



Building Community®

Management's Discussion and Analysis of Financial Performance for the Quarter Ended March 31, 2014

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

Financial Highlights

Operating Revenues

Electric Enterprise Fund operating revenues for the quarter ended March 2014 increased 6.2 percent over operating revenues for the quarter ended March 2013. The increase was mainly caused by increased territorial sales due to cooler weather conditions. Territorial MWh sales increased 6.0 percent and total sales increased 11.1 percent when off-system sales are included. Total sales for the quarter increased from 3,082,448 MWh to 3,424,363 MWh.

Operating revenues for the six month period ended March 2014 increased 2.6 percent over operating revenues for the six month period ended March 2013. The factors contributing to the increase in operating revenues for the six month period ended March 2014 were the same as discussed above. Territorial MWh sales increased 2.1 percent and total sales increased 4.7 percent when off-system sales are included. Total sales increased from 6,327,651 MWh to 6,625,360 MWh.

Total Water and Sewer Enterprise Fund operating revenues decreased 1.0 percent for the quarter ended March 2014 compared to the quarter ended March 2013. Water revenues decreased 3.9 percent, mainly due to irrigation. Water sales measured in thousands of gallons (kgals) decreased 613.5 kgals (8.1 percent) from 7,605.9 kgals to 6,992.4 kgals. Sewer revenues increased 1.0 percent primarily related to a 2.3 percent increase in sewer accounts, offset in part, by a decrease in sewer sales volumes. Sewer sales volume decreased 2.4 percent when compared to the quarter ended March 2013. The decrease was 137.4 kgals from 5,662.2 kgals to 5,524.8 kgals.

Total Water & Sewer Enterprise Fund operating revenues decreased slightly (0.6) percent for the six month period ended March 2014 compared to the six month period ended March 2013. Water revenues decreased 3.2 percent due mainly due to irrigation. Water consumption decreased 887.0 kgals (5.6 percent) from 15,716.3 kgals to 14,829.2 kgals. Sewer revenues increased 1.2 percent due to same factors discussed above. Sewer sales volume decreased 110.8 kgals (1.0 percent) from 11,447.1 kgals to 11,336.2 kgals.

Operating revenues for DES increased 6.5 percent for the quarter ended March 2014 over operating revenues for the similar period last year. The increase was attributable to additional usage by existing customers during the quarter.

For the six month period ended March 2014 operating revenues increased 3.4 percent, for the same reason as discussed above.

Operating Expenses

Total operating expenses for the Electric Enterprise Fund increased 6.5 percent for the quarter ended March 2014 as compared to the quarter ended March 2013. The increase was mainly due

a \$24.8 million increase in fuel and purchased power expense, as discussed below. Operating and maintenance expenses increased \$0.6 million. The major factors impacting the change in operating and maintenance expenses are: increased pension expense for the Electric System, decreased pension expense at SJRPP, decreased salaries in both the Electric System and SJRPP, and increased maintenance expenses at Scherer due to the scheduled planned outage. Taxes and franchise fees increased 9.6 percent due to the increase in revenues. Recognition of deferred costs decreased in the amount of \$7.8 million due to the debt service release at SJRPP. Depreciation decreased due to fewer assets in service.

Total operating expenses for the Electric Enterprise Fund increased 2.4 percent for the six months ended March 2014 as compared to the similar period in the prior year. The major factors impacting the change in operating expenses are: fuel and purchased power expense increased \$21.4 million, as discussed below; operating and maintenance expenses increased \$0.9 million; taxes increased \$1.0 million; and recognition of deferred costs and revenues decreased \$9.3 million. The reasons for the changes for the six months were the same as discussed above.

Total fuel and purchased power expense for the quarter ended March 2014 increased \$24.8 million (20.7 percent) over the similar period in the prior year. The increase in fuel and purchased power expense was primarily driven an increase in generation, fuel mix and fuel commodity prices. The total cost increased 12.6 percent; generation cost increased 48.8 percent and purchased power decreased 9.9 percent. As the price for gas and solid fuels have fluctuated over these periods, the components of fuel and purchased power have shifted as JEA has taken advantage of the most economical source of power.

Total fuel and purchased power for the six months ended March 2014 increased \$21.4 million (8.6 percent) over the prior year. The drivers for the increase were driven by the items discussed above. The total cost increased 5.5 percent; generation cost increased 22.9 percent and purchased power decreased 8.4 percent.

Total production of megawatts generated and purchased for the quarter ended March 2014 increased 6.4 percent from 2,818,599 MWh to 2,999,939 MWh. Generated megawatts increased 31.7 percent and purchased power decreased 15.6 percent. JEA's power supply mix for the current quarter was 55.6 percent coal, 23.3 percent natural gas, 16.7 percent petroleum coke, 4.2 percent other purchases, and 0.2 percent oil . JEA's power supply mix for the quarter ended March 2013 was 46.1 percent coal, 37.0 percent natural gas, 12.5 percent other purchases and 4.4 percent petroleum coke.

Total production of megawatts generated and purchased for the six months ended March 2014 increased 3.0 percent from 5,678,983 MWh to 5,846,688 MWh. Generated megawatts increased 17.1 percent and purchased power decreased 9.3 percent. JEA's power supply mix for the six months ended March 2014 was 56.5 percent coal, 26.0 percent natural gas, 12.9 percent petroleum coke, 4.5 percent other purchases, and 0.1 percent oil. JEA's power supply mix for the six months ended March 2013 was 49.5 percent coal, 38.0 percent natural gas, 10.1 percent other purchases, and 2.4 percent petroleum coke.

Northside's availability factors for the quarter ended March 2014 were 96.8 percent for Unit 1, 100.0 percent for Unit 2 and 98.4 percent combined. Northside's availability factors for the six months ended March 2014 were 98.1 percent for Unit 1, 100.0 percent for Unit 2 and 99.1 percent combined.

SJRPP's availability factors for the quarter ended March 2014 were 99.8 percent for Unit 1, 66.7 percent for Unit 2 and 83.3 percent combined. The availability factor for Unit 2 was affected by an annual planned outage. SJRPP's availability factors for the six months ended March 2014 were 92.2 percent for Unit 1, 83.3 percent for Unit 2 and 87.8 percent combined. The availability factors were affected by an annual planned outage for Unit 2.

Plant Scherer Unit 4 availability factor for the quarter ended March 2014 was 48.3 percent. Plant Scherer Unit 4 availability factor for the six months ended March 2014 was 72.9 percent. The availability factors were affected by planned outage, which is expected to extend until May 2014.

Water and Sewer System total operating expenses for the quarter ended March 2014 decreased \$0.3 million (0.4 percent) when compared to the prior year. The main factor impacting the decrease was a decrease in depreciation expense due to long lived assets no longer in service and increased operations and maintenance due to an increase in pension expense.

Water and Sewer System total operating expenses for the six months ended March 2014 decreased 1.6 percent when compared to the prior year. The decrease was primarily due to decreased depreciation and increased other operating expenses, mainly due to increased pension expense.

DES operating expenses increased 0.8 percent for the quarter ended March 2014 over the similar period in the prior year. The increase was primarily due to increased utility charges and increased pension expense.

DES operating expenses increased 4.5 percent for the six months ended March 2014 over the similar period in the prior year. The increases were mainly due to the items discussed above.

Nonoperating Revenues (Expenses)

There was a net decrease of \$18.8 million (30.0 percent) in total nonoperating expenses for the quarter ended March 2014. Investment income increased \$16.5 million due to favorable fair market value adjustments in investments and increased returns on investments. Interest expense decreased \$3.1 million primarily due to favorable fair market value adjustments on the debt management strategies and a decrease in interest due to lower debt balances as a result of increased debt repayments. Earnings from The Energy Authority (TEA), a municipal power marketing joint venture in which JEA is a member, decreased \$0.6 million due to lower margins on purchases and sales transactions by TEA.

There was a net decrease of \$23.6 million in total nonoperating expenses for the six months ended March 2014. The major factors contributing to the change were the same as discussed above. Specifically, TEA earnings decreased \$1.3 million; investment income increased \$17.9 million; and interest expense decreased \$7.2 million.

Debt Administration

During the quarter, the ratings for the Electric System, SJRPP System and Bulk Power Supply System bonds remained the same. Fitch, Moody's and Standard & Poor's ratings were AA, Aa2 and AA- for the Electric System senior bonds; AA, Aa3 and A+ for the Electric System subordinated bonds; AA, Aa2 and AA- for the SJRPP bonds; and AA, Aa2 and AA- for the Bulk Power Supply System bonds.

During the quarter, the ratings for the Water and Sewer System remained the same. The Water and Sewer System senior bond ratings by Fitch, Moody's and Standard & Poor's were AA, Aa2, and AA; and the Water and Sewer System subordinated bond ratings were AA, Aa2 and AA.

During the quarter, the ratings for the District Energy System remained the same. The District Energy System bond ratings by Fitch, Moody's and Standard & Poor's ratings were AA, Aa3 and AA-.

At the end of the quarter, there were no outstanding bank draws under the revolving lines of credit.

The debt service coverage ratio for the Electric System's senior debt was 5.65x and 5.15x for the quarters ended March 2014 and March 2013. The debt service coverage ratio for the Electric System's combined senior and subordinated debt was 2.63x and 2.45x for the quarters ended March 2014 and March 2013. Increases in senior debt service coverage ratio for the quarter was caused by increased net revenues resulting from the increased operating revenues discussed above and lower debt service requirements. The decrease in debt service requirement is primarily related to lower principal amortization. The increase in the combined senior and subordinated debt service coverage ratio for the quarter was due to the same factors as discussed above.

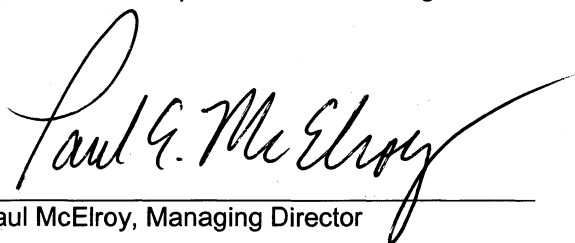
The debt service coverage ratio for the Electric System's senior debt was 5.31x and 5.21x for the six month period ended March 2014 and March 2013. The debt service coverage ratio for the Electric System's combined senior and subordinated debt was 2.42x and 2.48x for the six months ended March 2014 and March 2013. The increase in senior debt service coverage was due to the decreased net revenues resulting from increased expenses and lower debt service requirements discussed above. The decrease in the combined senior and subordinated debt service coverage ratio for the six month period ended March 2014 and March 2013 was due to decreased net revenues discussed above and increased debt service requirements resulting from fixed rate debt refundings of variable rate debt.

The Water and Sewer senior debt service coverage ratio was 2.42x and 2.47x for the quarters ended March 2014 and March 2013. The decrease was primarily related to a decrease in net revenues due to lower revenues and operating expenses, discussed above. The Water and Sewer combined senior and subordinated debt service coverage ratio was 2.20x and 2.23x for the quarters ended March 2014 and March 2013. The decrease was related to a decrease in net revenues as discussed above and lower debt service requirements due to lower outstanding debt balances.

The Water and Sewer senior debt service coverage ratio was 2.53x and 2.55x for the six months ended March 2014 and March 2013. The Water and Sewer combined senior and subordinated debt service coverage ratio was 2.30x and 2.30x for the six months ended March 2014 and March 2013. The change in the senior debt service coverage ratio was related to the decreased net revenues and lower debt service requirements discussed above. The combined senior and subordinated debt service coverage ratio remained constant.

Capital Assets

JEA's investment in capital assets at March 2014 was \$6.31 billion (net of accumulated depreciation). This included \$3.56 billion in the Electric Enterprise assets, \$2.71 billion in the Water & Sewer assets and \$40.0 million in DES assets. For the six months ended March 2014, capital expenditures were \$61.13 million consisting of \$34.76 million for the Electric Enterprise Fund and \$26.11 million for the Water & Sewer Fund and \$ 0.26 million for DES. JEA has ongoing capital improvement programs for the Electric Enterprise Fund and the Water and Sewer Fund. The cost of the capital improvement program is planned to be provided from revenues generated from operations and existing fund balances.



Paul McElroy, Managing Director

FINANCIAL STATEMENTS

STATEMENTS OF NET POSITION
(in thousands - unaudited)

ASSETS AND DEFERRED OUTFLOWS	March	
	2014	2013 restated
Current assets:		
Cash and cash equivalents	\$ 148,924	\$ 240,698
Investments	282,104	174,712
Customer accounts receivable, less allowance for doubtful accounts - \$4,598 in 2014 and \$4,355 in 2013	220,812	220,136
Inventories, less reserve of \$2,291 in 2014 and \$2,965 in 2013		
Fuel inventory	53,818	50,986
Materials and supplies	69,248	70,792
Total current assets	774,906	757,324
Restricted assets:		
Cash and cash equivalents	123,629	147,880
Investments	847,892	814,306
Accounts and interest receivable	4,515	4,506
Total restricted assets	976,036	966,692
Noncurrent assets:		
Prepayments and other	22,026	15,924
Investment in The Energy Authority	7,786	6,446
Costs to be recovered from future revenues	19,188	18,836
Total noncurrent assets	49,000	41,206
Capital assets:		
Land and easements	133,893	128,330
Plant in service	10,477,458	10,357,726
Less accumulated depreciation	(4,461,095)	(4,177,764)
Plant in service, net	6,150,256	6,308,292
Construction work in progress	156,580	149,140
Capital assets, net	6,306,836	6,457,432
Total assets	8,106,778	8,222,654
Deferred outflows of resources:		
Unamortized deferred losses on refundings	168,259	175,539
Accumulated decrease in fair value of interest swaps derivatives	88,087	130,938
Total deferred outflows of resources	256,346	306,477
Total assets and deferred outflows of resources	\$ 8,363,124	\$ 8,529,131
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION		
Current liabilities:		
Accounts and accrued expenses payable	\$ 112,099	\$ 107,079
Customer deposits	56,253	58,590
Total current liabilities	168,352	165,669
Liabilities payable from restricted assets:		
Revenue bonds and line of credit due within one year	257,192	251,040
Interest payable	97,001	99,786
Construction contracts and accounts payable	11,615	15,893
Renewal and replacement reserve	86,238	85,558
Total liabilities payable from restricted assets	452,046	452,277
Other noncurrent liabilities:		
OPEB liability	4,125	4,125
Deferred credits and other	38,615	40,653
Total other noncurrent liabilities	42,740	44,778
Long-term debt:		
Bonds and commercial paper	5,119,946	5,444,079
Unamortized original issue premium (discount)	185,135	160,386
Fair value of debt management strategy instruments	88,087	130,938
Total long-term debt	5,393,168	5,735,403
Total liabilities	6,056,306	6,398,127
Deferred inflows of resources:		
Revenues to be used for future costs	206,769	143,419
Accumulated increase in fair value of fuel derivatives	-	5
Total deferred inflows of resources	206,769	143,424
Net position:		
Net investment in capital assets	1,011,168	984,651
Restricted	495,254	433,687
Unrestricted	593,627	569,242
Total net position	2,100,049	1,987,580
Total liabilities, deferred inflows of resources and net position	\$ 8,363,124	\$ 8,529,131

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

	Quarter March		Year-To-Date March	
	2014	2013 restated	2014	2013 restated
Operating revenues (net of allowances and discounts):				
Electric	\$ 348,705	\$ 327,577	\$ 677,169	\$ 659,813
Water and sewer	90,229	91,266	184,262	185,509
District Energy	1,773	1,670	4,048	3,923
Other, net	9,665	9,885	19,219	19,065
Total operating revenues	450,372	430,398	884,698	868,310
Operating expenses:				
Operations:				
Fuel	133,290	102,608	249,462	218,760
Purchased power	11,271	17,135	19,934	29,215
Other	70,165	64,336	132,166	122,609
Maintenance	22,922	27,723	44,939	53,011
Depreciation	92,556	94,468	188,288	191,754
State utility taxes and franchise fees	18,000	16,661	35,240	34,286
Recognition of deferred costs and revenues, net	7,280	15,078	24,520	33,862
Total operating expenses	355,484	338,009	694,549	683,497
Operating income	94,888	92,389	190,149	184,813
Nonoperating revenues (expenses):				
Earnings from The Energy Authority	2,478	3,087	2,469	3,793
Investment income, fair market value adjustments	8,273	(8,191)	11,323	(6,609)
Other nonoperating income	1,820	1,968	3,640	3,936
Interest on debt	(57,041)	(60,134)	(111,774)	(118,964)
Other interest, net	(21)	(22)	(8)	(88)
Allowance for funds used during construction	720	738	1,590	1,545
Total nonoperating revenues (expenses), net	(43,771)	(62,554)	(92,760)	(116,387)
Income before contributions	51,117	29,835	97,389	68,426
Contributions (to) from:				
General Fund, City of Jacksonville	(27,296)	(26,674)	(54,594)	(53,344)
Developers and others	7,224	5,950	17,519	12,128
Total contributions	(20,072)	(20,724)	(37,075)	(41,216)
Change in net position	31,045	9,111	60,314	27,210
Net position, beginning of period	2,069,004	1,978,469	2,039,735	1,991,311
Effect of change in accounting	-	-	-	(30,941)
Net position, beginning of year, as restated	2,069,004	1,978,469	2,039,735	1,960,370
Net position, end of period	\$ 2,100,049	\$ 1,987,580	\$ 2,100,049	\$ 1,987,580

JEA
Statements of Cash Flows
(in thousands - unaudited)

	Quarter	
	March	
	2014	2013 restated
Operations:		
Receipts from customers	\$ 433,397	\$ 410,772
Other receipts	9,502	9,844
Payments to suppliers	(186,394)	(155,329)
Payments to employees	(59,121)	(58,407)
Net cash provided by (used in) operating activities	197,384	206,880
Noncapital and related financing activities:		
Contribution to General Fund, City of Jacksonville, FL.	(36,219)	(17,749)
Build America Bonds subsidies	3,639	3,936
Net cash provided by (used in) noncapital financing activities	(32,580)	(13,813)
Capital and related financing activities:		
Acquisition and construction of capital assets	(37,784)	(44,062)
Proceeds from issuance of debt	360,380	262,585
Debt issue costs and discounts	22,409	39,619
Defeasance of debt	(382,263)	(301,670)
Repayment of debt principal	(665)	(8,265)
Interest paid on debt	(14,750)	(9,846)
Contribution from developers and others	4,411	4,077
Proceeds from sales of property	745	454
Net cash provided by (used in) capital and related financing activities	(47,517)	(57,108)
Investing activities:		
Purchase of investments	(433,954)	(514,170)
Proceeds from sale and maturities of investments	350,420	456,914
Investment income	2,713	(7,137)
Distributions from The Energy Authority	963	4,557
Net cash provided by (used in) investing activities	(79,858)	(59,836)
Net increase (decrease) in cash and cash equivalents	37,429	76,123
Cash and cash equivalents at beginning of the period	235,125	312,455
Cash and cash equivalents at end of the period	\$ 272,554	\$ 388,578
Reconciliation of operating income to net cash provided by operating activities:		
Operating Income:	\$ 94,888	\$ 92,389
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	92,947	94,925
Recognition of deferred costs and revenues, net	7,280	15,078
Changes in noncash assets and noncash liabilities:		
Decrease (increase) accounts receivable	(24,560)	(19,332)
Decrease (increase) accounts receivable, restricted	(163)	(41)
Decrease (increase) in inventories	19,818	23,753
Increase (decrease) in other	1,045	885
Increase (decrease) in accounts payable	528	(3,911)
Increase (decrease) in accounts payable, restricted	5,393	2,851
Increase (decrease) in other liabilities and deferred credits	207	283
Net cash provided by (used in) operating activities	\$ 197,383	\$ 206,880
Non-cash activity:		
Contribution of capital assets from developers	\$ 2,814	\$ 1,873

JEA
Statements of Cash Flows
(in thousands - unaudited)

	Year-To-Date	
	2014	2013 restated
March		
Operations:		
Receipts from customers	\$ 909,227	\$ 897,733
Other receipts	21,249	19,416
Payments to suppliers	(427,595)	(383,712)
Payments to employees	(109,935)	(112,728)
Net cash provided by (used in) operating activities	392,946	420,709
Noncapital and related financing activities:		
Contribution to General Fund, City of Jacksonville, FL.	(54,199)	(44,370)
Build America Bonds subsidies	3,639	3,936
Net cash provided by (used in) noncapital financing activities	(50,560)	(40,434)
Capital and related financing activities:		
Acquisition and construction of capital assets	(80,790)	(100,180)
Proceeds from issuance of debt	360,380	262,585
Debt issue costs and discounts	22,409	39,533
Defeasance of debt	(382,263)	(304,361)
Repayment of debt principal	(239,351)	(257,898)
Interest paid on debt	(119,436)	(111,447)
Contribution from developers and others	8,388	7,648
Proceeds from sales of property	1,037	654
Net cash provided by (used in) capital and related financing activities	(429,626)	(463,466)
Investing activities:		
Purchase of investments	(913,275)	(1,182,368)
Proceeds from sale and maturities of investments	681,340	939,341
Investment income	4,868	(5,396)
Distributions from The Energy Authority	972	6,858
Net cash provided by (used in) investing activities	(226,095)	(241,565)
Net increase (decrease) in cash and cash equivalents	(313,335)	(324,756)
Cash and cash equivalents at beginning of the period	585,888	713,334
Cash and cash equivalents at end of the period	\$ 272,553	\$ 388,578
Reconciliation of operating income to net cash provided by operating activities:		
Operating Income:	\$ 190,149	\$ 184,813
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	189,136	192,655
Recognition of deferred costs and revenues, net	24,520	33,862
Changes in noncash assets and noncash liabilities:		
Decrease (increase) accounts receivable	9,389	23,248
Decrease (increase) accounts receivable, restricted	2,030	351
Decrease (increase) in inventories	18,956	35,164
Increase (decrease) in other	(9,425)	(1,225)
Increase (decrease) in accounts payable	(29,268)	(46,625)
Increase (decrease) in accounts payable, restricted	1,312	(167)
Increase (decrease) in other liabilities and deferred credits	(3,853)	(1,367)
Net cash provided by (used in) operating activities	\$ 392,946	\$ 420,709
Non-cash activity:		
Contribution of capital assets from developers	\$ 9,131	4,480

JEA
Combining Statement of Net Position
(in thousands - unaudited) March 31, 2014

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Inter- company Transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
ASSETS AND DEFERRED OUTFLOWS								
Current assets:								
Cash and cash equivalents	\$ 65,012	\$ 40,859	\$ -	\$ 105,871	\$ 39,108	\$ 3,945	\$ -	\$ 148,924
Investments	282,085	-	-	282,085	-	19	-	282,104
Customer accounts receivable, less allowance for doubtful accounts of \$4,598	164,321	47,005	(25,334)	185,992	34,296	524	-	220,812
Inventories, less reserve of \$2,291								
Fuel inventory	38,530	15,288	-	53,818	-	-	-	53,818
Materials and supplies	2,120	19,980	-	22,100	47,148	-	-	69,248
Total current assets	552,068	123,132	(25,334)	649,866	120,552	4,488	-	774,906
Restricted assets:								
Cash and cash equivalents	4,017	62,501	-	66,518	53,187	3,924	-	123,629
Investments	306,403	264,438	-	570,841	277,051	-	-	847,892
Accounts and interest receivable	1,499	932	-	2,431	2,084	-	-	4,515
Total restricted assets	311,919	327,871	-	639,790	332,322	3,924	-	976,036
Noncurrent assets:								
Prepayments and other	9,643	-	-	9,643	12,383	-	-	22,026
Investment in The Energy Authority	7,786	-	-	7,786	-	-	-	7,786
Costs to be recovered from future revenues	13,897	5,291	-	19,188	-	-	-	19,188
Total noncurrent assets	31,326	5,291	-	36,617	12,383	-	-	49,000
Capital assets:								
Land and easements	70,700	6,660	-	77,360	53,482	3,051	-	133,893
Plant in service	5,042,487	1,351,978	-	6,394,465	4,031,110	51,883	-	10,477,458
Less accumulated depreciation	(2,237,404)	(771,669)	-	(3,009,073)	(1,435,904)	(16,118)	-	(4,461,095)
Plant in service, net	2,875,783	586,969	-	3,462,752	2,648,688	38,816	-	6,150,256
Construction work in progress	29,518	66,410	-	95,928	60,442	210	-	156,580
Capital assets, net	2,905,301	653,379	-	3,558,680	2,709,130	39,026	-	6,306,836
Total assets	3,800,614	1,109,673	(25,334)	4,884,953	3,174,387	47,438	-	8,106,778
Deferred outflows of resources:								
Unamortized deferred losses on refundings	93,565	25,865	-	119,430	48,598	231	-	168,259
Accumulated decrease in fair value of interest swaps derivatives	74,247	-	-	74,247	13,840	-	-	88,087
Total deferred outflows of resources	167,812	25,865	-	193,677	62,438	231	-	256,346
Total assets and deferred outflows of resources	\$ 3,968,426	\$ 1,135,538	\$ (25,334)	\$ 5,078,630	\$ 3,236,825	\$ 47,669	\$ -	\$ 8,363,124
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION								
Current liabilities:								
Accounts and accrued expenses payable	\$ 94,456	\$ 10,838	\$ (5,116)	\$ 100,178	\$ 11,907	\$ 14	\$ -	\$ 112,099
Customer deposits	43,311	-	-	43,311	12,942	-	-	56,253
Total current liabilities	137,767	10,838	(5,116)	143,489	24,849	14	-	168,352
Liabilities payable from restricted assets:								
Revenue bonds and line of credit due within one year	78,615	131,950	-	210,565	45,022	1,605	-	257,192
Interest payable	42,732	16,682	-	59,414	36,879	708	-	97,001
Construction contracts and accounts payable	854	26,528	(20,218)	7,164	4,441	10	-	11,615
Renewal and replacement reserve	-	86,238	-	86,238	-	-	-	86,238
Total liabilities payable from restricted assets	122,201	261,398	(20,218)	363,381	86,342	2,323	-	452,046
Other noncurrent liabilities:								
OPEB liability	2,600	-	-	2,600	1,525	-	-	4,125
Deferred credits and other	30,908	1,380	-	32,288	6,283	44	-	38,615
Total other noncurrent liabilities	33,508	1,380	-	34,888	7,808	44	-	42,740
Long-term debt:								
Bonds and commercial paper	2,674,250	578,005	-	3,252,255	1,826,331	41,360	-	5,119,946
Unamortized original issue premium (discount)	107,749	29,147	-	136,896	48,294	(55)	-	185,135
Fair value of debt management strategy instruments	74,247	-	-	74,247	13,840	-	-	88,087
Total long-term debt	2,856,246	607,152	-	3,463,398	1,888,465	41,305	-	5,393,168
Total liabilities	3,149,722	880,768	(25,334)	4,005,156	2,007,464	43,686	-	6,056,306
Deferred inflows of resources:								
Revenues to be used for future costs	55,011	151,758	-	206,769	-	-	-	206,769
Accumulated increase in fair value of fuel derivatives	-	-	-	-	-	-	-	-
Total deferred inflows of resources	55,011	151,758	-	206,769	-	-	-	206,769
Net position:								
Net investment in capital assets	169,345	(89,741)	-	79,604	935,227	(3,663)	-	1,011,168
Restricted	196,126	81,838	20,218	298,182	193,856	3,216	-	495,254
Unrestricted	398,222	110,915	(20,218)	488,919	100,278	4,430	-	593,627
Total net position	763,693	103,012	-	866,705	1,229,361	3,983	-	2,100,049
Total liabilities, deferred inflows of resources and net position	\$ 3,968,426	\$ 1,135,538	\$ (25,334)	\$ 5,078,630	\$ 3,236,825	\$ 47,669	\$ -	\$ 8,363,124

Combining Statement of Net Position
(in thousands - unaudited) March 31, 2013 restated

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of inter- company Transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
ASSETS AND DEFERRED OUTFLOWS								
Current assets:								
Cash and cash equivalents	\$ 139,784	\$ 52,416	\$ -	\$ 192,200	\$ 44,289	\$ 4,209	\$ -	\$ 240,698
Investments	171,668	2,999	-	174,667	-	45	-	174,712
Customer accounts receivable, less allowance for doubtful accounts of \$4,598	167,837	37,922	(21,719)	184,040	35,830	266	-	220,136
Inventories, less reserve of \$2,965	38,937	12,049	-	50,986	-	-	-	50,986
Fuel inventory	2,087	20,862	-	22,949	47,843	-	-	70,792
Materials and supplies	520,313	126,248	(21,719)	624,842	127,962	4,520	-	757,324
Total current assets								
Restricted assets:								
Cash and cash equivalents	21,901	85,065	-	106,966	38,175	2,739	-	147,880
Investments	300,173	253,815	-	553,988	260,318	-	-	814,306
Accounts and interest receivable	1,389	952	-	2,341	2,165	-	-	4,506
Total restricted assets	323,463	339,832	-	663,295	300,658	2,739	-	966,692
Noncurrent assets:								
Prepayments and other	2,527	-	-	2,527	13,397	-	-	15,924
Investment in The Energy Authority	6,446	-	-	6,446	-	-	-	6,446
Costs to be recovered from future revenues	12,846	5,990	-	18,836	-	-	-	18,836
Total noncurrent assets	21,819	5,990	-	27,809	13,397	-	-	41,206
Capital assets:								
Land and easements	69,095	6,660	-	75,755	49,524	3,051	-	128,330
Plant in service	4,985,270	1,375,932	-	6,361,202	3,945,152	51,372	-	10,357,726
Less accumulated depreciation	(2,100,088)	(734,545)	-	(2,834,633)	(1,328,934)	(14,197)	-	(4,177,764)
Plant in service, net	2,954,277	648,047	-	3,602,324	2,665,742	40,226	-	6,308,292
Construction work in progress	42,038	50,364	-	92,402	56,586	152	-	149,140
Capital assets, net	2,996,315	698,411	-	3,694,726	2,722,328	40,378	-	6,457,432
Total assets	3,861,910	1,170,481	(21,719)	5,010,672	3,164,345	47,637	-	8,222,654
Deferred outflows of resources:								
Unamortized deferred losses on refundings	90,542	33,320	-	123,862	51,677	-	-	175,539
Accumulated decrease in fair value of interest swaps derivatives	109,940	-	-	109,940	20,998	-	-	130,938
Total deferred outflows of resources	200,482	33,320	-	233,802	72,675	-	-	306,477
Total assets and deferred outflows of resources	\$ 4,062,392	\$ 1,203,801	\$ (21,719)	\$ 5,244,474	\$ 3,237,020	\$ 47,637	\$ -	\$ 8,529,131
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION								
Current liabilities:								
Accounts and accrued expenses payable	\$ 90,447	\$ 5,494	\$ (2,790)	\$ 93,151	\$ 13,768	\$ 160	\$ -	\$ 107,079
Customer deposits	45,341	-	-	45,341	13,249	-	-	58,590
Total current liabilities	135,788	5,494	(2,790)	138,492	27,017	160	-	165,669
Liabilities payable from restricted assets:								
Revenue bonds and line of credit due within one year	75,255	127,390	-	202,645	46,960	1,435	-	251,040
Interest payable	43,654	19,699	-	63,353	36,429	4	-	99,786
Construction contracts and accounts payable	4,505	23,991	(18,929)	9,567	6,264	62	-	15,893
Renewal and replacement reserve	-	85,558	-	85,558	-	-	-	85,558
Total liabilities payable from restricted assets	123,414	256,638	(18,929)	361,123	89,653	1,501	-	452,277
Other noncurrent liabilities:								
OPEB liability	2,600	-	-	2,600	1,525	-	-	4,125
Deferred credits and other	31,748	2,803	-	34,551	6,064	38	-	40,653
Revenues to be used for future costs	-	-	-	-	-	-	-	-
Total other noncurrent liabilities	34,348	2,803	-	37,151	7,589	38	-	44,778
Long-term debt:								
Bonds and commercial paper	2,800,920	709,955	-	3,510,875	1,890,889	42,315	-	5,444,079
Unamortized original issue premium (discount)	75,599	43,205	-	118,804	41,582	-	-	160,386
Fair value of debt management strategy instruments	109,940	-	-	109,940	20,998	-	-	130,938
Total long-term debt	2,986,459	753,160	-	3,739,619	1,953,469	42,315	-	5,735,403
Total liabilities	3,280,009	1,018,095	(21,719)	4,276,385	2,077,728	44,014	-	6,398,127
Deferred inflows of resources:								
Revenues to be used for future costs	58,888	84,531	-	143,419	-	-	-	143,419
Accumulated increase in fair value of fuel derivatives	5	-	-	5	-	-	-	5
Total deferred inflows of resources	58,893	84,531	-	143,424	-	-	-	143,424
Net position:								
Net investment in capital assets	195,079	(100,515)	-	94,564	893,521	(3,434)	-	984,651
Restricted	169,266	83,739	18,929	271,934	159,018	2,735	-	433,687
Unrestricted	359,145	117,951	(18,929)	458,167	106,753	4,322	-	569,242
Total net position	723,490	101,175	-	824,665	1,159,292	3,623	-	1,987,580
Total liabilities, deferred inflows of resources and net position	\$ 4,062,392	\$ 1,203,801	\$ (21,719)	\$ 5,244,474	\$ 3,237,020	\$ 47,637	\$ -	\$ 8,529,131

**Combining Statement of Revenue, Expenses and Changes in Net Assets
(in thousands - unaudited) for the quarter ended March 31, 2014**

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Inter- company Transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating revenues (net of allowances and discounts):								
Electric	\$ 314,557	\$ 96,638	\$ (58,452)	\$ 352,743	\$ -	\$ -	\$ (4,038)	\$ 348,705
Water and sewer	-	-	-	-	90,378	-	(149)	90,229
District Energy	-	-	-	-	-	1,773	-	1,773
Other, net	8,209	-	-	8,209	2,074	5	(623)	9,665
Total operating revenues	322,766	96,638	(58,452)	360,952	92,452	1,778	(4,810)	450,372
Operating expenses:								
Operations:								
Fuel	82,865	50,425	-	133,290	-	-	-	133,290
Purchased power	69,723	-	(58,452)	11,271	-	-	-	11,271
Other	36,781	8,586	-	45,367	28,884	724	(4,810)	70,165
Maintenance	13,472	6,366	-	19,838	2,855	229	-	22,922
Depreciation	49,667	10,198	-	59,865	32,157	534	-	92,556
State utility taxes and franchise fees	15,698	-	-	15,698	2,302	-	-	18,000
Recognition of deferred costs and revenues, net	(1,532)	8,812	-	7,280	-	-	-	7,280
Total operating expenses	266,674	84,387	(58,452)	292,609	66,198	1,487	(4,810)	355,484
Operating income	56,092	12,251	-	68,343	26,254	291	-	94,888
Nonoperating revenues (expenses):								
Earnings from The Energy Authority	2,478	-	-	2,478	-	-	-	2,478
Investment income, fair market value adjustments	3,406	1,746	-	5,152	3,120	1	-	8,273
Other nonoperating income	1,095	102	-	1,197	623	-	-	1,820
Interest on debt	(27,775)	(10,448)	-	(38,223)	(18,461)	(357)	-	(57,041)
Other interest, net	(21)	-	-	(21)	-	-	-	(21)
Allowance for funds used during construction	214	-	-	214	501	5	-	720
Total nonoperating revenues (expenses), net	(20,603)	(8,600)	-	(29,203)	(14,217)	(351)	-	(43,771)
Income before contributions	35,489	3,651	-	39,140	12,037	(60)	-	51,117
Contributions (to) from:								
General Fund, City of Jacksonville	(21,829)	-	-	(21,829)	(5,467)	-	-	(27,296)
Developers and others	-	-	-	-	7,224	-	-	7,224
Total contributions	(21,829)	-	-	(21,829)	1,757	-	-	(20,072)
Change in net position	13,660	3,651	-	17,311	13,794	(60)	-	31,045
Net position, beginning of period	750,033	99,361	-	849,394	1,215,567	4,043	-	2,069,004
Net position, end of period	\$ 763,693	\$ 103,012	\$ -	\$ 866,705	\$ 1,229,361	\$ 3,983	\$ -	\$ 2,100,049

JEA
Combining Statement of Revenue, Expenses and Changes in Net Assets
(in thousands - unaudited) for the quarter ended March 31, 2013 restated

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Inter- company transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating revenues (net of allowances and discounts):								
Electric	\$ 293,521	\$ 99,956	\$ (62,090)	\$ 331,387	\$ -	\$ -	\$ (3,810)	\$ 327,577
Water and sewer	-	-	-	-	91,316	-	(50)	91,266
District Energy	-	-	-	-	-	1,670	-	1,670
Other, net	8,451	-	-	8,451	2,122	-	(688)	9,885
Total operating revenues	301,972	99,956	(62,090)	339,838	93,438	1,670	(4,548)	430,398
Operating expenses:								
Operations:								
Fuel	59,823	42,785	-	102,608	-	-	-	102,608
Purchased power	79,225	-	(62,090)	17,135	-	-	-	17,135
Other	32,346	9,092	-	41,438	26,731	715	(4,548)	64,336
Maintenance	15,832	7,369	-	23,201	4,292	230	-	27,723
Depreciation	50,660	10,183	-	60,843	33,095	530	-	94,468
State utility taxes and franchise fees	14,323	-	-	14,323	2,338	-	-	16,661
Recognition of deferred costs and revenues, net	(1,171)	16,249	-	15,078	-	-	-	15,078
Total operating expenses	251,038	85,678	(62,090)	274,626	66,456	1,475	(4,548)	338,009
Operating income	50,934	14,278	-	65,212	26,982	195	-	92,389
Nonoperating revenues (expenses):								
Earnings from The Energy Authority	3,087	-	-	3,087	-	-	-	3,087
Investment income, fair market value adjustments	(8,328)	(786)	-	(9,114)	921	2	-	(8,191)
Other nonoperating income	1,187	110	-	1,297	671	-	-	1,968
Interest on debt	(29,363)	(11,388)	-	(40,751)	(19,141)	(242)	-	(60,134)
Other interest, net	(21)	-	-	(21)	(1)	-	-	(22)
Allowance for funds used during construction	222	-	-	222	516	-	-	738
Total nonoperating revenues (expenses), net	(33,216)	(12,064)	-	(45,280)	(17,034)	(240)	-	(62,554)
Income before contributions	17,718	2,214	-	19,932	9,948	(45)	-	29,835
Contributions (to) from:								
General Fund, City of Jacksonville	(20,993)	-	-	(20,993)	(5,681)	-	-	(26,674)
Developers and others	-	-	-	-	5,950	-	-	5,950
Total contributions	(20,993)	-	-	(20,993)	269	-	-	(20,724)
Change in net position	(3,275)	2,214	-	(1,061)	10,217	(45)	-	9,111
Net position, beginning of period	726,765	98,961	-	825,726	1,149,075	3,668	-	1,978,469
Effect of change in accounting	-	-	-	-	-	-	-	-
Net position, beginning of year, as restated	726,765	98,961	-	825,726	1,149,075	3,668	-	1,978,469
Net position, end of period	\$ 723,490	\$ 101,175	\$ -	\$ 824,665	\$ 1,159,292	\$ 3,623	\$ -	\$ 1,987,580

**Combining Statement of Revenue, Expenses and Changes in Net Assets
(in thousands - unaudited) for the year-to-date ended March 31, 2014**

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Inter- company transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating revenues (net of allowances and discounts):								
Electric	\$ 608,638	\$ 197,485	\$ (120,949)	\$ 685,174	\$ -	\$ -	\$ (8,005)	\$ 677,169
Water and sewer	-	-	-	-	184,560	-	(298)	184,262
District Energy	-	-	-	-	-	4,048	-	4,048
Other, net	16,239	-	-	16,239	4,221	7	(1,248)	19,219
Total operating revenues	624,877	197,485	(120,949)	701,413	188,781	4,055	(9,551)	884,698
Operating expenses:								
Operations:								
Fuel	151,104	98,358	-	249,462	-	-	-	249,462
Purchased power	140,883	-	(120,949)	19,934	-	-	-	19,934
Other	67,845	17,282	-	85,127	54,879	1,711	(9,551)	132,166
Maintenance	27,949	10,308	-	38,257	6,222	460	-	44,939
Depreciation	100,876	20,397	-	121,273	65,947	1,068	-	188,288
State utility taxes and franchise fees	30,555	-	-	30,555	4,685	-	-	35,240
Recognition of deferred costs and revenues, net	(2,956)	27,476	-	24,520	-	-	-	24,520
Total operating expenses	516,256	173,821	(120,949)	569,128	131,733	3,239	(9,551)	694,549
Operating income	108,621	23,664	-	132,285	57,048	816	-	190,149
Nonoperating revenues (expenses):								
Earnings from The Energy Authority	2,469	-	-	2,469	-	-	-	2,469
Investment income, fair market value adjustments	4,624	3,582	-	8,206	3,114	3	-	11,323
Other nonoperating income	2,190	204	-	2,394	1,246	-	-	3,640
Interest on debt	(54,056)	(20,098)	-	(74,154)	(36,905)	(715)	-	(111,774)
Other interest, net	(17)	-	-	(17)	9	-	-	(8)
Allowance for funds used during construction	521	-	-	521	1,059	10	-	1,590
Total nonoperating revenues (expenses), net	(44,269)	(16,312)	-	(60,581)	(31,477)	(702)	-	(92,760)
Income before contributions	64,352	7,352	-	71,704	25,571	114	-	97,389
Contributions (to) from:								
General Fund, City of Jacksonville	(43,659)	-	-	(43,659)	(10,935)	-	-	(54,594)
Developers and others	-	-	-	-	17,519	-	-	17,519
Total contributions	(43,659)	-	-	(43,659)	6,584	-	-	(37,075)
Change in net position	20,693	7,352	-	28,045	32,155	114	-	60,314
Net position, beginning of period	743,000	95,660	-	838,660	1,197,206	3,869	-	2,039,735
Effect of change in accounting	-	-	-	-	-	-	-	-
Net position, beginning of year, as restated	743,000	95,660	-	838,660	1,197,206	3,869	-	2,039,735
Net position, end of period	\$ 763,693	\$ 103,012	\$ -	\$ 866,705	\$ 1,229,361	\$ 3,983	\$ -	\$ 2,100,049

**Combining Statement of Revenue, Expenses and Changes in Net Assets
(in thousands - unaudited) for the year-to-date ended March 31, 2013 restated**

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Inter- company transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating revenues (net of allowances and discounts):								
Electric	\$ 590,658	\$ 203,804	\$ (126,773)	\$ 667,689	\$ -	\$ -	\$ (7,876)	\$ 659,813
Water and sewer	-	-	-	-	185,613	-	(104)	185,509
District Energy	-	-	-	-	-	3,923	-	3,923
Other, net	16,233	-	-	16,233	4,213	-	(1,381)	19,065
Total operating revenues	606,891	203,804	(126,773)	683,922	189,826	3,923	(9,361)	868,310
Operating expenses:								
Operations:								
Fuel	122,937	95,823	-	218,760	-	-	-	218,760
Purchased power	155,988	-	(126,773)	29,215	-	-	-	29,215
Other	62,988	15,862	-	78,850	51,484	1,636	(9,361)	122,609
Maintenance	31,619	11,951	-	43,570	9,031	410	-	53,011
Depreciation	101,754	20,366	-	122,120	68,579	1,055	-	191,754
State utility taxes and franchise fees	29,507	-	-	29,507	4,779	-	-	34,286
Recognition of deferred costs and revenues, net	(1,962)	35,824	-	33,862	-	-	-	33,862
Total operating expenses	502,831	179,826	(126,773)	555,884	133,873	3,101	(9,361)	683,497
Operating income	104,060	23,978	-	128,038	55,953	822	-	184,813
Nonoperating revenues (expenses):								
Earnings from The Energy Authority	3,793	-	-	3,793	-	-	-	3,793
Investment income, fair market value adjustments	(7,909)	(33)	-	(7,942)	1,325	8	-	(6,609)
Other nonoperating income	2,374	220	-	2,594	1,342	-	-	3,936
Interest on debt	(57,729)	(22,774)	-	(80,503)	(38,183)	(278)	-	(118,964)
Other interest, net	(77)	-	-	(77)	(11)	-	-	(88)
Allowance for funds used during construction	426	-	-	426	1,119	-	-	1,545
Total nonoperating revenues (expenses), net	(59,122)	(22,587)	-	(81,709)	(34,408)	(270)	-	(116,387)
Income before contributions	44,938	1,391	-	46,329	21,545	552	-	68,426
Contributions (to) from:								
General Fund, City of Jacksonville	(41,985)	-	-	(41,985)	(11,359)	-	-	(53,344)
Developers and others	-	-	-	-	12,128	-	-	12,128
Total contributions	(41,985)	-	-	(41,985)	769	-	-	(41,216)
Change in net position	2,953	1,391	-	4,344	22,314	552	-	27,210
Net position, beginning of period	737,059	99,784	-	836,843	1,151,152	3,316	-	1,991,311
Effect of change in accounting	(16,522)	-	-	(16,522)	(14,174)	(245)	-	(30,941)
Net position, beginning of year, as restated	720,537	99,784	-	820,321	1,136,978	3,071	-	1,960,370
Net position, end of period	\$ 723,490	\$ 101,175	\$ -	\$ 824,665	\$ 1,159,292	\$ 3,623	\$ -	\$ 1,987,580

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Inter- company transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operations:								
Receipts from customers	\$ 311,321	\$ 96,638	\$ (63,342)	\$ 344,617	\$ 91,026	\$ 1,843	\$ (4,089)	\$ 433,397
Other receipts	7,988	-	-	7,988	2,132	5	(623)	9,502
Payments to suppliers	(175,794)	(56,008)	63,342	(168,460)	(21,815)	(831)	4,712	(186,394)
Payments to employees	(38,136)	(7,637)	-	(45,773)	(13,211)	(137)	-	(59,121)
Net cash provided by (used in) operating activities	105,379	32,993	-	138,372	58,132	880	-	197,384
Noncapital and related financing activities:								
Contribution to General Fund, City of Jacksonville, FL.	(29,105)	-	-	(29,105)	(7,114)	-	-	(36,219)
Build America Bonds subsidies	2,189	204	-	2,393	1,246	-	-	3,639
Net cash provided by (used in) noncapital financing activities	(26,916)	204	-	(26,712)	(5,868)	-	-	(32,580)
Capital and related financing activities:								
Acquisition and construction of capital assets	(16,241)	-	-	(16,241)	(21,526)	(17)	-	(37,784)
Proceeds from issuance of debt	360,380	-	-	360,380	-	-	-	360,380
Debt issue costs and discounts	22,409	-	-	22,409	-	-	-	22,409
Defeasance of debt	(382,263)	-	-	(382,263)	-	-	-	(382,263)
Repayment of debt principal	(665)	-	-	(665)	-	-	-	(665)
Interest paid on debt	(13,277)	1	-	(13,276)	(1,474)	-	-	(14,750)
Contribution from developers and others	-	-	-	-	4,411	-	-	4,411
Proceeds from sales of property	712	-	-	712	33	-	-	745
Net cash provided by (used in) capital and related financing activities	(28,945)	1	-	(28,944)	(18,556)	(17)	-	(47,517)
Investing activities:								
Purchase of investments	(167,183)	(146,681)	-	(313,864)	(120,090)	-	-	(433,954)
Proceeds from sale and maturities of investments	95,598	136,938	-	232,536	117,882	2	-	350,420
Investment income	928	871	-	1,799	913	1	-	2,713
Distributions from The Energy Authority	963	-	-	963	-	-	-	963
Net cash provided by (used in) investing activities	(69,694)	(8,872)	-	(78,566)	(1,295)	3	-	(79,858)
Net increase (decrease) in cash and cash equivalents	(20,176)	24,326	-	4,150	32,413	866	-	37,429
Cash and cash equivalents at beginning of the period	89,205	79,035	-	168,240	59,882	7,003	-	235,125
Cash and cash equivalents at end of the period	\$ 69,029	\$ 103,361	\$ -	\$ 172,390	\$ 92,295	\$ 7,869	\$ -	\$ 272,554

Reconciliation of operating income to net cash provided by operating activities:

Operating Income:	\$ 56,092	\$ 12,251	-	68,343	\$ 26,254	\$ 291	\$ -	\$ 94,888
Adjustments to reconcile operating income to net cash provided by operating activities:								
Depreciation and amortization	49,667	10,199	-	59,866	32,547	534	-	92,947
Recognition of deferred costs and revenues, net	(1,532)	8,812	-	7,280	-	-	-	7,280
Changes in noncash assets and noncash liabilities:								
Decrease (increase) accounts receivable	(3,237)	(22,041)	-	(25,278)	648	70	-	(24,560)
Decrease (increase) accounts receivable, restricted	(221)	-	-	(221)	58	-	-	(163)
Decrease (increase) in inventories	261	18,968	-	19,229	589	-	-	19,818
Increase (decrease) in other	841	-	-	841	204	-	-	1,045
Increase (decrease) in accounts payable	3,911	(657)	-	3,254	(2,709)	(17)	-	528
Increase (decrease) in accounts payable, restricted	-	5,393	-	5,393	-	-	-	5,393
Increase (decrease) in other liabilities and deferred credits	(403)	67	-	(336)	541	2	-	207
Net cash provided by (used in) operating activities	\$ 105,379	\$ 32,992	\$ -	\$ 138,371	\$ 58,132	\$ 880	\$ -	\$ 197,383

Non-cash activity:

Contribution of capital assets from developers	\$ 2,814
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Combining Statement of Cash Flows
(in thousands - unaudited) for the quarter ended March 31, 2013 restated

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Inter- company transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operations:								
Receipts from customers	\$ 288,406	\$ 99,956	\$ (67,940)	\$ 320,422	\$ 92,492	\$ 1,718	\$ (3,860)	\$ 410,772
Other receipts	8,115	-	-	8,115	2,417	-	(688)	9,844
Payments to suppliers	(163,937)	(42,671)	67,940	(138,668)	(20,420)	(789)	4,548	(155,329)
Payments to employees	(36,998)	(8,929)	-	(45,927)	(12,359)	(121)	-	(58,407)
Net cash provided by (used in) operating activities	95,586	48,356	-	143,942	62,130	808	-	206,880
Noncapital and related financing activities:								
Contribution to General Fund, City of Jacksonville, FL.	(13,995)	-	-	(13,995)	(3,754)	-	-	(17,749)
Build America Bonds subsidies	2,374	220	-	2,594	1,342	-	-	3,936
Net cash provided by (used in) noncapital financing activities	(11,621)	220	-	(11,401)	(2,412)	-	-	(13,813)
Capital and related financing activities:								
Acquisition and construction of capital assets	(21,025)	1,119	-	(19,906)	(24,081)	(75)	-	(44,062)
Proceeds from issuance of debt	262,585	-	-	262,585	-	-	-	262,585
Debt issue costs and discounts	39,997	(378)	-	39,619	-	-	-	39,619
Defeasance of debt	(301,670)	-	-	(301,670)	-	-	-	(301,670)
Repayment of debt principal	(8,265)	-	-	(8,265)	-	-	-	(8,265)
Interest paid on debt	(8,337)	-	-	(8,337)	(1,375)	(134)	-	(9,846)
Contribution from developers and others	-	-	-	-	4,077	-	-	4,077
Proceeds from sales of property	310	-	-	310	144	-	-	454
Net cash provided by (used in) capital and related financing activities	(36,405)	741	-	(35,664)	(21,235)	(209)	-	(57,108)
Investing activities:								
Purchase of investments	(148,364)	(195,195)	-	(343,559)	(170,611)	-	-	(514,170)
Proceeds from sale and maturities of investments	139,168	162,059	-	301,227	155,684	3	-	456,914
Investment income	(8,222)	584	-	(7,638)	500	1	-	(7,137)
Distributions from The Energy Authority	4,557	-	-	4,557	-	-	-	4,557
Net cash provided by (used in) investing activities	(12,861)	(32,552)	-	(45,413)	(14,427)	4	-	(59,836)
Net increase (decrease) in cash and cash equivalents	34,699	16,765	-	51,464	24,056	603	-	76,123
Cash and cash equivalents at beginning of the period	126,986	120,716	-	247,702	58,408	6,345	-	312,455
Cash and cash equivalents at end of the period	\$ 161,685	\$ 137,481	\$ -	\$ 299,166	\$ 82,464	\$ 6,948	\$ -	\$ 388,578

Reconciliation of operating income to net cash provided by
operating activities:

Operating Income:	\$ 50,934	\$ 14,278	\$ -	\$ 65,212	\$ 26,982	\$ 195	\$ -	\$ 92,389
Adjustments to reconcile operating income to net cash provided by operating activities:								
Depreciation and amortization	50,660	10,183	-	60,843	33,552	530	-	94,925
Recognition of deferred costs and revenues, net	(1,171)	16,249	-	15,078	-	-	-	15,078
Changes in noncash assets and noncash liabilities:								
Decrease (increase) accounts receivable	(5,115)	(15,439)	-	(20,554)	1,176	46	-	(19,332)
Decrease (increase) accounts receivable, restricted	(336)	-	-	(336)	295	-	-	(41)
Decrease (increase) in inventories	2,148	21,006	-	23,154	599	-	-	23,753
Increase (decrease) in other	720	-	-	720	165	-	-	885
Increase (decrease) in accounts payable	(1,825)	(887)	-	(2,712)	(1,233)	34	-	(3,911)
Increase (decrease) in accounts payable, restricted	-	2,851	-	2,851	-	-	-	2,851
Increase (decrease) in other liabilities and deferred credits	(429)	115	-	(314)	594	3	-	283
Net cash provided by (used in) operating activities	\$ 95,586	\$ 48,356	\$ -	\$ 143,942	\$ 62,130	\$ 808	\$ -	\$ 206,880

Non-cash activity:

Contribution of capital assets from developers \$ 1,873

**Combining Statement of Cash Flows
(in thousands - unaudited) for the year-to-date ended March 31, 2014**

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Inter- company transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operations:								
Receipts from customers	\$ 649,027	\$ 197,485	\$ (122,821)	\$ 723,691	\$ 189,493	\$ 4,346	\$ (8,303)	\$ 909,227
Other receipts	17,121	-	-	17,121	5,369	7	(1,248)	21,249
Payments to suppliers	(365,387)	(146,497)	122,821	(389,063)	(46,142)	(1,941)	9,551	(427,595)
Payments to employees	(71,154)	(13,999)	-	(85,153)	(24,528)	(254)	-	(109,935)
Net cash provided by (used in) operating activities	229,607	36,989	-	266,596	124,192	2,158	-	392,946
Noncapital and related financing activities:								
Contribution to General Fund, City of Jacksonville, FL.	(43,379)	-	-	(43,379)	(10,820)	-	-	(54,199)
Build America Bonds subsidies	2,189	204	-	2,393	1,246	-	-	3,639
Net cash provided by (used in) noncapital financing activities	(41,190)	204	-	(40,986)	(9,574)	-	-	(50,560)
Capital and related financing activities:								
Acquisition and construction of capital assets	(34,552)	-	-	(34,552)	(45,644)	(594)	-	(80,790)
Proceeds from issuance of debt	360,380	-	-	360,380	-	-	-	360,380
Debt issue costs and discounts	22,409	-	-	22,409	-	-	-	22,409
Defeasance of debt	(382,263)	-	-	(382,263)	-	-	-	(382,263)
Repayment of debt principal	(65,450)	(127,390)	-	(192,840)	(46,146)	(365)	-	(239,351)
Interest paid on debt	(61,963)	(19,697)	-	(81,660)	(37,374)	(402)	-	(119,436)
Contribution from developers and others	-	-	-	-	8,388	-	-	8,388
Proceeds from sales of property	995	-	-	995	42	-	-	1,037
Net cash provided by (used in) capital and related financing activities	(160,444)	(147,087)	-	(307,531)	(120,734)	(1,361)	-	(429,626)
Investing activities:								
Purchase of investments	(354,170)	(302,924)	-	(657,094)	(256,181)	-	-	(913,275)
Proceeds from sale and maturities of investments	231,048	255,569	-	486,617	194,716	7	-	681,340
Investment income	1,700	2,029	-	3,729	1,137	2	-	4,868
Distributions from The Energy Authority	972	-	-	972	-	-	-	972
Net cash provided by (used in) investing activities	(120,450)	(45,326)	-	(165,776)	(60,328)	9	-	(226,095)
Net increase (decrease) in cash and cash equivalents	(92,477)	(155,220)	-	(247,697)	(66,444)	806	-	(313,335)
Cash and cash equivalents at beginning of the period	161,506	258,580	-	420,086	158,739	7,063	-	585,888
Cash and cash equivalents at end of the period	\$ 69,029	\$ 103,360	\$ -	\$ 172,389	\$ 92,295	\$ 7,869	\$ -	\$ 272,553

Reconciliation of operating income to net cash provided by operating activities:

Operating Income:	\$ 108,621	\$ 23,664	-	\$ 132,285	\$ 57,048	\$ 816	\$ -	\$ 190,149
Adjustments to reconcile operating income to net cash provided by operating activities:								
Depreciation and amortization	100,876	20,397	-	121,273	66,795	1,068	-	189,136
Recognition of deferred costs and revenues, net	(2,956)	27,476	-	24,520	-	-	-	24,520
Changes in noncash assets and noncash liabilities:								
Decrease (increase) accounts receivable	40,388	(36,230)	-	4,158	4,933	298	-	9,389
Decrease (increase) accounts receivable, restricted	882	-	-	882	1,148	-	-	2,030
Decrease (increase) in inventories	1,594	17,632	-	19,226	(270)	-	-	18,956
Increase (decrease) in other	(9,039)	-	-	(9,039)	(386)	-	-	(9,425)
Increase (decrease) in accounts payable	(8,335)	(15,766)	-	(24,101)	(5,136)	(31)	-	(29,268)
Increase (decrease) in accounts payable, restricted	-	1,312	-	1,312	-	-	-	1,312
Increase (decrease) in other liabilities and deferred credits	(2,424)	(1,496)	-	(3,920)	60	7	-	(3,853)
Net cash provided by (used in) operating activities	\$ 229,607	\$ 36,989	\$ -	\$ 266,596	\$ 124,192	\$ 2,158	\$ -	\$ 392,946

Non-cash activity:

<u>Contribution of capital assets from developers</u>	<u>\$ 9,131</u>
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Combining Statement of Cash Flows

(in thousands - unaudited) for the year-to-date ended March 31, 2013 restated

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Inter- company transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operations:								
Receipts from customers	\$ 635,130	\$ 203,804	\$ (128,412)	\$ 710,522	\$ 190,868	\$ 4,323	\$ (7,980)	\$ 897,733
Other receipts	16,278	-	-	16,278	4,519	-	(1,381)	19,416
Payments to suppliers	(363,960)	(108,181)	128,412	(343,729)	(47,463)	(1,881)	9,361	(383,712)
Payments to employees	(72,464)	(16,306)	-	(88,770)	(23,729)	(229)	-	(112,728)
Net cash provided by (used in) operating activities	214,984	79,317	-	294,301	124,195	2,213	-	420,709
Noncapital and related financing activities:								
Contribution to General Fund, City of Jacksonville, FL.	(34,910)	-	-	(34,910)	(9,460)	-	-	(44,370)
Build America Bonds subsidies	2,374	220	-	2,594	1,342	-	-	3,936
Net cash provided by (used in) noncapital financing activities	(32,536)	220	-	(32,316)	(8,118)	-	-	(40,434)
Capital and related financing activities:								
Acquisition and construction of capital assets	(44,968)	(2,297)	-	(47,265)	(52,835)	(80)	-	(100,180)
Proceeds from issuance of debt	262,585	-	-	262,585	-	-	-	262,585
Debt issue costs and discounts	39,997	(464)	-	39,533	-	-	-	39,533
Defeasance of debt	(301,670)	(2,691)	-	(304,361)	-	-	-	(304,361)
Repayment of debt principal	(84,360)	(124,655)	-	(209,015)	(47,493)	(1,390)	-	(257,898)
Interest paid on debt	(55,114)	(18,491)	-	(73,605)	(37,672)	(170)	-	(111,447)
Contribution from developers and others	-	-	-	-	7,648	-	-	7,648
Proceeds from sales of property	510	-	-	510	144	-	-	654
Net cash provided by (used in) capital and related financing activities	(183,020)	(148,598)	-	(331,618)	(130,208)	(1,640)	-	(463,466)
Investing activities:								
Purchase of investments	(380,813)	(449,803)	-	(830,616)	(351,752)	-	-	(1,182,368)
Proceeds from sale and maturities of investments	263,940	414,824	-	678,764	260,574	3	-	939,341
Investment income	(7,841)	1,656	-	(6,185)	787	2	-	(5,396)
Distributions from The Energy Authority	6,858	-	-	6,858	-	-	-	6,858
Net cash provided by (used in) investing activities	(117,856)	(33,323)	-	(151,179)	(90,391)	5	-	(241,565)
Net increase (decrease) in cash and cash equivalents	(118,428)	(102,384)	-	(220,812)	(104,522)	578	-	(324,756)
Cash and cash equivalents at beginning of the period	280,113	239,865	-	519,978	186,986	6,370	-	713,334
Cash and cash equivalents at end of the period	\$ 161,685	\$ 137,481	\$ -	\$ 299,166	\$ 82,464	\$ 6,948	\$ -	\$ 388,578

Reconciliation of operating income to net cash provided by operating activities:

Operating Income:	\$ 104,060	\$ 23,978	\$ -	\$ 128,038	\$ 55,953	\$ 822	\$ -	\$ 184,813
Adjustments to reconcile operating income to net cash provided by operating activities:								
Depreciation and amortization	101,754	20,366	-	122,120	69,480	1,055	-	192,655
Recognition of deferred costs and revenues, net	(1,962)	35,824	-	33,862	-	-	-	33,862
Changes in noncash assets and noncash liabilities:								
Decrease (increase) accounts receivable	44,472	(26,878)	-	17,594	5,255	399	-	23,248
Decrease (increase) accounts receivable, restricted	45	-	-	45	306	-	-	351
Decrease (increase) in inventories	1,348	33,959	-	35,307	(143)	-	-	35,164
Increase (decrease) in other	(875)	-	-	(875)	(350)	-	-	(1,225)
Increase (decrease) in accounts payable	(32,584)	(7,458)	-	(40,042)	(6,505)	(78)	-	(46,625)
Increase (decrease) in accounts payable, restricted	-	(167)	-	(167)	-	-	-	(167)
Increase (decrease) in other liabilities and deferred credits	(1,274)	(307)	-	(1,581)	199	15	-	(1,367)
Net cash provided by (used in) operating activities	\$ 214,984	\$ 79,317	\$ -	\$ 294,301	\$ 124,195	\$ 2,213	\$ -	\$ 420,709

Non-cash activity:

Contribution of capital assets from developers	\$ 4,480
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Electric System
Schedules of Debt Service Coverage
(in thousands - unaudited)

	Quarter		Year-To-Date	
	2014	2013	2014	2013
Revenues:				
Electric	\$ 314,557	\$ 293,521	\$ 608,638	\$ 590,658
Investment income (1)	527	128	1,130	476
Earnings from The Energy Authority	2,478	3,087	2,469	3,793
Other, net (2)	8,209	8,451	16,239	16,233
Plus: amount paid from the rate stabilization fund into the revenue fund	1,779	2,427	3,146	3,467
Less: amount paid from the revenue fund into the rate stabilization fund	(6,295)	(5,933)	(18,353)	(11,985)
Total revenues	321,255	301,681	613,269	602,642
Operating expenses (3):				
Fuel	77,304	50,346	134,709	103,326
Purchased power (4)	85,963	95,471	173,706	189,610
Other operation and maintenance	41,861	43,801	83,930	85,384
State utility taxes and franchise fees	15,338	14,095	29,967	29,048
Total expenses	220,466	203,713	422,312	407,368
Net revenues	\$ 100,789	\$ 97,968	\$ 190,957	\$ 195,274
Debt service:	\$ 18,639	\$ 19,672	\$ 37,531	\$ 38,828
Less: investment income on sinking fund	(410)	(257)	(805)	(508)
Less: Build America Bonds subsidy	(377)	(407)	(755)	(814)
Debt service requirement	\$ 17,852	\$ 19,008	\$ 35,971	\$ 37,506
Senior debt service coverage (5) (min 1.20x)	5.65 x	5.15 x	5.31 x	5.21 x
Net revenues (from above):	\$ 100,789	\$ 97,968	\$ 190,957	\$ 195,274
Debt service requirement (from above):	17,852	19,008	35,971	37,506
Plus: aggregate subordinated debt service on outstanding subordinated bonds	21,060	21,493	43,958	42,382
Less: Build America Bonds subsidy	(524)	(568)	(1,047)	(1,136)
Total debt service requirement and aggregate subordinated debt service	38,388	39,933	78,882	78,752
Senior and subordinated debt service coverage (6) (min 1.15x)	2.63 x	2.45 x	2.42 x	2.48 x

(1) Excludes investment income on sinking funds.

(2) Excludes 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 System with respect to the use by the Electric System of the capacity and output of the SJRPP and Bulk Power System are reflected as a purchased power expense on these schedules. These schedules do not include revenues of the SJRPP and Bulk Power System, except that the purchased power expense is net of interest income on funds maintained under the SJRPP and Bulk Power Supply Systems 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.

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

	Quarter March		Year-To-Date March	
	2014	2013	2014	2013
Revenues:				
JEA	\$ 16,240	\$ 16,248	\$ 32,823	\$ 33,623
Investment income	30	-	37	4
Other, net (1)	-	211	-	423
Total revenues	16,270	16,459	32,860	34,050
Operating expenses (2):				
Fuel	5,561	9,477	16,395	19,611
Other operations and maintenance	5,979	3,254	8,921	6,072
Total operating expenses	11,540	12,731	25,316	25,683
Net revenues	\$ 4,730	\$ 3,728	\$ 7,544	\$ 8,367
Aggregate debt service	\$ 2,121	\$ 2,376	\$ 3,976	\$ 4,752
Debt service coverage (4), (5), (6)	2.23 x	1.57 x	1.90 x	1.76 x

(1) Effective March 26, 2014, the Bulk Power Supply System Resolution was amended to exclude from revenues the subsidy related to Build America Bonds.

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

(3) Effective March 26, 2014, the Bulk Power Supply System Resolution was amended to exclude from interest in aggregate debt service the subsidy related to Build America Bonds.

(4) Net revenues divided by aggregate debt service.

(5) Minimum coverage requirement is 1.15x.

(6) Had the Build America Bonds subsidy not been excluded from revenues and not been excluded from interest in aggregate debt service, current year-to-date debt service coverage would have been 1.82x.

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

	Quarter March		Year-To-Date March	
	2014	2013	2014	2013
Revenues:				
JEA	\$ 61,235	\$ 63,779	\$ 126,514	\$ 126,814
FPL	38,185	37,866	76,536	77,032
Investment income	1,020	877	1,971	1,760
Total revenues	100,440	102,522	205,021	205,606
Operating expenses (1):				
Fuel	50,425	42,785	98,358	95,823
Other operations and maintenance	10,560	12,023	18,805	21,027
Total operating expenses	60,985	54,808	117,163	116,850
Net revenues	\$ 39,455	\$ 47,714	\$ 87,858	\$ 88,756
Aggregate debt service	\$ 35,144	\$ 35,500	70,288	71,001
Debt service coverage (2)	1.12 x	1.34 x	1.25 x	1.25 x

(1) Excludes depreciation.

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

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

	Quarter March		Year-To-Date March	
	2014	2013	2014	2013
Revenues:				
JEA	\$ 7,009	\$ 7,016	\$ 14,020	\$ 14,031
Investment income	-	-	-	-
Other, net	102	110	204	220
Total revenues	7,111	7,126	14,224	14,251
Operating expenses (1):				
Fuel	-	-	-	-
Other operations and maintenance	-	-	-	-
Total operating expenses	-	-	-	-
Net revenues	\$ 7,111	\$ 7,126	\$ 14,224	\$ 14,251
Aggregate debt service	\$ 6,184	\$ 6,196	\$ 12,369	\$ 12,391
Debt service coverage (2)	1.15 x	1.15 x	1.15 x	1.15 x

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

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

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

	Quarter		Year-To-Date	
	2014	March	2014	March
Revenues:				
Water, net of allowances and discounts	\$ 35,442	\$ 36,889	\$ 73,437	\$ 75,851
Water capacity fees (1)	1,371	1,357	2,799	2,618
Sewer, net of allowances and discounts	54,936	54,427	111,123	109,762
Sewer capacity fees (1)	2,540	2,711	4,912	5,014
Investment income	700	375	1,316	820
Other (2)	2,074	2,122	4,221	4,213
Plus: amount paid from the rate stabilization fund into the revenue fund	4,708	4,901	9,731	10,192
Less: amounts paid from the revenue fund into the rate stabilization fund	(4,708)	(4,901)	(9,731)	(10,192)
Total revenues	97,063	97,881	197,808	198,278
Operating & maintenance expenses:				
Operations and maintenance (3)	34,041	33,361	65,786	65,294
Total operating expenses	34,041	33,361	65,786	65,294
Net revenues	\$ 63,022	\$ 64,520	\$ 132,022	\$ 132,984
Aggregate debt service:	\$ 26,713	\$ 26,781	\$ 53,436	\$ 53,592
Less: Build America Bonds subsidy	(623)	(671)	(1,246)	(1,342)
Aggregate debt service:	\$ 26,090	\$ 26,110	\$ 52,190	\$ 52,250
Senior debt service coverage (4), (min 1.25x)	2.42 x	2.47 x	2.53 x	2.55 x
Net revenues (from above)	\$ 63,022	\$ 64,520	\$ 132,022	\$ 132,984
Aggregate debt service (from above):	\$ 26,090	\$ 26,110	\$ 52,190	\$ 52,250
Plus: aggregate subordinated debt service on outstanding subordinated debt	2,614	2,763	5,235	5,558
Total aggregate and aggregate subordinated debt service	\$ 28,704	\$ 28,873	\$ 57,425	\$ 57,808
Senior and subordinated debt service coverage (5)	2.20 x	2.23 x	2.30 x	2.30 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 2014 and 2013, then the debt service

(2) Excludes the Build America Bonds subsidy.

(3) Excludes depreciation.

(4) Net revenues divided by aggregate debt service. Annual minimum 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 annual coverage is 2.16x and 2.17x. Based on the second requirement, net revenues must exceed 100% of aggregate debt service and 120% of aggregate subordinated debt service, or \$58,472 and \$58,920 for the year-to-date period ending March 2014 and 2013.

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

	Quarter		Year-To-Date	
	2014	March 2013	2014	March 2013
Revenues:				
Service revenues	\$ 1,773	\$ 1,671	\$ 4,048	\$ 3,923
Investment income	1	1	2	2
Other	5	-	7	-
Plus: amount paid from the rate stabilization fund into the revenue fund	-	-	-	-
Less: amounts paid from the revenue fund into the rate stabilization fund	-	(207)	-	(405)
Total revenues	1,779	1,465	4,057	3,520
Operating expenses: (1)				
Operations and maintenance	953	945	2,172	2,046
Total operating expenses	953	945	2,172	2,046
Net revenues	826	520	1,885	1,474
Aggregate debt service (2)	755	-	1,510	-
Debt service coverage (3) (min 1.15x)	1.09 x	-	1.25 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.

**Electric Enterprise Fund
Operating Statistics**

	Quarter March		Year-To-Date March	
	2014	2013	2014	2013
Electric revenue sales (000's omitted):				
Residential	\$ 154,953	\$ 136,486	\$ 283,285	\$ 267,630
Commercial and industrial	147,114	146,035	302,035	301,651
Public street lighting	3,819	3,925	7,434	7,661
Sales for resale - territorial	8,183	7,195	14,634	13,922
Electric revenues - territorial	314,069	293,641	607,388	590,864
Saleback to Florida Power & Light	38,185	37,866	76,536	77,031
Sales for resale - off system	970	325	2,179	696
Electric revenues	353,224	331,832	686,103	668,591
Less: allowance for doubtful accounts	(482)	(445)	(929)	(902)
Net electric revenues	352,742	331,387	685,174	667,689
kWh sales (000's omitted):				
Residential	1,270,886	1,114,754	2,310,787	2,179,691
Commercial and industrial	1,495,392	1,498,133	3,065,574	3,085,845
Public street lighting	30,818	32,063	60,067	62,632
Sales for resale - territorial	84,629	74,535	154,575	150,493
Total kWh sales - territorial	2,881,725	2,719,485	5,591,003	5,478,661
Saleback to Florida Power & Light	513,670	352,287	965,985	828,129
Sales for resale - off system	28,968	10,676	68,372	20,861
Total kWh sales	3,424,363	3,082,448	6,625,360	6,327,651
Average number of accounts:				
Residential	381,576	374,604	380,705	373,767
Commercial and industrial	48,433	47,542	48,339	47,491
Public street lighting	3,470	3,452	3,473	3,445
Sales for resale	4	3	3	3
Total average accounts	433,483	425,601	432,520	424,706
Residential averages:				
Revenue per account - \$	406.09	364.35	744.11	716.03
kWh per account	3,331	2,976	6,070	5,832
Revenue per kWh - ¢	12.19	12.24	12.26	12.28
Degree days:				
	March		March	
	2014	2013	2014	2013
Heating degree days	918	721	1,276	1,197
Cooling degree days	58	92	368	340
Total degree days	976	813	1,644	1,537
Degree days - 30 year average	876		1,651	

**Water and Sewer Enterprise Fund
Operating Statistics**

	Quarter March		Year-To-Date March	
	2014	2013	2014	2013
Water				
Revenues (000's omitted):				
Residential	\$ 19,506	\$ 19,576	\$ 39,677	\$ 39,768
Commercial and industrial	10,753	10,534	21,584	21,007
Irrigation	5,258	6,863	12,318	15,248
Total water revenues	35,517	36,973	73,579	76,023
Less: allowance for doubtful accounts	(75)	(84)	(142)	(172)
Net water revenues	\$ 35,442	\$ 36,889	\$ 73,437	\$ 75,851
Water Sales (kgals*):				
Residential	3,473,017	3,696,370	7,216,873	7,540,485
Commercial and industrial	2,874,546	2,841,186	5,867,212	5,660,029
Irrigation	644,821	1,068,309	1,745,162	2,515,771
Total kgals sales	6,992,384	7,605,865	14,829,247	15,716,285
Number of accounts (1):				
Residential	258,268	252,898	257,601	252,204
Commercial and industrial	23,668	23,455	23,664	23,428
Irrigation	35,742	35,689	35,770	35,694
Total average accounts	317,678	312,042	317,035	311,326
Residential averages:				
Revenue per account - \$	75.53	77.41	154.03	157.68
kgals per account	13.45	14.62	28.02	29.90
Revenue per kgals - \$	5.62	5.30	5.50	5.27
Reuse				
Revenues (000's omitted):				
Reuse revenues	\$ 867	\$ 852	\$ 2,045	\$ 1,938
Reuse Sales (kgals*):				
Reuse sales (kgals*)	155,656	196,689	409,500	492,304
Number of accounts:				
Reuse accounts	4,310	3,009	4,115	2,885
Sewer				
Revenues (000's omitted):				
Residential	\$ 29,688	\$ 30,088	\$ 60,362	\$ 60,759
Commercial and industrial	24,493	23,613	48,930	47,324
Total sewer revenues	54,181	53,701	109,292	108,083
Less: allowance for doubtful accounts	(112)	(126)	(214)	(259)
Net sewer revenues	\$ 54,069	\$ 53,575	\$ 109,078	\$ 107,824
Sewer Sales (kgals*):				
Residential	2,985,464	3,165,477	6,202,095	6,455,619
Commercial and industrial	2,539,374	2,496,741	5,134,147	4,991,438
Total kgals sales	5,524,838	5,662,218	11,336,242	11,447,057
Number of accounts (1):				
Residential	226,363	221,020	225,734	220,359
Commercial and industrial	17,586	17,431	17,590	17,406
Total average accounts	243,949	238,451	243,324	237,765
Residential averages:				
Revenue per account - \$	131.15	136.13	267.40	275.73
kgals per account	13.19	14.32	27.48	29.30
Revenue per kgals - \$	9.94	9.51	9.73	9.41
*kgals = 1000 gallons				
Rainfall				
Normal	10.44	10.44	19.28	19.28
Actual	14.36	8.80	19.64	14.39
Rain Days	30	20	52	44