**BOARD MEETING AGENDA**
FROM:	Melissa Charleroy and Cheryl Mock, JEA Executive Assistants
TO:	All Members, JEA Board of Directors

Scheduled times and locations for JEA meetings to be held ***Tuesday, April 19, 2016,*** are as follows:

12:00 PM	**Board Meeting** **19th Floor, JEA Tower**
12:00 PM	**Public Hearing to Add New Customer Rate Options and Implement Administrative Changes to the Electric Tariff Documentation** **19th Floor, JEA Tower**
12:00 PM	**Public Hearing to Modify the Net Metering and Distributed Generation Policies** **19th Floor, JEA Tower**

We are looking forward to seeing you on the **19th**. Please call Melissa Charleroy at 665-7313 or Cheryl Mock at 665-4202 if you require additional information.

/mmc

cc:

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

e-copy:
Patrick Maginnis
Security Desk
Security Office
Brandi Sneed
Russell Park
Ted Delay
Timothy Chrisp

JEA Board of Directors
2016 Calendar

Board Members

Tom Petway, Board Chair
Ed Burr, Board Vice Chair
Delores Kesler, Board Secretary
Husein Cumber
Kelly Flanagan
Alan Howard
Warren Jones

Board Meeting Dates
(Third Tuesday of Every Month)

Lunch will be available at 11:15 am on the 8th floor
Board Meeting will begin at noon on the 19th Floor

April 19, 2016
May 17, 2016
June 21, 2016
July 19, 2016
August 16, 2016
September 20, 2016
October 18, 2016
November 15, 2016
December 20, 2016

Finance & Audit Committee

Members	Dates	
Kelly Flanagan, Committee Chair	May 9, 2016	8:00 – 10:30 am
Tom Petway	August 8, 2016	8:00 – 10:00 am
Ed Burr	December 14, 2016	8:00 – 10:00 am
Husein Cumber		

Compensation Committee

Members	Dates
Delores Kesler, Committee Chair	TBD
Tom Petway	
Kelly Flanagan	
Warren Jones	

Government Affairs Committee

Members	Dates
Alan Howard, Committee Chair	TBD
Tom Petway	
Ed Burr	
Warren Jones	

G:\EMT\Board of Directors\Board Meetings Updated 4/13/2016

Florida's Government in the Sunshine Law

Office of General Counsel

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

Building Community

AGENDA ITEM SUMMARY

April 1, 2016

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

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 introduce a new SolarSmart option for customers interested in solar energy, additional street lighting services, and administrative changes to the Electric Tariff Documentation including a Distributed Generation application fee and a modification to the Economic Development Program Rider to allow these customers to participate in SolarSmart.

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

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

Recommended Board action: Pending the outcome of the public hearing, that the Board adopt the attached Resolution 2016-09 and its attachments (see Exhibits II through VI) prepared by staff and approved by the Office of General Counsel, to document the action taken.

For additional information, contact: Melissa Dykes

Submitted by: PEM/MHD/RFW

Commitments to Action

Ver.2.0D 9/21/2013 jer

Building Community

INTER-OFFICE MEMORANDUM

April 1, 2016

SUBJECT:	**PUBLIC HEARING TO ADD NEW CUSTOMER RATE OPTIONS AND IMPLEMENT ADMINISTRATIVE CHANGES TO THE ELECTRIC TARIFF DOCUMENTATION**
FROM:	Paul E. McElroy, Managing Director/CEO
TO:	JEA Board of Directors

BACKGROUND:
JEA continues to review, update, and where possible, expand its rate options to provide customers more choices for their utility services. As part of this ongoing initiative, JEA proposes to introduce a new JEA SolarSmart option for customers interested in solar energy, additional street lighting services, and administrative changes to the Electric Tariff Documentation including a Distributed Generation application fee and a modification to the Economic Development Program Rider to allow these customers to participate in JEA SolarSmart.

DISCUSSION:
During the public hearing, staff will present the following proposed changes:

A. **JEA SolarSmart** – JEA proposes a new customer option, JEA SolarSmart, which will match JEA's cost to acquire solar, and ensures that all solar energy purchased is market-based. The proposed new JEA SolarSmart would be open for subscription October 1, 2016 as the first new solar array is brought online over the summer.

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

B. **Administrative Change** – Staff recommends including a Distributed Generation application fee to recover the cost of engineering to evaluate and approve the installation of large customer owned generation systems. Staff also recommends modifications to the Economic Development Program Rider to allow these customers to participate in JEA SolarSmart.

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

Staff has submitted all Electric Tariff Documentation changes to the Florida Public Service Commission.

RECOMMENDATION:
Pending the outcome of the public hearing, that the Board adopt the attached Resolution 2016-09 and its attachments (see Exhibits II through VI) prepared by staff and approved by the Office of General Counsel, to document the action taken.

Paul E. McElroy, Managing Director/CEO

PEM/MHD/RFW

Ver 2.1 09/21/2013

RESOLUTION 2016-09

A RESOLUTION REGARDING RATE SCHEDULE CHANGES AND ADDITIONS TO THE EXISTING ELECTRIC TARIFF DOCUMENTATION; CONDUCTING A PUBLIC HEARING AND FINDING THE MODIFICATION OF THE TARIFF DOCUMENTATION TO BE REASONABLE; IMPOSING THESE MODIFICATIONS FOLLOWING THE PUBLIC HEARING; PROVIDING FOR THE IMPLEMENTATION OF THESE MODIFICATIONS, AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, JEA, pursuant to duly published notice, a copy of which is attached hereto as **Exhibit I**, held a public hearing to consider changes to the existing electric Tariff documentation to introduce a new rider, create and modify existing rates, and make administrative changes to the existing electric tariff documentation; and

WHEREAS, at that public hearing JEA presented statements and documentation which demonstrated a modification of existing Tariff documentation; and

WHEREAS, rate matters addressed at the public hearing were: introducing a JEA SolarSmart Rider option, modifying one street lighting option, removing one street lighting option, and creating four new street lighting options, administrative change to the electric Tariff documentation; and

WHEREAS, any public testimony which was presented was considered; and

WHEREAS, JEA has heard all presentations, reviewed all documentation and is fully advised of the premises; now therefore:

BE IT RESOLVED by JEA:

1. Modification of the JEA Electric Tariff Documentation introducing a new JEA SolarSmart Rider, a copy of which is attached hereto as **Exhibit II**, and incorporated herein by reference, are hereby found to be reasonable, and accordingly are adopted effective October 1, 2016.

2. Modification of the JEA Electric Tariff Documentation modifying one street lighting option , removing one street lighting option, and creating four new street lighting options, copies of which are attached hereto as **Exhibit III**, and incorporated herein by reference, are hereby found to be reasonable, and accordingly are adopted effective May 1, 2016.

3. Modification of the JEA Electric Tariff Documentation making administrative changes to the documentation, copies of which are attached hereto as **Exhibit IV**, and incorporated herein by reference, are hereby found to be reasonable, and accordingly are adopted effective May 1, 2016.

4. Staff is authorized to take any necessary administrative actions to implement the approved modifications.

5. This Resolution shall be effective immediately upon passage by the Board.

Dated this 19th day of April, 2016.

JEA

By: _____
Tom Petway, Chair

Form Approved:

Office of General Counsel

By: _____

Notice of Public Hearing

JEA is continuing its process of reviewing and updating rates and rate options for customers. The following actions, if passed, could result in increases or modifications to bring rates more in line with costs and best practices. Actions being considered are to introduce a solar option rider, modify and create new street lighting options, and to make administrative changes.

JEA will conduct a public hearing at 12:00 p.m., or as soon thereafter as the matter may be heard, on Tuesday, April 19, 2016 at the JEA Tower, 21 West Church St., Jacksonville, Florida 32202, to consider the following:

A. Modification of the Electric Tariff Documentation creating a JEA SolarSmart Rider; and
B. Modification of the Electric Tariff Documentation modifying one and introducing four new street lighting options; and
C. Administrative changes to the Electric Tariff Documentation.

The public is invited to be present and heard. If any person with a disability requires reasonable accommodations to participate in the above hearing, please call (904) 665-7550 no later than three (3) days before the meeting.

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

Tom Petway
Chair

Form Approved:

Assistant General Counsel

EXHIBIT I

Notice of Public Hearing

JEA is continuing its process of reviewing and updating rates and rate options for customers. The following actions, if passed, could result in increases or modifications to bring rates more in line with costs and best practices. Actions being considered are to introduce a solar option rider, modify and create new street lighting options, and to make administrative changes.

JEA will conduct a public hearing at 12:00 p.m., or as soon thereafter as the matter may be heard, on Tuesday, April 19, 2016 at the JEA Tower, 21 West Church St., Jacksonville, Florida 32202, to consider the following:

A. Modification of the Electric Tariff Documentation creating a JEA SolarSmart Rider; and
B. Modification of the Electric Tariff Documentation modifying one and introducing four new street lighting options; and
C. Administrative changes to the Electric Tariff Documentation.

The public is invited to be present and heard. If any person with a disability requires reasonable accommodations to participate in the above hearing, please call (904) 665-7550 no later than three (3) days before the meeting.

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

Tom Petway
Chair

Form Approved:

Assistant General Counsel

EXHIBIT I

JEA

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

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JEA SOLARSMART RIDER

AVAILABLE:

In all territory served by JEA

APPLICABLE:

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

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

RATE PER MONTH:

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

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

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

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

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

TERMS AND CONDITIONS:

(a) Customers may elect to receive up to 100% of their energy from JEA solar energy sources.

(b) Customers may enroll at any time but must remain on JEA SolarSmart for at least one (1) billing period after enrollment. A customer may cancel any time thereafter and enroll again at a later date.

(c) No refund or adjustments of JEA SolarSmart charges will be made if service is canceled.

(d) Energy produced from JEA solar energy sources may not be specifically delivered to the customer.

(e) Any Fuel Credit, approved by JEA's Board, will be calculated using the total kWh less JEA SolarSmart kWh in the month a credit is given.

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(For Future Use)

RYAN WANNEMACHER, DIRECTOR
FINANCIAL PLANNING, BUDGETS, AND RATES

Effective October 1, 2016

Deleted: October 1, 2015

EXHIBIT II

JEA

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

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FUEL AND PURCHASED POWER COST RECOVERY CHARGE POLICY - FPPC

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

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

Variable Fuel Rate Policy

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

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

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

FUEL CHARGE PER kWh

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

SALE FOR RESALE RATES	LEVELIZED
Municipal Rates	3.675 cents per kWh

RYAN WANNEMACHER, DIRECTOR
FINANCIAL PLANNING, BUDGETS, AND RATES

Effective May 1, 2016

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EXHIBIT II

JEA

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

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EXCESS REACTIVE DEMAND (KVAR) POLICY

Effective October 1, 2006:

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

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

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

BD = Maximum measured 15-minute demand (kW) X (TPF / PF)

PF = power factor calculated per the following formula

PF = COS(ATAN(kVar/kW)

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

ENVIRONMENTAL CHARGE

Effective October 1, 2007

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

Rate for all rate classes = $0.00062 per kWh

JEA SolarSmart kWh as defined on Sheet No. 15.0 are exempt from Environmental Charge.

NET METERING

Effective October 1, 2009

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

RYAN WANNEMACHER, DIRECTOR
FINANCIAL PLANNING, BUDGETS, AND RATES

Effective October 1, 2016

Deleted: October 1, 2015

EXHIBIT II

JEA

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

SL
Revenue Codes See Rate Code

RATE SCHEDULE SL
STREET LIGHTING

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

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

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

Schedule of Rates

Rate Code	Service Type	Wattage & Type	Fixture Types	Monthly kWh	Monthly Non-Fuel Charge $/Fixture*
SLHPS1	Standard	70W HPS	CH, PT	29	$6.36
SLHPS2	Standard	200W HPS	CH, FL	88	$7.43
SLHPS3	Standard	250W HPS	CH	108	$7.58
SLHPS4	Standard	400W HPS	CH, FL	169	$8.42
SLMHS1	Standard	100W MH	DA	47	$10.61
SLMHS2	Standard	150W MH	PT	67	$7.57
SLMHS3	Standard	175W MH	PT	76	$7.65
SLMHS4	Standard	320W MH	CH, FL	130	$8.10
SLMHS5	Standard	150W MH	DA	67	$13.36
SLMHS6	Standard	400W MH	CH, FL	164	$8.42
SLMHS7	Standard	175W MH	DA	76	$13.45
SLMHE1	Historic Energy & O&M	150W MH	DA	67	$1.92
SLMHE2	Historic Energy & O&M	175W MH	DA	76	$2.01
SLMHE3	Energy & O&M	320W MH	CH, FL, SB	130	$2.51
SLMHE4	Energy & O&M	400W MH	CH, FL, SB	164	$2.82
SLLED1	Standard	40W LED	CH	15	$6.32
SLLED2	Standard	40W LED	PT	16	$7.07
SLLED3	Standard	115W LED	CH	41	$7.20
SLLED4	Standard	162W LED	SB	59	$11.02
SLLED5	Standard	275W LED	CH	99	$8.90
SLLED6	Standard	72W LED	PT	26	$7.48
SLLED7	Standard	100W LED	DA	36	$9.24

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

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

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

(Continued to Sheet No. 13.1)

RYAN WANNEMACHER, DIRECTOR
FINANCIAL PLANNING, BUDGETS, AND RATES

Effective June 1, 2016

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HPS = High Pressure Sodium LED = Light Emitting Diode MH = Metal Halide ¶
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CH = Cobra Head DA = Decorative Acorn FL = Floodlight PT = Post Top SB = Shoebox¶
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Energy Only (Rate Code ENERGY97) The monthly charge shall be computed as follows:¶
¶
Total Wattage (including Ballast) x 360 Hours x $0.03325
Deleted: October 1, 2015

EXHIBIT III

JEA

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

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(Continued from Sheet No. 13.0)

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

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

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

¶

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

¶

Types of Service
The types of service are defined as follows:

(a) STANDARD SERVICE: (Applicable Rate Codes SLHPS1-4, SLMHS1-7, SLLED1-7). In addition to Energy and O&M service, as described below, this service also includes an ownership cost for the initial installation of the fixture assembly including bracket, accessories, and labor. The applicable rates are for both overhead and underground fed lighting systems. Underground systems and fixture types not listed above require a contribution-in-aid-of construction to cover the differential cost between overhead versus underground systems and standard versus non-standard fixture types.

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(b) HISTORIC (PED LIGHT) ENERGY & O&M SERVICE:
(Applicable Rate Codes SLMHE1-2). This service shall apply to those Historic Pedestrian Lights that are usually installed within predefined "whitelight areas" (see Rules & Regulations, Downtown Service Area Boundary Maps). JEA is responsible for maintenance of these lights which include replacement of failed electrical components, bulbs, glassware, and the cleaning of glassware at such intervals as necessary to keep the system presentable and efficient. JEA is not responsible for the installation/removal/maintenance of the street banners and associated banner rod equipment. The capital cost is the responsibility of the City or the using Agency.

(c) ENERGY AND O&M SERVICE:
(Applicable Rate Codes SLMHE 3-4). This service includes dusk-to-dawn powering, maintenance and replacement of the standard, replacement of failed electrical components, bulbs, glassware, and the cleaning of glassware at such intervals as necessary to keep the system presentable and efficient. The capital cost is the responsibility of the City or the using Agency. This service is not available for new installations after the effective date of this policy.

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

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(Continued to Sheet No. 13.2)

RYAN WANNEMACHER, DIRECTOR
FINANCIAL PLANNING, BUDGETS, AND RATES

Effective June 1, 2016

Deleted: October 1, 2015

EXHIBIT III

JEA

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

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(Continued from Sheet No. 13.1)

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

Moved (insertion) [1]

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

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

Terms and Conditions — The following Terms and Conditions apply to Lighting Service:

(a) Monthly charges for all Rate Codes are based upon JEA having an existing source of electrical power to each lighting installation.

(b) Monthly charges are based on an overhead service. An initial charge will be required for all underground installations, unless a facilities charge is applied.

(c) Prior to installation of area lighting facilities, JEA's private residential customers who are owners of the property in question, shall execute a contract for lighting service with JEA. The initial term for such contracts shall be three (3) years. In the event the light is removed prior to the expiration of the first three (3) year contract, either at the customer's request or for non-payment of bill, a "Take-Down" fee shall be assessed the customer. All charges due under this contract shall be applicable to any account the customer may then or thereafter have with JEA.

RYAN WANNEMACHER, DIRECTOR
FINANCIAL PLANNING, BUDGETS, AND RATES

Effective June 1, 2016

Deleted: October 1, 2015

EXHIBIT III

JEA

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

Deleted: Fifteenth
Deleted: Fourteenth

(Continued from Sheet No. 3.1)

12. JEA will require a contribution-in-aid-of-construction by a developer for underground utilities in an amount not to exceed the difference in costs between an underground system and an equivalent overhead system. JEA's Policy and Procedure for underground distribution should be referenced for further information.

13. A $5.00 service charge will be added to electric bills when a field notification is provided to a customer to pay the bill in lieu of disconnecting the service. The notification will count as an infraction toward delinquent deposit review.

14. A minimum $75.00 service charge will be assessed for all temporary services. Temporary electric service for residential construction will be charged $150.00. This single fee will cover all costs and consumption; consumption will not be metered by JEA. This fee is payable to JEA at the time the permit for construction is obtained. Temporary service will not be provided unless the customer has obtained the necessary building/construction permit.

15. A special service charge may be added to energy, water or sewer bills when a customer requests a related water, sewer or energy service which is not normally provided, including the repayment over time to JEA of the onetime capital costs of connecting customers to the water and/or sewer system. These special services will be priced based on the cost of the service. JEA's provision of special services requires execution of a contract between JEA and the Customer. Contract approval authorizations shall be as established in applicable JEA Management Directives, Policies or Procedures.

16. JEA will charge a customer $25.00 for each return trip whenever JEA must make a return trip to a customer's service address to perform maintenance and/or activate service because the work requested by the customer was not able to be completed at the first scheduled visit.

17. Account Fraud charge shall be $50.00

18. Application fee shall be $1,000.00 for Tier 3 net metering, DG-2 and DG-3 Distributed Generation applications.

RYAN WANNEMACHER, DIRECTOR
FINANCIAL PLANNING, BUDGETS, AND RATES

Effective May 1, 2016

Deleted: October 1, 2015

EXHIBIT IV

JEA

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

Deleted: Twelfth
Deleted: Eleventh

(Continued from Sheet No. 17.1)

Term of Service

a) Service under this rider shall be for at least six (6) years but not more than eight (8) years for projects greater than 5,000 kW, from the commencement of service and will terminate at the end of the final year.

b) JEA may terminate service under this Rider if the Customer fails to maintain the full-time employees and/or the Customer fails to take the required amount of metered demand specified in the Economic Development Program Rider Service Agreement. If JEA elects to terminate the Economic Development Program Rider Service Agreement for noncompliance with Rider EDP, the Customer is no longer entitled to discounts provided by Rider EDP.

c) Customers desiring to terminate service under this rider will be required to give JEA thirty (30) days written notice. If the Customer elects to terminate the Economic Development Program Rider Service Agreement the Customer is no longer entitled to discounts provided by Rider EDP.

Terms and Conditions

a) Service hereunder shall be subject to the Rules and Regulations of JEA.

b) Service under this Rider shall not be available where the service is provided solely or predominately for:
   1) Multi-tenant residential or commercial properties
   2) Any service deemed "Temporary"

c) A name change or other superficial change at an existing location, where the ownership and/or control over the premise is not changed, will not be considered as a new Customer.

d) If a change of ownership of the same business occurs after the Customer has initiated an Economic Development Program Rider Service Agreement, the successor Customer may be allowed to continue the balance of the agreement provided there are no reductions in employment or metered demand.

e) This Rider is not available for load shifted between service delivery points within JEA's service territory.

f) This Rider is not available for renewal or extension beyond the date listed in the Economic Development Program Rider Service Agreement.

g) Election of this Rider will preclude the election of any other JEA Rider, with the exception of JEA SolarSmart Rider, for new metered demand.

h) Customer must maintain their JEA account in a current status. JEA retains the right to terminate this Rider at any time if Customer is classified as a "High Risk Customer" as defined in JEA Procedure MBC 302 Credit & Collections

RYAN WANNEMACHER, DIRECTOR
FINANCIAL PLANNING, BUDGETS, AND RATES

Effective October 1, 2016

Deleted: October 1, 2015

EXHIBIT IV

ELECTRIC TARIFF DOCUMENTATION

VOLUME 1

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

DESCRIPTION OF TERRITORY SERVED

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

Submitted to the Public Service Commission

Approved by the JEA Board
April 19, 2016

RYAN WANNEMACHER, DIRECTOR
FINANCIAL PLANNING, BUDGETS, AND RATES

Effective May 1, 2016

JEA

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

(Continued from Sheet No. 3.1)

12. JEA will require a contribution-in-aid-of-construction by a developer for underground utilities in an amount not to exceed the difference in costs between an underground system and an equivalent overhead system. JEA's Policy and Procedure for underground distribution should be referenced for further information.

13. A $5.00 service charge will be added to electric bills when a field notification is provided to a customer to pay the bill in lieu of disconnecting the service. The notification will count as an infraction toward delinquent deposit review.

14. A minimum $75.00 service charge will be assessed for all temporary services. Temporary electric service for residential construction will be charged $150.00. This single fee will cover all costs and consumption; consumption will not be metered by JEA. This fee is payable to JEA at the time the permit for construction is obtained. Temporary service will not be provided unless the customer has obtained the necessary building/construction permit.

15. A special service charge may be added to energy, water or sewer bills when a customer requests a related water, sewer or energy service which is not normally provided, including the repayment over time to JEA of the onetime capital costs of connecting customers to the water and/or sewer system. These special services will be priced based on the cost of the service. JEA’s provision of special services requires execution of a contract between JEA and the Customer. Contract approval authorizations shall be as established in applicable JEA Management Directives, Policies or Procedures.

16. JEA will charge a customer $25.00 for each return trip whenever JEA must make a return trip to a customer’s service address to perform maintenance and/or activate service because the work requested by the customer was not able to be completed at the first scheduled visit.

17. Account Fraud charge shall be $50.00

18. Application fee shall be $1,000.00 for Tier 3 net metering, DG-2 and DG-3 Distributed Generation applications.

RYAN WANNEMACHER, DIRECTOR
FINANCIAL PLANNING, BUDGETS, AND RATES

Effective May 1, 2016

JEA

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

(Continued from Sheet No. 4.0)

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

RYAN WANNEMACHER, DIRECTOR
FINANCIAL PLANNING, BUDGETS, AND RATES

Effective October 1, 2016

JEA

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

FUEL AND PURCHASED POWER COST RECOVERY CHARGE POLICY - FPPC

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

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

Variable Fuel Rate Policy

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

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

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

FUEL CHARGE PER kWh

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

SALE FOR RESALE RATES	LEVELIZED
Municipal Rates	3.675 cents per kWh

RYAN WANNEMACHER, DIRECTOR
FINANCIAL PLANNING, BUDGETS, AND RATES

Effective May 1, 2016

JEA

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

EXCESS REACTIVE DEMAND (KVAR) POLICY

Effective October 1, 2006:

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

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

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

BD = Maximum measured 15-minute demand (kW) X (TPF / PF)

PF = power factor calculated per the following formula

PF = COS(ATAN(kVar/kW)

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

ENVIRONMENTAL CHARGE

Effective October 1, 2007

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

Rate for all rate classes = $0.00062 per kWh

JEA SolarSmart kWh as defined on Sheet No. 15.0 are exempt from Environmental Charge.

NET METERING

Effective October 1, 2009

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

RYAN WANNEMACHER, DIRECTOR
FINANCIAL PLANNING, BUDGETS, AND RATES

Effective October 1, 2016

JEA

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

;SL
Revenue Codes See Rate Code

RATE SCHEDULE SL
STREET LIGHTING

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

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

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

Schedule of Rates

Rate Code	Service Type	Wattage & Type	Fixture Types	Monthly kWh	Monthly Non-Fuel Charge $/Fixture*
SLHPS1	Standard	70W HPS	CH, PT	29	$6.36
SLHPS2	Standard	200W HPS	CH, FL	88	$7.43
SLHPS3	Standard	250W HPS	CH	108	$7.58
SLHPS4	Standard	400W HPS	CH, FL	169	$8.42
SLMHS1	Standard	100W MH	DA	47	$10.61
SLMHS2	Standard	150W MH	PT	67	$7.57
SLMHS3	Standard	175W MH	PT	76	$7.65
SLMHS4	Standard	320W MH	CH, FL	130	$8.10
SLMHS5	Standard	150W MH	DA	67	$13.36
SLMHS6	Standard	400W MH	CH, FL	164	$8.42
SLMHS7	Standard	175W MH	DA	76	$13.45
SLMHE1	Historic Energy & O&M	150W MH	DA	67	$1.92
SLMHE2	Historic Energy & O&M	175W MH	DA	76	$2.01
SLMHE3	Energy & O&M	320W MH	CH, FL, SB	130	$2.51
SLMHE4	Energy & O&M	400W MH	CH, FL, SB	164	$2.82
SLLED1	Standard	40W LED	CH	15	$6.32
SLLED2	Standard	40W LED	PT	16	$7.07
SLLED3	Standard	115W LED	CH	41	$7.20
SLLED4	Standard	162W LED	SB	59	$11.02
SLLED5	Standard	275W LED	CH	99	$8.90
SLLED6	Standard	72W LED	PT	26	$7.48
SLLED7	Standard	100W LED	DA	36	$9.24

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

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

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

(Continued to Sheet No. 13.1)

RYAN WANNEMACHER, DIRECTOR
FINANCIAL PLANNING, BUDGETS, AND RATES

Effective June 1, 2016

JEA

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

(Continued from Sheet No. 13.0)

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

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

Types of Service
The types of service are defined as follows:

(a) STANDARD SERVICE: (Applicable Rate Codes SLHPS1-4, SLMHS1-7, SLLED1-7). In addition to Energy and O&M service, as described below, this service also includes an ownership cost for the initial installation of the fixture assembly including bracket, accessories, and labor. The applicable rates are for both overhead and underground fed lighting systems. Underground systems and fixture types not listed above require a contribution-in-aid-of construction to cover the differential cost between overhead versus underground systems and standard versus non-standard fixture types.

(b) HISTORIC (PED LIGHT) ENERGY & O&M SERVICE:
(Applicable Rate Codes SLMHE1-2). This service shall apply to those Historic Pedestrian Lights that are usually installed within predefined "whitelight areas" (see Rules & Regulations, Downtown Service Area Boundary Maps). JEA is responsible for maintenance of these lights which include replacement of failed electrical components, bulbs, glassware, and the cleaning of glassware at such intervals as necessary to keep the system presentable and efficient. JEA is not responsible for the installation/removal/maintenance of the street banners and associated banner rod equipment. The capital cost is the responsibility of the City or the using Agency.

(c) ENERGY AND O&M SERVICE:
(Applicable Rate Codes SLMHE 3-4). This service includes dusk-to-dawn powering, maintenance and replacement of the standard, replacement of failed electrical components, bulbs, glassware, and the cleaning of glassware at such intervals as necessary to keep the system presentable and efficient. The capital cost is the responsibility of the City or the using Agency. This service is not available for new installations after the effective date of this policy.

(Continued to Sheet No. 13.2)

RYAN WANNEMACHER, DIRECTOR
FINANCIAL PLANNING, BUDGETS, AND RATES

Effective June 1, 2016

(Continued from Sheet No. 13.1)

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

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

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

Terms and Conditions — The following Terms and Conditions apply to Lighting Service:

(a) Monthly charges for all Rate Codes are based upon JEA having an existing source of electrical power to each lighting installation.

(b) Monthly charges are based on an overhead service. An initial charge will be required for all underground installations, unless a facilities charge is applied.

(c) Prior to installation of area lighting facilities, JEA's private residential customers who are owners of the property in question, shall execute a contract for lighting service with JEA. The initial term for such contracts shall be three (3) years. In the event the light is removed prior to the expiration of the first three (3) year contract, either at the customer’s request or for non-payment of bill, a "Take-Down" fee shall be assessed the customer. All charges due under this contract shall be applicable to any account the customer may then or thereafter have with JEA.

JEA

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

JEA SOLARSMART RIDER

AVAILABLE:

In all territory served by JEA

APPLICABLE:

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

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

RATE PER MONTH:

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

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

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

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

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

TERMS AND CONDITIONS:

(a) Customers may elect to receive up to 100% of their energy from JEA solar energy sources.

(b) Customers may enroll at any time but must remain on JEA SolarSmart for at least one (1) billing period after enrollment. A customer may cancel any time thereafter and enroll again at a later date.

(c) No refund or adjustments of JEA SolarSmart charges will be made if service is canceled.

(d) Energy produced from JEA solar energy sources may not be specifically delivered to the customer.

(e) Any Fuel Credit, approved by JEA's Board, will be calculated using the total kWh less JEA SolarSmart kWh in the month a credit is given.

RYAN WANNEMACHER, DIRECTOR
FINANCIAL PLANNING, BUDGETS, AND RATES

Effective October 1, 2016

JEA

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

(Continued from Sheet No. 17.1)

Term of Service

a) Service under this rider shall be for at least six (6) years but not more than eight (8) years for projects greater than 5,000 kW, from the commencement of service and will terminate at the end of the final year.

b) JEA may terminate service under this Rider if the Customer fails to maintain the full-time employees and/or the Customer fails to take the required amount of metered demand specified in the Economic Development Program Rider Service Agreement. If JEA elects to terminate the Economic Development Program Rider Service Agreement for noncompliance with Rider EDP, the Customer is no longer entitled to discounts provided by Rider EDP.

c) Customers desiring to terminate service under this rider will be required to give JEA thirty (30) days written notice. If the Customer elects to terminate the Economic Development Program Rider Service Agreement the Customer is no longer entitled to discounts provided by Rider EDP.

Terms and Conditions

a) Service hereunder shall be subject to the Rules and Regulations of JEA.

b) Service under this Rider shall not be available where the service is provided solely or predominately for:
   1) Multi-tenant residential or commercial properties
   2) Any service deemed “Temporary”

c) A name change or other superficial change at an existing location, where the ownership and/or control over the premise is not changed, will not be considered as a new Customer.

d) If a change of ownership of the same business occurs after the Customer has initiated an Economic Development Program Rider Service Agreement, the successor Customer may be allowed to continue the balance of the agreement provided there are no reductions in employment or metered demand.

e) This Rider is not available for load shifted between service delivery points within JEA’s service territory.

f) This Rider is not available for renewal or extension beyond the date listed in the Economic Development Program Rider Service Agreement.

g) Election of this Rider will preclude the election of any other JEA Rider, with the exception of JEA SolarSmart Rider, for new metered demand.

h) Customer must maintain their JEA account in a current status. JEA retains the right to terminate this Rider at any time if Customer is classified as a “High Risk Customer” as defined in JEA Procedure MBC 302 Credit & Collections

RYAN WANNEMACHER, DIRECTOR
FINANCIAL PLANNING, BUDGETS, AND RATES

Effective October 1, 2016

SUMMARY OF PROPOSED RATE SCHEDULES

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

- The pricing for SolarSmart will be higher than JEA's Fuel Charge due to the higher cost of solar energy. JEA will price the option to match JEA's cost, as it does for the fuel used to generate electricity.
- Open for subscription October 1, 2016 as the first new solar array is brought online over the summer.
- Customers can enroll up to 100% of their energy to come from solar energy generated within JEA's service territory.
- Customer Benefits:
  - SolarSmart will allow customers to show commitment to improving the environment by purchasing solar energy.
  - It is an alternative for residential or business customers who can't afford the upfront and long-term cost of a solar system or for whom rooftop solar is not viable or desired.
  - It is suitable for customers in condos, rentals, or in properties with insufficient sunlight.

JEA Building Community®

SUMMARY OF PROPOSED RATE SCHEDULES

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

Rate Code	Wattage and Type	Fixture Type	Monthly Non-Fuel Charge $/Fixture*
~~SLMHS5~~	~~MH 320W~~	~~Shoebox~~	~~$18.06~~
SLMHS5	MH 150W	Decorative Acorn	$13.36
SLMHS7	MH 175W	Decorative Acorn	$13.45
~~SLLED4~~	~~LED 162W~~	~~Shoebox~~	~~$17.92~~
SLLED4	LED 162W	Shoebox	$11.02
SLLED6	LED 72W	Post Top	$7.48
SLLED7	LED 100W	Decorative Acorn	$9.24

*Valid for bills of 30 days only

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

JEA Building Community®

Building Community

AGENDA ITEM SUMMARY

April 1, 2016

SUBJECT:	**PUBLIC HEARING ON MODIFICATION TO THE NET METERING AND DISTRIBUTED GENERATION POLICIES**

Purpose:	☐ Information Only	☒ Action Required	☐ Advice/Direction

Issue: With the recent advancements in the solar industry, recent advancements in metering technology, and JEA's expansion of solar by 300%, we can now realign JEA's solar policies to align with newer market conditions and be more fair and transparent for all JEA customers.

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

Effect: Staff presented recommendations and held public comments at the February Board of Directors meeting. Staff then conducted a solar workshop for the Board of Directors on April 7, 2016, providing a background on JEA's Solar Integration Resource Plan and recommendations on rate and policy changes. Subsequently, staff has modified the current Net Metering Policy and Distributed Generation Policy.

Cost or Benefit: Benefits include:
(1) Fair and transparent pricing for all JEA customers
(2) Alignment with a significantly evolved market for solar
(3) Increased fuel diversity and reduced emissions

Recommended Board action: Staff recommends that the Board adopt the attached Net Metering Policy and Distributed Generation Policy.

For additional information, contact: Melissa Dykes

Submitted by: PEM/MHD/RFW/

Commitments to Action

Ver.2.0D 9/21/2013 jer

Building Community

INTER-OFFICE MEMORANDUM
April 1, 2016

SUBJECT:	**PUBLIC HEARING ON MODIFICATION TO THE NET METERING AND DISTRIBUTED GENERATION POLICIES**
FROM:	Paul E. McElroy, Managing Director/CEO
TO:	JEA Board of Directors

BACKGROUND:
With the recent advancements in the solar industry, recent advancements in metering technology, and JEA's expansion of solar by 300%, we can now realign JEA's solar policies to align with newer market conditions and be more fair and transparent for all JEA customers.

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

DISCUSSION:
Staff presented recommendations and held public comments at the February Board of Directors meeting. Staff then conducted a solar workshop for the Board of Directors on April 7, 2016, providing a background on JEA's Solar Integration Resource Plan and recommendations on rate and policy changes. Subsequently, staff has modified the current Net Metering Policy and Distributed Generation Policy.

The following documents are attached:

- JEA Net Metering Policy – Proposed Clean Draft – effective January 1, 2017
- JEA Net Metering Policy – Redline against December 2, 2014 Policy
- JEA Distributed Generation Policy – Proposed Clean Draft – effective January 1, 2017
- JEA Distributed Generation Policy – Redline against December 2, 2014 Policy
- Net Metering Options for Board Consideration separate attachment

Policies have been changed from the December 2, 2014 version to align with the Solar Resource Integration Plan, as described below.

Key changes to the Net Metering Policy include the following:

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

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

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

Staff has included alternative language reflecting the conversation at the April 7th workshop. The alternatives are as follows:

A1) Grandfathering existing customers (in draft Net Metering Policy)

A2) Separate attachment with alternative language for sections "**Summary**" and "**Credits**", describing a phased-in approach for all customers.

B1) Firm limit of 20 MW (in draft Net Metering Policy)

B2) Separate attachment with alternative language for section "**Qualifications**", describing 20 MW as a "pause point" for operational evaluation, but continued expansion to a new then-established limit subject to future Board action.

C1) Effective date of January 1, 2017.

C2) Separate attachment with alternative language for section "**Summary**" describing an effective date 30 days after board approval.

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

RECOMMENDATION:

Staff recommends the Board adopt the attached Net Metering Policy and Distributed Generation Policy.

Paul E. McElroy, Managing Director/CEO

PEM/MHD/RFW

V. A.
4/19/2016

Notice of Public Hearing

JEA is continuing its process of reviewing and updating rates and rate options for customers. The following actions, if passed, could result in modifications to bring rates more in line with costs and best practices.

JEA will conduct a public hearing at 12:00 p.m., or as soon thereafter as the matter may be heard, on Tuesday, April 19, 2016 at the JEA Tower, 21 West Church St., Jacksonville, Florida 32202, to consider the following:

A. Modification of the Net Metering Policy; and

B. Modification of the Distributed Generation Policy

The public is invited to be present and heard. This is the second of two public hearings scheduled to occur at this meeting time. If any person with a disability requires reasonable accommodations to participate in the above hearing, please call (904) 665-7550 no later than three (3) days before the meeting.

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

Tom Petway
Chair

Form Approved:

Assistant General Counsel

JEA Net Metering Policy

(Effective January 1, 2017)

Summary

The JEA Net Metering Policy is intended to facilitate generation from customer-owned renewable energy sources to offset up to all of the customer's energy requirements. The policy provides system interconnection and net metering requirements for customer-owned renewable generation systems connecting to the JEA electric grid that ensure the safety of JEA employees and customers and maintain the reliability of the electric grid. This policy applies to customers who submit a complete application package after December 31st, 2016. Customers who submit a complete application package on or before December 31st, 2016 will be subject to the current Net Metering Policy (Policy Effective Date - 12/02/2014).

Background

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

Definitions

For the purposes of this policy the following definitions apply:

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

JEA Net Metering Policy

(Effective January 1, 2017)

Qualifications

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

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

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

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

Application

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

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

Manager Customer Solutions / Net Metering
JEA T-12
21 West Church Street

JEA Net Metering Policy

(Effective January 1, 2017)

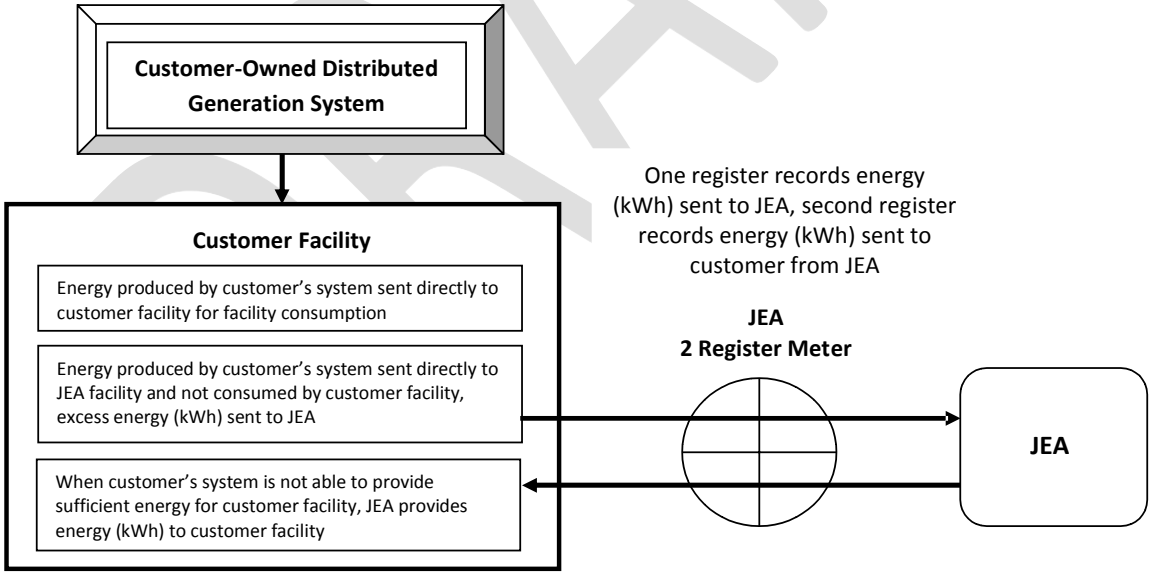
Jacksonville, FL 32202

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

Installation

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

Example:



Billing

The customer will always pay the basic monthly charge and demand charges per the applicable Retail Rate plus taxes and fees on the basic monthly charge and demand charges regardless of the

JEA Net Metering Policy

(Effective January 1, 2017)

amount of energy billed. All customers under this policy are required to take service under current or future applicable demand rates.

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

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

Credits

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

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

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

Change of Ownership

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

Additional Requirements for Tier 3 Systems

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

1. An application fee of $1,000.
2. Proof of general liability insurance of $2 million.

JEA Net Metering Policy

(Effective January 1, 2017)

3. Evidence of the proposed installation of an externally accessible, lockable a/c disconnect device in close proximity to the meter location.

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

APPENDIX

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

Net Metering Policy Rates Summary

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

DRAFT

JEA Net Metering Policy~~ – Tiers~~

(Effective January 1~~-3~~, 2017)

Summary

The JEA Net Metering Policy is intended to facilitate generation from customer-owned renewable energy sources to offset up to all of the customer's energy requirements. The policy provides system interconnection and net metering requirements for customer-owned renewable ~~generators connecting to the JEA electric grid.~~generation systems connecting to the JEA electric grid that ensure the safety of JEA employees and customers and maintain the reliability of the electric grid. This policy applies to customers who submit a complete application package after December 31st, 2016. Customers who submit a complete application package on or before December 31st, 2016 will be subject to the current Net Metering Policy (Policy Effective Date - 12/02/2014).

~~Policy Statement~~

Background

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

Definitions

For the purposes of this policy the following definitions apply:

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

JEA Net Metering Policy~~ – Tiers~~

(Effective January 1~~–3~~, 2017)

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

Qualifications

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

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

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

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

Application

JEA Net Metering Policy~~ – Tiers~~

(Effective January 1~~– 3~~, 2017)

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

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

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

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

Installation

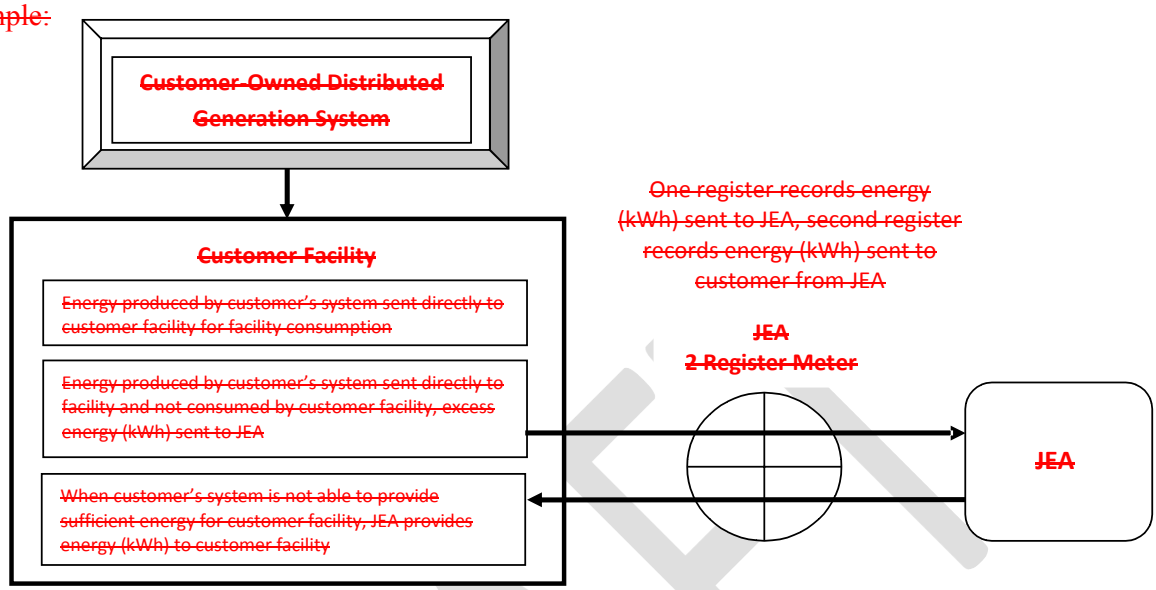
The customer will be required to install the system in accordance with JEA Rules and Regulations section 2.16 and Electric Systems Procedure ES20202 902 or its successor, as appropriate. An electrical construction permit must be obtained from the appropriate jurisdiction. The system must ~~also~~ pass~~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

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

JEA Net Metering Policy~~ – Tiers~~

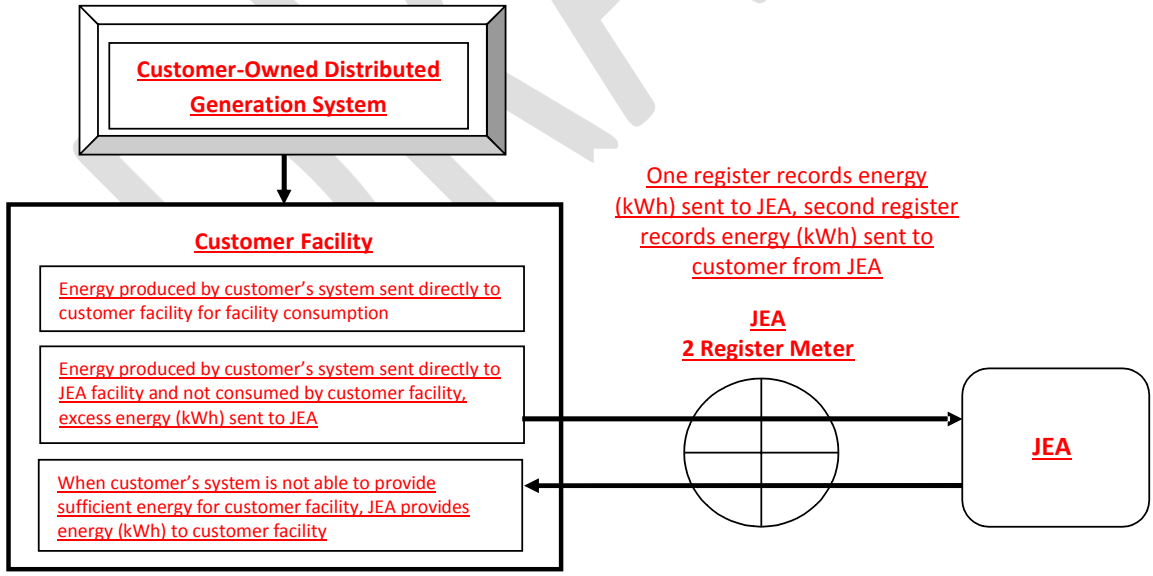
(Effective January 1~~– 3~~, 2017)

~~Example:~~



Metering ~~and~~

Example:



Billing

JEA Net Metering Policy~~ – Tiers~~

(Effective January 1~~–3~~
, 2017)

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

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

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

Credits

The kWh energy generated by the customer-owned renewable generation system that ~~customer receives from JEA even if there~~ is ~~net zero consumption or net excess kWh exported to~~ sent to the grid ~~during~~and measured at the ~~billing cycle. Monetary credits~~meter for each billing period will be ~~based on the kWh sent to JEA measured at the meter at the end of the billing period and the rate applicable to the customer's system.~~ credited at the Solar Option Rider. The credits will be applied before taxes and fees are calculated. Taxes and fees will never be less than those applied to the basic monthly and demand charges.

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

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

JEA Net Metering Policy~~— Tiers~~

(Effective January 1~~–3~~
, 2017)

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

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

~~Rates~~

~~*Tier 1 & 2 Systems*~~

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

~~*Tier 3 Systems*~~

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

Change of Ownership

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

Additional Requirements for Tier 3 Systems

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

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

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

JEA Net Metering Policy~~ – Tiers~~

(Effective January 1~~-3~~, 2017)

APPENDIX

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

Net Metering Policy Rates Summary

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

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JEA Distributed Generation Policy

(Effective January 1, 2017)

Summary

This JEA Distributed Generation Policy provides requirements for customer-owned electric generators interconnecting to the JEA electric grid that ensure the safety of JEA employees and customers and maintain the reliability of the electric grid. This policy is applicable to all nonrenewable customer-owned generation and to all renewable customer-owned generation that does not qualify under the JEA Net Metering Policy. This policy applies to customers who submit a complete application package after December 31st, 2016. Customers who submit a complete application package on or before December 31st, 2016 will be subject to the initial Distributed Generation Policy (Policy Effective Date - 12/02/2014).

Definitions

For the purposes of this policy the following definitions apply:

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

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JEA Distributed Generation Policy

(Effective January 1, 2017)

Qualifications

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

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

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

Application

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

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

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

Customers interested in negotiating a PPA with JEA should contact:

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

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

DRAFT

JEA Distributed Generation Policy

(Effective January 1, 2017)

Installation

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

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

Billing

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

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

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

Credits

DG-1 Systems

DG-1 Systems are any type of generating systems with less than 50 kW gross power rating that do not qualify for net metering. The monetary credits for DG-1 generation systems will be based on the Avoided Cost, and calculated using the DG-2 Systems methodology. Solar PV DG-1 systems not eligible for net metering will be credited at the Solar Option Rider, as described in the Net Metering Policy.

DG-2 Systems

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

JEA Distributed Generation Policy

(Effective January 1, 2017)

Avoided Cost ($/MWh) = Henry Hub Natural Gas Index ($/mmbtu) x Average Combined Cycle Heat Rate (mmbtu/MWh) (*All values Monthly Average)*

For example, in September 2014:

Monthly Average Henry Hub Natural Gas Index ($/mmbtu) = $3.91/mmbtu
Average Combined Cycle Heat Rate (mmbtu/kWh) = 7094
Avoided Cost ($/MWh) = $3.91/mmbtu x 7.094 mmbtu/MWh = $27.74/MWh

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

Solar PV DG-2 systems not eligible for net metering will be credited at the Solar Option Rider, as described in the Net Metering Policy.

DG-3D and 3T Systems

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

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

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

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

JEA Distributed Generation Policy

(Effective January 1, 2017)

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

Additional Qualifications

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

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

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

The customer will send the submittal package to:

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

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

PURPA Qualifying Facilities

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

JEA Distributed Generation Policy

(Effective January 1, 2017)

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

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

Renewable Energy Attributes

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

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

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JEA Distributed Generation Policy

(Effective January 1, 2017)

Appendix

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

Distributed Generation Policy Rates Summary

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

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JEA Distributed Generation Policy

(Effective January 1, 2017)

Summary

This JEA Distributed Generation Policy provides requirements for customer-owned electric generators ~~connecting~~interconnecting to the JEA electric grid~~.~~ that ensure the safety of JEA employees and customers and maintain the reliability of the electric grid. This policy is applicable to all nonrenewable customer-owned generation~~,~~ and to all renewable customer-owned generation that does not qualify under the JEA Net Metering Policy. This policy applies to customers who submit a complete application package after December 31st, 2016. Customers who submit a complete application package on or before December 31st, 2016 will be subject to the initial Distributed Generation Policy (Policy Effective Date - 12/02/2014).

~~Policy Statement~~

Definitions

For the purposes of this policy the following definitions apply:

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

JEA Distributed Generation Policy

(Effective January 1, 2017)

- PURPA - Public Utility Regulatory Policies Act of 1978. -Provides the definition of a Qualifying Facility (applicable to cogeneration facilities).
- Renewable Generation - Energy produced from sources identified as renewable in Florida Statute 366.91(2) (d).

- ~~Distributed Generation~~Utility Distribution Service Rating - Distribution capacity rating of the JEA assets serving the customer up to the point of service. This includes, but is not limited to, the utility distribution transformer and utility service conductor.

Qualifications

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

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

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

Application

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

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

JEA Distributed Generation Policy

(Effective January 1, 2017)

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

Customers interested in negotiating a PPA with JEA should contact:

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

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

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JEA Distributed Generation Policy

(Effective January 1, 2017)

Installation

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

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

~~*Metering and*~~ Billing

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

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

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

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

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

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

Credits

DG-1 Systems

JEA Distributed Generation Policy

(Effective January 1, 2017)

~~**Rates**~~

DG-1 Systems are ~~nonrenewable~~any type of generating systems with less than 50 kW gross power rating~~.~~ that do not qualify for net metering. The monetary ~~credit~~credits for DG-1 generation systems will be based on ~~avoided cost~~the Avoided Cost, and calculated using the DG-2 Systems methodology. Solar PV DG-1 systems not eligible for net metering will be credited at the Solar Option Rider, as described in the Net Metering Policy.

DG-2 Systems

~~**Rates**~~

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

Avoided Cost ($/MWh) = Henry Hub Natural Gas Index ($/mmbtu) x Average Combined Cycle Heat Rate (mmbtu/MWh) (*All values Monthly Average)*

For example, in September 2014:

Monthly Average Henry Hub Natural Gas Index ($/mmbtu) = $3.91/mmbtu
Average Combined Cycle Heat Rate (mmbtu/kWh) = 7094
Avoided Cost ($/MWh) = $3.91/mmbtu x 7.094 mmbtu/MWh = $27.74/MWh

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JEA Distributed Generation Policy

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

Solar PV DG-2 systems not eligible for net metering will be credited at the Solar Option Rider, as described in the Net Metering Policy.

~~**Additional Qualifications**~~

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

~~1. Completed application with signature and an application fee of $1,000;~~
~~2. Completion and submittal of the interconnection agreement;~~
~~3.~~1.~~Proof of general liability insurance of $2 million; and~~
~~4.~~1.~~The evidence of the proposed installation of an externally accessible, lockable a/c disconnect device located in close proximity to the meter location installation will be installed.~~

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

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

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

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

DG-3D and 3T Systems

Distributed Generation systems are considered to be DG-3D if connected to JEA's system at the distribution level, and DG-3T if connected at the transmission level. Other than the type of connection to JEA's electric grid, DG-3D and DG-3T are the same. The rates for energy delivered to JEA by DG-3D and DG-3T generation systems will be addressed on an individual

JEA Distributed Generation Policy

(Effective January 1, 2017)

basis with the customer through a Power Purchase Agreement (PPA). PURPA Qualifying Facilities may receive Avoided Cost payments for energy sold to JEA.

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

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

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

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

Additional Qualifications

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

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

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(Effective January 1, 2017)

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

The customer will send the submittal package to:

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

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

PURPA Qualifying Facilities

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

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

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

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JEA Distributed Generation Policy

(Effective January 1, 2017)

Renewable Energy Attributes

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

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

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JEA Distributed Generation Policy

(Effective January 1, 2017)

Appendix

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

Distributed Generation Policy Rates Summary

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

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Options for Board Consideration
Net Metering Policy

The draft Net Metering Policy attached reflects the inclusion of options A1, B1 and C1, listed below. Alternate language developed by Staff for Board consideration, based on input received from the public and developed at the April 7, 2016 Board Workshop, is provided as alternatives A2, B2 and C2. If alternatives A2, B2 or C2 are approved by the Board, the final Net Metering Policy will reflect the changes listed below.

A. Related to Grandfathering/Tiered Reduction of Net Metering Amount

A1) Grandfathering existing customers (in draft Net Metering Policy)

A2) Alternate language as follows:

Page 1, Summary – Change :

This policy applies to customers who submit a complete application package after December 31st, 2016. Customers who submit a complete application package on or before December 31st, 2016 will be subject to the current Net Metering Policy (Policy Effective Date - 12/02/2014).

To:

This policy applies to all customers.

And, Page 4, Credits – Change :

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

To:

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

Period	***Solar Option Rider Rate ($/kWh)***
Through 12/31/16	*Full Retail Rate*
1/1/17 – 12/31/17	*$0.09/kWh*
1/1/18 – 12/31/18	*$0.08/kWh*
1/1/19 and following	*Solar Option Rider*

B. Related to Net Metering Limit

B1) Firm limit of 20 MW (10 MW Tier 1 and 2, 10 MW Tier 3 - in draft Net Metering Policy, an increase from 10 MW (all tiers) in the existing policy)

B2) Alternate language as follows:

Page 2, Qualifications – Change:

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

To:

JEA reserves the right to monitor the aggregate load of all Net Metering generation connected to the JEA grid and at management's sole discretion institute aggregate load limits in the future that will limit the Net Metering customers by total MWs connected, date connected or other aggregate characteristics. This policy authorizes an aggregate JEA system load limit of 20 MW for Net Metering. The 20 MW are divided in 10 MW for Tiers 1 & 2 combined and 10 MW for Tier 3. When the level of Net Metering approaches 20 MW (e.g., 18 MW), JEA will evaluate the system impact of greater levels of Net Metering, and will seek Board approval on a greater level of Net Metering, as warranted by the evaluation.

C. Related to Policy Effective Date

C1) Effective date of January 1, 2017 (in draft Net Metering Policy).

C2) Alternate language as follows, reflecting effective date 30 days after board Approval:

Page 1, Summary – Change :

This policy applies to customers who submit a complete application package after December 31st, 2016. Customers who submit a complete application package on or before December 31st, 2016 will be subject to the current Net Metering Policy (Policy Effective Date - 12/02/2014).

To:

This policy applies to customers who submit a complete application package more than 30 days following approval of this policy. Customers who submit a complete application package on or before 30 days following approval of this policy will be subject to the current Net Metering Policy (Policy Effective Date - 12/02/2014).

Header, All Pages, Change:

Effective Date from January 1, 2017 to the date determined to be 30 days following the policy approval.

Options for Board Consideration
Distributed Generation Policy

The draft Distributed Generation Policy attached reflects consistency with the Net Metering Policy base document (inclusive of options A1, B1 and C1). Impact on the Distibuted Generation Policy of each of the options is discussed below:

A. Related to Grandfathering/Tiered Reduction of Net Metering Amount

A1) Grandfathering existing customers (in draft Net Metering Policy)

A2) No alternate needed – DG Policy refers to Net Metering Policy.

B. Related to Net Metering Limit

N/A – alternates do not apply to DG policy.

C. Related to Policy Effective Date

C1) Effective date of January 1, 2017 (in draft Net Metering Policy).

C2) Alternate language as follows, reflecting effective date 30 days after board Approval:

Page 1, Summary – Change :

This policy applies to customers who submit a complete application package after December 31st, 2016. Customers who submit a complete application package on or before December 31st, 2016 will be subject to the initial Distributed Generation Policy (Policy Effective Date - 12/02/2014).

To:

This policy applies to customers who submit a complete application package more than 30 days following approval of this policy. Customers who submit a complete application package on or before 30 days following approval of this policy will be subject to the initial Distributed Generation Policy (Policy Effective Date - 12/02/2014).

Header, All Pages, Change:

Effective Date from January 1, 2017 to the date determined to be 30 days following the policy approval.

JEA
BOARD MINUTES
March 15, 2016

The JEA Board met in regular session on Tuesday, March 15, 2016, on the 19th Floor, 21 W. Church Street, Jacksonville, Florida. Present were Tom Petway, Delores Kesler, Husein Cumber, Kelly Flanagan, Warren Jones, and Alan Howard. Mr. Ed Burr was absent and excused.

Agenda Item I – Welcome

A. The meeting was **called to order** at 9:34 AM by Chair Petway.

B. A **Moment of Reflection** was observed by all.

C. The **Pledge of Allegiance** was led by Chair Petway.

D. **Adoption of Agenda** – The agenda was approved on **motion** by Mr. Jones and second by Ms. Flanagan.

E. The **Safety Briefing** was given by Paul McElroy, Managing Director/Chief Executive Officer.

F. **Sunshine Law/Public Records Statement** – Jody Brooks, Office of General Counsel (OGC), stated this Board Meeting is being held in compliance with Florida's Government in the Sunshine Law, §286.011. The complete statement can be found in section I. F. of the Board package.

Agenda Item II – Presentations and Comments

At the request of Board Chair Petway, Paul McElroy provided the CEO Report comments one through three; however, the minutes reflect the original order of the agenda. Mr. McElroy provided comment four during the regularly scheduled CEO Report period.

Secretary Kesler arrived at 9:39 AM due to a previous business commitment.

A. **Comments from the Public –**

1. David E. Bruderly, 1221 Molokai Road, Jacksonville, FL 32256, addressed the Board regarding climate change and recommended a 50% green energy commitment by 2030.
2. Sarah Boren, 388 8th Street, Jacksonville, FL 32206, addressed the Board regarding solar.

Board Chair Petway acknowledged Art Graham, Commissioner, Florida Public Service Commission and thanked him for his attendance.

B. **Council Liaison's Comments –** The Honorable Bill Gulliford thanked Paul McElroy and Melissa Dykes, Chief Financial Officer, for their partnership on the Interagency Agreement. Council Member Gulliford stated he looked forward to working with Mr. McElroy and Ms. Dykes on future community and joint efforts.

C. **Office of the Mayor Liaison's Comment** – Dr. Johnny Gaffney had no comments.

D. **Nassau County's Ex-Officio Representative – Mike Mullin** – Mr. Mike Mullin was not in attendance.

Agenda Item III – For Board Consideration

A. Consent Agenda – used for items that require no explanation, discussion or presentation and are approved by one motion and vote. On **motion** by Secretary Kesler and second by Mr. Cumber, item 1 on the Consent Agenda was unanimously approved and items 2 through 4 were received for information.

1. Approval of Board Meeting Minutes February 16, 2016 – approved
2. Annual Report on JEA's Jacksonville Small and Emerging Business (JSEB) Program – received for information
3. Monthly JEA Financial Statements – received for information
4. Monthly FY16 Communications & Engagement Calendar and Plan Update – received for information

B. Strategic Discussions/Action

1. Postponement of JEA Board of Directors Workshop on Solar Strategies – Paul McElroy, Chief Executive Officer, presented that during the February 16, 2016 JEA Board Meeting, the Board unanimously approved staff to conduct a workshop on solar strategies at the March 15, 2016 JEA Board Meeting. Due to scheduling conflicts, postponing the Board Workshop to April 7, 2016 will allow for increased participation by Board Members and will allow staff to provide additional information. On **motion** by Mr. Howard and second by Mr. Cumber, the Board unanimously approved the postponement of the JEA Board Workshop on solar strategies from March 15, 2016 to April 7, 2016.
2. Electric System – Ten Year Site Plan – Steve McInall, Director Electric Production Resource Planning, presented the Electric System Ten Year Site Plan as required by the Florida Public Service Commission. Mr. McInall noted that the current plan includes the planned reserve storage (2017) and retirement (2019) of Northside Unit 3, seasonal purchases from The Energy Authority (TEA) in 2017 and 2018, the St. Johns River Power Park (SJRPP) sales suspension in summer 2019, and the nuclear power purchase agreement with the Municipal Electric Authority of Georgia (MEAG) for JEA's portion of the new Plant Vogtle Units 3 and 4, currently under construction. The FY2016 plan recommends no new generation resources, and does not address any system changes that may be mandated for the Environmental Protection Agency (EPA) Clean Power Plan. The presentation was provided for information.
3. Clean Power Plan (CPP) Update – Jay Worley, Senior Executive, presented the CPP was first proposed by the EPA in June 2014, and is a rule aimed at reducing the amount of carbon emissions from the electric sector. The final rule was published on October 23, 2015. As a result of litigation, the U.S. Supreme Court granted a stay on February 9, 2016. Mr. Worley stated while the stay will have an impact on the state's implementation timeline, due to the recentness of the stay, those impacts are not yet known. During the stay, JEA will continue to interface closely with the Florida Department of Environmental Protection (FDEP), state utility companies, and utility organizations to remain positioned through the judicial review to promote a fair and equitable plan throughout the state. Mr. Worley provided information regarding the CPP regulatory timelines for the United States, as well as the state of Florida. Information was also presented on greenhouse gas, United States CO_2 output by sector, and 2030 goal for total emissions reduction. Mr. Worley

stated JEA's goal is to maintain affordability and reliability. This presentation was received for information.

4. Bi-Monthly Operations Presentation – Mike Brost, Vice-President/General Manager, Electric Systems, Brian Roche, Vice-President/General Manager, Water/Wastewater Systems, and Monica Whiting, Chief Customer Officer – Mr. Brost reviewed safety, electric systems performance objectives, FY2016 fuel revenue and expense, financial performance, and residential electric bill comparison information. Mr. Roche reviewed water/wastewater performance objectives, environmental compliance, financial performance, and water/wastewater rates in Florida. Ms. Whiting provided an overview of JEA's transactional volume, first contact resolution, power quality and reliability outage communication, and customer communication information. Ms. Whiting reviewed JEA's billing and payment customer solutions and provided a video highlighting JEA's MyWay program. Ms. Whiting also provided information regarding JEA's environmental responsibility programs including the Museum of Science and History (MOSH) events, on-site efficiency assessments, and electric vehicle charging stations. Ms. Whiting provided a video highlighting JEA's electric vehicle programs, including JEA's partnership with community organizations for the installation of 25 ChargeWell charging stations. Ms. Whiting presented information regarding JEA's partnership with local agencies in support of customer assistance funding programs including Senior Day. Ms. Whiting stated 3,715 customers have received agency and federal assistance in FY16 year-to-date in the amount of $1,126,861. This presentation was received for information.

5. JEA Charter Changes and Interagency Agreement – Melissa Dykes, Chief Financial Officer, presented the City and representatives from JEA met over the last year through a Special Committee, to establish a revised calculation for the annual JEA contribution to the City. Ms. Dykes thanked Board Chair Petway for his engagement and leadership throughout the process, Council Member Gulliford for his leadership of the Special Committee, and Jody Brooks, Office of General Counsel for her support. Upon completion of the negotiation process, the Special Committee recommended legislation and City Council approved a bill that amends the City Charter Article 21 – JEA Ordinance 2015-764, and establishes a revised contribution calculation for the next five years, in addition to the other language changes in Article 21. A copy of the legislation, along with a summary of the Charter changes is included in the Board package. Ms. Dykes stated, in addition to the Charter changes, the City and JEA negotiated terms to an Interagency Agreement that provides for a one-time additional contribution of $15,000,000 from JEA to the City; the conveyance of Basin Management Action Plan ("BMAP") water quality credits from JEA to the City until 2023; and cooperative efforts and responsibilities regarding City sewer projects. On **motion** by Mr. Cumber and second by Secretary Kesler, Board Members held discussions, and unanimously voted to approve the Interagency Agreement. Chair Petway thanked Council President Anderson, Council Member and Special Committee Chair Gulliford, the full City Council, Mayor Curry and staff, and also Paul McElroy and the Senior Leadership Team.

6. JEA FY2015 Annual Disclosure Reports – Melissa Dykes, Chief Financial Officer, presented Board Members have been provided with drafts of the Annual Disclosure Reports (ADR) for the fiscal year ended September 30, 2015 for the (i) Electric Utility System and (ii) the Water and Sewer System and District Energy System for comment prior to requesting authorization and approval of the reports at the

April 19, 2016 Board Meeting. Ms. Dykes stated the filing and use of the ADR is required in order to comply with JEA's continuing disclosure undertakings for its bonds and various credit agreements. Ms. Dykes informed the Board that the United States Securities and Exchange Commission (SEC) has stated that Board Members may reasonably rely on the work of employees in the disclosure context. Board Members are not required to read each page of the disclosure document before approving it. Ms. Dykes provided an overview of the Board Members' responsibility and the establishment of reasonable reliance. This item was presented for information. Staff will request the Board to take action at the April 19, 2016 Board Meeting.

C. Other New Business – none

D. Old Business – Board Members held discussions regarding the time of future Board Meetings. Staff will take a poll to determine the Board Meeting time for future meetings. Secretary Kesler offered concerns regarding Board Members providing individual comments to the media. Board Chair Petway reiterated that the Board Chair will take the lead on providing comments on behalf of the JEA Board of Directors.

Agenda Item IV – Reports

A. Finance and Audit Committee Report – Kelly Flanagan, Committee Chair reviewed the Finance and Audit Committee meeting held on March 2, 2016, bringing items to the Board for action and information.

1. Approval of Minutes from August 10, 2015 – On **motion** by Mr. Howard and second by Mr. Jones, the minutes were unanimously approved.
2. FY2017 Budget Assumptions – Committee Chair Flanagan recognized staff for their diligence, professionalism, and access to information. Ms. Dykes provided an overview of the FY2017 Budget Assumptions. Ms. Dykes stated staff will provide a completed budget to the Finance and Audit Committee at the May 9, 2016 meeting. Staff will provide a presentation and request feedback at the May 17, 2016 JEA Board Meeting. The feedback will be incorporated into the budget and presented to the Board for approval at the June 21, 2016 Board Meeting. Following the Board's approval, the budget will be sent to City Council for review and approval. The presentation included information on key strategic issues, risks, challenges, and assumptions and was received for information.
3. Audit Services & Enterprise Risk Management (ERM) Report – received for information.
4. External Auditors Contract Extension – Melissa Dykes, Chief Financial Officer, reviewed the current contract with Ernst & Young (E&Y) expires on June 30, 2016. On January 19, 2016, Board Members approved a one-year extension of the contract with E&Y. At the request of the Finance & Audit Committee, a supplemental fee schedule comparing the FY2015 auditor fees to the negotiated fee for FY2016 was included in the Board package. Ms. Dykes stated the negotiated base audit fee for FY2016 is $355,000, and together, with additional work as listed on the fee schedule, results in a total estimated cost of $426,988 for the FY2016 contract. Committee Chair Flanagan stated with the change of the Board composition year-over-year, it was important to maintain the stability of the incumbent auditors during the current audit cycle; however, staff will evaluate and issue a Request for Proposal for services for the next fiscal year. On **motion** by Mr. Jones and second by

Secretary Kesler, the Board unanimously approved the audit fee schedule and scope for the one-year E&Y contract extension, as outlined in the supplemental fee schedule included in the Board package.

5. Report from COJ Auditors Regarding JEA GERP Pension Liability – received for information
6. Resolution Determining the Sufficiency of Revenues – St. Johns River Power Park (SJRPP) – Melissa Dykes, Chief Financial Officer, presented an annual requirement under the St. Johns River Power Park Bond Resolution for JEA to determine that for the upcoming fiscal year, the Electric System's revenues will be sufficient to make all required payments under the bond resolution. At the direction of the Finance & Audit Committee, the SJRPP Schedule of Debt Service Coverage for FY2015 is provided in the Board package. On **motion** by Mr. Cumber and second by Secretary Kesler, the Board unanimously approved and adopted Resolution No. 2016-8 determining the estimated revenues for the Fiscal Year ending September 30, 2017, will be sufficient for their intended purposes.
7. JEA Annual Disclosure Policy Report – received for information
8. Ethics Officer Report – received for information
9. JEA Energy Market Risk Management Policy Report – received for information
10. Treasury Services Activities
    a. Electric System and Water and Sewer System Reserve Fund Quarterly Report – received for information
11. Announcements
    a. Next Meeting – May 9, 2016, 8:00 – 10:00 AM
12. Committee Discussion Sessions
    a. The Committee met with Mike Pattillo and Chris Edmunds, Ernst & Young
    b. The Committee met with Steve Tuten, Director, Audit Services
    c. The Committee met with Robert Campbell, Council Auditor's Office

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

1. One-Stop Pole Attachment – Mr. McElroy stated JEA is working closely with the City of Jacksonville to expedite the pole attachment process for all wireless and broadband participants that attach lines and devices to the City of Jacksonville's poles. Mr. McElroy stated JEA supports the City of Jacksonville and believes this is a positive step in expanding our capacity as a community to deliver broadband to homes.
2. Mr. McElroy presented the 2016 Florida Municipal Electric Association (FMEA) Lineman Competition took place on March 11-12, 2016 in Orlando, Florida. Mr. McElroy offered congratulations to the linemen. A presentation will be provided at the April 19, 2016 Board Meeting.
3. Solar – Mr. McElroy provided an update on JEA's recent solar activities including:
    a. Catalogued and analyzed comments taken at the last Board Meeting
    b. Reviewed a variety of research initiatives
    c. Attended the solar industry participants open forum

d. Responded to various communications, including offering to make senior staff available to meet with solar industry participants

e. Scheduled a Board Workshop to discuss staff's solar proposal and begin the 2-year discussion on a potential residential demand rate structure

f. JEA continues to believe the solar proposals are on the right track

g. JEA continues to hear feedback mostly about harmonizing what JEA will pay for electricity generated from solar resources

h. Discussed the impact storage will have on our grid

i. Received customer feedback from large industrials, commercial accounts and the non-profit sector

j. Mr. McElroy provided an overview of the April 19, 2016 JEA Board Meeting and Rate Hearing.

4. Ethics Training for Board Members – Mr. McElroy stated as required by the City of Jacksonville Ordinance 2015-268, Section 50.109, Board Members will participate in the required training for Board and Commission Members in May 2016.

C. Chair's Report – Chair Petway thanked Board Members for attending today's Board Meeting. Board Members held discussions related to Board Meeting times. Chair Petway announced the upcoming Board Workshop on April 7, 2016.

Agenda Item V – Closing Considerations

A. Announcements – Next Board Meeting – April 19, 2016

B. Adjournment

With no further business claiming the attention of the Board, Chair Petway adjourned the meeting at 11:32 AM.

APPROVED BY:

_____
SECRETARY
DATE: _____

Board Meeting recorded by:

_____
Melissa M. Charleroy
Executive Assistant

Building Community

AGENDA ITEM SUMMARY

April 4, 2016

SUBJECT:	**REAL ESTATE ACQUISITION STATUS REPORT**

Purpose: ☒ Information Only ☐ Action Required ☐ Advice/Direction

Issue: Provide the JEA Board with an update of Real Estate activities where use of Condemnation Authority has previously been granted. Since there is no new condemnation activity at this time, this report is placed within the consent agenda.

Significance: Timely acquisition of property rights provides for continued service reliability.

Effect: Property owners whose real property is impacted by specific JEA work.

Cost or Benefit: The cost to acquire property rights is a one-time fee supported by certified appraisals with appropriate legal and other fees and expenses.

Recommended Board action: No action required. The Real Estate Acquisition Status Report is for informational purposes only.

For additional information, contact: Hamid Zahir, 665-6068

Submitted by: PEM/MHD/HAZ/DLB

Commitments to Action

Ver.2.0D 9/21/2013 jer

Building Community

INTER-OFFICE MEMORANDUM
April 4, 2016

SUBJECT:	**REAL ESTATE ACQUISITION STATUS REPORT**
FROM:	Paul E. McElroy, Managing Director/CEO
TO:	JEA Board of Directors

BACKGROUND:
The JEA Board of Directors periodically grants the use of Condemnation Authority for specific work which is critical to JEA's operations. This authority provides for property rights to be acquired in a timely manner which ensures continued service reliability. Every effort is made to negotiate a settlement before proceeding with this action.

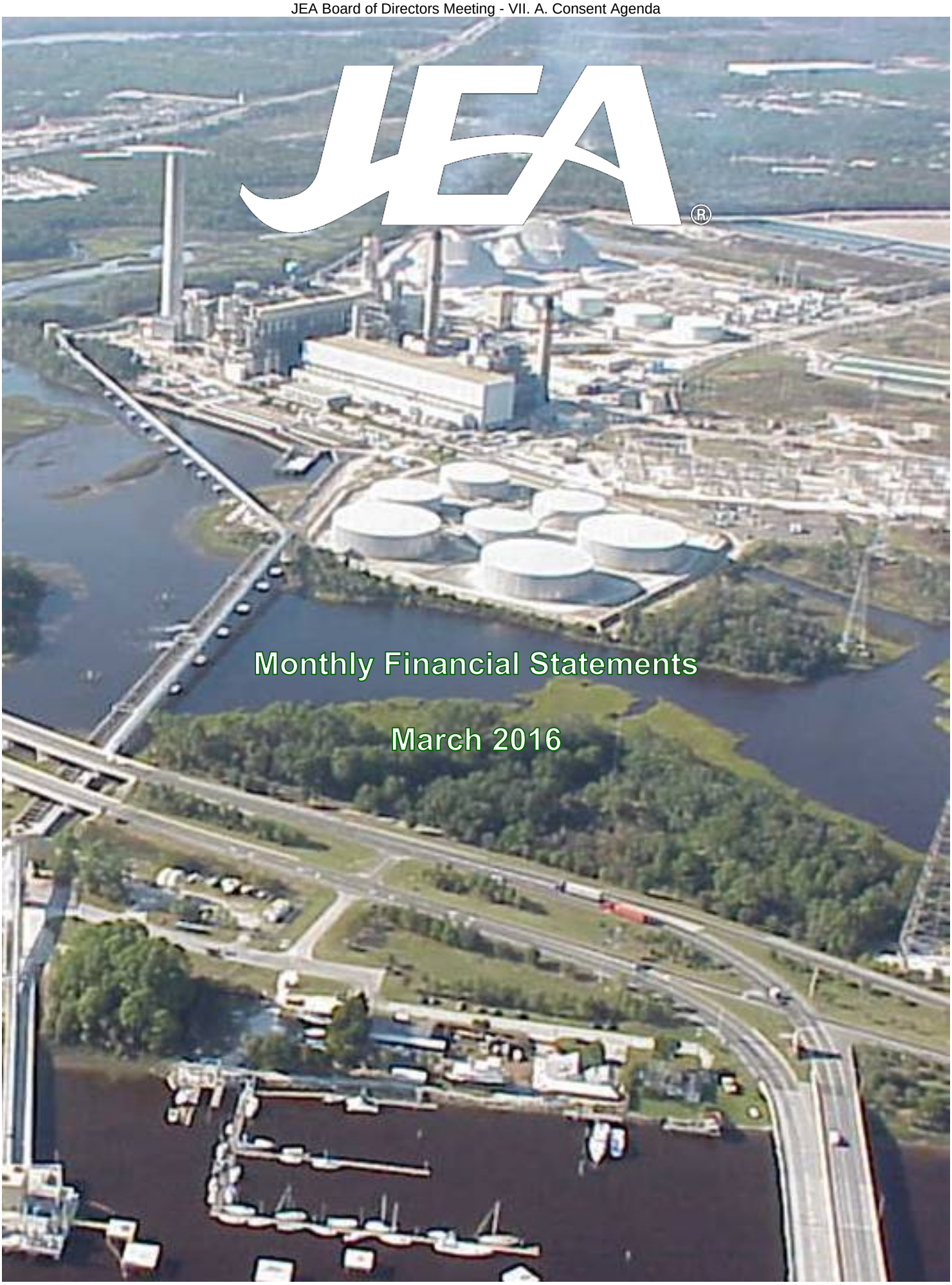
DISCUSSION:
The Real Estate Acquisition Status Report is submitted to the Board quarterly, and is intended to provide the Board with an overview of activities for which Condemnation Authority has been granted.

RECOMMENDATION:
No action is required. The Real Estate Acquisition Status Report is for informational purposes only.

Paul E. McElroy, Managing Director/CEO

PEM/MHD/HAZ/DLB

Ver 2.0 09/25/2012



Monthly Financial Statements

March 2016

Monthly Financial Statements

March 2016

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Statements of Net Position
(in thousands - unaudited) March 2016 and 2015 restated

	2016	2015 restated
Assets		
Current assets:		
Cash and cash equivalents	$ 275,428	$ 184,104
Investments	235,352	301,364
Customer accounts receivable, less allowance for doubtful accounts of $4,113 in 2016 and $4,260 in 2015 restated	162,824	170,441
Miscellaneous accounts receivable	26,847	29,233
Interest receivable	1,678	1,649
Inventories, less reserve of $157 in 2016 and $913 in 2015 restated:		
Fuel inventory - Electric System	79,007	59,114
Fuel inventory - Plant Scherer	6,051	3,384
Materials and supplies - Water and Sewer	43,528	44,779
Materials and supplies - Electric System	20,184	19,599
Materials and supplies - Plant Scherer	2,091	2,097
Total current assets	852,990	815,764
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	70,898	95,192
Investments	844,938	877,079
Accounts and interest receivable	3,791	5,030
Total restricted assets	919,627	977,301
Costs to be recovered from future revenues	453,944	376,416
Investment in The Energy Authority	6,431	7,286
Notes receivable - City of Jacksonville	-	189
Other assets	16,991	19,939
Total noncurrent assets	1,396,993	1,381,131
Capital assets:		
Land and easements	164,176	160,275
Plant in service	10,735,473	10,584,449
Less accumulated depreciation	(5,261,985)	(4,785,344)
Plant in service, net	5,637,664	5,959,380
Construction work in progress	225,912	144,001
Net capital assets	5,863,576	6,103,381
Total assets	8,113,559	8,300,276
Deferred outflows of resources		
Unamortized losses on refundings	148,114	161,001
Accumulated decrease in fair value of interest swaps derivatives	167,867	153,143
Unrealized pension contributions and losses	83,969	39,131
Accumulated decrease in fair value of fuel hedging derivatives	5,253	1,908
Total deferred outflows of resources	405,203	355,183
Total assets and deferred outflows of resources	$ 8,518,762	$ 8,655,459

JEA **Page 3**

Statements of Net Position
(in thousands - unaudited) March 2016 and 2015 restated

	2016	2015 restated
Liabilities		
Current liabilities:		
Accounts and accrued expenses payable	$ 75,595	$ 64,267
Customer deposits	55,542	56,057
City of Jacksonville payable	9,541	9,345
Compensated absences due within one year	4,534	6,152
State utility taxes payable	2,231	2,538
Total current liabilities	147,443	138,359
Current liabilities payable from restricted assets:		
Revenue bonds and line of credit due within one year	181,525	187,370
Renewal and replacement reserve	79,931	86,865
Interest payable	86,734	91,950
Construction contracts and accounts payable	11,154	9,647
Total current liabilities payable from restricted assets	359,344	375,832
Noncurrent liabilities:		
Net pension liability	408,629	395,990
Compensated absences due after one year	23,816	20,240
Environmental liabilities	18,662	18,662
OPEB liability	-	1,725
Other liabilities	6,940	4,588
Total noncurrent liabilities	458,047	441,205
Long-term debt:		
Bonds payable, less current portion	4,470,195	4,783,610
Unamortized premium	154,651	177,293
Fair value of debt management strategy instruments	167,867	153,143
Commercial paper notes payable	-	40,800
Total long-term debt	4,792,713	5,154,846
Total liabilities	5,757,547	6,110,242
Deferred inflows of resources		
Revenues to be used for future costs	508,675	477,974
Unrealized pension gains	29,796	-
Total deferred inflows of resources	538,471	477,974
Net position		
Net investment in capital assets	1,419,691	1,163,199
Restricted	467,686	512,550
Unrestricted	335,367	391,494
Total net position	2,222,744	2,067,243
Total liabilities, deferred inflows of resources, and net position	$ 8,518,762	$ 8,655,459

JEA
Combining Statement of Net Position
(in thousands - unaudited) March 2016

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Assets							
Current assets:							
Cash and cash equivalents	$ 179,259	$ 28,988	$ -	$ 208,247	$ 63,106	$ 4,075	$ 275,428
Investments	228,431	6,921	-	235,352	-	-	235,352
Customer accounts receivable, less allowance for doubtful accounts of $4,113	129,330	-	-	129,330	33,148	346	162,824
Miscellaneous accounts receivable	22,083	24,123	(19,815)	26,391	456	-	26,847
Interest receivable	1,019	12	-	1,031	647	-	1,678
Inventories, less reserve of $157:							
Fuel inventory - Electric System	30,117	48,890	-	79,007	-	-	79,007
Fuel inventory - Plant Scherer	6,051	-	-	6,051	-	-	6,051
Materials and supplies - Water and Sewer	-	-	-	-	43,528	-	43,528
Materials and supplies - Electric System	-	20,184	-	20,184	-	-	20,184
Materials and supplies - Plant Scherer	2,091	-	-	2,091	-	-	2,091
Total current assets	598,381	129,118	(19,815)	707,684	140,885	4,421	852,990
Noncurrent assets:							
Restricted assets:							
Cash and cash equivalents	141	41,001	-	41,142	25,781	3,975	70,898
Investments	327,556	210,084	-	537,640	307,298	-	844,938
Accounts and interest receivable	1,084	982	-	2,066	1,725	-	3,791
Total restricted assets	328,781	252,067	-	580,848	334,804	3,975	919,627
Costs to be recovered from future revenues	228,702	6,854	-	235,556	218,388	-	453,944
Investment in The Energy Authority	6,431	-	-	6,431	-	-	6,431
Other assets	9,645	-	-	9,645	7,346	-	16,991
Total noncurrent assets	573,559	258,921	-	832,480	560,538	3,975	1,396,993
Capital assets:							
Land and easements	95,177	6,660	-	101,837	59,288	3,051	164,176
Plant in service	5,141,735	1,355,440	-	6,497,175	4,184,679	53,619	10,735,473
Less accumulated depreciation	(2,593,943)	(832,336)	-	(3,426,279)	(1,815,036)	(20,670)	(5,261,985)
Plant in service, net	2,642,969	529,764	-	3,172,733	2,428,931	36,000	5,637,664
Construction work in progress	96,450	17,661	-	114,111	111,581	220	225,912
Net capital assets	2,739,419	547,425	-	3,286,844	2,540,512	36,220	5,863,576
Total assets	3,911,359	935,464	(19,815)	4,827,008	3,241,935	44,616	8,113,559
Deferred outflows of resources							
Unamortized losses on refundings	82,557	17,652	-	100,209	47,690	215	148,114
Accumulated decrease in fair value of interest swaps derivatives	135,571	-	-	135,571	32,296	-	167,867
Unrealized pension contributions and losses	48,712	4,114	-	52,826	31,143	-	83,969
Accumulated decrease in fair value of fuel hedging derivatives	5,253	-	-	5,253	-	-	5,253
Total deferred outflows of resources	272,093	21,766	-	293,859	111,129	215	405,203
Total assets and deferred outflows of resources	$ 4,183,452	$ 957,230	$ (19,815)	$ 5,120,867	$ 3,353,064	$ 44,831	$ 8,518,762

JEA
Combining Statement of Net Position
(in thousands - unaudited) March 2016

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Liabilities							
Current liabilities:							
Accounts and accrued expenses payable	$ 46,772	$ 18,647	$ (739)	$ 64,680	$ 10,904	$ 11	$ 75,595
Customer deposits	41,563	-	-	41,563	13,979	-	55,542
City of Jacksonville payable	7,643	-	-	7,643	1,898	-	9,541
Compensated absences due within one year	1,824	1,486	-	3,310	1,217	7	4,534
State utility taxes payable	2,231	-		2,231	-	-	2,231
Total current liabilities	100,033	20,133	(739)	119,427	27,998	18	147,443
Current liabilities payable from restricted assets:							
Revenue bonds and line of credit due within one year	102,240	43,785	-	146,025	33,875	1,625	181,525
Renewal and replacement reserve	-	79,931	-	79,931	-	-	79,931
Interest payable	43,362	10,657	-	54,019	32,016	699	86,734
Construction contracts and accounts payable	3,799	20,700	(19,076)	5,423	5,692	39	11,154
Total current liabilities payable from restricted assets	149,401	155,073	(19,076)	285,398	71,583	2,363	359,344
Noncurrent liabilities:							
Net pension liability	246,724	4,163	-	250,887	157,742	-	408,629
Compensated absences due after one year	16,607	1,021	-	17,628	6,149	39	23,816
Environmental liabilities	18,662	-	-	18,662	-	-	18,662
Other liabilities	5,253	-	-	5,253	1,687	-	6,940
Total noncurrent liabilities	287,246	5,184	-	292,430	165,578	39	458,047
Long-term debt:							
Bonds payable, less current portion	2,369,215	450,215	-	2,819,430	1,612,640	38,125	4,470,195
Unamortized premium (discount)	76,158	20,565	-	96,723	57,974	(46)	154,651
Fair value of debt management strategy instruments	135,571	-	-	135,571	32,296	-	167,867
Total long-term debt	2,580,944	470,780	-	3,051,724	1,702,910	38,079	4,792,713
Total liabilities	3,117,624	651,170	(19,815)	3,748,979	1,968,069	40,499	5,757,547
Deferred inflows of resources							
Revenues to be used for future costs	318,815	165,466	-	484,281	24,394	-	508,675
Unrealized pension gains	16,446	2,835	-	19,281	10,515	-	29,796
Total deferred inflows of resources	335,261	168,301	-	503,562	34,909	-	538,471
Net position			-				
Net investment in capital assets	303,310	1,919	-	305,229	1,117,770	(3,308)	1,419,691
Restricted	219,987	23,906	19,076	262,969	201,441	3,276	467,686
Unrestricted	207,270	111,934	(19,076)	300,128	30,875	4,364	335,367
Total net position	730,567	137,759	-	868,326	1,350,086	4,332	2,222,744
Total liabilities, deferred inflows of resources, and net position	$ 4,183,452	$ 957,230	$ (19,815)	$ 5,120,867	$ 3,353,064	$ 44,831	$ 8,518,762

JEA
Combining Statement of Net Position
(in thousands - unaudited) March 2015 restated

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Assets							
Current assets:							
Cash and cash equivalents	$ 99,662	$ 33,464	$ -	$ 133,126	$ 46,970	$ 4,008	$ 184,104
Investments	267,140	34,224	-	301,364	-	-	301,364
Customer accounts receivable, less allowance for doubtful accounts of $4,260	136,902	-	-	136,902	33,226	313	170,441
Miscellaneous accounts receivable	20,948	22,735	(16,935)	26,748	2,485	-	29,233
Interest receivable	980	1	-	981	668	-	1,649
Inventories, less reserve of $913:							
Fuel inventory - Electric System	32,973	26,141	-	59,114	-	-	59,114
Fuel inventory - Plant Scherer	3,384	-	-	3,384	-	-	3,384
Materials and supplies - Water and Sewer	-	-	-	-	44,779	-	44,779
Materials and supplies - Electric System	-	19,599	-	19,599	-	-	19,599
Materials and supplies - Plant Scherer	2,097	-	-	2,097	-	-	2,097
Total current assets	564,086	136,164	(16,935)	683,315	128,128	4,321	815,764
Noncurrent assets:							
Restricted assets:							
Cash and cash equivalents	380	54,994	-	55,374	35,628	4,190	95,192
Investments	340,475	223,021	-	563,496	313,583	-	877,079
Accounts and interest receivable	2,127	971	-	3,098	1,932	-	5,030
Total restricted assets	342,982	278,986	-	621,968	351,143	4,190	977,301
Costs to be recovered from future revenues	229,458	9,699	-	239,157	137,259	-	376,416
Investment in The Energy Authority	7,286	-	-	7,286	-	-	7,286
Notes receivable - City of Jacksonville	-	-	-	-	189	-	189
Other assets	9,342	-	-	9,342	10,597	-	19,939
Total noncurrent assets	589,068	288,685	-	877,753	499,188	4,190	1,381,131
Capital assets:							
Land and easements	88,310	6,660	-	94,970	62,254	3,051	160,275
Plant in service	5,055,597	1,378,175	-	6,433,772	4,098,261	52,416	10,584,449
Less accumulated depreciation	(2,406,521)	(793,867)	-	(3,200,388)	(1,566,578)	(18,378)	(4,785,344)
Plant in service, net	2,737,386	590,968	-	3,328,354	2,593,937	37,089	5,959,380
Construction work in progress	67,004	7,956	-	74,960	68,734	307	144,001
Capital assets, net	2,804,390	598,924	-	3,403,314	2,662,671	37,396	6,103,381
Total assets	3,957,544	1,023,773	(16,935)	4,964,382	3,289,987	45,907	8,300,276
Deferred outflows of resources							
Unamortized losses on refundings	87,597	22,908	-	110,505	50,273	223	161,001
Accumulated decrease in fair value of interest swaps derivatives	123,754	-	-	123,754	29,389	-	153,143
Unamortized pension contributions and losses	21,157	4,447	-	25,604	13,527	-	39,131
Accumulated decrease in fair value of fuel hedging derivatives	1,908	-	-	1,908	-	-	1,908
Total deferred outflows of resources	234,416	27,355	-	261,771	93,189	223	355,183
Total assets and deferred outflows of resources	$ 4,191,960	$ 1,051,128	$ (16,935)	$ 5,226,153	$ 3,383,176	$ 46,130	$ 8,655,459

JEA
Combining Statement of Net Position
(in thousands - unaudited) March 2015 restated

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Liabilities							
Current liabilities:							
Accounts and accrued expenses payable	$ 50,737	$ 6,599	$ (263)	$ 57,073	$ 7,178	$ 16	$ 64,267
Customer deposits	43,073	-	-	43,073	12,984	-	56,057
City of Jacksonville payable	7,509	-	-	7,509	1,836	-	9,345
Compensated absences due within one year	3,950	1,486	-	5,436	710	6	6,152
State utility taxes payable	2,538	-	-	2,538	-	-	2,538
Total current liabilities	107,807	8,085	(263)	115,629	22,708	22	138,359
Current liabilities payable from restricted assets:							
Revenue bonds and line of credit due within one year	98,765	50,815	-	149,580	36,180	1,610	187,370
Renewal and replacement reserve	-	86,865	-	86,865	-	-	86,865
Interest payable	44,493	12,661	-	57,154	34,091	705	91,950
Construction contracts and accounts payable	2,866	19,695	(16,672)	5,889	3,758	-	9,647
Total current liabilities payable from restricted assets	146,124	170,036	(16,672)	299,488	74,029	2,315	375,832
Noncurrent liabilities:							
Net pension liability	235,941	9,201	-	245,142	150,848	-	395,990
Compensated absences due after one year	12,789	1,259	-	14,048	6,137	55	20,240
Environmental liabilities	18,662	-	-	18,662	-	-	18,662
OPEB liability	1,088	-	-	1,088	637	-	1,725
Other liabilities	1,908	-	-	1,908	2,680		4,588
Total noncurrent liabilities	270,388	10,460	-	280,848	160,302	55	441,205
Long-term debt:							
Bonds payable, less current portion	2,498,685	528,295	-	3,026,980	1,716,880	39,750	4,783,610
Unamortized premium	89,874	21,527	-	111,401	65,943	(51)	177,293
Fair value of debt management strategy instruments	123,754	-	-	123,754	29,389	-	153,143
Commercial paper notes payable	40,800	-	-	40,800	-	-	40,800
Total long-term debt	2,753,113	549,822	-	3,302,935	1,812,212	39,699	5,154,846
Total liabilities	3,277,432	738,403	(16,935)	3,998,900	2,069,251	42,091	6,110,242
Deferred inflows of resources							
Revenues to be used for future costs	274,637	175,262	-	449,899	28,075	-	477,974
Total deferred inflows of resources	274,637	175,262	-	449,899	28,075	-	477,974
Net position							
Net investment in capital assets	194,310	(37,003)	-	157,307	1,009,582	(3,690)	1,163,199
Restricted	229,042	47,646	16,672	293,360	215,705	3,485	512,550
Unrestricted	216,539	126,820	(16,672)	326,687	60,563	4,244	391,494
Total net position	639,891	137,463	-	777,354	1,285,850	4,039	2,067,243
Total liabilities, deferred inflows of resources, and net position	$ 4,191,960	$ 1,051,128	$ (16,935)	$ 5,226,153	$ 3,383,176	$ 46,130	$ 8,655,459

JEA
Schedule of Cash and Investments
(in thousands - unaudited) March 2016

	Electric System and Bulk Power Supply System	SJRPP System	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Unrestricted cash and investments						
Operations	$ 66,076	$ 11,184	$ 77,260	$ 24,733	$ 1,338	$ 103,331
Rate stabilization:						
Fuel	149,726	-	149,726	-	-	149,726
Debt management	42,126	-	42,126	20,290	2,737	65,153
Environmental	26,752	-	26,752	4,104	-	30,856
Purchased Power	37,486	-	37,486	-	-	37,486
DSM/Conservation	2,943	-	2,943	-	-	2,943
Total rate stabilization funds	259,033	-	259,033	24,394	2,737	286,164
General reserve	-	24,725	24,725	-	-	24,725
Customer deposits	41,393	-	41,393	13,979	-	55,372
Self insurance reserve funds:						
Self funded health plan	12,526	-	12,526	-	-	12,526
Property insurance reserve	10,000	-	10,000	-	-	10,000
Total self insurance reserve funds	22,526	-	22,526	-	-	22,526
Environmental liability reserve	18,662	-	18,662	-	-	18,662
Total unrestricted cash and investments	$ 407,690	$ 35,909	$ 443,599	$ 63,106	$ 4,075	$ 510,780
Restricted assets						
Renewal and replacement funds	$ 164,792	$ 79,844	$ 244,636	$ 170,813	$ 2,463	$ 417,912
Debt service reserve account	65,432	136,678	202,110	108,086	-	310,196
Debt service funds	93,240	32,660	125,900	48,130	1,512	175,542
Construction funds	-	-	-	681	-	681
Environmental funds	-	-	-	246	-	246
Subtotal	323,464	249,182	572,646	327,956	3,975	904,577
Unrealized holding gain (loss) on investments	4,092	(1,250)	2,842	5,053	-	7,895
Other funds	141	3,153	3,294	70	-	3,364
Total restricted cash and investments	$ 327,697	$ 251,085	$ 578,782	$ 333,079	$ 3,975	$ 915,836

JEA
Schedule of Cash and Investments
(in thousands - unaudited) March 2015 restated

	Electric System and Bulk Power Supply System	SJRPP System	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Unrestricted cash and investments						
Operations	$ 71,766	$ 8,948	$ 80,714	$ 13,695	$ 1,271	$ 95,680
Rate stabilization:						
Fuel	136,669	-	136,669	-	-	136,669
Debt management	42,126	-	42,126	20,290	2,737	65,153
Environmental	19,874	-	19,874	-	-	19,874
Purchased Power	12,000	-	12,000	-	-	12,000
DSM/Conservation	3,467	-	3,467	-	-	3,467
Total rate stabilization funds	214,136	-	214,136	20,290	2,737	237,163
General reserve	-	58,740	58,740	-	-	58,740
Customer deposits	42,870	-	42,870	12,985	-	55,855
Self insurance reserve funds:						
Self funded health plan	9,368	-	9,368	-	-	9,368
Property insurance reserve	10,000	-	10,000	-	-	10,000
Total self insurance reserve funds	19,368	-	19,368	-	-	19,368
Environmental liability reserve	18,662	-	18,662	-	-	18,662
Total unrestricted cash and investments	$ 366,802	$ 67,688	$ 434,490	$ 46,970	$ 4,008	$ 485,468
Restricted assets						
Renewal and replacement funds	$ 174,200	$ 86,761	$ 260,961	$ 167,609	$ 2,680	$ 431,250
Debt service reserve account	69,447	130,885	200,332	114,182	-	314,514
Debt service funds	91,918	38,131	130,049	51,703	1,510	183,262
Environmental funds	-	-	-	10,138	-	10,138
Construction funds	7	44	51	664	-	715
Subtotal	335,572	255,821	591,393	344,296	4,190	939,879
Unrealized holding gain (loss) on investments	4,928	(550)	4,378	4,735	-	9,113
Other funds	355	22,744	23,099	180	-	23,279
Total restricted cash and investments	$ 340,855	$ 278,015	$ 618,870	$ 349,211	$ 4,190	$ 972,271

JEA
Regulatory Accounting Balances
(in thousands - unaudited) March 2016

DESCRIPTION	Electric System and Bulk Power Supply System	SJRPP System	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	Total JEA
Pension	214,133	2,883	**217,016**	136,905	**353,921**
Environmental	-	-	**-**	81,237	**81,237**
Scherer	12,296	-	**12,296**	-	**12,296**
Bond issue costs	2,273	3,971	**6,244**	246	**6,490**
Costs to be recovered from future revenues	**228,702**	**6,854**	**235,556**	**218,388**	**453,944**
SJRPP	-	165,466	**165,466**	-	**165,466**
Fuel	149,726	-	**149,726**	-	**149,726**
Debt management	42,126	-	**42,126**	20,290	**62,416**
Scherer	47,255	-	**47,255**	-	**47,255**
Purchased power	37,486	-	**37,486**	-	**37,486**
Environmental	26,752	-	**26,752**	4,104	**30,856**
Health self-insurance	12,527	-	**12,527**	-	**12,527**
DSM	2,943	-	**2,943**	-	**2,943**
Revenues to be used for future costs	**318,815**	**165,466**	**484,281**	**$ 24,394**	**508,675**

JEA
Regulatory Accounting Balances
(in thousands - unaudited) March 2015 restated

DESCRIPTION	Electric System and Bulk Power Supply System	SJRPP System	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	Total JEA
Pension	214,459	4,754	**219,213**	137,113	**356,326**
Scherer	13,285	-	**13,285**	-	**13,285**
Bond issue costs	1,714	4,945	**6,659**	146	**6,805**
Costs to be recovered from future revenues	**229,458**	**9,699**	**239,157**	**137,259**	**376,416**
SJRPP	-	175,262	**175,262**	-	**175,262**
Fuel	136,669	-	**136,669**	-	**136,669**
Debt management	42,126	-	**42,126**	-	**42,126**
Scherer	51,133	-	**51,133**	-	**51,133**
Purchased power	12,000	-	**12,000**	-	**12,000**
Environmental	19,874	-	**19,874**	28,075	**47,949**
Health self-insurance	9,368	-	**9,368**	-	**9,368**
DSM	3,467	-	**3,467**	-	**3,467**
Revenues to be used for future costs	**274,637**	**175,262**	**449,899**	**$ 28,075**	**477,974**

JEA

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

	Month March		Year-To-Date March	
	2016	2015 restated	2016	2015 restated
Operating revenues				
Electric - base	$ 58,225	$ 58,353	$ 359,696	$ 366,060
Electric - fuel and purchased power	36,830	36,917	225,569	269,840
Water and sewer	38,408	31,138	193,607	181,845
District energy system	568	581	3,993	4,043
Other	2,291	2,665	15,980	18,723
Total operating revenues	136,322	129,654	798,845	840,511
Operating expenses				
Operations:				
Fuel	29,284	28,521	180,391	224,540
Purchased power	4,823	5,060	26,630	25,037
Other	28,967	19,414	137,211	119,591
Maintenance	7,701	8,749	46,860	54,820
Depreciation	35,532	30,861	189,343	183,905
State utility and franchise taxes	5,359	5,920	32,377	35,535
Recognition of deferred costs and revenues, net	863	(893)	(5,156)	(5,360)
Total operating expenses	112,529	97,632	607,656	638,068
Operating income	23,793	32,022	191,189	202,443
Nonoperating revenues (expenses)				
Interest on debt	(14,230)	(15,418)	(81,939)	(89,479)
Debt management strategy	(1,602)	(1,603)	(9,844)	(9,612)
Net increase in fair value of investments	4,121	2,748	1,996	3,570
Investment income	463	957	5,689	5,327
Other revenue	923	629	5,735	3,706
Allowance for funds used during construction	647	414	3,971	2,254
Loss on sale of asset	-	-	-	(78)
Earnings from The Energy Authority	206	563	1,464	539
Other interest, net	(21)	(5)	(275)	(33)
Other expense	(29)	(11)	(193)	(11)
Total nonoperating expenses, net	(9,522)	(11,726)	(73,396)	(83,817)
Income before contributions and special item	14,271	20,296	117,793	118,626
Contributions (to) from				
General Fund, City of Jacksonville, Florida	(24,515)	(9,307)	(72,094)	(55,843)
Developers and other	6,285	4,328	31,427	24,871
Reduction of plant cost through contributions	(4,563)	(2,492)	(21,291)	(15,802)
Total contributions	(22,793)	(7,471)	(61,958)	(46,774)
Special Item	-	-	-	151,490
Change in net position	(8,522)	12,825	55,835	223,342
Net position, beginning of period	2,231,266	2,054,418	2,166,909	1,843,901
Net position, end of period	$ 2,222,744	$ 2,067,243	$ 2,222,744	$ 2,067,243

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

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating revenues								
Electric - base	$ 58,482	$ -	$ -	$ 58,482	$ -	$ -	$ (257)	$ 58,225
Electric - fuel and purchased power	28,495	18,074	(8,771)	37,798	-	-	(968)	36,830
Water and sewer	-	-	-	-	38,455	-	(47)	38,408
District energy system	-	-	-	-	-	568	-	568
Other	1,762	-	-	1,762	709	-	(180)	2,291
Total operating revenues	88,739	18,074	(8,771)	98,042	39,164	568	(1,452)	136,322
Operating expenses								
Operations:								
Fuel	19,183	10,101	-	29,284	-	-	-	29,284
Purchased power	13,594	-	(8,771)	4,823	-	-	-	4,823
Other	17,092	1,752	-	18,844	11,347	228	(1,452)	28,967
Maintenance	5,396	1,209	-	6,605	1,041	55	-	7,701
Depreciation	16,316	3,563	-	19,879	15,462	191	-	35,532
State utility and franchise taxes	4,528	-	-	4,528	831	-	-	5,359
Recognition of deferred costs and revenues, net	(218)	(1,081)	-	(1,299)	2,162	-	-	863
Total operating expenses	75,891	15,544	(8,771)	82,664	30,843	474	(1,452)	112,529
Operating income	12,848	2,530	-	15,378	8,321	94	-	23,793
Nonoperating revenues (expenses)								
Interest on debt	(6,825)	(2,212)	-	(9,037)	(5,075)	(118)	-	(14,230)
Debt management strategy	(1,242)	-	-	(1,242)	(360)	-	-	(1,602)
Investment income (loss)	(199)	268	-	69	392	2	-	463
Other revenue	386	34	-	420	503	-	-	923
Allowance for funds used during construction	300	-	-	300	347	-	-	647
Net increase in fair value of investments	1,926	951	-	2,877	1,244	-	-	4,121
Earnings from The Energy Authority	206	-	-	206	-	-	-	206
Other interest, net	(20)	-	-	(20)	(1)	-	-	(21)
Other expense	(27)	-	-	(27)	(2)	-	-	(29)
Total nonoperating expenses, net	(5,495)	(959)	-	(6,454)	(2,952)	(116)	-	(9,522)
Income before contributions and special item	7,353	1,571	-	8,924	5,369	(22)	-	14,271
Contributions (to) from								
General Fund, City of Jacksonville, Florida	(19,643)	-	-	(19,643)	(4,872)	-	-	(24,515)
Developers and other	-	-	-	-	6,285	-	-	6,285
Reduction of plant cost through contributions	-	-	-	-	(4,563)			(4,563)
Total contributions	(19,643)	-	-	(19,643)	(3,150)	-	-	(22,793)
Change in net position	(12,290)	1,571	-	(10,719)	2,219	(22)	-	(8,522)
Net position, beginning of period	742,857	136,188	-	879,045	1,347,867	4,354	-	2,231,266
Net position, end of period	$ 730,567	$ 137,759	$ -	$ 868,326	$ 1,350,086	$ 4,332	$ -	$ 2,222,744

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

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating revenues								
Electric - base	$ 58,627	$ -	$ -	$ 58,627	$ -	$ -	$ (274)	$ 58,353
Electric - fuel and purchased power	29,859	16,948	(8,858)	37,949	-	-	(1,032)	36,917
Water and sewer	-	-	-	-	31,178	-	(40)	31,138
District energy system	-	-	-	-	-	581	-	581
Other	2,102	-	-	2,102	772	-	(209)	2,665
Total operating revenues	90,588	16,948	(8,858)	98,678	31,950	581	(1,555)	129,654
Operating expenses								
Operations:								
Fuel	22,179	6,342	-	28,521	-	-	-	28,521
Purchased power	13,918	-	(8,858)	5,060	-	-	-	5,060
Other	11,008	2,262	-	13,270	7,446	253	(1,555)	19,414
Maintenance	5,199	2,350	-	7,549	1,002	198	-	8,749
Depreciation	16,139	3,563	-	19,702	10,969	190	-	30,861
State utility and franchise taxes	5,108	-	-	5,108	812	-	-	5,920
Recognition of deferred costs and revenues, net	(312)	(573)	-	(885)	(8)	-	-	(893)
Total operating expenses	73,239	13,944	(8,858)	78,325	20,221	641	(1,555)	97,632
Operating income	17,349	3,004	-	20,353	11,729	(60)	-	32,022
Nonoperating revenues (expenses)								
Interest on debt	(7,152)	(2,670)	-	(9,822)	(5,477)	(119)	-	(15,418)
Debt management strategy	(1,294)	-	-	(1,294)	(309)	-	-	(1,603)
Investment income	362	316	-	678	278	1	-	957
Other revenue	388	34	-	422	207	-	-	629
Allowance for funds used during construction	205	-	-	205	208	1	-	414
Net increase in fair value of investments	1,217	816	-	2,033	715	-	-	2,748
Earnings from The Energy Authority	563	-	-	563	-	-	-	563
Other interest, net	(5)	-	-	(5)	-	-	-	(5)
Other expense	(11)	-	-	(11)	-	-	-	(11)
Total nonoperating expenses, net	(5,727)	(1,504)	-	(7,231)	(4,378)	(117)	-	(11,726)
Income before contributions	11,622	1,500	-	13,122	7,351	(177)	-	20,296
Contributions (to) from								
General Fund, City of Jacksonville, Florida	(7,509)	-	-	(7,509)	(1,798)	-	-	(9,307)
Developers and other	-	-	-	-	4,328	-	-	4,328
Reduction of plant cost through contributions	-	-	-	-	(2,492)	-	-	(2,492)
Total contributions	(7,509)	-	-	(7,509)	38	-	-	(7,471)
Change in net position	4,113	1,500	-	5,613	7,389	(177)	-	12,825
Net position, beginning of period	635,778	135,963	-	771,741	1,278,461	4,216	-	2,054,418
Net position, end of period	$ 639,891	$ 137,463	$ -	$ 777,354	$ 1,285,850	$ 4,039	$ -	$ 2,067,243

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

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating revenues								
Electric - base	$ 361,202	$ -	$ -	$ 361,202	$ -	$ -	$ (1,506)	$ 359,696
Electric - fuel and purchased power	175,595	106,530	(50,888)	231,237	-	-	(5,668)	225,569
Water and sewer	-	-	-	-	193,880	-	(273)	193,607
District energy system	-	-	-	-	-	3,993	-	3,993
Other	12,283	-	-	12,283	4,778	-	(1,081)	15,980
Total operating revenues	549,080	106,530	(50,888)	604,722	198,658	3,993	(8,528)	798,845
Operating expenses								
Operations:								
Fuel	123,055	57,336	-	180,391	-	-	-	180,391
Purchased power	77,518	-	(50,888)	26,630	-	-	-	26,630
Other	73,128	11,360	-	84,488	59,768	1,483	(8,528)	137,211
Maintenance	31,650	7,528	-	39,178	7,020	662	-	46,860
Depreciation	96,120	21,377	-	117,497	70,700	1,146	-	189,343
State utility and franchise taxes	27,455	-	-	27,455	4,922	-	-	32,377
Recognition of deferred costs and revenues, net	(1,308)	(5,929)	-	(7,237)	2,081	-	-	(5,156)
Total operating expenses	427,618	91,672	(50,888)	468,402	144,491	3,291	(8,528)	607,656
Operating income	121,462	14,858	-	136,320	54,167	702	-	191,189
Nonoperating revenues (expenses)								
Interest on debt	(38,917)	(13,269)	-	(52,186)	(29,047)	(706)	-	(81,939)
Debt management strategy	(7,640)	-	-	(7,640)	(2,204)	-	-	(9,844)
Investment income	2,100	1,926	-	4,026	1,652	11	-	5,689
Other revenue	2,284	205	-	2,489	3,246	-	-	5,735
Allowance for funds used during construction	1,967	-	-	1,967	1,996	8	-	3,971
Net increase in fair value of investments	858	44	-	902	1,094	-	-	1,996
Earnings from The Energy Authority	1,464	-	-	1,464	-	-	-	1,464
Other interest, net	(229)	-	-	(229)	(46)	-	-	(275)
Other expense	(157)	-	-	(157)	(36)	-	-	(193)
Total nonoperating expenses, net	(38,270)	(11,094)	-	(49,364)	(23,345)	(687)	-	(73,396)
Income before contributions	83,192	3,764	-	86,956	30,822	15	-	117,793
Contributions (to) from								
General Fund, City of Jacksonville, Florida	(57,860)	-	-	(57,860)	(14,234)	-	-	(72,094)
Developers and other	-	-	-	-	31,427	-	-	31,427
Reduction of plant cost through contributions	-	-	-	-	(21,291)	-	-	(21,291)
Total contributions	(57,860)	-	-	(57,860)	(4,098)	-	-	(61,958)
Change in net position	25,332	3,764	-	29,096	26,724	15	-	55,835
Net position, beginning of year	705,235	133,995	-	839,230	1,323,362	4,317	-	2,166,909
Net position, end of period	$ 730,567	$ 137,759	$ -	$ 868,326	$ 1,350,086	$ 4,332	$ -	$ 2,222,744

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

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating revenues								
Electric - base	$ 367,778	$ -	$ -	$ 367,778	$ -	$ -	$ (1,718)	$ 366,060
Electric - fuel and purchased power	215,419	138,719	(77,834)	276,304	-	-	(6,464)	269,840
Water and sewer	-	-	-	-	182,103	-	(258)	181,845
District energy	-	-	-	-	-	4,043	-	4,043
Other	15,716	-	-	15,716	4,264	-	(1,257)	18,723
Total operating revenues	598,913	138,719	(77,834)	659,798	186,367	4,043	(9,697)	840,511
Operating expenses								
Operations:								
Fuel	143,632	80,908	-	224,540	-	-	-	224,540
Purchased power	102,871	-	(77,834)	25,037	-	-	-	25,037
Other	62,967	11,831	-	74,798	52,784	1,706	(9,697)	119,591
Maintenance	37,717	9,933	-	47,650	6,559	611	-	54,820
Depreciation	95,918	21,377	-	117,295	65,470	1,140	-	183,905
State utility and franchise taxes	30,734	-	-	30,734	4,801	-	-	35,535
Recognition of deferred costs and revenues, net	(1,874)	(3,436)	-	(5,310)	(50)	-	-	(5,360)
Total operating expenses	471,965	120,613	(77,834)	514,744	129,564	3,457	(9,697)	638,068
Operating income	126,948	18,106	-	145,054	56,803	586	-	202,443
Nonoperating revenues (expenses)								
Interest on debt	(41,461)	(16,019)	-	(57,480)	(31,288)	(711)	-	(89,479)
Debt management strategy	(7,761)	-	-	(7,761)	(1,851)	-	-	(9,612)
Investment income	1,988	1,817	-	3,805	1,519	3	-	5,327
Other revenue	2,205	204	-	2,409	1,297	-	-	3,706
Allowance for funds used during construction	1,015	-	-	1,015	1,234	5	-	2,254
Net increase in fair value of investments	1,730	637	-	2,367	1,203	-	-	3,570
Loss on sale of asset	(78)	-	-	(78)	-	-	-	(78)
Earnings from The Energy Authority	539	-	-	539	-	-	-	539
Other interest, net	(33)	-	-	(33)	-	-	-	(33)
Other expense	(11)	-	-	(11)	-	-	-	(11)
Total nonoperating expenses, net	(41,867)	(13,361)	-	(55,228)	(27,886)	(703)	-	(83,817)
Income before contributions and special item	85,081	4,745	-	89,826	28,917	(117)	-	118,626
Contributions (to) from								
General Fund, City of Jacksonville, Florida	(45,054)	-	-	(45,054)	(10,789)	-	-	(55,843)
Developers and other	-	-	-	-	24,871	-	-	24,871
Reduction of plant cost through contributions	-	-	-	-	(15,802)	-	-	(15,802)
Total contributions	(45,054)	-	-	(45,054)	(1,720)	-	-	(46,774)
Special Item	34,667	-	-	34,667	116,823	-	-	151,490
Change in net position	74,694	4,745	-	79,439	144,020	(117)	-	223,342
Net position, beginning of year	565,197	132,718	-	697,915	1,141,830	4,156	-	1,843,901
Net position, end of period	$ 639,891	$ 137,463	$ -	$ 777,354	$ 1,285,850	$ 4,039	$ -	$ 2,067,243

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Statement of Cash Flows
(in thousands - unaudited)

	Year-To-Date March 2016	Year-To-Date March 2015 restated
Operating activities		
Receipts from customers	$ 840,785	$ 906,639
Payments to suppliers	(353,234)	(391,154)
Payments to employees	(119,293)	(110,573)
Other receipts	20,257	18,357
Net cash provided by operating activities	388,515	423,269
Noncapital and related financing activities		
Contribution to General Fund, City of Jacksonville, Florida	(71,898)	(55,647)
Build America Bonds subsidies	3,626	3,628
Net cash used in noncapital financing activities	(68,272)	(52,019)
Capital and related financing activities		
Repayment of debt principal	(187,500)	(257,869)
Interest paid on debt	(99,840)	(107,037)
Acquisition and construction of capital assets	(117,959)	(87,203)
Contribution from developers and others	10,136	9,069
Proceeds from issuance of debt	3,000	83,325
Proceeds from disposal of assets	880	(97)
Debt issue costs and discounts	(17)	(205)
Defeasance of debt	-	(83,166)
Net cash used in capital and related financing activities	(391,300)	(443,183)
Investing activities		
Purchase of investments	(1,099,817)	(956,150)
Proceeds from sale and maturities of investments	872,890	711,266
Investment income	5,712	5,168
Distributions from The Energy Authority	2,524	1,323
Net cash used in investing activities	(218,691)	(238,393)
Net change in cash and cash equivalents	(289,748)	(310,326)
Cash and cash equivalents, beginning of year	636,074	589,622
Cash and cash equivalents, end of period	$ 346,326	$ 279,296
Reconciliation of operating income to net cash provided by operating activities		
Operating income	$ 191,189	$ 202,443
Adjustments:		
Depreciation and amortization	191,826	184,650
Recognition of deferred costs and revenues, net	(5,156)	(5,360)
Gain on sale of noncore assets	1,926	67
Changes in noncash assets and noncash liabilities:		
Accounts receivable	50,236	31,265
Accounts receivable, restricted	2,351	(501)
Inventories	(21,286)	7,916
Other assets	(1,508)	(1,060)
Accounts and expenses payable	(25,928)	(7,108)
Liabilities payable, restricted	(2,207)	1,918
Other noncurrent liabilities and deferred inflows	7,072	9,039
Net cash provided by operating activities	$ 388,515	$ 423,269
Noncash activity		
Contribution of capital assets from developers	$ 21,291	$ 15,802

JEA
Combining Statement of Cash Flows
(in thousands - unaudited) for the six months ended March 2016

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating activities								
Receipts from customers	$ 590,426	$ 106,530	$ (52,759)	$ 644,197	$ 199,423	$ 4,612	$ (7,447)	$ 840,785
Payments to suppliers	(276,046)	(94,405)	52,759	(317,692)	$ (42,133)	(1,937)	8,528	(353,234)
Payments to employees	(78,034)	(12,192)	-	(90,226)	$ (28,828)	(239)	-	(119,293)
Other receipts	13,913	-	-	13,913	$ 7,425	-	(1,081)	20,257
Net cash provided by operating activities	250,259	(67)	-	250,192	135,887	2,436	-	388,515
Noncapital and related financing activities								
Contribution to General Fund, City of Jacksonville, Florida	(57,726)	-	-	(57,726)	(14,172)	-	-	(71,898)
Build America Bonds subsidies	2,170	205	-	2,375	1,251	-	-	3,626
Net cash used in noncapital financing activities	(55,556)	205	-	(55,351)	(12,921)	-	-	(68,272)
Capital and related financing activities								
Repayment of debt principal	(98,765)	(50,945)	-	(149,710)	(36,180)	(1,610)	-	(187,500)
Interest paid on debt	(53,115)	(11,438)	-	(64,553)	(34,582)	(705)	-	(99,840)
Acquisition and construction of capital assets	(60,660)	-	-	(60,660)	(56,943)	(356)	-	(117,959)
Contribution from developers and others	-	-	-	-	10,136	-	-	10,136
Proceeds from issuance of debt	-	-	-	-	3,000	-	-	3,000
Proceeds from disposal of assets	780	-	-	780	100	-	-	880
Debt issue costs and discounts	(17)	-	-	(17)	-	-	-	(17)
Net cash used in capital and related financing activities	(211,777)	(62,383)	-	(274,160)	(114,469)	(2,671)	-	(391,300)
Investing activities								
Purchase of investments	(552,134)	(248,854)	-	(800,988)	(298,829)	-	-	(1,099,817)
Proceeds from sale and maturities of investments	427,936	239,200	-	667,136	205,754	-	-	872,890
Investment income	2,069	1,970	-	4,039	1,662	11	-	5,712
Distributions from The Energy Authority	2,524	-	-	2,524	-	-	-	2,524
Net cash used in investing activities	(119,605)	(7,684)	-	(127,289)	(91,413)	11	-	(218,691)
Net change in cash and cash equivalents	(136,679)	(69,929)	-	(206,608)	(82,916)	(224)	-	(289,748)
Cash and cash equivalents, beginning of year	316,079	139,918	-	455,997	171,803	8,274	-	636,074
Cash and cash equivalents, end of period	$ 179,400	$ 69,989	$ -	$ 249,389	$ 88,887	$ 8,050	$ -	$ 346,326
Reconciliation of operating income to net cash provided by operating activities								
Operating income	$ 121,462	$ 14,858	$ -	$ 136,320	$ 54,167	$ 702	$ -	$ 191,189
Adjustments:								
Depreciation and amortization	96,120	21,377	-	117,497	73,183	1,146	-	191,826
Recognition of deferred costs and revenues, net	(1,308)	(5,929)	-	(7,237)	2,081	-	-	(5,156)
Gain on sale of noncore assets	(33)	-	-	(33)	1,959	-	-	1,926
Changes in noncash assets and noncash liabilities:								
Accounts receivable	51,781	(3,603)	-	48,178	1,439	619	-	50,236
Accounts receivable, restricted	1,663	-	-	1,663	688	-	-	2,351
Inventories	145	(20,669)	-	(20,524)	(762)	-	-	(21,286)
Other assets	(1,251)	-	-	(1,251)	(257)	-	-	(1,508)
Accounts and expenses payable	(23,442)	(3,586)	-	(27,028)	1,113	(13)	-	(25,928)
Liabilities payable, restricted	-	(2,207)	-	(2,207)	-	-	-	(2,207)
Other noncurrent liabilities and deferred inflows	5,122	(308)	-	4,814	2,276	(18)	-	7,072
Net cash provided by operating activities	$ 250,259	$ (67)	$ -	$ 250,192	$ 135,887	$ 2,436	$ -	$ 388,515
Noncash activity								
Contribution of capital assets from developers	$ -	$ -	$ -	$ -	$ 21,291	$ -	$ -	$ 21,291

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Combining Statement of Cash Flows
(in thousands - unaudited) for the six months ended March 2015 restated

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating activities								
Receipts from customers	$ 657,931	$ 138,719	$ (79,716)	$ 716,934	$ 193,516	$ 4,629	$ (8,440)	$ 906,639
Payments to suppliers	(322,470)	(117,052)	79,716	(359,806)	(38,998)	(2,047)	9,697	(391,154)
Payments to employees	(71,233)	(12,850)	-	(84,083)	(26,223)	(267)	-	(110,573)
Other receipts	14,814	-	-	14,814	4,800	-	(1,257)	18,357
Net cash provided by operating activities	279,042	8,817	-	287,859	133,095	2,315	-	423,269
Noncapital and related financing activities								
Contribution to General Fund, City of Jacksonville, Florida	(44,822)	-	-	(44,822)	(10,825)	-	-	(55,647)
Build America Bonds subsidies	2,180	204	-	2,384	1,244	-	-	3,628
Net cash used in noncapital financing activities	(42,642)	204	-	(42,438)	(9,581)	-	-	(52,019)
Capital and related financing activities								
Repayment of debt principal	(79,854)	(132,085)	-	(211,939)	(44,325)	(1,605)	-	(257,869)
Interest paid on debt	(58,235)	(14,585)	-	(72,820)	(33,509)	(708)	-	(107,037)
Acquisition and construction of capital assets	(45,986)	290	-	(45,696)	(41,370)	(137)	-	(87,203)
Proceeds from issuance of debt	83,325	-	-	83,325	-	-	-	83,325
Contribution from developers and others	-	-	-	-	9,069	-	-	9,069
Proceeds from disposal of assets	(227)	-	-	(227)	130	-	-	(97)
Debt issue costs and discounts	49	(106)	-	(57)	(148)	-	-	(205)
Defeasance of debt	(83,169)	1	-	(83,168)	2	-	-	(83,166)
Net cash used in capital and related financing activities	(184,097)	(146,485)	-	(330,582)	(110,151)	(2,450)	-	(443,183)
Investing activities								
Purchase of investments	(355,150)	(345,738)	-	(700,888)	(255,262)	-	-	(956,150)
Proceeds from sale and maturities of investments	222,170	301,960	-	524,130	187,136	-	-	711,266
Investment income	1,964	1,760	-	3,724	1,441	3	-	5,168
Distributions from The Energy Authority	1,323	-	-	1,323	-	-	-	1,323
Net cash used in investing activities	(129,693)	(42,018)	-	(171,711)	(66,685)	3	-	(238,393)
Net change in cash and cash equivalents	(77,390)	(179,482)	-	(256,872)	(53,322)	(132)	-	(310,326)
Cash and cash equivalents, beginning of year	177,432	267,940	-	445,372	135,920	8,330	-	589,622
Cash and cash equivalents, end of period	$ 100,042	$ 88,458	$ -	$ 188,500	$ 82,598	$ 8,198	$ -	$ 279,296
Reconciliation of operating income to net cash provided by operating activities								
Operating income	$ 126,948	$ 18,106	$ -	$ 145,054	$ 56,803	$ 586	$ -	$ 202,443
Adjustments:								
Depreciation and amortization	95,918	21,377	-	117,295	66,215	1,140	-	184,650
Recognition of deferred costs and revenues, net	(1,874)	(3,436)	-	(5,310)	(50)	-	-	(5,360)
Gain on sale of noncore assets	14	-	-	14	53	-	-	67
Changes in noncash assets and noncash liabilities:								
Accounts receivable	40,390	(10,936)	-	29,454	1,225	586	-	31,265
Accounts receivable, restricted	(925)	-	-	(925)	424	-	-	(501)
Inventories	2,721	4,202	-	6,923	993	-	-	7,916
Other assets	(764)	-	-	(764)	(296)	-	-	(1,060)
Accounts and expenses payable	18,365	(22,347)	-	(3,982)	(3,121)	(5)	-	(7,108)
Liabilities payable, restricted	-	1,918	-	1,918	-	-	-	1,918
Other noncurrent liabilities and deferred inflows	(1,751)	(67)	-	(1,818)	10,849	8	-	9,039
Net cash provided by operating activities	$ 279,042	$ 8,817	$ -	$ 287,859	$ 133,095	$ 2,315	$ -	$ 423,269
Noncash activity								
Contribution of capital assets from developers	$ -	$ -	$ -	$ -	$ 15,802	$ -	$ -	$ 15,802

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Electric System
Changes in Debt Service, R & R and Construction Funds
(in thousands - unaudited) for the six months ended March 2016 and March 2015 restated

	March 2016			March 2015 restated		
	Debt service funds	**Renewal and replacement funds**	**Construction funds**	**Debt service funds**	**Renewal and replacement funds**	**Construction funds**
Beginning balance	$ 211,749	$ 148,458	$ 4	$ 194,776	$ 148,110	$ 43
Transfer from:						
Revenue fund	93,658	74,272	-	95,683	74,332	-
R & R fund	-	-	2	-	-	-
Proceeds from property sales	-	780	-	-	-	-
Total additions	93,658	75,052	2	95,683	74,332	-
Deductions:						
Interest/principal payments from sinking funds	142,721	-	-	128,849	-	-
Increase in utility plant	-	44,951	2	-	40,612	24
Decrease in accounts payable	-	12,681	4	-	5,355	11
Transfer to:						
Revenue fund	4,014	-	-	245	-	-
Construction fund	-	2	-	-	-	-
Loss from property sales	-	-	-	-	149	-
Total deductions	146,735	57,634	6	129,094	46,116	35
Ending balance	$ 158,672	$ 165,876	$ -	$ 161,365	$ 176,326	$ 8

Renewal and replacement fund:		
Cash & investments	$ 164,792	$ 174,200
Accounts / notes receivable:		
Accounts receivable	982	1,968
Street light & other customer loans	102	158
	$ 165,876	$ 176,326

Construction fund:		
Generation projects	$ -	$ 4
T& D and other capital projects	-	3
Accounts receivable	-	1
	$ -	$ 8

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Water and Sewer System
Changes in Debt Service, R & R and Construction Funds
(in thousands - unaudited) for the six months ended March 2016 and March 2015 restated

	March 2016				March 2015 restated			
	Debt service funds	Renewal and replacement funds	Construction funds	Environmental funds	Debt service funds	Renewal and replacement funds	Construction funds	Environmental funds
Beginning balance	$ 176,569	$ 149,130	$ 664	$ -	$ 191,848	$ 142,417	$ 670	$ -
Additions:								
Transfer from:								
Revenue fund	48,154	66,172	-	-	51,743	58,217	-	10,188
Proceeds from property sales	-	100	-	-	-	130	-	-
Contribution in aid of construction	-	10,137	-	-	-	9,069	-	-
Increase in accounts payable	-	-	17	246				
Total additions	48,154	76,409	17	246	51,743	67,416	-	10,188
Deductions:								
Increase in utility plant	-	41,230	-	-	-	31,435	-	-
Interest/principal payments from sinking funds	67,743	-	-	-	75,059	-	-	-
Transfer to:								
Revenue fund	764	-	-	-	2,647	-	-	50
Decrease in accounts payable	-	12,543	-	-	-	9,929	6	-
Total deductions	68,507	53,773	-	-	77,706	41,364	6	50
Ending balance	$ 156,216	$ 171,766	$ 681	$ 246	$ 165,885	$ 168,469	$ 664	$ 10,138

Recap:								
Renewal and replacement fund:								
Cash & investments		$ 170,813				$ 167,609		
Accounts / notes receivable:								
Accounts receivable		933				835		
Notes receivable		20				25		
		$ 171,766				$ 168,469		
Construction fund:								
Construction reserves			$ -				$ -	
Accounts receivable			-				-	
Project funds			681				664	
			$ 681				$ 664	
Environmental fund								
Cash & investments				246				10,138
				$ 246				$ 10,138

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Electric System		**Month**			**Prior Year Month**	
Budget vs. Actual	**ANNUAL BUDGET**	**BUDGET**	**ACTUAL**	**Variance**	**ACTUAL**	**Variance**
March 2016 and 2015 restated	**2015-16**	**2015-16**	**2015-16**	**%**	**2014-15**	**%**
Fuel Related Revenues & Expenses						
Fuel Rate Revenues	$ 509,884,201	$ 37,710,477	$ 29,279,748	-22.36%	$ 38,708,757	-24.36%
Fuel Expense and Purchased Power:						
Fuel Expense - Electric System	288,573,382	21,319,076	17,174,296		18,721,215	
Fuel Expense - SJRPP	114,020,023	10,038,600	5,791,550		3,748,981	
Other Purchased Power	81,016,238	6,402,667	5,465,551		7,302,892	
Subtotal Energy Expense	483,609,643	37,760,343	28,431,397	24.71%	29,773,088	4.51%
Transfer to (from) Rate Stabilization, Net	25,254,789	-	772,093		8,859,229	
Fuel Related Uncollectibles	1,019,769	84,981	76,258		76,439	
Total	509,884,201	37,845,324	29,279,748	22.63%	38,708,757	24.36%
Fuel Balance	-	(134,847)	-		0	
Nonfuel Related Revenues						
Base Rate Revenues	738,360,001	54,608,297	53,389,799		53,669,190	
Conservation Charge Revenue	989,059	73,150	28,270		45,162	
Environmental Charge Revenue	7,686,000	568,448	546,848		546,776	
Investment Income	3,776,585	314,715	(202,425)		357,493	
Natural Gas Revenue Pass Through	12,491,417	1,040,951	16,231		-	
Other Revenues	35,447,663	2,953,972	2,089,274		2,375,821	
Total	798,750,725	59,559,533	55,867,997	-6.20%	56,994,442	-1.98%
Nonfuel Related Expenses						
Non-Fuel O&M	200,570,314	16,513,234	17,947,180		14,275,036	
DSM / Conservation O&M	8,073,925	582,127	655,328		541,766	
Environmental O&M	2,442,000	203,500	60,784		(6,869)	
Net Transfer to Rate Stabilization - DSM	(784,866)	(21,403)	(166,690)		(10,307)	
Transfer to Environmental Fund/RSF	5,244,000	437,000	486,064		553,645	
Natural Gas Expense Pass Through	12,140,876	1,010,434	25,571		8,120	
Debt Principal - Electric System	89,845,000	7,487,083	8,016,250		7,919,104	
Debt Interest - Electric System	107,287,899	8,940,658	8,523,162		9,005,325	
R&R - Electric System	66,155,208	5,512,934	5,197,867		5,460,179	
Operating Capital Outlay	84,337,682	-	-		6,892,829	
City Contribution Expense	91,720,182	7,643,348	7,643,348		7,509,050	
Taxes & Uncollectibles	1,703,452	141,954	154,451		123,282	
Interlocal Agreements	12,000,000	12,000,000	12,000,000		-	
Emergency Reserve	5,000,000	-	-		-	
Nonfuel Purchased Power:						
* SJRPP D/S Principal	37,568,750	3,130,729	2,331,563		2,958,177	
* SJRPP D/S Interest	19,174,301	1,597,858	1,386,626		1,695,584	
** Other Non-Fuel Purchased Power	56,272,002	4,689,334	4,359,839		3,147,771	
Total Nonfuel Expenses	798,750,725	69,868,790	68,621,343	1.79%	60,072,694	-14.23%
Non-Fuel Balance	-	(10,309,257)	(12,753,346)		(3,078,252)	
Total Balance	-	(10,444,104)	(12,753,346)		(3,078,252)	
Total Revenues	**1,308,634,926**	**97,270,010**	**85,147,745**	-12.46%	**95,703,199**	-11.03%
Total Expenses	**1,308,634,926**	**107,714,114**	**97,901,091**	9.11%	**98,781,451**	0.89%
KWH Sold - Territorial	**12,600,000,000**	**1,015,909,093**	**893,954,000**	-12.00%	**898,524,000**	-0.51%
KWH Sold - Off System	**-**	**-**	**1,914,000**		**2,108,000**	
	12,600,000,000	**1,015,909,093**	**895,868,000**	-11.82%	**900,632,000**	-0.53%

* Gross debt service

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

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Electric System		**Year-To-Date**			**Prior Year-To-Date**	
Budget vs. Actual	**ANNUAL BUDGET**	**BUDGET**	**ACTUAL**	**Variance**	**ACTUAL**	**Variance**
March 2016 and 2015 restated	**2015-16**	**2015-16**	**2015-16**	**%**	**2014-15**	**%**
Fuel Related Revenues & Expenses						
Fuel Rate Revenues	$ 509,884,201	$ 232,865,305	$ 174,411,391	-25.10%	$ 244,812,456	-28.76%
Fuel Expense and Purchased Power:						
Fuel Expense - Electric System	288,573,382	120,067,303	108,486,561		125,336,748	
Fuel Expense - SJRPP	114,020,023	61,894,023	31,441,549		50,612,986	
Other Purchased Power	81,016,238	38,097,650	35,181,850		37,262,113	
Subtotal Energy Expense	483,609,643	220,058,976	175,109,960	20.43%	213,211,846	17.87%
Transfer to (from) Rate Stabilization, Net	25,254,789	-	(1,016,001)		31,212,058	
Fuel Related Uncollectibles	1,019,769	509,884	317,432		388,551	
Total	509,884,201	220,568,860	174,411,391	20.93%	244,812,456	28.76%
Fuel Balance	-	12,296,445	-		0	
Nonfuel Related Revenues						
Base Rate Revenues	738,360,001	337,210,737	334,207,913		337,586,716	
Conservation Charge Revenue	989,059	451,706	241,080		283,314	
Environmental Charge Revenue	7,686,000	3,510,214	3,453,831		3,461,577	
Investment Income	3,776,585	1,888,292	2,077,131		1,953,405	
Natural Gas Revenue Pass Through	12,491,417	6,245,708	75,513		-	
Other Revenues	35,447,663	17,723,832	14,157,785		17,347,560	
Total	798,750,725	367,030,489	354,213,253	-3.49%	360,632,572	-1.78%
Nonfuel Related Expenses						
Non-Fuel O&M	200,570,314	97,142,075	89,181,737		90,235,647	
DSM / Conservation O&M	8,073,925	3,931,962	3,046,973		3,266,043	
Environmental O&M	2,442,000	1,221,000	132,195		227,115	
Net Transfer to Rate Stabilization - DSM	(784,866)	(528,419)	57,086		(102,603)	
Transfer to Environmental Fund/RSF	5,244,000	2,622,000	3,321,636		3,234,462	
Natural Gas Expense Pass Through	12,140,876	6,072,059	153,647		53,312	
Debt Principal - Electric System	89,845,000	44,922,500	48,097,500		47,483,688	
Debt Interest - Electric System	107,287,899	53,643,950	49,291,038		52,538,637	
R&R - Electric System	66,155,208	33,077,604	31,187,200		32,761,075	
Operating Capital Outlay	84,337,682	43,084,420	43,084,420		41,571,316	
City Contribution Expense	91,720,182	45,860,092	45,860,091		45,054,299	
Taxes & Uncollectibles	1,703,452	851,726	729,031		639,397	
Interlocal Agreements	12,000,000	12,000,000	12,000,000		-	
Emergency Reserve	5,000,000	-	-		-	
Nonfuel Purchased Power:						
* SJRPP D/S Principal	37,568,750	18,784,375	13,989,375		17,749,062	
* SJRPP D/S Interest	19,174,301	9,587,151	8,538,113		10,173,507	
** Other Non-Fuel Purchased Power	56,272,002	28,136,001	18,010,238		14,922,644	
Total Nonfuel Expenses	798,750,725	400,408,496	366,680,280	8.42%	359,807,601	-1.91%
Non-Fuel Balance	-	(33,378,007)	(12,467,027)		824,971	
Total Balance	-	(21,081,562)	(12,467,027)		824,971	
Total Revenues	**1,308,634,926**	**599,895,794**	**528,624,644**	-11.88%	**605,445,028**	-12.69%
Total Expenses	**1,308,634,926**	**620,977,356**	**541,091,671**	12.86%	**604,620,057**	10.51%
KWH Sold - Territorial	**12,600,000,000**	**5,754,449,434**	**5,637,590,000**	-2.03%	**5,679,212,000**	-0.73%
KWH Sold - Off System	**-**	**-**	**17,280,000**		**62,384,000**	
	12,600,000,000	**5,754,449,434**	**5,654,870,000**	-1.73%	**5,741,596,000**	-1.51%

* Gross debt service

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

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Water and Sewer System

Budget vs. Actual March 2016 and 2015 restated	ANNUAL BUDGET 2015-16	Month BUDGET 2015-16	Month ACTUAL 2015-16	Month Variance %	Prior Year Month ACTUAL 2014-15	Prior Year Month Variance %
REVENUES						
Water & Sewer Revenues	$ 393,928,271	$ 32,633,624	$ 32,925,482		$ 32,079,865	
Capacity & Extension Fees	17,000,000	1,416,667	1,721,479		1,835,168	
Investment Income	2,759,926	229,994	388,266		273,656	
Other Income	14,769,077	1,895,989	1,214,905		984,132	
Total	428,457,274	36,176,274	36,250,132	0.20%	35,172,821	3.06%
EXPENSES						
O & M Expenses	138,367,616	11,336,082	12,206,159		8,324,808	
Debt Principal - Water & Sewer	33,875,000	2,822,917	2,822,916		3,015,000	
Debt Interest - Water & Sewer	75,780,149	6,315,012	5,923,321		6,308,473	
Rate Stabilization - Environmental	-	-	3,835,733		-	
R&R - Water & Sewer	20,825,400	1,735,450	1,735,450		1,722,504	
Operating Capital Outlay	94,524,604	5,000,000	9,275,610		9,000,000	
Operating Capital Outlay - Capacity/Extension	17,000,000	1,416,667	1,721,479		1,835,168	
Operating Capital Outlay - Environmental	20,758,150	1,729,846	(6,630,050)		1,648,683	
City Contribution Expense	22,467,356	1,872,280	1,872,280		1,798,245	
Uncollectibles & Fees	858,999	71,583	53,000		58,455	
Interlocal Agreements	3,000,000	3,000,000	3,000,000		-	
Emergency Reserve	1,000,000	-	-		-	
Total	428,457,274	35,299,837	35,815,898	-1.46%	33,711,336	-6.24%
Total Balance	$ -	$ 876,437	$ 434,234		$ 1,461,485	
Sales kgals						
Water	34,650,000	2,776,065	2,825,675	1.79%	2,731,549	3.45%
Sewer	26,985,000	2,191,189	2,258,697	3.08%	2,184,614	3.39%
Total	61,635,000	4,967,254	5,084,372	2.36%	4,916,163	3.42%

Budget vs. Actual March 2016 and 2015 restated	ANNUAL BUDGET 2015-16	Year-To-Date BUDGET 2015-16	Year-To-Date ACTUAL 2015-16	Year-To-Date Variance %	Prior Year to Date ACTUAL 2014-15	Prior Year to Date Variance %
REVENUES						
Water & Sewer Revenues	$ 393,928,271	$ 190,981,077	$ 193,383,020		$ 187,817,757	
Capacity & Extension Fees	17,000,000	8,500,000	9,757,254		8,883,013	
Capital Contributions	-	-	378,795		186,160	
Investment Income	2,759,926	1,379,963	1,630,772		1,490,294	
Other Income	14,769,077	9,992,406	8,044,188		5,577,666	
Total	428,457,274	210,853,446	213,194,029	1.11%	203,954,890	4.53%
EXPENSES						
O & M Expenses	138,367,616	67,187,467	64,115,168		58,914,395	
Debt Principal - Water & Sewer	33,875,000	16,937,500	16,937,498		18,090,000	
Debt Interest - Water & Sewer	75,780,149	37,890,074	34,177,223		36,045,243	
Rate Stabilization - Environmental	-	-	3,835,733		-	
R&R - Water & Sewer	20,825,400	10,412,700	10,412,700		10,335,025	
Operating Capital Outlay	94,524,604	51,422,141	55,697,749		47,880,721	
Operating Capital Outlay - Capacity/Extension	17,000,000	8,500,000	9,757,254		8,883,013	
Operating Capital Outlay - Contributions	-	-	378,795		186,160	
Operating Capital Outlay - Environmental	20,758,150	10,379,075	2,144,039		10,138,299	
City Contribution Expense	22,467,356	11,233,678	11,233,678		10,789,470	
Uncollectibles & Fees	858,999	429,499	320,847		327,380	
Interlocal Agreements	3,000,000	3,000,000	3,000,000		-	
Emergency Reserve	1,000,000	-	-		-	
Total	428,457,274	217,392,134	212,010,684	2.48%	201,589,706	-5.17%
Total Balance	$ -	$ (6,538,688)	$ 1,183,345		$ 2,365,184	
Sales kgals						
Water	34,650,000	16,157,514	16,350,744	1.20%	15,828,236	3.30%
Sewer	26,985,000	12,622,435	13,253,384	5.00%	12,556,566	5.55%
Total	61,635,000	28,779,949	29,604,128	2.86%	28,384,802	4.30%

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District Energy System

Budget vs. Actual March 2016 and 2015 restated	ANNUAL BUDGET 2015-16	Month BUDGET 2015-16	Month ACTUAL 2015-16	Month Variance %	Prior Year Month ACTUAL 2014-15	Prior Year Month Variance %
REVENUES						
Revenues	$ 9,089,118	$ 594,810	$ 567,542		$ 581,279	
Investment Income	-	-	1,726		568	
Total	9,089,118	594,810	569,268	-4.29%	581,847	-2.16%
EXPENSES						
O & M Expenses	5,175,137	343,616	285,394		448,214	
Debt Principal - DES	1,625,000	135,417	135,417		134,167	
Debt Interest - DES	1,398,980	116,582	116,582		117,442	
R&R - DES	457,185	38,099	36,596		36,229	
Operating Capital Outlay	432,816	-	-		-	
Total	9,089,118	633,714	573,989	9.42%	736,052	22.02%
Total Balance	$ -	$ (38,904)	$ (4,721)		$ (154,205)	

Budget vs. Actual March 2016 and 2015 restated	ANNUAL BUDGET 2015-16	Year-To-Date BUDGET 2015-16	Year-To-Date ACTUAL 2015-16	Year-To-Date Variance %	Prior-Year-To-Date ACTUAL 2014-15	Prior-Year-To-Date Variance %
REVENUES						
Revenues	$ 9,089,118	$ 4,183,819	$ 3,993,197		$ 4,043,596	
Investment Income	-	-	10,581		2,804	
Total	9,089,118	4,183,819	4,003,778	-4.30%	4,046,400	-1.05%
EXPENSES						
O & M Expenses	5,175,137	2,201,609	2,160,109		2,312,097	
Debt Principal - DES	1,625,000	812,500	812,500		805,000	
Debt Interest - DES	1,398,980	699,490	699,490		704,650	
R&R - DES	457,185	228,593	219,575		217,375	
Operating Capital Outlay	432,816	-	-		-	
Total	9,089,118	3,942,192	3,891,674	1.28%	4,039,122	3.65%
Total Balance	$ -	$ 241,627	$ 112,104		$ 7,278	

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Electric System

Schedules of Debt Service Coverage

(in thousands - unaudited)

	Month March		Year-To-Date March	
	2016	**2015 restated**	**2016**	**2015 restated**
Revenues				
Electric	$ 87,554	$ 97,889	$ 538,646	$ 617,541
Investment income (1)	(180)	228	1,471	1,204
Earnings from The Energy Authority	206	563	1,464	539
Other, net (2)	1,759	2,116	12,240	15,730
Plus: amounts paid from the rate stabilization fund into the revenue fund	1,170	542	60,169	3,266
Less: amounts paid from the revenue fund into the rate stabilization fund	(1,747)	(9,944)	(62,018)	(37,610)
Total revenues	88,762	91,394	551,972	600,670
Operating expenses (3)				
Fuel	17,175	18,721	108,487	125,337
Purchased power (4)	20,091	19,475	109,595	133,366
Other operations and maintenance	18,923	14,943	92,884	93,466
State utility taxes and franchise fees	4,439	5,026	26,851	30,270
Total operating expenses	60,628	58,165	337,817	382,439
Net revenues	$ 28,134	$ 33,229	$ 214,155	$ 218,231
Debt service	$ 6,573	$ 6,915	$ 39,209	$ 41,634
Less: investment income on sinking fund	19	(134)	(629)	(784)
Less: Build America Bonds subsidy	(126)	(126)	(759)	(755)
Debt service requirement	$ 6,466	$ 6,655	$ 37,821	$ 40,095
Senior debt service coverage (5), (min 1.20x)	4.35 x	4.99 x	5.66 x	5.44 x
Net revenues (from above)	$ 28,134	$ 33,229	$ 214,155	$ 218,231
Debt service requirement (from above)	$ 6,466	$ 6,655	$ 37,821	$ 40,095
Plus: aggregate subordinated debt service on outstanding subordinated bonds	8,185	8,190	49,070	49,149
Less: Build America Bonds subsidy	(174)	(174)	(1,042)	(1,043)
Total debt service requirement and aggregate subordinated debt service	$ 14,477	$ 14,671	$ 85,849	$ 88,201
Senior and subordinated debt service coverage (6), (min 1.15x)	1.94 x	2.26 x	2.49 x	2.47 x
Fixed charge coverage (7)	0.69 x	1.55 x	1.62 x	1.70 x

(1) Excludes investment income on sinking funds.
(2) Excludes the Build America Bonds subsidy.
(3) Excludes depreciation.
(4) In accordance with the requirements of the Electric System Resolution, all the contract debt payments from the Electric System to the SJRPP and Bulk Power Supply System with respect to the use by the Electric System of the capacity and output of the SJRPP and Bulk Power Systems are reflected as a purchased power expense on these schedules. These schedules do not include revenues of the SJRPP and Bulk Power Supply System, except that the purchased power expense is net of interest income on funds maintained under the SJRPP and Bulk Power Supply System resolutions.
(5) Net revenues divided by debt service requirement. Minimum annual coverage is 1.20x.
(6) Net revenues divided by total debt service requirement and aggregate subordinated debt service. Minimum annual coverage is 1.15x
(7) Net revenues plus JEA's share of SJRPP's and Bulk Power Supply System's debt service less city contribution divided by the sum of the adjusted debt service requirement and JEA's share of SJRPP's and Bulk Power Supply System's debt service.

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

	Month March		Year-To-Date March	
	2016	**2015 restated**	**2016**	**2015 restated**
Revenues				
JEA	$ 6,499	$ 5,558	$ 32,078	$ 30,496
Investment income	14	9	65	54
Total revenues	6,513	5,567	32,143	30,550
Operating expenses (1)				
Fuel	2,008	3,458	14,568	18,295
Other operations and maintenance	2,018	1,021	8,035	6,822
Total operating expenses	4,026	4,479	22,603	25,117
Net revenues	$ 2,487	$ 1,088	$ 9,540	$ 5,433
Aggregate debt service	$ 897	$ 817	$ 5,379	$ 4,900
Less: Build America Bonds subsidy	(61)	(64)	(369)	(382)
Aggregate debt service	$ 836	$ 753	$ 5,010	$ 4,518
Debt service coverage (2)	2.97 x	1.44 x	1.90 x	1.20 x

(1) Excludes all current expenses paid or accrued to the extent that such expenses are to be paid from revenues.
(2) Net revenues divided by aggregate debt service. Minimum annual coverage is 1.15x.

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

	Month March		Year-To-Date March	
	2016	**2015 restated**	**2016**	**2015 restated**
Revenues				
JEA	$ 9,468	$ 8,621	$ 47,980	$ 69,793
FPL	9,303	8,090	55,642	60,885
Investment income	170	273	1,828	1,774
Total revenues	18,941	16,984	105,450	132,452
Operating expenses (1)				
Fuel	10,101	6,342	57,336	80,908
Other operations and maintenance	2,418	4,060	15,630	18,450
Total operating expenses	12,519	10,402	72,966	99,358
Net revenues	$ 6,422	$ 6,582	$ 32,484	$ 33,094
Aggregate debt service	$ 4,344	$ 4,419	$ 26,062	$ 26,513
Debt service coverage (2)	1.48 x	1.49 x	1.25 x	1.25 x

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

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

	Month March		Year-To-Date March	
	2016	**2015 restated**	**2016**	**2015 restated**
Revenues				
JEA	$ 1,533	$ 2,758	$ 7,255	$ 13,084
Investment income	98	43	98	43
Total revenues	1,631	2,801	7,353	13,127
Operating expenses	-	-	-	-
Net revenues	$ 1,631	$ 2,801	$ 7,353	$ 13,127
Aggregate debt service	$ 1,037	$ 1,926	$ 6,443	$ 11,555
Less: Build America Bonds subsidy	(34)	(34)	(205)	(204)
Aggregate debt service	$ 1,003	$ 1,892	$ 6,238	$ 11,351
Debt service coverage (1)	1.63 x	1.48 x	1.18 x	1.16 x

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

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

	Month March		Year-To-Date March	
	2016	**2015 restated**	**2016**	**2015 restated**
Revenues				
Water	$ 13,414	$ 12,798	$ 78,692	$ 76,681
Water capacity fees (1)	629	638	3,482	3,167
Sewer	20,289	20,036	119,292	115,610
Sewer capacity fees (1)	1,093	1,198	6,275	5,716
Investment Income	392	278	1,652	1,519
Other (2)	1,003	772	6,773	4,317
Plus: amounts paid from the rate stabilization fund into the revenue fund	6,561	-	6,561	-
Less: amounts paid from the revenue fund into the rate stabilization fund	(1,809)	(1,656)	(10,665)	(10,188)
Total revenues	41,572	34,064	212,062	196,822
Operating expenses				
Operations and maintenance (3)	13,217	9,250	71,712	64,094
Total operating expenses	13,217	9,250	71,712	64,094
Net revenues	$ 28,355	$ 24,814	$ 140,350	$ 132,728
Aggregate debt service	$ 7,100	$ 7,640	$ 42,515	$ 45,848
Less: Build America Bonds subsidy	(209)	(207)	(1,251)	(1,244)
Aggregate debt service	$ 6,891	$ 7,433	$ 41,264	$ 44,604
Senior debt service coverage (4), (min 1.25x)	4.11 x	3.34 x	3.40 x	2.98 x
Net revenues (from above)	$ 28,355	$ 24,814	$ 140,350	$ 132,728
Aggregate debt service (from above)	$ 6,891	$ 7,433	$ 41,264	$ 44,604
Plus: aggregate subordinated debt service on outstanding subordinated debt	1,040	1,015	6,182	6,098
Total aggregate debt service and aggregate subordinated debt service	$ 7,931	$ 8,448	$ 47,446	$ 50,702
Senior and subordinated debt service coverage (5)	3.58 x	2.94 x	2.96 x	2.62 x
Fixed charge coverage	2.96 x	2.72 x	2.66 x	2.41 x

(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 March 2016 and 2015, then the debt service coverage would have been 2.75x and 2.44x.
(2) Excludes the Build America Bonds subsidy.
(3) Excludes depreciation.
(4) Net revenues divided by aggregate debt service. Minimum annual coverage is 1.25x.
(5) Net revenues divided by total aggregate debt service and aggregate subordinated debt service. Minimum annual coverage is either 1.00x aggregate debt service and aggregate subordinated debt service (excluding capacity charges) or the sum of 1.00x aggregate debt service and 1.20x aggregate subordinated debt service (including capacity charges). Based on the first requirement, minimum annual coverage is 2.75x and 2.44x. Based on the second requirement, net revenues must exceed 100% of aggregate debt service and 120% of aggregate subordinated debt service, or $48,682 and $51,922 for the year-to-date period ending March 2016 and 2015.

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

	Month March		Year-To-Date March	
	2016	**2015 restated**	**2016**	**2015 restated**
Revenues				
Service revenues	$ 568	$ 581	$ 3,993	$ 4,043
Investment income	2	1	11	3
Total revenues	570	582	4,004	4,046
Operating expenses (1)				
Operations and maintenance	283	451	2,145	2,317
Total operating expenses	283	451	2,145	2,317
Net revenues	$ 287	$ 131	$ 1,859	$ 1,729
Aggregate debt service (2)	$ 252	$ 252	$ 1,512	$ 1,510
Debt service coverage (3) (min 1.15x)	1.14 x	0.52 x	1.23 x	1.15 x

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

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

Issue/Average Coupon Rate	Interest Rates	Principal Payment Dates	Par Amount Principal Outstanding	Current Portion of Long-Term Debt
Electric System - Fixed Rate Bonds				
Series Three 2004 A	5.000%	2039	$ 5,000	$ -
Series Three 2005 B	4.750%	2033	100,000	-
Series Three 2009 C	5.000%	2016-2017	15,730,000	12,375,000
Series Three 2009 D	6.056%	2033-2044	45,955,000	-
Series Three 2010 A	4.000%	2016-2020	24,960,000	4,835,000
Series Three 2010 C	4.000 - 4.500%	2021-2031	11,420,000	-
Series Three 2010 D	4.000 - 5.000%	2016-2038	92,100,000	5,265,000
Series Three 2010 E	5.350 - 5.482%	2028-2040	34,255,000	-
Series Three 2012A	4.000 - 4.500%	2023-2033	60,750,000	-
Series Three 2012B	2.000 - 5.000%	2016-2039	133,390,000	620,000
Series Three 2013A	2.500 - 5.000%	2016-2026	111,130,000	7,860,000
Series Three 2013B	1.875 - 5.000%	2021-2038	7,600,000	-
Series Three 2013C	3.000 - 5.000%	2016-2030	30,940,000	2,255,000
Series Three 2014A	2.600 - 5.000%	2016-2034	47,565,000	1,855,000
Series Three 2015A	2.500 - 5.000%	2016-2041	81,810,000	135,000
Series Three 2015B	2.000 - 5.000%	2016-2031	42,355,000	6,350,000
Total Fixed Rate Senior Bonds			**740,065,000**	**41,550,000**
2009 Series A	5.625%	2029-2032	21,140,000	-
2009 Series D	5.000%	2017-2018	23,925,000	-
2009 Series E	4.000%	2016-2018	4,065,000	1,850,000
2009 Series F	4.125 - 6.406%	2016-2034	65,600,000	930,000
2009 Series G	4.000 - 5.000%	2016-2021	22,975,000	4,675,000
2010 Series A	3.000 - 5.000%	2016-2017	4,960,000	4,250,000
2010 Series B	3.000 - 5.000%	2016-2024	35,380,000	855,000
2010 Series C	3.125 - 4.000%	2020-2027	15,925,000	-
2010 Series D	3.500 - 5.582%	2017-2027	45,575,000	-
2010 Series E	4.000%	2016	4,505,000	4,505,000
2012 Series A	3.000 - 5.000%	2016-2033	110,780,000	2,715,000
2012 Series B	2.250 - 5.000%	2016-2037	105,800,000	2,355,000
2013 Series A	2.500 - 5.000%	2017-2030	59,330,000	-
2013 Series B	2.500 - 5.000%	2016-2026	41,215,000	10,085,000
2013 Series C	1.375 - 5.000%	2016-2038	88,605,000	590,000
2013 Series D	2.625 - 5.250%	2016-2035	145,055,000	9,360,000
2014 Series A	3.000 - 5.000%	2016-2039	223,770,000	9,330,000
Total Fixed Rate Subordinated Bonds			**1,018,605,000**	**51,500,000**
Total Fixed Rate Electric System Bonds/4.561%			**1,758,670,000**	**93,050,000**
Electric System - Variable Rate Bonds	Current Interest Rates (1)			
Series Three 2008 A	0.136%	2027-2036	51,680,000	-
Series Three 2008 B-1	0.526%	2016-2040	60,745,000	350,000
Series Three 2008 B-2	0.136%	2025-2040	41,900,000	-
Series Three 2008 B-3	0.136%	2024-2036	37,000,000	-
Series Three 2008 B-4	0.526%	2016-2036	50,185,000	375,000
Series Three 2008 C-1	0.155%	2024-2034	44,145,000	-
Series Three 2008 C-2	0.155%	2024-2034	43,900,000	-
Series Three 2008 C-3	0.050%	2030-2038	25,000,000	-
Series Three 2008 D-1	0.526%	2016-2036	113,840,000	2,420,000
Total Variable Rate Senior Bonds			**468,395,000**	**3,145,000**
Series 2000 A	0.083%	2021-2035	30,965,000	-
Series 2000 F-1	0.084%	2026-2030	37,200,000	-
Series 2000 F-2	0.113%	2026-2030	24,800,000	-
Series 2008 D	0.122%	2024-2038	39,455,000	-
Total Variable Rate Subordinated Bonds			**132,420,000**	**-**
Total Variable Rate Bonds			**600,815,000**	**3,145,000**
Total Electric System Bonds			**2,359,485,000**	**96,195,000**
St. Johns River Power Park - Fixed Rate Bonds				
Issue 2 Series 17	4.700%	2019	100,000	-
Issue 2 Series 18	4.500%	2018	50,000	-
Issue 2 Series 19	4.600%	2017	100,000	-
Issue 2 Series 20	4.500%	2021	100,000	-
Issue 2 Series 21	5.000%	2021	5,000	-
Issue 2 Series 22	4.000%	2019	5,000	-
Issue 2 Series 23	3.000 - 5.000%	2017-2021	64,910,000	-
Issue 2 Series 24	4.000%	2017-2021	29,625,000	-
Issue 2 Series 25	3.000 - 5.000%	2016-2021	42,195,000	42,150,000
Issue 2 Series 26	2.000 - 5.000%	2019-2021	65,970,000	-
Issue 2 Series 27	1.888 - 2.505%	2019-2021	7,025,000	-
Issue 3 Series 1	4.500%	2037	100,000	-
Issue 3 Series 2	5.000%	2034-2037	29,370,000	-
Issue 3 Series 4	3.875 - 5.450%	2016-2028	25,720,000	1,635,000
Issue 3 Series 6	2.375 - 5.000%	2019-2037	91,330,000	-
Issue 3 Series 7	2.000 - 5.000%	2019-2033	79,500,000	-
Issue 3 Series 8	2.000 - 5.000%	2019-2039	57,895,000	-
Total Fixed Rate St. Johns River Power Park Bonds/4.120%			**494,000,000**	**43,785,000**
Bulk Power Supply System, Scherer 4 Project - Fixed Rate Bonds				
Series 2010A	3.900 - 5.920%	2016-2030	42,785,000	2,910,000
Series 2014A	2.000 - 5.000%	2016-2038	69,185,000	3,135,000
Total Fixed Rate Bulk Power Supply System Bonds/4.293%			**111,970,000**	**6,045,000**
Weighted Average Cost(2) / Total Outstanding Debt		3.287%	**$ 2,965,455,000**	**$ 146,025,000**

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

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

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

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Water and Sewer System
Principal Amount of Debt Outstanding and Average Interest Rates
March 2016

Issue/Average Coupon Rate	Interest Rates	Principal Payment Dates	Par Amount Principal Outstanding	Current Portion of Long-Term Debt
Fixed Rate Bonds				
2009 Series B	3.750 - 5.000%	2017-2019	$ 25,565,000	$ -
2010 Series A	6.210 - 6.310%	2026-2044	83,115,000	-
2010 Series B	4.300 - 5.700%	2016-2025	17,300,000	1,730,000
2010 Series C	4.000 - 5.000%	2016-2020	10,650,000	1,105,000
2010 Series D	4.000 - 5.000%	2017-2039	101,850,000	-
2010 Series E	4.000 - 5.000%	2021-2039	60,990,000	-
2010 Series F	3.200 - 5.887%	2017-2040	45,520,000	-
2010 Series G	3.000%	2016	785,000	785,000
2012 Series A	3.000 - 5.000%	2017-2041	317,935,000	-
2012 Series B	2.000 - 5.000%	2016-2041	131,765,000	1,680,000
2013 Series A	4.000 - 5.000%	2016-2027	91,085,000	1,345,000
2013 Series B	1.286 - 1.882%	2016-2017	16,730,000	12,900,000
2014 Series A	2.000 - 5.000%	2016-2040	289,565,000	4,970,000
Total Fixed Rate Senior Bonds			**1,192,855,000**	**24,515,000**
2010 Series A	3.000 - 5.000%	2016-2022	14,065,000	915,000
2010 Series B	3.000 - 5.000%	2020-2025	12,770,000	-
2012 Series A	3.000 - 4.000%	2021-2033	20,320,000	-
2012 Series B	3.250 - 5.000%	2030-2043	41,640,000	-
2013 Series A	2.125 - 5.000%	2016-2029	76,040,000	3,790,000
Total Fixed Rate Subordinated Bonds			**164,835,000**	**4,705,000**
Total Fixed Rate Bonds/4.618%			**1,357,690,000**	**29,220,000**
Variable Rate Bonds	Current Interest Rates (1)			
2006 Series B - CPI Bonds	1.126% (2)	2016-2022	38,730,000	4,105,000
2008 Series A-2	0.139%	2028-2042	51,820,000	-
2008 Series B	0.171%	2023-2041	85,290,000	-
Total Variable Rate Senior Bonds			**175,840,000**	**4,105,000**
2008 Series A-1	0.122%	2016-2038	53,500,000	550,000
2008 Series A-2	0.154%	2030-2038	25,600,000	-
2008 Series B-1	0.147%	2030-2036	30,885,000	-
Total Variable Rate Subordinated Bonds			**109,985,000**	**550,000**
Total Variable Rate Bonds			**285,825,000**	**4,655,000**
Other Obligations				
Revolving Credit Agreement	1.478%	2018	3,000,000	-
Total Other Obligations			**3,000,000**	**-**
Weighted Average Cost(3) / Total Outstanding Debt		**3.576%**	**$ 1,646,515,000**	**$ 33,875,000**

(1) Current month interest rate excluding variable debt fees.
(2) Designated swap obligation. The rate shown is the weighted average of the variable CPI Index rates for the 6 month re-set period.
(3) Weighted Average Cost of debt is net of BABs subsidy, original issue premiums/discounts and 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

JEA
District Energy System
Principal Amount of Debt Outstanding and Average Interest Rates
March 2016

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

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

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

JEA
INVESTMENT PORTFOLIO REPORT
March 2016
All Funds

	INVESTMENT	BOOK VALUE	YIELD	% OF TOTAL	LAST MONTH	6 MONTH AVERAGE
*	Treasuries	$ 3,298,969	1.01%	0.23%	0.24%	0.25%
	Agencies					
	Federal Farm Credit Bank	285,201,969	0.75%	20.08%	18.84%	18.29%
	Federal Home Loan Bank	332,034,677	0.96%	23.38%	28.70%	26.55%
	Federal Home Loan Mortgage Corp.	-	0.00%	0.00%	0.57%	0.29%
	Total	617,236,646	0.86%	43.47%	48.11%	45.14%
	Municipal Bonds	281,776,170	2.10%	19.84%	19.77%	20.72%
	Commercial Paper	223,521,953	0.63%	15.74%	26.30%	22.83%
	U.S. Treasury Money Market Funds (1)	50,177,048	0.24%	3.53%	0.34%	1.46%
	Agency Money Market Funds (2)	87,425,000	0.25%	6.16%	0.89%	2.04%
	Wells Fargo Bank Accounts (3)					
	Electric, Scherer	69,428,287	0.17%	4.89%	2.06%	3.16%
	SJRPP	52,139,845	0.17%	3.67%	1.43%	2.93%
	Water & Sewer, DES	34,994,534	0.17%	2.46%	0.89%	1.19%
	Total Portfolio	$1,419,998,452	1.00%	100.00%	100.00%	100.00%

* Backed by Full Faith and Credit of U. S. Government
Weighted Avg. Annual Yield for March 2016, Excluding Bank & Money Market Funds: 1.13%

Weighted Avg. Annual Yield for March 2016, Including Bank & Money Market Funds: 1.00%

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

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

JEA
Interest Rate Swap Position Report
March 2016

JEA Debt Management Swaps Variable to Fixed

ID	Dealer	Effective Date	Terminat'n Date	Electric System Allocation	Water/Sewer Allocation	Fixed Rate	Floating Rate (1)	Spread	Rate Cap	Index
1	Goldman Sachs	9/18/2003	9/18/2033	$ 84,800,000	$ -	3.717	0.298	3.419	n/a	68% 1 mth Libor
3	Morgan Stanley	1/27/2005	10/1/2039	82,575,000	-	4.351	0.126	4.224	n/a	SIFMA
4	JPMorgan	1/27/2005	10/1/2035	86,375,000	-	3.661	0.298	3.363	n/a	68% 1 mth Libor
6	JPMorgan	1/27/2005	10/1/2037	39,175,000	-	3.716	0.298	3.418	n/a	68% 1 mth Libor
7	Morgan Stanley	10/31/2006	10/1/2022	-	38,730,000	3.996	1.126	2.870	n/a	CPI
8	Morgan Stanley	1/31/2007	10/1/2031	62,980,000	-	3.907	0.126	3.781	n/a	SIFMA
9	Merrill Lynch	3/8/2007	10/1/2041	-	85,290,000	3.895	0.126	3.769	n/a	SIFMA
10	Goldman Sachs	1/31/2008	10/1/2036	51,680,000	-	3.836	0.126	3.710	n/a	SIFMA
			Total	$ 407,585,000	$ 124,020,000	Wtd Avg Spread		3.622		

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

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Electric System
Operating Statistics

	Month March 2016	Month March 2015 restated	Variance	Year-To-Date March 2016	Year-To-Date March 2015 restated	Variance
Electric revenue sales (000's omitted):						
Residential	$ 41,266	$ 46,268	-10.81%	$ 252,509	$ 289,440	-12.76%
Commercial	28,613	30,103	-4.95%	177,285	194,650	-8.92%
Industrial	14,751	18,327	-19.51%	90,400	111,255	-18.75%
Public street lighting	1,145	992	15.42%	6,670	6,270	6.38%
Sales for resale - territorial	1,892	2,290	-17.38%	12,205	14,696	-16.95%
Electric revenues - territorial	87,667	97,980	-10.53%	539,069	616,311	-12.53%
Sales for resale - off system	37	59	-37.29%	459	2,108	-78.23%
Electric revenues	87,704	98,039	-10.54%	539,528	618,419	-12.76%
Less: rate stabilization & recovery	(577)	(9,403)	-93.86%	(1,848)	(34,344)	-94.62%
Less: allowance for doubtful accounts	(150)	(150)	0.00%	(883)	(878)	0.57%
Net electric revenues	86,977	88,486	-1.71%	536,797	583,197	-7.96%
MWh sales						
Residential	367,691	375,439	-2.06%	2,291,964	2,363,031	-3.01%
Commercial	295,230	271,303	8.82%	1,863,022	1,791,029	4.02%
Industrial	200,913	220,109	-8.72%	1,292,102	1,325,489	-2.52%
Public street lighting	6,916	7,173	-3.58%	40,960	45,772	-10.51%
Sales for resale - territorial	23,204	24,500	-5.29%	149,542	153,891	-2.83%
Total MWh sales - territorial	893,954	898,524	-0.51%	5,637,590	5,679,212	-0.73%
Sales for resale - off system	1,914	2,108	-9.20%	17,280	62,384	-72.30%
Total MWH sales	895,868	900,632	-0.53%	5,654,870	5,741,596	-1.51%
Number of accounts (1)						
Residential	396,463	389,083	1.90%	394,786	387,184	1.96%
Commercial	51,212	50,671	1.07%	51,084	50,476	1.20%
Industrial	201	210	-4.29%	203	211	-3.79%
Public street lighting	3,645	3,544	2.85%	3,626	3,525	2.87%
Sales for resale	2	2	0.00%	2	2	0.00%
Total average accounts	451,523	443,510	1.81%	449,701	441,398	1.88%
Residential averages						
Revenue per account - $	104.09	118.92	-12.47%	639.61	747.55	-14.44%
kWh per account	927	965	-3.94%	5,806	6,103	-4.87%
Revenue per kWh - ¢	11.22	12.32	-8.93%	11.02	12.25	-10.04%
Degree days						
Heating degree days	74	87	(13)	922	1,335	(413)
Cooling degree days	118	103	15	645	340	305
Total degree days	192	190	2	1,567	1,675	(108)
Degree days - 30 year average	210			1,651		

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

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Water and Sewer System
Operating Statistics

	Month March 2016	Month March 2015 restated	Variance	Year-To-Date March 2016	Year-To-Date March 2015 restated	Variance
Water						
Revenues (000's omitted):						
Residential	$ 7,139	$ 6,880	3.76%	$ 42,121	$ 41,041	2.63%
Commercial and industrial	3,761	3,813	-1.36%	22,728	22,152	2.60%
Irrigation	2,535	2,128	19.13%	13,971	13,619	2.58%
Total water revenues	13,435	12,821	4.79%	78,820	76,812	2.61%
Less: rate stabilization environmental	(1,055)	(950)	11.05%	(6,240)	(5,966)	4.59%
Less: allowance for doubtful accounts	(21)	(23)	-8.70%	(128)	(131)	-2.29%
Net water revenues	$ 12,359	$ 11,848	4.31%	$ 72,452	$ 70,715	2.46%
Kgal sales (000s omitted)						
Residential	1,346,095	1,327,432	1.41%	7,723,783	7,571,069	2.02%
Commercial and industrial	1,060,694	1,084,808	-2.22%	6,479,401	6,183,447	4.79%
Irrigation	418,886	319,309	31.19%	2,147,560	2,073,720	3.56%
Total kgals sales	2,825,675	2,731,549	3.45%	16,350,744	15,828,236	3.30%
Number of accounts (1):						
Residential	271,860	265,055	2.57%	270,307	263,623	2.54%
Commercial and industrial	24,594	23,924	2.80%	24,366	23,878	2.04%
Irrigation	36,148	35,890	0.72%	36,145	35,888	0.72%
Total average accounts	332,602	324,869	2.38%	330,818	323,389	2.30%
Residential averages:						
Revenue per account - $	26.26	25.96	1.17%	155.83	155.68	0.09%
kgals per account	4.95	5.01	-1.13%	28.57	28.72	-0.51%
Revenue per kgals - $	5.30	5.18	2.33%	5.45	5.42	0.60%
Reuse						
Revenues (000's omitted):						
Reuse revenues	$ 776	$ 426	82.16%	$ 3,813	$ 2,830	34.73%
Kgal sales (000s omitted)						
Reuse sales (kgals)	180,143	78,420	129.72%	997,496	651,043	53.22%
Number of accounts (1):						
Reuse accounts	7,421	5,800	27.95%	7,038	5,556	26.67%
Sewer						
Revenues (000's omitted):						
Residential	$ 10,944	$ 10,876	0.63%	$ 63,901	$ 62,636	2.02%
Commercial and industrial	8,601	8,769	-1.92%	51,771	50,340	2.84%
Total sewer revenues	19,545	19,645	-0.51%	115,672	112,976	2.39%
Less: rate stabilization environmental	5,807	(706)	-922.52%	2,136	(4,222)	-150.59%
Less: allowance for doubtful accounts	(32)	(35)	-8.57%	(193)	(196)	-1.53%
Net sewer revenues	25,320	18,904	33.94%	117,615	108,558	8.34%
Kgal sales (000s omitted)						
Residential	1,145,757	1,151,755	-0.52%	6,628,302	6,516,517	1.72%
Commercial and industrial	932,797	954,439	-2.27%	5,627,586	5,389,006	4.43%
Total kgals sales	2,078,554	2,106,194	-1.31%	12,255,888	11,905,523	2.94%
Number of accounts (1):						
Residential	239,440	232,925	2.80%	237,970	231,490	2.80%
Commercial and industrial	17,970	17,757	1.20%	17,916	17,719	1.11%
Total average accounts	257,410	250,682	2.68%	255,886	249,209	2.68%
Residential averages:						
Revenue per account - $	45.71	46.69	-2.11%	268.53	270.58	-0.76%
kgals per account	4.79	4.94	-3.23%	27.85	28.15	-1.05%
Revenue per kgals - $	9.55	9.44	1.15%	9.64	9.61	0.30%
Rainfall			Diff in Inches			Diff in Inches
Normal	3.95	3.95		19.28	19.28	
Actual	1.83	2.29	(0.46)	14.16	18.26	(4.10)
Rain Days	9	10		45	40	

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

JEA
Electric System
Production Statistics

	Month March 2016	Month March 2015 restated	Variance	Year-To-Date March 2016	Year-To-Date March 2015 restated	Variance
Generated power:						
Steam:						
Fuel oil						
Fuel expense	$ (14,791)	$ 215,275	-106.87%	$ 2,722,252	$ 1,176,759	131.33%
Barrels #6 oil consumed	(137)	1,991	-106.88%	25,588	10,883	135.12%
$/ per barrel consumed	$ 107.96	108.12	-0.15%	$ 106.39	$ 108.13	-1.61%
kWh oil generated (1)	104,008	998,496	-89.58%	14,404,324	4,480,583	221.48%
Cost per MWh - oil	$ (142.21)	$ 215.60	-165.96%	$ 188.99	$ 262.64	-28.04%
Natural gas units #1-3						
Gas expense - variable	$ 4,213,227	$ 44,241	9423.35%	$ 15,564,467	$ 4,688,755	231.95%
MMBTU's consumed	2,027,309	14,416	13962.91%	6,615,545	1,333,321	396.17%
$/ per MMBTU consumed	$ 2.08	$ 3.07	-32.25%	$ 2.35	$ 3.52	-33.24%
kWh - gas generated (1)	204,199,442	7,446,635	2642.17%	628,946,776	101,612,427	518.97%
Cost per MWh - gas	$ 20.63	$ 5.94	247.31%	$ 24.75	$ 46.14	-46.36%
Cost per MWh - gas & oil - steam	$ 20.55	$ 30.73	-33.13%	$ 28.42	$ 55.29	-48.60%
Coal						
Coal expense	$ 2,699,130	$ 2,334,334	15.63%	$ 11,461,066	$ 25,457,503	-54.98%
kWh generated	127,457,597	86,356,904	47.59%	506,591,930	785,509,513	-35.51%
Cost per MWh - coal	$ 21.18	$ 27.03	-21.64%	$ 22.62	$ 32.41	-30.21%
Pet coke and limestone						
Expense	$ 4,122,889	$ 3,024,091	36.33%	$ 19,705,033	$ 17,476,277	12.75%
kWh generated	220,223,418	97,795,199	125.19%	894,270,201	540,355,258	65.50%
Cost per MWh - pet coke and limestone	$ 18.72	$ 30.92	-39.46%	$ 22.03	$ 32.34	-31.88%
Cost per MWh - coal & petcoke - steam	$ 19.62	$ 29.10	-32.58%	$ 22.25	$ 32.38	-31.28%
Combustion turbine:						
Fuel oil						
Fuel expense	$ 68,020	$ 56,662	20.05%	$ 286,043	$ 367,925	-22.26%
Barrels #2 oil consumed	570	442	28.96%	1,458	3,021	-51.74%
$/ per barrel consumed	$ 119.33	$ 128.19	-6.91%	$ 196.19	$ 121.79	61.09%
kWh - oil generated	32,595	80,948	-59.73%	281,759	856,409	-67.10%
Cost per MWh - oil	$ 2,086.82	$ 699.98	198.13%	$ 1,015.20	$ 429.61	136.31%
Natural gas (includes landfill)						
Gas expense Kennedy & landfill - variable	$ 37,204	$ 100,454	-62.96%	$ 416,613	$ 510,207	-18.34%
MMBTU's consumed	17,889	32,554	-45.05%	175,260	140,778	24.49%
$/ per MMBTU consumed	$ 2.08	$ 3.09	-32.69%	$ 2.38	$ 3.62	-34.25%
kWh - gas generated (1)	1,158,499	2,519,728	-54.02%	13,250,301	9,662,339	37.13%
Cost per MWh - gas	$ 32.11	$ 39.87	-19.46%	$ 31.44	$ 52.80	-40.45%
Gas expense BB simple - variable	$ 19,062	$ 153,387	-87.57%	$ 749,549	$ 369,328	102.95%
MMBTU's consumed	12,268	$ 49,613	-75.27%	355,250	115,491	207.60%
$/ per MMBTU consumed	$ 1.55	$ 3.09	-49.84%	$ 2.11	$ 3.20	-34.06%
kWh - gas generated (1)	917,801	3,829,030	-76.03%	31,175,495	8,738,599	256.76%
Cost per MWh - gas simple	$ 20.77	$ 40.06	-48.15%	$ 24.04	$ 42.26	-43.11%
Gas expense BB combined - variable	$ (8,407)	$ 7,687,895	-100.11%	$ 25,743,078	$ 45,826,224	-43.82%
MMBTU's consumed	2,686	2,491,168	-99.89%	11,112,953	13,178,682	-15.67%
$/ per MMBTU consumed	$ (3.13)	$ 3.09	-201.29%	$ 2.32	$ 3.48	-33.33%
kWh - gas generated (1)	(867,792)	355,685,102	-100.24%	1,622,656,098	1,858,624,328	-12.70%
Cost per MWh - gas combined	$ 9.69	$ 21.61	-55.16%	$ 15.86	$ 24.66	-35.69%
Gas expense GEC simple - variable	$ -	$ 193,773	-100.00%	$ 970,769	$ 651,840	48.93%
MMBTU's consumed	-	63,362	-100.00%	421,246	239,279	76.05%
$/ per MMBTU consumed		$ 3.06		$ 2.30	$ 2.72	-15.44%
kWh - gas generated	(539,246)	5,130,404	-110.51%	35,533,627	18,452,401	92.57%
Cost per MWh - gas simple	$ -	$ 37.77	-100.00%	$ 27.32	$ 35.33	-22.67%
Cost per MWh - gas & oil ct	$ 165.10	$ 22.31	640.03%	$ 16.54	$ 25.17	-34.29%
Natural gas expense - fixed	$ 2,350,454	$ 2,419,851	-2.87%	$ 15,254,579	$ 15,666,179	-2.63%
Total generated power:						
Fuels expense	$ 13,486,788	$ 16,229,963	-16.90%	$ 92,873,449	$ 112,190,997	-17.22%
kWh generated	552,686,322	559,842,446	-1.28%	3,747,110,511	3,328,291,857	12.58%
Cost per MWh	$ 24.40	$ 28.99	-15.83%	$ 24.79	$ 33.71	-26.47%

(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	$ (14,791)	$ 215,275	$ 2,722,252	$ 1,176,759
Natural gas units #1-3 with landfill - variable	4,213,227	44,241	15,564,467	4,688,755
Coal	2,699,130	2,334,334	11,461,066	25,457,503
Petcoke	4,122,889	3,024,091	19,705,033	17,476,277
Fuel oil #2	68,020	56,662	286,043	367,925
Natural gas - simple cycle (BB & GEC) - variable	56,266	447,614	2,136,931	1,531,375
Natural gas - combined (BB) - variable	(8,407)	7,687,895	25,743,078	45,826,224
Natural gas - fixed	2,350,454	2,419,851	15,254,579	15,666,179
Total	$ 13,486,788	$ 16,229,963	$ 92,873,449	$ 112,190,997

JEA **Page 34**
Electric System
Production Statistics (Con't.)

	Month March 2016	Month March 2015 restated	Variance	Year-To-Date March 2016	Year-To-Date March 2015 restated	Variance
Production Statistics (Con't.)						
Purchased power:						
Plant Scherer						
Purchases	$ 5,663,507	$ 4,804,748	17.87%	$ 27,067,771	$ 25,977,415	4.20%
kWh purchased	71,041,000	123,981,000	-42.70%	541,678,000	633,653,000	-14.52%
Cost per MWh	$ 79.72	$ 38.75	105.71%	$ 49.97	$ 41.00	21.89%
TEA & other						
Purchases	$ 4,822,584	$ 5,060,206	-4.70%	$ 26,629,416	$ 25,036,322	6.36%
kWh purchased	139,209,757	118,289,982	17.69%	749,376,790	519,772,516	44.17%
Cost per MWh	$ 34.64	$ 42.78	-19.02%	$ 35.54	$ 48.17	-26.23%
SJRPP						
Purchases	$ 8,770,977	$ 8,857,965	-0.98%	$ 50,888,420	$ 77,834,301	-34.62%
kWh purchased	163,091,000	144,647,000	12.75%	839,191,000	1,461,552,000	-42.58%
Cost per MWh	$ 53.78	$ 61.24	-12.18%	$ 60.64	$ 53.25	13.87%
Total purchased power:						
Purchases	$ 19,257,068	$ 18,722,919	2.85%	$ 104,585,607	$ 128,848,038	-18.83%
kWh purchased	373,341,757	386,917,982	-3.51%	2,130,245,790	2,614,977,516	-18.54%
Cost per MWh	$ 51.58	$ 48.39	6.59%	$ 49.10	$ 49.27	-0.36%
Subtotal - generated and purchased power:	$ 32,743,856	$ 34,952,882	-6.32%	$ 197,459,056	$ 241,039,035	-18.08%
Fuel interchange sales	(37,059)	(59,454)	-37.67%	(458,815)	(2,108,134)	-78.24%
Earnings of The Energy Authority	(206,021)	(563,488)	-63.44%	(1,463,721)	(539,082)	171.52%
Realized and Unrealized (Gains) Losses:	610,200	-		2,236,800	-	
Fuel procurement and handling	955,087	1,053,169	-9.31%	5,364,611	6,167,511	-13.02%
By product reuse	2,122,220	1,438,083	47.57%	8,011,701	6,978,241	14.81%
Total generated and net purchased power:						
Cost, net	36,188,283	36,821,192	-1.72%	211,149,632	251,537,571	-16.06%
kWh generated and purchased	926,028,079	946,760,428	-2.19%	5,877,356,301	5,943,269,373	-1.11%
Cost per MWh	$ 39.08	$ 38.89	0.48%	$ 35.93	$ 42.32	-15.12%
Reconciliation:						
Generated and purchased power per above	$ 36,188,283	$ 39.08		$ 211,149,632	$ 35.93	
SJRPP operating expenses:						
SJRPP O & M	(1,495,138)	(1.61)		(9,691,583)	(1.65)	
SJRPP debt service	(3,351,056)	(3.62)		(20,331,601)	(3.46)	
SJRPP R & R	1,866,767	2.02		10,576,313	1.80	
SCHERER operating expenses:						
Scherer power production	(1,472,253)	(1.59)		(4,803,478)	(0.82)	
Scherer R & R	(1,637,229)	(1.77)		(4,464,217)	(0.76)	
Scherer transmission	(456,383)	(0.49)		(2,627,404)	(0.45)	
Scherer taxes	(89,371)	(0.10)		(604,232)	(0.10)	
Florida and other capacity	(607,724)	(0.66)		(3,578,971)	(0.61)	
MEAG	(514,499)	(0.56)		(514,499)	(0.09)	
	$ 28,431,397	$ 30.70		$ 175,109,960	$ 29.79	

JEA
Electric System
SJRPP Sales and Purchased Power

	Month March		Year-To-Date March	
	2016	**2015 restated**	**2016**	**2015 restated**
MWh sales				
JEA	163,091	144,647	839,191	1,461,552
FPL saleback	121,229	96,295	690,559	873,207
FPL direct portion	71,080	60,236	382,438	583,690
Total MWh sales	355,400	301,178	1,912,188	2,918,449
Fuel costs	$ 5,796,791	$ 3,751,051	$ 31,467,758	$ 50,625,591
(Includes fuel handling expenses)				
Less interest credits: inventory bank	(5,531)	(2,054)	(27,220)	(12,648)
Plus (less): true-up interest	289	(15)	1,011	43
Total	5,791,549	3,748,982	31,441,549	50,612,986
Cost per MWh	$ 35.51	$ 25.92	$ 37.47	$ 34.63
Operating and maintenance expenses	1,495,640	2,531,507	9,691,447	11,534,057
Less: operations bank interest	(502)	(433)	(2,904)	(2,616)
Less: annual variable o & m true-up	-	-	3,039	(1,184)
Total	1,495,138	2,531,074	9,691,582	11,530,257
Cost per MWh	$ 9.17	$ 17.50	$ 11.55	$ 7.89
Debt service contribution				
Principal	2,331,562	2,958,177	13,989,376	17,749,063
Interest	1,378,499	1,729,591	8,700,938	10,377,548
Less credits:				
Reserve Issue 2	(186,450)	(239,206)	(1,515,154)	(1,460,841)
Reserve Issue 3	(83,539)	-	(83,539)	-
Debt service Issue 2	(9,105)	(4,408)	(9,216)	(22,403)
Debt service Issue 3	(3,058)	-	(3,058)	-
Bond proceeds COB	-	(2,122)	(2,137)	(8,457)
General reserve Issue 2	85,060	(21,534)	(89)	(39,473)
General reserve Issue 3	(11,232)	(20)	(11,232)	(132)
Build America Bonds subsidy	(34,190)	(34,007)	(205,141)	(204,041)
Inventory carrying costs	(63,028)	(53,385)	(359,780)	(339,731)
Build America Bonds subsidy	3,404,519	4,333,086	20,500,968	26,051,533
Total	$ 20.87	$ 29.96	$ 24.43	$ 17.82
R & R contribution	339,343	345,221	2,036,058	2,071,328
Less: interest credit	(53,462)	(46,055)	(269,516)	(268,775)
Less: cumulative capital recovery amount	(2,206,110)	(2,054,343)	(12,512,221)	(12,163,028)
Total	(1,920,229)	(1,755,177)	(10,745,679)	(10,360,475)
Total	$ (11.77)	$ (12.13)	$ (12.80)	$ (7.09)
Debt service coverage	2,230,000	2,521,000	4,347,000	5,043,000
Transfer to JEA	(2,230,000)	(2,521,000)	(4,347,000)	(5,043,000)
Total	-	-	-	-
Cost per MWh	-	-	-	-
Total	$ 8,770,977	$ 8,857,965	$ 50,888,420	$ 77,834,301
kWh purchased	163,091,000	144,647,000	839,191,000	1,461,552,000
Total	$ 53.78	$ 61.24	$ 60.64	$ 53.25

JEA Community Engagement Calendar - March - June 2016

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

	A	B	C	D	E	F
1	**Date**	**Event/Activity**	**Location**	**Time**	**Type**	**Opportunity for Public to Attend or Participate**
2	**Mar-16**					
3	3/1/2016	Lunch & Learn - Jax Airport Management Council	JIA	10am	Ambassador Speaker	No
4	3/3 - 6/2016	Spring Home & Patio Show	Prime Osborn Convention Center	10am - 9pm	Ambassador Event	Yes
5	3/5/2016	Komen North FL Race for the Cure	120 Marketside Ave.	6am - Noon	Volunteer Event	Yes
6	3/9 - 12/2016	Gate River Run	Jax Fairgrounds	Various	Volunteer Event	yes
7	3/9/2016	Monica Whiting's Team	Brandy Branch	9am	Ambassador Tour	No
8	3/10/2016	Ortega Preschool	4807 Roosevelt Blvd	10am	Ambassador Instructor	No
9	3/10/2016	North FL TPO Board Meeting	TPO Offices - Prudential Dr	11am	Ambassador Speaker	Yes
10	3/11/2016	Fl Urban Forestry Conference	UF Hilton Conference Center	8am	Ambassador Speaker	Yes
11	3/11/2016	Waverly Academy	5710 Wesconnett	1pm	Ambassador Speaker	No
12	3/13/2016	Natural Life Music & Arts Festival	Met Park	10am - 6pm	Volunteer Event	Yes
13	3/13/2016	Walk to End Lupus	Riverside Arts Market	12 - 6pm	Volunteer Event	Yes
14	3/14 2016	COJ Pruning Workshop	COJ - St Johns Bluff Field Office	9am	Ambassador Instructor	Yes
15	3/14/2016	Sweetwater at Del Webb POA	Sumerlin Hall	6pm	Ambassador Speaker	Yes
16	3/16/2016	Town of Orange Pk Charge Station Opening	Orange Park City Hall	10am	Ambassador Speaker	Yes
17	3/17/2016	John Love Elem. Career day	1531 Winthrop St	9am	Ambassador Event	No
18	3/17/2016		Main St Lab		Ambassador Tour	No
19	3/17/2016	JEA Employee Team	Brandy Branch	10am	Ambassador Tour	No
20	3/17, 24, 31/2016	Habijax	New Town Success Zone	7:45am - 3:45pm	Volunteer Project	Yes
21	3/18/2016	Dignity U Wear	136 Myrtle Ave	9am - Noon	Volunteer Project	Yes
22	3/18/2016	TWS Welding	Solar Farm	9am	Ambassador Tour	Yes

JEA Community Engagement Calendar - March - June 2016

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

	A	B	C	D	E	F
23	3/18 & 19/2016	River Clean Up	TBA	9am	Volunteer Project	Yes
24	3/22/2016	Fuels Group	Brandy Branch	8am	Ambassador Tour	No
25	3/24/2016	UNF ASME Class	NGS	9am	Ambassador Tour	No
26	3/24/2016	JEA Employee Team	Brandy Branch	10am	Ambassador Tour	No
27	3/31/2016	Feeding NE FL Food Bank	1116 Edgewood Ave.	12:30pm - 3:30pm	Volunteer Event	Yes
28	**Apr-16**					
29	4/1, 7, 8, 21 & 22/2016	Habijax	New Town Success Zone	7:45am - 3:45pm	Volunteer Project	Yes
30	4/1/2016	Arlington Middle School Career Fair	8141 Lone Star Rd	8:45am	Ambassador Event	No
31	4/2/2016	Hubbard House Awareness Walk	Unity Plaza	7am	Volunteer Project	Yes
32	4/5/2016	CEO Pastor's Lunch	JEA Tower	11:30am	Ambassador Event	Yes
33	4/5/2016	RealSense Senior Fair	Wells Fargo - Springfield	10am	Ambassador Event	Yes
34	4/9/2016	Specila Olympics	Atlantic Coast High	7am - 4pm	Volunteer Project	Yes
35	4/15/2016	Arlington Elem. School Career Day	Arlington Elem. School	8am - 2:30pm	Ambassador Event	No
36						
37	4/16/2016	Magnolia Gardens Community Fair	5803 Begonia Road	12pm	Ambassador Event	Yes
38	4/16/2016	Earth Day at the Zoo	Jax Zoo & Gardens	10am - 3pm	Ambassador Event	Yes
39	4/16/2016	MDA Muscle Walk	Jax Landing	7am - Noon	Volunteer Project	Yes
40	4/22/2016	Feeding NE FL Food Bank	1116 Edgewood Ave	8:30am	Volunteer Project	Yes
41	4/22/2016	Family Fit & Fun - Loretto Elem.	3900 Loretto Rd.	5pm	Ambassador Event	Yes
42	4/23 - 24/2016	COJ World of Nations	Metropolitan Park	All Day	Ambassador Event	Yes
43	4/23/2016	Earth Day at the Landing	Jax Landing	10am - 3pm	Ambassador Event	Yes
44	4/23/2016	Walk MS	Unity Plaza	7am	Volunteer Project	Yes
45	4/30/2016	Butterfly Festival	Tree Hill Nature Center	10am- 4pm	Volunteer Project	Yes
46	**May-16**					
47	5/6, 7, 19 &20/2016	Habijax	New Town Success Zone	7:45am - 3:45pm	Volunteer Project	Yes
48	5/7/2016	Tour de Cure	World Golf Village	Various	Volunteer Project	Yes
49	5/7/2016	Caregiver Expo	Hyatt Regency - Riverfront	9:30am	Ambassador Event	Yes
50	5/19/2016	Mandarin Community Club	12447 Mandari n Rd	7pm	Ambassador Speaker	Yes
51	5/20/2016	Miracle on Ashley St	Clara White Mission	10am - 1pm	Volunteer Project	Yes

JEA Community Engagement Calendar - March - June 2016

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

	A	B	C	D	E	F
52	5/20 - 21/2016	Kids Triatholon	EverBank Field	Various	Volunteer Project	Yes
53	5/21/2016	FL Stem & Health Expo	River City Science Academy	11am - 3pm	Ambassador Event	Yes
54	5/26 - 29/2016	Jax Jazz Festival	Downtown Jax	Various	Volunteer Project	Yes
55	5/27/2016	Feeding NE FL Food Bank	1116 Edgewood Ave	8:30am - 3:30pm	Volunteer Project	Yes
56	5/27/2016	Westview Academy Career Day	5270 Connie Jean Rd	8am - 12noon	Ambassador Speaker	No
57	**Jun-16**					
58	6/4/2016	Home Buyers Expo	UNF	9am	Ambassador Event	Yes
59	6/6 - 11/2016	Habijax Home Blitz Build	TBA	Various	Volunteer Project	Yes
60	6/8/2016	Southside Business Men's Club	San Jose Country Club	12noon	Ambassador Speaker	No
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FY16 Communications & Community Engagement
Overview and March/April Update

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

Communications: In March, we did not have a campaign running, but April 1st, we kicked off our "Apples or Apple" campaign to promote ebill through April and May. Our ebill enrollment has reached 16.5 percent of customers so we are just two percent away from the national average. This is the first time we have done a campaign of this type. We are offering customers a choice of two prizes if they are selected in our drawing from those who sign up during the campaign. Customers can choose either a basket of produce a month for a year or an Apple watch. We will let you know what they pick. We received some exciting news in March about jea.com. We participated in a national J.D. Power utility website study and jea.com ranked third in the country. With more and more customers using electronic channels to access company services, and millennials insisting on it, this affirmation tells us that we are moving in the right direction to meet our customers' needs in this area. In March, we had the additional opportunity to promote our new payment reminder alerts. These help customers stay current with their bills and remove one of the barriers to using ebill—losing track of it in their email. We continue all of our other key messages that were identified by J.D. Power as critical to customers. All paid and owned messaging are supported by social media, using Twitter, Facebook, Linkedin, Google+ and YouTube to provide additional timely, relevant information.

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

In March, Ambassador activities included participation in 10 speaking engagements and community events/activities in support of JIA, North Florida TPO Board Meeting., Florida Urban Forestry Conference, Waverly Academy, 3Sweetwater Del Webb POA , Town of Orange Park City Hall, Spring Home & Patio Show, John Love Elementary Career Fair, Ortega Preschool, and COJ Pruning Workshop

JEA Employee Ambassadors participated in the John Love Elementary School Caeer Day, showing off the numerous career possibilities at JEA.

In March, JEA volunteers came out in support of Komen Race for the Cure, Gate River Run, Walk to End Lupus, HabiJax, Dignity U Wear, St. Johns River Clean-up, Feeding NE Florida Food Bank

River Clean-up

Gate River Run

Dignity U Wear

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

Communications Contacts* Generated Year to Date	**120,035,461**
• Number of Paid Communications Contacts (Radio, Television, Out of Home, Online, Print)	95,589,123
• Number of Other Communications Contacts (Bill Insert, Bill Envelop, Brochure, etc.)	6,496,055
• Number of E-communications Contacts (jea.com Visitors, Email, Social Media, Videos)	17,463,532
• Number of Community Engagement Communications Contacts (Events, Public Speaking, Presentations, Training, Workshops, etc.)	216,751

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

Building Community

JEA Operations Report

as of March 31, 2016

Board of Directors Meeting
April 19, 2016

Building Community

JEA Safety

(March 31, 2016)

FY2015

- RIR = 1.65
- # of Recordables = 34
- March YTD Recordables = 17

FY2016

- March Recordables = 4
- Year to Date Recordables = 18
- 5 (33%) were lost time
  - Electric Systems = 10
  - Water/WW Systems = 6
  - Customer Service = 1
  - Finance/Shared Services = 1
- Continuing to "Plan for Zero"
- Increased focus on:
  - Complacency
  - Hand/Finger
  - Strains, Sprains, Slip/Trip/Fall
  - 0-5 Year Employees
  - PPE Use

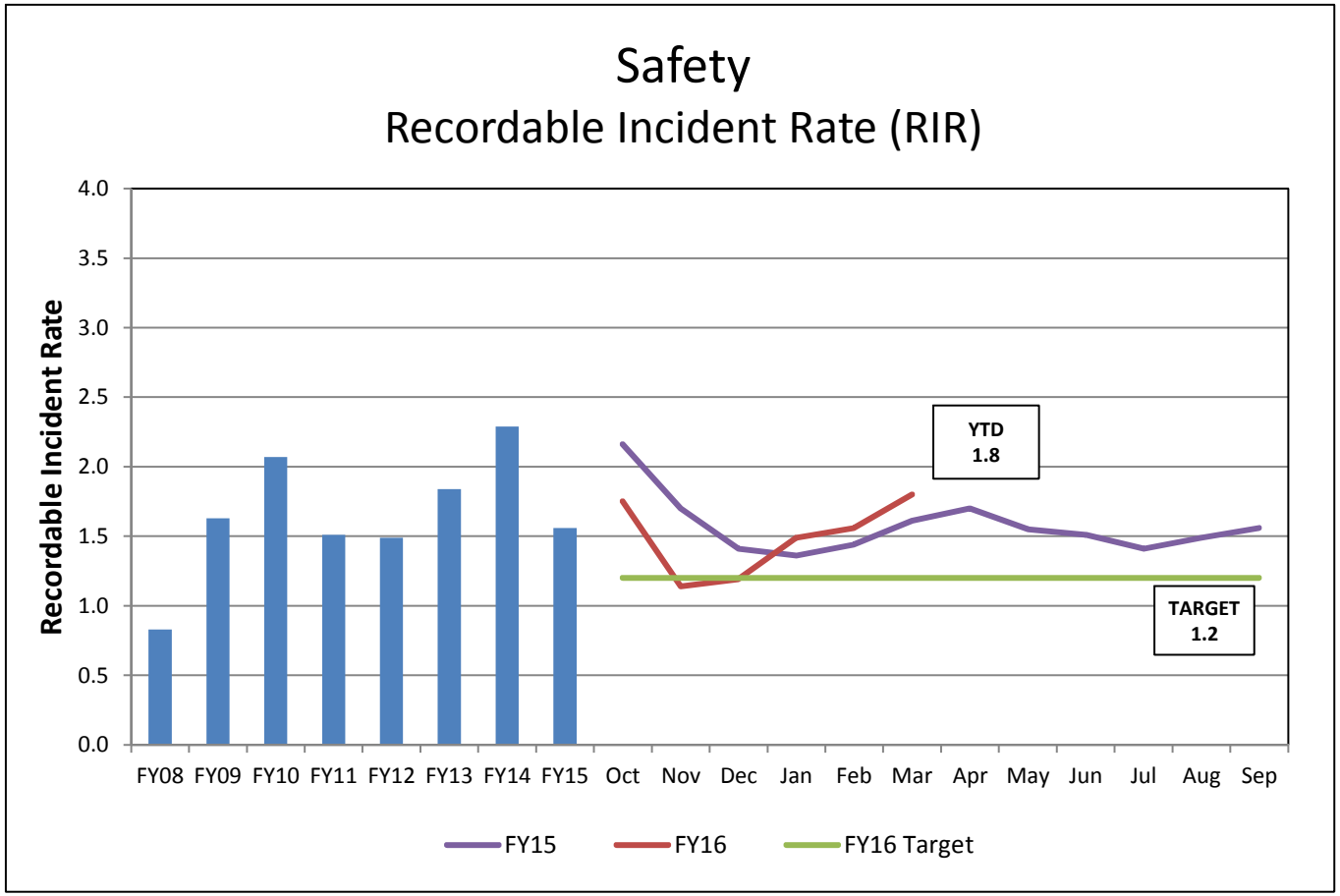
Industry Benchmark*

Average Municipal Utility RIR is 6.3

Average LPPC RIR is 3.7

*Provided by Bureau of Statistics

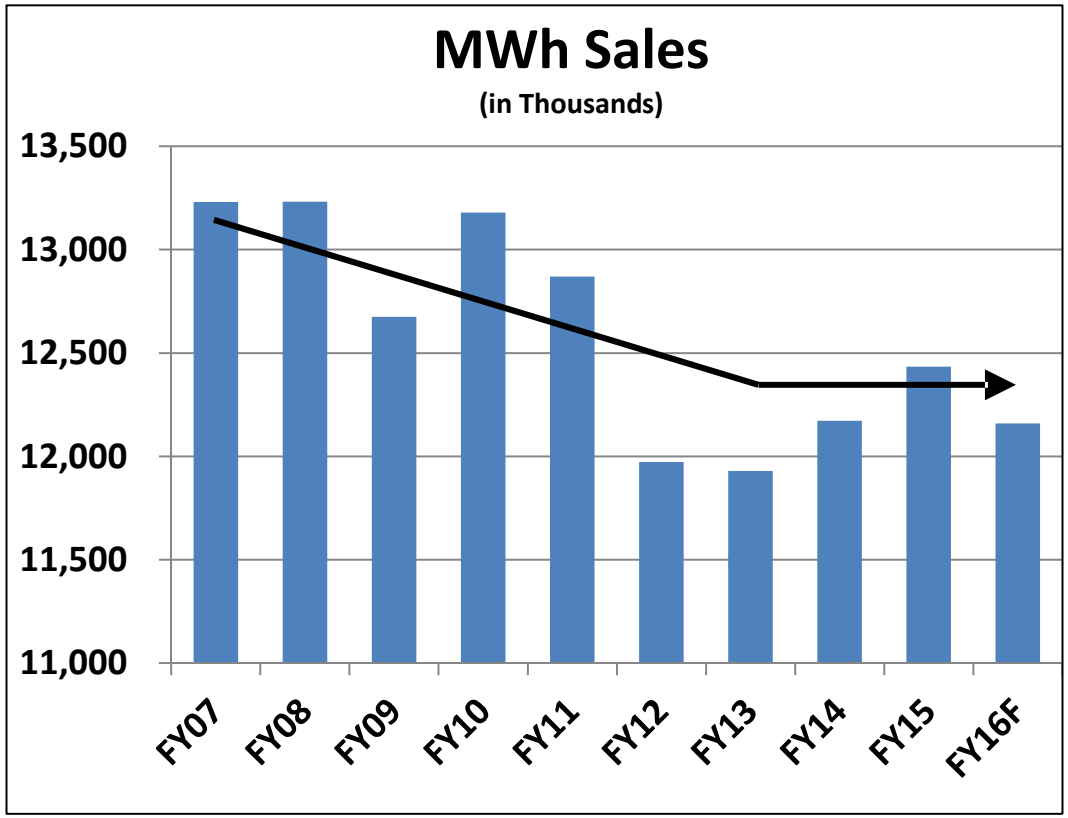
Units	FY2016 YTD	FY2016 Target	FY2015	FY2014
RIR	1.80	1.20	1.65	2.29



Building Community

JEA Electric System

MWh Sales



Month	FY15	FY16	% Change
Oct	971,595	952,515	(2.0%)
Nov	895,617	923,705	3.1%
Dec	943,753	922,956	(2.2%)
Jan	1,035,621	1,049,897	1.4%
Feb	934,102	894,563	(4.2%)
Mar	898,524	893,954	(0.1%)
Year-to-Date	**5,679,212**	**5,637,590**	**(0.7%)**
Apr	954,803		
May	1,062,459		
Jun	1,187,741		
Jul	1,254,252		
Aug	1,212,295		
Sep	1,083,446		
Total/Forecast	**12,434,208**	**12,158,484**	

Unit Sales Driver: Degree days 6% lower than last year.

YTD Degree Days		
30-yr. Avg.	**FY15**	**FY16**
1,651	1,675	1,567

Total System	(0.7%)
Residential	(3.0%)
Comm./Industrial	2.8%
Interruptible	(8.2%)
Wholesale (FPU)	(2.8%)

Building Community

JEA FY2016 Performance Objectives

Electric System Reliability Metrics

T&D Grid Performance	Metric	FY2016 YTD	FY2016 Target	FY2015	FY2014
Customer Outage Frequency	# of Outages per Year	1.7	1.8	1.7	1.7
Electric Outage Duration	# of Minutes out per Year	87	80	99	71
Transmission Line Faults	# of Faults per 100 miles	2.0	3.0	1.7	2.4
$CEMI_5$	% Customers > 5 outages per yr	1.6	1.25	2.1	2.34

Electric Service Reliability

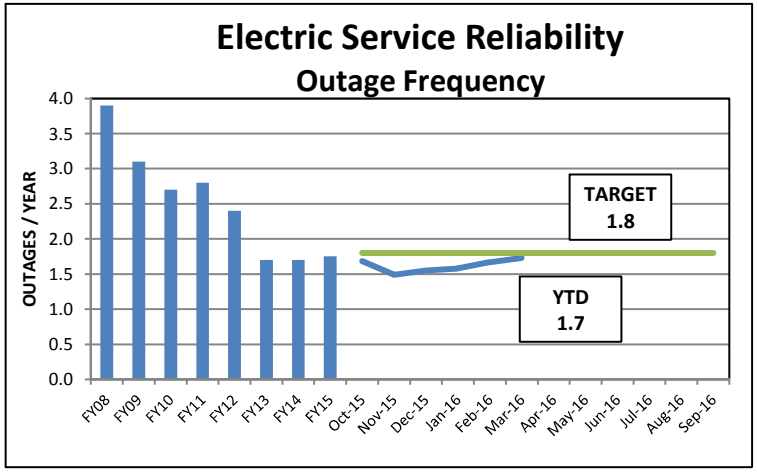
- Outage frequency and duration have been reduced significantly over the last 8 years; running flat this year and near the FY2016 targets.
- The typical JEA customer sees 1.7 outages per year and a total outage duration of 84 minutes
- $CEMI_5$: 7,252 (1.5%) of our customers have experienced more than 5 outages in the past 12 months

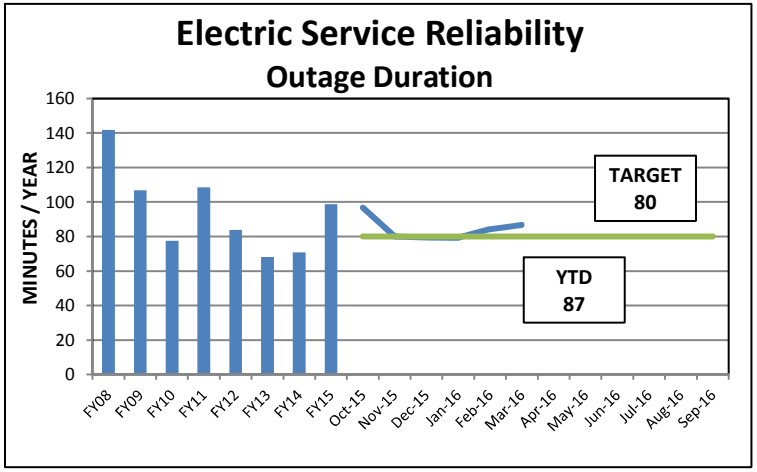
Transmission Line Reliability

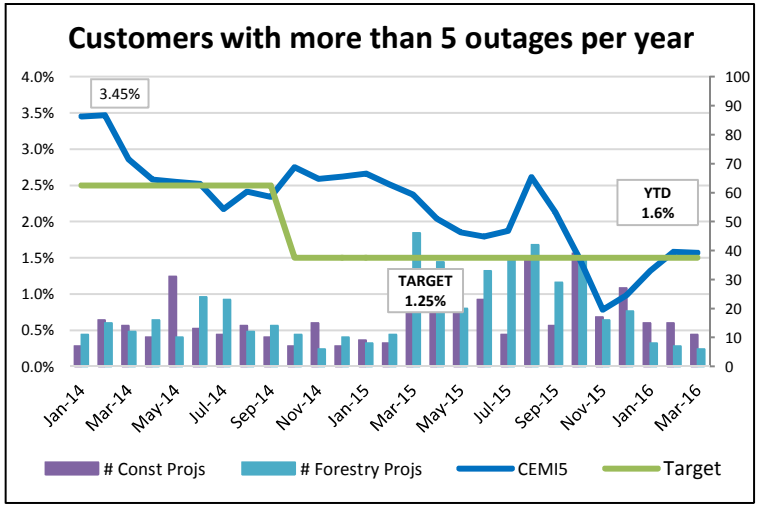
- Overall downward trend over the last eight years
- YTD (2.0) running below the FY16 target

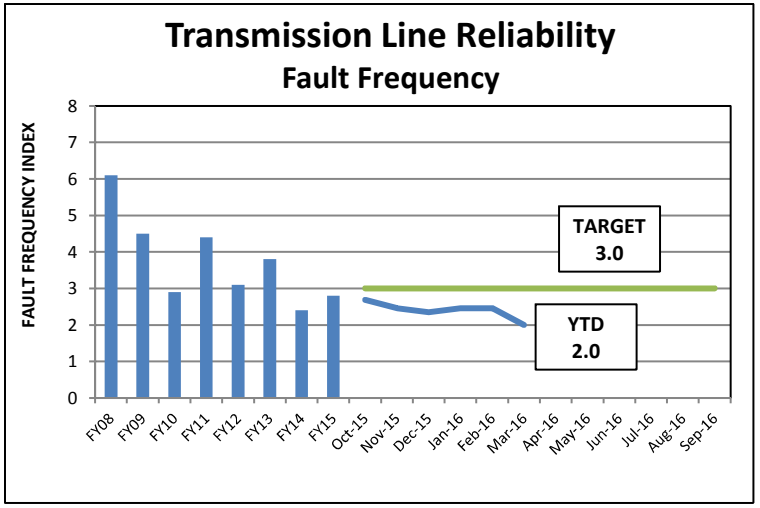
Other Operational Metrics

- Continue showing favorable trends over time







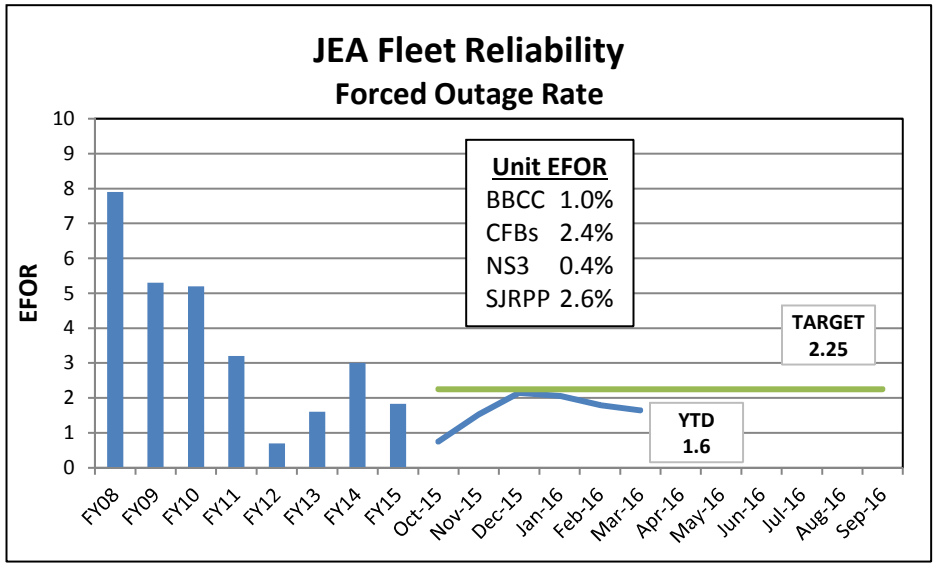


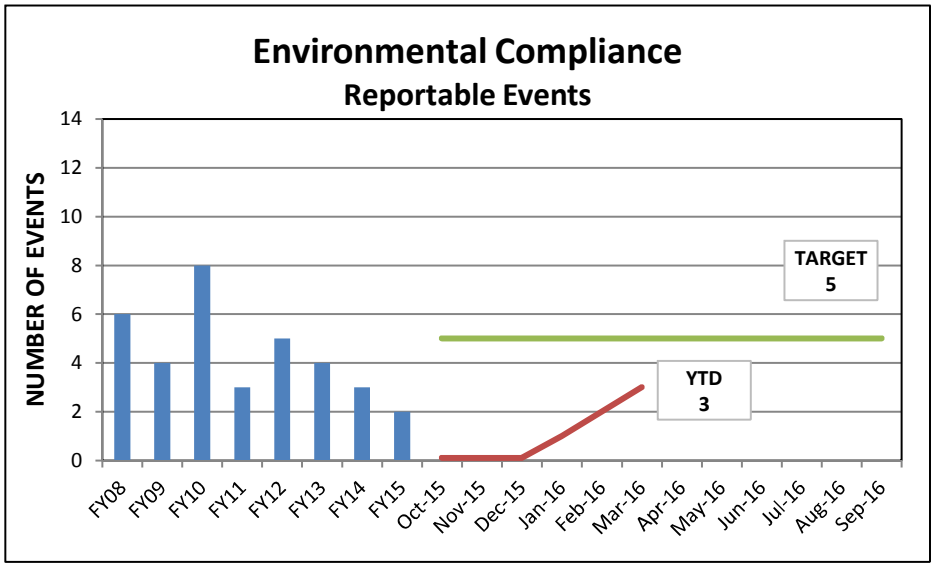
Building Community

JEA FY2016 Performance Objectives

Electric System Reliability Metrics

Generating Plant Performance	Metric	FY2016 YTD	FY2016 Target	FY2015	FY2014
Generation Fleet Reliability	Forced Outages Rate	1.6	2.25	1.8	3.0
Environmental Compliance	Permit Exceedances	3	5	2	3





Generating Fleet Reliability

- The JEA fleet Forced Outage Rate is in line with prior 5-year performance and under FY2016 target of 2.25
- Successful outages completed last fall on three Northside Units. A major 6-week outage is currently underway at Brandy Branch on the combined cycle unit. An additional outage on SJRPP Unit 2 is planned for this spring.
- High unit reliability contributes to lower fuel and non-fuel expenses

Environmental Compliance

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

Building Community

JEA Electric System

Financial Results and Cost Metrics

($ in thousands)

Revenues	FY16 Forecast	FY15 Actual	FY16 Budget	FY16 vs FY15 ($)	Variance (%)
Fuel Revenue	$ 410,939 [1]	$ 486,362 [2]	$ 485,631	$ (75,423)	-15.5%
Base Revenue	724,557	741,411	711,502	(16,854)	-2.3%
Other Revenue	42,168	38,183	51,716	3,985	10.4%
Total Revenues	**$ 1,177,664**	**$ 1,265,956**	**$ 1,248,849**	**$ (88,292)**	**-7.0%**
		$(71M)			
Select Expenses					
Fuel Expense	$ 377,532	$ 441,076	$ 460,315	$ 63,544	14.4%
Fuel Fund Transfers	33,407	45,286	25,255	11,879	
O & M Expense	207,375	191,764	222,827	(15,611)	-8.1%
Non-fuel Purchased Power	97,045	114,804	113,015	17,759	15.5%
Net Revenues	**$ 449,566**	**$ 461,604**	**$ 405,311**	**$ (12,038)**	**-2.6%**
		$44M			
Capital Expenditures	$ 160,650	$ 116,728	$ 153,200 [3]	$ (43,922)	-37.6%
Debt Service	$ 180,026	$ 175,779	$ 185,614	$ (4,247)	-2.4%

Electric Costs / MWh	Non-Fuel
Target	$ 49.44
Actual	53.74
Difference	$ (4.30)

Financial Metrics	FY16 Forecast
Coverage:	2.5x
Days Cash/Liquidity:	205 / 326
Debt/Asset:	66% (2% lower)
Total Debt:	$3.0B ($150M lower)

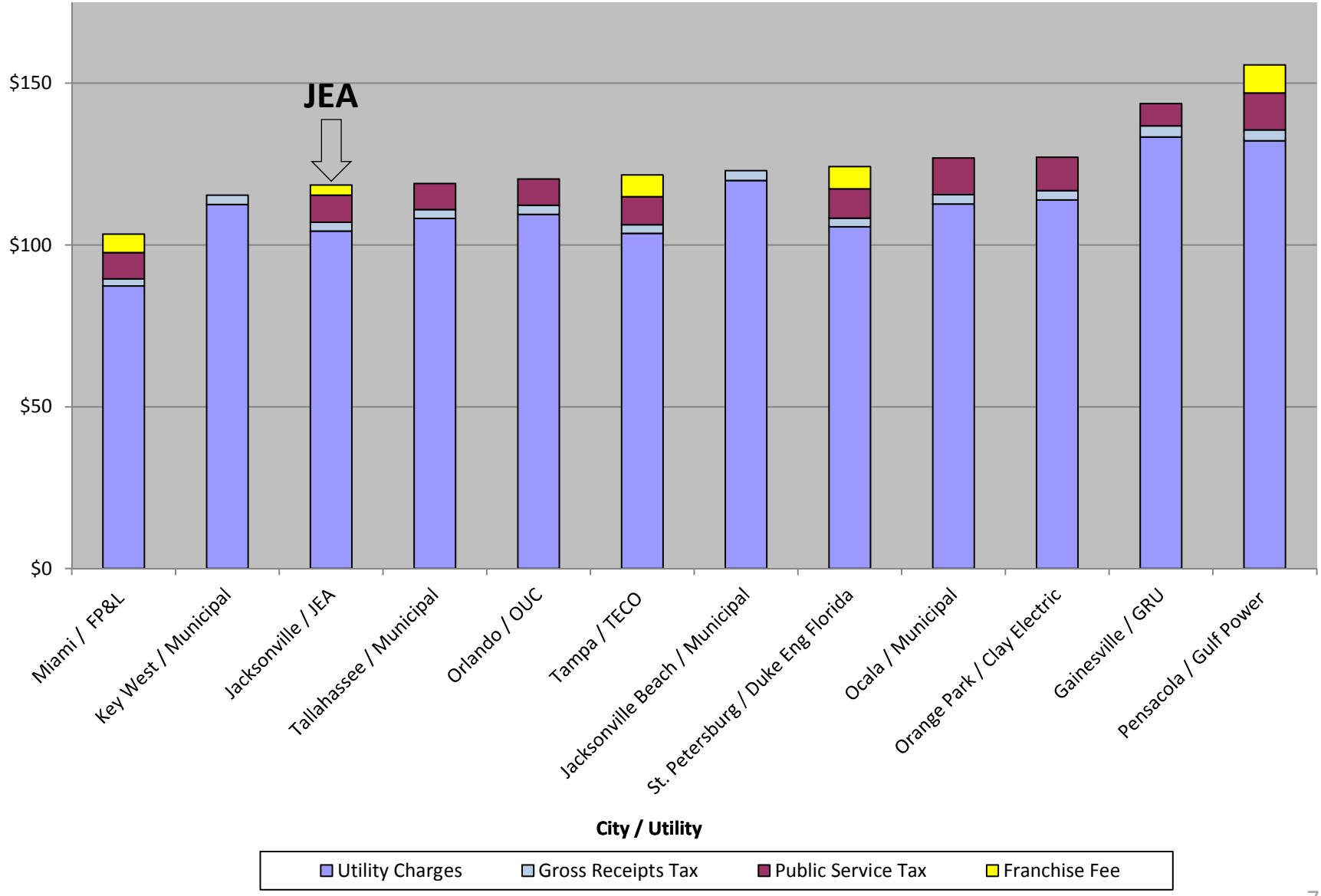
Fuel Fund *($ in millions)*	
Beginning Balance	$ 151
Surplus/(Deficit)	90
Fuel Credit	(57)
Ending Balance	$ 184

[1] Net of $57 million fuel credit in October bill and fuel rate reduction in February
[2] Net of $50 million fuel credit in FY15
[3] Council approved limit for capital expenditures in FY15 is $170 million

Florida Utilities Monthly Residential Electric Bill Comparison

(Consumption @ 1,000 kWh)

Residential Rates as of April 2016

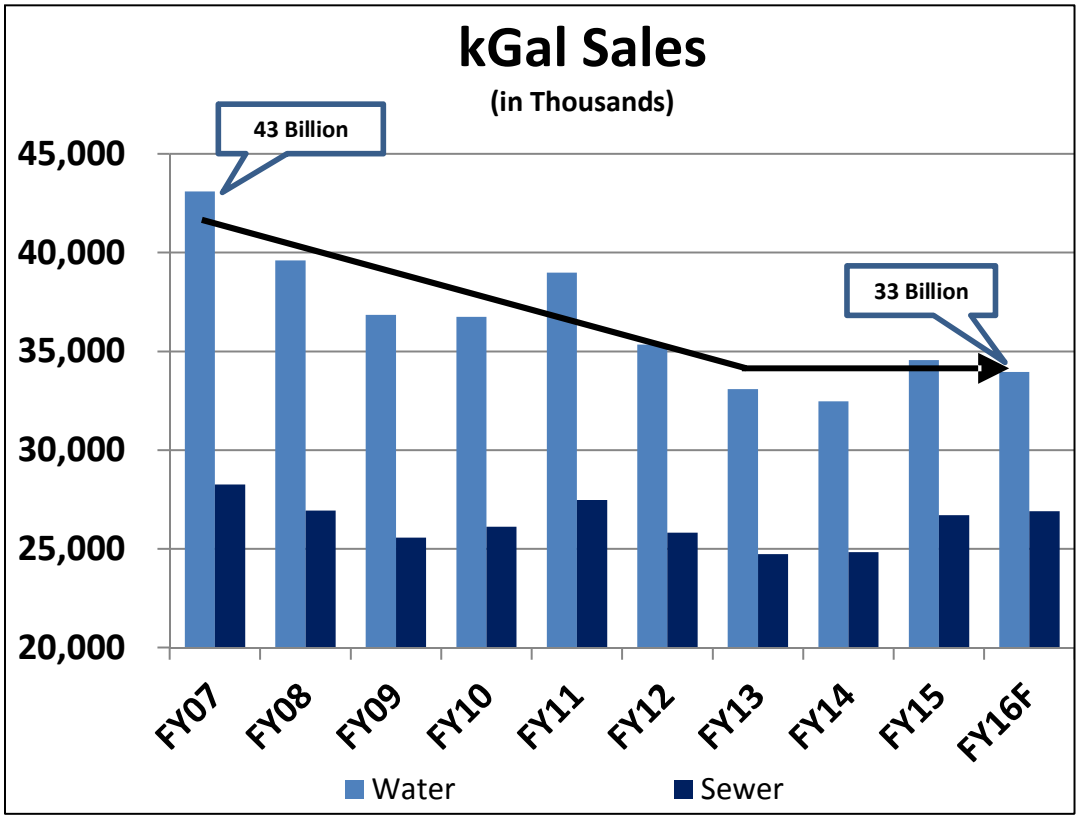


Building Community

JEA Water and Sewer System

kGal Sales

(in Thousands)



Month	FY15	FY16	% Change
Oct	3,052	3,120	2.2%
Nov	2,597	2,641	1.7%
Dec	2,708	2,758	1.8%
Jan	2,502	2,527	1.0%
Feb	2,239	2,479	10.8%
Mar	2,732	2,825	3.5%
Year-to-Date	**15,830**	**16,350**	**3.3%**
Apr	2,765		
May	3,509		
Jun	3,382		
Jul	3,300		
Aug	3,062		
Sep	2,712		
Total/Forecast	**34,558**	**33,964**	

Unit Sales Driver: Rainfall down 4 inches; rain days up 5.

YTD Rain			
	30-Yr. Avg.	FY15	FY16
Inches	19	18	14
Days	47	40	45

Total System	3.3%
Residential	2.0%
Comm./Industrial	4.8%
Irrigation	3.6%)

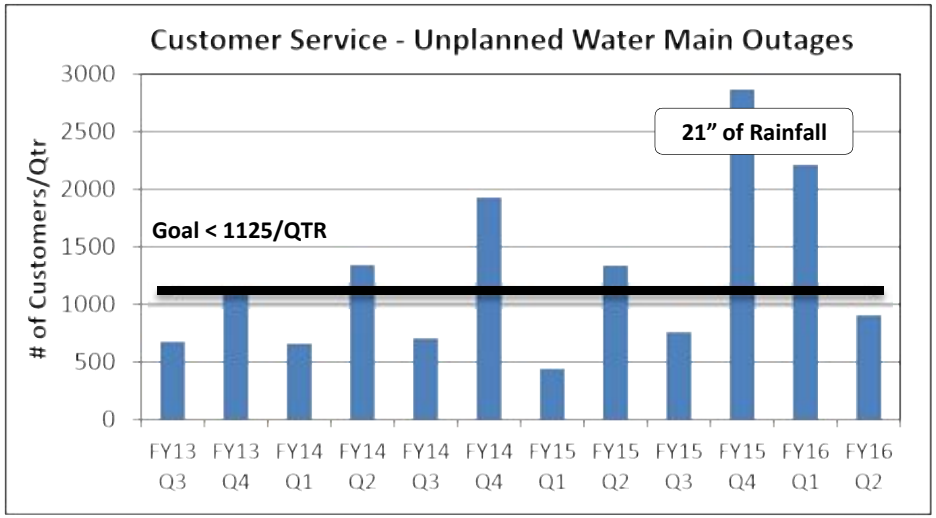
8

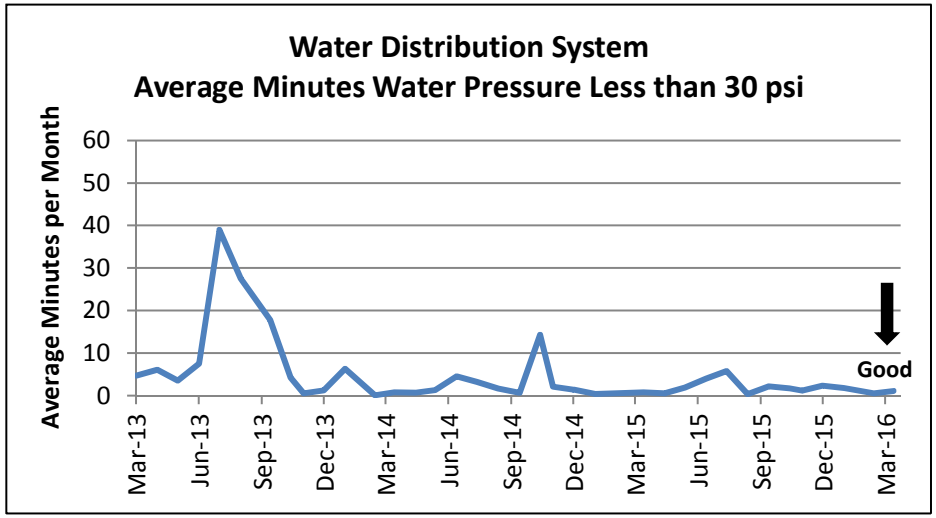
Building Community

Customer Reliability Objectives

Water and Wastewater System

Water Grid Performance	Metric	FY2016 YTD	FY2016 Target	FY2015	FY2014
Water Main Outages	# of Customers per Year	3,124	4,500	5,659	4,645

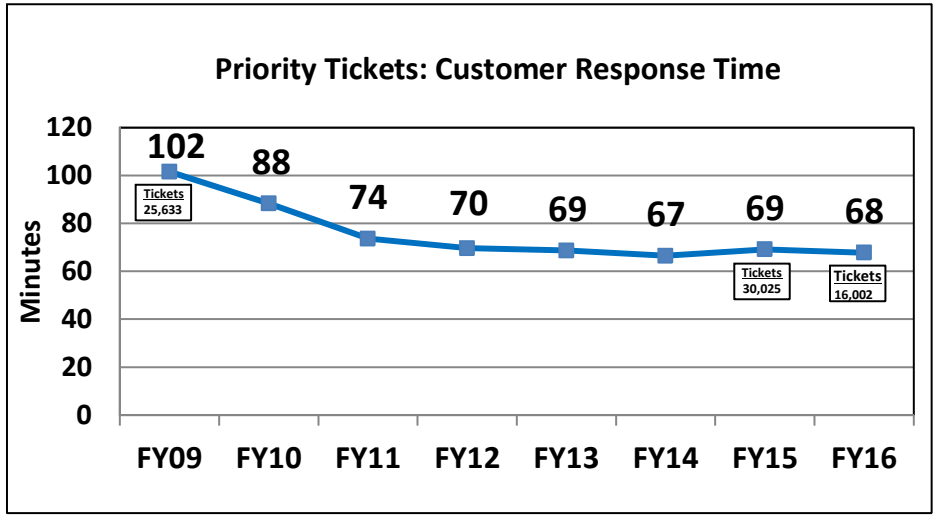




Unplanned Water Outages
# of Customers Affected by Unplanned Outages has increased due to rainfall and ground saturation

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

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



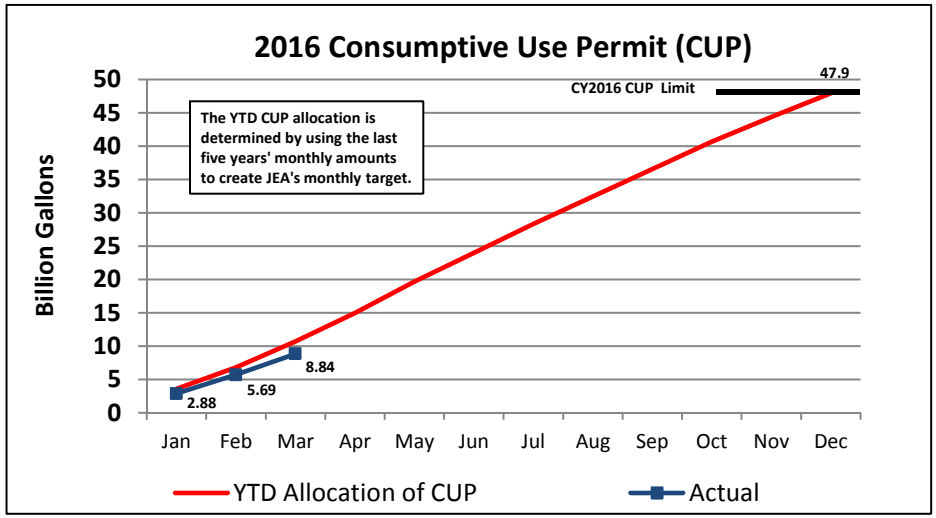
Note: Priority Tickets are defined as an interruption of water or sewer service

Building Community

Environmental Compliance

Water System – Consumptive Use Permit (CUP)

Compliance	Metric – CY Basis	2016 YTD	2016 Target	2015	2014
Water	CUP Limits (MGD)	97	131 limit	107 (129 limit)	104 (127 limit)
South Grid	Wellfield Allocation (MGD)	42.14	< 50.23 limit	47.50 (<50.23 limit)	51.37 (<61.23 limit)
Reclaim	Usage (MGD)	12	15	13	12



CUP Condition 44: South Grid Wellfield Allocation Limits

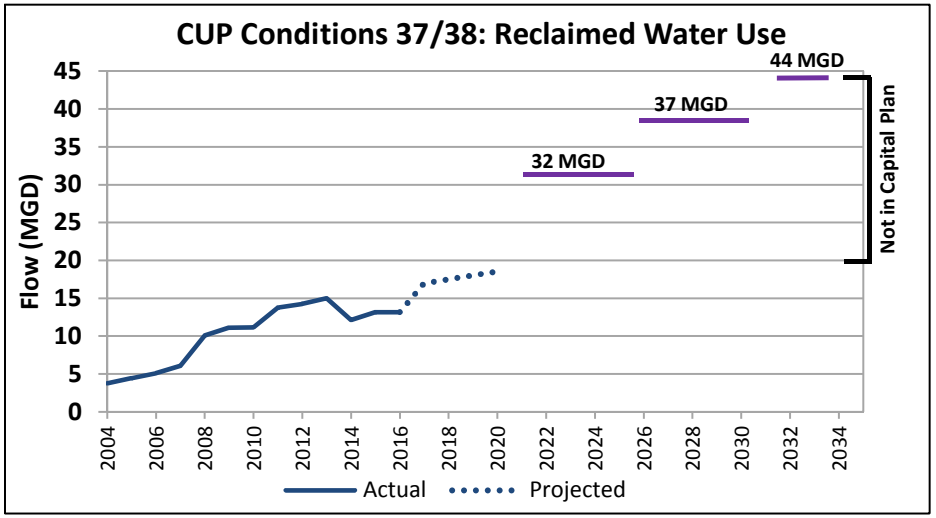
Critical Wellfields	Actuals 2013	2014	2015	YTD 2016	Post Sep-14 Limit
Deerwood III	6.96	7.01	6.67	4.91	7.00
Ridenour	5.97	6.39	6.66	6.39	6.85
Oakridge	8.78	6.23	4.99	5.20	5.65
Greenland		1.53	4.27	3.85	4.53
Brierwood	5.58	4.53	2.84	2.06	3.02
Subtotal	**27.29**	**25.69**	**25.43**	**22.41**	**27.05**
Other Wellfields	**22.21**	**20.92**	**22.07**	**19.73**	**23.18**
Total South Grid	**49.50**	**46.61**	**47.50**	**42.14**	**50.23**
Total System MGD	**100**	**104**	**107**	**97**	**131**

St. Johns River Water Management District CUP

Condition 12: YTD average daily flow is 28% below CY limit of 131 MGD

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

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

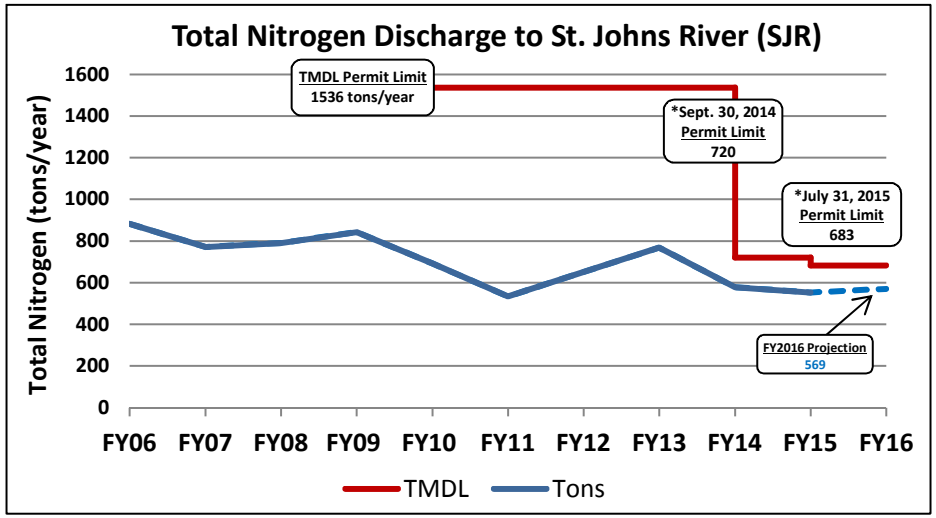


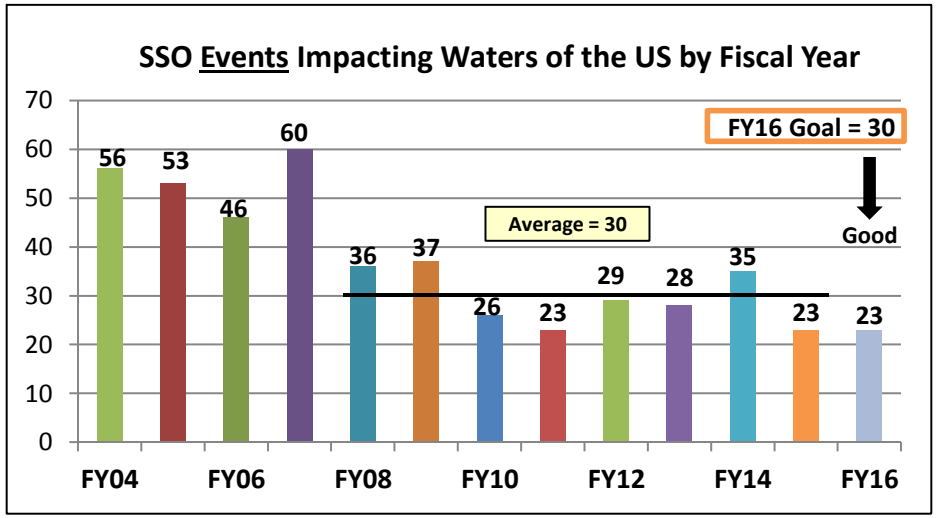
Building Community

Environmental Compliance

Wastewater System

Compliance	Metric	FY2016 YTD	FY2016 Target	FY2015	FY2014
Sewer	Nitrogen (N) Tons – FY basis	285	600	553 (TMDL of 683*)	577 (TMDL of 720*)



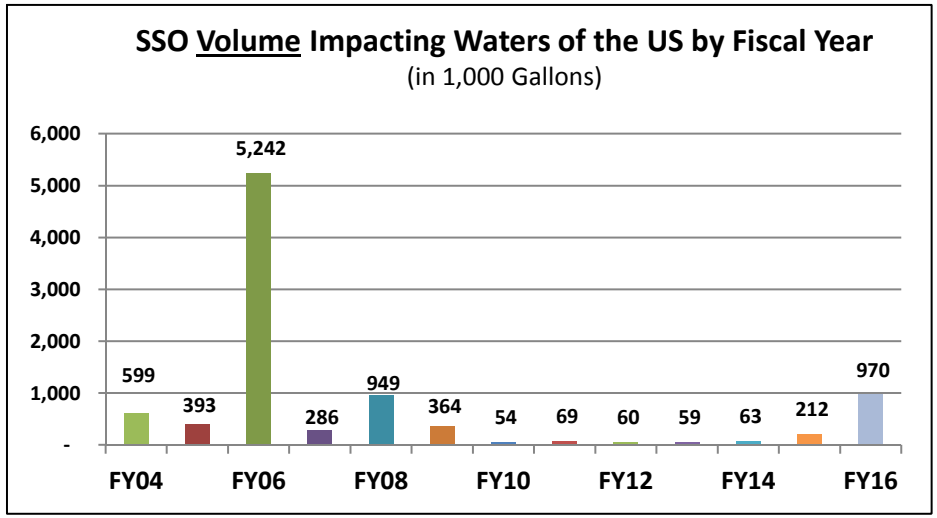


Nitrogen Discharge to St. Johns River

Florida Department of Environmental Protection (FDEP) has reduced the Total Maximum Daily Load (TMDL) to 683 tons with Water Quality Trading Credits allocated to the COJ

Sanitary Sewer Overflows (SSOs)

FY15 SSO achievement of 23 events matched the FY11 record performance. A single event in October 2015 has elevated the SSO volume for FY16.



Building Community

JEA Water and Sewer System

Financial Results and Cost Metrics

($ in thousands)

Revenues	FY16 Forecast	FY15 Actual	FY16 Budget	FY16F vs FY15 ($)	Variance (%)
Water & Sewer Revenues	$ 391,459	$ 393,167	$ 383,162	$ (1,708)	-0.4%
Other Revenue	35,030	43,750	34,529	(8,720)	-19.9%
Total Revenues	**$ 426,489** (1)	**$ 436,917**	**$ 417,691**	**$ (10,428)**	**-2.4%**
		$9M			
Select Expenses					
O & M Expense	$ 135,305 (2)	$ 127,174	$ 138,368	$ (8,131)	-6.4%
Net Revenues	**$ 265,751**	**$ 278,471**	**$ 254,266**	**$ (12,720)**	**-4.6%**
		$11M			
Capital Expenditures	**$ 163,349[1]** (3)	$ 100,806	$ 175,000	$ (62,543)	-62.0%
Debt Service	$ 98,554	$ 101,108	$ 105,370	$ 2,554	2.5%

Depreciation
$132 million

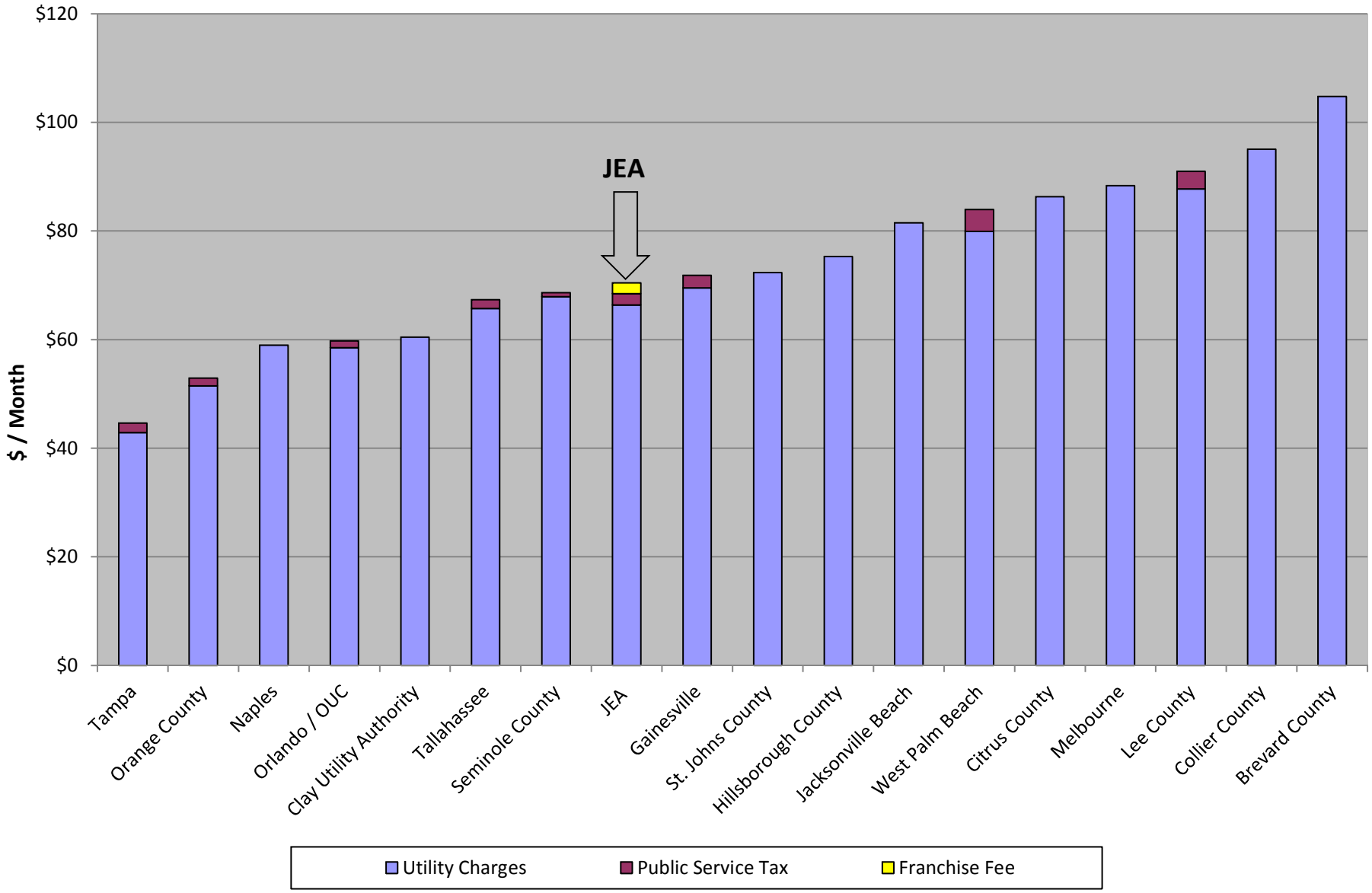
Metrics	FY16 Forecast
Coverage:	2.7x
Days Cash/Liquidity:	155 / 275
Debt/Asset:	53% (2% lower)
Total Debt:	$1.6B ($33M lower)

Cost / KGal	Water	Sewer
Target	$ 3.98	$ 7.25
Forecast	4.63	8.09
Difference	$ (0.65)	$ (0.84)

[1] Council approved limit for capital expenditures in FY16 is $195 million

Water & Sewer Rates in Florida

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



Building Community

JEA Operations Report

Customer Experience

Presenter: Monica Whiting

Date: April 2016

FY16 Customer Satisfaction Goal

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

Residential (R)

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

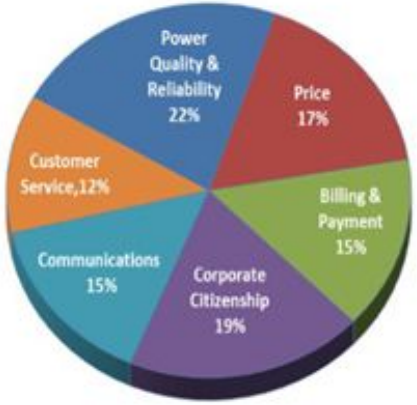
Business (B)

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

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

Residential

Business



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

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

Achieve 1st Quartile Ranking on All Drivers

Be Easy to Do Business With

Customer Service

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

Power Quality & Reliability

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

Empower Customers to Make Informed Decisions

Billing & Payment

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

Communication

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

Price

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

Demonstrate Community Responsibility

Corporate Citizenship

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

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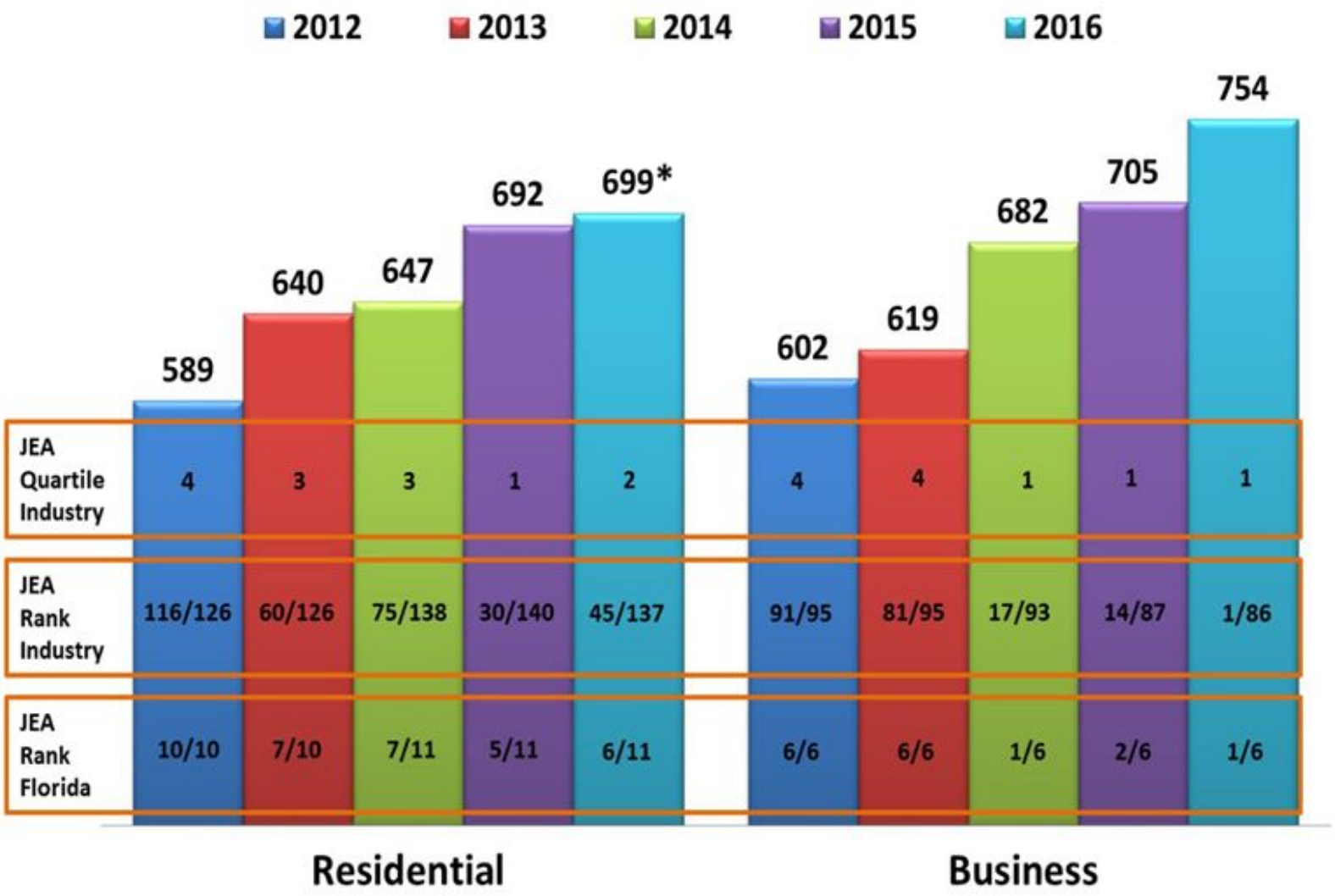
Customer Satisfaction Index Scores



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

Building Community

Easy to do Business With

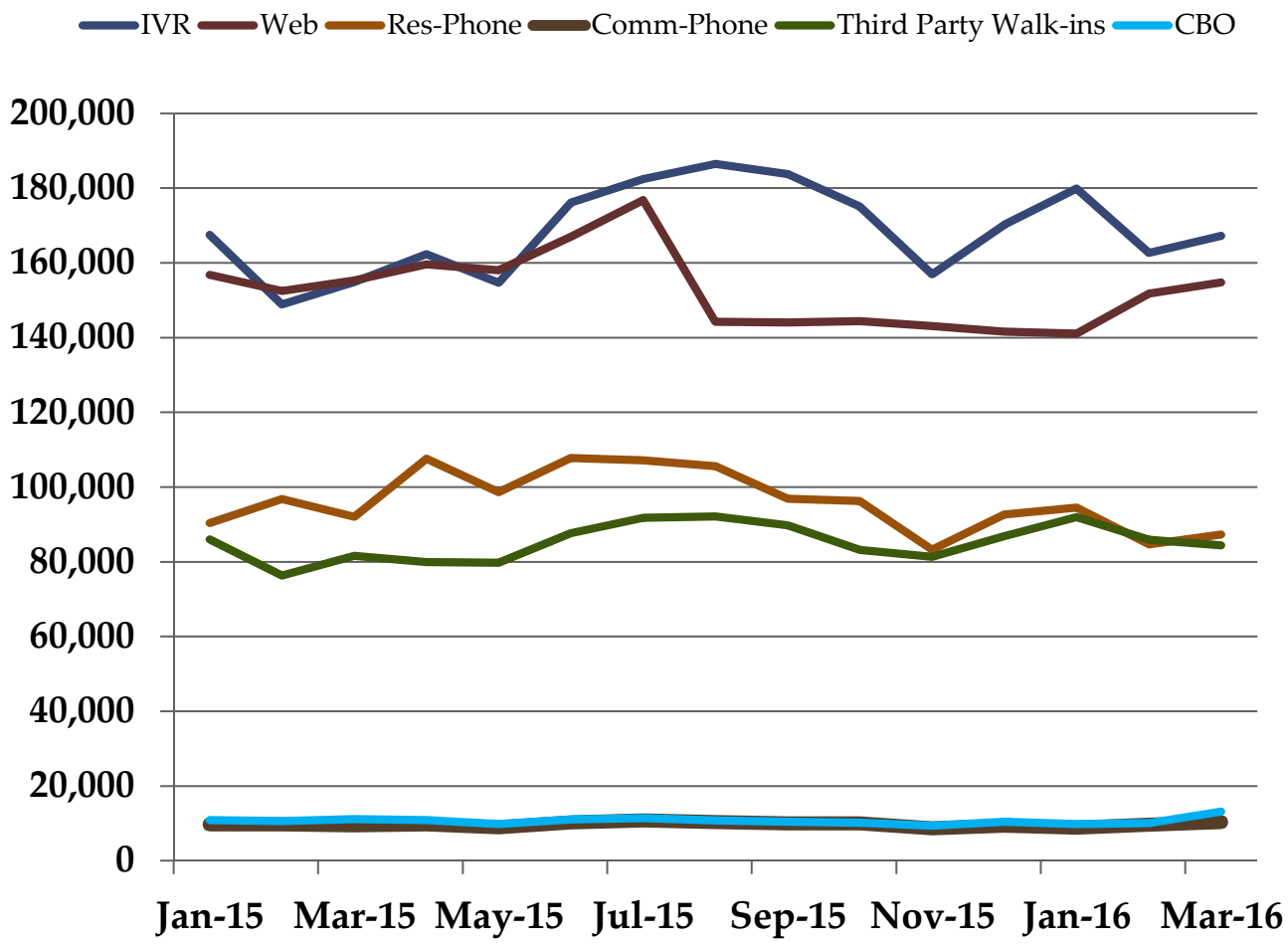
Customer Service

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

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

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

Transactional Volume



Building Community

Easy to do Business With

Customer Service

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

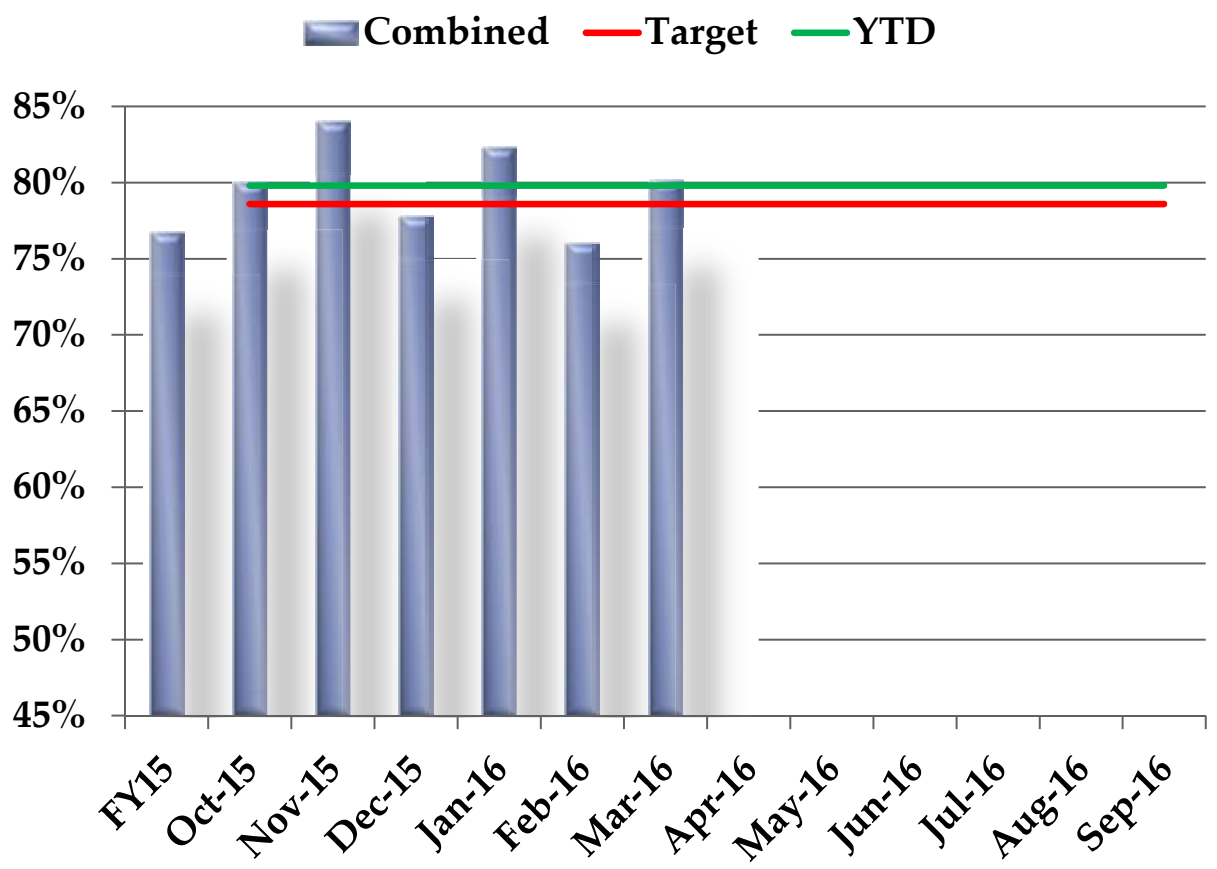
FY2016 YTD

Residential CC	77.2%
Branches	82.9%
Commercial CC	77.4%
IVR	83.0%
jea.com	78.0%
Overall	79.8%

JD Power FCR

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

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



Building Community

Easy to do Business With

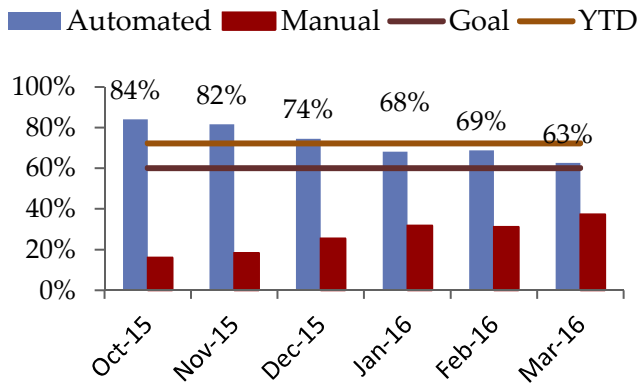
Power Quality & Reliability

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

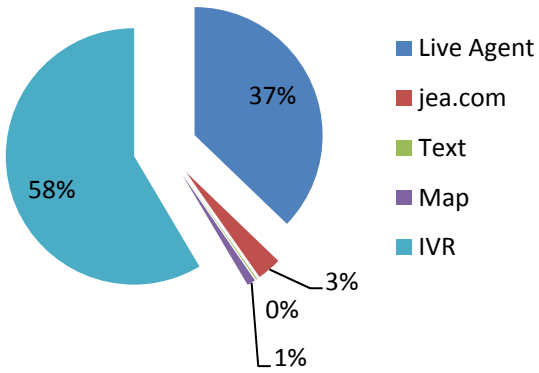
JD Power "Keeping you informed about outage"

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

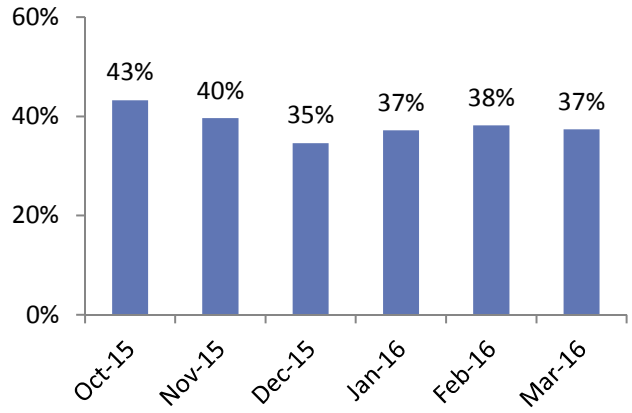
Automated Outage Reporting



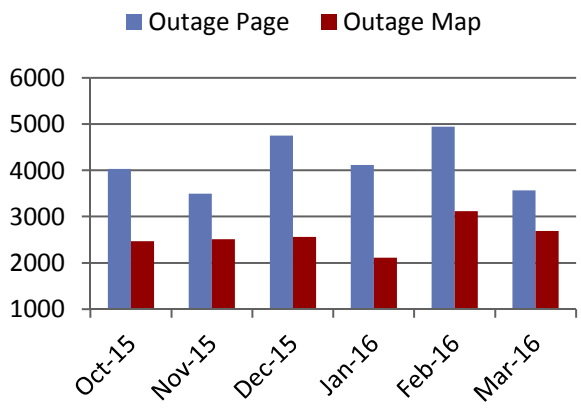
Outage Reporting by Channel



Outage Updates Requested



jea.com Outage Page Volume



Building Community

Empowering Customers to Make Informed Decisions

Billing & Payment: Customer Solutions

Customer Solution Participation	FY16 Goal	FY16 YTD
e-Billing Participation	72,600	65,567
Levelized Bill Participation	20,186	19,942
AutoPay Participation	36,640	32,106
JEA MyWay Participation	11,235	11,062

The Jan-Feb MyBudget Campaign increased our total program enrollment by over 1700 customers, achieving 80% of our FY16 goal at the mid-point of the year.

Our Apr-May eBill Campaign has just kicked off and our initial response from Customers has been outstanding!

	FY16YTD	Industry Benchmark*
e-Bill	16.6%	18.5%
Budget Bill	5.1%	9.0%
Auto Pay	8.1%	13.0%
*2015 IOU Benchmark Average		

Building Community

Empowering Customers to Make Informed Decisions

Communications

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

JDP Frequency of Comm Received

FY16 YTD

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

JDP Comm Awareness

Residential

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

Commercial

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

Communication Channels FY16

Volume: 120,035,461

- **e-Com** (jea.com, email, social) 17,463,532
- **Paid Media** (Radio, TV, Print) 95,859,123
- **Community Engagement** (Events, Workshops) 216,751
- **Other Communication** (Bill Inserts, Brochures, 6,496,055

Building Community

Empowering Customers to Make Informed Decisions

Corporate Citizenship

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

FY16 YTD Volunteers—386

March— 81 Volunteers

- Komen Race for the Cure
- Gate River Run
- Walk to End Lupus
- HabiJax
- Dignity U Wear
- St. Johns River Clean-up
- Feeding NE Florida Food Bank
-

April—Vol. Events

- HabiJax – April 1, 7, 8, 21, 22
- Hubbard House Domestic Walk – April 2
- One Spark – April 6
- Special Olympics – April 9
- MDA Muscle Walk – April 16
- Feeding NE Florida Food Bank – April 22
- GreenReleaf – April 23
- Walk MS – April 23
- Rethreaded – April 27
- Relay for Life – April 28
- Tree Hill Butterfly Festival – April 30

JEA Employee Volunteer Participation

JEA Employee Ambassadors participated in the 2016 Spring Home & Patio Show, providing customers with information about the many money saving products and services we offer.

JEA Ambassadors participated in the John Love Elementary School Career Day, showing off the numerous career possibilities at JEA.

JEA Ambassador Program

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

FY16 Activities:

- Speakers Bureau—27
- Facility Tours—21
- Community Events—45
- Educational Partnership Activities—21

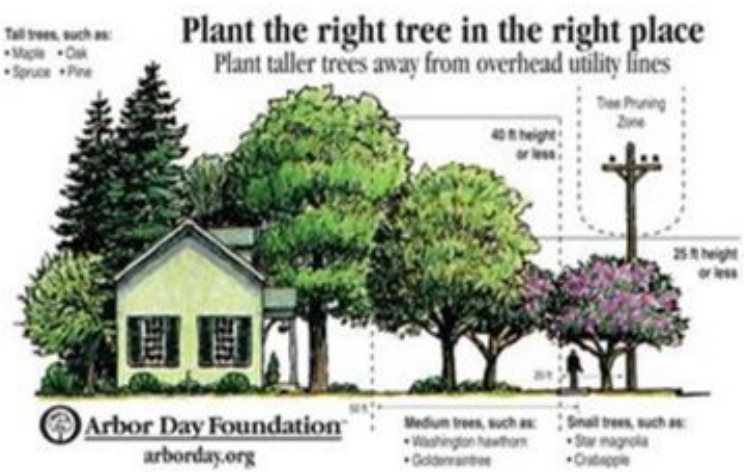
Building Community

Demonstrating Community Responsibility

Corporate Citizenship: Environmental

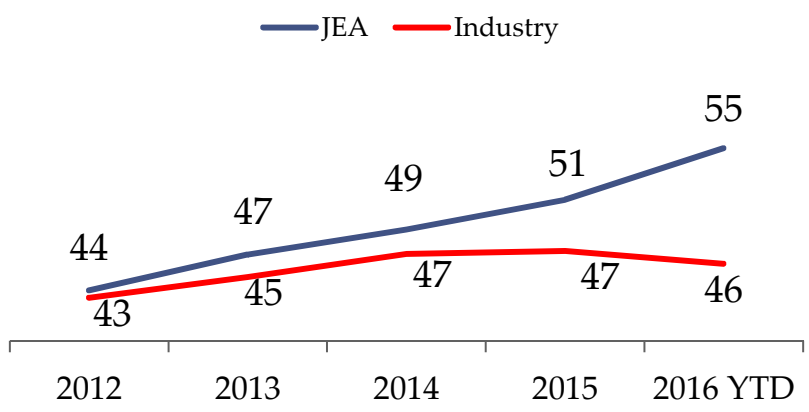
DSM Programs & Participation	FY16 Goal	FY16 YTD
On-site Efficiency Assessment	N/A	3,368
Tracker Participation (Entering Site)	105,000	53,126
Invest Smart	350	105
Shop Smart	62,030	29,515
Neighborhood Energy Efficiency	1,274	615
Electric Vehicle Rebates	55	28
Charging Stations Installed	26	25

JEA supported the **Energy-Saving Trees Program** from the Florida Urban Forestry Council



Good

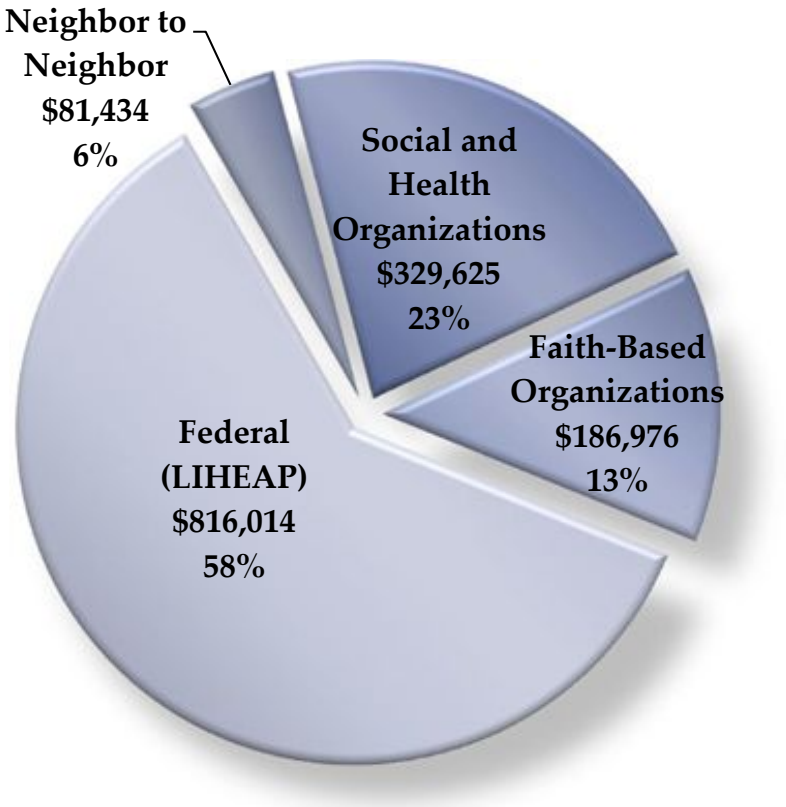
Familiarity with Utility Energy Efficiency or Conservation Programs (%)



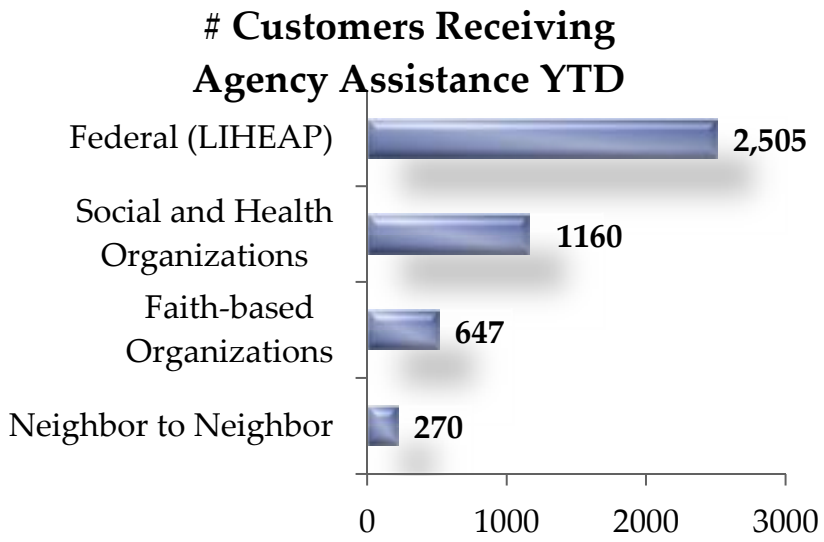
Building Community

Demonstrating Community Responsibility

Corporate Citizenship: Customer Assistance Funding



28 agencies provided 863 utility payments on behalf of JEA customers in March 2016 totaling **$ 286,052**



Agency & Federal Customer Assistance FY 16 YTD **$1,414,049**

Number of Customers Receiving Agency & Federal Utility Assistance FY 16 YTD **4,582**

Building Community

AGENDA ITEM SUMMARY

April 5, 2016

SUBJECT:	**JEA FY2015 ANNUAL DISCLOSURE REPORTS**

Purpose:	☐ Information Only	☒ Action Required	☐ Advice/Direction

Issue: JEA staff is requesting an authorization and approval of the filing and use of the Annual Disclosure Reports for each of the (i) Electric Utility System and (ii) Water and Sewer System and District Energy System (together, the "Systems") for the fiscal year ended September 30, 2015, in order to comply with JEA's continuing disclosure undertakings for its bonds and various bank credit agreements.

Significance: High. JEA is responsible for the content of the Annual Disclosure Reports and is subject to the provisions of the federal securities laws prohibiting false and misleading information in its disclosure documents.

Effect: To fulfill the Board's responsibility under federal securities laws prohibiting false and misleading information in JEA's disclosure documents.

Cost or Benefit: Filing of the Annual Disclosure Reports facilitates disclosure to the marketplace to meet JEA's continuing disclosure obligations to current holders of JEA's debt. The Annual Disclosure Reports are also used to provide information about JEA to potential buyers of JEA's Systems' bonds.

Recommended Board action: Staff recommends that the Board (i) approve and authorize the Annual Disclosure Reports for the Systems in substantially the forms provided to the Board on March 15, 2016, with such changes as are approved by the Managing Director and Chief Executive Officer of JEA and (ii) authorize the filing and use of the Annual Disclosure Reports.

For additional information, contact: Melissa Dykes, 665-7054

Submitted by: PEM/ MHD/ JEO/ RLH

Commitments to Action

Ver.2.0D 9/21/2013 jer

Building Community

INTER-OFFICE MEMORANDUM
April 5, 2016

SUBJECT: **JEA FY2015 ANNUAL DISCLOSURE REPORTS**

FROM: Paul E. McElroy, Managing Director/CEO

TO: JEA Board of Directors

BACKGROUND:

Each year, JEA files with the Municipal Securities Rulemaking Board (the "MSRB") through the Electronic Municipal Market Access ("EMMA") website Annual Disclosure Reports in compliance with JEA's continuing disclosure undertakings for certain of its bonds and various credit agreements. EMMA is the "central electronic post office" recognized by the United States Securities and Exchange Commission ("SEC") as the single national depository for continuing disclosure information that is required to be prepared and disseminated by issuers of municipal securities. Annual Disclosure Reports have been prepared for the Electric Utility System and separately for the Water and Sewer System and District Energy System, (together, the "Systems"), and will be incorporated by reference in official statements and reoffering memoranda subsequently used by JEA for its respective Systems' bond offerings and reofferings.

JEA is responsible for the content of the Annual Disclosure Reports and is subject to the provisions of the federal securities laws prohibiting false and misleading information in its disclosure documents. The antifraud provisions of the federal securities laws govern Board Member disclosure responsibilities. The requirements of the federal securities laws essentially require that disclosure documents of issuers such as JEA not contain an "untrue statement of a material fact" or omit to state a "material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading." "Materiality" under the federal securities laws means whether there is a substantial likelihood that a reasonable investor would consider the facts at issue to be important to an investment decision.

Public officials (including Board Members) who have the ultimate responsibility to approve the issuance of debt securities and related disclosure documents have a duty under the federal securities laws and may not authorize disclosure he or she knows to be false or misleading or while recklessly disregarding facts that indicate there is a risk that the disclosure may be misleading. The SEC has stated that Board Members may reasonably rely on the work of governmental employees in the disclosure context. Nothing in the SEC's position mandates that a Board Member needs to read each page of every disclosure document before approving it. Reasonable reliance can be established when the Board Member:

- is satisfied that the disclosure process is reasonably designed to produce accurate and reliable information;
- has a reasonable basis to have confidence in the integrity and competence of the staff and financing team; and
- does not know of anything that would cause such Board Member to question the accuracy of the disclosures or that would indicate that they are misleading or know of any potentially material issues that should be brought to the attention of staff and the financing team for further explanation.

In accordance with existing practices, each Annual Disclosure Report presented for your approval has been prepared by staff with the assistance of JEA's outside bond counsel in a manner which we believe is reasonably designed to produce disclosure documents meeting the requirements of the federal securities laws.

DISCUSSION:

Each Annual Disclosure Report prepared for the Systems, as referred to above, contains updated disclosure information regarding each of JEA's Systems and its respective most recently completed fiscal year and will be used (a) to provide that information to all participants in the municipal securities market regarding JEA's outstanding debt and (b) as a basis for the disclosure information regarding JEA that is required to be given by JEA in connection with its issuances from time to time of refunding or additional debt. Among other things, the Annual Disclosure Reports contain JEA's audited financial statements for its fiscal year ended September 30, 2015, as Appendix A thereto. Official Statements and reoffering memoranda prepared by JEA in connection with its respective Systems' debt offerings and reofferings, subsequent to the date of the Annual Disclosure Reports for the Systems, incorporate by reference the relevant disclosure information contained in the respective Annual Disclosure Report and, if necessary, contain a "recent developments" section with respect to material changes in JEA's business and condition that have occurred after the date of the respective Annual Disclosure Report.

The Annual Disclosure Reports for the (i) Electric Utility System and (ii) Water and Sewer System and District Energy System for the fiscal year ended September 30, 2015, are expected to be filed with EMMA on or around April 19, 2016. Drafts of the Annual Disclosure Reports for the Systems were distributed to Members on March 15, 2016. Changes from the March 15th draft are included with this item. Subsequent changes, if any, will be distributed at the Board's April 19th meeting.

All documents have been reviewed by the Office of General Counsel.

RECOMMENDATION:

Staff recommends that the Board (i) approve and authorize the Annual Disclosure Reports for the Systems in substantially the forms distributed to Members on March 15, 2016, with additional changes as are approved by the Managing Director and Chief Executive Officer of JEA and (ii) authorize the filing and use of the Annual Disclosure Reports as described above.

_____

Paul E. McElroy, Managing Director/CEO

PEM/MHD/JEO/RLH

April 5, 2016

Drafts of the (i) Annual Disclosure Report for Electric Utility System for Fiscal Year Ended September 30, 2015 and (ii) Annual Disclosure Report for Water and Sewer System and District Energy System for Fiscal Year Ended September 30, 2015 were delivered to Board Members for review on March 15, 2016, and are not included in the monthly Board packages being distributed.

These reports are available for review upon request. Please contact Melissa Charleroy, Executive Assistant, at (904) 665-7313 if additional information is needed.

ANNUAL DISCLOSURE REPORT
FOR
ELECTRIC UTILITY SYSTEM
FOR
FISCAL YEAR
ENDED
SEPTEMBER 30, 2015

(Prepared pursuant to certain continuing disclosure undertakings relating to the Bonds listed in APPENDIX I hereto)

Filed with EMMA

Dated as of

[ ], 2016

~~4823-6464-4397.14~~

JEA
21 W. CHURCH STREET
JACKSONVILLE, FLORIDA 32202
(904) 665-7410
(~~www.jea.com~~http://www.jea.com)

JEA OFFICIALS

BOARD MEMBERSHIP

Chair	Thomas F. Petway III
Vice Chair	Edward E. Burr
Secretary	Delores P. Kesler
	Husein A. Cumber
	Kelly Flanagan
	G. Alan Howard
	Warren A. Jones

MANAGEMENT

Managing Director and Chief Executive Officer	Paul E. McElroy
Vice President / General Manager, Electric Systems	Michael J. Brost
Vice President / General Manager, Water / Wastewater Systems	Brian J. Roche
Chief Financial Officer	Melissa H. Dykes
Chief Compliance Officer	Ted E. Hobson
Chief Customer Officer	Monica Whiting
Chief Human Resources Officer	Angelia R. Hiers
Chief Information Officer	Paul J. Cosgrave
Chief Public Affairs Officer	Michael R. Hightower
Treasurer	Joseph E. Orfano

GENERAL COUNSEL

Jason R. Gabriel, Esq.
General Counsel of the City of Jacksonville
Jacksonville, Florida

~~4823-6464-4397.14~~

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and a new granddaughter, Gracie. Mr. Hightower was a third term 2003, 2005, 2007 University of Florida Graduate School adjunct instructor, "Principals of Lobbying".

The employees of JEA are considered to be governmental (public) employees and, as such, have the right to organize, be represented and bargain collectively for wages, hours and terms and conditions of employment, as provided in Chapter 447, Part II, Florida Statutes. Florida state law prohibits strikes and concerted work slowdowns by governmental (public) employees. Pursuant to the Charter, JEA has full and independent authority to hire, transfer, promote, discipline, terminate and evaluate employees and, consistent with the provisions of the Charter relating to civil service, to establish employment policies relating to hiring, promotion, discipline, termination and other terms and conditions of employment, to enter into negotiations with employee organizations with respect to wages, hours and terms and conditions of employment and to take such other employment related action as needed to assure effective and efficient administration and operation of its utilities systems. The Council is the legislative body with authority to approve or not approve collective bargaining agreements and to resolve any statutory impasses that may arise from collective bargaining.

As of October 1, 2015, JEA had 2,158 budgeted employee positions (exclusive of the Power Park employees referred to below), of which 1,554 were budgeted to the Electric System, 599 were budgeted to the Water and Sewer System and five were budgeted to the District Energy System. Except for the Management Team and a minor number of contract employees, such employees have civil service status.

Approximately 1,595 employees are covered by five collective bargaining agreements. These employees are represented by the American Federation of State, County, and Municipal Employees ("AFSCME"), the International Brotherhood of Electrical Workers ("IBEW"), Local 2358 and the Northeast Florida Public Employees, Local 630, Laborer's International Union of North America ("LIUNA"), all of which are affiliated with the AFL-CIO, and by a professional employees' association (the "PEA", Professional Employees Association) and a supervisors' association (the "JSA", Jacksonville Supervisors Association) that have no AFL-CIO affiliation. JEA has collective bargaining agreements with all the collective bargaining agents, which will expire September 30, 2016. Contract negotiations for successor agreements commence in the second quarter of fiscal year 2016.

~~[TO BE UPDATED IF INFORMATION AVAILABLE FROM 2015 GEPP ACTUARIAL VALUATION REPORT]~~

Substantially all of JEA's employees participate in the City's ~~General Employees Pension Plan~~general employees pension plan ("GEPP"). Employees of the Power Park participate in a separate pension plan. See Note 12 to JEA's Financial Statements set forth in APPENDIX A attached hereto for a discussion of certain information on the City's plan. The Actuarial Valuation and Review as of October 1, 2014~~[5]~~ for the City's GEPP (the "October 1, 2014~~[5]~~ Actuarial Valuation Report") is available for viewing and downloading from the City's website (~~www.coj.net)~~www.coj.net) by selecting "Government," then selecting "All Departments" under "City Departments," then selecting "Retirement System" under "~~Financial Services~~Finance and Administration," then selecting "Plan Valuation Statements" from the navigation tab on the left hand side and then selecting "General Employees Retirement Plan, Actuarial Valuation, Oct. 2014~~[5]~~" under "Government Accounting Standards Board and Plan Valuation Statements."

As indicated in the October 1, 2014~~[5]~~ Actuarial Valuation Report, the aggregate unfunded actuarial accrued liability for the GEPP decreased slightly from the Fiscal Year ended September 30, ~~2014[5]~~2012 to the Fiscal Year ended September 30, ~~2015~~2014. During such period, the funded ratio of the plan ~~increased from~~decreased from 62.38 percent for the Fiscal Year ended September 30, 2012 to 62.30 percent for the Fiscal Year ended September 30, 2013 and increased to 65.81 percent for the Fiscal

Year ended September 30, ~~2014 to 69.06 percent for the Fiscal Year ended September 30, 2015~~2014. At the same time, JEA's aggregate contribution to the GEPP increased from $22,301,000 for the Fiscal Year ended September 30, 2012 to $27,038,000 for the Fiscal Year ended September 30, 2013 and to $34,544,000 for the Fiscal Year ended September 30, ~~2014 to $40,179,000 for the Fiscal Year ended September 30, 2015.~~ [2014. JEA has been informed by the City that the actuary for the GEPP has calculated JEA's allocated share of the unfunded actuarial accrued liability for the GEPP reported in the October 1, 2014 Actuarial Valuation Report to be $439,546,273 of the total unfunded actuarial accrued liability of $910,229,307, reflecting decreases of $21,129,073 and $37,044,819, respectively, relative to the 2013 amounts provided to JEA by the City or contained in the October 1, 2013 actuarial valuation report.] Please also see Section 4, Exhibit II, page [ ]32 of the October 1, 2014[5] Actuarial Valuation Report in which it is shown that the contributors (which include JEA) to the GEPP contributed $~~10,777,000~~11,273,915 less than the actuarially determined employer contributions in dollar terms for ~~the~~ Plan Year ended September 30, ~~2014 and $4,318,000 for the~~2013 and $10,351,295 less than the actuarially determined employer contributions for Plan Year ended September 30, ~~2015.~~2014 because actual payroll growth has been less than projections leading to a lower level of payroll throughout those years. Such a shortfall in a given year is added to the total unfunded actuarial accrued liability and a new 30-year amortization base is calculated for that year which in effect adds the shortfall to future required contributions.

In accordance with Florida law, which requires capping the payroll growth rate assumption at the rate equal to the average payroll growth rate in the plan over the preceding 10 years, the actuary lowered the payroll growth rate from 2.62 percent to 2.24 percent for the 30-year period beginning with the October 1, 2014 valuation. Also, beginning with the October 1, 2014 valuation, the GEPP adopted an ~~undated~~updated actuarial base table reflecting mortality experience through September 30, 2014 and reduced the assumed rate of return from 7.75 percent to 7.50 percent per annum~~.~~ These were significant factors in the increase in JEA's contribution rate as a percentage of payroll from 31.60 percent to the 33.20 percent rate shown in the October 1, 2014 actuarial valuation report for fiscal years ending September 30, 2015 and September 30, 2016, respectively. JEA's Fiscal Year ~~2016~~2015 budgeted required aggregate contribution was $44.9 million. JEA's required aggregate contribution in its Fiscal Year 2016 budget is $48.5 million.

Such contributions do not constitute a significant portion of JEA's operating expenses either in the aggregate or, in the case of the Electric System, considered separately. Further, JEA provides a medical benefits plan that it makes available to its retirees. See Note 12, Note 14 and pages ~~86~~83-87 of JEA's Financial Statements set forth in APPENDIX A attached hereto for a discussion of the pension plans, "other post-employment benefit" plan and actuarial accrued liability.

The City from time to time has proposed various changes to the City's GEPP. Most of JEA's employees participate in the City's GEPP. At this time, JEA cannot predict the outcome of any efforts to reform the City's GEPP. ~~[Most of JEA's employees participate in the City's GEPP.~~ In March 2016, the ~~Florida Legislature approved a bill which, if~~governor signed into law~~, will allow~~ a bill allowing local county governments ~~within the state~~ to levy a pension liability surtax to fund an underfunded defined benefit retirement plan or system such as the GEPP under certain conditions, beginning with approval by a majority of the electors of the county voting in a referendum. Among other conditions, a local government may only impose such a surtax if admission to defined benefits plans receiving surtax proceeds will be closed to future employees and the local government and collective bargaining units consent to requiring each member to make employee retirement contributions of at least ten percent of salary once the plan or system is closed. JEA cannot predict if ~~the bill will be enacted into law or, if it should be signed by the governor and authorized by~~ the Council will authorize such a referendum, the timing or outcome of any referendum or negotiations with collective bargaining units.]

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As of October 1, 2015, JEA had 239 budgeted employees for the Power Park who were engaged in performing the operational, maintenance and administrative tasks associated with operations of the Power Park. All non-managerial persons employed by JEA for the Power Park are governmental (public) employees, can organize under the provisions of Chapter 447, Part II, Florida Statutes, and, as such, are prohibited from participating in strikes or other work stoppages. Approximately 159 of the Power Park employees are represented by IBEW Local 1618. The current collective bargaining agreement covers the timeframe of October 1, 2015 through September 30, 2018. In a prior collective bargaining agreement and under statutory authority, certain terms and conditions of employment were imposed, including separating the existing JEA St. John's River Power Park System Employees' Retirement Plan ("SJRPP Plan") into two tiers of employees. Tier One participants remain in the traditional defined benefit plan, and Tier Two employees (defined as employees with fewer than 20 years' experience) participate in a modified defined benefit plan, or "cash balance" plan, with an employer match provided for any Tier Two employee who contributes to the 457 Plan. Also, effective on February 25, 2013, Tier One was closed to all new employees hired on or after February 25, 2013.

~~[TO BE UPDATED WITH 2015 SJRPP PLAN ACTUARIAL VALUATION REPORT]~~

~~[~~The SJRPP Plan is a single-employer contributory defined benefit plan covering employees of the Power Park. As of October 1, 2014, the SJRPP Plan's actuarial value of assets was $145,425,000, the actuarial accrued liability entry-age normal was $150,629,000, the unfunded actuarial accrued liability was $5,204,000, the funded ratio was 96.5 percent, the covered payroll was $17,254,000 and the unfunded actuarial accrued liability as a percentage of covered payroll was 30.2 percent. The SJRPP Plan's assumed rate of return was reduced from 7.25% to 7.0% for use in the Annual Actuarial Valuation performed as of October 1, 2012 and later. See Note 12, Note 14 and pages ~~86~~83-87 of JEA's Financial Statements set forth in APPENDIX A attached hereto for a discussion of the pension plans, "other post-employment benefit" plan and actuarial accrued liability.~~]~~

Certain Demographic Information

Under Florida law, the City and Duval County are organized as a single, consolidated government. Based upon the 2010 United States Census, the consolidated City is the most populous city in the State of Florida. The City covers 840 square miles and is one of the largest cities in area in the United States.

The Jacksonville Metropolitan Statistical Area ("MSA") is composed of Duval, Clay, Nassau, St. Johns and Baker Counties, an area covering 3,201 square miles. The U.S. Census Bureau estimates that the Jacksonville MSA had a population of ~~1,419,127~~1,449,481 as of July 1, ~~2014.~~2015. The Jacksonville MSA is currently the fourth most populous MSA in the State of Florida. The table below shows population for the Jacksonville MSA.

Population

Year	Jacksonville MSA
1980	722,252
1990	906,727
2000[1]	1,122,750
2010	1,345,596
~~2014~~2015	~~1,419,127~~ 1,449,481

Source: United States Census Bureau

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(1) Baker County was included in the Jacksonville MSA starting with the 2000 United States census.

The economy of the Jacksonville MSA contains significant elements of trade and services, transportation services, manufacturing, insurance and banking and tourism. The Port of Jacksonville is one of the largest ports on the South Atlantic seaboard and in terms of tonnage ranks third in the State of Florida. A number of insurance and banking companies maintain regional offices in the City. The tourism and recreational facilities in the City include an arena, a performing arts center, a convention center, EverBank Field (which is the home field of the National Football League's Jacksonville Jaguars), a baseball park, numerous golf courses and resorts and various recreational facilities at the beaches. Two large United States Navy bases are located in the City.

The table below sets forth the annual, not seasonally adjusted, labor force, employment and unemployment figures for the Jacksonville MSA and comparative unemployment figures for the State of Florida and the United States for the most recent 10 years ended December ~~2014. [2015 data anticipated to be released March2016.]~~2015.

	Jacksonville MSA Labor Force			Unemployment Rate (%)	
Year	Civilian	Employment	Unemployment Rate (%)	Florida	U.S.
~~2005~~	~~635,531~~	~~611,677~~	~~3.8~~	~~3.7~~	~~5.1~~
2006	657,996	636,269	3.3	3.2	4.6
2007	674,548	648,003	3.9	4.0	4.6
2008	687,704	646,302	6.0	6.3	5.8
2009	681,026	612,993	10.0	10.4	9.3
2010	697,120	622,208	10.7	11.1	9.6
2011	~~701,446~~701,601	~~633,112~~633,473	9.7	10.0	8.9
2012	~~704,709~~704,583	~~646,553~~646,531	~~8.3~~8.2	8.5	8.1
2013	~~710,844~~709,800	~~660,679~~659,875	~~7.1~~7.0	7.3	7.4
2014	~~719,458~~717,730	~~674,778~~672,906	6.2	6.3	6.2
2015	724,882	686,860	5.2	5.4	5.3

Source: Florida Research and Economic Information Database Application, http://freida.labormarketinfo.com/default.asp.

The table below shows the estimated average non-agricultural wage and salary employment by sector for the Jacksonville MSA for the ~~twelve months ended December 31, 2015. [2015 full year data anticipated to be release March 2016.]~~calendar year 2015.

	Number of Employees	Percent of Distribution
Trade, Transportation and Utilities	~~134,200~~135,600	~~21.0~~20.9
Other Services(1)	~~112,400~~112,300	~~17.6~~17.4
Professional and Business Services	~~98,100~~101,200	~~15.4~~15.6
Education and Health Services	~~97,700~~97,300	~~15.3~~15.0
Government	~~74,200~~75,300	11.6
Finance	61,600	~~9.6~~9.5
Construction	~~32,500~~35,100	~~5.1~~5.4
Manufacturing	~~28,100~~29,500	~~4.4~~4.6
Total Non-Agricultural Employment	~~638,800~~647,900	100.0

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(Except Domestics, Self-Employed
And Unpaid Family Workers)

Source: United States Department of Labor.
(1) Consists of other services, information, leisure and hospitality, and natural resources and mining.

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The following table lists the 10 largest non-governmental employers in the Jacksonville MSA and the approximate size of their respective work forces.

Name of Employer	Product or Service	Approximate No. of Employees
Baptist Health System	Healthcare	8,270
Bank of America / Merrill Lynch	Banking	8,000
Florida Blue	Health Insurance	6,500
Mayo Clinic	Healthcare	~~4,970~~5,107[1]
United Parcel Service	Worldwide Parcel Delivery	4,100
Citibank	Banking	4,000
CSX Transportation	Railroad	3,600
JP Morgan Chase	Banking	3,500
UF Health Jacksonville	Healthcare	3,500
Wells Fargo	Banking	3,500

Source: Jacksonville Regional Chamber of Commerce Research Department biennial employer survey, fall 2012, as partially amended through December ~~2015~~ 2015, except as otherwise noted.

(1) Mayo Clinic website, total staff. (http://www.mayoclinic.org/about-mayo-clinic/facts-statistics/florida).

The following table lists the eight largest governmental employers in the Jacksonville MSA and the approximate size of their respective work forces.

Name of Employer	Type of Entity/Activity	Approximate No. of Employees
Naval Air Station, Jacksonville	United States Navy	25,240
Duval County Public Schools	Public Education	11,876[1]
Naval Air Station, Mayport	United States Navy	9,000
City of Jacksonville	Municipal Government	7,110[2]
Clay County School Board	Public Education	4,663
Fleet Readiness Center	Maintenance / Repair Overhaul	3,917
United States Postal Service	United States Government	3,790
St. Johns County School District	Public Education	3,700

Source: Jacksonville Regional Chamber of Commerce Research Department biennial employer survey, fall 2012, as partially amended through December 2015, except as otherwise noted.

(1) Duval County Public Schools website, full-time staff (http://www.duvalschools.org/domain/5268)

(2) City of Jacksonville Annual Budget 2015-16 (http://www.coj.net/departments/finance/docs/budget/fy-2015-2016-annual-budget.aspx).

Indebtedness of JEA

The indebtedness of JEA relating to its Electric Utility Functions as of the date of this Annual Disclosure Report consists of Electric System Bonds, Subordinated Electric System Bonds, Power Park Issue Two Bonds, Power Park Issue Three Bonds, Bulk Power Supply System Bonds and borrowings outstanding under the Revolving Credit Facility (as defined herein) for the account of the Electric System. See "ELECTRIC UTILITY SYSTEM - *FINANCIAL INFORMATION RELATING TO ELECTRIC UTILITY FUNCTIONS* - Debt Relating to Electric Utility Functions" herein. For information regarding the Revolving Credit Facility, see "OTHER FINANCIAL INFORMATION - Revolving Credit Facilities" herein. As described under "INTRODUCTION - General" herein, the debt of JEA relating to its Electric Utility Functions, the debt of JEA relating to the Water and Sewer System and the debt of JEA relating to the District Energy System are payable from and secured by separate revenue sources. Accordingly, the information contained in this Annual Disclosure Report relating to JEA's Electric

CTs 1 and 2 burn natural gas as the primary fuel. The Kennedy and Brandy Branch units are dual-fueled with diesel as backup and the GEC CT units are also capable of having diesel as backup. Brandy Branch STM 4 is a steam turbine generator that is part of a combined cycle unit that uses waste heat from Brandy Branch CTs 2 and 3. In addition, natural gas is used at times to supplement the solid fuel in Northside Units 1 and 2. Northside Units 1 and 2 burn petcoke and coal. Northside Unit 3 was originally scheduled to be placed into reserve storage on April 1, 2016, approximately three years ahead of the unit's scheduled retirement. Due to a delay in the expansion of Southern Natural Gas Company's Cypress Pipeline Project and low gas prices, placing the unit into reserve storage has been delayed at least one year.

The pertinent statistics concerning the generating facilities of the Electric System as of the date of this Annual Disclosure Report are as follows:

					Installed Net Capacity (MW)	
Station	**Unit**	**Type[1]**	**First Placed in Service**	**Fuel[2]**	**Summer**	**Winter**
Kennedy	7[3]	CT	6/00	G/LO	150	191
	8[3]	CT	6/09	G/LO	150	191
					300	382
Northside	1	ST	5/03[4]	Petcoke/Coal	293	293
	2	ST	4/03[4]	Petcoke/Coal	293	293
	3	ST	7/77	HO/G	524	524
	3	CT	2/75	LO	53	62
	4	CT	1/75	LO	53	62
	5	CT	12/74	LO	53	62
	6	CT	12/74	LO	53	62
					1,322	1,356
Brandy Branch	1[3]	CT	5/01	G/LO	150	191
	2[3]	CT	5/01	G/LO	150	186
	3[3]	CT	10/01	G/LO	150	186
	STM 4	ST	1/05	WH	201	223
					651	786
GEC	1	CT	6/11	G/LO	150	186
	2	CT	6/11	G/LO	150	186
					300	372
System Total					2,573	2,896

(1) CT = Combustion Turbine
ST = Steam Turbine
IC = Internal Combustion Engine

(2) G = Natural Gas
LO = Light Oil (diesel)
HO = Heavy Oil (residual fuel oil)
WH = Waste Heat

(3) Net capacity for the summer is based on natural gas and for the winter is based on diesel.

(4) Northside Unit 1 was originally placed in service in November 1966, and Northside Unit 2 was originally placed in service in March 1972. Both units have been re-powered with CFB boilers, and their turbine generators and other ancillary equipment have been refurbished. The dates indicated in the table are the respective dates on which each was released for normal dispatch operation. Northside Units 1 and 2 each have gross capacities of 310 MW.

Largest Customers

The 10 largest customer accounts served by the Electric System (other than FPL pursuant to the FPL-Power Park Sale) composed 16.1 percent of the total MWh purchases derived from the operation of the Electric System for the Fiscal Year ended September 30, 2015. The following table sets forth the 10 largest Electric System accounts (other than sales to FPL pursuant to the FPL-Power Park Sale) by MWh purchases, during the Fiscal Year ended September 30, 2015.

Customer Accounts	MWh Purchases	Percentage of Total
Florida Public Utilities Company	339,064	2.7
United States Navy	338,185	2.7
Gerdau Ameristeel	295,405	2.4
RockTenn	251,327	2.0
City of Jacksonville	227,741	1.8
Duval County Public Schools	171,346	1.4
Publix Supermarkets	105,979	0.8
Winn-Dixie Stores, Inc.	102,107	0.8
Southern Baptist Hospital	90,742	0.7
Anheuser Busch, Inc.	86,989	0.7
Total	2,008,885	16.1

Customer Billing Procedures

Customers are billed on a cycle basis approximately once per month. If the customer has not paid a bill within 42 days after the initial bill date, JEA may discontinue service to that customer. JEA's credit and collection policies provide for deposits which vary with consumption and for late payment penalties for customers who fail to pay each month's bill within 27 days. The amount of uncollectible accounts is budgeted to be approximately 0.20 percent of estimated gross electric revenues for the Fiscal Year ending September 30, 2016. Actual uncollectible accounts were 0.16 percent of gross Electric System revenues for the Fiscal Year ended September 30, 2015.

Rates

JEA has sole discretion to set rate levels and revenue requirements for the Electric System, its interest in the Power Park and its interest in Scherer Unit 4. JEA sets its retail rates after a public hearing. The JEA Board has the authority to change wholesale rates without a public hearing. The PSC has the authority to review rate structures for municipal utilities in Florida, including JEA (see subsection "*Regulation*" of this section, below).

Each of JEA's various rates for electric service consists of "base rate" components and a "fuel and purchased power rate" component. The base rate is evaluated and adjusted as required to fund projected revenue requirements for each Fiscal Year. A comprehensive class cost of service study will be performed at a minimum of every five years to support the rates charged are based on cost. The rate for the fuel and purchased power component can adjust upward or downward as of October 1 of each year to reflect the cost of fuel and purchased power. If during the course of a Fiscal Year, such costs vary by more than 10 percent from JEA's budget, an adjustment in the fuel and purchased power component of the rate may be made, subject to the approval of the JEA Board.

~~[THIS SECTION TO BE DISCUSSED FURTHER]~~

A comparison of non-residential rates in selected major regional cities for certain classifications of service for ~~December 2015~~February 2016 (excluding all taxes) is shown in the following table, arranged by price of non-demand 1,500 kWh service:

City (Utility)	Non-Demand 1,500 kWh	Demand 150 kW 60,000 kWh	Demand 500 kW 200,000 kWh
Atlanta (GPC)	$~~262.15~~263.59	$~~5,991.27~~5,897.84	$~~21,455.27~~21,196.96
Gainesville (GRU)	250.00	~~8,455.00~~8,155.00	~~27,631.50~~26,631.50
Pensacola (Gulf Power Company)	~~190.83~~193.55	~~6,012.43~~5,728.03	~~20,527.80~~19,601.80
~~St. Petersburg (Duke Energy Florida)~~	~~182.62~~	~~5,610.79~~	~~18,428.14~~
Orlando (Orlando Utilities Comm.)	170.74	5,340.00	17,389.00
St. Petersburg (Duke Energy Florida)	170.58	5,179.39	17,001.14
Ocala (Electric Dept.)	166.92	5,560.05	18,751.45
Tampa (Tampa Electric Company)	~~163.68~~159.97	~~5,162.70~~5,007.30	~~17,139.00~~16,621.00
~~JACKSONVILLE (JEA)~~	~~160.05~~	~~5,723.20~~	~~18,879.00~~
Lakeland (Utilities Dept.)	~~156.39~~151.14	~~5,172.97~~4,962.97	~~17,338.58~~16,638.58
JACKSONVILLE (JEA)	149.77	5,312.20	17,509.00
Tallahassee (Electric Dept.)	~~149.54~~144.38	~~5,633.78~~5,427.38	~~18,508.78~~17,820.78
Miami (FPL)	~~147.68~~143.59	~~4,749.58~~4,575.58	~~15,544.51~~14,992.51

Source: For all Florida cities, Florida Municipal Electric Association, Inc.'s "Commercial/Industrial Comparison of Electric Rates" (~~December 2015~~February 2016); for Atlanta, GPC (~~December 2015~~February 2016).

In June 2011, the JEA Board approved a 10 year Incremental Economic Development Program (IEDP) designed to provide an incentive for large industrial customers to increase electric consumption. IEDP discounts on incremental consumption in excess of a predetermined consumption baseline are described in the following table:

Fiscal Year Ending September 30,	Base Charges Discount	Fuel Charges Discount	Baseline Load
2012	100%	10%	lesser of Fiscal Year 2008 through Fiscal Year 2010
2013	100%	10%	
2014	75%	7.5%	
2015	50%	5%	
2016	25%	2.5%	
2017	100%	0%	greater of Fiscal Year 2008 through Fiscal Year 2016
2018	100%	0%	
2019	75%	0%	
2020	50%	0%	
2021	25%	0%	
2022 and thereafter	0%	0%	

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transporting petcoke. JEA has a long-term arrangement for 2012-2016 with CSX Transportation for rail transportation services to the Power Park. In 2015, JEA utilized CSX Transportation to deliver approximately 385,000 tons of coal to the Power Park. This volume is approximately 515,000 tons under the annual requirement established in JEA's 2011 contract with CSX Transportation for transportation services during 2012-2016. JEA expects another shortfall in 2016.

The shortfalls are due to EPA's Mercury and Air Toxics Standards (MATS) rule established in April 2012 that went into effect on April 16, 2015. Because the new environmental standards have limited JEA's ability to utilize domestic coal, JEA provided CSX Transportation with a notice of force majeure on September 10, 2014. CSX Transportation rejected the force majeure declaration and is in the process of assessing JEA's performance under the contract. JEA's maximum responsibility for 2015 and expected 2016 shortfall would be $7.4 million in liquidated damages. [The Power Park] co-owners (JEA and FPL) and CSX Transportation are entering into the contractual dispute resolution process.

Capital Program

In addition to the costsThe Power Park's capital program consists of minor renewals and replacements to be paid as a part of Power Park operating and maintenance expenses., power plant improvements and upgrades, plus other capital items, including EPA Steam Electric Effluent Limitation Guidelines compliance upgrades starting in 2018. JEA anticipates that its share of capital improvements at the Power Park will involve total expenditures of approximately $46 million over the next five years. The major capital items include [completing the addition of cooling tower cathodic protection systems, turbine overhauls, and replacement of obsolete plant control systems].

JEA's share of the Power Park's projected capital improvements per year for the five-year period ending September 30, 2020 is summarized below.

Power Park Capital Program
(000's omitted)

Fiscal Year Ending September 30,	Amount
2016	$10,000
2017	8,000
2018	10,000
2019	9,000
2020	9,000
Total	$46,000

It is expected that the total amount of JEA's share of the capital program will be provided from available funds of the Power Park. See "ELECTRIC UTILITY SYSTEM - *FINANCIAL INFORMATION RELATING TO ELECTRIC UTILITY FUNCTIONS* - Debt Relating to Electric Utility Functions - *Power Park Issue Three Bonds*" herein. The projected total amount of the capital program may be affected by future environmental legislation and regulation. See "ELECTRIC UTILITY SYSTEM - *ELECTRIC UTILITY FUNCTIONS* - Environmental Matters" and "ELECTRIC UTILITY SYSTEM - *ELECTRIC UTILITY FUNCTIONS* - Factors Affecting the Electric Utility Industry" herein.

Scherer 4

General Description

Scherer Unit 4 is one of four coal-fired steam units located at the Robert W. Scherer Electric Generating Plant ("Plant Scherer") on a 12,000-acre site near the Ocmulgee River approximately three

Capital Program

JEA's share of the Scherer 4 Project's projected capital program per year for the five-year period ending September 30, 2020 is summarized below.

Scherer 4 Project Capital Program
(000's omitted)

Fiscal Year Ending September 30,	Amount
2015	$ 9,000
2016	7,000
2017	20,000
2018	8,000
2019	16,000
Total	$60,000

The total amount of the capital program for the five-year period is estimated to be approximately $60 million. JEA expects that the total amount required to fund the capital program will be provided from available funds of the Bulk Power Supply System. The projected total amount of the capital program may be affected by future environmental legislation and regulation. See "ELECTRIC UTILITY SYSTEM - *ELECTRIC UTILITY FUNCTIONS* - Environmental Matters" and "ELECTRIC UTILITY SYSTEM - *ELECTRIC UTILITY FUNCTIONS* - Factors Affecting the Electric Utility Industry" herein.

Resource Requirements

Capacity

JEA must have sufficient resources to serve expected firm customer demands in the future. The capacity required consists of forecasted annual peak demands (net of interruptible demands) and a reserve margin necessary to allow for routine and emergency equipment outages and demand forecast variances. The installed capacity consists of existing Electric System generating units, JEA's share of the Power Park and JEA's interest in Scherer Unit 4. The difference between firm capacity required (including the reserve margin) and installed capacity is the net capacity surplus or deficit.

JEA applies the general rule that reserve capacity should be at least 15 percent of the projected seasonal firm peak demand. This reserve amount is added to projected firm peak demand to determine the seasonal capacity required. This approach is considered reasonable and prudent, particularly in light of JEA's strong transmission ties with FPL and Southern. After allowing for the transmission capacity necessary to import its capacity from Scherer Unit 4, JEA owns approximately 1028 MW of additional transmission import capacity. The remainder is made available for economy purchases by JEA or is made available to others for transmission service under FERC Order No. 888 (see "ELECTRIC UTILITY SYSTEM - *ELECTRIC UTILITY FUNCTIONS* - Factors Affecting the Electric Utility Industry - *FERC Transmission Initiatives*" herein).

As part of its strategic planning process, JEA re-evaluates its resource needs annually. The results of JEA's {2016} resource requirements study are shown below in the table entitled "PROJECTED AVAILABLE CAPACITY AND REQUIREMENTS." JEA's {2016} resource requirements study reflected JEA's most recent peak demand and energy forecast, which continued to identify JEA as a winter-peaking utility. The study also reflected the use of interruptible and curtailable rates. JEA's resource plan is expected to satisfy JEA's need for capacity through the listed operating period.

would continue to measure CO_2 emissions as presently performed and report based on those measurements. [Annual reports are due by March 31 each year.]

Under the structure of the Clean Air Act, permits are required for all sectors of the economy that have activities that meet the definition of a "major source" of GHG emissions under the Clean Air Act. Covered entities will immediately be subject to Prevention of Significant Deterioration ("PSD") and Title V permitting regimes, including requirements that construction of new sources or modifications to existing sources that will significantly increase GHG emissions install Best Available Control Technology ("BACT") to limit those emissions.

EPA final PSD and Title V Greenhouse Gas Tailoring Rule (the "Tailoring Rule"), which provided a three-stage phase-in of Clean Air Act PSD and Title V operating permit requirements for GHGs from stationary sources, became applicable to GHG emissions on January 2, 2011.

Under the first phase, PSD and Title V requirements only apply to GHGs at sources that are already subject to these programs as a result of their non-GHG emissions. In the second and third phases, PSD and Title V requirements can apply to sources on the basis of GHG emissions alone, even if non-GHG emissions are not high enough to trigger current PSD and Title V requirements. The second and third phase of the Tailoring Rule and any related assessments were rendered irrelevant by a U.S. Supreme Court ruling in 2014. EPA's Tailoring Rule was initially upheld by the U.S. Court of Appeals for the District of Columbia Circuit, but, on June 23, 2014, the U.S. Supreme Court reversed in part and affirmed in part. The Supreme Court held that the Clean Air Act neither compels nor permits EPA to require compliance with PSD or Title V requirements solely on the basis of GHG emissions but that EPA reasonably interpreted the Act to require a source that must obtain a PSD permit based on its emission of non-GHG emissions to also comply with BACT requirements for GHGs. On remand from the Supreme Court, the U.S. Court of Appeals for the District of Columbia Circuit issued an amended judgment on April 10, 2015 that held that the Tailoring Rule was vacated to the extent it required sources to obtain PSD or Title V permits solely on the basis of GHG emissions and directed EPA to take steps to rescind or revise applicable regulations to reflect the Court's judgment. EPA has issued guidance indicating that it will no longer seek to apply the second or third phase of the Tailoring Rule but will continue to implement the first phase and will undertake additional future rulemaking. JEA cannot determine the impact of the Tailoring Rule or any future related regulatory actions on its facilities at this time.

On December 23, 2010, the EPA announced that it would propose performance standards for GHG emissions from new and refurbished power plants in July 2011, with the final rules to be issued in May 2012. After a delay by the EPA in issuing such performance standards, on March 27, 2012, the EPA released a proposed rule that would establish New Source Performance Standards ("NSPS") for CO_2 emissions from new fossil fuel-fired EGUs (the "Proposed Rule"). On June 25, 2013, the EPA was directed, via Presidential Memo (the "Memo"), to revise the Proposed Rule and issue a new proposal for new power plants by September 20, 2013, which the EPA did.

The Memo further directed the EPA to develop GHG emission standards for existing power plants, and for modified and reconstructed power plants, on a more extended schedule.

On October 23, 2015, EPA published final performance standards for carbon emissions from new, modified and reconstructed electric generating units, establishing standards of performance for CO_2 emissions from these units (the "Carbon Pollution Standards"). On the same date, EPA issued final guidelines for existing power plants, called the Clean Power Plan ("CPP"), which requires states to regulate CO_2 emissions from existing fossil fuel-fired power plants. This rule requires Florida to achieve a CO_2 emissions rate reduction of 26 percent by 2030, with interim CO_2 reduction goals over the period of 2022 to 2029.

The final rule includes remedies under Subtitle D of the Federal Resource Conservation and Recovery Act ("RCRA"), which gives EPA authority to set national performance standards for waste management facilities and will be enforced through citizen suits. EPA does not currently have enforcement authority under Subtitle D, and the rule is self-implementing.

EPA is leaving in place the amendment to RCRA (known as the Bevill Amendment) that exempts beneficial uses of CCRs in which CCRs are recycled as components of products instead of placed in impoundments or landfills. Large quantities of CCRs are used today in concrete, cement, wallboard and other contained applications that should not involve any exposure by the public to unsafe contaminants.

The rule applies to CCR management practices at the Power Park and Plant Scherer. The dry solid waste byproduct area at the Power Park (referred to as Area B) will be required to be lined (including lining of associated runoff ponds) commencing with lateral expansion within Area B. JEA estimates that long term compliance costs to reflect future facility improvements, when the lateral expansion is required at the Power Park, will not be material to JEA's operations or financial condition. In addition, the Power Park's two closed byproduct storage areas (Areas 1 and 2) are not affected by this rule. The Power Park has no regulated surface impoundments.

Existing ash surface impoundments, like that at Plant Scherer, will be required to meet increased and more restrictive technical and operating criteria and ~~may~~will be forced to close if they cannot comply with the new criteria. Timelines for submittal of technical and operating criteria to demonstrate compliance vary, as required by the rule. Additionally, the surface impoundment closure timelines~~, if needed,~~ vary based on site specific conditions and will be implemented in accordance with the rule. The dry solid waste byproduct areas at Plant Scherer will be subject to the same requirements as Area B at the Power Park. The Power Park and Plant Scherer byproducts (fly ash, bed ash, and synthetic gypsum) identified for beneficial use would be included in the exemption for beneficial uses of CCRs.

As long as Northside burns less than 50 percent coal, the rule will not apply to this facility. Northside Units 1 and 2 produce a byproduct that consists of fly ash and bed ash. JEA has obtained an authorization from the FDEP to beneficially use the processed byproduct material in the State of Florida, subject to certain restrictions. These byproducts are combined and processed into a civil construction material marketed as EZBase. The unprocessed dry materials in the silos are also marketed as EZSorb. EZSorb is currently being transported by truck and rail to commercial Subtitle D landfills for stabilizing incoming waste streams and landfill leachate, as well as for utilization in environmental remediation/stabilization projects or facilities. EZBase is not currently being marketed.

For a further discussion of certain pending litigation relating to byproducts, see the discussion under the caption "Northside Generating Station Byproduct" in Note 15 to the financial statements of JEA set forth in APPENDIX A attached hereto.

Cross-State Air Pollution Rule and Clean Air Interstate Rule

On July 6, 2011 EPA finalized the Cross-State Air Pollution Rule ("CSAPR") to regulate interstate impacts of SO_2 and NO_X. The final rule replaced the EPA's 2005 Clean Air Interstate Rule ("CAIR"). On April 29, 2014, the U.S. Supreme Court reversed a D.C. Circuit decision and upheld the CSAPR rule. CSAPR requires a total of 28 states, plus the District of Columbia, to reduce annual SO_2 emissions, annual NO_X emissions and/or ozone season NO_X emissions to assist in attaining the 1997 ozone and fine particle and 2006 fine particle NAAQS. CSAPR became effective on January 1, 2015 for SO_2 and annual NO_X, and May 1, 2015 with respect to seasonal NO_X requirements. The State of Florida

well as not having a safe harbor OATT with FERC, did not file for the compliance with FERC for Order No. 1000. Nevertheless, JEA participated in all Florida Sponsors' and stakeholders' meetings, and supported the Florida Sponsors' efforts and response filing. Since JEA jointly owns and operates the Power Park plant with FPL, and has a significant ownership interest in the 500 kV transmission circuits that interconnect with Georgia Integrated Transmission System, JEA filed a motion for a friendly intervention after the main filing in October 2012 to protect its interests.

To prepare for the effective date for the FRCC regional compliance with the Order, training sessions for FRCC Board of Directors were held. Additionally, a biennial Transmission Planning Process was formulated, which overlaid the existing annual transmission planning process for FRCC. A Regional Projects Subcommittee ("RPS") was formed, under the FERC Planning Committee ("PC"), for affirmative obligation to identify and evaluate more cost-effective or efficient regional transmission solutions or transmission needs driven by public policy. JEA continued to have representation with all the parts of the Order No. 1000 process in FRCC, including the RPS. On three occasions, FERC partially accepted and partially rejected the Florida Sponsors' compliance filings, and directed them to refile. The Florida Sponsors' fourth response to Order No. 1000 was approved by FERC on August 20, 2015 with an implementation date of January 1, 2015, and the process has since been implemented by FRCC.

Order No. 1000 Interregional Filing

On July 10, 2013, FPL, PEF (now DEF), TEC and OUC (the "Florida Parties") submitted their filings to comply with the interregional compliance requirements of FERC Order No. 1000. The Florida Parties and the interregional interface Southeastern Regional Transmission Planning ("SERTP") region were able to reach complete agreement on the development and parallel tariff language to implement the requirements of Order No. 1000 on their mutual seam. FERC published this filing in the Federal Register and asked for any interventions or protests. Subsequently, Florida Municipal Power Agency and Seminole filed a joint motion to intervene and protest Florida Sponsors' interregional filing. In mid-January 2015, FERC released its response for the Florida-SERTP interregional compliance filing and conditionally accepted the SERTP filings and directed SERTP to make further compliance filings. The Florida Parties participated in coordination calls with SERTP for compliance with this Order. Three of the Sponsors (DEF, FPL and TEC) submitted their filings for interregional compliance of Order No. 1000 with FERC on March 24, 2015, and OUC submitted its filing three days later on March 27, 2015.

On July 30, 2015, FERC issued its final approval for the FRCC-SERTP interregional filing with an implementation date of January 1, 2015.

Future Legislation

From time to time, additional federal or state legislation or regulations affecting the electric utility industry may be enacted~~,~~. Such legislation can radically change the regulatory context in which JEA operates~~,~~ and can require increased capital or operating expenditures, or reduced operations, at existing and/or new generating facilities. Any such legislative changes are inherently impossible to predict with any certainty, particularly in the way they might apply to specific organizations or facilities, such as JEA. JEA, through its ~~lobbyists~~consultants and participation in state and national advocacy groups, maintains awareness of legislative issues that may impact operations, participating in advocacy roles as warranted.

Compliance with GHG emission reduction requirements could require JEA, at significant cost, to ~~implement carbon capture and sequestration technology,~~ purchase allowances or offsets, change the type of boiler fuel JEA uses, ~~or~~ retire high-emitting generation facilities and replace them with lower-emitting generation facilities~~.~~, or implement carbon capture and sequestration technology. The estimation of costs of compliance with GHG legislation or with EPA rules is subject to significant uncertainties because it is

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based on several interrelated assumptions and variables, including timing of the implementation of rules, required levels of reductions, allocation requirements, the maturation and commercialization of carbon capture and sequestration technology and associated regulations, and JEA's selected compliance alternatives.

[Recent examples of proposals by the Florida Legislature ~~include~~included bills which would have limited (House Bill 639 and Senate Bill 838) related to the Clean Power Plan, which would ~~limit~~have limited the FDEP's Clean Power Plan related activity until (1) the U.S. Congress enacts legislation regulating CO_2 emissions from existing stationary sources; or (2) a federal court issues a final judgment upholding the legality of regulations addressing CO_2 emissions from existing stationary sources. ~~In addition, there are solar-related ballot initiatives seeking to amend the Constitution to expand solar generation in Florida, but it is uncertain if and when these proposed amendments will make it on to a ballot.]~~These bills did not pass in the 2016 legislative session but similar bills may return. The Florida Legislature will need to approve any State Plan when the current Clean Power Plan stay by the Supreme Court of the U.S. is lifted or when the federal courts reach an outcome that restarts the plan development timeline.

In addition, there have been two solar-related ballot initiatives seeking to amend the Florida Constitution to expand solar generation in Florida. Both initiatives passed the Florida Supreme Court language review. The first amendment "Floridians for Solar Choice" failed to collect the required number of petition signatures to be placed on the November 2016 ballot. The second amendment "Consumers for Smart Solar" has sufficient signatures to be placed on the November ballot.

Any new state or federal legislation or changes to existing legislation or regulations could affect JEA's operations. JEA cannot predict whether any additional legislation or regulations will be enacted which will affect JEA's operations and if such laws are enacted, what the costs to JEA might be in the future.

FINANCIAL INFORMATION RELATING TO ELECTRIC UTILITY FUNCTIONS

Debt Relating to Electric Utility Functions

Electric System Bonds

As of September 30, 2015, $1,252,605,000 in aggregate principal amount of bonds issued pursuant to the Electric System Resolution (the "Electric System Bonds") was outstanding. As of the date of this Annual Disclosure Report, there is $1,208,460,000 in aggregate principal amount of Electric System Bonds outstanding under the Electric System Resolution, consisting of (a) $468,395,000 in aggregate principal amount of variable rate Electric System Bonds and (b) $740,065,000 in aggregate principal amount of fixed rate Electric System Bonds.

Electric System Bonds may be issued to finance any lawful purpose of JEA relating to the Electric System (other than for the purpose of financing the generating facilities of the Electric System). See "SUMMARY OF CERTAIN PROVISIONS OF THE ELECTRIC SYSTEM RESOLUTION - Issuance of Additional Electric System Bonds" in APPENDIX B attached hereto.

From time to time, JEA requests Council approval of the issuance of Electric System Bonds and Subordinated Electric System Bonds. Pursuant to previous Council approvals, JEA currently is authorized to issue additional Electric System Bonds and/or Subordinated Electric System Bonds for the

OTHER FINANCIAL INFORMATION

General

JEA maintains separate accounting records for the Electric System, the Scherer 4 Project (which is sometimes referred to herein and in JEA's financial statements as the "Bulk Power Supply System"), and its interest in the Power Park. For purposes of financial reporting, however, JEA prepares combined financial statements that include the Electric System, the Bulk Power Supply System, JEA's interest in the Power Park, the Water and Sewer System and the District Energy System. Set forth in APPENDIX A hereto are (a) the financial statements of JEA for its Fiscal Year 2015 (which consist of ~~statements~~the statement of net position of JEA as of September 30, 2015 and the related ~~statements~~statement of revenues, expenses, and changes in net position and cash flows for the year then ended and the notes thereto; such financial statements are hereinafter referred to as "JEA's 2015 Financial Statements"), together with the report of Ernst & Young LLP, independent auditors, on such financial statements, (b) certain supplemental data as of September 30, 2015 and for the year then ended (which consist of the combining statement of net position, the combining statement of revenues, expenses and changes in net position and the combining statement of cash flows) and (c) certain statements of bond compliance information (which consist of schedules of debt service coverage for the year ended September 30, 2015 for the Electric System, the Bulk Power Supply System, JEA's interest in the Power Park, the Water and Sewer System and the District Energy ~~Sysyem~~System), together with the report of Ernst & Young LLP, independent auditors, on such schedules. All such statements, information, data and schedules should be read in conjunction with the notes to JEA's 2015 Financial Statements, which are an integral part of the financial statements.

The assets reflected in the statement of net position included in JEA's 2015 Financial Statements include all of the assets of the Electric System, the Bulk Power Supply System, JEA's interest in the Power Park, the Water and Sewer System and the District Energy System, and the liabilities reflected in such statement of net position include, among other things, the Electric System Bonds, the Subordinated Electric System Bonds, the Power Park Issue Two Bonds, the Power Park Issue Three Bonds, the Additional Bulk Power Supply System Bonds, the Water and Sewer System Bonds, the Subordinated Water and Sewer System Bonds and the District Energy System Bonds. The statement of revenues, expenses, and changes in net assets includes all expenses (*e.g.*, interest charges, operating and maintenance expenses, fuel expenses) of the Electric System, the Bulk Power Supply System, JEA's interest in the Power Park, the Water and Sewer System and the District Energy System. However, revenues of JEA's interest in the Power Park and the Bulk Power Supply System are not included in such statement of revenues, expenses, and changes in net assets, except that interest income on funds maintained under the First Power Park Resolution, the Second Power Park Resolution and the Restated and Amended Bulk Power Supply System Resolution and revenues received from the FPL-Power Park Sale are included in the statement of revenues, expenses, and changes in net assets.

For financing purposes, the debt of JEA relating to the Electric Utilities Functions, the debt of JEA relating to its Water and Sewer System and the debt of JEA relating to the District Energy System are payable from and secured by separate revenue sources (*i.e.*, (a) the debt of JEA relating to its Electric Utility Functions is payable from and secured by the revenues derived by the Electric System from the sale of electricity and related services; (b) the debt of JEA relating to the Water and Sewer System is payable from and secured by the revenues derived by the Water and Sewer System from the sale of water and the provision of wastewater treatment and related services; and (d) the debt of JEA relating to the District Energy System is payable from and secured by the revenues derived by the District Energy System from the sale of chilled water and related services; provided, however, available revenues of the Water and Sewer System shall be deposited into a Debt Service Reserve Account established for the District Energy System Refunding Revenue Bonds, 2013 Series A (Federally Taxable) (the "2013 DES

Bonds") and pledged to pay debt service on the 2013 DES Bonds in the event that revenues of the District Energy System are insufficient to pay debt service on the 2013 DES Bonds). Accordingly, potential purchasers of the Electric System Bonds are advised that the information in JEA's 2015 Financial Statements relating to JEA's Water and Sewer System and District Energy System is not relevant to a decision to purchase the Electric System Bonds and should not be taken into account with respect thereto.

Transfers to the City

The Charter currently provides that, as consideration for the unique relationship between the City and JEA, there shall be assessed upon JEA in each Fiscal Year, for the uses and purposes of the City, from the revenues of the Electric System and Water and Sewer System operated by JEA available after the payment of all costs and expenses incurred by JEA in connection with the operation of the Electric System and the Water and Sewer System (including, without limitation, all costs of operation and maintenance, debt service on all obligations issued by JEA in connection with such Electric System and the Water and Sewer System and required reserves therefor and the annual deposit to the depreciation and reserve account required pursuant to terms of the Charter), an amount that is periodically negotiated by JEA and the City. The City's annual assessment of JEA does not include assessments pertaining to the District Energy System. The Charter provides that the Council may reconsider the assessment calculations every five years; however, pursuant to the Charter, the Council may also revise the assessments at any time by amending the Charter with a two-thirds vote of the Council. From time to time, including recently, proposals have been made, and may be made in the future, to increase the amount of the City's annual assessment on JEA.

Effective October 1, 2008, JEA is required to pay to the City a combined assessment for the Electric System and the Water and Sewer System and this combined assessment has been set forth in the Charter.

JEA and the City have reached agreement on amendments ("Recent Amendments") to the Charter which will affect the amount of the combined assessment that JEA is required to pay to the City. The Recent Amendments were set forth in Ordinance 2015-764, and were approved by the Council on March 8, 2016 and have taken effect on March ~~[ ]~~10, 2016, and provide that effective October 1, 2016, the combined assessment for the Electric System and the Water and Sewer System will be equal, but not exceed the greater of (A) the sum of (i) the amount calculated by multiplying 7.468 mills by the gross kilowatt hours delivered by JEA to retail users of electricity in JEA's service area and to wholesale customers under firm contracts having an original term of more than one year (other than sales of energy to FPL from JEA's St. Johns River Power Park System) during the 12-month period ending on April 30 of the Fiscal Year immediately preceding the Fiscal Year for which such assessment is applicable, plus (ii) the amount calculated by multiplying 389.20 mills by the number of K-Gals (1=1000) gallons) potable water and sewer service, excluding reclaimed water service, provided to consumers during the 12-month period ending on April 30 of the Fiscal Year immediately preceding the Fiscal Year for which such assessment is applicable or (B) a minimum calculated amount which increases by 1% per year from fiscal year 2016-2017 through fiscal year 2020-2021 using the fiscal year 2015-16 combined assessment of $114,187,538 as the base year. The amounts applicable to clause (B) above are: for fiscal year 2016-2017 - $115,329,413; for fiscal year 2017-2018 - $116,482,708; for fiscal year 2018-2019 - $117,647,535; for fiscal year 2019-2020 - $118,824,010; and for fiscal year 2020-2021 - $120,012,250. A "mill" is one one thousandth of a U.S. Dollar. The Recent Amendments provide that the amended assessment calculations for the electric system and the water and sewer system shall be in effect until September 30, 2021 and that the Council may reconsider the assessment calculations after October 1, 2020 and changes, if any, shall become effective October 1, 2021. As provided in the Charter, the Council may change the assessment calculation by ordinance within the provisions of the relevant section of the Charter. The Recent Amendments contemplate that in the event the Council does not reconsider the assessment calculations,

downgrade of such ratings to below the levels set forth in the master agreement or in the confirmation related to a particular interest rate swap transaction. Upon any such early termination of an interest rate swap transaction, JEA may owe to the counterparty a termination payment, the amount of which could be substantial. The amount of any such potential termination payment would be determined in the manner provided in the applicable master agreement and would be based primarily upon market interest rate levels and the remaining term of the interest rate swap transaction at the time of termination. In general, the ratings triggers on the part of JEA contained in the master agreements range from (x) below "BBB" by S&P and below "Baa2" by Moody's to (y) below "A-" by S&P and below "A3" by Moody's.

As of September 30, 2015, JEA's estimated aggregate exposure under all of its then outstanding interest rate swap transactions (*i.e.*, the net amount of the termination payments that JEA would owe to its counterparties if all of the interest rate swap transactions were terminated) was $148,749,000, of which $120,400,000 was attributable to interest rate swap transactions entered into for the account of the Electric System. As of ~~December~~March 31, ~~2015,~~2016, JEA's estimated aggregate exposure under all of its then outstanding interest rate swap transactions was $~~141,958,000,~~167,867,000, of which $~~114,992,000~~135,571,000 was attributable to interest rate swap transactions entered into for the account of the Electric System.

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The counterparties with whom JEA may deal must meet the requirements for counterparties described under the caption "Investment Policies" below. The policy requires JEA staff to submit to the JEA Board an annual plan of finance, which will address, at a minimum, the amount of debt projected to be issued during the next Fiscal Year, whether such debt is senior or subordinated, whether such debt is fixed or variable, and whether any hedging instruments may be utilized. Under the policy, JEA's net variable rate debt will not exceed 30 percent of total debt and JEA's net variable rate debt plus net fixed-to-floating interest rate swaps will not exceed 55 percent of total debt. "Net variable rate debt" is actual variable rate debt minus net variable rate assets. "Net variable rate assets" is actual variable rate assets minus the notional amount of investment/asset-matched interest rate swaps. "Net fixed-to-floating interest rate swaps" is the aggregate notional amount of fixed-to-floating swaps maturing in 10 years or less minus the aggregate notional amount of floating-to-fixed swaps maturing in 10 years or less outstanding on the last day of each month. "Total debt" equals fixed rate debt plus variable rate debt. "Variable rate assets" are investments maturing in less than one year. "Variable rate debt" is actual variable rate debt outstanding less variable rate debt that is associated with a floating-to-fixed rate swap where the term of the swap matches the term of the variable rate debt. The percentages are to be computed monthly.

JEA's fixed rate debt, variable rate debt and debt-related hedging instruments are to be managed in conjunction with investment assets and investment-related hedging instruments to incorporate the natural occurrence of hedging impacts in those balance sheet categories. The purpose is to use each side of the balance sheet to mitigate or hedge cash flow risks posed by the other side of the balance sheet.

~~[REVIEW PRICING POLICY]~~

~~[~~The policy creates procedures to be followed in conjunction with the issuance of fixed rate debt, variable rate debt and debt refundings. Beginning in the Fiscal Year ended September 30, 2010, deposits were made to the Rate Stabilization Fund for the Debt Management Strategy Reserve and reflect the difference in the actual interest rates for interest expense on the unhedged variable rate debt as compared to the budgeted assumptions for interest expense on the unhedged variable rate debt. At a minimum, 50 percent of the calculated reserve will be recorded and deposited each fiscal year. An additional amount, up to the full value of the calculated reserve (the remaining 50 percent), will be reviewed by the Debt and Investment Committee and recorded at their option. However, the amount deposited to the Rate Stabilization Fund (in addition to actual debt service costs for the fiscal year) cannot exceed the total amount of the budgeted debt service. The reserve will be calculated on a system by system basis; however, based on the calculation, any mandatory deposit will exclude the District Energy System. The reserve is capped at five percent of the par amount of the total outstanding variable rate debt. Withdrawals from the ~~Rate Stabilization Fund for the~~ Debt Management Strategy ~~Reserve~~Stabilization Fund for debt management strategy can be used for any lawful purpose including debt service, debt repayment, and capital outlay and must be approved in writing by the Managing Director and Chief Executive Officer~~.]~~. Under JEA's pricing policy, withdrawals from the Debt Management Strategy Stabilization Fund are limited to expenses related to market disruption in the capital markets, disruption in availability of credit or unanticipated credit expenses, or to fund variable interest costs in excess of budget. Any amounts withdrawn for these costs will subsequently be presented for approval by the Board.

The policy establishes a framework for JEA's utilization of hedging instruments including interest rate swaps and caps and collars. The utilization of hedging instruments offers JEA a cost effective alternative to traditional debt financing choices. JEA is authorized to enter into floating-to-fixed rate swaps, fixed-rate-to-floating rate swaps and basis swaps (*i.e.*, swaps which seek to manage the risk associated with the mismatch between two benchmarks used to set the indices utilized in an interest rate swap transaction). The percentage of variable rate exposure (the notional amount of net fixed-to-floating interest rate swaps and net variable rate debt outstanding) to total debt outstanding may not exceed 55

and every one of its covenants and obligations contained in the First Power Park Resolution and that there does not exist on the date of such certificate any default by JEA under the First Power Park Resolution or any Event of Default (as defined in the First Power Park Resolution) which, with the lapse of time specified in the applicable section of the First Power Park Resolution, would become an Event of Default.

Notwithstanding the failure of the accountants' certificates to strictly meet the requirements of the respective resolutions as described above, as of the date of this Annual Disclosure Report, JEA is not in default in the performance of any of the covenants, agreements or conditions contained in the Electric System Resolution, the Subordinated Electric System Resolution, the First Power Park Resolution, the Second Power Park Resolution, and the Restated and Amended Bulk Power Supply System Resolution.

Changes to Accounting Practices

In March 2015 the JEA Board approved implementation of "Regulatory Accounting" as prescribed under GASB Statement No. 62. Effective for fiscal year 2015, the Board adopted and JEA implemented a pricing policy that established cost-based rates for both the Electric and Water and Sewer Systems. The rate policy as adopted includes various surcharges and stabilization funds that meet the requirements for deferral under GASB Statement No. 62. Regulatory assets and liabilities have been established for these items. The initial accounting for several of these items includes deferring amounts that were included in revenue and expense in prior periods. These prior period amounts are included as a special item on the statement of revenues, expenses, and changes in net position. The total amount of regulatory deferral was $151.5 million, which include approximately $34.7 million for the Electric System and $116.8 million for the Water and Sewer System.

In addition, as of October 1, 2014, JEA implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions–an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date–an amendment of GASB Statement No. 68*, which replaced GASB Statement No. 27, *Accounting for Pensions by State and Local Government Employers*, and GASB Statement No. 50, *Pension Disclosures–an amendment of GASB Statements No. 25 and No. 27*. GASB Statement No. 68 requires employers to report the difference between the actuarial total pension liability and the fair value of the legally restricted plan assets as a net pension liability on the statement of net position. JEA's 2014 financial statements have been restated due to the implementation. The restated statement of net position decreased by $352,105 related to JEA's proportionate share of the net pension liability of the City of Jacksonville General Employees' Retirement Plan and the SJRPP Employees' Pension Plan. The liability is reflected as Net Pension Liability in the statement of net position. This liability is offset on the statement of revenues, expenses, and changes in net position as deferred inflows, deferred outflows and costs to be recovered from revenues. As a result of implementing GASB Statement No. 68 and with the application of regulatory accounting for the Electric and Water and Sewer Systems, a new regulatory asset of $353,921 has been established to record the future pension obligations that will be recovered in future rates.

LITIGATION

[TO BE UPDATED, AS NECESSARY]

In the opinion of the Office of General Counsel of the City, there is no pending litigation or proceedings that may result in any material adverse change in the financial condition of JEA relating to the Electric System other than as set forth in the financial statements of JEA in Appendix A of this Annual Disclosure Report and other than the matters set forth in this Annual Disclosure Report. [Although it does not fall within the category of pending litigation or proceedings mentioned in the

preceding sentence, there is a case pending in federal court relating to the installation and use of the Precision Flow System at certain Mid-America Apartment properties in the Jacksonville area.] [The claims against both the City and JEA are in the aggregate amount of approximately $75 million and are for defamation, tortious interference with a contractual relationship (with Mid-America Apartment Communities Inc.) and tortious interference with an advantageous business relationship (with St. Johns County).] [While the litigation is in its early stages, each of the City and JEA believe it has good and meritorious defenses (sovereign immunity, among others) and will vigorously defend the action.] [Additionally, under Florida law any tort-related claims against the City and JEA have a liability limitation for the City and JEA equal to a maximum amount of $[300,000 per tort-related claim].]

ANNUAL DISCLOSURE REPORT
FOR
WATER AND SEWER SYSTEM AND DISTRICT ENERGY SYSTEM
FOR
FISCAL YEAR
ENDED
SEPTEMBER 30, 2015

(Prepared pursuant to certain continuing disclosure undertakings relating to the Bonds listed in APPENDIX E hereto)

Filed with EMMA

Dated as of

[ ], 2016

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JACKSONVILLE, FLORIDA 32202
(904) 665-7410
(~~www.jea.com~~http://www.jea.com)

JEA OFFICIALS

BOARD MEMBERSHIP

Chair	Thomas F. Petway III
Vice Chair	Edward E. Burr
Secretary	Delores P. Kesler
	Husein A. Cumber
	Kelly Flanagan
	G. Alan Howard
	Warren A. Jones

MANAGEMENT

Managing Director and Chief Executive Officer	Paul E. McElroy
Vice President / General Manager, Electric Systems	Michael J. Brost
Vice President / General Manager, Water / Wastewater Systems	Brian J. Roche
Chief Financial Officer	Melissa H. Dykes
Chief Compliance Officer	Ted E. Hobson
Chief Customer Officer	Monica Whiting
Chief Human Resources Officer	Angelia R. Hiers
Chief Information Officer	Paul J. Cosgrave
Chief Public Affairs Officer	Michael R. Hightower
Treasurer	Joseph E. Orfano

GENERAL COUNSEL

Jason R. Gabriel, Esq.
General Counsel of the City of Jacksonville
Jacksonville, Florida

Current members of the JEA Board, their occupations and the commencement and expiration of their terms are as follows:

MEMBER	OCCUPATION	TERM
Thomas F. Petway III Chair	Founder and Member of the Board of Directors US Assure, Inc.	October 28, 2015 - February 28, 2018
Edward E. Burr Vice Chair	President & CEO GreenPointe Holdings, LLC	November 25, 2015 - February 28, 2017
Delores P. Kesler Secretary	Chairman & CEO Adium, LLC	October 28, 2015 - February 28, 2020
Husein A. Cumber	Executive Vice President for Corporate Development Florida East Coast Industries, Inc.	February 28, 2014 - February 28, 2018
Kelly Flanagan	Senior Vice President & CFO Jacksonville Jaguars, LLC	November 25, 2015 - February 28, 2020
G. Alan Howard	Founder & President Milam Howard Nicandri Dees and Gillam, P.A.	February 10, 2016 - February 28, 2019
Warren A. Jones	Real Estate Professional and former President, City Council City of Jacksonville, Florida	November 25, 2015 - February 28, 2019

In addition, in accordance with the provisions of the interlocal agreement entered into between JEA and Nassau County, Florida in connection with JEA's acquisition of certain assets and franchises of a private water and sewer utility in Nassau County, Nassau County is entitled to appoint a non-voting representative to the JEA Board. The Nassau County representative is entitled to attend all JEA Board meetings and to participate in discussions concerning matters that affect the provision of water and sewer services within Nassau County. Nassau County has appointed Mike Mullin, a Commissioner on Nassau County's Board of County Commissioners, as its representative to the JEA Board.

The Charter authorizes JEA to construct, acquire (including acquisition by condemnation), establish, improve, extend, enlarge, maintain, repair, finance, manage, operate and promote its utilities systems (which consist of (1) the Electric System, (2) the Water and Sewer System, (3) the District Energy System and (4) any additional utilities systems which JEA may undertake in the future upon satisfaction of the conditions set forth in the Charter), and to furnish electricity, water, sanitary sewer service, natural gas and other utility services as authorized therein within and outside of the City and for said purposes to construct and maintain electric lines, pipelines, water and sewer mains, natural gas lines and related facilities along all public highways and streets within and outside of the City. Should any additional utility system be undertaken by JEA in the future, such utility system may, at the option of JEA, constitute an additional utility function added to, and may become a part of, ~~the Electric System,~~ the Water and Sewer System or the District Energy System. See "SUMMARY OF CERTAIN PROVISIONS OF THE WATER AND SEWER SYSTEM RESOLUTION - Certain Other Covenants - *Additional Utility Functions*" in APPENDIX B attached hereto. The Charter also confers upon JEA the power to sue, to enter into contracts, agreements and leases, and to sell revenue bonds to finance capital improvements and to refund previously issued evidences of indebtedness of JEA.

Collections, and as the Director of Financial Planning, Budgets and Rates. In addition, he has experience in the private sector, including roles as a project engineer for Amoco Oil Company and with a global environmental engineering consultant firm. Mr. Roche presently serves on the Board of Directors of Vystar Credit Union. Mr. Roche holds a bachelor degree in Mechanical Engineering from Georgia Institute of Technology, a bachelor of science degree in Accounting from the University of Florida, an MBA and a ~~masters~~master's degree of Accountancy from the University of North Florida. Mr. Roche is a licensed Professional Engineer in the State of Florida and is a Certified Public Accountant.

Melissa H. Dykes, Chief Financial Officer. Ms. Dykes has served as Chief Financial Officer since March 2013. She provides leadership to ensure the financial health of JEA, resulting in access to capital at low cost for JEA's customers. She is responsible for all aspects of JEA's finances, including treasury, financial reporting, budgeting, supply chain management and shared services. She has lead responsibility for ensuring compliance with all reporting, regulatory and tax requirements for JEA.

Ms. Dykes currently serves on the Finance and Audit Committee of TEA. Prior to joining JEA as Treasurer in 2012, Ms. Dykes was CFO at a portfolio company of a large energy private equity firm and a principal in a renewable energy development company. She also was Vice President of Investment Banking at JP Morgan. During her career, she has been responsible for over $26 billion in new debt issuance, including financings for many municipal electric and water systems across the country. Ms. Dykes is a graduate of the University of Florida.

Ted E. Hobson, Chief Compliance Officer. Mr. Hobson joined JEA in 1973 and has overall responsibility for development, implementation and maintenance of JEA's Compliance Programs including NERC Electrical Standards, NERC Critical Infrastructure Protection (CIP) standards, FACTA regulations and other related federal and state regulations. He is also responsible for JEA's physical security department as well as Audit Services and Enterprise Risk Management. Mr. Hobson served on the Board of Directors of TEA from the founding of TEA in 1997 until restructuring in 2011 and is currently JEA's representative on the Settlement and Operating Committee. Mr. Hobson is JEA's alternate board member for the Florida Electric Reliability Coordinating Council (FRCC).

Mr. Hobson's previous position was Director of Energy Delivery, where he was responsible for all electric field activities including overhead and underground line work, system protection and controls, substation maintenance and the 24-hour operation of the JEA power system including generation commitment and dispatch, transmission operation and security and interchange services with other utilities. During his over 40 years with JEA, he has worked in the areas of distribution, engineering, trouble dispatching, system operations and system planning. Mr. Hobson has served as JEA's representative to the Florida Reliability Coordinating Council (FRCC) for over 15 years, is an alternate Board Member and was chair of the Operating Committee for the past six years. He also served on various North American Electric Reliability Corporation (NERC) committees and subcommittees and is a member and past chair of the NERC Compliance and Certification Committee.

Mr. Hobson holds a BSEE from the University of Florida, and is a registered Professional Engineer in the State of Florida.

Monica Whiting, Chief Customer Officer. Ms. Whiting is responsible for delivering value to JEA customers through superb customer service, customer education, community partnerships, and employee volunteerism. She oversees nearly $2 billion in annual billing and metering services, payment services, and customer programs such as value-based utility services and demand-side management. Ms. Whiting and her team of more than 400 are committed to earning customer loyalty

As of October 1, 2015, JEA had 2,158 budgeted employee positions (exclusive of the Power Park, as defined in the Electric ADR, employees referred to below), of which 599 were budgeted to the Water and Sewer System, five were budgeted to the District Energy System, and 1,554 were budgeted to the Electric System. Except for the Management Team and a minor number of contract employees, such employees have civil service status.

Approximately 1,595 employees are covered by five collective bargaining agreements. These employees are represented by the American Federation of State, County, and Municipal Employees ("AFSCME"), the International Brotherhood of Electrical Workers ("IBEW"), Local 2358 and the Northeast Florida Public Employees, Local 630, Laborer's International Union of North America ("LIUNA"), all of which are affiliated with the AFL-CIO, and by a professional employees' association (the "PEA", Professional Employees Association) and a supervisors' association (the "JSA", Jacksonville Supervisors Association) that have no AFL-CIO affiliation. JEA has collective bargaining agreements with all the collective bargaining agents, which will expire September 30, 2016. Contract negotiations for successor agreements commence in the second quarter of fiscal year 2016.

~~[TO BE UPDATED IF INFORMATION AVAILABLE FROM 2015 GEPP ACTUARIAL VALUATION REPORT]~~

Substantially all of JEA's employees participate in the City's ~~General Employees Pension Plan~~general employees pension plan ("GEPP"). Employees of the Power Park participate in a separate pension plan. See Note 12 to JEA's Financial Statements set forth in APPENDIX A attached hereto for a discussion of certain information on the City's plan. The Actuarial Valuation and Review as of October 1, 2014~~[5]~~ for the City's GEPP (the "October 1, 2014~~[5]~~ Actuarial Valuation Report") is available for viewing and downloading from the City's website (~~www.coj.net~~http://www.coj.net) by selecting "Government," then selecting "All Departments" under "City Departments," then selecting "Retirement System" under "~~Financial Services~~Finance and Administration," then selecting "Plan Valuation Statements" from the navigation tab on the left hand side and then selecting "General Employees Retirement Plan, Actuarial Valuation, Oct. 2014~~[5]~~" under "Government Accounting Standards Board and Plan Valuation Statements."

As indicated in the October 1, 2014~~[5]~~ Actuarial Valuation Report, the aggregate unfunded actuarial accrued liability for the GEPP decreased slightly from the Fiscal Year ended September 30, ~~201[5]~~2012 to the Fiscal Year ended September 30, ~~2015.~~2014. During such period, the funded ratio of the plan ~~increased from~~decreased from 62.38 percent for the Fiscal Year ended September 30, 2012 to 62.30 percent for the Fiscal Year ended September 30, 2013 and increased to 65.81 percent for the Fiscal Year ended September 30, ~~2014 to 69.06 percent for the Fiscal Year ended September 30, 2015.~~2014. At the same time, JEA's aggregate contribution to the GEPP increased from $22,301,000 for the Fiscal Year ended September 30, 2012 to $27,038,000 for the Fiscal Year ended September 30, 2013 and to $34,544,000 for the Fiscal Year ended September 30, ~~2014 to $40,179,000 for the Fiscal Year ended September 30, 2015. [~~2014. JEA has been informed by the City that the actuary for the GEPP has calculated JEA's allocated share of the unfunded actuarial accrued liability for the GEPP reported in the October 1, 2014 Actuarial Valuation Report to be $439,546,273 of the total unfunded actuarial accrued liability of $910,229,307, reflecting decreases of $21,129,073 and $37,044,819, respectively, relative to the 2013 amounts provided to JEA by the City or contained in the October 1, 2013 actuarial valuation report.~~]~~ Please also see Section 4, Exhibit II, page ~~[ ]~~32 of the October 1, 2014~~[5]~~ Actuarial Valuation Report in which it is shown that the contributors (which include JEA) to the GEPP contributed $~~10,777,000~~11,273,915 less than the actuarially determined employer contributions in dollar terms for ~~the~~ Plan Year ended September 30, ~~2014 and $4,318,000 for the~~2013 and $10,351,295 less than the actuarially determined employer contributions for Plan Year ended September 30, ~~2015,~~2014 because actual payroll growth has been less than projections leading to a lower level of payroll throughout those

years. Such a shortfall in a given year is added to the total unfunded actuarial accrued liability and a new 30-year amortization base is calculated for that year which in effect adds the shortfall to future required contributions.

In accordance with Florida law, which requires capping the payroll growth rate assumption at the rate equal to the average payroll growth rate in the plan over the preceding 10 years, the actuary lowered the payroll growth rate from 2.62 percent to 2.24 percent for the 30-year period beginning with the October 1, 2014 valuation. Also, beginning with the October 1, 2014 valuation, the GEPP adopted an updated actuarial base table reflecting mortality experience through September 30, 2014 and reduced the assumed rate of return from 7.75 percent to 7.50 percent per annum~~.~~ These were significant factors in the increase in JEA's contribution rate as a percentage of payroll from 31.60 percent to the 33.20 percent rate shown in the October 1, 2014 actuarial valuation report for fiscal years ending September 30, 2015 and September 30, 2016, respectively. JEA's Fiscal Year ~~2016~~2015 budgeted required aggregate contribution was $44.9 million. JEA's required aggregate contribution in its Fiscal Year 2016 budget is $48.5 million.

Such contributions do not constitute a significant portion of JEA's operating expenses either in the aggregate or, in the case of the Water and Sewer System or the District Energy System, considered separately. Further, JEA provides a medical benefits plan that it makes available to its retirees. See Note 12, Note 14 and pages ~~86~~83-87 of JEA's Financial Statements set forth in APPENDIX A attached hereto for a discussion of the pension plans, "other post-employment benefit" plan and actuarial accrued liability.

The City from time to time has proposed various changes to the City's GEPP. Most of JEA's employees participate in the City's GEPP. At this time, JEA cannot predict the outcome of any efforts to reform the City's GEPP. ~~[Most of JEA's employees participate in the City's GEPP.~~ In March 2016, the ~~Florida Legislature approved a bill which, if~~governor signed into law~~, will allow~~ a bill allowing local county governments~~ within the state~~ to levy a pension liability surtax to fund an underfunded defined benefit retirement plan or system such as the GEPP under certain conditions, beginning with approval by a majority of the electors of the county voting in a referendum. Among other conditions, a local government may only impose such a surtax if admission to defined benefits plans receiving surtax proceeds will be closed to future employees and the local government and collective bargaining units consent to requiring each member to make employee retirement contributions of at least ten percent of salary once the plan or system is closed. JEA cannot predict if ~~the bill will be enacted into law or, if it should be signed by the governor and authorized by~~ the Council will authorize such a referendum, the timing or outcome of any referendum or negotiations with collective bargaining units.~~]~~

Certain Demographic Information

Under Florida law, the City and Duval County are organized as a single, consolidated government. Based upon the 2010 United States Census, the consolidated City is the most populous city in the State of Florida. The City covers 840 square miles and is one of the largest cities in area in the United States.

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The Jacksonville Metropolitan Statistical Area ("MSA") is composed of Duval, Clay, Nassau, St. Johns and Baker Counties, an area covering 3,201 square miles. The U.S. Census Bureau estimates that the Jacksonville MSA had a population of ~~1,419,127~~1,449,481 as of July 1, ~~2014~~2015. The Jacksonville MSA is currently the fourth most populous MSA in the State of Florida. The table below shows population for the Jacksonville MSA.

Population

Year	Jacksonville MSA
1980	722,252
1990	906,727
2000[1]	1,122,750
2010	1,345,596
~~2014~~2015	~~1,419,127~~1,449,481

Source: United States Census Bureau
(1) Baker County was included in the Jacksonville MSA starting with the 2000 United States census.

The economy of the Jacksonville MSA contains significant elements of trade and services, transportation services, manufacturing, insurance and banking and tourism. The Port of Jacksonville is one of the largest ports on the South Atlantic seaboard and in terms of tonnage ranks third in the State of Florida. A number of insurance and banking companies maintain regional offices in the City. The tourism and recreational facilities in the City include an arena, a performing arts center, a convention center, EverBank Field (which is the home field of the National Football League's Jacksonville Jaguars), a baseball park, numerous golf courses and resorts and various recreational facilities at the beaches. Two large United States Navy bases are located in the City.

The table below sets forth the annual, not seasonally adjusted, labor force, employment and unemployment figures for the Jacksonville MSA and comparative unemployment figures for the State of Florida and the United States for the most recent 10 years ended December ~~2014. [2015 data anticipated to be released March2016.]~~ 2015.

	Jacksonville MSA Labor Force			Unemployment Rate (%)	
Year	Civilian	Employment	Unemployment Rate (%)	Florida	U.S.
~~2005~~	~~635,531~~	~~611,677~~	~~3.8~~	~~3.7~~	~~5.1~~
2006	657,996	636,269	3.3	3.2	4.6
2007	674,548	648,003	3.9	4.0	4.6
2008	687,704	646,302	6.0	6.3	5.8
2009	681,026	612,993	10.0	10.4	9.3
2010	697,120	622,208	10.7	11.1	9.6
2011	~~701,446~~701,601	~~633,112~~633,473	9.7	10.0	8.9
2012	~~704,709~~704,583	~~646,553~~646,531	~~8.3~~8.2	8.5	8.1
2013	~~710,844~~709,800	~~660,679~~659,875	~~7.1~~7.0	7.3	7.4
2014	~~719,458~~717,730	~~674,778~~672,906	6.2	6.3	6.2
2015	724,882	686,860	5.2	5.4	5.3

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4846-9523-~~5629.14~~5629.18

Source: Florida Research and Economic Information Database Application, http://freida.labormarketinfo.com/default.asp

The table below shows the estimated average non-agricultural wage and salary employment by sector for the Jacksonville MSA for the ~~twelve months ended December 31, 2015. [2015 full-year data anticipated to be release March 2016.]~~calendar year 2015.

	Number of Employees	Percent of Distribution
Trade, Transportation and Utilities	~~134,200~~135,600	~~21.0~~20.9
Other Services[1]	~~112,400~~112,300	~~17.6~~17.4
Professional and Business Services	~~98,100~~101,200	~~15.4~~15.6
Education and Health Services	~~97,700~~97,300	~~15.3~~15.0
Government	~~74,200~~75,300	11.6
Finance	61,600	~~9.6~~9.5
Construction	~~32,500~~35,100	~~5.1~~5.4
Manufacturing	~~28,100~~29,500	~~4.4~~4.6
Total Non-Agricultural Employment (Except Domestics, Self-Employed And Unpaid Family Workers)	~~638,800~~647,900	100.0

Source: United States Department of Labor.
[1] Consists of other services, information, leisure and hospitality, and natural resources and mining.

The following table lists the 10 largest non-governmental employers in the Jacksonville MSA and the approximate size of their respective work forces.

Name of Employer	Product or Service	Approximate No. of Employees
Baptist Health System	Healthcare	8,270
Bank of America / Merrill Lynch	Banking	8,000
Florida Blue	Health Insurance	6,500
Mayo Clinic	Healthcare	~~4,970~~5,107[1]
United Parcel Service	Worldwide Parcel Delivery	4,100
Citibank	Banking	4,000
CSX Transportation	Railroad	3,600
JP Morgan Chase	Banking	3,500
UF Health Jacksonville	Healthcare	3,500
Wells Fargo	Banking	3,500

Source: Jacksonville Regional Chamber of Commerce Research Department biennial employer survey, fall 2012, as partially amended through December ~~2015.~~2015, except as otherwise noted.

[1] Mayo Clinic website, total staff (http://www.mayoclinic.org/about-mayo-clinic/facts-statistics/florida).

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sufficient water capacity at the least cost which meets JEA's desired level of customer service requirements and complies with water quality criteria while avoiding adverse impacts on the Floridan Aquifer. The Water System has 134 wells supplying the various water plants. Each plant consists of wells, aerators, ground storage tanks, water quality treatment and pH control and chlorination facilities. Control is by computer with regular operator oversight. The rated maximum daily treatment capacity of the Water System is approximately 292 mgd for the north and south grids together and 304 mgd for the total Water System, taking into consideration maintenance factors. Treatment at the water plants currently consists of aeration and detention to oxidize hydrogen sulfide and addition of sodium hypochlorite to adjust pH, provide disinfection and prevent biological growth in the water distribution system. JEA also uses packed tower forced draft aeration and ozone to treat hydrogen sulfide at several facilities.

The following table shows the daily average and maximum flow capacities for the Fiscal Years ended September 30, 2011 through 2015:

Fiscal Year Ended September 30,	Average Daily Flow (mgd)	Maximum Daily Flow (Non-Coincident) (mgd)
2011	124	172
2012	113	154
2013	100	134
2014	101	140
2015	104	165

The following table shows the rated maximum daily treatment capacity during the Fiscal Year ended September 30, 2015 for each distribution grid:

Grid	Maximum Daily Treatment Capacity (mgd)
North grid	130
South grid	162
Other	12
Total	304

The water distribution system consists of approximately 4,409 miles of water distribution mains ranging from [two to 36] inches in diameter. The water distribution mains are made of various materials, including polyvinyl chloride ("PVC"), galvanized steel, ductile iron, cast iron and asbestos cement. The majority of the water distribution mains are made of PVC, with less than one percent of the water distribution system being composed of asbestos cement pipe. Water quality monitoring in the areas containing asbestos cement pipe has shown all areas to be within the United States Environmental Protection Agency ("EPA") and the Florida Department of Environmental Protection ("FDEP") regulatory limits. The asbestos cement pipe has been in service for several decades, and JEA anticipates removal of this pipe from the Water System through routine replacement of aging water mains. Virtually all new water system distribution mains are constructed of PVC.

Total finished water storage capacity of the Water System is 74 million gallons. All water storage facilities are located at the various water treatment plants, including two repump facilities. The Water System does not utilize elevated storage tanks.

Water supply is from the Floridan Aquifer, one of the most productive aquifers in the world, with high quality water. The Floridan Aquifer covers most of Florida and parts of Georgia and South

generate and transfer 30.34 metric tons per year of Total Nitrogen Water Quality Credits to the City of Jacksonville through 2023 and is positioned to remain in compliance with its Aggregate Nitrogen permit. JEA has agreed to provide these annual Water Quality Credits to the City for no compensation through December 31, 2023.

As the regulatory reduction of Total Nitrogen in the Lower St. Johns River is an ongoing annualized requirement that both the City and JEA will be required to meet beyond December 31, 2023, the City and JEA have agreed to engage in discussions to work on a plan for meeting the future needs of both parties beyond December 31, 2023.

On December 11, 2006, JEA and the FDEP executed a long-term sanitary sewer overflows ("SSO") consent order. The long-term SSO consent order is the mechanism under which periodic, unforeseeable JEA SSOs are reviewed and adjudicated. The SSOs for each fiscal year are typically adjudicated on an annual to bi-annual basis. To address SSOs that occurred in Fiscal Year 2015, JEA expects to be assessed a penalty of $43,000. In lieu of paying the penalty, JEA has opted to spend at least $64,500 on an environmental improvement project as approved by FDEP. To further reduce the frequency of SSOs in the future, JEA implemented a Capacity, Management, Operation, and Maintenance ("CMOM") program in 2008. The CMOM program was developed by EPA to provide a standardized, systematic framework for utilities to manage and evaluate how well their wastewater systems are being operated and maintained in an effort to reduce the frequency of future SSOs.

Capital Program

The Water and Sewer System's projected capital program for the five-year period ending September 30, 2020 is summarized below. The capital program is centered on renewal and replacement and to enable the Water and Sewer System to remain in compliance with all applicable regulatory requirements, as well as to lower operating and maintenance expenses. Major projects include [the expansion of the Blacks Ford Water Reclamation Facility from 3.0 mgd to 6.0 mgd, the rebuild of the biosolids operation at the Buckman Water Reclamation Facility, and construction of a 6 mgd Water Treatment Plant to serve customers in the northwestern part of JEA's service territory]. This program contains funding targeted to improve water and sewer treatment plants, in addition to meeting the three-part program described in "Regulation - *Public Water Supply System*" above to maintain sustainable water supply for JEA's customers.

Water and Sewer System Capital Program
(000's omitted)

Fiscal Year Ending September 30,	Amount
2016	$175,000
2017	205,000
2018	158,000
2019	155,000
2020	141,000
Total	$834,000

The total amount of the capital program for the five-year period is estimated to be approximately $834 million. It is expected that the total amount of the capital program for this period will be provided from Water and Sewer System revenues (including capacity charges).The projected total amount of the capital program may be affected by future environmental legislation and regulation. See "Regulation" above.

OTHER FINANCIAL INFORMATION

General

JEA maintains separate accounting records for the Water and Sewer System and the District Energy System. For purposes of financial reporting, however, JEA prepares combined financial statements that include the Electric System, the Bulk Power Supply System, JEA's interest in the Power Park, the Water and Sewer System and the District Energy System. Set forth in APPENDIX A hereto are (a) the financial statements of JEA for its Fiscal Year 2015 (which consist of ~~statements~~the statement of net position of JEA as of September 30, 2015 and the related ~~statements~~statement of revenues, expenses, and changes in net position and cash flows for the ~~years~~year then ended and the notes thereto; such financial statements are hereinafter referred to as "JEA's 2015 Financial Statements"), together with the report of Ernst & Young LLP, independent auditors, on such financial statements, (b) certain supplemental data as of September 30, 2015 and for the year then ended (which consist of the combining ~~statements~~statement of net position, the combining statement of revenues, expenses, and changes in net position and the combining statement of cash flows) and (c) certain statements of bond compliance information (which consist of schedules of debt service coverage for the year ended September 30, 2015 for the Electric System, the Bulk Power Supply System, JEA's interest in the Power Park, the Water and Sewer System and the District Energy System), together with the ~~reports~~report of Ernst & Young LLP, independent auditors, on such schedules. All such statements, information, data and schedules should be read in conjunction with the notes to JEA's 2015 Financial Statements, which are an integral part of the financial statements.

The assets reflected in the ~~statements~~statement of net position included in JEA's 2015 Financial Statements include all of the assets of the Water and Sewer System, Electric System, the Bulk Power Supply System, JEA's interest in the Power Park and the District Energy System, and the liabilities reflected in such ~~statements~~statement of net position include, among other things, the Water and Sewer System Bonds, the Subordinated Water and Sewer System Bonds, the Electric System Bonds, the Subordinated Electric System Bonds, the Power Park Issue Two Bonds, the Power Park Issue Three Bonds, the Additional Bulk Power Supply System Bonds and the District Energy System Bonds. The ~~statements~~statement of revenues, expenses, and changes in net assets include all expenses (*e.g.*, interest charges, operating and maintenance expenses, fuel expenses) of the Water and Sewer System, the Electric System, the Bulk Power Supply System, JEA's interest in the Power Park and the District Energy System.

Except as described under the caption "INTRODUCTION - General" herein, for financing purposes, the debt of JEA relating to the Electric Utilities Functions, the debt of JEA relating to its Water and Sewer System and the debt of JEA relating to the District Energy System are payable from and secured by separate revenue sources (*i.e.*, (a) the debt of JEA relating to its Electric Utility Functions is payable from and secured by the revenues derived by the Electric System from the sale of electricity and related services; (b) the debt of JEA relating to the Water and Sewer System is payable from and secured by the revenues derived by the Water and Sewer System from the sale of water and the provision of wastewater treatment and related services; and (c) except as described under the caption "WATER AND SEWER SYSTEM - *FINANCIAL INFORMATION RELATING TO WATER AND SEWER SYSTEM FUNCTIONS* - Debt Relating to Water and Sewer System Functions - *Water and Sewer System Support of the District Energy System Bonds*" herein, the debt of JEA relating to the District Energy System is payable from and secured by the revenues derived by the District Energy System from the sale of chilled water and related services).

Transfers to the City

The Charter currently provides that, as consideration for the unique relationship between the City and JEA, there shall be assessed upon JEA in each Fiscal Year, for the uses and purposes of the City, from the revenues of the Electric System and Water and Sewer System operated by JEA available after the payment of all costs and expenses incurred by JEA in connection with the operation of the Electric System and the Water and Sewer System (including, without limitation, all costs of operation and maintenance, debt service on all obligations issued by JEA in connection with such Electric System and the Water and Sewer System and required reserves therefor and the annual deposit to the depreciation and reserve account required pursuant to terms of the Charter), an amount that is periodically negotiated by JEA and the City. The City's annual assessment of JEA does not include assessments pertaining to the District Energy System. The Charter provides that the Council may reconsider the assessment calculations every five years; however, pursuant to the Charter, the Council may also revise the assessments at any time by amending the Charter with a two-thirds vote of the Council. From time to time, including recently, proposals have been made, and may be made in the future, to increase the amount of the City's annual assessment on JEA.

Effective October 1, 2008, JEA is required to pay to the City a combined assessment for the Electric System and the Water and Sewer System and this combined assessment has been set forth in the Charter.

JEA and the City have reached agreement on amendments ("Recent Amendments") to the Charter which will affect the amount of the combined assessment that JEA is required to pay to the City. The Recent Amendments were set forth in Ordinance 2015-764, and were approved by the Council on March 8, 2016 and have taken effect on March [ ], 10, 2016, and provide that effective October 1, 2016, the combined assessment for the Electric System and the Water and Sewer System will be equal, but not exceed the greater of (A) the sum of (i) the amount calculated by multiplying 7.468 mills by the gross kilowatt hours delivered by JEA to retail users of electricity in JEA's service area and to wholesale customers under firm contracts having an original term of more than one year (other than sales of energy to FPL from JEA's St. Johns River Power Park System) during the 12-month period ending on April 30 of the Fiscal Year immediately preceding the Fiscal Year for which such assessment is applicable, plus (ii) the amount calculated by multiplying 389.20 mills by the number of kgal potable water and sewer service, excluding reclaimed water service, provided to consumers during the 12-month period ending on April 30 of the Fiscal Year immediately preceding the Fiscal Year for which such assessment is applicable or (B) a minimum calculated amount which increases by 1% per year from fiscal year 2016-2017 through fiscal year 2020-2021 using the fiscal year 2015-16 combined assessment of $114,187,538 as the base year. The amounts applicable to clause (B) above are: for fiscal year 2016-2017 - $115,329,413; for fiscal year 2017-2018 - $116,482,708; for fiscal year 2018-2019 - $117,647,535; for fiscal year 2019-2020 - $118,824,010; and for fiscal year 2020-2021 - $120,012,250. A "mill" is one one thousandth of a U.S. Dollar. The Recent Amendments provide that the amended assessment calculations for the electric system and the water and sewer system shall be in effect until September 30, 2021 and that the Council may reconsider the assessment calculations after October 1, 2020 and changes, if any, shall become effective October 1, 2021. As provided in the Charter, the Council may change the assessment calculation by ordinance within the provisions of the relevant section of the Charter. The Recent Amendments contemplate that in the event the Council does not reconsider the assessment calculations, the assessments shall be calculated using the existing formulas specified in the Charter, including a minimum calculated amount in clause (B) therein, which increases by one percent per year for each fiscal year computed as provided in the Charter.

In addition to the changes to the annual assessment, the Recent Amendments provide that JEA, pursuant to the terms of an Interagency Agreement with the City, agrees to provide total nitrogen water

	Fitch Ratings	Moody's	S&P
Outstanding Water and Sewer System Bonds	AA	Aa2	~~AA~~AAA
Outstanding Subordinated Water and Sewer System Bonds	AA	Aa2	AA+

Liquidity Support for JEA's Variable Rate Bonds

In particular, JEA has entered into a credit agreement, standby bond purchase agreements and letter of credit reimbursement agreement with certain commercial banks in order to provide liquidity support in connection with tenders for purchase of the Senior Liquidity Supported Water and Sewer Bonds and the Subordinated Liquidity Supported Water and Sewer Bonds (collectively the "Liquidity Supported Bonds"). As of the date of this Annual Disclosure Report, there is $137,110,000 in aggregate principal amount of Senior Liquidity Supported Water and Sewer Bonds outstanding and $109,985,000 in aggregate principal amount of Subordinated Liquidity Supported Water and Sewer Bonds outstanding. The standby bond purchase agreements and reimbursement agreements, as applicable, relating to the Liquidity Supported Bonds provide that any of such Liquidity Supported Bonds that are purchased by the applicable bank pursuant to its standby bond purchase agreement or letter of credit, as applicable, may be tendered or deemed tendered to JEA for payment upon the occurrence of certain "events of default" with respect to JEA under such standby bond purchase agreement or such reimbursement agreement, as applicable. Upon any such tender or deemed tender for purchase, such Liquidity Supported Bonds so tendered or deemed tendered will be due and payable immediately.

In general, the credit agreement and each standby bond purchase agreement and reimbursement agreement, as applicable, provides that it is an event of default on the part of JEA thereunder if the long-term ratings on the Liquidity Supported Bonds to which the credit agreement or such standby bond purchase agreement or such reimbursement agreement, as applicable, relates, without giving effect to any third-party credit enhancement, fall below "BBB-" by Fitch Ratings, "Baa3" by Moody's Investors Service ("Moody's") and / or "BBB-" by Standard & Poor's, a business of Standard & Poor's Financial Services LLC, a limited liability company, organized and existing under the laws of the State of Delaware ("S&P"), or are suspended or withdrawn (generally for credit-related reasons).

Interest Rate Swap Transactions

From time to time, JEA enters into interest rate swap transactions pursuant to both its debt management policy (see "Debt Management Policy" below) and its investment policies (see "Investment Policies" below), which interest rate swap transactions may be for the account of the Water and Sewer System. JEA had interest rate swap transactions outstanding under interest rate swap master agreements with four different counterparties in an aggregate notional amount of $531,955,000 as of September 30, 2015, of which $124,020,000 were for the account of the Water and Sewer System. For additional information concerning those interest rate swap transactions, see (a) "Debt Management Policy" below, (b) "Investment Policies" below and (c) Notes 1(k) and 8 to JEA's 2015 Financial Statements set forth in APPENDIX A attached hereto.

Under each master agreement, the interest rate swap transactions entered into pursuant to that master agreement are subject to early termination upon the occurrence and continuance of certain "events of default" and upon the occurrence of certain "termination events." One of such "termination events" with respect to JEA is a suspension or withdrawal of certain credit ratings with respect to JEA or a downgrade of such ratings to below the levels set forth in the master agreement or in the confirmation related to a particular interest rate swap transaction. Upon any such early termination of an interest rate swap transaction, JEA may owe to the counterparty a termination payment, the amount of which could be substantial. The amount of any such potential termination payment would be determined in the manner

provided in the applicable master agreement and would be based primarily upon market interest rate levels and the remaining term of the interest rate swap transaction at the time of termination. In general, the ratings triggers on the part of JEA contained in the master agreements range from (x) below "BBB" by S&P and below "Baa2" by Moody's to (y) below "A-" by S&P and below "A3" by Moody's.

Additionally, the master agreement between JEA and Merrill Lynch Derivative Products AG ("MLDP") for the account of the Water and Sewer System contains an automatic transfer provision triggered by a certain rating downgrade or downgrades, as applicable, of JEA or Merrill Lynch Derivative Products AG. Under certain circumstances if the rating on JEA's senior lien Water and Sewer System Bonds or the long-term, unsecured, unsubordinated debt rating or financial program rating of Merrill Lynch Derivative Products AG were to fall ~~below the double-A category, all rights and obligations of~~ Merrill Lynch Derivative Products AG under the master agreement and all transactions under the master agreement would be automatically assigned and delegated to Merrill Lynch Capital Services, Inc. ("MLCS"). MLCS has entered into an agreement with JEA to cause a guarantee from Merrill Lynch & Co. to be delivered to JEA after the assignment occurs and such guarantee will guarantee the payments of MLCS under the master agreement to JEA. S&P downgraded MLDP to "A+" on 8/15/2013, triggering the assignment to MLCS and the Merrill Lynch & Co. guarantee described above.

As of September 30, 2015, JEA's estimated aggregate exposure under all of its then outstanding interest rate swap transactions (*i.e.*, the net amount of the termination payments that JEA would owe to its counterparties if all of the interest rate swap transactions were terminated) was $148,749,000, of which $28,349,000 was attributable to interest rate swap transactions entered into for the account of the Water and Sewer System. As of ~~December~~March 31, ~~2015,~~2016, JEA's estimated aggregate exposure under all of its then outstanding interest rate swap transactions was $~~141,958,000,~~167,867,000, of which $~~26,966,000~~32,296,000 was attributable to interest rate swap transactions entered into for the account of the Water and Sewer System.

In connection with the issuance or proposed issuance of certain of JEA's bonds, JEA has entered into various floating-to-fixed rate interest rate swap transactions for the account of the Water and Sewer System. These swap transactions are entered into with various providers and are otherwise described in the table below.

Related Bonds	Counterparty	Initial Notional Amount	Notional Amount as of March 31, 2016	Fixed Rate of Interest	Variable Rate Index[1]	Termination Date[2]
Water and Sewer System Revenue Bonds, 2006 Series B	Morgan Stanley Capital Services, Inc.	$38,730,000	$38,730,000	3.86-4.09%	CPI Index	10/1/2016 to 10/1/2022
Variable Rate Water and Sewer System Revenue Bonds, 2008 Series B	Merrill Lynch Capital Services, Inc.	$85,290,000	$85,290,000	3.895%	BMA Municipal Swap Index	10/1/2041

Related Bonds	Counterparty	Initial Notional Amount	Notional Amount as of March 31, 2016	Fixed Rate of Interest	Variable Rate Index[1]	Termination Date[2]

[1] The BMA Municipal Swap Index is now known as the SIFMA Municipal Swap Index.
[2] Unless earlier terminated.

Debt Management Policy

JEA's debt management policy applies to all current and future debt and related hedging instruments issued by JEA. The policy is designed to provide both broad policy guidance and facilitate management, control and oversight of JEA's debt function, thus fostering ongoing access to the capital markets in order to fund future capital projects of JEA.

The counterparties with whom JEA may deal must meet the requirements for counterparties described under the caption "Investment Policies" below. The policy requires JEA staff to submit to the JEA Board an annual plan of finance, which will address, at a minimum, the amount of debt projected to be issued during the next Fiscal Year, whether such debt is senior or subordinated, whether such debt is fixed or variable, and whether any hedging instruments may be utilized. Under the policy, JEA's net variable rate debt will not exceed 30 percent of total debt and JEA's net variable rate debt plus net fixed-to-floating interest rate swaps will not exceed 55 percent of total debt. "Net variable rate debt" is actual variable rate debt minus net variable rate assets. "Net variable rate assets" is actual variable rate assets minus the notional amount of investment/asset-matched interest rate swaps. "Net fixed-to-floating interest rate swaps" is the aggregate notional amount of fixed-to-floating swaps maturing in 10 years or less minus the aggregate notional amount of floating-to-fixed swaps maturing in 10 years or less outstanding on the last day of each month. "Total debt" equals fixed rate debt plus variable rate debt. "Variable rate assets" are investments maturing in less than one year. "Variable rate debt" is actual variable rate debt outstanding less variable rate debt that is associated with a floating-to-fixed rate swap where the term of the swap matches the term of the variable rate debt. The percentages are to be computed monthly.

JEA's fixed rate debt, variable rate debt and debt-related hedging instruments are to be managed in conjunction with investment assets and investment-related hedging instruments to incorporate the natural occurrence of hedging impacts in those balance sheet categories. The purpose is to use each side of the balance sheet to mitigate or hedge cash flow risks posed by the other side of the balance sheet.

~~[REVIEW PRICING POLICY]~~

[The policy creates procedures to be followed in conjunction with the issuance of fixed rate debt, variable rate debt and debt refundings. Beginning in the Fiscal Year ended September 30, 2010, deposits were made to the Rate Stabilization Fund for the Debt Management Strategy Reserve and reflect the difference in the actual interest rates for interest expense on the unhedged variable rate debt as compared to the budgeted assumptions for interest expense on the unhedged variable rate debt. At a minimum, 50 percent of the calculated reserve will be recorded and deposited each fiscal year. An additional amount, up to the full value of the calculated reserve (the remaining 50 percent), will be reviewed by the Debt and Investment Committee and recorded at their option. However, the amount deposited to the Rate Stabilization Fund (in addition to actual debt service costs for the fiscal year) cannot exceed the total amount of the budgeted debt service. The reserve will be calculated on a system by system basis; however, based on the calculation, any mandatory deposit will exclude the District Energy System. The reserve is capped at five percent of the par amount of the total outstanding variable rate debt. Withdrawals from the ~~Rate Stabilization Fund for the~~ Debt Management Strategy ~~Reserve~~Stabilization

~~4846 9523 5629.18~~

Fund for debt management strategy can be used for any lawful purpose including debt service, debt repayment, and capital outlay and must be approved in writing by the Managing Director and Chief Executive Officer~~.~~]. Under JEA's pricing policy, withdrawals from the Debt Management Strategy Stabilization Fund are limited to expenses related to market disruption in the capital markets, disruption in availability of credit or unanticipated credit expenses, or to fund variable interest costs in excess of budget. Any amounts withdrawn for these costs will subsequently be presented for approval by the Board.

The policy establishes a framework for JEA's utilization of hedging instruments including interest rate swaps and caps and collars. The utilization of hedging instruments offers JEA a cost effective alternative to traditional debt financing choices. JEA is authorized to enter into floating-to-fixed rate swaps, fixed-rate-to-floating rate swaps and basis swaps (*i.e.*, swaps which seek to manage the risk associated with the mismatch between two benchmarks used to set the indices utilized in an interest rate swap transaction). The percentage of variable rate exposure (the notional amount of net fixed-to-floating interest rate swaps and net variable rate debt outstanding) to total debt outstanding may not exceed 55 percent. The notional amount of interest rate swaps, caps, collars and related hedging instruments is limited to the amount approved by the JEA Board from time to time.

Interest rate caps and related hedging instruments are to be utilized to help JEA manage interest rate risk in its debt management program. Generally, a fixed-to-floating interest rate swap will have an associated interest rate cap for the same notional amount at a level no greater than 200 basis points above the interest rate swap fixed rate. It is also contemplated that an interest rate cap will not always have the same maturity as the interest swap with which it is associated. The average life of the aggregate of outstanding caps will not be less than 75 percent of the average life of the associated aggregate swaps.

The policy sets out various decision rules which govern the decision to execute various hedging instruments. Valuations are performed on a quarterly basis and adjustments to fair value are included in JEA's financial statements.

The policy calls for no more than $500,000,000 of net interest rate swap and cap or other hedging instruments to be outstanding in the aggregate with any one provider or affiliate thereof. The aggregate amount of all "long dated" (greater than 10 years) transactions executed with financial institutions and all affiliates thereof, shall be limited to an amount based on the credit rating of the financial institution at the time of the entry into the long dated hedging transaction as shown below:

Rating Level	Notional Amount
AAA/Aaa by one or more rating agencies	$400,000,000
AA-/Aa3 or better by at least two rating agencies	300,000,000
A/A2 or better by at least two rating agencies	200,000,000
Below A/A2 by at least two rating agencies	0

The ratings criteria shown above apply either to the counterparty to the long dated transaction or, if the payment obligation of such counterparty under the relevant swap agreement shall be guaranteed by an affiliate thereof, such affiliate. The overall maximum by definition of the above limits cannot exceed $400,000,000 for long dated transactions.

These diversification requirements include all interest rate swap, cap and other hedging instruments JEA may utilize to manage interest rate risks including, but not limited to, debt management and 100 percent investment/asset-matched program. Interest rate swap and cap transactions are to be competitively bid (unless otherwise determined by the Managing Director and Chief Executive Officer) by at least three providers that have executed interest rate swap agreements with JEA.

Statement on Auditing Standards No. 62). JEA does not believe that any other nationally-recognized accounting firm will provide certificates that strictly meet the requirements of the applicable section(s) of the relevant resolutions and that differ materially from the certificates provided by JEA's accountants.

Notwithstanding the failure of the accountants' certificates to strictly meet the requirements of the respective resolutions as described herein, as of the date of this Annual Disclosure Report, JEA is not in default in the performance of any of the covenants, agreements or conditions contained in the Water and Sewer System Resolution, Subordinated Water and Sewer Resolution and the District Energy System Resolution.

Changes to Accounting Practices

In March 2015 the JEA Board approved implementation of "Regulatory Accounting" as prescribed under GASB Statement No. 62. Effective for fiscal year 2015, the Board adopted and JEA implemented a pricing policy that established cost-based rates for both the Electric and Water and Sewer Systems. The rate policy as adopted includes various surcharges and stabilization funds that meet the requirements for deferral under GASB Statement No. 62. Regulatory assets and liabilities have been established for these items. The initial accounting for several of these items includes deferring amounts that were included in revenue and expense in prior periods. These prior period amounts are included as a special item on the statement of revenues, expenses, and changes in net position. The total amount of regulatory deferral was $151.5 million, which include approximately $34.7 million for the Electric System and $116.8 million for the Water and Sewer System.

In addition, as of October 1, 2014, JEA implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions–an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date–an amendment of GASB Statement No. 68*, which replaced GASB Statement No. 27, *Accounting for Pensions by State and Local Government Employers*, and GASB Statement No. 50, *Pension Disclosures–an amendment of GASB Statements No. 25 and No. 27*. GASB Statement No. 68 requires employers to report the difference between the actuarial total pension liability and the fair value of the legally restricted plan assets as a net pension liability on the statement of net position. JEA's 2014 financial statements have been restated due to the implementation. The restated statement of net position decreased by $352,105 related to JEA's proportionate share of the net pension liability of the City of Jacksonville General Employees' Retirement Plan and the SJRPP Employees' Pension Plan. The liability is reflected as Net Pension Liability in the statement of net position. This liability is offset on the statement of revenues, expenses, and changes in net position as deferred inflows, deferred outflows and costs to be recovered from revenues. As a result of implementing GASB Statement No. 68 and with the application of regulatory accounting for the Electric and Water and Sewer Systems, a new regulatory asset of $353,921 has been established to record the future pension obligations that will be recovered in future rates.

LITIGATION

[TO BE UPDATED, AS NECESSARY]

In the opinion of the Office of General Counsel of the City, there is no pending litigation or proceedings that may result in any material adverse change in the financial condition of JEA relating to the Water and Sewer System other than as set forth in the financial statements of JEA in Appendix A of this Annual Disclosure Report and other than the matters set forth in this Annual Disclosure Report. ~~[~~Although it does not fall within the category of pending litigation or proceedings mentioned in the preceding sentence, there is a case pending in federal court relating to the installation and use of the Precision Flow System at certain Mid-America Apartment properties in the Jacksonville area.~~]~~ ~~[~~The

claims against both the City and JEA are in the aggregate amount of approximately $75 million and are for defamation, tortious interference with a contractual relationship (with Mid-America Apartment Communities Inc.) and tortious interference with an advantageous business relationship (with St. Johns County). While the litigation is in its early stages, each of the City and JEA believe it has good and meritorious defenses (sovereign immunity, among others) and will vigorously defend the action. Additionally, under Florida law any tort-related claims against the City and JEA have a liability limitation for the City and JEA equal to a maximum amount of $300,000 per tort-related claim.

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AUTHORIZATION

The dissemination and use of this Annual Disclosure Report have been duly authorized by the JEA Board.

JEA

By: _____
Thomas F. Petway III
Chair

By: _____
Paul E. McElroy
Managing Director and Chief Executive Officer

Building Community

JEA Monthly Financial Summary

as of March 31, 2016

Board of Directors
April 19, 2016

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Key Financial Metrics

	Year-to-Date		FY2016 Full Year		
Electric System	**FY2016**	**FY2015**	**Forecast**	**Target**	**Result**
Debt Service Coverage	2.5x	2.5x	**2.5x**	≥ 2.2x	✓
Days Liquidity	328	285	**326**	150 to 250 days[1]	✓
Days Cash on Hand	*204*	*178*	***205***		✓
Debt to Asset %	68%	72%	**66%**	72%[2]	✓

Water and Sewer System	**FY2016**	**FY2015**	**Forecast**	**Target**	**Result**
Debt Service Coverage	3.0x	2.6x	**2.7x**	≥ 1.8x	✓
Days Liquidity	280	242	**275**	≥ 100 days	✓
Days Cash on Hand	*156*	*132*	***155***		✓
Debt to Asset %	54%	54%	**53%**	55%[3]	✓

[1] Moody's Aa benchmark: 150 to 250 days
[2] Long-term target is 52%: per Moody's Sector In-Depth Report "Top 30 City Owned Utilities (by debt outstanding)", Sept. 2015
[3] Long-term target is 50%: calculated peer group from Moody's 214 Aa rated public water-sewer utilities, Dec. 2015

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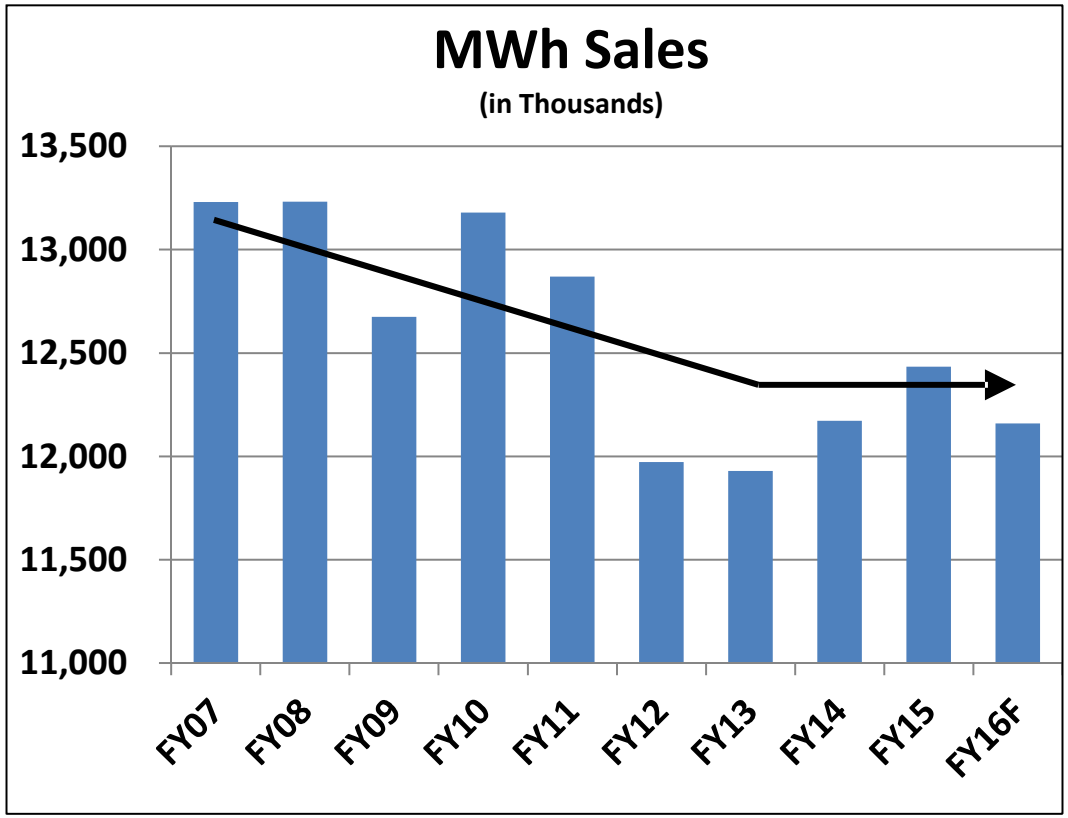
JEA Electric System

MWh Sales



Month	FY15	FY16	% Change
Oct	971,595	952,515	(2.0%)
Nov	895,617	923,705	3.1%
Dec	943,753	922,956	(2.2%)
Jan	1,035,621	1,049,897	1.4%
Feb	934,102	894,563	(4.2%)
Mar	898,524	893,954	(0.1%)
Year-to-Date	**5,679,212**	**5,637,590**	**(0.7%)**
Apr	954,803		
May	1,062,459		
Jun	1,187,741		
Jul	1,254,252		
Aug	1,212,295		
Sep	1,083,446		
Total/Forecast	**12,434,208**	**12,158,484**	

Unit Sales Driver: Degree days 6% lower than last year.

YTD Degree Days		
30-yr. Avg.	**FY15**	**FY16**
1,651	1,675	1,567

Total System	(0.7%)
Residential	(3.0%)
Comm./Industrial	2.8%
Interruptible	(8.2%)
Wholesale (FPU)	(2.8%)

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JEA Electric System

Financial Results and Cost Metrics

($ in thousands)

Revenues	FY16 Forecast	FY15 Actual	FY16 Budget	FY16 vs FY15 ($)	Variance (%)
Fuel Revenue	$ 410,939 [1]	$ 486,362 [2]	$ 485,631	$ (75,423)	-15.5%
Base Revenue	724,557	741,411	711,502	(16,854)	-2.3%
Other Revenue	42,168	38,183	51,716	3,985	10.4%
Total Revenues	**$ 1,177,664**	**$ 1,265,956**	**$ 1,248,849**	**$ (88,292)**	**-7.0%**
		$(71M)			
Select Expenses					
Fuel Expense	$ 377,532	$ 441,076	$ 460,315	$ 63,544	14.4%
Fuel Fund Transfers	33,407	45,286	25,255	11,879	
O & M Expense	207,375	191,764	222,827	(15,611)	-8.1%
Non-fuel Purchased Power	97,045	114,804	113,015	17,759	15.5%
Net Revenues	**$ 449,566**	**$ 461,604**	**$ 405,311**	**$ (12,038)**	**-2.6%**
		$44M			
Capital Expenditures	$ 160,650	$ 116,728	$ 153,200 [3]	$ (43,922)	-37.6%
Debt Service	$ 180,026	$ 175,779	$ 185,614	$ (4,247)	-2.4%

Electric Costs / MWh	Non-Fuel
Target	$ 49.44
Forecast	53.74
Difference	$ (4.30)

Fuel Fund *($ in millions)*	
Beginning Balance	$ 151
Surplus/(Deficit)	90
Fuel Credit	(57)
Ending Balance	$ 184

[1] Net of $57 million fuel credit in October bill and fuel rate reduction in February
[2] Net of $50 million fuel credit in FY15
[3] Council approved limit for capital expenditures in FY15 is $170 million

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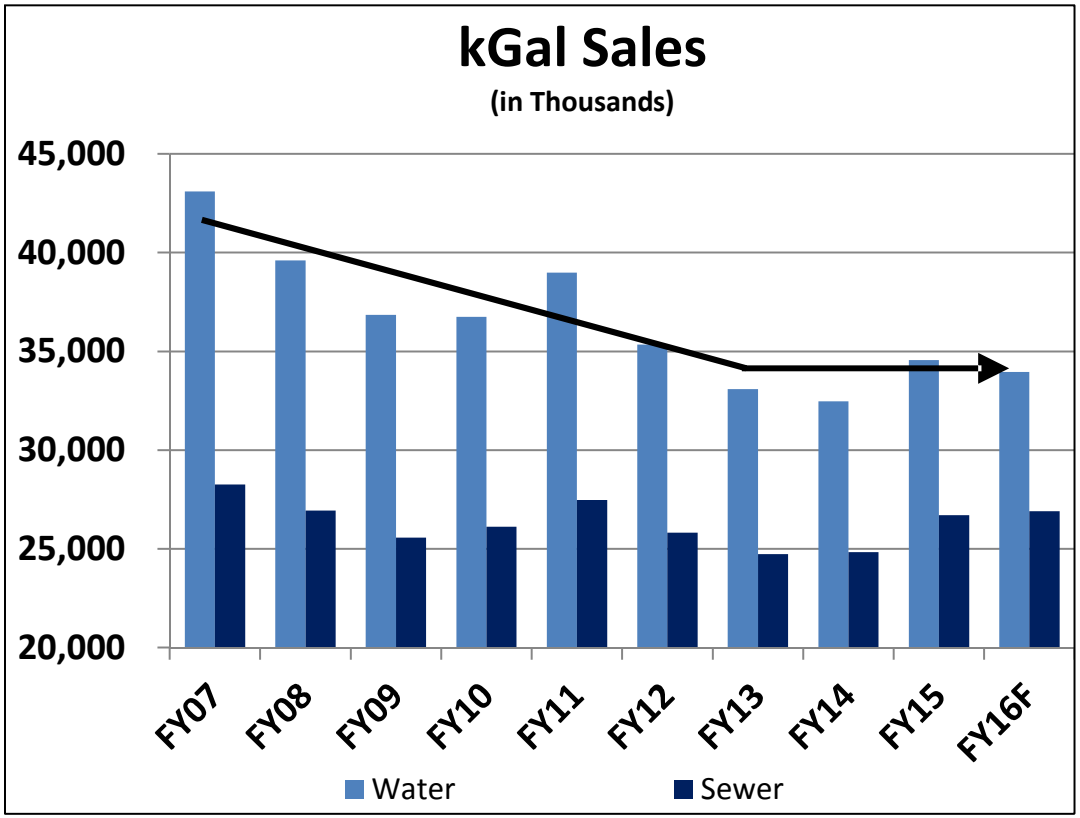
JEA Water and Sewer System

kGal Sales

(in Thousands)



Month	FY15	FY16	% Change
Oct	3,052	3,120	2.2%
Nov	2,597	2,641	1.7%
Dec	2,708	2,758	1.8%
Jan	2,502	2,527	1.0%
Feb	2,239	2,479	10.8%
Mar	2,732	2,825	3.5%
Year-to-Date	**15,830**	**16,350**	**3.3%**
Apr	2,765		
May	3,509		
Jun	3,382		
Jul	3,300		
Aug	3,062		
Sep	2,712		
Total/Forecast	**34,558**	**33,964**	

Unit Sales Driver: Rainfall down 4 inches; rain days up 5.

YTD Rain			
	30-Yr. Avg.	FY15	FY16
Inches	19	18	14
Days	47	40	45

Total System	3.3%
Residential	2.0%
Comm./Industrial	4.8%
Irrigation	3.6%

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JEA Water and Sewer System

Financial Results and Cost Metrics

($ in thousands)

Revenues	FY16 Forecast	FY15 Actual	FY16 Budget	FY16F vs FY15 ($)	Variance (%)
Water & Sewer Revenues	$ 391,459	$ 393,167	$ 383,162	$ (1,708)	-0.4%
Other Revenue	35,030	43,750	34,529	(8,720)	-19.9%
Total Revenues	**$ 426,489**	**$ 436,917**	**$ 417,691**	**$ (10,428)**	**-2.4%**
		$9M			
Select Expenses					
O & M Expense	$ 135,305	$ 127,174	$ 138,368	$ (8,131)	-6.4%
Net Revenues	**$ 265,751**	**$ 278,471**	**$ 254,266**	**$ (12,720)**	**-4.6%**
		$11M			
Capital Expenditures	$ 163,349[1]	$ 100,806	$ 175,000	$ (62,543)	-62.0%
Debt Service	$ 98,554	$ 101,108	$ 105,370	$ 2,554	2.5%

Cost / KGal	Water	Sewer
Target	$ 3.98	$ 7.25
Forecast	4.63	8.09
Difference	$ (0.65)	$ (0.84)

[1] Council approved limit for capital expenditures in FY16 is $195 million

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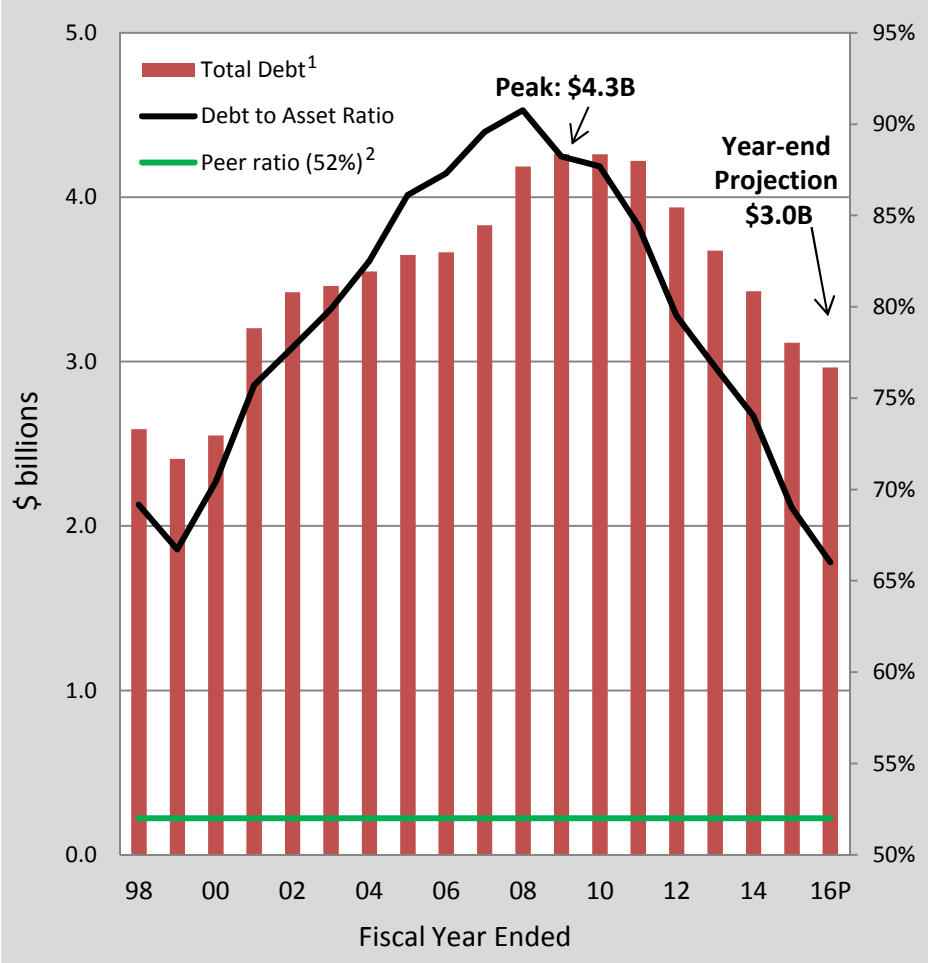
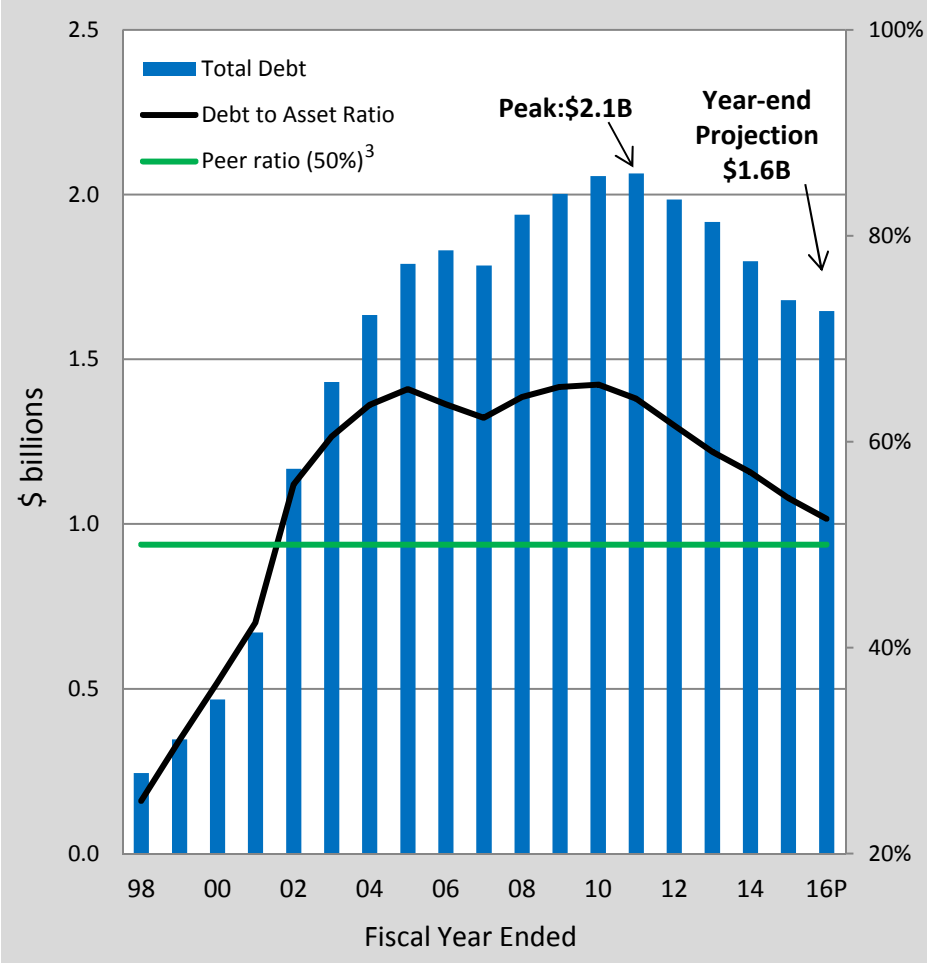
JEA Debt and Debt to Asset Ratios

Electric System



Water and Sewer System



[1] Includes JEA, Scherer and SJRPP
[2] Per "Top 30 City Owned Utilities (By Debt Outstanding)" reported in Moody's Sector In-Depth Report, Sept. 8, 2015
[3] Calculated from Moody's Municipal Financial Ratio Analysis database of 214 Aa rated public water-sewer utilities, Dec. 17, 2015

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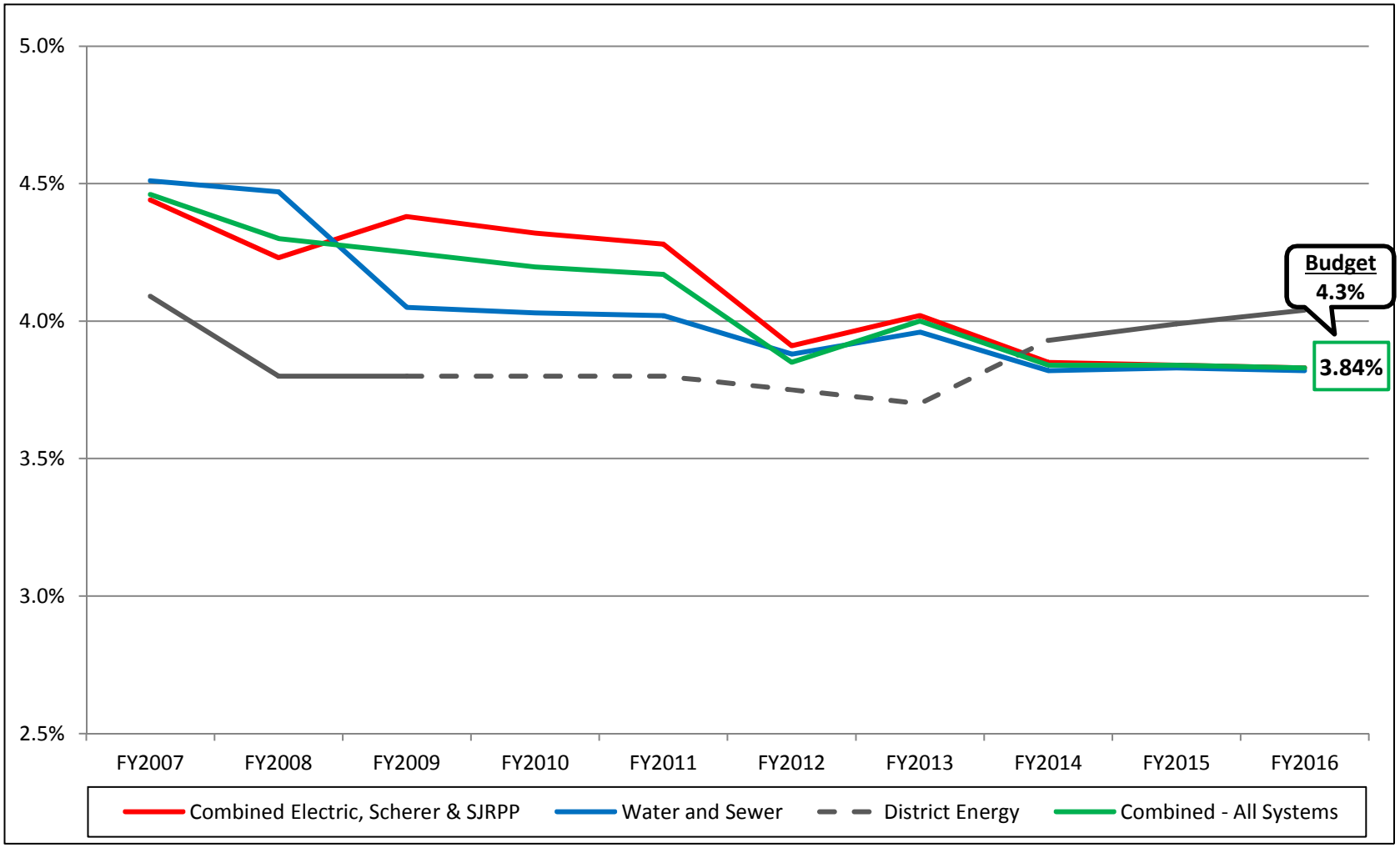
Combined Debt Outstanding
Weighted Average Interest Rates*



- 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.

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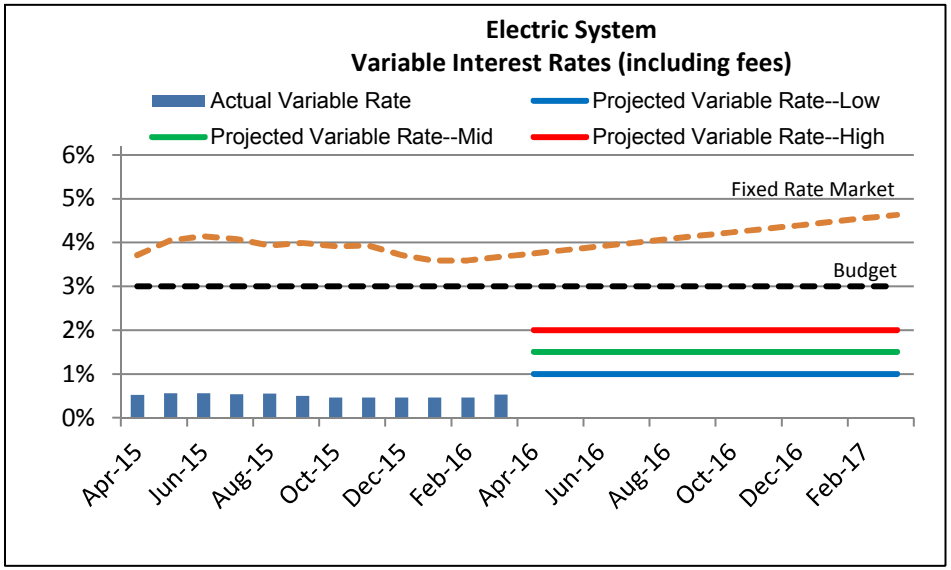
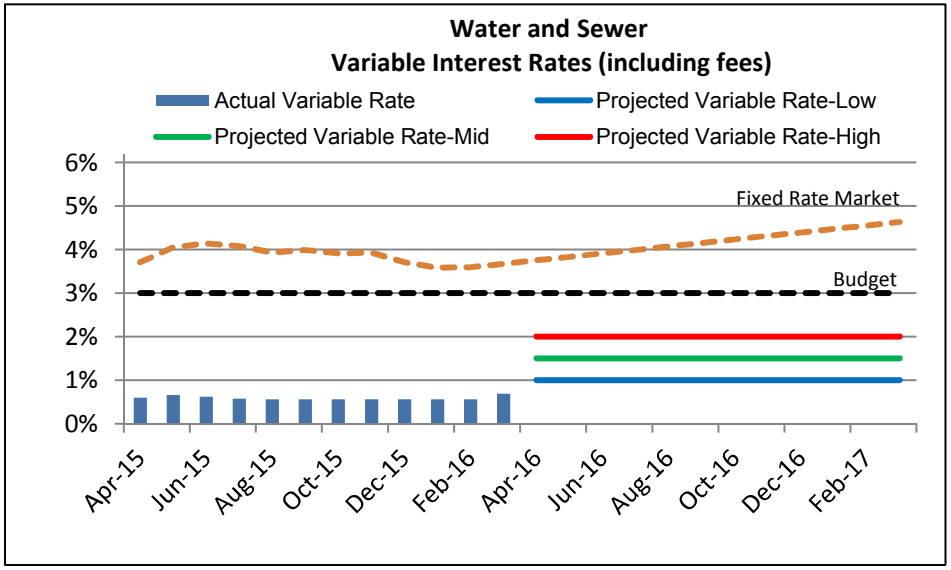
Variable Rate Debt Risk Analysis

($ in millions)





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

Liquidity Facilities and Direct Purchase Bonds (DPBs)

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

Swap Providers

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

Items of Interest

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

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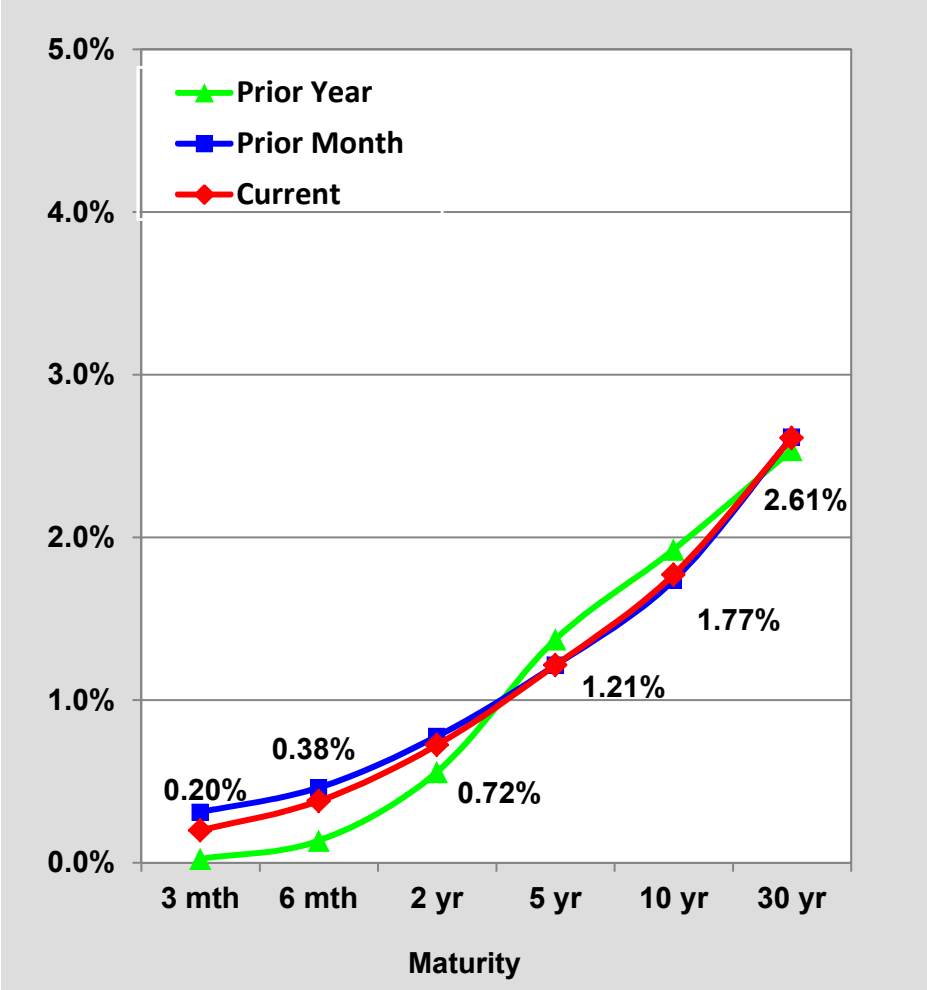
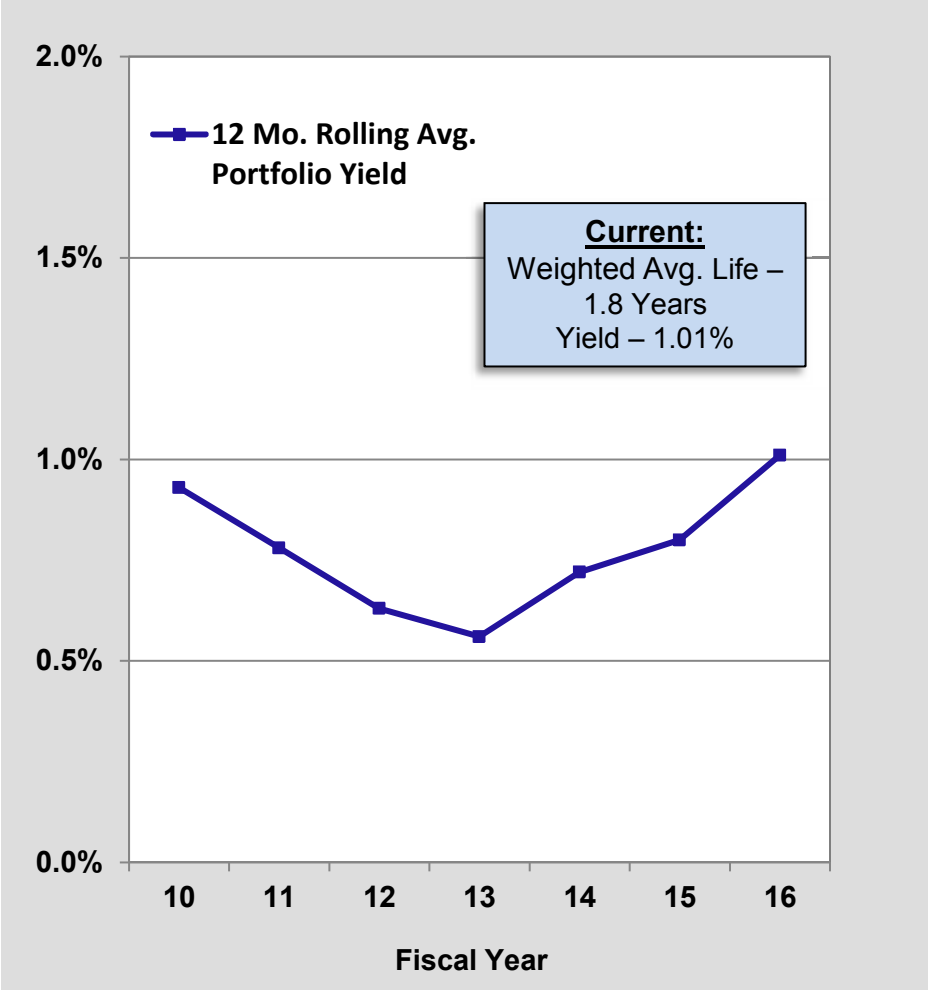
JEA Combined Investments Outstanding

U. S. Treasury Yield Curve



Investment Portfolio Yield



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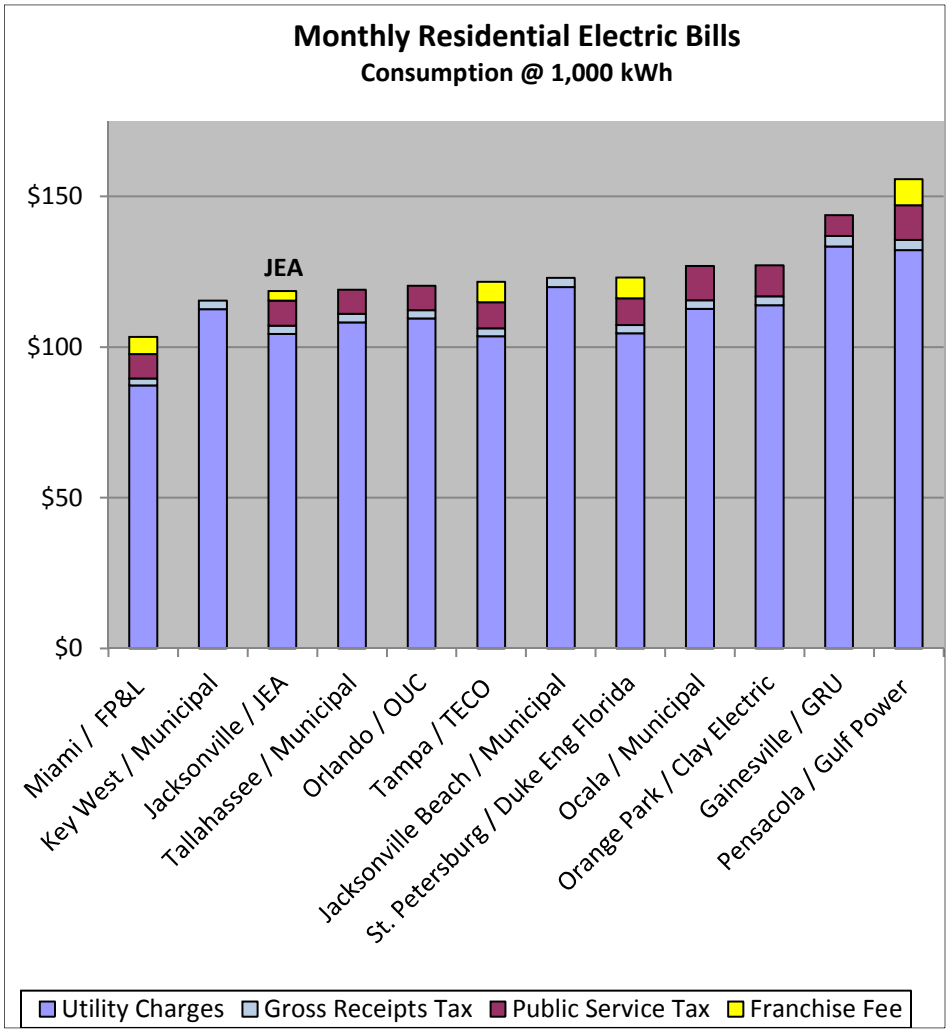
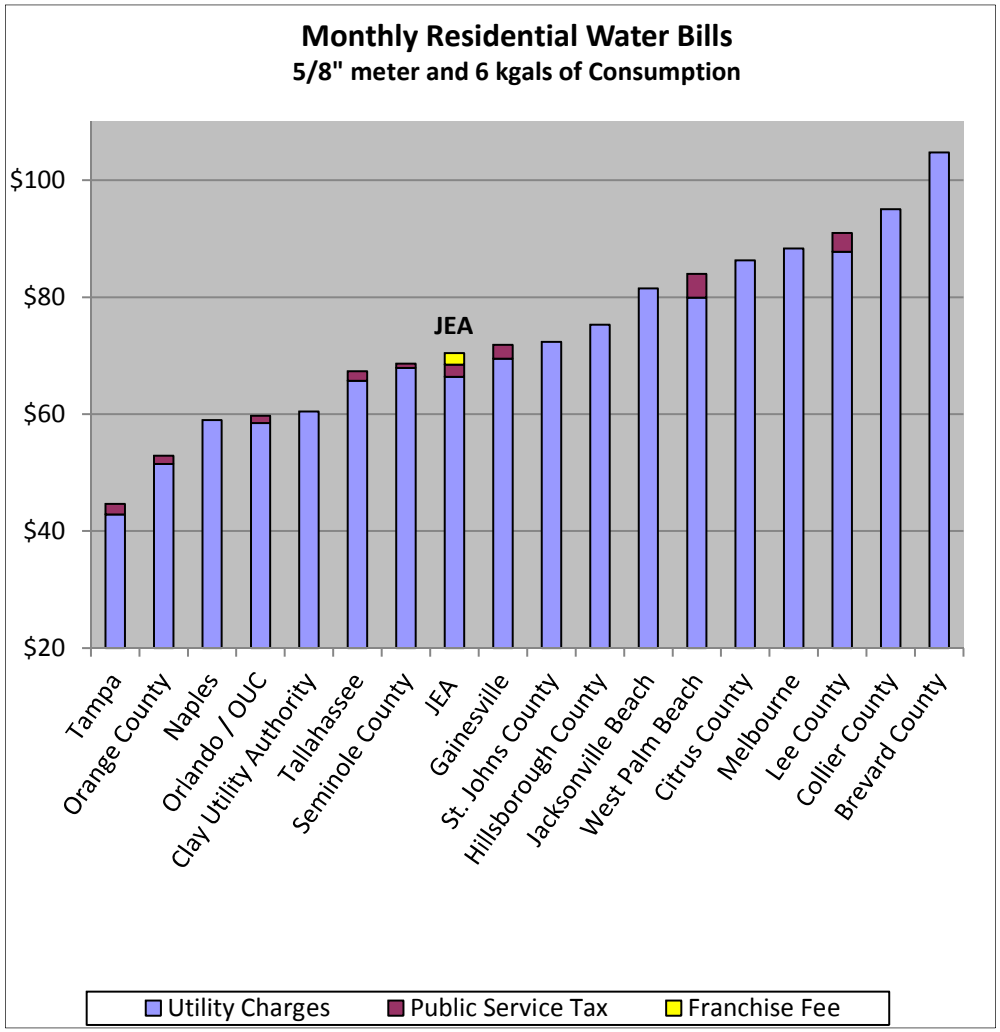
Florida Utilities Monthly Bill Comparison





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Rating Agency Methodology Changes

Standard & Poor's

- On January 19, 2016, S&P released an updated rating methodology and assumptions for U.S. Public Finance Waterworks, Sanitary Sewer and Drainage Utility Systems, which include JEA's Water and Sewer System; the objective is to make S&P ratings more transparent and comparable
- Staff met with S&P to provide an update on recent JEA developments and an analysis of S&P's updated rating methodology on JEA's Water and Sewer System
- S&P issued the following senior lien rating April 8th:

AAA

- Subordinate lien and DES debt both upgraded to AA+
- Fitch and Moody's senior and subordinate lien debt ratings remain at AA and Aa, respectively

EDWIN H. DENDOR
Director of Emergency Preparedness & Business Continuity

Length of service at JEA:
Nineteen years of service with JEA plus previously contracted for nine years of services.

Reporting to: John McCarthy, Director of Supply Chain Management

Present Position and Responsibilities:
Director of Emergency Preparedness and Business Continuity: January 2013 to present
Responsible for JEA's Comprehensive Emergency Management Plan (CEMP) in accordance with the standards of the Federal Emergency Management Administration (FEMA), National Incident Management System (NIMS) and the National Response Framework for potential and immediate disasters. Also, develop and maintain a strategic and tactical plan which integrates JEA with Duval County as JEA's Emergency Coordinating Officer (ECO). Develop and implement a Business Continuity plan for JEA.

Prior Experience:
Director of Plant and Facility Engineering & Construction: 2004 to December 2012
Responsible for managing an average annual capital budget of $100 million for the design, construction, start-up and turnover of capital work with a value greater than $200,000 for any JEA facility, water, wastewater, and power plant. (IE: GEC; KGS; Buckman Upgrades; W Nassau WTP)
Director of Interagency Initiatives: 2001 to 2004
Responsible for developing new relationships with various government agencies such as Florida Department of Transportation (FDOT); Jacksonville Transportation Authority (JTA); Jacksonville Port Authority (JPA) and City of Jacksonville (COJ) in an effort to develop joint capital projects which minimized rework, improved schedule and decreased agency overheads.
Manager of Project Management: 1999 to 2001
Responsible for the design, construction, start-up and turnover of Brandy Branch Power Plant, three simple cycle combustion turbines located in JEA's western territory.
Account Executive: 1997 to 1999
Worked with a broad range of heavy industrial and commercial customers providing recommendations for energy conservation and resolution of billing or other utility service issues.
Field Engineer & Project Manager: 1985 to 1997
Construction management and start-up of St. John River Power Park. Project manager for large mechanical gantry container crane projects in the Marine Division of the Jacksonville Port Authority. State licensed Emergency Medical Technician for multiple years during this time frame.
Commercial Hard Hat Diver & Draftsman: 1980 to 1985
Accrued hands-on field experience as a commercial hard-hat diver and draftsman.

Education:
- Master of Science in Construction Management from Florida International University
- Bachelors of Industrial Technology from the University of North Florida
- Associate of Science in Underwater Technology from Florida Institute of Technology
- Associate of Arts from Florida State College of Jacksonville

Personal side and Affiliations:
- Married 30 years with two children, Chris is an Officer in the Navy and Nick in Army Reserves & college
- Certified Accreditations Manager for Emergency Management Accreditations Program (EMAP)
- Florida Accredited Insurance Claims Adjuster (ACA)
- Active member of the Florida Emergency Preparedness Association (FEPA)

Something to remember me by:
- I played a marine medic in the 1997 action film "GI Jane," directed by Ridley Scott and starring Demi Moore and Viggo Mortensen.

Building Community

AGENDA ITEM SUMMARY

March 31, 2016

SUBJECT:	**JEA HURRICANE READINESS**

Purpose:	☒ Information Only	☐ Action Required	☐ Advice/Direction

Issue: To provide the Board with a summary of JEA's hurricane readiness and communication in preparation for the 2016 storm season.

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 customer base in the City of Jacksonville and surrounding counties.

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 & Business Continuity; Edwin Dendor; 904-665-6079

Submitted by: PEM/MHD/JPM/EHD

Commitments to Action

Ver.2.0D 9/21/2013 jer

Hurricane Readiness
JEA Board of Directors

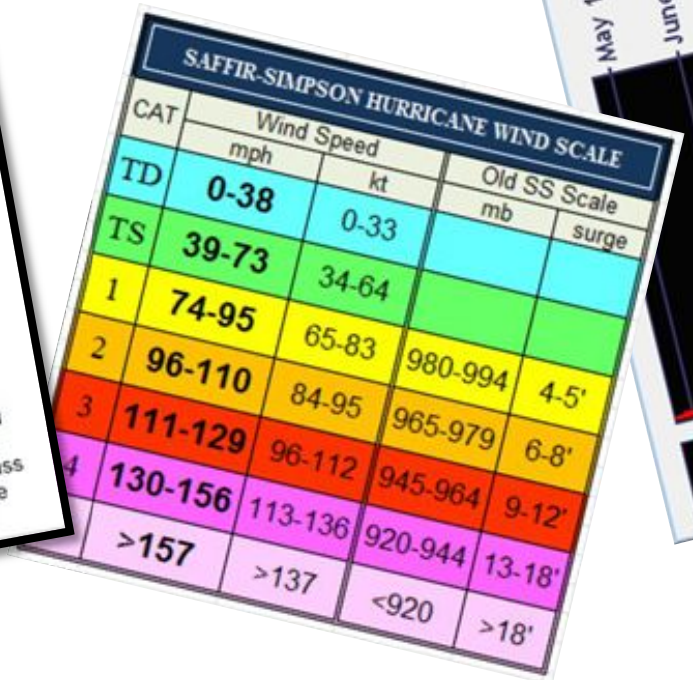
April 19, 2016

OUTLINE

- Hurricane Season Forecast
- JEA's Preparedness
- JEA's Participation with COJ
- Communications & Board Member's Role

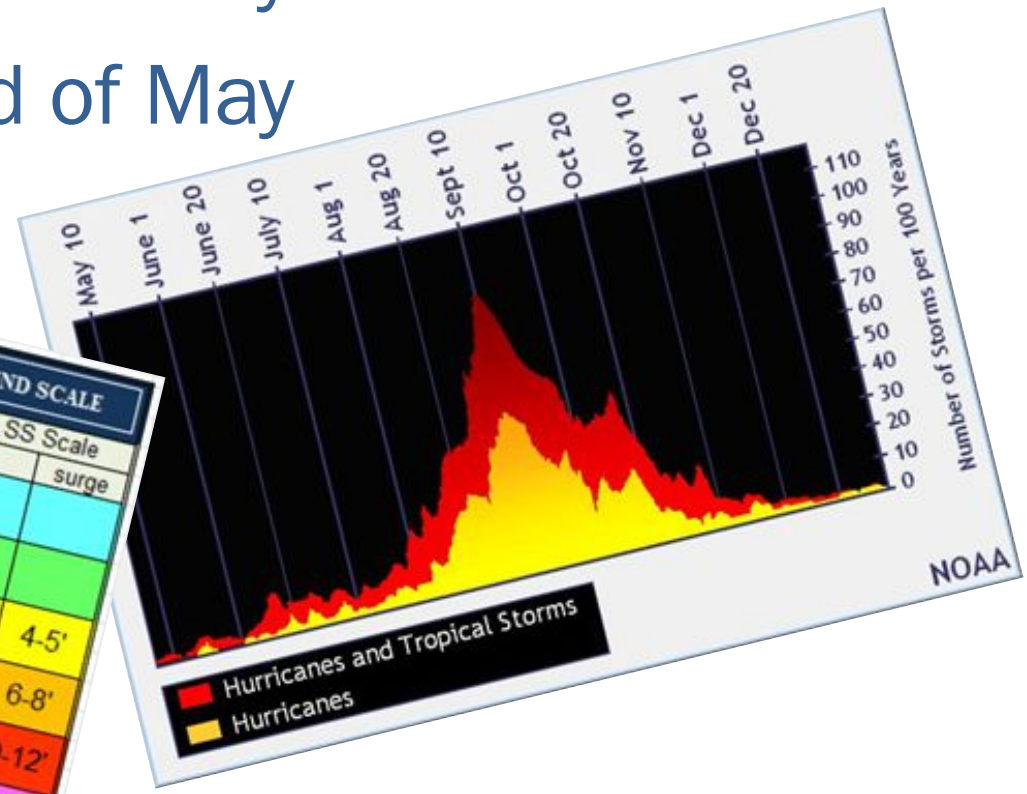
Hurricane Season Forecast

- Hurricane season June 1st – November 30th
- Higher probability later this year
- NOAA's Forecast, end of May



SAFFIR-SIMPSON HURRICANE WIND SCALE

CAT	Wind Speed mph	Wind Speed kt	Old SS Scale mb	Old SS Scale surge
TD	0-38	0-33		
TS	39-73	34-64		
1	74-95	65-83	980-994	4-5'
2	96-110	84-95	965-979	6-8'
3	111-129	96-112	945-964	9-12'
4	130-156	113-136	920-944	13-18'
5	>157	>137	<920	>18'



JEA's Preparedness

JEA increases resiliency by preparing year-round for *All Hazards*

- Annual system-hardening projects
- Standards of Preparedness are in place
- Response & Recovery procedures undergo regular testing

Annual System Hardening

- Pole Replacement
- Tree Trimming
- Vine Management Program
- Palm Hazard Program
- Transmission Tower Maintenance

Standards of Preparedness

- Identified 100 critical stock items necessary to recover from a hurricane
- Stocking levels are based on the expected pole loss
- JEA will expedite repairs & replenishments from key vendors

Response and Recovery

- 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

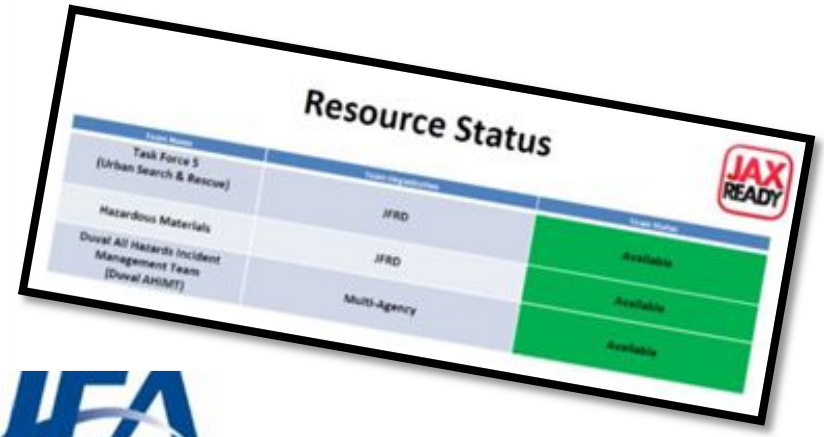
- During the spring JEA focuses on Hurricane Preparedness
  - All Employees have Storm Response Assignments
  - JEA's SLT and employees have completed over 7,600 man-hours of National Incident Management response training
  - JEA's team is fully integrated with County/State/Federal
  - JEA has implemented the National Incident Response Structure

JEA Partnering with Jacksonville

- Joint Teams:
  - Paul McElroy is a part of the Mayor's Executive Emergency Management staff in the Joint Unified Command
  - All Hazard Incident Management Team (AHIMT)
  - Emergency Management Accreditation Program (EMAP)
  - Infrastructure Liaison in Emergency Operations Center
  - Cut and Toss Crews
  - Local Mitigation Strategy /Duval Prepares
  - Security and Emergency Preparedness Committee (SEPPC)

- Joint Trainings:
  - Table Top Exercises & Drills
  - Beaches Complex
  - JTA Active Shooter/Terrorist
  - JAA Active Shooter & Collaboration

- Joint Staging Area
  Cecil Commerce Center

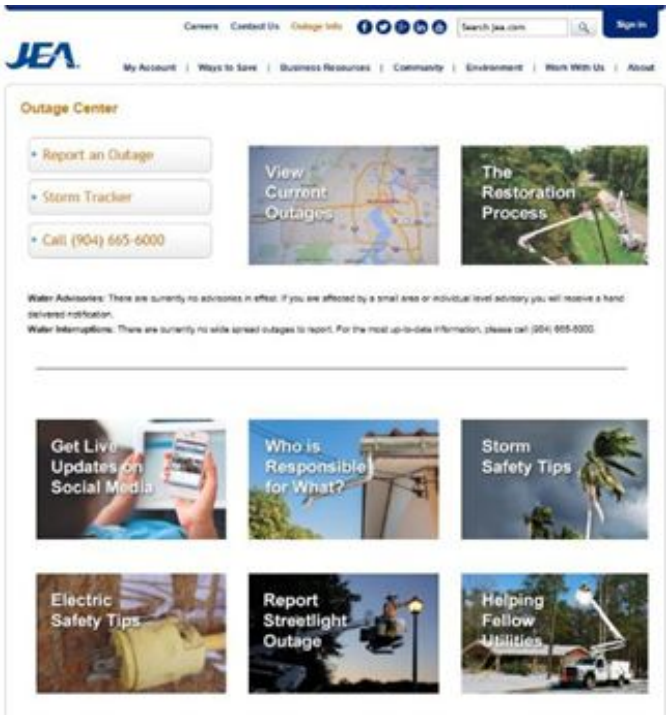


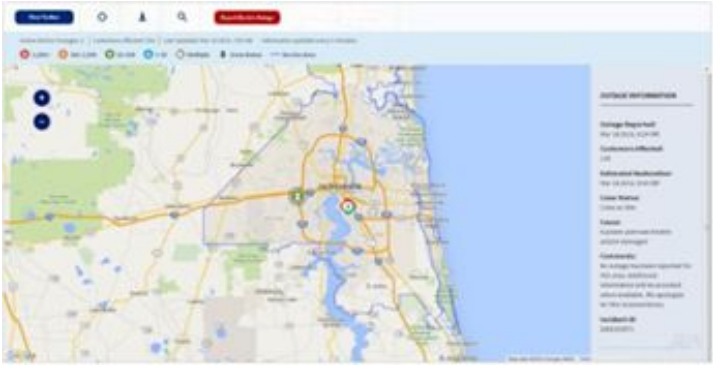
Communications and Board Member's Role

- June 1st, Board Members will receive an email with an overview for the storm season
- Once JEA's Emergency Operations Center is activated, Members will also receive additional email updates
- Information will include:
  - Updates on JEA activities before, during and after a storm
  - Information to share with customers and stakeholders about what they should do at that particular time

How JEA Keeps Customers Informed

- Include preparedness information in June bill insert and e-newsletters to customers—residential and commercial
- Outage Center on jea.com includes:
  - Video that explains restoration process
  - New outage map
  - Ability to report an outage without logging in
- Sign-up for alerts/notifications by phone, text or email
- Two-way text if out of power
- Ability to send mass notifications to customers by phone, email or text in an emergency situation
- Use of social media for safety and updates
- Releases to news media before, during and after storm





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AGENDA ITEM SUMMARY

April 4, 2016

SUBJECT:	**SOLE SOURCE & EMERGENCY PROCUREMENT/PROCUREMENT APPEALS BOARD REPORT**

Purpose: ☒ Information Only ☐ Action Required ☐ Advice/Direction

Issue: Sections 1-113 and 1-114 of the JEA Purchasing Code require the Chief Purchasing Officer to submit a report on all Sole Source and Emergency procurements and all Procurement Appeals Board decisions to the JEA Board on a quarterly basis.

Significance: Full transparency of these procurement actions is necessary to maintain public confidence in JEA's bidding process and to ensure competition is achieved when in JEA's best interest.

Effect: JEA's Procurement Department is responsible for maintaining these records and reporting to the JEA Board.

Cost or Benefit: To maintain public confidence in JEA's bidding process and to ensure competition is achieved when in JEA's best interest.

Recommended Board action: Provided for information; no action required.

For additional information, contact: John McCarthy, Director Supply Chain Management, 665-5544

Submitted by: PEM/MHD/JPM/RMW

Commitments to Action

Ver.2.0D 9/21/2013 jer

Building Community

INTER-OFFICE MEMORANDUM
April 4, 2016

SUBJECT: **SOLE SOURCE & EMERGENCY PROCUREMENT/PROCUREMENT APPEALS BOARD REPORT**

FROM: Paul E. McElroy, Managing Director/CEO

TO: JEA Board of Directors

BACKGROUND:
Sections 1-113 and 1-114 of the JEA Purchasing Code require the Chief Procurement Officer to submit a report on all Sole Source and Emergency procurements and all Procurement Appeals Board decisions to the JEA Board on a quarterly basis.

DISCUSSION:
This report is submitted for the quarter ending March, 31, 2016. Summary information for all awards is provided below. A detailed listing for the Formal Sole Source and Emergency Awards is attached. Detailed back-up information for all other awards is retained by the Chief Procurement Officer and is available upon request. There were no Procurement Appeals Board actions during this quarter.

Quarter Ending March 31, 2016

Formal Awards	**Number**	**%**	**Dollar Amount**	**%**
Total	53		$ 136,692,647	
Sole Source Awards	1	1.9%	$ 2,329,450	1.7%
Emergency Awards	0	0%	$ 0	0%

Informal Awards	**Number**	**%**	**Dollar Amount**	**%**
Total	3,862		$ 26,697,597	
Sole Source Awards	1	.03%	$ 42,156	.16%
Emergency Awards	12	0.31%	$ 396,647	1.5%

RECOMMENDATION:
This item is submitted for information. No action by the Board is required.

Paul E. McElroy, Managing Director/CEO

PEM/MHD/JPM/RMS

Ver 2.1 09/21/2013

Total Sole Source & Emergency Procurement Actions

	FY15 Q3	FY15 Q4	FY16 Q1	FY16 Q2
Total Awards	$133.47M	$102.44M	$121.59M	$163.4M
Sole Source ($)	$3.92M	$0M	$0M	$2.4M
Sole Source (%)	2.94%	0%	0%	1.47%
Emergency ($)	$0.43M	$0.37M	$0.15M	$.40M
Emergency (%)	0.32%	0.37%	0.12%	.24%

Formal Sole Source and Emergency Awards by Department - Summary

12 months ending March 31, 2016

Sole Source Awards (3 Items totaling $6,010,639.00)

Requesting Dept	Number of Awards	Amount	Description
B. Roche (W/WW)	1	$2,181,189.00	Blacks Ford and Ponce de Leon Treatment Plant Purchase and Construction
B. Para (PA)	1	$1,500,000.00	Program Manager - Water Supply Planning and Advocacy
P. Cosgrave (TS)	1	$2,329,450.00	Customer Pre-Paid Account Management Software
Total	**3**	**$6,010,639.00**	

Emergency Awards (0 Items totaling $0.00)

Requesting Dept	Number of Awards	Amount	Description
Total	**0**	**$0.00**	

Formal Sole Source Awards by Department -- Detail

12 months ending March 31, 2016

Sole Source Awards (3 Items totaling $6,010,639.00)

Award Date	Amount	Requesting Dept	Vendor	Description	Sourcing Basis
4/24/2015	$2,181,189.00	B. Roche (W/WW)	Evoqua Water Technologies, LLC	Blacks Ford and Ponce de Leon Treatment Plant Purchase and Construction	**Sole Source -** JEA had an opportunity to procure a used Water Treatment "Package" plant to provide additional capacity to the Blacks Ford WRF where it is immediately needed, and for future use in the Ponce de Leon wastewater service territory upon completion of the Blacks Ford expansion project. The equipment cost of a used plant is approximately fifty percent (50%) that of a new plant ($2.1 M versus $4.0M), and because the physical condition of the used plant had to be assessed prior to purchase, and the limited number of these types of plants, there is no common gound for the bidding process.
5/21/2015	$1,500,000.00	B. Para (PA)	Liquid Solutions Group, LLC	Program Manager - Water Supply Planning and Advocacy	**Sole Source** - Under the Continuing Service Agreement Contract 98124, Jones Edmunds and Associates has been providing CUP Permitting support to JEA and to a utility consortium of which JEA is a member, the Northeast Florida Utility Coordinating Group. Because the core Jones Edmunds project leader and lead modeler have left for other jobs, their work as been subsumed by a subcontractor - Liquid Solutions Group - who had been supporting the team in recent years under this same contract. Because of the confidential nature of this work, and the resources invested to date in this team on a long-term water supply plan and MFL issues, it remains in JEA's best interest to pursue this sole source opportunity with Liquid Solutiions Group, LLC.
1/14/2016	$2,329,450.00	P. Cosgrave (TS)	Exceleron Software	Customer Pre-Paid Account Management Software	**Sole Source** - There continues to be a need for a customer pre-paid service for JEA's customers, and Exceleron's PAMS software, when integrated into JEA's metering, billing and payment systems, meets these needs. After market research was conducted through a RFI (Request for Information) process, it was determined that there wasn't enough advancements in this field to re-bid these services. It should be noted that it would cost JEA approximately $2.7M to implement a new software system. It was determined that this was in JEA's best interest to pursue this sole source opportunity with Exceleron Software.
Total	$6,010,639.00				

Formal Emergency Awards by Department -- Detail

12 months ending March 31, 2016

Emergency Awards (0 Items totaling $0.00)

Award Date	Amount	Requesting Dept	Vendor	Description	Sourcing Basis
Total	$0.00				

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Sole Source & Emergency Procurement/Procurement Appeals Board Report

Board of Directors Meeting

April 19, 2016

John McCarthy, Director Supply Chain Management

Building Community

Sole Source & Emergency Procurement Report

Procurement Actions
Over Last 4 Quarters

	FY15 Q3	FY15 Q4	FY16 Q1	FY16 Q2
Total Awards	$133.47M	$102.44M	$121.59M	$163.4M
Sole Source ($)	$3.92M	$0M	$0M	$2.4M
Sole Source (%)	2.94%	0%	0%	1.50%
Emergency ($)	$0.43M	$0.37M	$0.15M	$.40M
Emergency (%)	0.32%	0.37%	0.12%	.24%
Combined SS/E (%)	3.26%	0.37%	0.12%	1.74%

JEA's ~ 2% Sole Source and Emergency Procurement award percentage compares very favorably to other public utilities

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Sole Source & Emergency Procurement Report

Formal Sole Source/Emergency Procurements during the past year

Current Quarter

- $2.3M Sole Source to Exceleron Software, for Customer Pre-Paid Account Management Software (Avoids significant implementation costs for a new software system)

Previous Quarters

- $2.18M Sole Source to Evoqua Water Technologies, LLC for Blacks Ford and Ponce de Leon Treatment Plant (Opportunity to procure a used water treatment “package” plant)
- $1.5M Sole Source to Liquid Solutions Group, LLC for Program Manager (Continuity of CUP permitting professional services)

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Procurement Appeals Board Report

Procurement Appeals Board Actions during the past year

Current Quarter

- None

Previous Quarters

- Project: 075-15 – Mandarin WRF Projects Bio Filter Bed Replacement Headworks Rehabilitation Bar Screen Replacement and Grit System Removal (Low bidder did not meet specialty sub-contractor requirement)
  - PAB upheld CPO decision

- Project: 054-15 – Ponce de Leon Water Treatment Plant Pump Building and Reservoir Replacement (Low bidder did not meet JSEB sub-contracting requirement)
  - PAB upheld CPO decision

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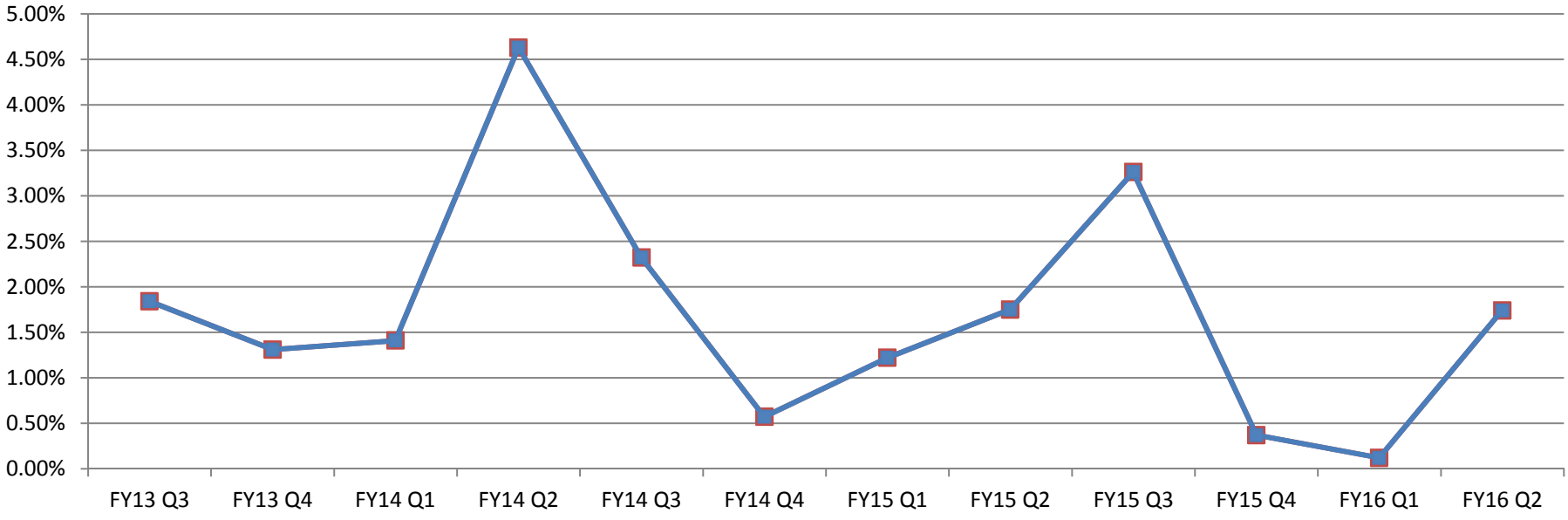
Sole Source & Emergency Procurement/Procurement Appeals Board Report

Combined Sole Source & Emergency Awards

(prior three years)