

JEA BOARD OF DIRECTORS MEETING MINUTES
January 30, 2024

The JEA Board met in regular session at 9:00 am on Tuesday, January 30, 2024, on the 1st Floor, 225 North Pearl Street, Jacksonville, Florida. The public was invited to attend this meeting in-person at the physical location and virtually via WebEx.

WELCOME

Meeting Called to Order – Board Chair Bobby Stein called the meeting to order at 9:00 am. Board members in attendance were Marty Lanahan, Rick Morales, Kawanza Humphrey, and John Baker. Dr. Zachary Faison and General Joseph DiSalvo were not in attendance.

Others in attendance were Jay Stowe, Managing Director/CEO, Laura Dutton, Chief Strategy Officer; Sheila Pressley, Chief Customer Officer; Ted Phillips, Chief Financial Officer; Laura Schepis, Chief External Affairs Officer; Regina Ross, Chief Legal Officer, Office of General Counsel; David Emanuel, Chief Human Resources Officer; Raynetta Curry Marshall, Chief Operating Officer; Madricka Jones, Executive Assistant to the CEO, and Melissa Dalton, Manager, Board Services.

Time of Reflection – A moment of reflection was observed by all.

Adoption of the Agenda – On *motion* by Marty Lanahan and seconded by John Baker, the agenda was approved.

Values Moment – Kassandra Carman, Corporate Strategy Specialist, presented a Values moment on integrity.

COMMENTS / PRESENTATIONS

Comments from the Public:

In-Person Public Comments:

John Nooney spoke to the Board about Resilient Jacksonville, St. Johns River Accord, and FEMA.

WebEx Public Comments: There were no on-line public comments.

Email Public Comments: There were no emailed public comments.

Council Liaison's Comments – Council Member Michael Boylan provided the Board with an update on the reappointment of JEA Board members Mr. John Baker and Mr. Rick Morales. Chair Stein extended his appreciation to Council Member Boylan for his commitment to JEA and the public.

Managing Director / CEO Report – Jay Stowe, Managing Director/CEO, highlighted the upcoming trial and JEA's core values of safety, respect, and integrity; Enterprise Planning Process which will form the three year business plan and annual budget; an update on Plant Vogtle; supply chain issues specifically around transformers; call for rate hearing; Florida Municipal Electric Association Lineman Competition on February 24 at Metropolitan Park; Generation WOW hosted by JEA on January 25; and the 2024 JEA Internship Program set to begin on May 6.

FY23 Scorecard Results – Stefanie Monroe, Director, Analytics, presented the JEA performance update through December 31, 2023. Ms. Monroe provided an overview on each of the scorecard metrics including safety; employee engagement; residential and commercial customer satisfaction, electric, water, and wastewater reliability, total spend, total customer bill and clean energy composition. Board Vice Chair Lanahan asked for a deep dive into the individual categories at future meetings. This report was received for information.

Quarterly Financial Update – Russell Caffey, Controller, highlighted the quarterly financial update on Q1 FY2024 electric and water to include sales and revenue by month; current month versus prior month fuel rate projections; and the financial recap on Q1 metrics. This report was received for information.

FOR BOARD CONSIDERATION

CONSENT AGENDA

The Consent Agenda consists of agenda items that require Board approval but are routine in nature or have been discussed in previous public meetings of the Board.

On *motion* by Mr. Morales and seconded by Mr. Baker, all Consent Agenda items were approved.

Board Meeting Minutes – November 7, 2023

FOSTER AN EXCEPTIONAL WORK CULTURE

Appointment of Tameka Gaines Holly to the City of Jacksonville Civil Service Board – David Emanuel, Chief Human Resources Officer, welcomed Ms. Holly and provided a review of her credentials. Mr. Emanuel requested approval of her appointment to the City of Jacksonville Civil Service Board.

On *motion* by Marty Lanahan and seconded by Kawanza Humphrey, the Board unanimously approved Tameka Gaines Holly to the City of Jacksonville Civil Service Board and adopted Resolution 2023-01.

MAKE DOING BUSINESS WITH JEA EASY

EY Audit Results – John DiSanto, Managing Director, EY, provided the Board with an executive summary and the required communications to the Board of Directors. This presentation was received for information.

Energy Market Risk Management Policy – Laura Schepis, Chief External Affairs Officer, reviewed the administrative changes made to the policy to reflect the current staffing and structures and the removal of duplicate language.

On *motion* by Mr. Baker and seconded by Vice Chair Lanahan, the Board of Directors unanimously approved the revisions to the Energy Market Risk Management Policy and adopted Resolution 2024-04.

DEEPEN CUSTOMER & COMMUNITY ENGAGEMENT

Business Client Satisfaction – Sheila Pressley, Chief Customer Officer, presented the 2023 J.D. Power customer satisfaction study which included JEA ranking first place among south midsize utilities which included a 3-point increase in defying industry trends; showed improvement in both power quality & reliability and communication drivers; and was ranked first place overall among Florida utilities. Ms. Pressley recognized Kenneth Lockwood, Electric Maintenance Coordinator; Matt Stafford, Electric Maintenance Coordinator; David Redd, Electric Troubleshooter; Clara Barton, Manager, Owned

Communications; Michael Hadden, Manager, Customer and Corporate Communications; Kevin Briscoe, Communications Specialist; Traci Day, Director, Business Client Relationships; and Randy Swift, Director, Business Relationships & Project Outreach for their contributions to JEA's overall success. This presentation was received for information.

MEAG Power Department of Energy (DOE) Loan Guarantee – Joe Orfano, Vice President, Financial Services, presented the DOE Loan Guarantee Amendment which will allow for the monthly release of nuclear production tax credits and offset the monthly cost of purchased power to JEA through calendar year 2032.

MEAG Power Purchase Agreement Document Amendments – Joe Orfano, Vice President, Financial Services, presented the Power Purchase Agreement Amendment which is a mechanism to fund post-completion capital additions and will provide for MEAG's ability to bridge finance the capital outlays when they have a meaningful public market bond issuance.

On *motion* by John Baker and seconded by Marty Lanahan, the Board of Directors unanimously approved to ratify the execution of Amendment No. 2 to the DOE Collateral Agency Agreement and to enter into the MEAG Amendment No 2. to the Amended and Restated Power Purchase Agreement and adopted Resolutions 2024-05 and 2024-06.

FY24 Electric Call for Rate Hearing – Victor Blackshear, Director, Financial Planning & Rates presented the FY24 Electric Call for Rate Hearing to include FY24 rate strategic goals; achieving FY24 target revenue by aligning revenue requirements to FY24 budget; recommended FY24 residential rates; recommended FY24 commercial and industrial rates; a new time-based industrial rate; recommendation for FY24 interruptible service extra large demand; and FY24 electric tariff documentation revisions.

On *motion* by Mr. Baker and seconded by Mr. Morales, the Board of Directors unanimously approved calling for a public rate hearing at the February 27, 2024 Board meeting and adopted Resolution 2024-02.

Chair Stein stepped out at 10:07 am and returned at 10:08 am.

Water & Sewer Bond Offering Update – Randall Barnes, Treasurer, highlighted the \$504M in priced senior water and sewer system 2024 Series A bonds; 4.41% all-in true interest cost; 7.24% net present value savings on refunded bonds; and \$2.5B in received orders. This presentation was received for information.

PLAN FOR THE FUTURE

Enterprise Planning Process – Laura Dutton, Chief Strategy Officer, presented the new enterprise planning process including strategic direction, strategic plans, key supporting plans, and execution. Board Vice Chair Lanahan requested doing a deep dive into the overarching plan during future board meeting. This presentation was received for information.

Long Range Financial Planning – Juli Crawford, Vice President, Enterprise Strategy & Planning, reviewed the long range financial plan to include key planning assumptions for FY25-FY34; striving for balance between reliability, sustainability, and affordability; a full picture of JEA's ten year plan to include regulation and asset portfolio changes that will require additional borrowing and revenue requirements; operations and maintenance expenses which is holding to a 3% annual escalation; fuel and purchased power; capital expenses to include \$9 billion in capital projects; non-fuel purchased power; debt payments; city contribution; and revenue requirements. Vice Chair Lanahan requested a debt illustration in a future meeting dating back 20 years. This presentation was received for information.

OTHER BUSINESS AND CLOSING CONSIDERATION

Old and Other New Business / Open Discussion – None

Mr. Morales stepped out at 10:53 am and returned at 10:55 am.

Chair’s Report – Chair Stein discussed the CEO Evaluation and Board Self-Assessment noting the reports are in Appendix H of the meeting materials; announced the Finance & Audit Committee would be reinstated noting General Joseph DiSalvo will serve as Committee Chair along with Mr. Morales and Ms. Humphrey. Board Vice Chair Lanahan requested Governance be added to the committee and upon approval from committee members Mr. Morales and Ms. Humphrey the addition was approved. Chair Stein announced the first meeting would take place on February 23, 2024 at 9:00 am. Chair Stein asked Mr. Baker to lead the Executive Committee to recommend the new slate of officers to take effect on April 1, 2024.

Announcements – Next Board Meeting, February 27, 2024

Adjournment – With no further business coming before the Board, Chair Stein declared the meeting adjourned at 10:58 am.

APPROVED BY:


Marty Lanahan, Acting Board Secretary
Date: 2/27/24

Board Meeting Recorded by:


Allison S Hickok
Executive Staff Assistant