



IMPROVING LIVES. BUILDING COMMUNITY.

FINANCE, GOVERNANCE, & AUDIT COMMITTEE

JEA Headquarters | 1st Floor | Room 120 A & B | 225 North Pearl Street, Jacksonville, FL 32202

January 21, 2026 | 9:00 am

Members: MG Orender, Chair, Worth McArthur, and Kawanza Suarez – All Board Members are Welcome

WELCOME

Meeting Called to Order

Adoption of Agenda (Action)

MG Orender, Chair

Approval of Minutes – November 12, 2025 (Action)

Safety Briefing

Brandon Edwards, Director, Security & Emergency Preparedness

COMMENTS / PRESENTATIONS

Comments from the Public

Public

FOR COMMITTEE CONSIDERATION

DELIVERING BUSINESS EXCELLENCE

Quarterly Financial Review

Ted Phillips, Chief Financial Officer

FY25 EY Audit Results

John DiSanto, Managing Director, EY

Board Self-Evaluation Results

Jody Brooks, Chief Administrative Officer

OTHER BUSINESS & CLOSING CONSIDERATIONS

Old & Other New Business / Open Discussion

Announcements – Next Meeting February 19, 2026

MG Orender, Chair

Adjournment

INFORMATIONAL MATERIAL

Appendix A: [Finance, Governance, and Audit Committee Meeting Minutes – November 12, 2025](#)

Appendix B: [FY25 EY Audit Results](#)

Appendix C: [Board Self-Evaluation Results](#)

Appendix D: [JEA Annual Comprehensive Financial Report](#)

Appendix E: [Reserve Fund Quarterly Report](#)

Appendix F: [Energy Market Risk Management Report](#)



FINANCE, GOVERNANCE, & AUDIT COMMITTEE

JANUARY 21, 2026

IMPROVING LIVES...BUILDING COMMUNITY

Safety Briefing

Brandon Edwards, Director, Security & Emergency Preparedness

Kerry Lewis Jr., Wastewater Operations Team Leader





Pearl Street Exit



Monroe Street Exit
Left of the American Flag



County Courthouse Lawn

Safety Briefing Headquarters

In the event of an emergency, JEA Security will call 911 and coordinate any required evacuation

Emergency Evacuation Route: Exit building via Pearl Street main entrance/exit or Monroe Street exit to the left of the American flag

Assembly Point: Front of Duval County Clerk of Courts (NW corner of Adams St. & Clay St.)

Evacuation or Medical Assist: Notify JEA Security Officer

Hazard & Situational Awareness

Cell Phone & Computer Etiquette

Comments From The Public

Public



Quarterly Financial Review

Ted Phillips, Chief Financial Officer

Zachary Harris, Apprentice Linemaintainer



FY26 Electric System Revenue & Expenditures



	YTD Budget	YTD Actual	Delta	%	
Base Revenue	\$ 218,295,020	\$ 221,857,458	\$ 3,562,438	1.6%	↑
Fuel Rate Revenue	108,823,927	113,181,403	4,357,476	4.0%	↑
Other Revenue	10,620,210	10,730,264	110,053	1.0%	↑
Total Revenue	\$ 337,739,157	\$ 345,769,124	\$ 8,029,967	2.4%	↑
O&M	\$ 76,032,722	\$ 73,676,546	\$ (2,356,176)	-3.1%	↓
Fuel & Purchased Power	108,823,927	113,181,403	4,357,476	4.0%	↑
Debt	30,874,532	30,226,608	(647,924)	-2.1%	↓
Capital Contribution	20,074,913	20,074,913	0	0.0%	↓
City Contribution	35,274,170	35,274,170	0	0.0%	↓
Non Fuel Purchase Power	75,808,563	75,014,691	(793,872)	-1.0%	↓
Other Expenditures	64,852	185,565	120,713	186.1%	↑
Total Expenditures	\$ 346,953,679	\$ 347,633,896	\$ 680,217	0.2%	↑
Surplus / (Deficit)	\$ (9,214,522)	\$ (1,864,772)	\$ (7,349,750)		↑

Budget shown without contingency

FY26 Cost Per MWh



	YTD 2025	YTD 2026
Generated Power per MWh	\$32.09	\$38.65
Purchased Power per MWh	\$99.93	\$101.15
Total Energy Cost per MWh	\$59.64	\$61.86

FY26 Base Revenues



Generally, for the Electric System, the prominent driver of sales is degree days. Usually, a higher number of degree days results in increased energy usage. Overall, FY26 has been milder than FY25 resulting in decreased sales. Base revenues are up even though sales are down, predominately driven by the rate increase that took effect October 1, 2025.

DEGREE DAYS COMPARISON			
	FY2026	FY2025	Variance
Heating Degree Days	403	370	▲33
Cooling Degree Days	272	453	▼181
Total Degree Days	675	823	▼148

As displayed on page 17 of the monthly financial statements

FY26 Electric System O&M Budget

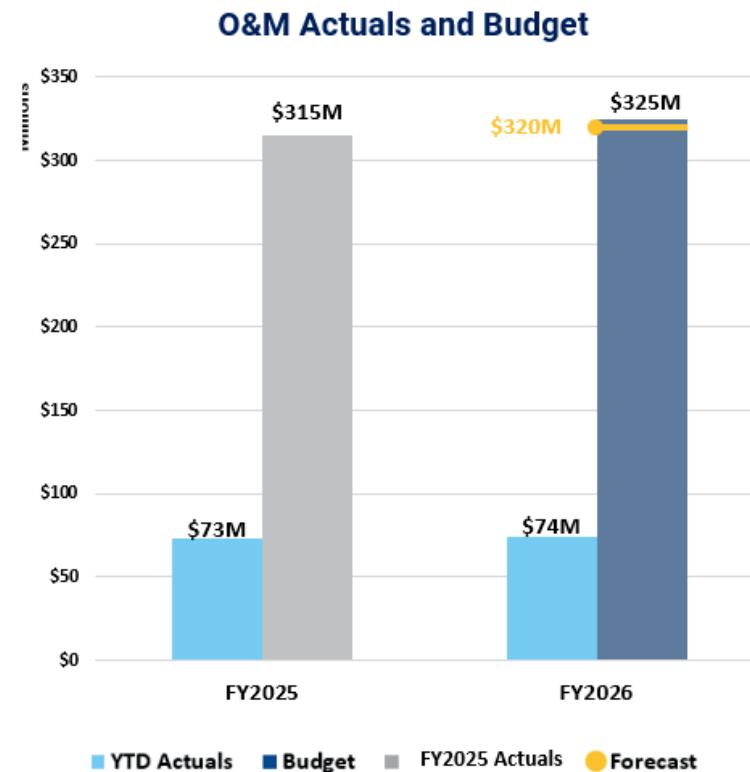


December YTD O&M spend was 1% over FY25 actuals of the same timeframe. Actual spend was 3% under the FY26 budget, or \$2.4M.

Forecasting FY26 O&M spend to be \$319.6M, which is \$5.5M lower than the annual budget of \$325.1M. Projected spend is 98.3% of the annual budget.

Key (\$2.4M) YTD Budget Variance Drivers:

- + \$4.6M Salaries, OT and Benefits
- + \$0.03M Supplies & Materials
- (\$0.7M) Insurance
- (\$1.5M) Other Expense and Credits
- (\$4.8M) Other Services and Charges



FY26 Electric System Capital Budget



FY26 Water System Revenue & Expenditures



	Budget	Actual	Delta	%	
Water & Sewer	\$ 138,362,323	\$ 137,478,502	\$ (883,821)	-0.6%	⬇️
Capacity & Extension	16,740,208	17,132,121	391,913	2.3%	⬆️
Investment Income	1,335,931	1,156,556	(179,375)	-13.4%	⬇️
Other Income	20,441,759	20,058,891	(382,868)	-1.9%	⬇️
Total Revenue	\$ 176,880,221	\$ 175,826,070	\$ (1,054,151)	-0.6%	⬇️
O&M	\$ 70,574,224	\$ 72,036,234	\$ 1,462,010	2.1%	⬆️
Capital Contribution	39,549,246	39,941,159	391,913	1.0%	⬆️
Debt	40,498,775	35,130,041	(5,368,734)	-13.3%	⬇️
City Contribution	9,425,515	9,425,515	0	0.0%	⬇️
Other Expenditures	256,064	178,971	(77,094)	-30.1%	⬇️
Total Expenditures	\$ 160,303,824	\$ 156,711,919	\$ (3,591,905)	-2.2%	⬇️
Surplus / (Deficit)	\$ 16,576,396	\$ 19,114,151	\$ 2,537,754		⬆️

Budget shown without contingency

FY26 Base Revenues



Generally, for the Water System, the prominent driver of changes in sales year over year is rainfall and rain days. Usually, less rainfall and fewer rain days results in more water usage. We are experiencing slightly higher sales year over year, with base revenues up a total 11% YoY due to approved rate increases, but slightly below budget.

RAINFALL COMPARISON (IN INCHES)			
	FY2026	FY2025	Variance
Normal	8.81	8.81	-
Actual	4.62	4.37	▲0.25
Rain Days	18	25	▼(7)

(As displayed on page 18 of the monthly financial statements)

FY26 Water System O&M Budget



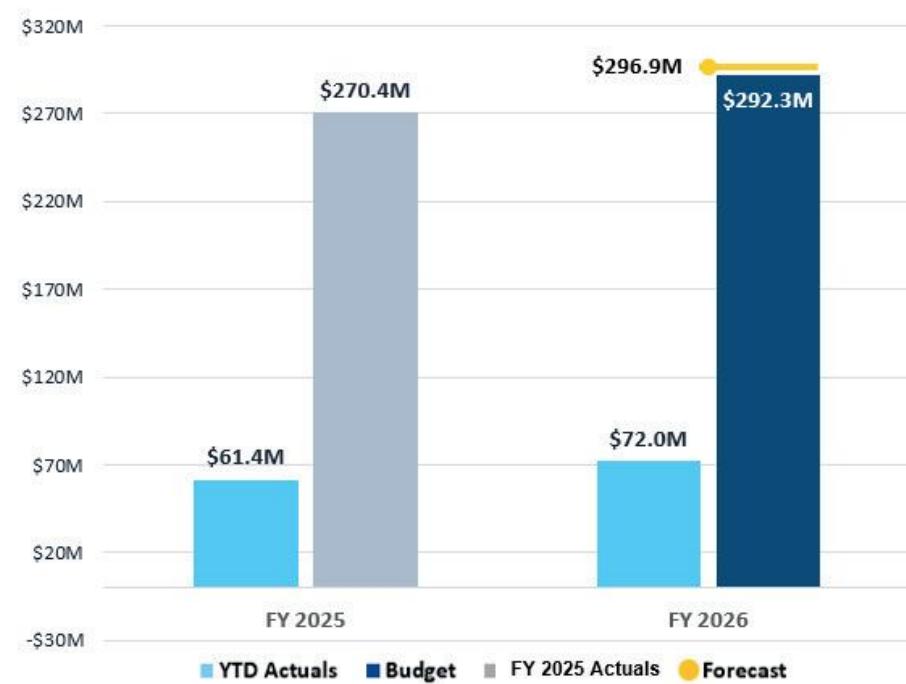
December YTD O&M spend of \$72M was \$10.7M (17%) higher than FY25 actuals of the same timeframe and \$1.5M (2%) over budget.

Forecasting FY26 O&M spend to be \$296.9M, which is \$4.6M higher than the annual budget of \$292.3M. This is mostly driven by \$3.3M forecasted Normandy Village Utility Net Expense and \$2M higher Labor expense, offset some by Other Services and Charges, Supplies and Insurance. Projected spend is 102% of the annual budget.

Key \$1.5M YTD Budget Variance Drivers:

- + \$3.7M Salaries, OT and Benefits
- + \$1.6M Intercompany Charges
- + \$0.7M Normandy Village Utility Net Expense
- (\$3.2M) Other Services and Charges
- (\$0.8M) Supplies & Materials
- (\$0.5M) Insurance

O&M Actuals, Budget & Forecast



FY26 Water System Capital Budget



FY26 Financial Metrics

Electric

Days Liquidity	Debt Service Coverage	Debt to Asset Ratio	Fixed Charge Coverage	Weighted Avg. Yield of Investments
156 ●	3.56x ●	44.0% ●	1.43x ●	4.06% ●
Target: 150 Days	Target: 2.5x	Target: 50%	Target: 1.6x	Target: 3.94%

Water

Days Liquidity	Debt Service Coverage	Debt to Asset Ratio	Fixed Charge Coverage	Weighted Avg. Yield of Investments
305 ●	2.68x ●	45.9% ●	2.40x ●	4.06% ●
Target: 100 Days	Target: 2.0x	Target: 50%	Target: 2.0x	Target: 3.94%

FY25 EY Audit Results

John DiSanto, Managing Director, EY



Executive Summary



Key business priorities

New:

- GASB Statement No. 102, Certain Risk Disclosures (GASB 102), effective in the fiscal year 2025

Next: Upcoming GASB Pronouncements

- GASB Statement No. 103, Financial Reporting Model Improvements (GASB 103), effective in fiscal year 2026
- GASB Statement No. 104, Disclosure of Certain Capital Assets (GASB 104), effective in fiscal year 2026

Areas of emphasis

- Revenue recognition
- Regulatory accounts
- Investments
- Capital assets
- Derivative instruments and hedging activities
- Pension plan accounting and reporting – SJRPP plan
- Pension plan accounting and reporting – COJ plan
- Commitments and contingencies

Looking forward

- JEA bond issuance – W&S and DES
- Uniform guidance audit for 2025
- Agreed-Upon Procedures

Required Communications

Area	Comments
Auditor's responsibility under generally accepted auditing standards, including a discussion of the type of auditor's report we are issuing and the circumstances that affect the form and content of our auditor's report, if applicable.	Our responsibilities are included in our audit engagement agreement. A copy has been previously provided or can be made available upon request.
Key audit matters	We have issued an unqualified opinion on JEA's financial statements on December 12, 2025, for the year ended September 30, 2025.
Changes to the audit strategy, timing of the audit and significant risks identified	No matters to be communicated.
Matters relevant to our evaluation of the entity's ability to continue as a going concern	Our audit strategy is consistent with the plan communicated during the August 2025 meeting.
Related party relationships and transactions	We did not identify any events or conditions that led us to believe there was substantial doubt about JEA's ability to continue as a going concern.
	We noted no significant matters regarding JEA's relationships and transactions with related parties.



Required Communications

Area	Comments
Our views about the qualitative aspects of the entity's significant accounting practices, including: <ul style="list-style-type: none">• Accounting policies• Accounting estimates	Management has not selected or changed any significant policies or changed the application of those policies since the August 2025 planning meeting.
Changes to the terms of the audit with no reasonable justification for the change	None.
Significant unusual transactions	We are not aware of any significant unusual transactions executed by JEA.
Difficult or contentious matters subject to consultation outside of the audit team	None.



Required Communications

Area	Comments
Material corrected misstatements related to accounts and disclosures Uncorrected misstatements related to accounts and disclosures, considered by management to be immaterial	No misstatements Identified.
Significant deficiencies and material weaknesses in internal control over financial reporting	No material weaknesses have been identified.
Our responsibility, procedures performed, the results of those procedures and any reporting to be included in our auditor's report relating to other information included in the annual report	We have reviewed JEA's Supplementary Information and Required Supplementary Information and found the information presented to be consistent with information in the audited financial statements.
Fraud and noncompliance with laws and regulations (illegal acts)	We are not aware of any matters that require communication.
Obtain information relevant to the audit	None noted.
Independence matters	We are not aware of any matters that in our professional judgment would impair our independence.

JEA 2025 audit results



Required Communications

Area	Comments
New accounting pronouncements	No issues have been identified with regard to management's application of new accounting pronouncements.
Significant issues discussed with management in connection with the auditor's initial appointment or recurring retention Disagreements with management and significant difficulties encountered in dealing with management when performing the audit Management's consultations with other accountants	None.
Other material written communications with management	A copy has been previously provided or can be made available upon request.
Other matters	There are no other matters arising from the audit that are significant and relevant to those charged with governance regarding the oversight of the financial reporting process.



JEA 2025 audit results

Required Communications

Area	Comments
AICPA ethics ruling regarding third-party service providers	From time to time, and depending on the circumstances, (1) we may subcontract portions of the Audit Services to other EY firms, who may deal with the Company or its affiliates directly, although EY alone will remain responsible to you for the Audit Services and (2) personnel (including non-certified public accountants) from an affiliate of EY or another EY firm or any of their respective affiliates, or from independent third-party service providers (including independent contractors), may participate in providing the Audit Services. In addition, third-party service providers may perform services for EY in connection with the Audit Services.
Representations we are requesting from management	We obtain from management a letter of representations related to the 2025 financial statement audit prior to our report issuances.



Board Self-Evaluation Results

Jody Brooks, Chief Administrative Officer



JEA Board Evaluation



In accordance with the JEA Board Policy Manual - Appendix A2

"The JEA Board will self-assess annually as per the Evaluation Criteria below. JEA's Compliance Office will be the third-party facilitator to assist board members in discussing survey results, consistent with the Florida Sunshine and Open Government laws, and deciding what is actionable."

Ratings: 1-Strongly Disagree / 2-Disagree / 3-Uncertain / 4-Agree / 5-Strongly Agree

Evaluation Criteria

Board Member Comments

Board members receive a comprehensive orientation to prepare them to perform their roles and responsibilities.

Average Score - 4.6

"Excellent onboarding experience from my perspective."

"Opportunities to meet with leadership, visit sites, and receive foundational knowledge is offered for orientation."

"The updated Board Policy Manual is a great reference document and most importantly the CEO has an excellent onboarding plan involving her executive leadership that is excellent for Board member preparation and orientation."

Board members are prepared for and participate in monthly Board meetings.

Average Score - 4.7

"Individual briefings offered for meeting materials orienting."

"A huge administrative lift done monthly that is very much appreciated."

Board members understand and fulfill the Board's roles and responsibilities.

No Additional Comments

Average Score - 4.6



Evaluation Criteria

Board members understand and support JEA's mission and strategic objectives.

Average Score - 4.9

Board members understand and adhere to the JEA Charter, Bylaws, Board Policies, and applicable Florida Statutes and City Ordinances.

Average Score - 4.7

Board members understand JEA's Measures of Effectiveness so accurate assessments can be made.

Average Score - 4.6

Board members understand and discuss JEA's financial reports and annual budget.

Average Score - 4.7

Board members work together to make good decisions.

Average Score - 4.7

Board Member Comments

"Equally important, the Executive Leadership listens and acts on Board input with respect to strategic objectives."

"All documents are well written and continuously updated."

"Spelled out in the Board Policy document and consistently referred to in Board Meeting KPI reviews."

"The dashboards continue to improve and are easily digestible."

"Financials are the most complicated aspects, the CFO's team and others are great at answering questions and explaining complicated issues."

"Discussed at every Board meeting and actively managed via the Finance, Governance, and Audit Committee."

"I am honored to work and collaborate with great Board member teammates."

"I believe members are able to effectively work together via committee meetings and board meetings."

"Board members follow Florida's Sunshine Law, ensuring open, public meetings with healthy discussion. Board members may attend any committee meeting."



Evaluation Criteria

Board members have a strong working relationship with the CEO.

Average Score - 5.0

Board members understand CEO evaluation criteria.

Average Score - 4.7

Board members respect the confidentiality of Board matters in accordance with public records laws.

Average Score - 5.0

Board members reflect behavior consistent with JEA's Code of Conduct and Code of Ethics.

Average Score - 5.0

Board members are knowledgeable about JEA's programs and services.

Average Score - 4.4

Board members follow industry trends and important developments related to JEA and understand key corporate risks.

Average Score - 4.1

Board Member Comments

"The CEO is totally accessible; can have candid conversations; CEO is great at listening."

"Vickie and her team are top shelf. I am delighted to serve on the Board."

"Well-articulated in the JEA Board Policy Manual."

No Additional Comments

No Additional Comments

"JEA has many great programs, and I personally try and keep up with those, but can always improve."

"Staff does a good job of sending articles, videos etc. in addition to what we, as board members search out."



Evaluation Criteria

Board members actively self-educate and stay current with industry trends.

Average Score - 4.1

Board members work in coordination with the CEO on succession plan.

Average Score - 4.4

Board members actively look to improve processes.

Average Score - 4.6

Board members act as goodwill ambassadors for JEA in the community.

Average Score - 4.6

Board meetings are generally well-run, make good use of members' time, and are of an optimal length.

Average Score - 4.9

Board briefing packets are complete and issued at least 7 days in advance of meetings.

Average Score - 4.9

Board Member Comments

No Additional Comments

"Very encouraged to see the succession plan come to fruition this year."

"As we move forward with the current CEO, we will eventually set a transition schedule and dig into this more."

"Evident from the consistently improving Committee's work and deliverables."

"Board members are very interested and remain open to discussions about processes."

"Hats off to the administrative folks, IT folks, and all the fantastic behind the scenes work that goes into Board Meetings."

"Always on time and with high quality."

"In addition to board package, we have individual one on one with staff to review so we are prepared."



Evaluation Criteria

Board Member Comments

Board members are represented with the necessary skills, stakeholders, and diversity.

"Amazing talents with all Board Members."

Average Score - 4.9

Board members demonstrate the principle of transparency in its governance activities.

No Additional Comments

Average Score - 4.9

Board members delegate sufficient authority to the CEO to lead the organization.

No Additional Comments

Average Score - 4.7

Board members review CEO performance and compensation annually.

"Per Board Policy Category III."

Average Score - 4.7

Old and Other New Business / Open Discussion

MG Orender, Chair





JEA & Jaguars Senior Food Drive

Announcements

Board Meeting - January 27, 2026

Finance, Governance, & Audit Committee Meeting - February 19, 2026



Building Community

JEA FINANCE, GOVERNANCE, AND AUDIT MEETING MINUTES
November 12, 2025

The JEA Board met in regular session at 1:00 pm on Wednesday, November 12, 2025, on the 1st Floor, 225 North Pearl Street, Jacksonville, FL. The meeting was properly noticed, and the public was invited to attend this meeting in-person at the physical location.

WELCOME

Meeting Called to Order

Committee Chair MG Orender called the meeting to order at 1:00 pm. Attending the meeting in person was Committee member Worth McArthur. Committee Member Kawanza Suarez, and Board Member John Baker attended virtually.

Others in attendance were Vickie Cavey, Managing Director/CEO; Ted Phillips, Chief Financial Officer; Joe Orfano, Deputy Chief Financial Officer; Jody Brooks, Chief Administrative Officer; Diane Moser, Chief Human Resources Officer; Kurt Wilson, Chief of Staff; Dr. Charles Moreland, Chief Customer Experience Officer; Ricky Erixton, Chief Electric Systems Officer; Steve Selders, Chief Information Officer; Bradley Bulthuis, Assistant General Counsel; Melissa Dalton, Director, Board & Administrative Services; and Sheree Brown, Board Services Manager.

Adoption of the Agenda – On ***motion*** by Mr. McArthur and seconded by Ms. Suarez, the agenda was approved.

Safety Briefing – Brandon Edwards, Director, Security & Emergency Preparedness, presented the safety briefing.

COMMENTS / PRESENTATIONS

Comments from the Public

John Nooney addressed the Committee regarding public access to waterways.

Carnell Oliver spoke about the city contribution and the timeline for the septic tank phaseout.

Approval of Minutes – On ***motion*** by Mr. McArthur and seconded by Mr. Orender, the minutes from the August 19, 2025 Finance, Governance, and Audit Committee meeting were approved.

FOR COMMITTEE CONSIDERATION

Quarterly Financial Review – Ted Phillips, Chief Financial Officer, provided an overview of the electric and water system revenue and expenditures; cost per MWh; base revenues; operating expenses; electric and water system O&M; capital budget; cash and investments; and financial metrics. This presentation was received for information.

Annual Disclosure Report Procedure – A.J. Souto, Treasurer, reviewed the Annual Disclosure Report (ADR) procedure and noted the ADRs will be distributed electronically in December, with Board approval scheduled for January 27, 2026.

Modifications to Miscellaneous Charges and Fees – Dr. Charles Moreland, Chief Customer Experience Officer and Victor Blackshear, Director of Financial Planning and Rates, presented proposed modifications to the tariff, including updates to tampering fees. The Committee engaged in

JEA Finance, Governance, and Audit November 12, 2025
Meeting Minutes

discussion regarding the definitions of “re-trip” and “JEA investigation,” as well as the allocation of tampering fees.

On ***motion*** by Mr. McArthur and seconded by Ms. Suarez, the Committee unanimously voted to recommend Board approval of Resolution 2025-30, adopting the modifications to the Electric System and Water and Sewer System Miscellaneous Charges & Fees documents.

Downtown Water Treatment Plant – Authorization for Condemnation – Jordan Pope, Senior Vice President, Administrative Services, presented a request for condemnation authority for a 2.08-acre site critical to downtown water system expansion. The site was appraised at \$1,087,300 in May 2025.

On ***motion*** by Ms. Suarez and seconded by Mr. McArthur, the Committee unanimously voted to recommend Board approval of Resolution 2025-51 authorizing acquisition through condemnation should negotiations prove unsuccessful.

FY25 Internal Audit Results / FY26 Internal Audit Plan – Lee Montanez, Director, Internal Audit and Enterprise Risk, presented the 2025 Internal Audit results and discussed the process and criteria used to select audits for 2026.

Mr. John Baker departed the meeting at 2:09 pm and returned at 2:10 pm.

On ***motion*** by Mr. McArthur and seconded by Ms. Suarez, the Committee unanimously voted to recommend Board approval of Resolution 2025-59, approving the FY2026 Internal Audit Plan.

Board Governing Documents & Annual Board Self-Evaluation – Jody Brooks, Chief Administrative Officer, presented updates to the Board By-Laws, Board Policy Manual, and reviewed the annual Board of Directors Self-Evaluation. This presentation was received for information.

OTHER BUSINESS & CLOSING CONSIDERATIONS

Old & Other New Business / Open Discussion – None

Announcements – Next Finance, Governance, and Audit Meeting: January 21, 2026

Adjournment – With no further business coming before the Committee, Chair MG Orendler declared the meeting adjourned at 2:17 pm.

APPROVED BY:

MG Orendler, Committee Chair

Date: _____

Submitted by:

Victoria Taylor

Tori Taylor
Board Services Specialist

JEA Board Agenda

MEMORANDUM



FY25 EY Audit Results

Board Meeting Date: January 27, 2026

Outcome:

INFORMATION ONLY

ACTION

FUTURE BOARD CONSIDERATION

If Action, Provide a Recommended Motion:

N/A

Consent Agenda Item:

Yes

No

Presenter:

John DiSanto, Managing Director, EY
Jessica Muirhead, Assurance Managing Director, EY

Chief:

Ted Phillips, Chief Financial Officer

Strategic Focus Area:

DEVELOPING AN UNBEATABLE TEAM

DELIVERING BUSINESS EXCELLENCE

EARNING CUSTOMER LOYALTY

Background Information & Analysis:

Auditing standards require that auditors communicate certain matters to the Governing Board that may assist the Board in overseeing management's financial reporting process. EY presented their audit plan for fiscal year 2025 at the Finance, Governance, and Audit Committee meeting on August 26, 2025.

At that meeting, they outlined the scope of their services, identified the EY team that will perform the audit and presented the key considerations that will affect the 2025 audit.

Representatives from E&Y have been invited to attend the January 21, 2026 Finance, Governance, and Audit Committee meeting to discuss FY2025 audited results.

Financial Impact:

N/A

Committee/Board Meeting/Workshop & Date Presented:

Annual presentation for the Finance, Governance, and Audit Committee

Appendix:

JEA Financial Statement Audit Results Book – 2025 Audit Results – December 12, 2025

Appendix A

Areas of emphasis

JEA 2025 audit results



Areas of emphasis

Topic	Audit results
<p>Revenue recognition</p> <ul style="list-style-type: none"> Operating revenues are defined as revenues generated from the sale of primary products or services through normal business operations. Nonoperating revenues include investment income, earnings from investments recorded on the equity method, contributions from developers. Operating revenues reported in the accompanying statements of revenues, expenses, and changes in net position are shown net of discounts, estimated allowances for bad debts, and amounts transferred to stabilization funds. Electric Enterprise and Water and Sewer Fund revenues are recorded as earned. Operating revenues include amounts estimated for unbilled services provided during the reporting period. 	<ul style="list-style-type: none"> We believe that JEA's revenue recognition and sales commitments accounting policy and the application thereof are appropriate. Additionally, we have reviewed the financial statements, including the disclosures relating to revenue recognition and sales commitments, and found them to be appropriate and in conformity with US GAAP. We utilized data analytics in combination with detailed test of transactions to obtain a full understanding of the flow of revenue transactions.

Areas of emphasis

Topic	Audit results
Regulatory Accounts	<ul style="list-style-type: none"> • We tested the fair values of Regulatory accounts within fuel costs to be recovered and depreciation. For depreciation accounts, we performed an analytic regarding the calculation of JEA's recorded depreciation expense. For Costs To Be Recovered, we tested the Fuel CTBR roll-forward activity for fuel regulatory accounts. Through our procedures, there were no material issues identified.
Investments	<ul style="list-style-type: none"> • We tested the fair values as of the statement of net position date and confirmed investment accounts. We also performed compliance procedures as required by the provisions of Chapter 10.550, Rules of the Auditor General. Through our procedures, there were no material issues identified.
Capital Assets	<ul style="list-style-type: none"> • We tested the capital asset rollforward, which included specific procedures over CWIP additions, CWIP transfers, additions to capital assets and depreciation expense. Through our procedures, there were no issues identified.
Derivative Instruments and Hedging Activities	<ul style="list-style-type: none"> • For the fuel hedges, we independently tested the hedge effectiveness of all the swaps in accordance with GASB 53.

Areas of emphasis

Topic	Audit results
Pension Plan Accounting and reporting – SJRPP Plan	<ul style="list-style-type: none"> • We obtained and tested the actuarial valuations, including assessing the reasonableness of the significant assumptions (i.e., discount rate, rate of return, etc.) of the Pension plan. We ensured all applicable disclosures were made in the notes to the financial statements and that such disclosures agreed to the actuary report in compliance with GASB 84 (SJRPP). We also tested the existence and valuation of pension plan investments.
Pension Plan Accounting and reporting – COJ Plan	<ul style="list-style-type: none"> • We obtained and tested the actuarial valuations, including assessing the reasonableness of the significant assumptions (i.e., discount rate, rate of return, etc.) of the COJ Pension Plan. We obtained several reports from EY's internal People Advisory Service group and from third-party Segal report. We ensured all applicable disclosures were made in the notes to the financial statements and that such disclosures agreed to the actuary report in compliance with GASB 68 (Pension). We also tested the existence and valuation of COJ Contributions and Census Data.
Commitments and contingencies	<ul style="list-style-type: none"> • We inquired with legal council and obtained legal letters for significant balances for both JEA and SJRPP. We ensured all applicable disclosures were made in the notes to the financial statements and that such disclosures were complete and accurate regarding topic areas such as pollution mediation and Plant Vogtle.

Appendix B

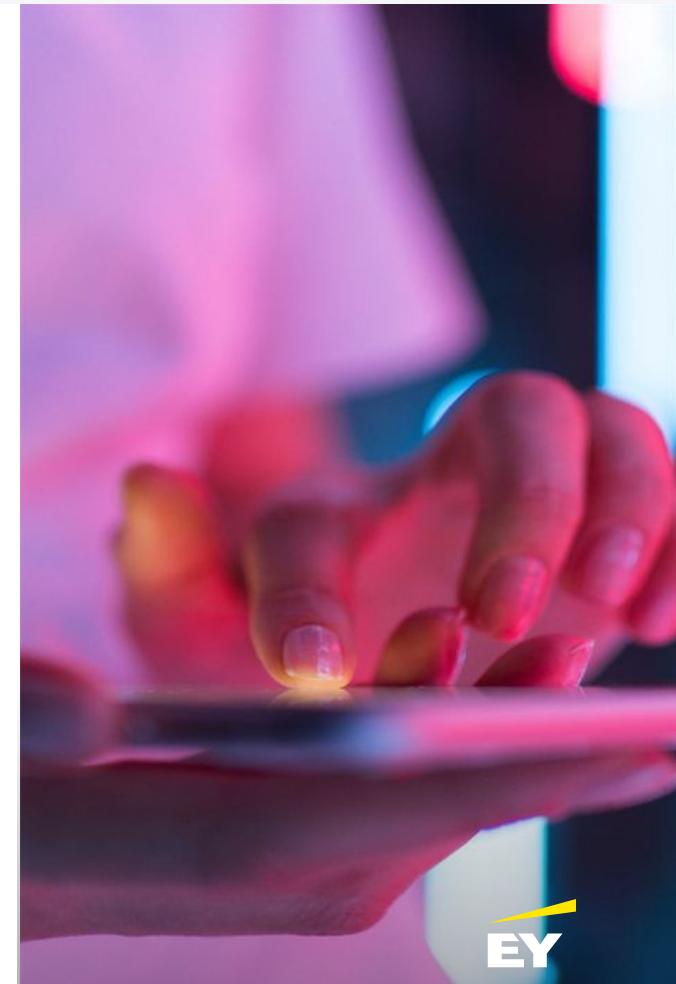
The Use of Internal Audit

JEA 2025 audit results



Involvement of internal audit

Areas/significant classes of transactions where EY used the work of internal audit ^{1, 2}	Estimated hours	Actual hours incurred
Walkthroughs	100	96
<u>YE Substantive Procedures³</u>	<u>400</u>	<u>445</u>
Total	500	541



1 Direct assistance model — When we use the direct assistance model, we treat internal audit or others as our own staff by providing audit programs, supervising their work, and performing a detail and second-level review of the workpapers.

2 Reliance model — When we use the reliance model, we perform certain procedures to evaluate the quality and effectiveness of internal audit's or others' work. Procedures will include reviewing audit programs, understanding supervision of procedures performed, reviewing workpapers and results, and performing tests of their work.

3 Significant areas include; Fuel inventory, Officer expense, other operating expenses, COJ/SJRPP/OPEB Pension Census, AR Aging bucket, subsequent cash receipts, SJRPP Pension/OPEB payments

EY | Building a better working world

EY exists to build a better working world, helping to create long-term value for clients, people and society and build trust in the capital markets.

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JEA Board Agenda

MEMORANDUM**Board Self-Evaluation Results**

Board Meeting Date: January 27, 2026

Outcome: INFORMATION ONLY ACTION FUTURE BOARD CONSIDERATION

If Action, Provide a Recommended Motion:

N/A

Consent Agenda Item: Yes No

Presenter: Jody Brooks, Chief Administrative Officer

Chief: Vickie Cavey, Managing Director/CEO

Strategic Focus Area:

<input checked="" type="checkbox"/>	DEVELOPING AN UNBEATABLE TEAM	<input type="checkbox"/>	DELIVERING BUSINESS EXCELLENCE	<input type="checkbox"/>	EARNING CUSTOMER LOYALTY
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Background Information & Analysis:

In accordance with the JEA Board Policy Manual, the Board conducts an annual self-assessment based on the Evaluation Criteria outlined in Appendix A2. Each Board member individually rated the Board's performance on a scale of 1 to 5. (1 = Strongly Disagree, 2 = Disagree, 3 = Undecided, 4 = Agree, 5 = Strongly Agree)

The collective results of these ratings will be presented at this meeting.

Financial Impact:

N/A

Committee/Board Meeting/Workshop & Date Presented:

N/A

Appendix:

N/A



JEA Annual Comprehensive Financial Report

A Component Unit of the
City of Jacksonville, Florida

Fiscal Years Ended
September 30, 2025 and 2024





JEA
A Component Unit of the City of Jacksonville, Florida

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Years Ended
September 30, 2025 and 2024

Prepared by the
Financial Reporting Department of Accounting Services

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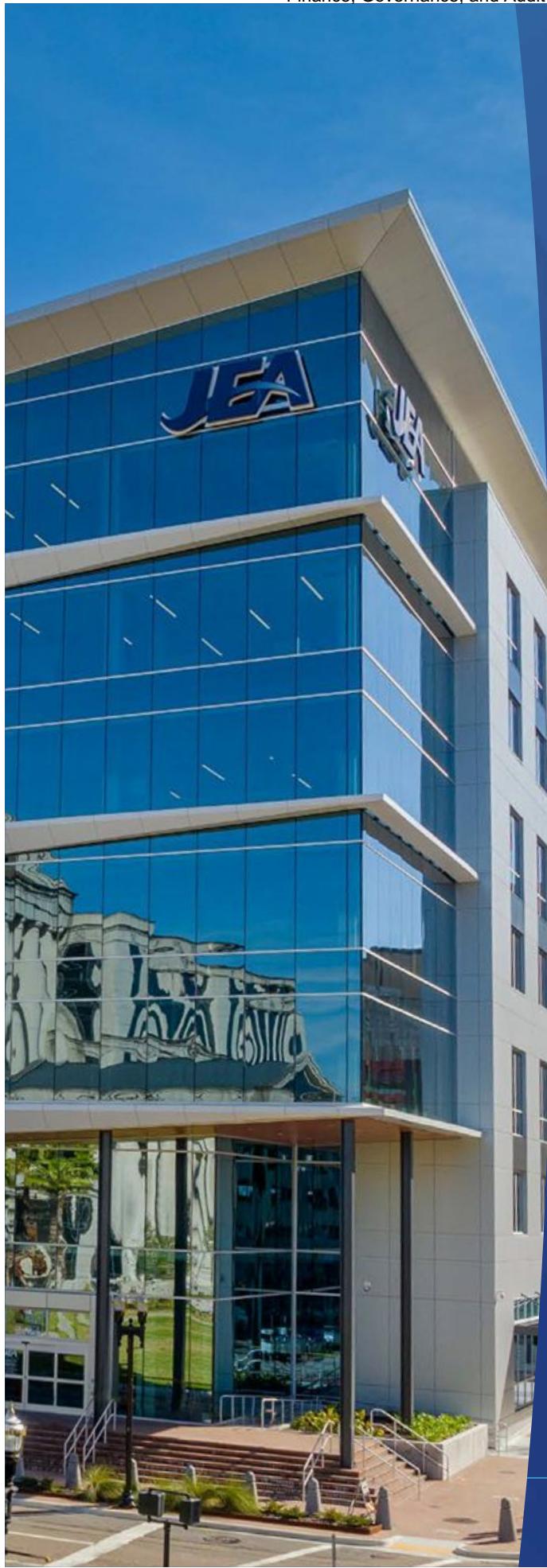
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Introductory Section



Letter of Transmittal



225 North Pearl Street
Jacksonville, FL 32202-4513

December 12, 2025

To Mayor Deegan, City Council Members, JEA Directors, City of Jacksonville, and JEA Customers:

We are pleased to present JEA's Annual Comprehensive Financial Report (ACFR) for fiscal year 2025, prepared in accordance with Governmental Accounting Standards Board (GASB) requirements.

To the best of our knowledge, this report accurately and fairly represents JEA's financial position and results of operations. All necessary disclosures are included to help readers understand our financial activities.

We take full responsibility for the accuracy and completeness of the information in the report, supported by a framework of internal controls designed to provide reasonable assurance that the financial statements are free from material misstatement.

In accordance with Florida Statute Section 218.39, Ernst & Young LLP conducted an independent audit of JEA's financial statements for the fiscal year ended Sept. 30, 2025. Their audit resulted in an unmodified opinion, confirming that our financial statements are presented fairly in accordance with Generally Accepted Accounting Principles (GAAP). The auditor's report appears at the beginning of the financial section.

The accompanying Management's Discussion and Analysis (MD&A) provides an overview and analysis of JEA's financial activities and should be read alongside this letter.

Economic Outlook

Although JEA continues to face supply chain challenges, rising operational and capital costs, and stricter regulatory requirements, its economic condition and outlook remain strong. The enclosed financial statements reflect continued solid performance – both operationally and financially. For the fiscal year ended September 30, 2025, operating revenues increased \$182.1 million when compared to the prior year.

Acknowledgements

This report reflects the hard work and professionalism of JEA's Financial Reporting Team. We thank them for their dedication, and we also appreciate the Board of Directors for its continued support of JEA's financial stewardship.

Respectfully submitted,

A handwritten signature in black ink that reads "Vickie Cavey".

Vickie Cavey
Managing Director and CEO

A handwritten signature in black ink that reads "Ted Phillips".

Ted B. Phillips
Chief Financial Officer

Board of Directors



Joseph DiSalvo
Board Chair
Lieutenant General, U.S. Army (Retired)



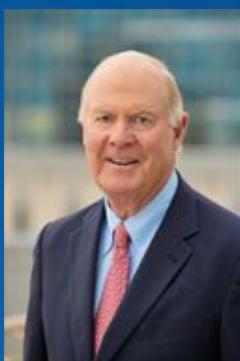
Ricardo 'Rick' Morales III
Vice Chair
President and CEO,
Morales Construction Co. Inc.



MG Orender
Secretary
President, Hampton Golf



Arthur L. Adams, Jr.



John Baker
Executive Chairman & CEO, FRP
Holdings, Inc.



Kawanza Suarez
Chief Human Resources Officer
VyStar Credit Union



Donald "Worth" McArthur
President, N.G. Wade
Investment Co.

Executive Management



Vickie Cavey
Managing Director & CEO



Ricky Erixton
Chief Electric Systems Officer



Robert Zammataro
Chief Water Systems Officer



Ted Phillips
Chief Financial Officer



Joe Orfano
Deputy Chief Financial Officer



Jody L. Brooks
Chief Administrative Officer



Kurt Wilson
Chief of Staff



Diane Moser
Chief Human Resources Officer

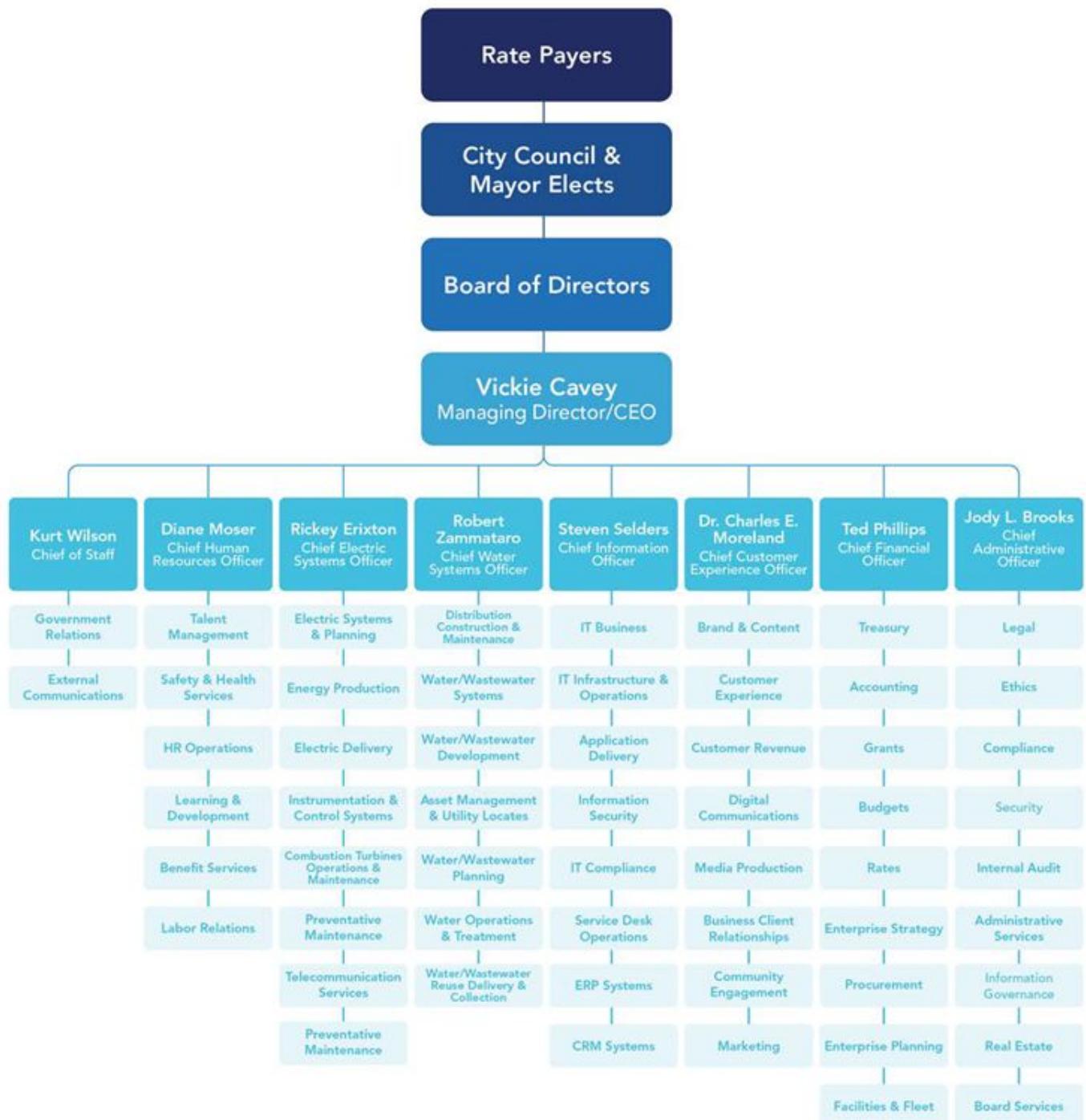


Dr. Charles E. Moreland
Chief Customer Experience Officer



Steven Selders
Chief Information Officer

Organizational Structure



Service with Purpose



Powering Progress, Committed to Service

As a public power, municipally owned utility, JEA stands on a simple principle: serving the public good. We do not operate for profit, but for purpose. We're more than a utility; we're partners in building a better community for all, working each day to deliver the safe and reliable utility services our customers depend on.

What began as a small city department with a mission to light homes and power progress has evolved into one of the nation's largest municipally owned electric and water utilities. Established by the City of Jacksonville in 1895, JEA's dedication to improving lives in Northeast Florida remains as strong today as it was on March 7, 1895, when Jacksonville's streets were lit for the first time.

Today, JEA provides electric, water, and wastewater services to more than one million people across Northeast Florida. Centered on the needs of those we serve, our team of more than 2,277 employees delivers essential services and meaningful support to customers every day. From employee volunteer and community programs to investments in clean energy and water conservation, JEA continues to make a positive impact across the communities we serve, now and for generations to come.



A Year of Progress

In 2025, JEA made significant progress on infrastructure improvements to enhance system resilience, strengthen reliability, and support our region's continued growth. From upgrading electric and water systems to expanding clean and sustainable energy and water options, every initiative reflected our commitment to operational excellence and environmental stewardship. Through investments in new technologies and customer-focused solutions, we also made it easier than ever for customers to do business with us, when and where they choose. From classrooms to community partnerships, our employees also made a difference, dedicating thousands of volunteer hours to support local programs.

Building a Reliable and Sustainable Future

Throughout 2025, JEA has advanced critical infrastructure projects to enhance reliability, protect natural resources, and support regional growth.



Combined Cycle Natural Gas Plant

JEA's Board of Directors approved construction of a new combined cycle natural gas facility at the site of the former St. Johns River Power Park. CEO and Managing Director Vickie Cavey was authorized to negotiate and sign an agreement with energy company GE Vernova to secure JEA's place in the production schedule.

The 675-megawatt facility will power approximately 300,000 homes and is scheduled to begin operation in 2031. Using both gas and steam turbines, the plant will produce up to 50% more energy than traditional methods, reducing emissions and operating costs.

This project is a cornerstone of JEA's long-term strategy to strengthen reliability, reduce carbon emissions, and expand our clean energy portfolio, making it a future-focused investment in a cleaner, more resilient energy system for our community.

Greenland Water Reclamation Facility

Located on Jacksonville's Southside, the \$148 million Greenland Water Reclamation Facility represents a major step forward in sustainability and growth. The facility provides reclaimed water to more than 22,000 customers along U.S. 1, including Nocatee and Twin Creeks, reducing groundwater withdrawals and limiting treated discharges into the St. Johns River.

By the Numbers

JEA's 12th Water Reclamation Facility	Current average treatment: 2.6 MGD (million gallons of wastewater per day)
Jacksonville's first new Water Reclamation Facility in 48 years	Current capacity: average of over 4 MGD
Zero wastewater discharge	Expandable capacity: up to 12 MGD

H2.0® Purification Center

Planning for JEA's H2.0® Purification Program began in 2014 with a three-phase approach: pilot testing, demonstration, and implementation. Using advanced membrane and oxidation technologies, the H2.0 Program will help ensure water sustainability for generations to come.

Construction for phase two, the H2.0® Purification Center, began in September 2023 and is scheduled to be completed in late 2025. The one-million-gallon-per-day facility will include a visitor education area and serve as a training hub for staff and industry partners.



Expanding Electric Vehicle Infrastructure

JEA, the City of Jacksonville, and Florida State College at Jacksonville received a \$2.8 million federal grant to install 100 electric vehicle chargers across public spaces and campuses. This initiative supports Jacksonville's sustainability goals, expands the regional EV network by more than 60%, and promotes clean transportation access in underserved communities.



Enhancing the Customer Experience

JEA is committed to delivering value through programs and tools that help customers manage usage, save money, and stay connected.

New Online Tools

In August 2025, we introduced an enhanced online experience for our customers to view their accounts and find ways to save on monthly utility expenses. Along with a refresh of the Manage My Account landing page, we added new features and tools to make it easier than ever for customers to view and pay bills, as well as compare and manage usage. These tools are also mobile-friendly, giving customers even more convenience when tracking and monitoring their usage.



Increased Customer Incentives

Throughout the year, JEA expanded support for both residential and commercial customers by offering increased rebates and a series of Limited Time Offers (LTOs). These enhanced incentives encouraged more customers and businesses to embrace high-efficiency upgrades that can help reduce energy and water use, lower utility costs, and strengthen our community's sustainability. Residential customers benefited from rebates on efficient appliances, weatherization improvements, and water-saving technologies. Commercial customers had access to similar rebates, along with opportunities to advance electrification across their operations, helping businesses reduce emissions while improving performance. Together, these programs reflect our ongoing commitment to empowering customers with cost-effective, forward-looking solutions that deliver meaningful savings today and over time.



Investing in Our Community

As Northeast Florida's municipal utility, JEA is deeply invested in the communities we serve, not only as a utility provider but as a partner committed to improving lives and building stronger neighborhoods.

JEA Volunteer Program

Each year, JEA employees volunteer thousands of hours and raise funds for a variety of local nonprofit organizations, including HabiJax, Feeding Northeast Florida, The Salvation Army, and First Coast No More Homeless Pets. From river cleanups to food drives, our team works side by side with community partners to improve the quality of life for all in Northeast Florida.

Aqua Pals Educational Outreach

Building on the success of JEA's Power Pals Program, Aqua Pals teaches elementary students about water safety, conservation, and environmental awareness through engaging, hands-on lessons.

In 2025, the program reached more than 1,100 students across 20 schools and has connected with over 2,000 children since its launch.

Supplier Summit

As part of JEA's ongoing effort to strengthen local partnerships, we hosted the 2025 Jacksonville Small and Emerging Business and Supplier Summit, connecting small, diverse, and emerging businesses with opportunities to work with JEA. In fiscal year 2025, JEA awarded more than \$30 million in contracts to small and emerging businesses.

Normandy Village Utilities Receivership

To ensure safe and reliable water and sewer service for approximately 1,350 meters, JEA was appointed receiver of the Normandy Village Utilities systems. Customers experienced no rate changes and continued to receive full support through dedicated customer service and online resources.



Senior Day at JEA

Relaunched in 2024, Senior Day at JEA has become a cornerstone outreach program providing financial and educational support to senior customers. Through partnerships with local agencies, the monthly event connects seniors with resources to manage utility bills and improve household energy efficiency. From April to September 2025, the initiative distributed more than \$138,000 in direct assistance to 264 seniors, averaging \$523 per participant.

Looking Ahead

Through investments in infrastructure, technology, environmental protection, and community partnerships, JEA will continue to build a stronger, cleaner, and more connected future for Northeast Florida. Our focus will remain clear, to deliver reliable and sustainable utility services while strengthening the community we proudly serve.



JEA at a Glance



Jacksonville's Community Utility for More Than 130 Years

As a municipal utility, JEA is dedicated to keeping costs down and providing the reliable utility services our customers depend on each day.

Customer Focused

Centered on the needs of those we serve, our team works to deliver essential services and meaningful support to our customers and community each day.

Community Impact

Through our employee volunteer program, local partnerships, and community programs, JEA is committed to making a difference in the lives of our customers and the communities we serve.

Environmental Protection

From investing in clean energy sources to water conservation initiatives, ensuring that our environment is protected and preserved is at the very core of our business.

Delivering Reliable Power to Northeast Florida

JEA's Electric System provides reliable power to 539,393 customers across 900 square miles in Northeast Florida. Our system includes four generating plants with a combined capacity of almost 3,000 megawatts, 7,500 miles of distribution lines, more than 740 miles of transmission lines, and countless substations. We also partner with regional and national energy providers to diversify our power supply and ensure system reliability.

We are continuing to expand our renewable energy footprint through local solar generation and nuclear power partnerships. These investments reduce carbon emissions and support a cleaner energy future for the First Coast.



Electric System

2,952 MW generating capacity

539,393 electric customers

905 square miles of electric service area

7,523 miles of distribution lines

744 circuit miles of transmission lines



Generation Technologies

2 circulating fluidized bed units

1 oil/gas-fired turbine-generator unit

4 diesel-fired combustion turbines

1 gas-fired two-on-one combined cycle system

5 gas/diesel-fired combustion turbines

2 nuclear reactor power purchase agreements

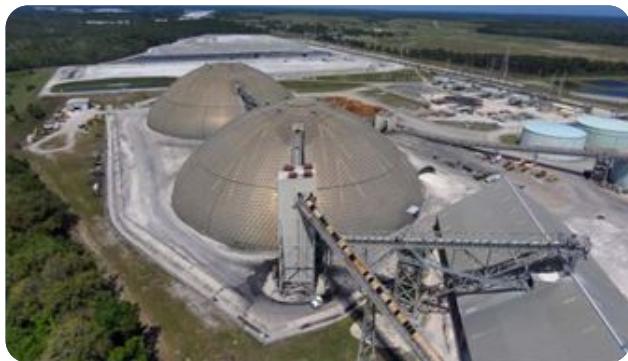
9 solar photovoltaic power purchase agreements

Electric Power Supply Mix



Northside Generating Station

The Northside Generating Station (NGS) produces more than 1,300 megawatts of electric capacity using a diverse mix of natural gas, fuel oil, biomass, coal, and petroleum coke. Featuring two of the largest Circulating Fluidized Bed Combustors (CFBs) in the world, NGS is globally recognized as one of the cleanest solid-fuel plants. Its advanced technology enables JEA to use the most cost-effective fuel sources while maintaining exceptional environmental performance.



Brandy Branch Generating Station

The Brandy Branch Generating Station (BBGS) operates three natural gas combustion turbines, two of which run in combined-cycle mode, allowing the plant to generate nearly 50% more electricity without additional fuel or emissions. Its total site capacity is approximately 770 megawatts in the summer and 830 megawatts in the winter.





Greenland Energy Center

The Greenland Energy Center (GEC), operational since 2011, is JEA's first generation site south of the St. Johns River in more than 50 years. The facility enhances reliability during peak demand, producing up to 380 megawatts with low emissions.



Kennedy Generating Station

The Kennedy Generating Station (KGS) operates two natural gas combustion turbines with diesel backup, providing reliable power to Jacksonville. The facility has a total capacity of approximately 350 megawatts in the summer and 380 megawatts in the winter, delivering low-emission electricity and supporting the city's growing energy needs.

Power Purchase Agreements

As part of our strategy to reduce reliance on fossil fuels, we are diversifying our energy portfolio by adding nuclear and solar power. Through a 20-year agreement with Municipal Electric Authority of Georgia (MEAG), JEA will purchase 200 megawatts of nuclear-generated electricity from the Plant Vogtle facility in Georgia. In addition, JEA has been investing in solar energy since the 1990s and currently operates approximately 39 megawatts of local solar capacity. A major expansion is underway, including four new solar farms that will add nearly 300 megawatts of clean energy.

Ensuring a Sustainable Water Future

JEA delivers more than 120 million gallons of safe drinking water every day and has the capacity to treat over 80 million gallons of wastewater daily. Our service area spans four counties, from northwest St. Johns County to Yulee, near the Florida–Georgia line.

Our water system draws from 139 artesian wells tapping the Floridan Aquifer, and distributes water through 39 treatment plants and 7,601 miles of pipelines. The wastewater system includes 12 treatment facilities, 1,680 pump stations, and 4,526 miles of collection lines.

Through ongoing investments in infrastructure, advanced treatment technologies, and water conservation programs, JEA continues to safeguard our water supply, protect the environment, and support the health and growth of the communities we serve.



Water

405,962 water customers

120 million gallons of water are provided each day

139 artesian wells

39 treatment plants

7,601 miles of potable water distribution lines



Wastewater

325,614 wastewater customers

Up to 80 million gallons of wastewater treated daily

12 wastewater treatment facilities

1,680 pump stations

4,526 miles of wastewater collection lines



Reclaimed

30,864 customers

650 miles of pipelines

11 production facilities

5 storage and re-pump facilities

4 production and storage facilities

Arlington East and Mandarin Wastewater Treatment Facility

Regional sewer plants that reclaim treated wastewater for irrigation usage by commercial and residential customers in both Duval and St. Johns Counties. Several golf courses utilize reclaimed water produced at these facilities. Both facilities have also been upgraded to provide advanced nutrient removal.

Buckman Wastewater Treatment Facility

Buckman Water Reclamation Facility is JEA's largest regional water plant. It includes a centralized Residuals Management Facility that processes biosolids from Buckman and eight other WRFs. Operating since 1958, several capital projects are underway to update and rehabilitate the Buckman WRF, including new biosolids handling.

The new facility will include a two-story sludge thickening building; a thickening bulk polymer storage and feed building; a magnesium hydroxide storage and feed building; a three-story biosolids dewatering building; an electrical switchgear building; a warehouse; and other supporting facilities, including a filtrate pump station, a centrate pump station, and an odor control system for the thickening process.

Southwest Wastewater Treatment Facility

A regional sewer plant that provides advanced nutrient removal.

District II Wastewater Treatment Facility

A regional sewer plant that treats wastewater and produces reclaimed water. The reclaimed water from this plant is used at JEA's Northside Generating Station and is also available to commercial reuse customers.

Greenland Water Reclamation Facility

The Greenland Water Reclamation Facility is JEA's newest water treatment facility in Duval County in 48 years. The facility is capable of treating up to 4 million gallons per day of wastewater and producing reclaimed water for 22,800 customers.

The \$148 million, state-of-the-art facility is an investment in JEA customers and the community, supporting Northeast Florida's growth and protecting Jacksonville's waterways and natural resources.

Small-Scale Wastewater Treatment Facilities

Julington Creek Wastewater Treatment Facility
Blacks Ford Wastewater Treatment Facility
Nassau Wastewater Treatment Facility
Ponte Vedra Wastewater Treatment Facility
Ponce de Leon Wastewater Treatment Facility
Monterey Wastewater Treatment Facility



Financial Policies



We place the highest standard on ethics and personal responsibility, worthy of the trust our customers and colleagues place in us. This represents one of JEA's core values of Integrity. Integrity means we're honest and we take all our commitments seriously. We hold ourselves accountable for our work results – both good and bad.

Financial Policies have been adopted throughout the organization in the interest of transparent and best business practices. The policies ensure that we can remain dedicated to serving our customers by staying focused on maintaining fair and equitable rates and delivering safe, reliable, and affordable services to our community.

Pricing Policy

The JEA Pricing Policy is intended to provide broad guidance and to facilitate the management, control and oversight of JEA's pricing structure. Its primary goal is to establish revenue requirements to fully recover the costs necessary to operate and maintain the utility, consistent with its mission, through fair and equitable pricing. This includes sufficient revenue for required transfers to the City, depreciation expense, and balance sheet liquidity. The total revenue requirement of each system must be sufficient to ensure the financial integrity of the utility using depreciation expense and rate of return to maintain key financial metrics. It recognizes the operational challenges of managing dynamic businesses with major cost drivers such as significant regulatory reform as well as fuel which are dependent on global market conditions. The Pricing Policy contains the guiding parameters that JEA utilizes to develop its financial reporting, ratemaking, budget, and financial projections.

JEA's pricing is managed with an overall philosophy to provide advantages of a community-owned utility by delivering high quality, reliable and exceptional service at fair and competitive rates. JEA exhausts all other net revenue improvement opportunities before recommending any price increases. JEA develops a price structure that is based on cost of service and allocates costs to appropriate customer classes based on the cost to serve each class. Pricing is sufficient, predictable, consistent, understandable, fair, equitable, nondiscriminatory and relatively easy to administer. A comprehensive cost of service study will be performed at a minimum of every five years to support that the rates charged by class are based on cost.

The overall Pricing Policy is approved by the JEA Board of Directors and implemented by the Chief Executive Officer (CEO), Chief Financial Officer (CFO) and staff. Annually, the CEO, CFO, and staff will meet to develop strategy and review pricing and financial performance. JEA's Rates department develops and manages processes to implement and administer this Policy. Based on this review, any changes to pricing such that JEA continues to have rates based on cost of service and sufficient to maintain each System's financial integrity will be recommended to the Board for approval.

The JEA Board of Directors is independent from JEA management and has the power to fix, pledge to establish or establish, levy, regulate, impose and collect rates, assessments, fees and charges for the use or benefit of the utilities system and to alter and amend the same from time to time. Although JEA is a non-jurisdictional entity, Tariffs approved by the Board of Directors are filed with the Public Service Commission for information and review. The Florida Public Service Commission (FPSC) does not regulate the revenue requirement of municipal utilities, yet pursuant to Section 366.04 (2), Florida Statutes, the FPSC has jurisdiction to review a rate structure for municipal utilities.

Our pricing policy can be found here: [JEA Pricing Policy](#)

JEA Energy Market Risk Management Policy

During the course of business, JEA is exposed to volatility in electric energy and fuel prices, uncertainty in load and resource availability, the creditworthiness of its counterparties, and the risks associated with transacting in wholesale energy markets. To manage these risks and others in the wholesale energy markets, JEA has developed an Energy Market Risk Management ("EMRM") Policy.

The objectives of the Policy are the following:

- Identify and discuss categories of risks inherent in operating in wholesale energy markets
- Establish the governance structure for EMRM activity
- Delineate the roles and oversight responsibilities of the groups and individuals responsible for implementing an EMRM program
- State required business practices
- Set exposure limits based on instrument structure, strategy goals, quantity, time horizon, underlying commodity value, and other considerations
- Define Credit Policy
- Set forth the monitoring and reporting requirements for the EMRM Program
- Define the products that may be used to manage the exposures.

This Policy identifies risks inherent in operating in wholesale energy markets. Specifically, the Policy addresses market risk, counterparty risk, volumetric risk, budget risk, collateralization risk, regulatory risk, and operative risk arising from JEA's generating assets, load obligations, wholesale energy contracts, fuel supply contracts, and financial and physical transactions. With respect to financial and physical transactions, the Policy covers the credit risk associated with execution, as well as the recording, monitoring, and risk reporting associated with these transactions.

Our EMRM policy can be found here: [JEA EMRM Policy](#)

Procurement Code

JEA's Procurement Code was adopted via JEA Board Resolution in 1996 as a comprehensive purchasing code for use in governing all JEA Purchases and related administrative activities. The Procurement Code provides a solid foundation for JEA's procurement activities and was most recently amended effective June 25, 2024.

The purpose of the JEA Procurement Code is to

- Provide for increased public confidence and consistency in the procedures followed in JEA Procurement
- Ensure the fair and equitable treatment of all persons who deal with the JEA Procurement system
- Maximize, to the fullest extent practicable, the purchasing value of JEA funds
- Foster effective, broad-based competition among vendors purchasing good and services from JEA
- Provide safeguards for the maintenance of the quality and integrity of the JEA Procurement system
- Ensure JEA's Procurement activities comply with all applicable Florida Statutes

The guiding principles of the Procurement code are open & fair competition and transparency. To the greatest extent reasonably possible, JEA shall use fair, competitive, and generally accepted government Procurement methods that seek to encourage the most competition and best price for the purchase of supplies, construction, professional and other contractual services. JEA will also operate in a transparent manner through the public disclosure of all procurement activities and by not entering into confidentiality or non-disclosure agreements.

Our Procurement Code can be found here: [JEA's Procurement Code](#)

Investment Policy

Management of JEA's investment portfolio has three objectives, in order of priority: safety of capital, liquidity to meet anticipated cash flow requirements, and achievement of the highest possible yields consistent with the first two objectives. To meet the objectives, investments may be sold from time to time to meet cash flow requirements, to restructure the average duration of the portfolio, and to take advantage of market opportunities to record capital gains.

JEA seeks to optimize the return on investment within the constraints of safety and liquidity. The investment portfolio shall be designed to attain a market yield consistent with the investment risk, maturity and liquidity constraints as discussed in this policy. A benchmark index is used to evaluate the performance of the portfolio and the index will be periodically reviewed by the CFO to determine its appropriateness and to recommend changes as needed.

The standard of prudence to be applied by JEA is the "Prudent Person" rule, which states: "Investments shall be made with judgment and care under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived from the investment." The "Prudent Person" rule is be applied in the context of managing the overall portfolio.

Our Investment policy can be found here: [**JEA Investment Policy**](#)

Bond and Debt Compliance

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 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.

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.

The policy creates procedures to be followed in conjunction with the issuance of fixed rate debt, variable rate debt and debt refundings. The policy establishes a framework for JEA's utilization of hedging instruments including interest rate swaps and caps and collars. Interest rate caps and related hedging instruments are to be utilized to help JEA manage interest rate risk in its debt management program.

JEA's outstanding bond resolutions can be found here: [**JEA Bond Resolutions**](#)

JEA's Debt Management Policy can be found here: [**JEA Debt Management Policy**](#)

Budget Policy

JEA is defined as a component unit of the City of Jacksonville and is included in the Annual Comprehensive Financial Report of the City and Quarterly Summary: [Jacksonville Council Auditor Reports](#). Per city ordinance and the JEA Charter, JEA must submit to the city on or before July 1 of each year setting forth its estimated gross revenues and other available funds, and estimated requirements for operations and maintenance expenses, capital outlay, debt service, and depreciation and reserve account.

JEA provides the City a balanced budget for each of the Electric, Water and Sewer, and District Energy Systems for both the Operating and Capital Budgets through the preparation of Schedules C (JEA Consolidated Operating Budget) and D (JEA Consolidated Capital Budget), as well as supplemental schedules and an extended Combined Schedules submission to the City Council Auditor. Budgets are considered balanced when budgeted revenues are equal to budgeted planned expenditures.

Operating Budgets Policy

JEA's annual operating budget will comply with the Jacksonville, Florida, Code of Ordinances, Part A of the Charter Laws Charter of the City of Jacksonville, Article 21 JEA ("JEA Charter"), and Chapter 92-341 of the Laws of Florida, Section 21.07. The JEA Charter, Article 21, Section 21.07(b), states that, "JEA shall prepare and submit its budget for the ensuing year to the city on or before July 1 of each year, setting forth its estimated gross revenue and other available funds, and estimated requirements for operations and maintenance expenses, capital outlay, debt service, and depreciation and reserve account."

Operating Budgets prepares and submits JEA's annual operating budget to the City of Jacksonville and is responsible for forecasting, reviewing, and monitoring JEA's annual operating budget in coordination with JEA business units.

Operating Budgets responsibilities include:

- Compiling projections for annual operating budget
- Finalizing budget with the Leadership Team
- Coordinating budget submission and review with City of Jacksonville
- Ensuring budgetary requests and transfers are within the city approved budget
- Analysis, forecasting, and reporting of budget data to the organization

Personal and Business Units managing Operating Budget shall:

- Input of data for annual Operating & Maintenance budgets
- Justifying budget requests
- Providing projections for the annual operating budget
- Responding to requests for information and justifications from the Council Auditor
- Managing budget dollars within limits approved by the City of Jacksonville
- Arranging the appropriate approvals for budget transfers

All JEA managers are responsible for monitoring and controlling their respective operating budget.

Our Operating Budget Policy can be found here: [JEA Operating Budget Policy](#)

Capital Budget Policy

JEA shall budget and control funds received from debt issuance, renewal and replacement fund deposits, capacity fees, and operating capital outlays, according to Ordinances and Resolutions of the City of Jacksonville and guidelines provided by the JEA Board and the Leadership Team (LT).

The Controller shall:

- Review all Capital Improvement Projects to ensure they qualify as capital projects under JEA's accounting procedures before submission to the LT for approval.
- Communicate any changes to qualifications of capital projects.

Director of Budgets shall:

- Review all additions and/or changes prior to submission to LT for approval.
- Submit an annual Capital Improvement Program (CIP) or amendments thereto, to the City of Jacksonville (COJ), pursuant to City Code Section 122.605.
- Approve all work orders to ensure allocations remain within COJ CIP limits.
- Provide, on a monthly basis, a capital report to capital stakeholders.
- Communicate annual budget deadlines and any fund changes or limits.

Business Units managing Capital Projects shall:

- Develop the proposed capital project budget for inclusion in the annual budget in conjunction with the Financial Department.
- Submit new capital projects and updates per the annual deadlines.
- Provide updates on any changes in scope in a timely manner.
- Complete all JEA capital delivery processes in a timely manner.

All JEA managers are responsible for monitoring and controlling their respective capital budget projects.

Our Capital Budget Policy can be found here: [JEA Capital Budget Policy](#)

Our Capital Budget Planning Policy can be found here: [JEA Capital Budget Planning Policy](#)

Budget and Financial Statement Preparation

The JEA budget utilizes the modified cash basis of accounting. Financial statements are prepared using the accrual basis of accounting and the uniform system of accounts prescribed by the Federal Regulatory Commission for the Electric Funds with the Water and Sewer Funds mirroring the logic of the electric accounts. Financial Statements are also prepared in accordance with generally accepted accounting principles (GAAP) and in conformity with the Governmental Accounting Standards Board (GASB).

Differences between the two types of reporting are summarized in the chart below:

Transaction Type	GAAP Reporting	Budget Reporting
Depreciation Expense	Included	Excluded
Operating Capital Outlays	Included in Assets	Recognized as Expense
Debt Service Principle Payments	Reduction of a Liability	Recognized as Expense
Proceeds from Debt Service	Included as a Liability	Included as Capital Funding Source
Mark to Market Adjustments	Included as a Revenue or Expense	Excluded
Allowance for Funds Used During Construction	Included	Excluded
Developers Contributions	Included	Excluded
Reduction of Plant Costs Through Contributions	Included	Excluded
Some Regulatory Costs	Included	Excluded
Renewal and Replacement Funds	Excluded	Recognized as Expense
Amortization of Bond Issue Costs	Included	Excluded
Various Other Nonbudgeted Items	Included	Excluded

Funds and Net Position

The City of Jacksonville uses a Charter to outline the powers, functions, and essential procedures of the city government. Section 21 of 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 (a) the Electric System, (b) the Water and Sewer System, (c) the District Energy System).

JEA is currently organized into three enterprise funds – Electric Enterprise, Water and Sewer Enterprise, and District Energy System (DES). The Electric Enterprise is comprised of the Electric System; the Bulk Power Supply System (Scherer), which is jointly owned by JEA (23.64% ownership interest) and Florida Power & Light Company (FPL) (76.36% ownership interest); and the St. Johns River Power Park System (SJRPP) owned by JEA (100% ownership as of August 2022, previously 80% ownership interest by JEA and 20% ownership interest by FPL). While JEA continues to pay Debt Service in Scherer and SJRPP, both are now closed. The Water and Sewer Enterprise consists of water and sewer system activities. DES consists of chilled water activities. Separate accounting records are currently maintained for each system.

The funds are governed by the JEA Board of Directors (Board). The Board is responsible for setting rates based on operating and maintenance expenses and depreciation of the operations. The operations of Scherer and SJRPP are subject to joint ownership agreements and rates are established on a cost-of service basis, including operations and maintenance expenses and debt service.

Enterprise Funds (Electric, Water & Sewer, DES)

Unrestricted Funds	Restricted Funds
Operations	Debt Service Funds
Self Insurance Reserve Funds	R&R/Construction Funds
Rate Stabilization Funds	
Customer Deposits	

The "Restricted Funds" represented above are restricted or reserved by...

- Debt Service Funds: Restricted by Bond Covenants
- Renewal & Replacement (R&R)/ Construction Funds: A portion of these funds are Restricted by bond covenant. The funds in excess of those requirements are reserved but can be reappropriated by Board approval.

The statements of net position present JEA's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the residual reported as net position.

It requires the classification of net position into three components – net investment in capital assets, restricted, and unrestricted.

These classifications are defined as follows:

- Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any debt that is attributable to those assets and increased/reduced by costs to be recovered from future revenues or revenues to be used for future costs.
- Restricted consists of assets that have constraints placed upon their use through external constraints imposed either by creditors (such as through debt covenants) or through laws, regulations, or constraints imposed by law through constitutional provisions or enabling legislation, reduced by any liabilities to be paid from these assets.
- Unrestricted consists of net position that does not meet the definition of restricted or net investment in capital assets.

JEA's bond resolutions specify the flow of funds from revenues and specify the requirements for the use of certain restricted and unrestricted assets.

Section 21 (JEA) of the city charter can be found here: [City Charter Section 21 \(JEA\)](#)





Financial Section





Independent Auditor's Report



**Shape the future
with confidence**

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Report of Independent Auditors

The Board of Directors
JEA
Jacksonville, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and fiduciary activity of JEA, a component unit of the City of Jacksonville, as of and for the years ended September 30, 2025 and 2024, and the related notes to the financial statements, which collectively comprise JEA's basic financial statements as listed in the table of contents (collectively referred to as the "basic financial statements").

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the fiduciary activity of JEA at September 30, 2025 and 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of JEA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



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Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about JEA's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of JEA's internal control. Accordingly, no such opinion is expressed.



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- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about JEA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, the Schedule of JEA's Proportionate Share of the Net Pension Liability and Schedule of JEA Contributions, SJRPP Pension Plan – Schedule of Changes in Net Pension Liability and Related Ratios, SJRPP Pension Plan – Investment Returns and Schedule of Contributions, OPEB Plan – Schedule of Changes in Net OPEB Liability and Related Ratios and OPEB Plan – Investment Returns and Schedule of Contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise JEA's basic financial statements. The combining statements of net position, revenues, expenses and changes in net position and cash flows and Schedules of Debt Service Coverage as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of



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management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining statements of net position, revenues, expenses and changes in net position, cash flows and Schedules of Debt Service Coverage, as listed in the table of contents are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report December 12, 2025 on our consideration of JEA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of JEA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering JEA's internal control over financial reporting and compliance.

Ernst & Young LLP

December 12, 2025



Management's Discussion and Analysis

Management's Discussion and Analysis

Introduction

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

Overview of the Combined Financial Statements

This discussion and analysis serves as an introduction to JEA's basic financial statements. The information presented here should be read in conjunction with the financial statements and accompanying notes.

The basic financial statements are presented on a comparative basis for the fiscal years ended September 30, 2025 and 2024. The statements of net position present JEA's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the residual reported as net position. Revenue and expense information is presented in the accompanying statements of revenues, expenses, and changes in net position. The accompanying statements of cash flows present JEA's sources and uses of cash and cash equivalents and are presented using the direct method. This method provides broad categories of cash receipts and cash disbursements pertaining to cash provided by or used in operations, investing, and financing activities.

Effective September 5, 2025, the 4th Judicial Circuit Court appointed JEA in receivership of the Normandy Village Utility (NVU) water and sewer systems due to abandonment by prior owners on July 7th, 2025. During the receivership, JEA will control, operate, and maintain the NVU system but will not have final ownership of the utility or its infrastructure. The receivership will continue until such time as JEA has disposed of, sold, or taken ownership of the NVU System or is otherwise relieved of any further duty by the Court.

Per the court order, JEA is required to maintain separate accounts and records for the management of the NVU System while in receivership. Any revenues generated from the NVU System are not to be considered revenues of JEA, nor are the revenues of JEA to be considered those of the NVU System. At the end of the receivership, JEA shall submit to the Court a financial accounting for the receivership. Due to these restrictions, all financial transactions for NVU are considered a fiduciary of JEA.

The fiduciary financial statements are presented on a comparative basis for the fiscal years ended September 30, 2025 and 2024. The statements of fiduciary net position represent the assets and liabilities of the SJRPP pension trust fund and the operational activities of NVU, with the residual reported as fiduciary net position. Additions and deductions information are presented in the accompanying statements of changes in fiduciary net position.

The notes to the financial statements are an integral part of JEA's basic and fiduciary financial statements and contain information on accounting principles and additional information on certain components of these statements.

Management's Discussion and Analysis (continued)

The following tables summarize the financial condition and operations of JEA for the 2025 and 2024 fiscal years:

Condensed Statements of Net Position

At September 30					
	2025	2024 (In millions)		2023	
Assets and deferred outflows of resources					
Current assets	\$ 961	\$ 897	\$ 844		
Other noncurrent assets	1,651	1,437	1,384		
Net capital assets	6,615	6,230	5,889		
Total assets	9,227	8,564	8,117		
Deferred outflows of resources	262	365	455		
Total assets and deferred outflows of resources	\$ 9,489	\$ 8,929	\$ 8,572		
Liabilities and deferred inflows of resources					
Current liabilities	\$ 258	\$ 244	\$ 244		
Current liabilities payable from restricted assets	358	286	280		
Net pension liability	879	966	959		
Other noncurrent liabilities	226	221	222		
Long-term debt	3,545	3,166	2,873		
Total liabilities	5,266	4,883	4,578		
Deferred inflows of resources	460	391	433		
Net position					
Net investment in capital assets	3,166	3,154	3,043		
Restricted	212	165	229		
Unrestricted	385	336	289		
Total net position	3,763	3,655	3,561		
Total liabilities, deferred inflows of resources, and net position	\$ 9,489	\$ 8,929	\$ 8,572		

Condensed Statements of Revenues, Expenses, and Changes in Net Position

For the fiscal year ended September 30					
	2025	2024 (In millions)		2023	
Operating revenue	\$ 2,113	\$ 1,931	\$ 1,845		
Operating expense	(1,879)	(1,773)	(1,789)		
Operating income	234	158	56		
Nonoperating expense, net	(51)	(30)	(33)		
Contributions	(75)	(34)	(58)		
Special Item	-	-	11		
Change in net position	108	94	(24)		
Net position - beginning of the year	3,655	3,561	3,585		
Net position - end of the year	\$ 3,763	\$ 3,655	\$ 3,561		

Management's Discussion and Analysis (continued)

Financial Analysis of JEA for fiscal years ended September 30, 2025 and 2024**2025 Compared to 2024****Electric Enterprise****Operating Revenues**

Total operating revenues increased approximately \$156 million (11.0%) over the prior year. The drivers of the changes are detailed below.

(Dollars in millions)		
September 2024 operating revenues	\$	1,421
Territorial sales		149
Other		4
Stabilization funds		3
September 2025 operating revenues	\$	1,577

Operating revenues, other than territorial sales, increased \$7 million compared to fiscal year 2024.

Territorial sales revenues increased \$149 million, due to an \$81 million increase in base revenues and a \$68 million increase in fuel revenues. The increase in base revenues is due to a rate increase (\$48 million), an increase in consumption (\$31 million), and a change in customer mix (\$2 million). Increase in consumption resulted from a 6.5% increase in degree days and a 2.1% increase in electric service accounts. The increase in fuel revenues is due to a rate increase (\$52 million), an increase in consumption (\$14 million), and a change in customer mix (\$2 million).

Operating Expenses

Total operating expenses increased approximately \$98 million (7.3%) over the prior year. The drivers of the changes are detailed below.

(Dollars in millions)		
September 2024 operating expenses	\$	1,337
Purchased power		80
Fuel		21
State utility and franchise taxes		7
Maintenance and other operating expense		4
Depreciation		(2)
Recognition of deferred costs and revenues, net		(12)
September 2025 operating expenses	\$	1,435

Operating expenses, other than fuel and purchased power, decreased approximately \$3 million, compared to fiscal year 2024.

Purchased power expense increased \$80 million (23.5%) driven by increases of \$36 million in purchases from TEA, \$16 million in debt service associated with MEAG power purchase agreement (Plant Vogtle, Units 3 and 4, went into service July 31, 2023 and April 29, 2024, respectively - see footnote 10, fuel and purchase power commitments for additional details), and \$13 million in purchases from Vogtle and FPL each.

Management's Discussion and Analysis (continued)

Fuel expense increased \$21 million (6.0%) primarily due to increased cost of natural gas.

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

	2025	2024
Natural gas	55%	61%
Purchased power	36%	32%
Petroleum coke	7%	6%
Coal	2%	1%
Total	100%	100%

Water and Sewer Enterprise

Operating Revenues

Total operating revenues increased approximately \$26 million (4.8%) over the prior year. The drivers of the changes are detailed below.

(Dollars in millions)	\$	\$
September 2024 operating revenues	530	
Water	20	
Sewer	8	
Reuse	3	
Other	(5)	
September 2025 operating revenues	556	

Stabilization fund revenues decreased \$26 million primarily due to the environmental stabilization fund being depleted as of September 30, 2023. Reuse revenues increased \$2 million due to an increase in kGal consumption and cost per kGal of 3.2% and 3.5%, respectively. Water revenues increased \$4 million driven by higher cost per kGal of 1.4%. Sewer revenues increased \$5 million driven by higher consumption as a result of a 2.3% increase in customers. Other operating revenues increased \$7 million primarily due to increases of \$3 million each for intercompany inventory carrying charges and miscellaneous service revenues.

Management's Discussion and Analysis (continued)

Operating Expenses

Operating expenses increased approximately \$8 million (1.9%) over the prior year. The drivers of the changes are detailed below.

(Dollars in millions)		
September 2024 operating expenses		460
Maintenance and other operating expenses		10
Recognition of deferred costs and revenues, net		1
Depreciation		(3)
September 2025 operating expenses		468

Maintenance and other operating expenses increased \$10 million (3.9%) primarily due to an increase in compensation and benefits. Depreciation expense decreased \$3 million (-1.6%) due to a lower depreciable base caused by lower depreciation rates as a result of a new depreciation study in fiscal year 2025. Recognition of deferred costs and revenues, net increased \$1 million (131%) due to lower capital expenses recovered through the rate stabilization fund due to the discontinuation of the environmental fee.

District Energy System

Operating revenues and expenses remained flat at \$13 million and \$9 million, respectively.

Nonoperating Revenues and Expenses

Total nonoperating expenses, net decreased approximately \$21 million (-71.5%) over the prior year. The drivers of the changes are detailed below.

(Dollars in millions)		
September 2024 nonoperating revenues and expenses, net		(30)
Increase in interest on debt		(18)
Decrease in investment fair market value		(10)
Decrease in The Energy Authority earnings		(2)
Decrease in realized investment income		(1)
Decrease in other interest, net		1
Increase in allowance for funds used during construction		9
September 2025 nonoperating revenues and expenses, net		(51)

Management's Discussion and Analysis (continued)

2024 Compared to 2023**Electric Enterprise****Operating Revenues**

Total operating revenues increased approximately \$97 million (7.3%) over the prior year. The drivers of the changes are detailed below.

(Dollars in millions)		
September 2023 operating revenues	\$	1,324
Stabilization funds		190
Territorial sales		(95)
Other		2
September 2024 operating revenues	\$	1,421

Stabilization fund revenues increased \$190 million due to decreases in contributions to the purchased power stabilization fund. Territorial sales revenues decreased \$95 million, due primarily to a \$144 million decrease in fuel revenues resulting from a decrease in fuel costs.

Operating Expenses

Total operating expenses decreased approximately \$14 million (-1.0%) over the prior year. The drivers of the changes are detailed below.

(Dollars in millions)		
September 2023 operating expenses	\$	1,351
Fuel		(83)
State utility and franchise taxes		(6)
Recognition of deferred costs and revenues, net		(1)
Depreciation		2
Maintenance and other operating expense		8
Purchased power		66
September 2024 operating expenses	\$	1,337

Fuel expense decreased \$83 million (19.0%) primarily due to decreased fuel generation costs.

State utility and franchise taxes decreased \$6 million (-7.4%), as a result of lower taxable revenues.

Recognition of deferred costs and revenues, net decreased \$1 million (-4.4%) driven by a decrease in regulatory environmental costs.

Depreciation expense increased \$2 million (1.0%) due to an increase in depreciable assets.

Maintenance and other operating expenses increased \$8 million (2.5%) as a result of \$19 million in higher maintenance costs, primarily due to SJRPP decommissioning expenses and a change in estimate for environmental liability; \$9 million due to company-wide pay band adjustments; and \$1 million in higher legal and other professional services; offset by \$21 million decreased overhead due to the cancellation of the C2M conversion project in 2023.

Management's Discussion and Analysis (continued)

Purchased power expense increased \$66 million (24.2%) driven by a \$137 million increase in debt service associated with MEAG power purchase agreement. Plant Vogtle, Units 3 and 4, went into service July 31, 2023 and April 29, 2024, respectively (see footnote 10, fuel and purchase power commitments for additional details). This increase was offset by decreases of \$34 million in unit cost and \$28 million in volume for solar, wind, and landfill purchased power.

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

	2024	2023
Natural gas	61%	58%
Purchased power	32%	30%
Petroleum coke	6%	9%
Coal	1%	3%
Total	100%	100%

Water and Sewer Enterprise

Operating Revenues

Total operating revenues decreased approximately \$8 million (-1.5%) over the prior year. The drivers of the changes are detailed below.

(Dollars in millions)	\$	\$
September 2023 operating revenues	538	
Stabilization funds	(26)	
Reuse	2	
Water	4	
Sewer	5	
Other	7	
September 2024 operating revenues	530	

Stabilization fund revenues decreased \$26 million primarily due to the environmental stabilization fund being depleted as of September 30, 2023. Reuse revenues increased \$2 million due to an increase in kGal consumption and cost per kGal of 3.2% and 3.5%, respectively. Water revenues increased \$4 million driven by higher cost per kGal of 1.4%. Sewer revenues increased \$5 million driven by higher consumption as a result of a 2.3% increase in customers. Other operating revenues increased \$7 million primarily due to increases of \$3 million each for intercompany inventory carrying charges and miscellaneous service revenues.

Management's Discussion and Analysis (continued)

Operating Expenses

Operating expenses increased approximately \$2 million (0.3%) over the prior year. The drivers of the changes are detailed below.

(Dollars in millions)	\$	458
September 2023 operating expenses	\$	458
Maintenance and other operating expenses	34	
Depreciation	(21)	
Recognition of deferred costs and revenues, net	(11)	
September 2024 operating expenses	\$	460

Maintenance and other operating expenses increased \$34 million (14.7%) due to increases of \$17 million in compensation and benefits, \$13 million in maintenance expenses, \$4 million in interlocal payments. Depreciation expense decreased \$21 million (-10.5%) due to a lower depreciable base. Recognition of deferred costs and revenues, net decreased \$11 million (-96.4%) due to lower capital expenses recovered through the rate stabilization fund due to the discontinuation of the environmental fee.

District Energy System

Operating revenues and expenses remained flat at \$13 million and \$9 million, respectively.

Nonoperating Revenues and Expenses

Total nonoperating expenses, net increased approximately \$3 million (9.5%) over the prior year. The drivers of the changes are detailed below.

(Dollars in millions)	\$	(33)
September 2023 nonoperating revenues and expenses, net	\$	(33)
Increase in allowance for funds used during construction	16	
Increase in investment fair market value	6	
Increase in realized investment income	2	
Decrease in other interest, net	1	
Increase in interest on debt	(11)	
Decrease in The Energy Authority earnings	(11)	
September 2024 nonoperating revenues and expenses, net	\$	(30)

Management's Discussion and Analysis (continued)

Capital Assets and Debt Administration for Fiscal Years 2025 and 2024

Capital Assets

JEA's total investment in capital assets and capital expenditures are detailed below.

(Dollars in millions)	Total Investment		Additions	
	September 30, 2025	September 30, 2024	FY 2025	FY 2024
Electric Enterprise	\$ 2,665	\$ 2,619	\$ 272	\$ 255
Water and Sewer Enterprise	3,894	3,561	517	493
District Energy System	56	50	10	10
Total	\$ 6,615	\$ 6,230	\$ 799	\$ 758

Under the utility basis methodology for rate setting, the depreciation of contributed assets is not included in rates charged to customers, because it has already been recovered with the contribution. In accordance with GASB Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, the contributed assets will be expensed in capital contributions as a reduction of plant cost through contributions. During fiscal year 2025, \$4 million of contributed capital related to the Electric System and \$104 million related to Water and Sewer System was recorded as a reduction of plant cost through contributions. During fiscal year 2024, \$5 million of contributed capital related to the Electric System and \$125 million related to Water and Sewer System was recorded as a reduction of plant cost through contributions.

JEA has ongoing capital improvement programs for the Electric Enterprise Fund and the Water and Sewer Fund. The Capital Improvement Programs for both funds are a result of JEA's annual resource planning process. The capital program for the Electric Enterprise Fund consists of new, expanded, and/or improvements to generation, transmission, substation, and distribution assets and other capital items. The capital program for the Water and Sewer Fund consists of new, expanded, and/or improvements to water treatment, water transmission, water distribution, sewer treatment, sewer transmission, sewer collection, Sewer Pump Stations, Reclaim Transmission, and Reclaim Distribution and other capital items. The funding sources for the capital improvement programs for the Electric Enterprise Fund and the Water and Sewer Fund will be from operating revenues, existing construction fund balances, and issuance of new debt.

Additional information on JEA's capital assets can be found in note 6, Capital Assets on page 72.

Debt Administration

Debt outstanding at September 30, 2025 was \$3,397 million, an increase of approximately \$350 million from the prior fiscal year end. This increase was due to the issuance of \$1,245 million in new debt and \$197 million in revolving credit agreement advances less \$197 million in revolving credit agreement repayments, defeasance of principal of \$591 million, and scheduled principal payments of \$107 million.

Debt outstanding at September 30, 2024 was \$3,047 million, an increase of approximately \$252 million from the prior fiscal year end. This increase was due to the issuance of \$504 million in new debt and \$186 million in revolving credit agreement advances less \$177 million in revolving credit agreement repayments, defeasance of principal of \$171 million, and scheduled principal payments of \$90 million.

JEA's debt ratings on its long-term debt per Standard & Poor's (S&P) and Fitch remain unchanged from fiscal year 2024. On December 20, 2024, Moody's upgraded its rating of JEA's Water and Sewer System revenue bonds (senior and subordinate) to Aa1 from Aa2 and upgraded JEA's District Energy System bonds to Aa2 from Aa3. JEA's outlook on its long-term debt per Fitch remain unchanged from fiscal year 2024. On December 19, 2024, S&P modified its outlook of JEA's Water and Sewer Systems (senior and subordinate) along with the District Energy System to negative from stable. On December 20, 2024, Moody's modified its outlook for the Water and Sewer System to stable from positive.

Management's Discussion and Analysis (continued)

All ratings and outlooks as of September 30, 2025 are detailed below.

	Moody's		Standard & Poor's		Fitch	
	Rating	Outlook	Rating	Outlook	Rating	Outlook
JEA Electric System						
Senior	A1	stable	A+	stable	AA	stable
Subordinated	A2	stable	A	stable	AA	stable
Scherer	A1	stable	A+	stable	AA	stable
SJRPP	A1	stable	A+	stable	AA	stable
W&S						
Senior	Aa1	stable	AA+	negative	AA+	stable
Subordinated	Aa1	stable	AA	negative	AA+	stable
DES	Aa2	stable	AA	negative	AA+	stable

All ratings and outlooks as of September 30, 2024 are detailed below.

	Moody's		Standard & Poor's		Fitch	
	Rating	Outlook	Rating	Outlook	Rating	Outlook
JEA Electric System						
Senior	A1	stable	A+	stable	AA	stable
Subordinated	A2	stable	A	stable	AA	stable
Scherer	A1	stable	A+	stable	AA	stable
SJRPP	A1	stable	A+	stable	AA	stable
W&S						
Senior	Aa2	positive	AA+	stable	AA+	stable
Subordinated	Aa2	positive	AA	stable	AA+	stable
DES	Aa3	stable	AA	stable	AA+	stable

Additional information on JEA debt can be found in note 8, Long-Term Debt on page 75.

Currently Known Facts Expected to have a Significant Effect on Financial Position and/or Changes in Operations

Setting of Rates

The setting of rates is the responsibility of the Board. Base rate changes are implemented after a public rate hearing and Board approval. Fuel rate changes are implemented monthly and do not require a public rate hearing or Board approval. At the October 2021 meeting, the Board approved a revision to the pricing policy that stated the fuel rate (fuel charge) will be set monthly by the CEO/Manager Director or designee. The fuel charge is based on the energy cost projection for the billing month to fully recover all expected fuel and purchased power energy-related costs. Fuel charge variances and true-ups are typically recovered in the subsequent billing month, except for certain circumstances which may extend over a period of time.

At the March 2025 meeting, the Board approved the following Rate changes, effective April 1, 2025:

- Modification of the Electric Tariff Documentation:
 - to increase basic monthly (customer) charge for electric customers
 - to increase the energy rate for electric customers
 - to restructure residential energy charge tiers
- Modification of the Water Sewer Tariff Documentation:
 - to increase basic monthly (customer) charge for water, sewer, and potable irrigation customers to restructure and increase/decrease the volume tiers and charges for water, sewer, and potable
 - irrigation customers
 - to remove the sewer volume cap

Management's Discussion and Analysis (continued)

- to move small multi-family meters to the residential rate class
- to increase sewer surcharge, hauled scavenger, and bulk reclaim rates
- to make private standby fire protection closed and open rates uniform

At the March 2025 meeting, the Board approved the following Rate changes, effective October 1, 2025:

- Modification of the Electric Tariff Documentation:
 - to increase basic monthly (customer) charge for electric customers
 - to increase the energy rate for electric customers
- Modification of the Water Sewer Tariff Documentation:
 - to increase basic monthly (customer) charge for water, sewer, and potable irrigation customers,
 - to increase the volume charges for sewer and potable irrigation customers
 - to increase sewer surcharge, hauled scavenger, and bulk reclaim rates

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.

Fiduciary Activities

SJRPP Pension Trust Fund

The following Statements of Fiduciary Net Position present information on all of the SJRPP Pension Trust Fund's assets and liabilities with the difference between these two amounts being reported as fiduciary net position available for benefits. Assets and liabilities are segregated based on their nature and liquidity. The Statements of Changes in Fiduciary Net Position present the current year additions and deductions from the fiduciary net position during the fiscal year.

Condensed Statement of Fiduciary Net Position	September 30		
	2025	2024	2023
	(in thousands)		
Total assets	\$ 182,210	\$ 180,852	\$ 160,730
Total liabilities	230	63	124
Fiduciary net position available for benefits	\$ 181,980	\$ 180,789	\$ 160,606

Condensed Statement of Changes in Fiduciary Net Position	For the Fiscal Year Ended September 30		
	2025	2024	2023
	(in thousands)		
Total contributions	\$ 14	\$ 16	\$ 14
Net investment earnings (losses)	14,534	33,182	17,835
Total additions (losses) to fiduciary net position	14,548	33,198	17,849
Total deductions from fiduciary net position	13,357	13,015	12,886
Net change in fiduciary net position	\$ 1,191	\$ 20,183	\$ 4,963

Management's Discussion and Analysis (continued)

2025 compared to 2024

Total assets increased due to an increase in cash equivalent values partially offset by a decrease in investment values as a result of market conditions. Total liabilities increased due to timing of broker settlements regarding investment sales and purchases.

Net investment income decreased during fiscal year 2025 due to weakened market performance when compared to the prior year.

2024 compared to 2023

Total assets increased due to an increase in investment values as a result of market conditions. Total liabilities decreased due to timing of broker settlements regarding investment sales and purchases.

A net investment gain during fiscal year 2024 was due to the improvement in market performance as compared to the prior year.

Normandy Village Utility Receivership

The following Statements of Fiduciary Net Position present information on all of the Normandy Village Utilities Receivership Fund's assets and liabilities with the difference between these two amounts being reported as fiduciary net position. Assets and liabilities are segregated based on their nature and liquidity. The Statements of Changes in Fiduciary Net Position present the additions and deductions from the fiduciary net position from September 5, 2025, the inception of the receivership, through September 30, 2025, the end of the fiscal year.

Condensed Statement of Fiduciary Net Position		At September 30 2025
		(in thousands)
Total assets		\$ 203
Total liabilities		694
Fiduciary net position (deficit)		\$ (491)

Condensed Statement of Changes in Fiduciary Net Position		For the Fiscal Year Ended September 30 2025
		(in thousands)
Operating expenses		564
Net change in fiduciary net position		\$ (564)

Requests for Information

The financial report is designed to provide a general overview of JEA's finances for all those with an interest in JEA's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Controller, JEA, 225 North Pearl Street, Jacksonville, Florida, 32202.



Audited Financial Statements

JEA
Statements of Net Position
(In Thousands)

	At September 30	
	2025	2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 316,166	\$ 255,838
Investments	103,966	143,442
Customer accounts receivable, net of allowance (\$2,680 for 2025 and \$2,848 for 2024)	263,538	248,069
Inventories:		
Materials and supplies	158,331	143,307
Fuel	46,942	56,329
Prepaid assets	33,677	33,843
Other current assets	38,460	16,395
Total current assets	961,080	897,223
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	183,825	180,404
Investments	250,410	161,853
Other restricted assets	1,624	927
Total restricted assets	435,859	343,184
Costs to be recovered from future revenues	1,082,220	991,923
Hedging derivative instruments	58,775	53,512
Other assets	74,394	48,045
Total noncurrent assets	1,651,248	1,436,664
Net capital assets	6,615,114	6,230,235
Total assets	9,227,442	8,564,122
Deferred outflows of resources		
Unrealized pension contributions and losses	121,337	192,172
Unamortized deferred losses on refundings	11,082	62,266
Unrealized asset retirement obligation	83,808	31,501
Accumulated decrease in fair value of hedging derivatives	31,525	64,783
Unrealized OPEB contributions and losses	13,731	13,746
Total deferred outflows of resources	261,483	364,468
Total assets and deferred outflows of resources	\$ 9,488,925	\$ 8,928,590

See accompanying notes to financial statements.

JEA
Statements of Net Position
(In Thousands)

	At September 30	
	2025	2024
Liabilities		
Current liabilities:		
Accounts and accrued expense payable	\$ 89,606	\$ 95,856
Customer deposits and prepayments	108,420	94,245
Billings on behalf of state and local governments	30,294	27,841
Compensation and benefits payable	15,449	12,570
City of Jacksonville payable	11,590	10,437
Asset retirement obligation	3,172	2,817
Total current liabilities	258,531	243,766
Current liabilities payable from restricted assets:		
Debt due within one year	105,445	106,305
Interest payable	77,237	55,501
Construction contracts and accounts payable	165,702	117,524
Renewal and replacement reserve	9,365	6,983
Total current liabilities payable from restricted assets	357,749	286,313
Noncurrent liabilities:		
Long-term debt:		
Debt payable, less current portion	3,291,605	2,940,745
Unamortized premium, net	253,086	181,583
Fair value of debt management strategy instruments	-	44,085
Total long-term debt	3,544,691	3,166,413
Net pension liability	878,778	965,649
Lease liability	84,899	87,300
Asset retirement obligations	28,353	28,684
Compensation and benefits payable	45,621	44,980
Net OPEB liability	-	557
Other liabilities	67,101	59,860
Total noncurrent liabilities	4,649,443	4,353,443
Total liabilities	5,265,723	4,883,522
Deferred inflows of resources		
Revenues to be used for future costs	285,882	293,983
Accumulated increase in fair value of hedging derivatives	58,774	53,512
Unrealized OPEB gains	19,767	19,712
Unrealized pension gains	95,519	22,754
Total deferred inflows of resources	459,942	389,961
Net position		
Net investment in capital assets	3,166,224	3,153,611
Restricted for:		
Capital projects	104,136	57,481
Debt service	106,180	106,624
Other purposes	1,739	1,232
Unrestricted	384,981	336,159
Total net position	3,763,260	3,655,107
Total liabilities, deferred inflows of resources, and net position	\$ 9,488,925	\$ 8,928,590

See accompanying notes to financial statements.

JEA
Statements of Revenues, Expenses, and Changes in Net Position
(In Thousands)

	For Fiscal Year Ended September 30	
	2025	2024
Operating revenue		
Electric	\$ 1,526,599	\$ 1,373,911
Water and sewer	533,912	503,610
District energy system	12,642	12,118
Other operating revenue	40,222	41,656
Total operating revenue	2,113,375	1,931,295
Operating expense		
Operations and maintenance:		
Maintenance and other operating expense	574,347	560,685
Fuel	375,969	354,743
Purchased power	418,515	338,965
Depreciation and amortization	408,358	413,121
State utility and franchise taxes	86,233	78,644
Recognition of deferred costs and revenues, net	15,991	27,112
Total operating expense	1,879,413	1,773,270
Operating income	233,962	158,025
Nonoperating revenue (expense)		
Interest on debt	(138,333)	(120,359)
Earnings from The Energy Authority	11,200	13,286
Allowance for funds used during construction	51,050	41,667
Other nonoperating income, net	6,071	6,473
Investment income, net	24,848	35,772
Other interest, net	(6,312)	(6,859)
Total nonoperating expense, net	(51,476)	(30,020)
Income before contributions	182,486	128,005
Contributions (to) from		
General Fund, City of Jacksonville, Florida	(137,424)	(123,648)
Developers and other	170,665	219,666
Reduction of plant cost through contributions	(107,574)	(130,405)
Total contributions, net	(74,333)	(34,387)
Change in net position	108,153	93,618
Net position, beginning of year	3,655,107	3,561,489
Net position, end of year	\$ 3,763,260	\$ 3,655,107

See accompanying notes to financial statements.

JEA
Statements of Cash Flows
(In Thousands)

	For Fiscal Year Ended September 30	
	2025	2024
Operating activities		
Receipts from customers	\$ 2,057,638	\$ 1,889,828
Payments to suppliers	(1,083,433)	(1,040,847)
Payments for salaries and benefits	(356,361)	(331,814)
Other operating activities	16,887	47,969
Net cash provided by operating activities	634,731	565,136
Noncapital and related financing activities		
Contribution to General Fund, City of Jacksonville, Florida	(136,277)	(123,547)
Net cash used in noncapital and related financing activities	(136,277)	(123,547)
Capital and related financing activities		
Acquisition and construction of capital assets	(765,370)	(790,009)
Defeasance of debt	(591,370)	(171,295)
Proceeds received from debt	1,047,675	503,835
Interest paid on debt	(134,859)	(128,403)
Repayment of debt principal	(106,305)	(89,375)
Capital contributions	63,090	89,261
Revolving credit agreement withdrawals (repayments)	-	9,000
Other capital financing activities	67,075	59,952
Net cash used in capital and related financing activities	(420,064)	(517,034)
Investing activities		
Proceeds from sale and maturity of investments	361,398	471,138
Purchase of investments	(412,339)	(374,052)
Distributions from The Energy Authority	9,581	8,045
Investment income	26,719	27,944
Net cash provided by (used in) investing activities	(14,641)	133,075
Net change in cash and cash equivalents	63,749	57,630
Cash and cash equivalents at beginning of year	436,242	378,612
Cash and cash equivalents at end of year	\$ 499,991	\$ 436,242
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 233,962	\$ 158,025
Adjustments:		
Depreciation and amortization	408,358	413,121
Recognition of deferred costs and revenues, net	15,991	27,112
Other nonoperating income, net	(2,700)	(3,204)
Changes in noncash assets and noncash liabilities:		
Accounts receivable	(15,470)	4,793
Inventories	(5,636)	(40,448)
Other assets	(10,428)	(14,715)
Accounts and accrued expense payable	12,994	(843)
Current liabilities payable from restricted assets	2,924	2,891
Other noncurrent liabilities and deferred inflows	(5,264)	18,404
Net cash provided by operating activities	\$ 634,731	\$ 565,136
Non-cash activity		
Contribution of capital assets from developers	\$ 107,574	\$ 130,405
Unrealized investment fair market value changes, net	\$ (1,863)	\$ 7,548

See accompanying notes to financial statements.

JEA
Statements of Fiduciary Net Position
At September 30, 2025
(In Thousands)

	SJRPP Pension Trust Fund	Normandy Village Utility Receivership Fund
Assets		
Cash and cash equivalents	\$ 5,392	\$ 137
Receivables:		
Interest and dividends	671	-
Customer accounts receivable	-	66
Sale of investments	19	-
Total receivables	690	66
Investments at fair value:		
Bonds and notes	75,239	-
Mutual funds	53,207	-
Common stock	47,682	-
Total investments	176,128	-
Total assets	\$ 182,210	\$ 203
Liabilities		
Accounts payable and other liabilities	\$ 230	\$ 130
Due to JEA	-	564
Total investments	230	694
Net position (deficit)		
Restricted for pensions	181,980	-
Unrestricted (deficit)	-	(491)
Total net position (deficit)	181,980	(491)
Total liabilities and net position	\$ 182,210	\$ 203

See accompanying notes to financial statements.

JEA
Statements of Fiduciary Net Position
At September 30, 2024
(In Thousands)

	SJRPP Pension Trust Fund
Assets	
Cash and cash equivalents	\$ 1,672
Receivables:	
Interest and dividends	625
Sale of investments	64
Total receivables	689
Investments at fair value:	
Bonds and notes	78,584
Mutual funds	50,879
Common stock	49,028
Total investments	178,491
Total assets	\$ 180,852
Liabilities	
Accounts payable and other liabilities	\$ 63
Net position	
Restricted for pensions	180,789
Total liabilities and net position	\$ 180,852

See accompanying notes to financial statements.

JEA
Statements of Changes in Fiduciary Net Position
For the Fiscal Year Ended September 30, 2025
(In Thousands)

	SJRP Pension Trust Fund	Normandy Village Utility Receivership Fund
Additions		
Contributions:		
Members	\$	\$
Total contributions	14	-
Investment earnings:		
Net gains	10,947	-
Interest, dividends, and other	4,142	-
Total investment earnings	15,089	-
Less investment activity costs	(555)	-
Net investment earnings	14,534	-
Total additions	14,548	-
Deductions		
Benefits paid to participants or beneficiaries	13,214	-
Administrative expense	-	564
Administrative expense	143	-
Total deductions	13,357	564
Net change in fiduciary net position	1,191	(564)
Net position, beginning of year	180,789	73
Net position (deficit), end of year	\$	\$
	181,980	(491)

See accompanying notes to financial statements.

JEA
Statements of Changes in Fiduciary Net Position
For the Fiscal Year Ended September 30, 2024
(In Thousands)

	SJRPP Pension Trust Fund
Additions	
Contributions:	
Members	\$ 16
Total contributions	16
Investment earnings:	
Net gains	29,881
Interest, dividends, and other	3,882
Total investment earnings	33,763
Less investment activity costs	(581)
Net investment earnings	33,182
Total additions	33,198
Deductions	
Benefits paid to participants or beneficiaries	12,872
Administrative expense	143
Total deductions	13,015
Net change in fiduciary net position	20,183
Net position, beginning of year	160,606
Net position, end of year	\$ 180,789

See accompanying notes to financial statements.

JEA
Notes to Financial Statements
(Dollars in Thousands)

Years Ended September 30, 2025 and 2024

1. Summary of Significant Accounting Policies and Practices (continued)

(a) Reporting Entity

JEA is currently organized into three enterprise funds – Electric Enterprise, Water and Sewer, and District Energy System (DES). Electric Enterprise is comprised of the Electric System; St. Johns River Power Park System (SJRPP); and the Bulk Power Supply System (Scherer), which is jointly owned by JEA (23.64% ownership interest) and Florida Power & Light Company (FPL) (76.36% ownership interest). Water and Sewer consists of water and sewer system activities. DES consists of chilled water activities. Separate accounting records are currently maintained for each system. These financial statements include JEA's ownership interest in Scherer. The following information relates to JEA's ownership interest in Scherer as of September 30, 2025 and 2024:

	2025	2024
Inventories	\$ 2,550	\$ 2,453
Other current assets	760	760
Costs to be recovered from future revenues	14,226	17,331
Net capital assets	1,115	1,115
Unrealized asset retirement obligations	31,525	31,501
Current portion of asset retirement obligations	3,172	2,817
Debt due within one year	3,105	2,580
Interest payable	576	645
Long-term portion of asset retirement obligations	28,353	28,684
Long-term debt	16,585	19,690

The funds are governed by the JEA Board of Directors (Board). The Board is responsible for setting rates based on operating and maintenance expenses and depreciation and amortization of its capital assets used in operations. The operation of Scherer is subject to a joint ownership agreement and the rates for SJRPP and Scherer are established on a cost-of-service basis, including operating and maintenance expenses and debt service. See note 1(t), Setting of rates.

(b) Basis of Accounting

JEA is presenting financial statements combined for the Electric Enterprise Fund, the Water and Sewer Fund, and the District Energy System. JEA uses the accrual basis of accounting for its operations and the uniform system of accounts prescribed by the Federal Energy Regulatory Commission for the Electric Enterprise Fund and the National Association of Regulatory Utility Commissioners for the Water and Sewer Fund.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

1. Summary of Significant Accounting Policies and Practices (continued)

The financial statements have been prepared in conformity with the Governmental Accounting Standards Board (GASB) codification, which defines JEA as a component unit of the City of Jacksonville, Florida (City). Accordingly, the financial statements of JEA are included in the Annual Comprehensive Financial Report of the City.

JEA presents its financial statements in accordance with the GASB pronouncements that establish standards for external financial reporting for all state and local governmental entities that include a statement of net position, a statement of revenues, expenses, and changes in net position, and a statement of cash flows. It requires the classification of net position into three components – net investment in capital assets, restricted, and unrestricted. These classifications are defined as follows:

- Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any debt that is attributable to those assets and increased/reduced by costs to be recovered from future revenues or revenues to be used for future costs.
- Restricted consists of assets that have constraints placed upon their use through external constraints imposed either by creditors (such as through debt covenants) or through laws, regulations, or constraints imposed by law through constitutional provisions or enabling legislation, reduced by any liabilities to be paid from these assets.
- Unrestricted consists of net position that does not meet the definition of restricted or net investment in capital assets.

JEA's bond resolutions specify the flow of funds from revenues and specify the requirements for the use of certain restricted and unrestricted assets.

(c) Revenues

Operating revenues are defined as revenues generated from the sale of primary products or services through normal business operations. Nonoperating revenues include investment income and earnings from investments recorded on the equity method.

Operating revenues reported in the accompanying statements of revenues, expenses, and changes in net position are shown net of discounts, estimated allowances for bad debts, and amounts transferred to and/or from stabilization funds. Discounts and allowances totaled \$9,849 in fiscal year 2025 and \$13,476 in 2024. JEA withdrew from stabilization funds the net amount of \$10,880 in fiscal year 2025 and \$7,550 in fiscal year 2024. Electric Enterprise and Water and Sewer Fund revenues are recorded as earned. Operating revenues include amounts estimated for unbilled services provided during the reporting period of \$89,828 in fiscal year 2025 and \$83,158 in fiscal year 2024.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

1. Summary of Significant Accounting Policies and Practices (continued)

(d) Capital Assets

Utility plant consists of four classes of capital assets: real property, tangible property, tangible personal property, and intangible property. All capital assets are recorded at historical cost and must have a useful life greater than one year. The costs of additions and replacements are capitalized, while maintenance and minor replacements are charged to operating expense. Capital project costs include direct labor and benefits of JEA employees working on capital projects, as well as allocated overhead from certain JEA departments. Upon retirement of depreciable assets, the original cost and related removal expenses, net of any salvage value, are removed from the capital asset accounts and charged to accumulated depreciation.

SJRPP and Scherer are required by their bond resolutions to deposit certain amounts in a renewal and replacement fund, which are applied to designated uses as specifically allowed under the bond resolutions. The Electric Fund records the amounts deposited in the fund as a purchased power expense when deposited.

(e) Allowance for Funds Used During Construction

Beginning in fiscal year 2022, JEA elected to apply regulatory accounting to continue capitalizing qualifying interest cost as a regulatory asset. See note 2, Regulatory Deferrals, for additional information.

JEA capitalizes interest on construction projects financed with revenue bonds and renewal and replacement funds. The average AFUDC rate for the debt of each system is presented in the table below.

Average AFUDC Rate (%)	2025	2024
Electric Enterprise Fund	4.9%	4.6%
Water and Sewer Fund	4.6%	4.5%
District Energy System	4.4%	5.1%

The amount capitalized represents the interest cost of the debt, less any interest earned on investment of debt proceeds, from the date of the borrowing until the assets are placed in service. Total interest incurred was \$138,333 for fiscal year 2025 and \$120,359 for 2024, of which \$51,050 and \$41,667 were capitalized as a regulatory asset in fiscal year 2025 and 2024, respectively. Investment income on bond proceeds totaled \$4,823 in fiscal year 2025 and \$2,019 in 2024.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

1. Summary of Significant Accounting Policies and Practices (continued)

(f) Depreciation

Depreciation of capital assets is calculated using the straight-line method based upon the estimated service lives of the various property classes. Depreciation begins when the assets are placed in service. Recurring renewal and replacement capital additions are generally placed in service at the end of each fiscal year. The depreciation rates are based on studies performed by an outside consultant that are updated periodically. The most recent depreciation study was completed during fiscal year 2024, and the rates for that study are effective in fiscal year 2025. The effective rate of depreciation based upon the average depreciable plant in service balance was 2.95% and 3.11% for fiscal years 2025 and 2024, respectively. The average depreciable life in years of the depreciable capital assets for each system is listed in the table below. Depreciation expense is recorded as a component of operating expense in the statement of revenues, expenses, and changes in net position.

Average Depreciable Life (Years)	2025	2024
Electric Enterprise Fund	24.9	23.8
Water and Sewer Fund	27.7	26.6
District Energy System	23.5	24.0

(g) Amortization

Amortization of bond discounts and premiums is computed on a straight-line basis, which approximates the effective-interest method over the remaining term of the outstanding bonds.

(h) Losses on Refundings

Losses on refundings of JEA revenue bonds are deferred and amortized as a component of interest on debt using the straight-line method over the remaining life of the old debt or the new debt, whichever is shorter. Unamortized deferred losses on refundings are reported as deferred outflows of resources on the accompanying statements of net position. Whereas JEA has incurred accounting losses on refundings, calculated as the difference between the net carrying value of the refunded and the refunding bonds, JEA has over time realized economic gains calculated as the present value difference in the future debt service on the refunded and refunding bonds.

(i) Investments

Investments are presented at fair value or cost, which is further explained in note 14, Fair Value Measurements. Realized and unrealized gains and losses for all investments are included in investment income on the statements of revenues, expenses, and changes in net position. The investment in The Energy Authority (TEA) is recorded on the equity method (see note 7, Investment in The Energy Authority, for additional information).

(j) Cash and Cash Equivalents

For purposes of reporting cash flows, cash and cash equivalents include cash on hand, bank demand accounts, money market mutual funds, and short-term liquid investments purchased with an original maturity of 90 days or less.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

1. Summary of Significant Accounting Policies and Practices (continued)

(k) Interest Rate Swap Agreements

JEA's risk management policies allow for the use of interest rate swaps to manage financial exposures, but prohibit the use of these instruments for speculative or trading purposes. JEA utilizes interest rate swaps to manage the interest rate risk associated with various assets and liabilities. Interest rate swaps are used in the area of debt management to take advantage of favorable market interest rates. Interest rate swaps are authorized under the policy to be used in the area of investment management to increase the yield on revolving short-term investments.

JEA applies GASB Statement No. 53, Accounting and Financial Reporting for Derivative Instruments (GASB 53), where applicable for effective hedging instruments. For effective hedging instruments, the changes in fair value are recorded on the statements of net position as deferred outflows and inflows of resources. For ineffective hedging instruments or investment derivatives, the changes in fair value are recorded on the statements of revenues, expenses, and changes in net position as an adjustment to investment income.

Under JEA's interest rate swap programs, JEA either pays a variable rate of interest, which is based on various indices, and receives a fixed rate of interest for a specified period of time (unless earlier terminated) or JEA pays a fixed rate of interest and receives a variable rate of interest, which is based on various indices for a specified period of time (unless earlier terminated). These indices are affected by changes in the market. The net amounts received or paid under the swap agreements are recorded as either an adjustment to investment income (asset management) or interest on debt (debt management) in the statements of revenues, expenses, and changes in net position. No money is initially exchanged when JEA enters into a new interest rate swap transaction.

During fiscal years 2025 and 2024, JEA did not have any interest rate swaps outstanding under JEA's asset management interest rate swap program. See the Debt Management Strategy section in note 8, Long-Term Debt, for more information on JEA's debt management interest rate swap program.

(l) Inventory

Inventories are maintained for fuel and materials and supplies. Fuel inventories are maintained at levels sufficient to meet generation requirements. Inventories are valued at average cost, with obsolete items being expensed when identified.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

1. Summary of Significant Accounting Policies and Practices (continued)

(m) Energy Market Risk Management Program

The energy market risk management program is intended to help manage JEA's exposure to the volatility in electric energy and fuel prices, uncertainty in load and resource availability, the creditworthiness of counterparties, and risks associated with transacting in wholesale energy markets. Under this policy, JEA executes over-the-counter forward purchase and sale contracts and swaps. For effective derivative transactions, hedge accounting is applied in accordance with GASB 53 and the fair market value changes are recorded on the accompanying statements of net position as either a deferred outflow of resources or a deferred inflow of resources until such time that the transactions end. The related settled gains and losses from these transactions are recognized as fuel expenses on the accompanying statements of revenues, expenses, and changes in net position.

(n) Capital Contributions

Capital contributions represent contributions of cash and capital assets from the City, developers, customers, and other third parties. Capital contributions are recorded in the accompanying statements of revenues, expenses, and changes in net position at the time of receipt. Assets received are recorded as contributions from developers and others at acquisition cost. Corresponding expenses of \$107,574 and \$130,405 were recorded in fiscal years 2025 and 2024 to recognize the costs of the assets since it will not be included in revenue requirements charged to customers in the future.

(o) Pension

For purposes of measuring the net liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense and fiduciary net position; JEA's portion of the City's General Employees' Retirement Plan (GERP), JEA's portion of the City's Defined Contribution Disability Plan and St. Johns River Power Park System Employees' Retirement Plan (SJRPP Plan) have been determined on the same basis as reported in the GERP and SJRPP Plan financial statements. Employer contributions made subsequent to the measurement date and before the fiscal year end are recorded as a deferred outflow of resources.

Basis of Accounting – The pension trust financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contribution, benefit payments and refunds are recognized when due and payable in accordance with the terms of the plans. Florida law and the Florida Division of Retirement require plan contributions be made annually in amounts determined by an actuarial valuation stated as a percent of covered payroll or in dollars. The Florida Division of Retirement reviews and approves the GERP actuarial report to ensure compliance with actuarial standards. The SJRPP Plan is governed by a four-member Pension Committee to ensure compliance with actuarial standards.

Method Used to Value Investments – Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. The fair value of real estate investments in GERP is based on independent appraisals or estimates of fair value as provided by third-party fund managers. Investments that do not have an established market are reported at estimated fair value as provided by third-party fund managers. Investments are managed by third-party money managers while cash and securities are generally held by the independent custodians.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

1. Summary of Significant Accounting Policies and Practices (continued)

(p) Compensated Absences

JEA employees accumulate earned personal leave benefits (compensated absences) at various rates within limits specified in collective bargaining agreements and other employment plans. Accrued leave may be taken at any time when authorized. In addition, employees may elect to sell back any leave accrued during the fiscal year. Leave accrued over the maximum allowed leave balances is paid to the employee after the end of the fiscal year.

Upon termination from employment, employees are paid for their unused leave balances. In accordance with GASB Statement No. 101, Compensated Absences (GASB 101), the amount reflected as the current portion is estimated based upon historical trends of retirements and attrition.

This liability reflects amounts attributable to employee services already rendered, cumulative, probable for payment, and reasonably estimated in conformity with GASB 101.

Compensated absences liabilities are accrued when incurred in the financial statements in conformity with generally accepted accounting principles (GAAP). The compensated absences liability is determined based on current rates of pay.

The compensated absence liability as of September 30, 2025, is \$51,921. Of this amount, \$6,300 is included in compensation and benefits payable under current liabilities on the accompanying statements of net position. The remaining balance of \$45,621 is included in compensation and benefits payable in noncurrent liabilities on the accompanying statements of net position. During fiscal year 2025, the net change in compensated absence liability was \$1,555. The compensated absence liability as of September 30, 2024, was \$50,367. Of this amount, \$5,387 was included in compensation and benefits payable under current liabilities on the accompanying statements of net position. The remaining balance of \$44,980 was included in compensation and benefits payable in noncurrent liabilities on the accompanying statements of net position. During fiscal year 2024, the net change in compensated absence liability was \$5,457.

(q) Pollution Remediation Obligations

JEA applies GASB Statement No. 49, Accounting and Financial Reporting for Pollution Remediation Obligations. See note 15, Commitments and Contingent Liabilities, for further discussion.

(r) Asset Retirement Obligations

JEA applies GASB Statement No. 83, Certain Asset Retirement Obligations (GASB 83). See note 3, Asset Retirement Obligations, for further discussion.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

1. Summary of Significant Accounting Policies and Practices (continued)

(s) Costs to Be Recovered from Future Revenues/Revenues to Be Used for Future Costs

JEA records certain assets and liabilities (or deferred inflows) that result from the effects of the ratemaking process that would not be recorded under GAAP for nonregulated entities. Currently, the electric utility industry is predominantly regulated on a basis designed to recover the cost of providing electric power to its customers. If cost-based regulation were to be discontinued in the electric industry for any reason, market prices for electricity could be reduced or increased and utilities might be required to reduce their statements of net position amounts to reflect market conditions.

Discontinuance of cost-based regulation could also require affected utilities to write off their associated regulatory assets and liabilities. Management cannot predict the potential impact, if any, of the change in the regulatory environment on JEA's future financial position and results of operations.

(t) Setting of Rates

The setting of rates is the responsibility of the Board. Base rate changes are implemented after a public rate hearing and Board approval. Fuel rate changes are implemented monthly and do not require a public rate hearing or Board approval. At the October 2021 meeting, the Board approved a revision to the pricing policy that stated the fuel rate (fuel charge) will be set monthly by the CEO/Manager Director or designee. The fuel charge is based on the energy cost projection for the billing month to fully recover all expected fuel and purchased power energy-related costs. Fuel charge variances and true-ups are typically recovered in the subsequent billing month, except for certain circumstances which may extend over a period of time.

At the March 2025 meeting, the Board approved the following Rate changes, effective April 1, 2025:

- Modification of the Electric Tariff Documentation:
 - to increase basic monthly (customer) charge for electric customers
 - to increase the energy rate for electric customers
 - to restructure residential energy charge tiers
- Modification of the Water Sewer Tariff Documentation:
 - to increase basic monthly (customer) charge for water, sewer, and potable irrigation customers
 - to restructure and increase/decrease the volume tiers and charges for water, sewer, and potable irrigation customers
 - to remove the sewer volume cap
 - to move small multi-family meters to the residential rate class
 - to increase sewer surcharge, hauled scavenger, and bulk reclaim rates
 - to make private standby fire protection closed and open rates uniform

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

1. Summary of Significant Accounting Policies and Practices (continued)

At the March 2025 meeting, the Board approved the following Rate changes, effective October 1, 2025:

- Modification of the Electric Tariff Documentation:
 - to increase basic monthly (customer) charge for electric customers and
 - to increase the energy rate for electric customers
- Modification of the Water Sewer Tariff Documentation:
 - to increase basic monthly (customer) charge for water, sewer, and potable irrigation customers
 - to increase the volume charges for sewer and potable irrigation customers
 - to increase sewer surcharge, hauled scavenger, and bulk reclaim rates

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.

(u) Leases

JEA applies GASB Statement No. 87, Leases (GASB 87). See note 17, Leases, for further discussion.

(v) Pervasiveness of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and deferred outflows of resources, liabilities and deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(w) Newly Adopted Standards for Fiscal Year 2025

In January 2024, GASB issued Statement No. 102, Certain Risk Disclosures. The primary objective of this statement is to provide financial statement users with essential information about risks a government face related to concentrations and constraints of resources. This statement is effective for JEA in fiscal year 2025. The implementation of this statement did not have an impact on JEA's financial statements.

(x) Recently Issued Accounting Pronouncements Not Yet Effective

In May 2024, GASB issued Statement No. 103, Financial Reporting Model Improvements. The primary objective of this statement is to enhance the effectiveness of governmental financial reports by providing essential information for decision making and assessing a government's accountability. Certain application issues should also be addressed. This statement is effective for JEA in fiscal year 2026. The impact of the implementation on JEA's financial reporting has not been determined.

In September 2024, GASB issued Statement No. 104, Disclosure of Certain Capital Assets. The primary objective of this statement is to provide users with essential information about certain types of capital assets, including capital assets held for sale. This statement is effective for JEA in fiscal year 2026. The impact of the implementation of JEA's financial reporting has not been determined.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

2. Regulatory Deferrals

Based on regulatory action taken by the Board and in accordance with the Regulated Operations section within GASB Statement 62, JEA has recorded the following regulatory assets and liabilities that will be included in the ratemaking process and recognized as expenses and revenues, respectively, in future periods. These amounts are shown under costs to be recovered from future revenues or deferred inflows of resources on the accompanying statements of net position.

Regulatory Assets

The following is a summary of JEA's regulatory assets at September 30:

Regulatory Assets	2025	2024
Unfunded pension costs	\$ 839,249	\$ 803,249
Allowance for funds used during construction	129,821	80,402
SJRPP and Bulk Power costs to be recovered	52,201	71,555
Storm and COVID-19 costs to be recovered	34,679	18,360
Debt issue costs	13,535	8,673
Unfunded OPEB costs	4,580	6,523
Deferred fuel regulatory costs	8,155	3,161
Total regulatory assets	\$ 1,082,220	\$ 991,923

Unfunded Pension Costs – Accrued pension represents a regulatory asset related to unrecognized actuarial gains and losses, unrecognized prior service cost, and unrecognized transition obligation attributable to JEA's portion of the GERP. The regulatory asset is amortized with the recognition of actuarial gains and losses, prior service cost, and transition obligations to net periodic benefit costs for pension.

Allowance for Funds Used During Construction – This amount represents interest cost incurred before the end of a construction period. The regulatory asset is amortized over the life of constructed assets after they are placed into service.

SJRPP and Bulk Power costs to be recovered – SJRPP deferred debt-related costs of \$37,975 at September 30, 2025 and \$54,257 at September 30, 2024 are the result of differences between expenses in determining rates and those used in financial reporting. During fiscal year 2018, operations of SJRPP, as generating facility, ceased and the majority of the assets were dismantled. As of September 30, 2025, SJRPP has remaining plant in service assets of \$7,275 and outstanding debt of \$60,405. The JEA board approved the deferral of this regulatory asset. SJRPP has a contract with the JEA Electric System to recover these costs from future revenues that will coincide with retirement of long-term debt. The amount recovered each year will be the difference between debt principal maturities (adjusted for the effects of premiums, discounts, and amortization of gains and losses) and straight-line depreciation and results in recognition of deferred costs on the accompanying statements of revenues, expenses, and changes in net position. The Bulk Power Supply System deferred debt-related costs were \$14,226 at September 30, 2025 and \$17,298 at September 30, 2024. The amount recovered each year will be the difference between debt principal maturities (adjusted for the effects of premiums, discounts, and amortization of gains and losses) and straight-line depreciation. The Bulk Power Supply System will recover these costs from future revenues that will coincide with the retirement of long-term debt.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

2. Regulatory Deferrals (continued)

Storm and COVID-19 costs to be recovered – JEA incurs emergency response costs in conjunction with unplanned major events including natural disasters and other historic emergencies such as the COVID-19 pandemic. The Federal Emergency Management Agency (FEMA) provides supplemental grants to state and local governments through the Public Assistance Program so communities can quickly respond to and recover from those disasters. FEMA allows cost share of 87.5% of eligible costs (75.0% from FEMA and 12.5% from the State of Florida) of those costs not covered by insurance.

JEA's costs to be recovered for storm and COVID-19 expenses as of September 30, 2025 are summarized below:

	September 30, 2025 Balance	Reimbursements Received			September 30, 2024 Balance
		Reimbursement Requests, net	FEMA		
Hurricane Helene	12,979	12,979		-	-
Hurricane Idalia	5,481	34		-	5,447
Hurricane Milton	5,220	5,220		-	-
Hurricane Ian	\$ 4,256	\$ 68	\$ (2,030)	\$ 6,218	
Hurricane Debby	2,518	9		-	2,509
Hurricane Nicole	2,129	16		-	2,113
COVID-19 Pandemic	1,804	2		-	1,802
Hurricane Irma	292	21		-	271
Total Storm/COVID CTBR	\$ 34,679	\$ 18,349	\$ (2,030)	\$ 18,360	

Debt issue costs – With the application of regulatory accounting in fiscal year 2015, the Board approved deferral of the issue costs on all new debt issues with the amounts being amortized over the life of the bonds, as they are included in revenue requirements. These costs are incurred in connection with the issuance of debt obligations and are mainly underwriter fees and legal costs.

Unfunded OPEB Costs – Accrued OPEB represents a regulatory asset related to unrecognized actuarial gains and losses, unrecognized prior service cost, and unrecognized transition obligation attributable to JEA's other postemployment benefit plan. The regulatory asset is amortized with the recognition of actuarial gains and losses, prior service cost, and transition obligations to net periodic benefit costs for OPEB. The Board approved the recovery of the unfunded amounts in future revenue requirements with the adoption of GASB 75 in fiscal year 2018. In addition, the Board approved the deferral of the difference between the annual contributions (funding) and OPEB expense.

Deferred fuel regulatory costs – JEA adjusts the fuel charge monthly. This represents the amount under-collected that will be recovered in the next period.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

2. Regulatory Deferrals (continued)

Regulatory Liabilities

The following is a summary of JEA's regulatory liabilities at September 30:

Regulatory Liabilities	2025	2024
Nonfuel purchased power	\$ 246,000	\$ 246,000
Self-insurance medical reserve	22,183	22,243
Excess pension contributions	15,541	12,702
Environmental	2,158	12,101
Customer benefit stabilization	-	937
Total regulatory liabilities	\$ 285,882	\$ 293,983

Nonfuel purchased power – JEA entered into a power purchase agreement related to the Alvin W. Vogtle Nuclear Plant in Burke County, Georgia (Plant Vogtle). This agreement is discussed in further detail in note 10, Fuel Purchase and Purchased Power Commitments. Related to that agreement, the JEA Board approved a nonfuel purchased power stabilization fund to assist in the timing of nonfuel purchased power expenses. The amounts included in the fund are to be used for nonfuel purchased power expenses or refunded to customers. There were no deposits or withdrawals made for fiscal years 2024 and 2025.

Self-insurance medical reserve – The Board has established, from operating revenues, an internally designated "Health Self-Insurance Fund" to cover reserve requirements for its self-insurance health program over medical and prescription benefits. The Board, as part of the budget process, will approve amounts to be collected in rates that include both the current anticipated cost less approved amounts to be contributed by employees as well as amounts to maintain an adequate reserve for future costs.

Under the self-insurance program, JEA is liable for all claims. JEA retains an additional stop-loss policy for claims in excess of \$500 per employee effective January 1, 2024. The health insurance benefits program is administered through a third-party insurance company and, as such, the administrator is responsible for processing the claims in accordance with the benefit specifications with JEA reimbursing the insurance company for its payouts. Liabilities associated with the health care program are determined based on an actuarial study and include claims that have been incurred but not reported.

The changes in the self-insurance medical reserve for the years ended September 30, 2025 and 2024 are as follows:

	2025	2024
Beginning balance	\$ 22,243	\$ 20,134
Contributions	35,215	33,315
Incurred claims	(35,275)	(31,206)
Ending balance	\$ 22,183	\$ 22,243

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

2. Regulatory Deferrals (continued)

Excess pension contributions – Excess pension contributions represent a regulatory liability related to unrecognized actuarial gains and losses, unrecognized prior service cost, and unrecognized transition obligation attributable to the SJRPP Plan. The regulatory liability is amortized with the recognition of actuarial gains and losses, prior service cost, and transition obligations to net periodic benefit costs for pension.

Environmental – The Board authorized an environmental surcharge that was applied to all electric customer kilowatt-hour and water customer kilogallon sales through March 31, 2023. Amounts over-collected were recorded as a regulatory liability and will be used for electric costs of environmental remediation and compliance with new and existing environmental regulations, and water operating and capital costs of environmentally driven or regulatory required projects approved by the Board.

The changes in the environmental regulatory liability for the years ended September 30, 2025 and 2024 are as follows:

Environmental	2025	2024
Beginning balance	\$ 12,101	\$ 14,612
Capital projects	–	(6)
Operations and maintenance projects	(9,943)	(2,505)
Ending balance	\$ 2,158	\$ 12,101

Customer benefit stabilization – The pricing policy adopted by the Board included a demand side management surcharge through March 31, 2023. The costs approved for recovery through the surcharge includes programs for the electrification, direct load control, demand side management, residential low-income efficiency programs, and customer utility optimization education programs.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

3. Asset Retirement Obligations

Scherer

On November 24, 2020, JEA executed a retirement agreement with FPL, setting forth the terms and conditions of the Plant Scherer closure as of January 1, 2022. On that same date, JEA also executed the FPL PPA and a related 10-year natural gas hedge. The obligation of JEA to retire Plant Scherer was subject to FPL having performed and complied in all material respects with the agreement including remittance of the \$100,000 consummation payment to be used by JEA in its discretion to pay for JEA's costs in completing the retirement of Unit No. 4, including, but not limited to, the defeasance of the outstanding bonds. The consummation payment was listed as a special item on the statement of revenues, expenses, and changes in net position.

As part of JEA's ownership of Scherer, it has a proportionate ownership interest in associated common facilities (Common Facilities) of 5.91% (23.64% divided by 4, as there are 4 units in total). There is no majority owner of the Common Facilities. Georgia Power is the nongovernmental minority owner that has operational responsibility of the Common Facilities and, as such, is responsible for calculating any associated asset retirement obligations (AROs). The AROs at Scherer are primarily related to the ash pond.

In accordance with GASB 83, JEA's minority share of the AROs is reported using the measurement produced by Georgia Power, who is registered with the Securities and Exchange Commission and is subject to accounting rules set by the Financial Accounting Standards Board.

At September 30, 2025, the total amount of the AROs at Scherer is \$533,416, with JEA's minority share being \$31,525. Of the total liability, \$3,172 is recorded in asset retirement obligations in current liabilities and \$28,353 in asset retirement obligations in noncurrent liabilities on the statement of net position. These amounts are offset by the unrealized asset retirement obligation of \$31,525, which is recorded in deferred outflows of resources.

At September 30, 2024, the total amount of the AROs at Scherer is \$533,004, with JEA's minority share being \$31,501. Of the total liability, \$2,817 is recorded in asset retirement obligations in current liabilities and \$28,684 in asset retirement obligations in noncurrent liabilities on the statement of net position. These amounts are offset by the unrealized asset retirement obligation of \$31,501, which is recorded in deferred outflows of resources.

There are no legally required funding or assurance provisions associated with JEA's minority share of the AROs and JEA has not restricted any of its assets for payment of this liability.

JEA
 Notes to Financial Statements (continued)
 (Dollars in Thousands)

4. Restricted Assets

Restricted assets were held in the following funds at September 30, 2025 and 2024:

	September 30, 2025					
	Electric	SJRPP	Water and Sewer	DES	Total	
Renewal and Replacement Fund	\$ 65,353	\$ 9,365	\$ (41,068)	\$ 5,248	\$ 38,898	
Sinking Fund	68,020	18,893	92,580	3,924	183,417	
Debt Service Reserve Fund	39,824	2,329	99,726	-	141,879	
Revenue Fund	-	312	-	-	312	
Construction Fund	125	-	59,700	14,778	74,603	
Adjustment to fair value of investments	(1,206)	53	(2,097)	-	(3,250)	
Total	\$ 172,116	\$ 30,952	\$ 208,841	\$ 23,950	\$ 435,859	

	September 30, 2024					
	Electric	SJRPP	Water and Sewer	DES	Total	
Renewal and Replacement Fund	\$ (1,249)	\$ 6,983	\$ 26,267	\$ 11,444	\$ 43,445	
Sinking Fund	54,774	18,206	86,549	2,595	162,124	
Debt Service Reserve Fund	53,352	2,912	62,614	-	118,878	
Revenue Fund	-	312	-	-	312	
Construction Fund	-	-	19,770	-	19,770	
Adjustment to fair value of investments	(811)	88	(622)	-	(1,345)	
Total	\$ 106,066	\$ 28,501	\$ 194,578	\$ 14,039	\$ 343,184	

The Electric System, SJRPP System, Bulk Power Supply System, Water and Sewer System, and DES are permitted to invest restricted funds in specified types of investments in accordance with their bond resolutions and the investment policy.

The requirements of the respective bond resolutions for contributions to the respective systems' renewal and replacement funds are as follows:

Electric System:	An amount equal to the greater of 10% of the prior year defined net revenues or 5% of the prior year defined gross revenues.
SJRPP System:	An amount equal to 12.5% of aggregate debt service, as defined.
Bulk Power Supply System:	An amount equal to 12.5% of aggregate debt service, as defined.
Water and Sewer System:	An amount equal to the greater of 10% of the prior year defined annual net revenues or 5% of the prior year defined gross revenues.
DES:	An amount equal to the greater of 10% of the prior year defined annual net revenues or 5% of the prior year defined revenues.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

5. Cash and Investments

JEA maintains cash and investment pools that are utilized by all funds except for the bond funds. Included in the JEA cash balances are amounts on deposit with JEA's commercial bank, as well as amounts held in various money market funds as authorized in the JEA Investment Policy. The commercial bank balances are covered by federal depository insurance or collateralized subject to the Florida Security for Public Deposits Act of Chapter 280, Florida Statutes. Amounts subject to Chapter 280, Florida Statutes, are collateralized by securities deposited by JEA's commercial bank under certain pledging formulas with the State Treasurer or other qualified custodians.

JEA follows GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, which requires the adjustments of the carrying value of investments to fair value to be presented as a component of investment income. Investments are presented at fair value or cost, which is further explained in note 14, Fair Value Measurements.

At September 30, 2025 and 2024, the fair value of all securities, regardless of statement of net position classification as cash equivalent or investment, was as follows:

	2025	2024
Securities:		
U.S. Treasury and government agency securities	\$ 218,794	\$ 232,550
Money market mutual funds	172,214	171,684
Local government investment pool	101,368	77,081
State and local government securities	76,638	38,810
Commercial paper	61,320	36,322
Total securities, at fair value	\$ 630,334	\$ 556,447

These securities are held in the following accounts:

	2025	2024
Current assets:		
Cash and cash equivalents	\$ 316,166	\$ 255,838
Investments	103,966	143,442
Restricted assets:		
Cash and cash equivalents	183,825	180,404
Investments	250,410	161,853
Total cash and investments	854,367	741,537
Less: cash on deposit	(226,410)	(187,477)
Plus: interest due on securities	2,377	2,387
Total securities, at fair value	\$ 630,334	\$ 556,447

JEA is authorized to invest in securities as described in its investment policy and in each bond resolution. As of September 30, 2025, JEA's investments in securities and their maturities are categorized below in accordance with GASB Statement No. 40, Deposit and Investment Risk Disclosures – an amendment of GASB Statement No. 3. It is assumed that callable investments will not be called. Puttable securities are presented as investments with a maturity of less than one year.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

5. Cash and Investments (continued)

The maturity distribution of the investments held at September 30, 2025 is listed below.

Type of Investments	Less than One Year	One to Five Years	Five to Ten Years	Ten to Twenty Years	Total
U.S. Treasury and government agency securities	\$ 127,147	\$ 73,242	\$ 13,977	\$ 4,428	\$ 218,794
Money market mutual funds	172,214	-	-	-	172,214
Local government investment pools	101,368	-	-	-	101,368
State and local government securities	-	3,030	31,535	42,073	76,638
Commercial paper	61,320	-	-	-	61,320
Total securities, at fair value	\$ 462,049	\$ 76,272	\$ 45,512	\$ 46,501	\$ 630,334

Interest Rate Risk – As a means of limiting its exposure to fair value losses arising from rising interest rates, JEA's investment policy requires the investment portfolio to be structured in such a manner as to provide sufficient liquidity to pay obligations as they come due. To the extent possible, investment maturities are matched with known cash needs and anticipated cash flow requirements. Additionally, maturity limitations for investments related to the issuance of debt are outlined in the bond resolution relating to those bond issues. JEA's investment policy also limits investments in commercial paper to maturities of less than nine months.

Credit Risk – JEA's investment policy is consistent with the requirements for investments of state and local governments contained in the Florida Statutes and its objectives are to seek reasonable income, preserve capital, and avoid speculative investments. Consistent with JEA's investment policy and bond resolutions: (1) the state and local government securities are rated by two nationally recognized rating agencies and are rated at least A by Standard & Poor's, Aa3 by Moody's Investors Services, or A by Fitch Ratings; (2) the U.S. government agency securities held in the portfolio are issued or guaranteed by agencies created pursuant to an Act of Congress as an agency or instrumentality of the United States of America; and (3) the money market mutual funds are rated AAA by Standard & Poor's or Aaa by Moody's Investors Services. JEA's investment policy limits investments in commercial paper to the highest whole rating category issued by at least two nationally recognized rating agencies, and the issuer must be a Fortune 500 company, a Fortune Global 500 company with significant operations in the U.S., or the governments of Canada or Canadian provinces and the ratings outlook must be positive or stable at the time of the investment. As of September 30, 2025, JEA's investments in commercial paper are rated at least A-1 by Standard & Poor's and P-1 by Moody's Investors Services. In addition, JEA's investment policy limits the commercial paper investment in any one issuer to \$12,500 as well as limits investments in commercial paper to 25% of the total cash and investment portfolio, regardless of statement of net position classification as cash equivalent or investment. As of September 30, 2025, JEA had 9.7% of its investments in commercial paper.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, JEA will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of JEA's investments are held by JEA or by an agent in JEA's name.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

5. Cash and Investments (continued)

Concentration of Credit Risk – As of September 30, 2025, investments in any one issuer representing 5% or more of JEA's investments included \$52,696 (8.4%) invested in issues of the Federal Home Loan Bank, \$55,003 (8.7%), in Federal Farm Credit Bank (8.7%), and \$41,440 (6.6%) invested in Federal National Mortgage Association. JEA's investment policy limits the maximum holding of any one U.S. government agency issuer to 50% of total cash and investments regardless of statement of net position classification as cash equivalent or investment. Other than investments in U.S. Treasury securities or U.S. Treasury money market funds, JEA's investment policy limits the percentage of the total cash and investment portfolio (regardless of statement of net position classification as cash equivalent or investment) that may be held in various security types. As of September 30, 2025, investments in all security types were within the allowable policy limits.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

6. Capital Assets

Capital asset activity for the year ended September 30, 2025 is as follows:

	Balance September 30, 2024	Additions	Retirements	Transfers/ Adjustments	Balance September 30, 2025
Electric Enterprise Fund:					
Generation assets	\$ 4,006,720	\$ -	\$ (118)	\$ 64,805	\$ 4,071,407
Transmission assets	745,717	-	(275)	23,621	769,063
Distribution assets	2,462,368	-	(4,483)	152,975	2,610,860
Other assets	630,184	-	(34,862)	(9,536)	585,786
Lease assets	93,313	-	-	-	93,313
Total capital assets	7,938,302	-	(39,738)	231,865	8,130,429
Less: accumulated depreciation and amortization	(5,712,319)	(226,483)	39,738	-	(5,899,064)
Land	145,700	-	(1)	96	145,795
Construction work-in-process	247,324	272,436	-	(231,961)	287,799
Net capital assets	2,619,007	45,953	(1)	-	2,664,959
Water and Sewer Fund:					
Pumping assets	748,774	-	(461)	58,994	807,307
Treatment assets	917,849	-	(158)	234,340	1,152,031
Transmission and distribution assets	1,463,728	-	(39)	102,472	1,566,161
Collection assets	1,689,025	-	-	50,923	1,739,948
Reclaimed water assets	191,930	-	-	66,630	258,560
General and other assets	534,915	-	(5,874)	32,132	561,173
Total capital assets	5,546,221	-	(6,532)	545,491	6,085,180
Less: accumulated depreciation	(3,042,553)	(184,205)	6,532	4,125	(3,216,101)
Land	85,228	-	-	3,919	89,147
Construction work-in-process	972,542	512,254	-	(549,410)	935,386
Net capital assets	3,561,438	328,049	-	4,125	3,893,612
District Energy System:					
Chilled water plant assets	76,680	-	-	1,111	77,791
Total capital assets	76,680	-	-	1,111	77,791
Less: accumulated depreciation	(40,416)	(3,229)	-	-	(43,645)
Land	3,051	-	-	-	3,051
Construction work-in process	10,475	9,982	-	(1,111)	19,346
Net capital assets	49,790	6,753	-	-	56,543
Total	\$ 6,230,235	\$ 380,755	\$ (1)	\$ 4,125	\$ 6,615,114

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

6. Capital Assets (continued)

Capital asset activity for the year ended September 30, 2024 is as follows:

	Balance September 30, 2023	Additions	Retirements	Transfers/ Adjustments	Balance September 30, 2024
Electric Enterprise Fund:					
Generation assets	\$ 3,960,382	\$ -	\$ (1,326)	\$ 47,664	\$ 4,006,720
Transmission assets	746,046	-	(770)	441	745,717
Distribution assets	2,352,259	-	(2,731)	112,840	2,462,368
Other assets	588,236	-	(2,659)	44,607	630,184
Lease assets	93,313	-	-	-	93,313
Total capital assets	7,740,236	-	(7,486)	205,552	7,938,302
Less: accumulated depreciation and amortization	(5,491,843)	(227,962)	7,486	-	(5,712,319)
Land	139,476	-	(2)	6,226	145,700
Construction work-in-process	204,605	254,497	-	(211,778)	247,324
Net capital assets	2,592,474	26,535	(2)	-	2,619,007
Water and Sewer Fund:					
Pumping assets	702,184	-	(2,297)	48,887	748,774
Treatment assets	886,020	-	-	31,829	917,849
Transmission and distribution assets	1,410,462	-	(83)	53,349	1,463,728
Collection assets	1,658,613	-	(501)	30,913	1,689,025
Reclaimed water assets	176,479	-	-	15,451	191,930
General and other assets	507,530	-	(719)	28,104	534,915
Total capital assets	5,341,288	-	(3,600)	208,533	5,546,221
Less: accumulated depreciation	(2,863,482)	(186,853)	3,600	4,182	(3,042,553)
Land	81,426	-	(23)	3,825	85,228
Construction work-in-process	693,969	490,931	-	(212,358)	972,542
Net capital assets	3,253,201	304,078	(23)	4,182	3,561,438
District Energy System:					
Chilled water plant assets	76,532	-	-	148	76,680
Total capital assets	76,532	-	-	148	76,680
Less: accumulated depreciation	(37,298)	(3,118)	-	-	(40,416)
Land	3,051	-	-	-	3,051
Construction work-in process	1,000	9,623	-	(148)	10,475
Net capital assets	43,285	6,505	-	-	49,790
Total	\$ 5,888,960	\$ 337,118	\$ (25)	\$ 4,182	\$ 6,230,235

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

7. Investment in The Energy Authority

JEA is a member of TEA, a municipal power marketing and risk management joint venture, headquartered in Jacksonville, Florida, with an ownership interest of 18.75%. TEA provides wholesale power marketing and resource management services to members (including JEA) and nonmembers and allocates transaction savings and operating expenses pursuant to a settlement agreement. TEA also assists members (including JEA) and nonmembers with natural gas procurement and related gas hedging activities. JEA's earnings from TEA were \$11,200 in fiscal year 2025 and \$13,286 in 2024 for all power marketing activities. JEA's distributions from TEA were \$9,581 in fiscal year 2025 and \$8,045 in 2024. The investment in TEA was \$36,182 at September 30, 2025 and \$34,165 at September 30, 2024 and is included in noncurrent assets on the accompanying statements of net position.

The following is a summary of the unaudited financial information of TEA for the nine months ended September 30, 2025 and 2024. TEA issues separate audited financial statements on a calendar-year basis.

Unaudited			
	2025	2024	
Condensed statement of net position:			
Current assets	\$ 398,044	\$ 366,736	
Noncurrent assets	37,141	93,797	
Deferred outflows	6,154	8,272	
Total assets	\$ 441,339	\$ 468,805	
Current liabilities	\$ 232,481	\$ 261,257	
Noncurrent liabilities	13,789	12,107	
Deferred inflows	5,257	6,914	
Members' capital	189,812	188,527	
Total liabilities and members' capital	\$ 441,339	\$ 468,805	
Condensed statement of operations:			
Operating revenues	\$ 2,518,572	\$ 2,347,669	
Operating expenses	2,457,234	2,251,995	
Operating income	\$61,338	\$95,674	
Net income	\$ 66,517	\$ 188,527	

As of September 30, 2025, JEA is obligated to guaranty, directly or indirectly, TEA's electric trading activities in an amount up to \$60,000, and TEA's natural gas procurement and trading activities up to \$54,200, in either case, plus attorney's fees that any party claiming and prevailing under the guaranty might incur and be entitled to recover under its contract with TEA.

Under a separate agreement, TEA contracted with Emera Energy Services, Inc ("Emera"), on JEA's behalf, for the purchase of natural gas associated with certain natural gas transportation effective September 24, 2025. In turn, JEA guaranteed the payment obligations in the agreement up to \$15,000 as well as all reasonable fees and expenses of Emera's counsel in any way relating to the enforcement of Emera's rights under the agreement.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

7. Investment in The Energy Authority (continued)

Generally, JEA's guaranty obligations for electric trading would arise if TEA did not make the contractually required payment for energy, capacity, or transmission that was delivered or made available, or if TEA failed to deliver or provide energy, capacity, or transmission as required under a contract. Generally, JEA's guaranty obligations for natural gas procurement and trading would arise if TEA did not make the contractually required payment for natural gas or transportation that was delivered or purchased or if TEA failed to deliver natural gas or transportation as required under a contract. TEA's guaranties are funded by its members. The contribution payments under the electric guaranty are based upon JEA's equity ownership in TEA. For the natural gas guaranty, JEA's contribution payments are based on JEA's forecasted natural gas volumes that are transacted using TEA contracts and prices for the calendar year. After such contributions have been effected, JEA would only have recourse against TEA to recover amounts paid under the guaranty.

The term of these guaranties is generally indefinite, but JEA has the ability to terminate its guaranty obligations by providing advance notice to the beneficiaries thereof. Such termination of its guaranty obligations only applies to TEA transactions not yet entered into at the time the termination takes effect. Such termination would be because of JEA's withdrawal from membership in TEA, or such termination could cause JEA's membership in TEA to be terminated.

8. Long-Term Debt

The Electric System, Bulk Power Supply System, SJRPP System, Water and Sewer System, and DES revenue bonds (JEA Revenue Bonds) are each governed by one or more bond resolutions. The Electric System bonds are governed by both a senior and a subordinated bond resolution; the Bulk Power Supply System bonds are governed by a single bond resolution; the Water and Sewer System bonds are governed by both a senior and a subordinated bond resolution; the SJRPP System bonds are governed by the Second Power Park Resolution; and the DES bonds are governed by a single bond resolution. In accordance with the bond resolutions of each system, principal and interest on the bonds are payable from and secured by a pledge of the net revenues of the respective system. In general, the bond resolutions require JEA to make monthly deposits into the separate debt service sinking funds for each system in an amount equal to approximately one-twelfth of the aggregate amount of principal and interest due and payable on the bonds within the bond year. Interest on the fixed rate bonds is payable semiannually on April 1 and October 1, and principal is payable on October 1.

The various bond resolutions provide for certain other covenants, the most significant of which (1) requires JEA to establish rates for each system such that net revenues with respect to that system are sufficient to exceed (by a certain percentage) the debt service for that system during the fiscal year and any additional amount required to make all reserve or other payments required to be made in such fiscal year by the resolution of that system and (2) restricts JEA from issuing additional parity bonds unless certain conditions are met.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

8. Long-Term Debt (continued)

Below is the schedule of outstanding indebtedness at September 30, 2025 and 2024.

Long-Term Debt	Interest Rates⁽¹⁾	Payment Dates	September 30	
			2025	2024
Electric System Senior Revenue Bonds:				
Series Three 2004A	5.000%	2039	\$ 5	\$ 5
Series Three 2005B	4.750%	2033	100	100
Series Three 2008A ⁽²⁾	Variable	2027-2036	-	51,680
Series Three 2008B-1 ⁽³⁾	Variable	2025-2040	-	51,395
Series Three 2008B-2 ⁽²⁾	Variable	2025-2040	-	41,900
Series Three 2008B-3 ⁽²⁾	Variable	2025-2036	-	37,000
Series Three 2008B-4 ⁽³⁾	Variable	2025-2036	-	36,560
Series Three 2008C-1 ⁽²⁾	Variable	2025-2034	-	44,145
Series Three 2008C-2 ⁽²⁾	Variable	2025-2034	-	43,900
Series Three 2008C-3 ⁽²⁾	Variable	2030-2038	25,000	25,000
Series Three 2008D-1 ⁽³⁾	Variable	2025-2036	-	91,380
Series Three 2009D ⁽⁴⁾	6.056%	2033-2044	45,955	45,955
Series Three 2010E ⁽⁴⁾	5.350-5.482%	2028-2040	34,255	34,255
Series Three 2013C	4.600%	2029	845	845
Series Three 2015B	5.000%	2030-2031	4,535	4,535
Series Three 2017B	3.375-5.000%	2026-2039	198,095	198,095
Series Three 2020A	3.000-5.000%	2026-2041	129,255	129,255
Series Three 2021A	4.000-5.000%	2033-2039	10,385	10,385
Series Three 2024A	5.000%	2025-2040	351,600	-
Total Electric System Senior Revenue Bonds			\$ 800,030	\$ 846,390

Long-Term Debt	Interest Rates⁽¹⁾	Payment Dates	September 30	
			2025	2024
Electric System Subordinated Revenue Bonds:				
2000 Series A ⁽²⁾	Variable	2025	\$ 4,145	\$ 7,885
2008 Series D ⁽²⁾	Variable	2025-2038	-	39,455
2009 Series F ⁽⁴⁾	6.406%	2025-2034	56,600	58,420
2010 Series D ⁽⁴⁾	5.582%	2025-2027	19,470	25,455
2013 Series A	5.000%	2027-2029	-	6,725
2013 Series C	5.000%	2029-2037	-	31,900
2014 Series A	5.000%	2034-2039	-	22,860
2017 Series B	5.000%	2026-2033	108,040	142,065
2020 Series A	4.000-5.000%	2028-2038	92,415	92,415
2021 Series A	4.000-5.000%	2029-2034	34,175	34,175
2024 Series A	5.000%	2027-2039	121,230	-
Total Electric System Subordinated Revenue Bonds			\$ 436,075	\$ 461,355

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

8. Long-Term Debt (continued)

Long-Term Debt	Interest Rates⁽¹⁾	Payment Dates	September 30	
			2025	2024
Electric System Other Subordinated Debt				
Revolving Credit Agreement	Variable	2029	147,000	-
Total Electric System Other Subordinated Debt			\$ 147,000	\$ -
Bulk Power Supply System Revenue Bonds:				
Series 2010A ⁽⁴⁾	5.450-5.920%	2025-2030	19,690	22,270
Total Bulk Power System Revenue Bonds			\$ 19,690	\$ 22,270
SJRPP System Revenue Bonds:				
Issue Three, Series Four(4)	5.150-5.450%	2025-2028	9,140	11,225
Issue Three, Series Six	3.125-3.375%	2025-2027	9,185	19,040
Issue Three, Series Seven	3.000-3.375%	2025-2028	34,785	36,995
Issue Three, Series Eight	3.000-3.125%	2025-2027	7,295	9,590
Total SJRPP System Revenue Bonds			\$ 60,405	\$ 76,850
Long-Term Debt	Interest Rates⁽¹⁾	Payment Dates	September 30	
			2025	2024
Water and Sewer System Senior Revenue Bonds:				
2008 Series A-2 ⁽²⁾	Variable	2028-2042	\$ 51,820	\$ 51,820
2008 Series B ⁽²⁾	Variable	2025-2041	-	81,255
2010 Series A ⁽⁴⁾	6.210-6.310%	2026-2044	83,115	83,115
2010 Series B	5.700%	2025	1,730	3,460
2010 Series F ⁽⁴⁾	5.000-5.887%	2025-2040	37,095	37,595
2017 Series A	3.250-5.000%	2025-2041	305,485	320,965
2020 Series A	3.000-5.000%	2025-2040	96,330	100,210
2021 Series A	3.000-5.000%	2025-2041	113,120	118,595
2024 Series A	5.000-5.500%	2025-2054	488,110	503,835
2025 Series A	5.000-5.250%	2025-2055	532,845	-
Total Water and Sewer System Senior Revenue Bonds			\$ 1,709,650	\$ 1,300,850
Water and Sewer System Subordinated Revenue Bonds:				
Subordinated 2008 Series A-1 ⁽²⁾	Variable	2025-2038	35,900	37,650
Subordinated 2008 Series A-2 ⁽²⁾	Variable	2030-2038	25,600	25,600
Subordinated 2008 Series B-1 ⁽²⁾	Variable	2030-2036	30,885	30,885
Subordinated 2017 Series A	2.750-5.000%	2025-2034	40,155	45,655
Subordinated 2020 Series A	4.000-5.000%	2025-2040	25,635	26,590
Total Water and Sewer System Subordinated Revenue Bonds			\$ 158,175	\$ 166,380
Water and Sewer System Other Subordinated Debt:				
Revolving Credit Agreement	Variable	2029	-	120,000
Water and Sewer System Other Subordinated Debt			\$ -	\$ 120,000

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

8. Long-Term Debt (continued)

Long-Term Debt	Interest Rates⁽¹⁾	Payment Dates	September 30	
			2025	2024
District Energy System:				
2013 Series A	3.394-4.538%	2025-2034	24,025	25,955
2025 Series A	5.053-5.601%	2035-2055	42,000	-
Total District Energy System			\$ 66,025	\$ 25,955
District Energy System Other Subordinated Debt:				
Revolving Credit Agreement	Variable	2029	-	27,000
Total District Energy System Subordinated Debt			\$ -	\$ 27,000
Total Debt Principal Outstanding			3,397,050	3,047,050
Less: Debt Due Within One Year			(105,445)	(106,305)
Total Long-Term Debt			\$ 3,291,605	\$ 2,940,745

⁽¹⁾ Interest rates apply only to bonds outstanding at September 30, 2025. Interest on the outstanding variable rate debt is based on either the daily mode, weekly mode, or the flexible mode, which resets in time increments ranging from 1 to 270 days. In addition, JEA has executed fixed-payer interest rate swaps to effectively fix a portion of its net payments relative to certain variable rate bonds. See the Debt Management Strategy section of this note for more information related to the interest rate swap agreements.

⁽²⁾ Variable rate demand obligations – interest rates ranged from 2.80% to 3.50% at September 30, 2025.

⁽³⁾ JEA has no direct purchase bonds outstanding at September 30, 2025.

⁽⁴⁾ Federally Taxable – Issuer Subsidy – Build America Bonds where JEA expects to receive a cash subsidy payment from the United States Department of the Treasury for an amount up to 35% of the related interest.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

8. Long-Term Debt (continued)

Long-term debt activity for the year ended September 30, 2025 was as follows:

System	Debt Payable September 30, 2024	Par Amount of Debt Issued	Par Amount of Debt Refunded or Defeased	Scheduled Debt Principal Payments	Debt Payable September 30, 2025	Current Portion of Debt Payable September 30, 2025
Electric:						
Revenue	\$ 1,128,410	\$ 472,830	\$ (345,390)	\$ (19,745)	\$ 1,236,105	\$ 33,780
Direct Purchase	179,335	-	(169,145)	(10,190)	-	-
Revolver	-	147,000	-	-	147,000	-
Total Electric	1,307,745	619,830	(514,535)	(29,935)	1,383,105	33,780
Bulk Power Supply	22,270	-	-	(2,580)	19,690	3,105
SJRPP	76,850	-	-	(16,445)	60,405	17,105
Water and Sewer:						
Revenue	1,467,230	532,845	(76,835)	(55,415)	1,867,825	49,460
Revolver	120,000	50,000	(170,000)	-	-	-
Total Water and Sewer	1,587,230	582,845	(246,835)	(55,415)	1,867,825	49,460
DES:						
Revenue	25,955	42,000	-	(1,930)	66,025	1,995
Revolver	27,000	-	(27,000)	-	-	-
Total DES	52,955	42,000	(27,000)	(1,930)	66,025	1,995
Total	\$ 3,047,050	\$ 1,244,675	\$ (788,370)	\$ (106,305)	\$ 3,397,050	\$ 105,445

Long-term debt activity for the year ended September 30, 2024 was as follows:

System	Debt Payable September 30, 2023	Par Amount of Debt Issued	Par Amount of Debt Refunded or Defeased	Scheduled Debt Principal Payments	Debt Payable September 30, 2024	Current Portion of Debt Payable September 30, 2024
Electric:						
Revenue	\$ 1,137,240	\$ -	\$ -	\$ (8,830)	\$ 1,128,410	\$ 19,745
Direct Purchase	187,285	-	-	(7,950)	179,335	10,190
Total Electric	1,324,525	-	-	(16,780)	1,307,745	29,935
Bulk Power Supply	24,765	-	-	(2,495)	22,270	2,580
SJRPP	92,715	-	-	(15,865)	76,850	16,445
Water and Sewer:						
Revenue	1,187,055	503,835	(171,295)	(52,365)	1,467,230	55,415
Revolver	127,000	170,000	(177,000)	-	120,000	-
Total Water and Sewer	1,314,055	673,835	(348,295)	(52,365)	1,587,230	55,415
DES:						
Revenue	27,825	-	-	(1,870)	25,955	1,930
Revolver	11,000	16,000	-	-	27,000	-
Total DES	38,825	16,000	-	(1,870)	52,955	1,930
Total	\$ 2,794,885	\$ 689,835	\$ (348,295)	\$ (89,375)	\$ 3,047,050	\$ 106,305

JEA
 Notes to Financial Statements (continued)
 (Dollars in Thousands)

8. Long-Term Debt (continued)

The debt service payments to maturity on the outstanding debt as of September 30, 2025 are summarized below.

Fiscal Year	Electric System Revenue		Bulk Power Supply System		SJRPP	
	Principal	Interest ⁽¹⁾⁽²⁾	Principal	Interest ⁽²⁾	Principal	Interest ⁽¹⁾
2026	\$ 33,780	\$ 66,700	\$ 3,105	\$ 1,066	\$ 17,105	\$ 1,825
2027	54,805	63,826	3,100	890	17,565	1,245
2028	76,830	60,427	3,205	703	18,060	628
2029	226,890	55,876	3,310	511	7,675	155
2030	79,880	45,886	3,425	311	-	-
2031-2035	465,610	162,027	3,545	105	-	-
2036-2040	407,370	48,426	-	-	-	-
2041-2045	37,940	3,868	-	-	-	-
2046-2050	-	-	-	-	-	-
2051-2055	-	-	-	-	-	-
2056	-	-	-	-	-	-
Total	\$ 1,383,105	\$ 507,036	\$ 19,690	\$ 3,586	\$ 60,405	\$ 3,853

Fiscal Year	Water and Sewer System		District Energy System		Total Debt Service
	Principal	Interest ⁽¹⁾	Principal	Interest ⁽¹⁾⁽²⁾	
2026	\$ 49,460	\$ 88,448	\$ 1,995	\$ 3,561	\$ 267,045
2027	49,490	86,074	2,065	3,224	282,284
2028	53,360	83,497	2,145	3,141	301,996
2029	53,320	80,822	2,235	3,048	433,842
2030	58,205	78,081	2,330	2,951	271,069
2031-2035	290,050	350,459	13,255	13,091	1,298,142
2036-2040	352,515	280,559	6,240	10,770	1,105,880
2041-2045	262,670	214,942	8,080	8,872	536,372
2046-2050	284,955	149,703	10,565	6,316	451,539
2051-2055	368,800	63,383	13,860	2,936	448,979
2056	45,000	4,883	3,255	91	53,229
Total	\$ 1,867,825	\$ 1,480,851	\$ 66,025	\$ 58,001	\$ 5,450,377

⁽¹⁾ The interest requirement reflects gross interest, prior to any 35% cash subsidy payments, on the Federally Taxable – Issuer Subsidy – Build America Bonds.

⁽²⁾ The interest requirement for the variable rate debt was determined by using the interest rates that were in effect at the financial statement date of September 30, 2025.

⁽³⁾ The principal requirement for Fiscal Year 2029 includes the outstanding amounts drawn upon the revolving credit agreements, which are scheduled to expire on August 28, 2029.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

8. Long-Term Debt (continued)

JEA, at its option, may redeem specific outstanding fixed rate JEA Revenue Bonds prior to maturity, as discussed in the official statements covering their issuance. A summary of the redemption provisions, excluding federally taxable bonds with make-whole redemption provisions, is as follows:

	Electric System	SJRPP	Water and Sewer System	District Energy System
Earliest fiscal year for redemption	2026	2026	2026	2026
Redemption price	100%	100%	100%	100%
Par available for redemption	\$ 12,535	\$ 51,265	\$ 76,540	\$ 24,025

JEA, at its option, may redeem federally taxable bonds, including Build America Bonds, with make-whole redemption provisions, in whole or in part, on any date, as discussed in the official statements covering their issuance. A summary of the make-whole redemption provisions is as follows:

	Electric System	Bulk Power Supply System	SJRPP	Water and Sewer System
Earliest fiscal year for redemption	2026	2026	2026	2026
Redemption price	Make-Whole	Make-Whole	Make-Whole	Make-Whole
Par available for redemption	\$ 156,280	\$ 19,690	\$ 9,140	\$ 121,940

JEA debt issued during fiscal year 2025 is summarized as follows:

System	Debt Issues	Purpose	Priority of Lien	Month of Issue	Par Amount Issued	Par Amount Refunded	Accounting Gain/(Loss)
Electric	2024 Series A	Refunding ⁽¹⁾	Senior	Oct 2024	\$ 351,600	\$ 379,695	\$ (29,969)
Electric	2024 Series A	Refunding ⁽²⁾	Subordinated	Oct 2024	121,230	134,840	(3,141)
Water and Sewer	2025 Series A	New Money	Senior	Jan 2025	462,000	-	-
Water and Sewer	2025 Series A	Refunding ⁽³⁾	Senior	Jan 2025	70,845	76,835	(3,417)
DES	2025 Series A	New Money	Senior	Feb 2025	42,000	-	-
Total					<hr/> \$ 1,047,675	<hr/> \$ 591,370	<hr/> \$ (36,527)

⁽¹⁾ Fixed rate bonds issued to refund fixed rate bonds with new debt service of \$483,363 compared to prior debt service of \$494,141 and (\$450) of net present value economic savings.

⁽²⁾ Fixed rate bonds issued to refund fixed rate bonds with new debt service of \$188,909 compared to prior debt service of \$201,275 and \$8,302 of net present value economic savings.

⁽³⁾ Fixed rate bonds issued to refund fixed rate bonds with new debt service of \$166,194 compared to prior debt service of \$116,169 and \$1,300 of net present value economic savings.

JEA
 Notes to Financial Statements (continued)
 (Dollars in Thousands)

8. Long-Term Debt (continued)

JEA issued during fiscal year 2024 is summarized as follows:

System	Debt Issues	Purpose	Priority of Lien	Month of Issue	Par Amount Issued	Par Amount Refunded	Accounting Gain/Loss
Water and Sewer	2024 Series A	New Money	Senior	Feb 2024	\$ 353,000	\$ -	\$ -
Water and Sewer	2024 Series A	Refunding ⁽¹⁾	Senior ⁽²⁾	Feb 2024	150,835	171,295	4,320
Total					\$ 503,835	\$ 171,295	\$ 4,320

⁽¹⁾ Fixed rate bonds issued to refund fixed rate bonds with new debt service of \$207,277 compared to prior debt service of \$223,207 and \$12,408 of net present value economic savings.

⁽²⁾ Senior bonds issued to refund \$162,865 senior bonds and \$8,430 subordinated bonds.

The JEA Board has authorized the issuance of additional bonds within certain parameters for the Electric System, SJRPP, the Water and Sewer System, and DES. The following table summarizes the maximum amounts that could be issued:

System	New Money Authorization		Refunding Authorization		Expiration
	Senior	Subordinated	Senior	Subordinated	
Electric	\$ 148,000	\$ -	\$ 445,000	\$ 156,000	September 30, 2025
SJRPP Issue Three	-	-	72,000	-	September 30, 2025
Water and Sewer	462,000	-	218,000	97,000	September 30, 2025
District Energy System	42,000	-	29,000	-	September 30, 2025

Variable Rate Demand Obligations (VRDOs) – Liquidity Support

For the Electric System and the Water and Sewer System VRDOs appearing in the schedule of outstanding indebtedness, and except for the obligations noted in the following paragraphs, liquidity support is provided in connection with tenders for purchase with various liquidity providers pursuant to standby bond purchase agreements (SBPA) relating to that series of obligation. The purchase price of the obligations tendered or deemed tendered for purchase is payable from the proceeds of the remarketing thereof and moneys drawn under the applicable SBPA. At September 30, 2025, there were no outstanding draws under the SBPA. In the event of the expiration or termination of the SBPA that results in a mandatory tender of the VRDOs and the purchase of the obligations, then beginning on April 1 or October 1, whichever date is at least six months subsequent to the purchase of the obligations by the bank, JEA shall begin to make equal semiannual installments over an approximate five-year period. Commitment fees range from 0.40% to 0.41% with stated termination dates ranging from July 26, 2026 to June 25, 2027, unless otherwise extended.

JEA entered into irrevocable direct-pay letter of credit and reimbursement agreement to support the payment of principal and interest on the Water and Sewer System 2008 Series A 2 VRDOs. The letter of credit agreement constitutes both a credit facility and a liquidity facility. As of September 30, 2025, there were no draws outstanding under the letter of credit agreement. Repayment of any draws outstanding at the expiration date are payable in equal semiannual installments over an approximate five-year period. The commitment fee is 0.42% with a stated expiration date of September 27, 2028, unless otherwise extended.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

8. Long-Term Debt (continued)

Revolving Credit Agreement

JEA replaced the existing revolving credit agreement in fiscal year 2025, increasing the unsecured amount of \$500,000 with two separate revolving credit agreements totaling an unsecured amount of \$700,000, \$350,000 for the Electric System and \$350,000 for the Water and Sewer System and DES. The revolving credit agreement for the Electric System may be used with respect to the Electric System for operating or capital expenditures. The revolving credit agreement for the Water and Sewer System and DES may be used with respect to the Water and Sewer System and DES for operating or capital expenditures. The revolving credit agreements specify events of default that require immediate repayment of outstanding amounts. During the years ended September 30, 2025 and 2024, JEA did not default on any terms of the original revolving credit agreement or the two replacement revolving credit agreements. During fiscal year 2025, the Electric System drew \$147,000 and the Water and Sewer System drew \$50,000, with \$170,000 being repaid with proceeds from the Water and Sewer System bond issuance and \$27,000 being repaid with proceeds from the DES bond issuance, increasing the Electric System balance outstanding to \$147,000 and eliminating the Water and Sewer System and DES balances outstanding in their entirety. As of September 30, 2025, the revolving credit agreements have \$553,000 available to be drawn. The revolving credit agreements are scheduled to expire on August 28, 2029.

Debt Management Strategy

JEA has entered into various interest rate swap agreements, executed in conjunction with debt financings for initial terms up to 35 years (unless earlier terminated). JEA utilizes floating to fixed interest rate swaps as part of its debt management strategy. For purposes of this note, the term floating to fixed interest rate swaps refers to swaps in which JEA receives a floating rate and pays a fixed rate.

The fair value of the interest rate swap agreements and related hedging instruments is reported in the long-term debt section in the accompanying statements of net position; however, the notional amounts of the interest rate swaps are not reflected in the accompanying financial statements. JEA follows GASB Statement No. 53, Accounting and Financial Reporting for Derivative Instruments; therefore, hedge accounting is applied where fair market value changes are recorded in the accompanying statements of net position as either deferred outflow or deferred inflow of resources.

The earnings from the debt management strategy interest rate swaps are recorded to interest on debt in the accompanying statements of revenues, expenses, and changes in net position.

JEA entered into all outstanding floating to fixed interest rate swap agreements during prior fiscal years. JEA terminated all interest rate swap agreements in fiscal year 2025. JEA has no outstanding interest rate swaps at September 30, 2025.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

8. Long-Term Debt (continued)

The terms of the floating to fixed interest rate swap agreements outstanding at September 30, 2024, are as follows:

System	Hedged Bonds	Initial Notional Amount	Notional Amount Outstanding	Fixed Rate of Interest	Effective Date	Termination Date	Variable Rate Index
Electric	Series Three 2008C	\$ 174,000	\$ 84,800	3.7%	Sep 2003	Sep 2033	68% of 1 month LIBOR fallback ⁽¹⁾
Electric	Series Three 2008B	117,825	82,575	4.4%	Aug 2008	Oct 2039	SIFMA
Electric	Series Three 2008B	116,425	72,750	3.7%	Sep 2008	Oct 2035	68% of 1 month LIBOR fallback ⁽¹⁾
Electric	2008 Series D	40,875	39,175	3.7%	Mar 2009	Oct 2037	68% of 1 month LIBOR fallback ⁽¹⁾
Electric	Series Three 2008D-1	98,375	59,755	3.9%	May 2008	Oct 2031	SIFMA
Electric	Series Three 2008A	100,000	51,680	3.8%	Jan 2008	Oct 2036	SIFMA
Water and Sewer	2008 Series B	85,290	81,255	3.9%	Mar 2007	Oct 2041	SIFMA
		\$ 732,790	\$ 471,990				

For fiscal years ended September 30, 2025 and 2024, all outstanding interest rate swap agreements were considered effective hedging instruments. The following table includes fiscal year 2025 and 2024 summary information for JEA's effective cash flow hedges related to the outstanding floating to fixed interest rate swap agreements.

Changes in Fair Value		Fair Value at September 30, 2025			
System	Classification	Amount	Classification	Amount ⁽¹⁾	Notional
Electric	Deferred outflows	\$ 36,057	Fair value of debt management strategy instruments	\$ -	\$ -
Water and Sewer	Deferred outflows	8,028	Fair value of debt management strategy instruments	\$ -	\$ -
Total		\$ 44,085		\$ -	\$ -

Changes in Fair Value		Fair Value at September 30, 2024			
System	Classification	Amount	Classification	Amount ⁽¹⁾	Notional
Electric	Deferred outflows	\$ (20,321)	Fair value of debt management strategy instruments	\$ (36,057)	\$ 390,735
Water and Sewer	Deferred outflows	(5,396)	Fair value of debt management strategy instruments	(8,028)	81,255
Total		\$ (25,717)		\$ (44,085)	\$ 471,990

⁽¹⁾ Fair value amounts were calculated using market rates and standard cash flow present valuing techniques.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

8. Long-Term Debt (continued)

For fiscal years ended September 30, 2025 and 2024, the weighted-average rates of interest for each index type of floating to fixed interest rate swap agreement and the total net swap earnings were as follows:

	2025	2024
68% of LIBOR fallback (based on SOFR Index) and LIBOR Index:		
Notional amount outstanding	\$ -	\$ 196,725
Variable rate received (weighted average)	- 3.69%	3.69%
Fixed rate paid (weighted average)	- 3.70%	3.70%
 SIFMA Index (formerly BMA Index):		
Notional amount outstanding	\$ -	\$ 275,265
Variable rate received (weighted average)	3.18%	3.47%
Fixed rate paid (weighted average)	3.90%	4.02%
 Net debt management swap loss	 \$ (134)	 \$ (1,417)

Credit Risk – JEA is exposed to credit risk on hedging derivative instruments that are in asset positions. To minimize its exposure to loss related to credit risk, the Board has established limits on the notional amount of JEA's interest rate swap transactions and standards for the qualification of financial institutions with which JEA may enter into interest rate swap transactions. The counterparties with which JEA may deal must be rated (i) "AAA"/"Aaa" by one or more nationally recognized rating agencies at the time of execution, (ii) "A"/"A2" or better by at least two of such credit rating agencies at the time of execution, or (iii) if such counterparty is not rated "A"/"A2" or better at the time of execution, provide for a guarantee by an affiliate of such counterparty rated at least "A"/"A2" or better at the time of execution where such affiliate agrees to unconditionally guarantee the payment obligations of such counterparty under the swap agreement. In addition, each swap agreement will require the counterparty to enter into a collateral agreement to provide collateral when the ratings of such counterparty (or its guarantor) fall below "AA-"/"Aa3" and a payment is owed to JEA. All of JEA's swap agreements were terminated in fiscal year 2025. JEA has no outstanding interest rate swaps at September 30, 2025, in asset or liability positions, and therefore, are not subject to any credit risk exposure related to interest rate swaps at September 30, 2025.

Market Access Risk – JEA is exposed to market access risk due to potential market disruptions in the municipal credit markets that could inhibit the issuing or remarketing of bonds and related hedging instruments. JEA maintains strong credit ratings (see Debt Administration section of the Management Discussion and Analysis) and, to date, has not encountered any barriers to the credit markets.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

9. Related Party Transactions

City of Jacksonville

Utility and Administrative Services

JEA is a separately governed authority and considered a discretely presented component unit of the City. JEA provides electric, water, and sewer service to the City and its agencies and bills for such service using established rate schedules. JEA utilizes various services provided by departments of the City including insurance, legal, and motor pool. JEA is billed on a proportionate cost basis with other user departments and agencies. The revenues for services provided and expenses for services received by JEA for these related-party transactions with the City were as follows:

	2025	2024
Revenues	\$ 30,146	\$ 28,315
Expenses	\$ 6,682	\$ 5,466

City Contribution

JEA contributes annually to the General Fund of the City. The contribution payment for fiscal year 2024 was 1% over the prior year as prescribed in Article 21.07 in the Charter of the City of Jacksonville. On July 15, 2025, the City Finance Committee approved an amendment to the article which removed the old calculation and set the contribution amounts for fiscal years 2025 thru 2029. The fiscal year 2025 contribution of \$137,424 becomes the base amount and increases 1% per year thru 2029. If after this time the Council does not reconsider the contribution amounts, the contribution amount will increase 1% each year using the fiscal year 2029 amount of \$143,004 as the base amount. There is no maximum annual assessment.

Fiscal year 2026 also includes an additional one time contribution of \$40,000.

The contributions from the JEA Electric Enterprise Fund and JEA Water and Sewer Fund were as follows:

	2025	2024
Electric	\$ 97,709	\$ 95,209
Water and Sewer	\$ 39,715	\$ 28,439

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

9. Related Party Transactions (continued)

Although the calculation for the annual transfer of available revenue from JEA to the City is based upon formulas that are applied specifically to each utility system operated by JEA, JEA, at its sole discretion, may utilize any of its available revenues, regardless of source, to satisfy its total annual obligation to the City. Contributions thru FY 2029 are as follows:

Fiscal Year	Base Amount	Additional Payment
2025	\$ 137,424	\$ -
2026	138,798	40,000
2027	140,186	-
2028	141,588	-
2029	143,004	-

Franchise Fees

In 2008, the City enacted a 3.0% franchise fee from designated revenues of the Electric and Water and Sewer systems. The ordinance authorizes JEA to pass through these fees to its electric and water and sewer funds. These amounts are included in operating revenues and expenses and were as follows:

	2025	2024
Electric	\$ 35,312	\$ 32,038
Water and Sewer	\$ 12,016	\$ 11,483

Insurance Risk Pool

JEA is exposed to various risks of loss related to torts, theft and destruction of assets, errors and omissions, and natural disasters. In addition, JEA is exposed to risks of loss due to injuries and illness of its employees. These risks are managed through the Risk Management Division of the City, which administers the public liability (general liability and automobile liability) and workers' compensation self-insurance program covering the activities of the City general government, JEA, Jacksonville Housing Authority, Jacksonville Port Authority, and the Jacksonville Aviation Authority. The general objectives are to formulate, develop, and administer, on behalf of the members, a program of insurance to obtain lower costs for that coverage and to develop a comprehensive loss control program.

JEA has excess coverage for individual workers' compensation claims above \$1,500. Liability for claims incurred is the responsibility of, and is recorded in, the City's self-insurance plan. The premiums are calculated on a retrospective or prospective basis, depending on the claims experience of JEA and other participants in the City's self-insurance program. The liabilities are based on the estimated ultimate cost of settling the claim including the effects of inflation and other societal and economic factors. The JEA workers' compensation expense is the premium charged by the City's self-insurance plan. JEA is also a participant in the City's general liability insurance program. As part of JEA's risk management program, certain commercial insurance policies are purchased to cover designated exposures and potential loss programs.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

9. Related Party Transactions (continued)

These amounts are included in operating expenses and were as follows:

	2025	2024
General liability	\$ 2,681	\$ 2,249
Workers' compensation	\$ 1,662	\$ 1,942

The following table shows amounts recorded by the City at present value using a 4% discount rate, for estimated workers' compensation and general liability loss accruals for the City and JEA's portion for the fiscal years ended September 30, 2025 and 2024.

	Workers' Compensation		General Liability	
	City of Jacksonville	JEA Portion	City of Jacksonville	JEA Portion
Beginning balance	\$ 140,074	\$ 3,789	\$ 20,252	\$ 3,376
Change in provision	28,531	2,559	12,384	1,325
Payments	(25,072)	(1,556)	(11,173)	(1,618)
Ending balance	\$ 143,533	\$ 4,792	\$ 21,463	\$ 3,083

10. Fuel Purchase and Purchased Power Commitments

JEA has committed to purchase approximately 27,500 tons of coal and 46,500 tons of petroleum coke for Northside. Contract terms specify minimum annual purchase commitments at fixed prices or at prices that are subject to market adjustments. JEA has remarketing rights under the coal contracts. JEA's coal supply is purchased with transportation included.

JEA has a power purchase agreement (PPA) with Florida Power & Light (FPL) which provides 200 MW of day-ahead scheduled power. The pricing structure of the FPL PPA is based on the system cost of its natural gas combined cycle units and has a term of 20 years.

JEA has commitments to purchase natural gas delivered to Jacksonville under a long-term contract with Shell Energy North America L.P. (Shell Energy) until 2031. Contract terms for the natural gas supply specify minimum annual purchase commitments at market prices. JEA has the option to remarket any excess natural gas purchases. In addition to the gas delivered by Shell Energy, JEA has long-term contracts with Peoples Gas system, Florida Gas Transmission, Southern Natural Gas and SeaCoast Gas Transmission for firm gas transportation to allow the delivery of natural gas through those pipeline systems. There is no purchase commitment of natural gas associated with those transportation contracts.

JEA has 10 contracts to purchase prepaid natural gas supplies at specified volumes of 55,000 mmBtu/day to 63,000 mmBtu/day, depending on the month, as of September 30, 2025. The prepaid natural gas will be supplied from locations using JEA's firm natural gas transportation or natural gas supply agreements and will expire at various dates from 2039 to 2054. JEA's financial obligations under the gas supply agreements are based on index prices for monthly deliveries at the delivery point and are on a take-and-pay basis whereby JEA is only obligated to pay for gas that is delivered.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

10. Fuel Purchase and Purchased Power Commitments (continued)

In the unlikely event that JEA would not be in a position to fulfill its obligations to receive fuel and purchased power under the terms of its existing fuel and purchased power contracts, JEA would nonetheless be obligated to make certain future payments. If the conditions necessitating the future payments occurred, JEA would mitigate the financial impact of those conditions by remarketing the fuel and purchased power at then-current market prices. The aggregate amount of future payments that JEA does not expect to be able to mitigate appears in the table below:

Fiscal Year Ending	Coal and Pet Coke		Natural Gas		Total
	Fuel	Transportation	Transportation	Transmission	
2026	\$ 371	\$ 1,353	\$ 5,328	\$ 16,800	\$ 23,852
2027			5,328	16,800	22,128
2028			5,328	16,800	22,128
2029			5,342	16,800	22,142
2030-2044			8,875	205,800	214,675
Total	\$ 371	\$ 1,353	\$ 30,201	\$ 273,000	\$ 304,925

Combined Cycle Natural Gas Facility

On August 26, 2025, the JEA Board of Directors approved the development and construction of a new Combined Cycle Natural Gas Facility designed to strengthen system reliability, meet future capacity needs, and support long-term resource planning objectives. The facility will be located at the former St. Johns River Power Park site and is planned to replace Northside Generation Station (NGS) Unit 3. JEA plans to retire NGS Unit 3 by 2031 due to its age, costly repairs, and the potential need for more investment due to environmental regulations.

The facility will utilize advanced combined-cycle technology consisting of combustion turbines, heat-recovery steam generators, and a steam turbine to maximize thermal efficiency. Once operational, the plant is expected to provide up to 675 MW of dispatchable generation to support system load requirements and maintain compliance with regional reliability standards.

The total project cost is currently estimated at \$1,570,000, which includes engineering and design services, equipment procurement, construction labor, contingency, and allowance for inflation. The cost estimate is based on preliminary engineering and market pricing available at the time of approval and may be updated as the project progresses through detailed design and contracting phases.

The project will be funded through a combination of system revenues, available cash reserves, and to borrow as needed using draws on the bank revolving credit facility, with periodic municipal bond issuances to refinance short-term borrowings and fund additional capital, subject to market conditions and JEA's approved capital financing plan. JEA signed an agreement with GE Vernova in August 2025 and paid a deposit in October 2025 to reserve JEA's position in the manufacturer's production schedule. All expenditures related to the project will be recorded as construction-in-progress until the facility is placed into commercial operation.

Management has evaluated applicable accounting guidance for regulated utilities and has determined that the project meets the criteria for capitalization under GASB Statement No. 62. The Board's approval represents a commitment to move forward with the project; however, actual costs and timelines may vary due to supply-chain factors, permitting requirements, labor availability, and other risks inherent in large-scale infrastructure projects.

JEA will continue to monitor project developments and update financial disclosures in future reporting periods as significant milestones are reached or when material changes to the cost estimate or schedule occur.

Vogtle Units Purchased Power Agreement

Overview

As a result of an earlier 2008 Board policy establishing a 10% of total energy from nuclear energy goal, JEA entered into a power purchase agreement (as amended, the Additional Vogtle Units PPA) with the Municipal Electric Authority of Georgia (MEAG) for 206 megawatts (MW) of capacity and related energy from MEAG's interest in two additional nuclear generating units (the Additional Vogtle Units or Plant Vogtle Units 3 and 4) at the Alvin W. Vogtle Nuclear Plant in Burke County, Georgia. The owners of the Additional Vogtle Units include Georgia Power Company (Georgia Power), Oglethorpe Power Corporation, MEAG and the City of Dalton, Georgia (collectively, the Vogtle Co-Owners). The energy received under the Additional Vogtle Units PPA is projected to represent approximately 12% of JEA's total energy requirements in the year 2030.

The Additional Vogtle Units PPA requires JEA to pay MEAG for the capacity and energy at the full cost of production (including debt service on the bonds issued and to be issued by MEAG and on the loans made and to be made by the Project J Entity referred to below, in each case, to finance the portion of the capacity to be sold to JEA from the Additional Vogtle Units) plus a margin over the term of the Additional Vogtle Units PPA. Under the Additional Vogtle Units PPA, JEA is entitled to 103 MW of capacity and related energy from each of the Additional Vogtle Units for a 20-year term commencing on each Additional Vogtle Unit's commercial operation date and is required to pay for such capacity and energy on a take-or-pay basis (that is, whether or not either Additional Vogtle Unit is operating or operable, whether or not its output is suspended, reduced or the like, or terminated in whole or in part) except that JEA is not obligated to pay the margin referred to above during such periods in which the output of either Additional Vogtle Unit is suspended or terminated.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

10. Fuel Purchase and Purchased Power Commitments (continued)

Financing and In-Service Costs

MEAG created three separate projects (the Vogtle Units 3 and 4 Project Entities) for the purpose of owning and financing its 22.7% undivided ownership interest in the Additional Vogtle Units (representing approximately 500.308 MW of capacity and related energy based upon the nominal rating of the Units). The project corresponding to the portion of MEAG's ownership interest, which will provide the capacity and energy to be purchased by JEA under the Additional Vogtle Units PPA, is referred to herein as Project J. MEAG's total in-service cost for its entire undivided ownership interest in the Additional Vogtle Units is \$7,495,604, including construction and financing costs through the estimated in-service dates, initial fuel load costs, switchyard and transmission costs, and contingencies established by Georgia Power at the project level for all Vogtle Co-Owners. MEAG has additionally provided that its total capital costs for its share of the Additional Vogtle Units, including reserve funds and other fund deposits required under the financing documents, are approximately \$8,037,152. A certain portion of these costs reflect a reduction in accordance with the 2019 Global Amendments to the Plant Vogtle Joint Operating Agreements. The total in-service cost for the Additional Vogtle Units allocable to Project J and the portion of additional in-service costs relating to reserve funds and other fund deposits is \$3,465,893.

On September 29, 2022, MEAG announced that MEAG and the Vogtle Units 3 and 4 Project Entities had entered into a Definitive Settlement Agreement with Georgia Power (the Settlement Agreement) to resolve claims relating to the 2019 Global Amendments pending in litigation filed by MEAG and the Vogtle Units 3 and 4 Project Entities on June 18, 2022, in the Superior Court of Fulton County, Georgia. Under the Settlement Agreement:

- Georgia Power reimbursed the Vogtle Units 3 and 4 Project Entities for (1) 15% of their share of the actual cost of construction of the Additional Vogtle Units in excess of \$18.7 billion, up to and including \$19.6 billion, and (2) 20% of their share of the actual cost of construction of the Additional Vogtle Units in excess of \$19.6 billion. MEAG and the Vogtle Units 3 and 4 Project Entities released Georgia Power from claims for reimbursement of costs of construction of the Additional Vogtle Units other than pursuant to the Settlement Agreement;
- The Vogtle Units 3 and 4 Project Entities would not tender any of their ownership interests in the Additional Vogtle Units to Georgia Power, which remained 22.7% in the aggregate;
- The parties dismissed with prejudice the existing litigation among them and deliver customary releases relating to the litigation; and
- MEAG Power waived its rights under the Agreement Regarding Additional Participating Party Rights, dated November 2, 2017, by and among MEAG, Georgia Power, and the other Vogtle Co-Owners (Additional Rights Agreement), and agreed to vote to continue the construction of the Additional Vogtle Units upon occurrence of specified project adverse events unless the commercial operation date of either of the Additional Vogtle Units was not projected to occur by December 31, 2025.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

10. Fuel Purchase and Purchased Power Commitments (continued)

Financing for Project J – In order to finance a portion of its acquisition and construction of Project J and to refund bond anticipation notes previously issued by MEAG, MEAG issued \$1,248,435 of its Plant Vogtle Units 3 and 4 Project J Bonds (the 2010 PPA Bonds) on March 11, 2010. Of the total 2010 PPA Bonds, approximately \$1,224,265 were issued as Federally Taxable – Issuer Subsidy – Build America Bonds where MEAG expects to receive a cash subsidy payment from the United States Treasury for 35% of the related interest, subject to reduction due to sequestration. At this time, a portion of the interest subsidy payments with respect to the Build America Bonds is not being paid as a result of the federal government sequestration process and the Bipartisan Budget Act of 2019 for the current fiscal year through fiscal year 2030. The current sequestration rate of 5.7% will be applied unless and until a law is enacted that cancels or otherwise affects the sequester. MEAG issued \$185,180 of additional Project J tax-exempt bonds on September 9, 2015. In addition, MEAG issued \$570,925 of additional Project J tax-exempt bonds on July 19, 2019. JEA was not asked to, and did not, provide updated disclosure regarding JEA in connection with the preparation of MEAG's July 18, 2019 Project J Bonds Series 2019A Official Statement relating to the issuance and JEA did not make any representations or warranties, or deliver any opinions of legal counsel, in connection with the offering, issuance, and sale of the Project J Bonds, Series 2019A. Further, on July 20, 2021, July 12, 2022 and January 19, 2023, MEAG issued \$150,350, \$212,005, and \$192,370 of additional Project J tax-exempt bonds, Series 2021A, Series 2022A and Series 2023A, respectively. JEA provided updated disclosure regarding JEA in connection with MEAG's July 8, 2021 Project J Bonds, Series 2021A Official Statement, June 29, 2022 Project J Bonds, Series 2022A Official Statement and January 12, 2023 Project J Bonds, Series 2023A Official Statement, respectively, relating to the issuances and JEA made certain representations and warranties and delivered opinions of legal counsel in connection with the offering, issuance, and sale of the Project J Bonds, Series 2021A, 2022A and 2023A.

On June 24, 2015, in order to obtain certain loan guarantees from the United States Department of Energy (DOE) for further funding of Plant Vogtle Units 3 and 4, MEAG divided its undivided ownership interest in Plant Vogtle Units 3 and 4 into three separate undivided interests and transferred such interests to the Vogtle Units 3 and 4 Project Entities. MEAG transferred approximately 41.175% of its ownership interest, representing 206 MW of nominally rated generating capacity (which is the portion of MEAG's ownership interest attributable to Project J), to MEAG Power SPVJ, LLC (the Project J Entity).

The Project J Entity entered into a loan guarantee agreement with the DOE in 2015, subsequently amended in 2016 and 2017, under which the Project J Entity is permitted to borrow from the Federal Financing Bank an aggregate amount of approximately \$687,279, all of which has been advanced to date.

On September 28, 2017, DOE, MEAG, and the Vogtle Units 3 and 4 Project Entities entered into a conditional commitment for additional DOE loan guarantees in the aggregate amount of \$414,700. On March 22, 2019, MEAG announced that it had closed on the additional DOE loan guarantees in the aggregate amount of \$414,700. The Project J Entity's portion of the \$414,700 in additional loan guarantees is \$111,541 and this amount was fully drawn on October 2, 2021. MEAG expects that any future financing needs for Project J will be financed in the capital markets, or bank borrowings.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

10. Fuel Purchase and Purchased Power Commitments (continued)

The following is a summary of financing associated with Project J:

Long-term bonds	\$	
2010A Build America bonds	\$	1,224,265
2010B tax-exempt bonds		24,170
2015A tax-exempt bonds		185,180
2019A tax-exempt bonds		570,925
2021A tax-exempt bonds		150,350
2022A tax-exempt bonds		212,005
2023A tax-exempt bonds		192,370
<u>Remaining financing requirement</u>		<u>32,400</u>
Total long-term bonds		2,591,665
DOE advances ⁽¹⁾		
2015 DOE advances		345,991
2019 DOE advances		229,748
2020 DOE advances		111,541
Total DOE advances		687,280
Estimated interest earnings and bond premiums		186,948
Total capital requirements⁽²⁾	\$	3,465,893

⁽¹⁾ Includes advances and related capitalized interest accretion.

⁽²⁾ Represents total construction costs and required reserve deposits, net of payments received.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

10. Fuel Purchase and Purchased Power Commitments (continued)

Based on information provided by MEAG, JEA's portion of the debt service on the outstanding Project J debt as of September 30, 2025, is summarized as follows:

Fiscal Year Ending September 30	Principal	Interest	Annual Debt Service	Build America Bonds Subsidy	Net Debt Service
2026	\$ 38,710	\$ 154,114	\$ 192,824	\$ (25,378)	\$ 167,446
2027	40,198	151,470	191,668	(24,993)	166,675
2028	41,776	149,136	190,912	(24,592)	166,320
2029	43,399	147,039	190,438	(24,173)	166,265
2030	45,082	144,823	189,905	(23,737)	166,168
2031	46,838	142,515	189,353	(23,281)	166,072
2032	48,622	140,231	188,853	(22,806)	166,047
2033	50,586	137,585	188,171	(22,311)	165,860
2034	52,603	134,967	187,570	(21,794)	165,776
2035	54,653	132,310	186,963	(21,255)	165,708
2036	48,287	129,544	177,831	(20,692)	157,139
2037	37,324	126,607	163,931	(20,106)	143,825
2038	33,865	123,576	157,441	(19,494)	137,947
2039	31,040	120,342	151,382	(18,855)	132,527
2040	22,063	117,079	139,142	(18,189)	120,953
2041	19,177	113,625	132,802	(17,495)	115,307
2042	13,207	110,427	123,634	(16,770)	106,864
2043	7,063	91,564	98,627	(13,880)	84,747
2044	2,527	21,731	24,258	(3,550)	20,708
Total	\$ 677,020	\$ 2,388,685	\$ 3,065,705	\$ (383,351)	\$ 2,682,354

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

10. Fuel Purchase and Purchased Power Commitments (continued)

Construction Arrangements for the Additional Vogtle Units

As a result of the bankruptcy of the original contractor for the Additional Vogtle Units and increases in the construction costs, the Vogtle Co-Owners restructured the construction arrangements for the Additional Vogtle Units. Under the restructured construction arrangements:

- Bechtel Power Corporation (Bechtel) served as the prime construction contractor for the remaining construction activities for Plant Vogtle Units 3 and 4 under a Construction Agreement entered into between Bechtel and Georgia Power, acting for itself and as agent for the other Vogtle Co-Owners (the Construction Agreement), which is a cost reimbursable plus fee arrangement, which means that the Construction Agreement does not require Bechtel to absorb any increases in construction costs.
- In August 2018, the Vogtle Co-Owners approved amendments to their joint ownership agreements for Plant Vogtle Units 3 and 4 (as amended, the Vogtle Joint Ownership Agreements) that limit the circumstances under which the holders of at least 90% of the ownership interests in Plant Vogtle Units 3 and 4 are required to approve the continuance of the construction of the Additional Vogtle Units to a few events, including the delay of one year or more over the most recently approved project schedule. Such events do not include increases in the construction budget.
- Under the Vogtle Joint Ownership Agreements, Georgia Power had the right to cancel the project at any time in its discretion.

The construction costs to complete Project J's share of the Additional Vogtle Units have significantly increased from the original project budget of approximately \$1,400,000 to the final cost of approximately \$3,465,893 inclusive of financing costs and required reserves. In addition, significant delays in the project's construction schedule have resulted in the original placed inservice dates for Vogtle Unit 3 of April 2016 and for Vogtle Unit 4 of April 2017 being revised to July 31, 2023 for Vogtle Unit 3 and April 29, 2024 for Vogtle Unit 4, respectively.

Increases in construction costs for Plant Vogtle Units 3 and 4 have resulted in increases in the payment obligations of JEA for capacity and energy under the Additional Vogtle Units PPA. See the Overview and Financing and In-Service Costs sections above and Litigation and Regulatory Proceedings section below for a description of the complaint filed by JEA and the City challenging the enforceability of the Additional Vogtle Units PPA.

Litigation and Regulatory Proceedings

On July 30, 2020, JEA and MEAG filed a voluntary notice and announced a settlement of all disputed issues relating to the Additional Vogtle Units PPA. In connection with the litigation settlement, MEAG and JEA executed an amendment to the Additional Vogtle Units PPA pursuant to which MEAG and JEA agreed to an increase in the Additional Compensation Obligation payable by JEA to MEAG of \$0.75 per MWh of energy delivered to JEA thereunder.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

10. Fuel Purchase and Purchased Power Commitments (continued)

In addition, MEAG and JEA also entered into an agreement that, subject to the rights granted to other Project J participants in their Project J power sales contracts, grants to JEA a right of first refusal to purchase all or any portion of the entitlement share of a Project J participant to the output and services of Project J in the event that any Project J participant requests MEAG to effectuate a sale of such entitlement share pursuant to such participant's Project J power sales contract. This right of first refusal is applicable during the period commencing 10 years following the commercial operation date of the first of Vogtle Unit 3 or Vogtle Unit 4 to achieve commercial operation (July 31, 2033) and continuing until the expiration of 20 years following such commercial operation dates. In order to exercise its right of first refusal as described above, JEA will be required to pay the price offered by a third-party purchaser or the fully embedded costs as provided for in the Project J power sales contract, whichever is greater.

Option to Purchase Interest in Lee Nuclear Station

On February 1, 2011, JEA entered into an option agreement with Duke Energy Carolinas, LLC (Duke Carolinas), a wholly owned subsidiary of Duke Energy Corporation, pursuant to which JEA has the option (but not the obligation) to purchase an undivided ownership interest of not less than 5% and not more than 20% of the proposed two-unit nuclear station currently known as William States Lee III Nuclear Station, Units 1 and 2 to be constructed at a site in Cherokee County, South Carolina (the Lee Project). The Lee Project planned to have 2,234 MW of electric generating capacity with a projected on-line date of 2026 with respect to Unit 1 and 2028 with respect to Unit 2. The total cost of the option was \$7,500, with \$3,750 paid in both fiscal year 2011 and 2012, respectively. JEA obtained this option in furtherance of its 2010 policy target to acquire up to 30% of JEA's energy requirements from nuclear sources by 2030.

The option agreement requires that JEA and Duke Carolinas complete negotiation of an ownership agreement and an operation and maintenance agreement for the Lee Project prior to JEA exercising the option. The option exercise period will be opened by Duke Carolinas after it (i) receives NRC approval of the COL for the Lee Project and (ii) executes an engineering, procurement, and construction agreement for the Lee Project. The Lee Project COL was received from the NRC in December 2016. In August 2017, Duke Carolinas filed with the North Carolina Utilities Commission and the South Carolina Public Service Commission to cancel the plant. This cancellation allows Duke Carolinas to seek cost recovery for the expenditures on licensing the plant, however, the NRC license remains active and the cancellation is not permanent. There is currently no schedule for negotiating an EPC agreement.

Once the exercise period is opened, JEA will have 90 days within which to exercise the option, and, if it does exercise the option, it must specify the percentage undivided ownership interest in the Lee Project that it will acquire.

After JEA exercises the option (should it elect to do so) and various regulatory approvals are obtained, JEA must pay Duke Carolinas the exercise price for the option. Such price is generally JEA's pro rata share, based on its percentage ownership interest in the Lee Project, of the development and preconstruction cost for the Lee Project incurred by Duke Carolinas from the beginning of the Lee Project through the closing date of the option exercise. JEA is undecided as to the financing structure it would employ to finance its interest in the Lee Project, should it elect to exercise its option.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

10. Fuel Purchase and Purchased Power Commitments (continued)

Under certain circumstances, should the Lee Project be terminated by Duke Carolinas, Duke may be obligated to provide JEA with options for alternative resources (but not necessarily from nuclear resources) to replace JEA's optional portion of the projected Lee Project capacity.

Such alternative resources are to be available to JEA within two years of the projected online date for the Lee Project, once such date is set. No alternative resource for the Lee Project has yet been proposed by Duke Carolinas.

Solar Projects

In 2009, JEA entered into a 30-year PPA with Jacksonville Solar, LLC for the produced energy, as well as the associated environmental attributes from a solar farm, Jacksonville Solar, which has been constructed in JEA's service territory. The facility, which consists of 200,000 photovoltaic panels on a JEA-leased 100-acre site, is currently owned by Rev Renewables, a LS Power company, and generated approximately 10,797 MWh of electricity in fiscal year 2025 and 11,330 MWh of electricity in 2024. JEA pays only for the energy produced. Purchases of energy were \$2,547 for fiscal year 2025 and \$2,604 in 2024.

As part of JEA's continued commitment to the environment, and to increase JEA's level of carbon-free renewable energy generation, in December 2014, the Board established a solar policy to add up to 38 MW of solar photovoltaic capacity. To support this policy, JEA issued requests for proposals for PPAs in December 2014 and April 2015. Seven PPAs, representing 27 MW, have been finalized. The solar PPAs are distributed around JEA's service territory.

As of the end of calendar year 2019, all seven projects had been completed: NW Jacksonville Solar, Old Plank Road Solar, Starratt Solar, Simmons Solar, Blair Road Solar, Old Kings Solar, and Sunport Solar. JEA entered into 20-25 year PPAs for the energy and the associated environmental attributes from each solar farm. The solar facilities generated approximately 47,957 MWh in fiscal year 2025 and 45,744 MWh in fiscal year 2024. JEA pays only for the energy produced. Purchases of energy were \$3,853 for fiscal year 2025 and \$3,639 in 2024.

On April 25, 2023, the JEA Board approved JEA's 2030 goals, which include sourcing 35% of JEA's energy from clean energy resources, such as solar and nuclear. To support this goal, JEA will need a total of 1,275 MW of solar. As a result, JEA entered into an agreement on January 24, 2023, to purchase 150 MW of electric energy, capacity resources, and renewable attributes (solar) beginning April 1, 2023, from Florida Power & Light. JEA received approximately 385,246 MWh in fiscal year 2025 and 365,574 MWh in fiscal year 2024. JEA only pays for the energy produced. Purchases of energy were \$20,535 in fiscal year 2025 and \$20,036 in fiscal year 2024.

As of the fourth quarter of FY2025, JEA has finalized all agreements for the development of three renewable energy solar facilities in Northeast Florida. The proposed sites will have an available output of 200 MW of solar along with 100 MW of battery energy storage. Florida Renewable Partners (FRP) will build, own, and operate the three renewable energy facilities that will accelerate clean energy in Northeast Florida and play an instrumental part in Jacksonville's energy future. FRP plans to lease the land on which the facilities will be built from JEA and sell the energy produced at the facilities to JEA, through Power Purchase Agreements and Energy Storage Agreements with a 35-year term to ensure the most cost-effective access to this new source of electric generation for the JEA system.

FRP began permitting the solar sites in the third quarter of 2024, and they are expected to be complete and producing solar energy for JEA customers by the end of 2026.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

10. Fuel Purchase and Purchased Power Commitments (continued)

JEA entered into a 20-year solar agreement with the Florida Municipal Power Agency (FMPA) to purchase approximately 150 MW from two facilities located in Florida. The projects were scheduled to commission in December 2026, but were delayed to October 2028, due to longer network upgrade timelines and other nationwide challenges with solar project development. Resultantly, in June 2025, the FMPA Board of Directors approved the termination of the solar agreement and JEA was released of its obligation.

Trail Ridge Landfill

JEA purchases energy from two landfill gas-to-energy facilities through PPA agreements with Landfill Energy Systems (LES). Each agreement is for 9.6 MW. Currently, JEA purchases 9.6 MW from Trail Ridge Landfill in Jacksonville, Florida and 6.4 MW from Sarasota Landfill in Sarasota, Florida. LES can supply the remaining 3.2 MW from Sarasota, if it is expanded and becomes available, or JEA can exercise its option to receive the remaining 3.2 MW from New River Landfill in Raiford, Florida. JEA pays only for the energy produced. LES pays all transmission and ancillary charges associated with transmitting the energy from Sarasota to Jacksonville, which came online in January 2015. Purchases of landfill energy were 51,745 MWh for \$4,143 in fiscal year 2025 and 54,957 MWh for \$4,317 in fiscal year 2024.

11. Energy Market Risk Management Program

The Energy Market Risk Management Program is designed to help manage JEA's exposure to volatility and associated risks in the fuel and energy markets. Through this program, JEA has entered into financial swaps that lock in monthly natural gas pricing for calendar years 2025 through 2031. These swaps cover approximately 66% of JEA's expected 2026 natural gas requirements, with the hedged volumes tapering each year through 2029. For 2030 and 2031, the hedged volumes remain steady.

Under the existing natural gas supply contract with Shell Energy, JEA has the option to enter into fixed price transactions with Shell Energy in relation to the purchases to be made under the contract. As of September 30, 2025, JEA has executed fixed price transactions on 33% of the natural gas supply to be received from Shell Energy through August 2029.

JEA executes over-the-counter forward purchase and sale contracts and swaps. For effective derivative transactions, hedge accounting is applied in accordance with GASB Statement No. 53 and the fair market value changes are recorded on the accompanying statements of net position as either deferred charges or deferred credits until such time that the transactions end. At September 30, 2025, deferred credits of \$58,774 were included in accumulated increase in fair value of hedging derivatives and deferred charges of \$11,082 were included in accumulated decrease in fair value of hedging derivatives on the statement of net position. At September 30, 2024, deferred credits of \$53,512 were included in accumulated increase in fair value of hedging derivatives and deferred charges of \$20,698 were included in accumulated decrease in fair value of hedging derivatives on the statement of net position. The related settled gains and losses from these transactions are recognized as fuel expenses on the accompanying statements of revenues, expenses, and changes in net position. There was a realized gain of \$1,043 offsetting fuel expense in fiscal year 2025 and a realized loss of \$29,825 included in fuel expense in fiscal year 2024.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

12. Pension Plans

Substantially all JEA employees participate in and contribute to the GERP, as amended. The GERP is a cost-sharing, multiple-employer contributory defined benefit pension plan (DB) with a defined contribution alternative (DC). The defined benefit pension plan portion of the GERP is closed to new members, with all new employees entering the defined contribution plan. GERP, based on laws outlined in the City's Ordinance Code and applicable Florida statutes, provides for retirement, survivor, death, and disability benefits. Its latest financial statements, required supplementary information, and compositions of the nine member Board of Trustees and seven member Advisory Committee are included in the Annual Comprehensive Financial Report of the City. This report may be obtained by writing to the City of Jacksonville, Florida, Accounting Division, City Hall at St. James Building, 117 West Duval Street, Suite 375, Jacksonville, Florida 32202-5725 or at: <https://www.coj.net/departments/finance/accounting/comprehensive-annual-financial-reports.aspx>.

Defined Benefit Plan (DB)

Plan Benefits Provided – Participation in the GERP is mandatory for all full-time employees of JEA, Jacksonville Housing Authority, North Florida Transportation Planning Authority, and the City, other than police officers and firefighters. Appointed officials and permanent employees not in the civil service system may opt to become members of GERP. Elected officials are members of the Florida Retirement System Elected Officer Class. Members of the GERP are eligible to retire with a normal pension benefit upon achieving one of the following: (a) completing 30 years of credited service, regardless of age; (b) attaining age 55 with 20 years of credited service; or (c) attaining age 65 with five years of credited service. There is no mandatory retirement age.

Upon reaching one of the three conditions for retirement described above, a member is entitled to a retirement benefit of 2.5% of final average compensation, multiplied by the number of years of credited service, up to a maximum benefit of 80% of final monthly compensation. A time service retirement benefit is payable bi-weekly, to commence upon the first payday coincident with or next payday following the member's actual retirement and will continue until death.

Each member and survivor is entitled to a cost of living adjustment (COLA). The COLA consists of a 3% increase of the retiree's or survivor's pension benefits, which compounds annually. The COLA commences in the first full pay period of April occurring at least 4.5 years (and no more than 5.5 years) after retirement. In addition, there is a supplemental benefit. The supplemental benefit is equal to \$5 multiplied by the number of years of credited service. This benefit may not exceed \$150 per month.

A member who has suffered an illness, injury, or disease, which renders the member permanently and totally incapacitated, physically or mentally, from regular and continuous duty as an employee is considered disabled under the terms of the GERP. The GERP provides two types of disability benefits: service-related and non-service-related. The service-related disability benefit is 50% of the member's final monthly compensation at the time of the disability. Members are eligible for non-service-related disability benefits after five years of service. The benefit is 25% of the member's final monthly compensation at the time of the disability, increasing 2.5% for each year of service in excess of five years to a maximum of 50%.

Contributions – Florida law requires plan contributions be made annually in amounts determined by an actuarial valuation in either dollars or as a percentage of payroll. The Florida Division of Retirement reviews and approves the City's actuarial report to ensure compliance with actuarial standards and appropriateness for funding purposes. Contributions were made in accordance with contribution requirements determined through an actuarial valuation.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

12. Pension Plans (continued)

JEA plan members of the DB plan were required to contribute 10.0% of their annual covered salary, which includes 0.3% to the DB disability plan. JEA's pension contribution for the DB plan was \$61,765 (41.63%) in fiscal year 2025 and \$50,036 (33.54%) in 2024.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflow of Resources Related to Pensions

Net Pension Liability – JEA's net pension liability at September 30, 2025 and September 30, 2024 was measured based on an actuarial valuation as of September 30, 2024 and September 30, 2023, respectively. JEA's allocated share of the net pension liability is \$878,694 (51.61%) as of September 30, 2025, based on an allocation proportional to the actual contributions paid during the year ended September 30, 2024. JEA's allocated share of the net pension liability was \$962,324 (52.74%) as of September 30, 2024, based on an allocation proportional to the actual contributions paid during the year ended September 30, 2023.

For the years ended September 30, 2025 and 2024, JEA's recognized pension expense is \$98,583 and \$149,486, respectively. As JEA has implemented regulatory accounting for pensions, the difference between the recognized pension expense and the cash contributions paid has been deferred as a regulatory asset. See note 2, Regulatory Deferrals, for additional details.

JEA reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	September 30	
	2025	2024
Deferred outflows of resources		
Net difference between projected and actual earnings on pension investments	\$ -	\$ 49,512
Contributions subsequent to the measurement date	61,765	50,036
Changes in assumptions	10,199	29,494
Differences between expected and actual experience	27,019	29,336
Changes in proportion	3,379	6,757
Total	\$ 102,362	\$ 165,135
Deferred inflows of resources		
Changes in proportion	\$ (13,025)	\$ (2,927)
Net difference between projected and actual earnings on pension investments	(47,576)	-
Total	\$ (60,601)	\$ (2,927)

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

12. Pension Plans (continued)

Contributions subsequent to the measurement date of \$61,765 reported with deferred outflows of resources will be recognized as a reduction of the net pension liability in the year ended September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended September 30	Recognition of Deferred Outflows (Inflows)
2026	\$ 15,779
2027	19,004
2028	(33,588)
2029	(21,199)
Total	\$ (20,004)

Actuarial Assumptions – Actuarial valuations are performed as of the beginning of the fiscal year and assumptions below pertain to all years presented unless otherwise noted:

Inflation	2.50%
Salary increases assumption	3.50%-10.00%, of which 2.50% is the Plan's long-term payroll inflation
Investment rate of return	6.50% (2025 and 2024), net of pension plan investment expense, including inflation
Healthy pre-retirement mortality rates	FRS pre-retirement mortality tables for personnel other than special risk and K-12 instructional personnel, set forward 2 years, projected generationally from 2010 with Scale MP2018.
Healthy post-retirement mortality rates	FRS healthy post-retirement mortality tables for personnel other than special risk and K-12 instructional personnel, set forward 2 years, projected generationally from 2010 with Scale MP2018.
Disabled mortality rates	FRS disabled mortality tables for personnel other than special risk, with no set forward, projected generationally from 2010 with Scale MP2018. The FRS tables for personnel other than special risk and K-12 instructional personnel, set forward 2 years, reasonably reflect the healthy annuitant mortality experience of the General Employees Retirement Plan as of the measurement date. The FRS disabled mortality tables for personnel other than special risk reasonably reflect the disabled annuitant mortality experience as of the measurement date.
Rationale for assumptions	The information and analysis used in selecting each demographic assumption that has a significant effect on this actuarial valuation is shown in the Experience Study Report for the five-year period ended September 30, 2022.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

12. Pension Plans (continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation are summarized in the following table. The long-term expected real rates of return are based on 20-year projections of capital market assumptions provided by Segal Marco Advisors.

Asset Class	Target Allocation	2025		2024	
		Long-term Expected Nominal Rate of Return	Target Allocation	Long-term Expected Nominal Rate of Return	Target Allocation
Domestic equity	30.0%	6.10%	30.0%	6.60%	
Fixed income	20.0%	1.90%	20.0%	1.80%	
International equity	23.0%	6.20%	20.0%	6.70%	
Real estate	15.0%	3.50%	15.0%	3.40%	
Alternatives	6.0%	6.10%	7.5%	3.00%	
Private equity	6.0%	9.65%	7.5%	9.90%	
Total	100%		100%		

Discount Rate – The discount rate used to measure the total pension liability is 6.50%. The projection of cash flows used to determine the discount rate assumed plan member contributions would be made at their applicable contribution rates and that City contributions would be made at rates equal to the actuarially determined contribution rates. Based on these assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on the Plan's investments was applied to all periods of projected benefit payments to determine the total pension liability. Cash flow projections were run for a 120-year period.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability of the Jacksonville GERP, calculated using the discount rate of 6.50% for 2025 and 2024, as well as what the Jacksonville GERP's net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the discount rate used:

	Net Pension Liability	
	2025	2024
1% decrease	\$ 1,110,632	\$ 1,196,428
Current discount	878,694	962,324
1% increase	684,412	766,502

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

12. Pension Plans (continued)

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is included in the Annual Comprehensive Financial Report (ACFR) of the City.

Defined Contribution Plan

The City has, by ordinance, a defined contribution (DC) plan within the Jacksonville Retirement System for GERP participants as an employee choice alternative to the defined benefit (DB) plans. Beginning in fiscal year 2011, employees had the option to participate in a DC plan. Employees vest in the employer contributions to the plan at 25% after two years, and 25% per year thereafter until fully vested after five years of service. All employees hired after September 30, 2017 now enter this plan.

In fiscal years 2025 and 2024, JEA plan members of the defined contribution plan were required to contribute 7.7% of their annual covered salary. JEA's contribution for the members of the defined contribution plan was \$11,583 (11.71%) in fiscal year 2025 and \$8,831 (8.39%) in 2024.

Defined Contribution Disability Program Fund

The City of Jacksonville started in fiscal year 2022 to account for the defined contribution disability contributions separately from the disability contributions of the Defined Benefit plan and requested an actuarial valuation for the Defined Contribution Disability Program Fund as of September 30, 2021.

Contributions – In fiscal years 2025 and 2024, JEA plan members of the defined contribution plan were required to contribute 0.3% of their annual covered salary to the DC disability fund. JEA's contribution to the defined contribution disability plan was \$1,377 (1.39%) in fiscal year 2025 and \$1,021 (0.97%) in fiscal year 2024.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflow of Resources Related to Pensions

Net Pension Liability – JEA's Defined Contribution Disability net pension liability at September 30, 2025 was measured based on an actuarial valuation as of September 30, 2024. JEA's allocated share of the net pension liability is \$84 (38.41%) as of September 30, 2025, and \$3,325 (38.21%) as of September 30, 2024.

For the year ended September 30, 2025, JEA's recognized pension expense is \$559 and \$755 as of September 30, 2024. As JEA has implemented regulatory accounting for pensions, the difference between the recognized pension expense and the cash contributions paid has been deferred as a regulatory asset. See note 2, Regulatory Deferrals, for additional details.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

12. Pension Plans (continued)

JEA reported deferred outflows of resources and deferred inflows of resources related to the DC disability fund from the following sources

	September 30	
	2025	2024
Deferred outflows of resources		
Differences between expected and actual experience	\$ 1,250	\$ 1,414
Contributions subsequent to the measurement date	1,377	1,021
Changes in proportion	660	754
Changes in assumptions	133	148
Total	\$ 3,420	\$ 3,337
Deferred inflows of resources		
Changes in assumptions	\$ (2,216)	\$ (2,519)
Differences between expected and actual experience	(2,542)	(528)
Changes in proportion	(609)	(66)
Net difference between projected and actual earnings on pension investments	(284)	(31)
Total	\$ (5,651)	\$ (3,144)

Contributions subsequent to the measurement date of \$1,377 reported with deferred outflows of resources will be recognized as a reduction of the net pension liability in the year ended September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended September 30	Recognition of Deferred Outflows (Inflows)
2026	\$ (429)
2027	(433)
2028	(445)
2029	(426)
2030	(362)
Thereafter	(1,513)
Total	\$ (3,608)

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

12. Pension Plans (continued)

Actuarial Assumptions – Actuarial valuations are performed as of the beginning of the fiscal year and assumptions below pertain to all years presented unless otherwise noted:

Inflation	2.50%
Salary increases assumption	3.50%-10.00%, of which 2.50% is the Plan's long-term payroll inflation
Investment rate of return	6.50% (2025 and 2024), net of pension plan investment expense, including inflation
Healthy pre-retirement mortality rates	FRS pre-retirement mortality tables for personnel other than special risk and K-12 instructional personnel, set forward 2 years, projected generationally from 2010 with scale MP2018.
Spouse post-retirement mortality rates	FRS healthy post-retirement mortality tables for personnel other than special risk and K-12 instructional personnel, set forward 2 years, projected generationally from 2010 with Scale MP2018.
Disabled mortality rates	FRS disabled mortality tables for personnel other than special risk, with no set forward, projected generationally from 2010 with Scale MP2018. The FRS tables for personnel other than special risk and K-12 instructional personnel, set forward 2 years, reasonably reflect the healthy annuitant mortality experience of the General Employees Retirement Plan as of the measurement date. The FRS disabled mortality tables for personnel other than special risk reasonably reflect the disabled annuitant mortality experience as of the measurement date.

Discount Rate – The discount rate used to measure the total pension liability is 6.50% for 2025 and 2024. The projection of cash flows used to determine the discount rate assumed plan member contributions would be made at their applicable contribution rates and that City contributions would be made at rates equal to the actuarially determined contribution rates. Based on these assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on the Plan's investments was applied to all periods of projected benefit payments to determine the total pension liability. Cash flow projections were run for a 120-year period.

The Plan's assets are not currently invested but are planned to be invested under the same investment policy as that employed by the General Employee's Retirement Plan, and thus the same investment return assumption as that used for the valuation of the Retirement Plan is used to measure total pension liability (TPL).

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

12. Pension Plans (continued)

Sensitivity of the Net DC Disability Fund Liability to Changes in the Discount Rate – The following presents the net pension liability of the Jacksonville DC disability plan, calculated using the discount rate of 6.50% for 2025 and 2024, as well as what the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the discount rate used:

	Net Pension Liability	
	2025	2024
1% decrease	\$ 999	\$ 4,162
Current discount	84	3,325
1% increase	(672)	2,636

St. Johns River Power Park Plan Description

Plan Description – The SJRPP Plan is a single employer contributory defined benefit plan that covers former employees of SJRPP. The SJRPP Plan provides for pension, death, and disability benefits. Participation in the SJRPP Plan was required as a condition of employment. The SJRPP Plan is subject to provisions of Chapter 112 of the State of Florida Statutes and the oversight of the Florida Division of Retirement. The SJRPP Plan is governed by a four-member pension committee (Pension Committee). As part of the Asset Transfer Agreement with FPL related to the shutdown of SJRPP, JEA assumed all payment obligations and other liabilities related to separation benefits for the qualifying SJRPP employees and any amounts required to be deposited in SJRPP Pension Fund.

The SJRPP Plan periodically issues stand-alone financial statements, with the most recent report issued for the year ended September 30, 2024. This report may be obtained at https://www.jea.com/About/Investor_Relations/Financial_Reports/SJRPP_Pension.

Pursuant to the February 25, 2013 amendment, the SJRPP Plan consists of two tiers: Tier One is the Defined Benefits Tier and Tier Two is the Cash Balance Tier. Tier One participants will remain in the traditional defined benefit plan and Tier Two employees (defined as employees with less than 20 years of experience) will 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. Participants hired after February 25, 2013 are only eligible to accrue Tier Two benefits.

Plan Benefits Provided – Members of the SJRPP Plan are eligible to retire with a normal pension benefit upon achieving one of the following: (a) completing 30 years of credited service, regardless of age; (b) attaining age 55 with 20 years of credited service; or (c) attaining age 65 with five years of credited service. There is no mandatory retirement age.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

12. Pension Plans (continued)

Upon reaching one of the three conditions for retirement described above, a member in Tier One is entitled to a retirement benefit of:

- 2.0% of final average earnings (FAE) multiplied by the number of years of credited service, not to exceed 15 years
- plus 2.4% of FAE multiplied by the number of years of credited service in excess of 15 years, but not to exceed 30 years
- plus .65% of the excess FAE over the Social Security Average Wages multiplied by years of credited service, not to exceed 35 years

FAE is the annual average of a participant's earnings over the highest 36 consecutive complete months out of the last 120 months of participation immediately preceding retirement or termination. Retirement benefits are payable bi-weekly beginning on the first day of the month following or coincident with the participant's Earliest Retirement Age.

As of February 25, 2013, the accrued benefits in Tier One of newly classified Tier Two participants were frozen. Distribution of frozen Tier One Benefits is governed by the provisions applicable to Tier One. Tier Two Benefits employees receive annual pay credits to their Cash Balance accounts in the amount of 6.0% of earnings between February 25, 2013 and September 30, 2015 and 8.5% of earnings on or after October 1, 2015. Cash Balance Accounts are credited with interest at the rate of 4% per year. Benefits may be distributed as a lump sum, by rollover in accordance with the Internal Revenue Service Code or as an annuity, at the election of the participant.

For participants retired on or after October 1, 2003, each member and survivor of Tier One is entitled to a COLA. The COLA consists of a 1% increase of the retiree's or survivor's pension benefits, which compounds annually. The COLA commences each October 1 following the fifth anniversary of payment commencement.

Employees Covered by Benefit Terms – At September 30, 2025 and September 30, 2024, the following employees were covered by the benefit terms:

	2025	2024
Inactive plan members or beneficiaries currently receiving benefits	378	380
Inactive plan members entitled to but not yet receiving benefits	51	56
Active plan members	3	3
Total plan members	432	439

Contributions – The SJRPP Plan's funding policy provides for biweekly employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to accumulate assets to pay benefits when due. In fiscal years 2025 and 2024, SJRPP plan members were required to contribute 4% of their annual covered salary. SJRPP did not make employer contributions in fiscal year 2025 or fiscal year 2024.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

12. Pension Plans (continued)

Net Pension Asset – SJRPP's net pension assets at September 30, 2025 and September 30, 2024 were measured based on an actuarial valuations as of September 30, 2024 and September 30, 2023, respectively.

Actuarial Assumptions – Actuarial valuations are performed as of the beginning of the fiscal year and assumptions below pertain to all years presented unless otherwise noted:

Actuarial Cost Method	Entry Age Normal
Inflation	2.25%
Salary increases	2.5%–12.5% per year, including inflation
Investment rate of return	6.00% per year compounded annually, net of investment expenses
Retirement Age	Experience-based table of rates based on year of eligibility.
Mortality rates	Mortality tables used by the Florida Retirement System for classes other than K-12 School Instructional Personnel described as follows: Healthy pre-retirement mortality rates: PUB-2010 Headcount Weighted General Below Median Employee tables, generationally projected from year 2010 using Scale MP-2018, set back 1 year for males; Healthy post-retirement mortality rates: PUB-2010 Headcount Weighted General Below Median Healthy Retiree tables, generationally projected from year 2010 using Scale MP-2018, set back 1 year for males; Disabled mortality rates: PUB-2010 Headcount Weighted General Disabled Retiree tables, set forward 3 years.
Notes:	A new formal written funding policy was adopted on December 14, 2022 and implemented in the October 1, 2022 valuation. The new policy (i) amended the Asset Method for determining the actuarial value of assets by incorporating five-year smoothing of investment returns on assets and (ii) amended the Amortization Method by incorporating a five-year amortization schedule for changes in unfunded actuarial accrued liability. Other significant actuarial assumptions used in the October 1, 2022 valuation were based on the results of an actuarial experience study for the period October 1, 2003–September 30, 2012.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation are summarized in the following table.

Asset Class	Target Allocation	2025		2024	
		Long-term Expected Nominal Rate of Return	Target Allocation	Long-term Expected Nominal Rate of Return	Target Allocation
Domestic equity	47%	6.08%	47%	6.04%	
Fixed income	45%	1.40%	45%	1.30%	
International equity	8%	5.00%	8%	4.90%	
Total	100%		100%		

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

12. Pension Plans (continued)

Discount Rate – The discount rate used to measure the total pension liability is 6%. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at their applicable contribution rates and that the employer's contributions will be made at rates equal to the actuarially determined contribution rates. Based on these assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on the Plan's investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Asset to Changes in the Discount – The following presents the net pension asset of SJRPP, calculated using a discount rate of 6%, as well as what the net pension asset would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

	2025	2024
1% decrease	\$ 15,332	\$ 8,905
Current discount	29,252	5,683
1% increase	41,204	(18,170)

Changes in the net pension asset are detailed below.

	2025	2024
Total pension liability		
Beginning balance	\$ 154,923	\$ 160,439
Service cost	10	10
Interest on the total pension liability	8,910	9,243
Difference between expected and actual experience	566	(1,950)
Benefit payments	(12,872)	(12,819)
Ending balance	151,537	154,923
Plan fiduciary net position		
Beginning balance	160,606	155,643
Employee contributions	16	14
Pension plan net investment income	33,182	17,835
Benefit payments	(12,872)	(12,819)
Administrative expense	(143)	(67)
Ending balance	180,789	160,606
Net pension asset	\$ (29,252)	\$ (5,683)

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

12. Pension Plans (continued)

Plan Assets – Cash balances are amounts on deposit with the SJRPP Plan’s trust bank, as well as amounts held in various money market funds as authorized in the Investment Policy Statement (Policy). All investments shall comply with the Policy as approved by the Pension Committee, and with the fiduciary standards set forth by the Employee Retirement Income Security Act and requirements set forth by the Florida Statutes. The trust bank balances are collateralized and subject to the Florida Security for Public Deposits Act of Chapter 280, Florida Statutes.

The Plan follows GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Investments are presented at fair value, which is based on available or equivalent market values. The money market mutual fund is a 2a-7 fund registered with the SEC and, therefore is presented at actual pooled share price, which approximates fair value.

At September 30, 2025 and September 30, 2024, the SJRPP Plan’s cash and cash equivalents consisted of the following:

	2025	2024
Cash equivalents:		
Allspring Treasury Plus Money Market Fund	\$ 5,392	\$ 1,672
Total cash and cash equivalents	\$ 5,392	\$ 1,672

The Policy specifies investment objectives and guidelines for the SJRPP Plan’s investment portfolio and provides asset allocation targets for various asset classes.

Investments controlled by the SJRPP Plan that represent 5% or more of the SJRPP Plan’s net position were the Alliance Domestic Passive Collective Trust. At September 30, 2025, the investment had a basis of \$6,996, a fair market value of \$53,207, and represented 29% of the fiduciary net position available for benefits. At September 30, 2024, the investment had a basis of \$7,862, a fair market value of \$50,879, and represented 28% of the fiduciary net position available for benefits.

Risk

In accordance with GASB Statement No. 40, investments also require certain disclosures regarding policies and practices with respect to the risks associated with them (see discussion in the following paragraphs).

Interest Rate Risk

Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. Generally speaking, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As a means of limiting its exposure to interest rate risk, the SJRPP Plan’s fixed income portfolio manager monitors the duration of the fixed maturity securities portfolio as part of the strategy to manage interest rate risk. The average modified duration of the managed fixed securities portfolio was 4.8 years as of September 30, 2025 and 4.8 years as of September 30, 2024.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

12. Pension Plans (continued)

Credit risk

Credit risk is the risk that a security or a portfolio will lose some or all its value due to real or perceived changes in the ability of the issuer to repay its debt. The SJRPP Plan's rated debt instruments as of September 30, 2025 and 2024 were rated by Standard & Poor's and/or an equivalent nationally recognized statistical rating organization.

The fixed income managers limit their investments to securities with an investment grade rating (BBB- or equivalent) and the overall weighted average composite quality rating of the managed fixed income portfolio was AA3.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the SJRPP Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All the SJRPP Plan's investments are held by the SJRPP Plan's directed trustee and custodian in the SJRPP Plan's name, or by an agent in the SJRPP Plan's name.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investments in a single issuer. The Policy specifies an overall target allocation of 55% equities and 45% fixed income, including cash. The Policy further specifies target allocations for the equity investments among several asset classes.

The fair value of the asset classes and portfolio and specific target allocations are as follows:

	September 30, 2025			September 30, 2024		
	Fair Value	Percent	Actual	Fair Value	Percent	Actual
U.S. Government Securities and Agencies	\$ 40,875	22%	N/A	\$ 44,285	25%	N/A
Corporate bonds - non-convertible	34,364	19%	N/A	34,299	19%	N/A
Money Market / Cash	5,392	3%	N/A	1,672	1%	N/A
Total fixed income	80,631	44%	45%	80,256	45%	45%
S&P 500 Index Fund	53,207	29%	28%	50,879	28%	28%
S&P 400 Mid-Cap Index Fund	19,914	11%	11%	20,310	11%	11%
Small and Mid-Cap Value Fund	14,137	8%	8%	14,967	8%	8%
International equities	13,631	8%	8%	13,751	8%	8%
Total equities	100,889	56%	55%	99,907	55%	55%
Total	\$ 181,520	100%	100%	\$ 180,163	100%	100%

The Policy allows the percentage allocation to each asset class to vary by plus or minus 5% depending upon market conditions.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

12. Pension Plans (continued)

The annual money-weighted rate of return on pension plan investments was 21.53% for the year ended September 30, 2025 and 11.95% for the year ended September 30, 2024. This reflects the changing amounts actually invested.

Foreign Currency Risk

Foreign currency risk is the risk that changes in the exchange rates will adversely affect the fair market value of the investment or a deposit. The Plan is exposed to foreign currency risk through its investments in an international equity mutual fund. Investments in international equities are limited by the Policy's target asset allocation for that asset class. The target for international equities is 8% of the total portfolio. The international fund comprised 8% of total investments as of September 30, 2025 and 8% as of September 30, 2024.

Fair Value Disclosures

GASB Statement No. 72, Fair Value Measurement and Application, addresses accounting and financial reporting issues related to fair value measurements. It provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.

The SJRPP Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset or liability.

- Level 1 – quoted prices (unadjusted) for identical assets or liabilities in active markets that are accessible at the measurement date
- Level 2 – Inputs – other than quoted prices included within Level 1 – that are observable for an asset or liability, either directly or indirectly
- Level 3 – unobservable inputs for an asset or liability

Level 1 investments are valued using prices quoted in active markets for those securities. Level 2 investments are valued using direct market observations combined with quantitative pricing models to generate prices. The table below summarizes the SJRPP Plan's investments.

	September 30, 2025			September 30, 2024		
	Percent			Percent		
	Level 1	Level 2	Total	Level 1	Level 2	Total
U.S. Government Securities and Agencies	\$ 28,818	\$ 12,057	\$ 40,875	\$ 30,023	\$ 14,262	\$ 44,285
Corporate bonds - non-convertible	-	34,364	34,364	-	34,299	34,299
Money Market / Cash	5,392	-	5,392	1,672	-	1,672
Total fixed income	34,210	46,421	80,631	31,695	48,561	80,256
S&P 500 Index Fund	-	53,207	53,207	-	50,879	50,879
S&P 400 Mid-Cap Index Fund	18,813	1,101	19,914	19,381	929	20,310
Small and Mid-Cap Value Fund	12,493	1,644	14,137	13,198	1,769	14,967
International equities	105	13,526	13,631	-	13,751	13,751
Total equities	31,411	69,478	100,889	32,579	67,328	99,907
Total	\$ 65,621	\$ 115,899	\$ 181,520	\$ 64,274	\$ 115,889	\$ 180,163

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

12. Pension Plans (continued)

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in the separately issued SJRPP Pension Plan financial report.

Pension Liabilities/Assets, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to the Pension

Net Pension Liability Asset – SJRPP's net pension asset at September 30, 2025 and September 30, 2024 were measured based on an actuarial valuations as of September 30, 2024 and September 30, 2023, respectively. SJRPP's net pension asset is \$29,252 as of September 30, 2025 and is included in other noncurrent assets on the statement of net position. SJRPP's net pension asset is \$5,683 as of September 30, 2024.

For the year ended September 30, 2025 and 2024, SJRPP recognized pension expense is (\$2,839) and \$1,031, respectively. As JEA has implemented regulatory accounting for pensions, the difference between the recognized pension expense and the cash contributions paid has been deferred as a regulatory asset. See note 2, Regulatory Deferrals, for additional details.

SJRPP Plan reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	September 30	
	2025	2024
Deferred outflows of resources		
Net difference between projected and actual earnings on pension plan investments	\$ 15,555	\$ 23,701
Total	\$ 15,555	\$ 23,701
Deferred inflows of resources		
Net difference between projected and actual earnings on pension plan investments	\$ (29,266)	\$ (16,683)
Total	\$ (29,266)	\$ (16,683)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30	Recognition of Deferred Outflows (Inflows)
2026	\$ (3,574)
2027	1,214
2028	(6,564)
2029	(4,787)
Total	\$ (13,711)

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

13. Other Postemployment Benefits

Plan Description

Plan administration – JEA maintains a medical benefits plan (OPEB Plan) that it makes available to its retirees. The medical plan is an agent multiple-employer, experience rated insurance contract plan that provides medical benefits to employees and eligible retirees and their beneficiaries.

JEA currently determines the eligibility, benefit provisions, and changes to those provisions applicable to eligible retirees. The OPEB Plan does not issue separate financial statements for each participating employer's share of the plan.

Plan membership – As of September 30, 2025 and September 30, 2024, the OPEB Plan membership consisted of the

	2025	2024
Inactive plan members or beneficiaries currently receiving benefits	287	307
Active plan members	2,240	2,159
Total plan members	2,527	2,466

Benefits provided – The OPEB Plan refers to the benefits applicable to current and future retirees and their beneficiaries. These benefits consist of continued access to medical, dental, and vision benefits as well as life insurance coverage upon retirement through the plan sponsored by JEA. Premiums for the first \$5,000 of coverage are being subsidized by JEA and, as such, are considered as other postemployment benefits for purposes of GASB Statement No. 75.

Contributions – Retired members pay the full premium associated with the health coverage elected. There is no direct JEA subsidy currently applicable; however, there is an implicit cost. Spouses and other dependents are also eligible for coverage and the member is responsible for payment of the applicable premiums.

Florida law prohibits JEA from separately rating retirees and active employees. Therefore, JEA assigns to both groups blended-rate premiums.

In 2008, JEA began to advance-fund the OPEB obligation. This was accomplished by establishing a separate trust into which JEA makes periodic deposits and withdrawals to reimburse operations for costs incurred on a pay-as-you-go basis.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

13. Other Postemployment Benefits (continued)

Actuarial assumptions – Actuarial valuations are performed as of the beginning of the fiscal year and assumptions below pertain to all years presented unless otherwise noted:

Actuarial Cost Method	Entry Age Normal
Inflation	2.50%
Discount Rate	6.00%
Salary increases	2.5% to 12.5%, including inflation; varies by years of service
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	Mortality rates used by the Florida Retirement System for its regular class members other than K-12 School Instructional Personnel described as follows: Healthy pre-retirement mortality rates: PUB-2010 Headcount Weighted General Below Median Employee tables, generationally projected from year 2010 using Scale MP-2018, set back 1 year for males; Healthy post-retirement mortality rates: PUB-2010 Headcount Weighted General Below Median Healthy Retiree tables, generationally projected from year 2010 using Scale MP-2018, set back 1 year for males; Disabled mortality rates: PUB-2010 Headcount Weighted General Disabled Retiree tables, set forward 3 years.
Healthcare cost trend rates	Starting at 7.00% (0.0% for premiums) and gradually decreasing according to the Getzen model to an ultimate trend rate of 4.00%
Aging Factors	Based on the 2013 SOA Study "Health Care Costs – From Birth to Death".
Expenses	Investment returns are net of the investment expenses; and, Administrative expenses related to the operation of the health plan are included in the premium costs.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

13. Other Postemployment Benefits (continued)

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan's target asset allocation are summarized in the following table.

Asset Class	Target Allocation	2025		2024	
		Long-term Nominal Rate of Return	Target Allocation	Long-term Expected Nominal Rate of Return	Target Allocation
Large cap domestic equity	25%	10.0%	25%	9.9%	
Global fixed income	15%	6.0%	15%	5.6%	
International equity	21%	11.0%	21%	11.0%	
Domestic fixed income	15%	5.0%	15%	5.3%	
Small cap domestic equity	14%	11.0%	14%	11.4%	
Real estate	10%	9.0%	10%	9.3%	
Total	100%			100%	

Discount Rate – GASB Statement No. 75 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total OPEB Liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As the assets are projected to be sufficient to meet benefit payments, the assumed valuation discount rate of 6.00% was used.

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Discount Rate – The following presents the net OPEB liability (asset), calculated using a discount rate of 6.00% as well as what the net OPEB liability (asset) would be if it were calculated using a rate that is 1% lower or 1% higher than the current rate:

	2025	2024
1% decrease	\$ 2,943	\$ 4,420
Current discount rate	(1,457)	557
1% increase	(4,819)	(2,071)

Healthcare Cost Trend Rate – JEA followed the Getzen model with trend rates for costs and premiums of 7.00% for 2025 and 2024, down to an ultimate trend rate of 4.00%.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

13. Other Postemployment Benefits (continued)

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate – The following presents the net OPEB liability, calculated using a healthcare cost trend rate of 7.00% for 2025 and 2024, down to an ultimate trend rate of 4.00%, as well as what the net OPEB liability would be if it were calculated using a trend rate that is 1% lower or 1% higher than the current trend rate:

	2025	2024
1% decrease	\$ (5,174)	\$ (2,937)
Current healthcare cost trend rate	(1,457)	557
1% increase	3,398	4,715

Changes in the net OPEB liability (asset) are detailed below.

	2025	2024
Total OPEB liability		
Beginning balance	\$ 35,844	\$ 42,117
Service cost	588	535
Interest on the total OPEB liability	2,098	2,473
Difference between expected and actual experience	(153)	(1,460)
Change of assumptions	4,198	(4,965)
Benefit payments	(2,930)	(2,856)
Ending balance	39,645	35,844
Plan fiduciary net position		
Beginning balance	35,287	34,146
Employer contributions	1,641	961
Net investment income	7,131	3,062
Reimbursements to employer	(2,930)	(2,856)
OPEB plan administrative expense	(27)	(26)
Ending balance	41,102	35,287
Net OPEB liability (asset)	\$ (1,457)	\$ 557
Plan fiduciary net position as a percentage of the total OPEB liability	103.67%	98.45%
Covered payroll	\$ 239,069	\$ 224,612
Net OPEB liability (asset) as a percentage of covered payroll	-0.61%	0.25%

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

13. Other Postemployment Benefits (continued)

Plan Assets – The assets of the plan consist of shares held in the Florida Municipal Investment Trust (FMIT), which is administered by the Florida League of Cities. The FMIT is an interlocal governmental entity created under the laws of the State of Florida and an Authorized Investment under Sec. 163.01 Florida Statutes. It is considered an external investment pool for reporting purposes. JEA owns shares in the OPEB Fund A as directed in the Master Trust Agreement. OPEB Fund A target asset allocation is 60% equities, 30% fixed income, and 10% real estate.

At September 30, 2025 and September 30, 2024, the OPEB Plan's cash and money market balance within the OPEB Fund A was (\$164) and (\$247), respectively.

Risk

In accordance with GASB Statement No. 40, investments also require certain disclosures regarding policies and practices with respect to the risks associated with them (see discussion in the following paragraphs).

Interest Rate Risk

Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. Generally speaking, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The table below details the interest rate risk in years for investments in the trust.

Fixed Income Fund	September 30, 2025		September 30, 2024	
	Modified Duration	Weighted Average Maturity	Modified Duration	Weighted Average Maturity
FMIT Broad Market High Quality Bond Fund	5.10	7.10	5.58	6.90
FMIT Core Plus Fixed Income Fund	6.24	6.66	6.80	8.03

Credit risk

Credit risk is the risk that a security or a portfolio will lose some or all of its value due to real or perceived changes in the ability of the issuer to repay its debt. The FMIT Broad Market High Quality Bond Fund was rated by Fitch as AAf/ S4 as of September 30, 2025 and September 30, 2024. The remaining funds of the trust are unrated.

Money-Weighted rates of return

The money-weighted rates of return for the fiscal years ended September 30, 2025 and September 30, 2024 were 20.48% and 9.17%, respectively.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

13. Other Postemployment Benefits (continued)

Fair Value Disclosures

The table below summarizes the OPEB Plan's investments. Level 1 investments are valued using prices quoted in active markets for those securities. Level 2 investments are valued using direct market observations combined with quantitative pricing models to generate prices. The disclosure below is based on the asset allocation provided by the FMIT of those investments held by OPEB Fund A.

	September 30, 2025			September 30, 2024		
	Level 2	Level 3	Total	Level 2	Level 3	Total
FMIT Core Plus Fixed Income Fund	\$ -	\$ 6,289	\$ 6,289	\$ -	\$ 4,623	\$ 4,623
FMIT Broad Market High Quality Bond Fund	6,001	-	6,001	4,975	-	4,975
Total fixed income	6,001	6,289	12,290	4,975	4,623	9,598
FMIT Large Cap Diversified Value Portfolio	10,727	-	10,727	9,528	-	9,528
FMIT International Equity Portfolio	8,508	-	8,508	6,881	-	6,881
FMIT Diversified Small to Mid Cap Equity Portfolio	6,001	-	6,001	5,081	-	5,081
FMIT Core Real Estate Portfolio	-	3,740	3,740	-	4,446	4,446
Total equities	25,236	3,740	28,976	21,490	4,446	25,936
Total	\$ 31,237	\$ 10,029	\$ 41,266	\$ 26,465	\$ 9,069	\$ 35,534

OPEB Liabilities (Assets), OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to the OPEB

Net OPEB Liability (Asset) – JEA's net OPEB liability (asset) at September 30, 2025 and September 30, 2024 was measured based on an actuarial valuation as of and with the measurement dates of September 30, 2024 and September 30, 2023, respectively. JEA's net OPEB liability (asset) included in other noncurrent assets or liabilities on the Statement of Net Position is (\$1,457) as of September 30, 2025 and \$557 as of September 30, 2024.

For the year ended September 30, 2025 and 2024, JEA's recognized OPEB expense (income) is (\$1,319) and (\$207), respectively. As JEA has implemented regulatory accounting for OPEB, the difference between the recognized OPEB expense and the cash contributions paid has been deferred as a regulatory asset. See note 2, Regulatory Deferrals, for additional details.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

13. Other Postemployment Benefits (continued)

The JEA Plan recorded deferred outflows of resources and deferred inflows of resources related to OPEB as detailed in the table below.

	September 30	
	2025	2024
Deferred outflows of resources		
Change of assumptions	\$ 9,331	\$ 6,657
Contributions subsequent to the measurement date	624	1,641
Differences between expected and actual experience	627	725
Net difference between projected and actual earnings on OPEB plan investments	3,149	4,723
Total	\$ 13,731	\$ 13,746
Deferred inflows of resources		
Differences between expected and actual experience	\$ (6,210)	\$ (7,739)
Change of assumptions	(7,971)	(9,266)
Net difference between projected and actual earnings on OPEB plan investments	(5,586)	(2,707)
Total	\$ (19,767)	\$ (19,712)

Contributions subsequent to the measurement date of \$624 reported with deferred outflows of resources will be recognized as a reduction of the net OPEB liability in the year ended September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

Year Ended September 30	Recognition of Deferred (Inflows)
2026	\$ (1,907)
2027	(1,005)
2028	(1,844)
2029	(1,569)
2030	(124)
Thereafter	(211)
Total	\$ (6,660)

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

14. Fair Value Measurements

GASB Statement No. 72, Fair Value Measurement and Application, addresses accounting and financial reporting issues related to fair value measurements. It provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. For JEA, this statement applies to certain investments, interest rate swap agreements, and natural gas cash flow hedges.

JEA categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset or liability.

- Level 1 – quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date
- Level 2 – Inputs – other than quoted prices included within Level 1 – that are observable for an asset or liability, either directly or indirectly
- Level 3 – unobservable inputs for an asset or liability

Investments

JEA's investments are summarized in the table below. Level 1 investments are valued using prices quoted in active markets for those securities. Level 2 investments are valued using direct market observations combined with quantitative pricing models to generate prices. Money market mutual funds are managed to meet the requirements of Rule 2a-7 under the Investment Company Act of 1940, as amended, and are recorded at net asset value (NAV). The local government investment pools transact with participants at a stable NAV and are recorded at NAV. Certain U.S. Treasury and government agency securities and commercial paper are measured at cost.

	Total	2025	Level 1	Level 2
Investments by fair value level				
State and local government securities	\$ 76,638	\$ -	\$ 76,638	
U.S. Treasury and government agency securities	218,794	69,655	149,139	
Total investments by fair value level	295,432	69,655	225,777	
Investments measured at NAV				
Money market mutual funds	172,214			
Local government investment pools	101,368			
Total investments measured at NAV	273,582			
Investments measured at cost				
Commercial paper	61,320			
Total investments measured at cost	61,320			
Total investments	\$ 630,334			

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

14. Fair Value Measurements (continued)

	2024		
	Total	Level 1	Level 2
Investments by fair value level			
State and local government securities	\$ 38,810	\$ -	\$ 38,810
U.S. Treasury and government agency securities	232,550	39,709	192,841
Total investments by fair value level	271,360	39,709	231,651
Investments measured at NAV			
Money market mutual funds	171,684		
Local government investment pools	77,081		
Total investments measured at NAV	248,765		
Investments measured at cost			
Commercial paper	36,322		
Total investments measured at cost	36,322		
Total investments	\$ 556,447		

Interest Rate Swap Agreements

JEA's interest rate swap agreements are valued using market rates as of September 30, 2024 and standard cash flow present valuing techniques, which places them at Level 2 in the fair value hierarchy. The agreements are recorded at fair value as part of long-term debt in the statements of net position. There were no active interest rate swap agreements at September 30, 2025. The fair value of the interest rate swap agreements at September 30, 2024 is detailed below.

	2024
Electric	\$ (36,057)
Water and Sewer	(8,028)
Total	\$ (44,085)

Natural Gas Cash Flow Hedges

JEA's natural gas cash flow hedges consisted of swap agreements, covering calendar years 2025 through 2031. These hedges were valued using prices observed on commodities exchanges and/or using industry-standard valuation techniques, such as option modeling or discounted cash flows techniques, incorporating both observable and unobservable valuation inputs, which placed them at Level 3 in the fair value hierarchy. At September 30, 2025, deferred credits of \$58,774 were included in accumulated increase in fair value of hedging derivatives and deferred charges of \$11,082 were included in accumulated decrease in fair value of hedging derivatives on the statement of net position. At September 30, 2024, deferred credits of \$53,512 were included in accumulated increase in fair value of hedging derivatives and deferred charges of \$20,698 were included in accumulated decrease in fair value of hedging derivatives on the statement of net position.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

15. Commitments and Contingent Liabilities

Grants

JEA participates in various federal and state assisted grant programs that are subject to review and audit by the grantor agencies. Entitlements to these resources are generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal and state regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from a federal or state audit may become a liability of JEA. It is management's opinion that the results of these audits will have no material adverse effect on JEA's financial position or results of operations.

Regulatory Initiatives

The electric industry and water and wastewater industry have been and will continue to be affected by a number of legislative and regulatory initiatives. The following summarizes the key regulations affecting JEA:

Electric Enterprise System – The Environmental Protection Agency (EPA) under different administrations made efforts to regulate CO₂ emissions in the U.S. since 2015. On June 11, 2025, current EPA Administrator Lee Zeldin proposed to repeal all GHG emissions standards for the power sector under Section 111 of the Clean Air Act. Specifically, those requirements include the New Source Performance Standards (NSPS) for coal and gas power plants, promulgated on October 23, 2015, NSPS for coal-fired steam generating units undertaking a large modification and NSPS for new gas power plants promulgated in the Carbon Pollution Standards (CPS) on May 9, 2024, and Emission guidelines for existing coal-, oil- and gas-fired steam generating units, also promulgated in the CPA on May 9, 2024. The EPA is proposing that the Clean Air Act (CAA) requires the Agency to find the targeted emissions from fossil fuel-fired power plants contribute significantly to dangerous air pollution before issuing regulations. The EPA is now claiming that GHG emissions from fossil fuel-fired power plants do not contribute significantly to dangerous air pollution.

On December 13, 2024, EPA published a proposed rule to revise the New Source Performance Standard (JSPS) for new, modified, or reconstructed combustion turbines (CTs) under Title 40 of the Code of Federal Regulations (40 CFR) Part 60, Subpart KKKa. Under the rule, CTs constructed, modified, or reconstructed after December 13, 2024 must meet more stringent emission standards. The most significant proposed change for NSPS KKKa is the requirement for most CTs constructed or reconstructed that operate above a certain capacity factor (either 20% or 40%) to operate with Selective Catalytic Reduction (SCR) for NO_x control. New CTs that JEA is planning to construct will likely have to meet stringent NO_x emission limits and be required to use SCR.

National Emission Standard for Hazardous Air Pollutants (NESHAP): 40 CFR 63 Subpart YYY (for Combustion Turbines) has also been revised as a result of the Residual Risk and Technical Review (RTR) in 2020. However, the EPA will not be imposing additional controls but revised Start-up, Shut-down and Malfunction (SSM) provisions and added requirements for E-reporting, and lifting of the stay for new gas-fired CTs. These revisions are not expected to impact JEA's existing CTs, unless they are significantly "modified or reconstructed" or if JEA constructs a new combustion turbine.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

15. Commitments and Contingent Liabilities (continued)

On February 16, 2012, the EPA issued its Mercury and Air Toxics Standards (MATS) rule, setting forth maximum achievable control technology (MACT) standards for coal and oil generating stations. The new standards regulate four categories of hazardous air pollutants (HAPS) emitted by coal- or oil-fired EGUs, namely mercury, HAP metals, acid gases, and organic HAP. The compliance deadline for affected sources to have all necessary pollution controls installed was April 2015. JEA's units that are regulated under MATS comply with all rule requirements.

On April 24, 2024, the EPA finalized revisions to the MATS rule, in response to its reconsideration of the 2020 Residual Risk and Technology Review (which resulted in no rule revisions). The rule lowers the filterable PM standard from 0.030 to 0.010 lb/MMBtu and requires continuous monitoring of PM emissions from JEA's circulating fluidized bed boilers. PM continuous emissions monitoring (CEM) systems are required to be installed on Northside Generating Units 1 and 2 by 2027. On June 11, 2025, the new EPA proposed to repeal certain amendments including the filter PM standards and the PM CEM requirements mentioned above.

On March 12, 2025, the Trump EPA announced that the agency is revisiting the Biden PM2.5 National Ambient Air Quality Standards (NAAQS), which has raised serious concerns from states across the country and served as a major obstacle to permitting. The rule was nullified on March 24, 2025. The EPA is also announcing that it will soon release guidance to increase flexibility on NAAQS implementation, reforms to New Source Review, and direction on permitting obligations.

The EPA and other agencies have been monitoring visibility in national parks and wilderness areas since 1988. In 1999, the EPA announced a major effort to improve air quality in national parks and wilderness areas. The Regional Haze Rule calls for state and federal agencies to work together to improve visibility in 156 national parks and wilderness areas. As a result of the second planning period of the rule, JEA reduced the use of Fuel Oil No. 6 and its sulfur content. By December 2025, JEA is to inform Florida Department of Environmental Protection (FDEP) if it will commit to burn only fuel oil with no more than 1% sulfur by weight in Unit 3 or decommission the Unit.

EPA's Coal Combustion Residuals (CCR) Rule became effective on October 19, 2015 and established technical requirements for surface impoundments and landfills. The rule requires protective controls, such as liners and groundwater monitoring, at landfills and surface impoundments that store CCRs.

The rule applies to CCR management practices at SJRPP and Scherer. The rule does not apply to management of byproducts at Northside Generating Station (NGS) as long as it continues to burn a fuel mix with less than 50% coal. The closed cell within Area B of SJRPP must comply with the operating and monitoring requirements of the rule. Area B is currently in post-closure care management with a natural attenuation remedy in place for the groundwater monitoring program. The EPA's CCR management units (CCRMUs) Rule became effective on November 8, 2024 and affects SJRPP's two closed Area A byproduct storage areas (Areas A-I and A-II) because they are considered CCRMUs. The rule will require SJRPP to assess its CCRMUs on a site-wide basis and determine if they require additional action. The measures that will need to be implemented to bring these two closed landfill cells into compliance with the rule will need to be determined after completion of the Facility Evaluation Report (February 2026). Although Scherer has an existing surface impoundment, Georgia Power will close the impoundment instead of pursuing a retrofit. Timeline for this closure is expected to run through 2030.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

15. Commitments and Contingent Liabilities (continued)

The EPA left in place the Bevill exemption for 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.

EPA issued a final 316(b) rule in the Federal Register in August 2015. The rule sets technology standards for cooling water intake systems for existing facilities under Section 316(b) of the Federal Clean Water Act. The new standards will not affect any JEA facilities other than NGS. The new standards will likely require upgrades to the system, varying from establishment of existing facilities as the Best Technology Available (BTA) to improvements to the existing screening facilities or installation of cooling towers. Estimated final compliance deadlines are not expected until after 2025 and will depend on the level of upgrade ultimately required. Accordingly, costs of compliance have not been determined for NGS and are not included in JEA's capital program for the Electric System.

On April 25, 2024, the EPA made available the pre-publication version of the final rule for Supplemental Effluent Limitations Guidelines. In setting the new and more stringent standards, the EPA evaluated the technologies and costs to remove metals and other parameters from individual wastewater streams generated by steam electric power plants and identify the BAT to affect their control. The new requirements for existing power plants must be phased in as soon as possible after the effective date of the rule, but no later than December 31, 2029. The costs of compliance at NGS and Scherer have been evaluated and are anticipated in operating budgets and in JEA's five-year capital program for the Electric System.

Water Supply System Regulatory Initiatives – JEA was issued a 20-year Consumptive Use Permit (CUP) in May 2011 from the St. Johns River Water Management District (SJRWMD), which allows for aquifer withdrawals sufficient to completely satisfy customer demands until 2031 if certain permit conditions are met. JEA evaluates its total water management plan annually to continuously understand changes in demand and how to balance investments in a three-part program: (1) continued expansion of the reuse system, (2) measured conservation program and (3) water transfers from areas with a higher supply on JEA's north grid to areas with a lower supply on JEA's south grid via river-crossing pipelines. In North Florida, the Suwannee River Water Management District (SRWMD), Florida Department of Environmental Protection (FDEP), and the SJRWMD have set or are setting/revising Minimum Flows and Levels (MFLs) for water bodies in the region. MFLs are intended to assess the potential for ecological resource risks from water withdrawals and ensure sustainable supplies. In 2021, the SJRWMD released MFLs for Lakes Brooklyn and Geneva in the Keystone Heights area. The MFL indicated the lakes will require a prevention and recovery strategy which was approved by the SJRWMD governing board in July 2021. JEA along with other northeast Florida water utilities then entered into an MOA with SJRWMD to provide financial assistance for a pipeline from Black Creek to assist in providing additional water resources for recharging of the lakes.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

15. Commitments and Contingent Liabilities (continued)

Wastewater Treatment System Regulatory Initiatives – The Sewer System is regulated by the EPA under provisions of the Federal Clean Water Act and the Federal Water Pollution Act. In Florida, the EPA has delegated the wastewater regulatory program to FDEP. The FDEP has implemented a Total Maximum Daily Load regulation (TMDL) defining the mass of nitrogen and phosphorus that can be assimilated by the St. Johns River, to which 8 of JEA's 12 wastewater treatment plants discharge. This state rule limits the amount of nitrogen and phosphorus that these eight wastewater treatment facilities are allowed to discharge by permit. JEA is meeting these limits as the result of past capital improvements to its wastewater facilities, expansion of the reclaimed water system, and phase-out of smaller old technology wastewater facilities. By virtue of exceeding its own regulatory obligation, JEA has generated nutrient reduction credits and has assisted the City in meeting a portion of their Municipal Separate Storm System nutrient requirements by transferring 82.16 short tons per year. This was recognized in JEA's annual contribution agreement negotiated in 2016 and amended in 2023. In 2013, both the FDEP and EPA reaffirmed the site-specific nutrient standard that is codified in the Lower St. Johns River TMDL.

The Florida Legislature passed statutory changes in 2021 under Florida Senate Bill 64 to eliminate the disposal of effluent from wastewater treatment facilities (WWTF) via surface water discharge by 2032. This change would require the WWTF effluent be used for aquifer recharge, potable reuse, conventional reuse, or ecological restoration. The bill also declares potable reuse to be an alternative water supply and prohibits exclusion of use of potable reuse water from regional water supply planning. Per the requirements of the legislation, on October 29, 2021 JEA submitted plans showing elimination of its surface water discharges by 2032. The plans were reviewed and accepted by FDEP in July 2022. The initial phases of the plan are underway with the completed drilling of an exploratory deep injection well in Nassau County. Permitting and construction is also underway for a 1 million gallon per day indirect potable reuse demonstration facility in Duval County.

Pollution Remediation Obligations

JEA is subject to numerous federal, state, and local environmental regulations resulting in environmental liabilities due to compliance costs associated with new regulatory initiatives, enforcement actions, legal actions, and contaminated site assessment and remediation. Based on an analysis of the cost of cleanup and other identified environmental contingencies, JEA has accrued a liability associated with the remediation efforts. In accordance with GASB No. 49, Accounting and Financial Reporting for Pollution Remediation Obligations, based on project estimates and probabilities, the liability is estimated to be \$57,274 at September 30, 2025. The accrual is related to the following environmental matters: Kennedy Generating Station (KGS) RCRA Corrective Action for former wood preserving site; Northside Generating Station RCRA Corrective Action for former chemical waste pond site; SJRPP post-closure; Pearl Street Electric Shop remedial activities; Lincoln Estates Pump Station; KGS Bulkhead remedial activities; and remediation at a number of miscellaneous petroleum sites. Of the \$57,274 that JEA has accrued as environmental liabilities, approximately \$20,023 is associated with the long-term care costs of the former wood preserving facility at the Kennedy Generating Facility, approximately \$18,639 is associated with the long-term care costs of the former chemical waste ponds at the Northside Generating Station, and approximately \$16,596 is associated with SJRPP. Following are other environmental matters that could have an impact on JEA; however, the resolution of these matters is uncertain and no accurate prediction of range of loss is possible at this time: Southside Generating Station brownfield, Pickettville Road Landfill CERCLA site post-closure activities and the Ellis Road CERCLA site.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

15. Commitments and Contingent Liabilities (continued)

Although uncertainties associated with these recognized environmental liabilities remain, JEA believes that the current provision for such costs is adequate and additional costs, if any, will not have a material adverse effect upon its financial position, results of operations, or liquidity. Costs associated with these obligations that were expensed after the discontinuation of the separate environmental charge are recorded in other noncurrent liabilities and total \$55,116. The remaining liability is recognized as part of revenues to be used for future costs.

Northside Generating Station Byproduct

JEA Northside Generating Station (NGS) Units 1 and 2 are fueled by a combination of petroleum coke, biomass, coal, and natural gas. Limestone is added during the power generation process to create thermal mass and to aid in the removal of sulfurous gas emissions. At the conclusion of this generation process, two byproducts are generated, fly ash and bed ash. These byproducts are distinct from that of a conventionally fired boiler because they are composed primarily of lime and gypsum. JEA has obtained a permit from FDEP to beneficially use NGS byproduct material in the State of Florida, subject to certain restrictions. Rail capacity at NGS, the ability to load rail cars and trucks directly from the storage silos, and direct leasing of railcars has enabled JEA to market fly ash and bed ash by truck or rail. These byproducts are currently being transported by truck and rail to leachate solidification and environmental remediation/stabilization projects in several southeastern states.

The Byproducts Storage Area is an FDEP permitted, Class I lined storage facility at NGS. JEA received a new 20-year permit effective May 4, 2015.

A case is pending in the Second Judicial Circuit in Harrison County, Mississippi. Plaintiff sued multiple defendants seeking damages allegedly resulting from construction defects at The Promenade, a retail shopping mall in D'Iberville, Mississippi. Plaintiff amended the complaint in April 2010 to add JEA as a defendant on various product liability theories, claiming that JEA's ash byproduct was allegedly incorporated as a component of the product of another party defendant and used by other party defendants at the subject project. Plaintiff seeks injunctive relief, to remediate the site, and damages. Multiple third-party claims and cross claims were raised and have since been settled with Plaintiff. The Plaintiff was initially seeking approximately \$100,000 in damages from JEA. However, the real property at issue was sold by the plaintiff in July 2025, and the plaintiff's damages claim is now uncertain and will be the subject of further discovery. The trial court has entered two orders reducing or eliminating the plaintiff's claims against JEA in light of a U.S. Supreme Court decision from 2019. These orders were appealed by plaintiff on two occasions. The Mississippi Supreme Court ultimately reversed the second order dismissing the case against JEA and remanded the case back to the trial court on June 12, 2025. The trial has not yet been scheduled. JEA has meritorious defenses and will continue to vigorously defend the action.

General Litigation

JEA is party to various pending or threatened legal actions in connection with its normal operations. In the opinion of management, any ultimate liabilities that may arise from these actions are not expected to materially affect JEA's financial position, results of operations, or liquidity.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

16. Segment Information

The financial statements of JEA contain four segments, as the Electric System and Bulk Power Supply System, the SJRPP System, the Water and Sewer System, and DES represent separate identifiable activities. These systems have debt outstanding with a revenue stream pledged in support of the debt. In addition, the activities are required to be accounted for separately. JEA's Electric System and Bulk Power Supply System segment consists of an electric utility engaged in the generation, purchase, transmission, distribution, and sale of electricity primarily in Northeast Florida. JEA's SJRPP System segment consists of a generation facility that was decommissioned as of September 30, 2023. JEA's Water and Sewer System segment consists of water collection, distribution, and wastewater treatment in Northeast Florida. The DES segment consists of chilled water activities.

Intercompany billing is employed between the Electric System, the Water and Sewer System, and DES and includes purchases of electricity, water, sewer, and chilled water services and the rental of inventory and buildings. The utility charges between entities are based on a commercial customer rate. All intercompany billings are eliminated in the financial statements. See intercompany charges detailed below.

	2025			2024		
	Electric	W&S	DES	Electric	W&S	DES
Electricity services	N/A	\$ 20,574	\$ 3,915	N/A	\$ 19,106	\$ 3,638
Water and sewer services	476	N/A	244	521	N/A	192
Chilled water services	-	775	N/A	-	764	N/A

The Electric System shares certain administrative functions with the Water and Sewer System. Generally, these costs are charged to the Electric System and the costs of these functions are allocated to the Water and Sewer System based on the benefits provided. Operating expense allocated to the Water and Sewer System was \$88,827 for fiscal year 2025 and \$86,129 for 2024.

In September 1999, the Water and Sewer System purchased the inventory owned by the Electric System for \$32,929. This was initiated to increase the utilization of its assets between the Electric System and the Water and Sewer System. A monthly inventory carrying charge is paid by the Electric System based on the value of the inventory multiplied by one-twelfth of the prior year's Water and Sewer average cost of debt. Inventory carrying charges were \$6,526 for fiscal year 2025 and \$5,996 for 2024.

In July 1999 and July 2004, the Electric System transferred several buildings to the Water and Sewer System in the amounts of \$22,940 and \$6,284, respectively, an amount equal to the net book value of the assets. Monthly, the Electric System reimburses the Water and Sewer System for their equitable allocation. Annual rent paid by the Electric System to the Water and Sewer System for use of these buildings was \$498 for fiscal year 2025 and \$2,529 for 2024. The decrease in rental expense for the Electric System and rental income for the Water System is due to the completion of the obligations under the 1999 agreement in 2024. The obligations under the 2004 agreement will be satisfied in 2029.

To utilize the efficiencies in the Customer Account Information billing system and reduce the administrative efforts in recording deposits, customer deposits are recorded to one Service Agreement per account. Deposits are allocated to the Electric System or Water and Sewer System based on revenues. When the deposits are credited to customer accounts, they are allocated between the service agreements.

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

16. Segment Information (continued)

Segment information for these activities for the fiscal years ended September 30, 2025 and 2024 was as follows:

	Electric System and Bulk Power Supply System		SJRPP System	
	2025	2024	2025	2024
Condensed statements of net position				
Total current assets	\$ 711,249	\$ 665,500	\$ 5,683	\$ 4,789
Total noncurrent assets	821,576	709,376	98,502	102,172
Net capital assets	2,657,684	2,611,322	7,275	7,685
Deferred outflows of resources	166,466	226,857	16,091	24,467
Total assets and deferred outflows of resources	\$ 4,356,975	\$ 4,213,055	\$ 127,551	\$ 139,113
Total current liabilities	\$ 204,201	\$ 179,857	\$ 80	\$ 97
Total current liabilities payable from restricted assets	118,696	71,536	28,897	25,663
Total long-term debt	1,481,578	1,403,628	43,247	60,300
Total other noncurrent liabilities	695,560	748,652	-	13,277
Total liabilities	2,500,035	2,403,673	72,224	99,337
Deferred inflows of resources	376,426	349,232	44,807	29,385
Net investment in (divestment of) capital assets	1,172,836	1,245,434	(13,288)	(11,502)
Restricted net position	102,363	32,515	18,205	17,202
Unrestricted net position	205,315	182,201	5,603	4,691
Total net position	1,480,514	1,460,150	10,520	10,391
Total liabilities, deferred inflows of resources, and net position	\$ 4,356,975	\$ 4,213,055	\$ 127,551	\$ 139,113
Condensed statements of revenues, expenses, and changes in net position information				
Total operating revenues	\$ 1,577,293	\$ 1,421,162	\$ 20,529	\$ 20,655
Depreciation	225,288	227,260	410	410
Other operating expenses	1,211,135	1,112,144	18,668	18,186
Operating income	140,870	81,758	1,451	2,059
Total nonoperating expenses, net	(22,798)	(10,700)	(1,322)	(1,770)
Total contributions, net	(97,708)	(95,209)	-	-
Changes in net position	20,364	(24,151)	129	289
Net position, beginning of year	1,460,150	1,484,301	10,391	10,102
Net position, end of year	\$ 1,480,514	\$ 1,460,150	\$ 10,520	\$ 10,391
Condensed statements of cash flow information				
Net cash provided by operating activities	\$ 366,540	\$ 307,216	\$ 21,054	\$ 21,148
Net cash provided by (used in) noncapital and related financing activities	(97,501)	(95,233)	-	-
Net cash used in capital and related financing activities	(211,606)	(359,244)	(18,723)	(18,776)
Net cash provided by (used in) investing activities	3,600	121,116	1,027	2,164
Net change in cash and cash equivalents	61,033	(26,145)	3,358	4,536
Cash and cash equivalents at beginning of year	230,655	256,800	30,167	25,631
Cash and cash equivalents at end of year	\$ 291,688	\$ 230,655	\$ 33,525	\$ 30,167

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

16. Segment Information (continued)

Segment information for these activities for the fiscal years ended September 30, 2025 and 2024 was as follows:

	Water and Sewer	DES		
	2025	2024	2025	2024
Condensed statements of net position				
Total current assets	\$ 243,583	\$ 225,872	\$ 2,019	\$ 1,991
Total noncurrent assets	706,212	623,931	24,958	14,462
Net capital assets	3,893,612	3,561,438	56,543	49,790
Deferred outflows of resources	78,817	113,023	109	121
Total assets and deferred outflows of resources	\$ 4,922,224	\$ 4,524,264	\$ 83,629	\$ 66,364
Total current liabilities	\$ 54,238	\$ 63,806	\$ 92	\$ 103
Total current liabilities payable from restricted assets	205,017	185,739	6,513	4,207
Total long-term debt	1,955,838	1,651,465	64,028	51,020
Total other noncurrent liabilities	409,087	438,294	105	84
Total liabilities	2,624,180	2,339,304	70,738	55,414
Deferred inflows of resources	38,709	11,344	-	-
Net investment in (divestment of) capital assets	2,017,628	1,923,907	(10,952)	(4,228)
Restricted net position	68,092	106,911	22,021	13,374
Unrestricted net position	173,615	142,798	1,822	1,804
Total net position	2,259,335	2,173,616	12,891	10,950
Total liabilities, deferred inflows of resources, and net position	\$ 4,922,224	\$ 4,524,264	\$ 83,629	\$ 66,364
Condensed statements of revenues, expenses, and changes in net position information				
Total operating revenues	\$ 555,673	\$ 529,995	\$ 13,417	\$ 12,884
Depreciation	179,431	182,333	3,229	3,118
Other operating expenses	288,984	277,480	5,805	5,740
Operating income	87,258	70,182	4,383	4,026
Total nonoperating expenses, net	(24,914)	(15,814)	(2,442)	(1,736)
Total contributions, net	23,375	60,822	-	-
Changes in net position	85,719	115,190	1,941	2,290
Net position, beginning of year	2,173,616	2,058,426	10,950	8,660
Net position, end of year	\$ 2,259,335	\$ 2,173,616	\$ 12,891	\$ 10,950
Condensed statements of cash flow information				
Net cash provided by operating activities	\$ 239,484	\$ 230,029	\$ 7,653	\$ 6,743
Net cash provided by (used in) noncapital and related financing activities	(38,776)	(28,314)	-	-
Net cash used in capital and related financing activities	(191,504)	(142,426)	1,769	3,412
Net cash provided by (used in) investing activities	(19,803)	9,581	535	214
Net change in cash and cash equivalents	(10,599)	68,870	9,957	10,369
Cash and cash equivalents at beginning of year	159,572	90,702	15,848	5,479
Cash and cash equivalents at end of year	\$ 148,973	\$ 159,572	\$ 25,805	\$ 15,848

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

17. Leases

JEA financial statements reflect the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to establish a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, unless the lease is a short-term lease or ownership is transferred at the end of the contract.

Lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset, the underlying asset, as specified in the contract for a period of time in an exchange or exchange-like transaction. The lease term is the period during which a lessee has a noncancellable right to use an underlying asset plus periods covered by the option to extend if it is reasonably certain the lessee will extend, and the option to terminate if it is reasonably certain the lessee will not terminate. Lease assets are amortized on a straight-line basis over the shorter of the contract term or the useful life of the underlying asset.

JEA is party to a multitude of leases, as either lessee or lessor, and applies a materiality threshold of one million dollars in net assets based on the present value of expected receipts or payments over the term of the contract. JEA has one material lease that began in FY23. On November 3, 2022, JEA entered into an agreement with Ryan Companies to lease a new building and parking garage, located at 225 N Pearl St., Jacksonville, FL 32202, as JEA corporate headquarters. As the lessee party, JEA recognizes a right-to-use capital asset (known as the lease asset) and a lease liability.

At September 30, 2025, the lease asset is \$93,313, with accumulated amortization of \$13,474, included in net capital assets on the statement of net position. At September 30, 2025, the lease liability is \$87,300. At September 30, 2024, the lease asset was \$93,313, with accumulated amortization of \$8,845, included in net capital assets on the statement of net position. At September 30, 2024, the lease liability was \$89,463. The lease expires December 31, 2042 and the payments are discounted using an estimated incremental borrowing rate.

Future principal and interest payments as of September 30, 2025 are as follows:

Fiscal Year Ending September 30	Principal	Interest	Total Payment
2026	\$ 2,401	\$ 3,549	\$ 5,950
2027	2,654	3,445	6,099
2028	2,920	3,331	6,251
2029	3,202	3,206	6,408
2030	3,500	3,068	6,568
2031-2035	22,570	12,816	35,386
2036-2040	32,283	7,201	39,484
2041-2043	17,770	869	18,639
Total Minimum Lease Payments	\$ 87,300	\$ 37,485	\$ 124,785

JEA
Notes to Financial Statements (continued)
(Dollars in Thousands)

17. Leases (continued)

Future principal and interest payments as of September 30, 2024 are as follows:

Fiscal Year Ending September 30	Principal	Interest	Total Payment
2025	\$ 2,163	\$ 3,642	\$ 5,805
2026	2,401	3,549	5,950
2027	2,654	3,445	6,099
2028	2,920	3,331	6,251
2029	3,202	3,206	6,408
2030-2034	20,817	13,706	34,523
2035-2039	30,310	8,485	38,795
2040-2043	24,996	1,763	26,759
Total Minimum Lease Payments	\$ 89,463	\$ 41,127	\$ 130,590

18. Subsequent Events

In December 2025, JEA plans to borrow \$125,000 against the revolving credit facility for the Water and Sewer System to fund capital projects.

JEA expects to issue up to \$313,800 of new Electric System and \$397,065 of new Water and Sewer System bonds during June, or July 2026 to pay down the outstanding balances on the revolving credit facilities and fund capital projects for each system.

Required Supplementary Information

JEA
Required Supplementary Information – Pension (continued)
(Dollars in Thousands)

City of Jacksonville General Employees Retirement Plan

Schedule of JEA's Proportionate Share of the Net Pension Liability^(a)

Fiscal Year	Proportional Share Percentage	Net Pension Liability	Covered Payroll	Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2016	49.15%	\$ 480,353	\$ 127,440	376.92%	64.03%
2017	50.37%	541,025	126,808	426.65%	63.00%
2018	51.68%	527,680	134,443	392.49%	66.42%
2019	50.59%	562,371	135,709	414.40%	65.23%
2020	48.84%	633,292	134,549	470.68%	60.54%
2021	52.71%	729,569	133,714	545.62%	59.16%
2022	52.29%	643,001	130,400	493.10%	65.16%
2023	52.00%	950,267	130,164	730.05%	50.01%
2024	52.74%	962,324	137,151	701.65%	51.54%
2025	51.61%	878,694	142,844	615.14%	55.74%

Schedule of JEA Contributions^(a)

Fiscal Year Ending September 30	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2016	\$ 43,156	\$ 43,156	\$ -	\$ 127,440	33.86%
2017	48,942	48,942	-	126,808	38.60%
2018	35,459	35,929	(470)	134,443	26.72%
2019	33,856	34,352	(496)	135,709	25.31%
2020	37,592	38,095	(503)	134,549	28.31%
2021	40,401	40,401	-	133,714	30.21%
2022	43,825	43,825	-	130,400	33.61%
2023	43,986	43,986	-	130,164	33.79%
2024	50,036	50,036	-	137,151	36.48%
2025	61,765	61,765	-	142,844	43.24%

^(a) All information is on a measurement year basis.

JEA
Required Supplementary Information – Pension
(Dollars in Thousands)

Notes to Schedule of Contributions

Valuation date: Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial cost method	Entry Age Actuarial Cost Method
Amortization method	Level percent of payroll, using 1.50% annual increases*
Remaining amortization period	As of October 1, 2022, the effective amortization period is 24 years
Asset valuation method	The market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual and expected returns on a market value basis and is recognized over a five-year period. The deferred return is further adjusted, if necessary, so that the actuarial value of assets will stay within 20% of the market value of assets.

Actual assumptions:

Investment rate of return	6.50%, net of pension plan investment expense, including inflation
Inflation rate	2.50%
Projected salary increases	3.00%–7.50%, of which 2.50% is the Plan's long-term payroll inflation assumption
Cost-of-living adjustments	Plan provisions contain a 3.00% COLA.

* The Fund's payroll inflation assumption is 2.50% as of October 1, 2021. Per Part VII, Chapter 112.64(5)(a) of Florida Statutes, the payroll growth assumption used for amortization of the unfunded liability is not allowed to exceed the average annual payroll growth for the proceeding ten years. However, pursuant to Chapter 112.64(5)(b), and after adjusting this analysis to account for bargained pay level increases and inclusion of DC plan participants in the total payroll, the assumption was set at 1.50%.

JEA
Required Supplementary Information – Pension (continued)
(Dollars in Thousands)

City of Jacksonville Defined Contribution Disability Fund

Schedule of JEA's Proportionate Share of the Net Pension Liability^(a)

Fiscal Year	Proportional Share Percentage	Net Pension Liability	Covered Payroll	Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2022	37.01%	\$ 3,111	\$ 50,609	6.15%	22.07%
2023	33.62%	3,471	51,427	6.75%	19.66%
2024	38.21%	3,325	73,243	4.54%	46.23%
2025	38.41%	84	90,668	0.09%	98.77%

Schedule of JEA Contributions^(a)

Fiscal Year Ending September 30	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2022	N/A	\$ 150	N/A	\$ 50,609	0.30%
2023	\$ 955	955	\$ -	51,427	1.86%
2024	1,021	1,021	-	73,243	1.39%
2025	1,377	1,377	-	90,668	1.52%

^(a) These schedules are presented to illustrate the requirement to share information for ten years. However, until a full ten-year trend is compiled, only available information is shown. All information is on a measurement year basis.

Notes to Schedule of Contributions

Methods and Assumptions Used to Determine Contribution Rates:

Valuation date	Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.
Actuarial cost method	Entry Age Actuarial Cost Method.
Amortization method	Level Percentage of Payroll, using 1.50% annual increases.
Remaining amortization period	As of October 1, 2022 the effective amortization period is 24 years.
Asset valuation method	The market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between actual and expected returns on a market value basis and is recognized over a five-year period. The deferred return is further adjusted, if necessary, so that the actuarial value of assets will stay within 20% of the market value of assets.

JEA
Required Supplementary Information – Pension (continued)
(Dollars in Thousands)

SJRPP Plan – Investment Returns^(a)

2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
-0.19%	9.99%	10.39%	7.37%	2.48%	4.78%	21.33%	1.92%	3.72%	7.84%

SJRPP Plan – Schedule of Contributions^(a)

Fiscal Year Ending September 30	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2016	\$ 2,050	\$ 2,142	\$ (92)	\$ 15,730	13.62%
2017	7,967	8,039	(72)	15,621	51.46%
2018	7,727	26,409	(18,682)	3,992	661.57%
2019	-	-	-	452	0.00%
2020	4,582	13,307	(8,725)	468	2845.69%
2021	-	-	-	373	0.00%
2022	-	6,900	(6,900)	297	2323.23%
2023	-	-	-	339	0.00%
2024	-	-	-	386	0.00%
2025	-	-	-	339	0.00%

^(a) All information is on measurement year basis

Notes to Schedule of Contributions

Valuation date:

Actuarially determined contributions are calculated in a valuation performed as of the beginning of the year prior to the fiscal year in which contributions are made and reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar, Closed
Remaining amortization period	5 years
Asset valuation method	Market value of assets, with 5-year smoothing, less Credit Balance Account
Inflation	2.25%
Salary increases	2.5% - 12.5% per year, including inflation
Investment rate of return	6.00% per year, compounded annually, net of investment expenses.
Retirement Rates	Experience-based table of rates based on year of eligibility.
Mortality	Mortality rates used by the Florida Retirement System for Non-K12 Instructional Regular Class members, described as follows: Healthy pre-retirement mortality rates: PUB-2010 Headcount Weighted General Below Median Employee tables, generationally projected from year 2010 using Scale MP-2018, set back 1 year for males; Healthy post-retirement mortality rates: PUB-2010 Headcount Weighted General Below Median Healthy Retiree tables, generationally projected from year 2010 using Scale MP-2018, set back 1 year for males; Disabled mortality rates: PUB-2010 Headcount Weighted General Disabled Retiree tables, set forward 3 years.

JEA
Required Supplementary Information – Pension (continued)
(Dollars in Thousands)

SJRPP Plan – Schedule of Changes in Net Pension (Asset) Liability and Related Ratios^(a)

	2015	2016	2017	2018	2019 ^(b)
Total Pension Liability					
Beginning balance	\$ 148,508	\$ 155,143	\$ 158,926	\$ 169,321	\$ 174,666
Service cost	1,275	1,210	1,032	112	35
Interest	10,271	10,514	10,768	11,163	10,086
Changes in benefit terms	-	(59)	-	-	-
Difference between actual and expected experience	2,121	714	10,826	(1,784)	1,193
Changes in assumptions	3,316	3,730	26	15,782	(2,975)
Benefit payments	(10,348)	(12,326)	(12,257)	(19,928)	(13,198)
Total pension liability – ending	\$ 155,143	\$ 158,926	\$ 169,321	\$ 174,666	\$ 169,807
Plan Fiduciary Net Position					
Beginning balance	\$ 145,425	\$ 138,902	\$ 142,286	\$ 152,798	\$ 170,665
Contributions – employer	3,509	2,142	8,039	26,409	-
Contributions – employee	648	629	625	232	90
Net investment income (loss)	(266)	13,379	14,571	11,499	4,610
Benefit payments	(10,348)	(12,326)	(12,257)	(19,928)	(13,198)
Administrative expense	(66)	(440)	(466)	(345)	(154)
Plan fiduciary net position – ending	\$ 138,902	\$ 142,286	\$ 152,798	\$ 170,665	\$ 162,013
Net Pension Liability (Asset) – Ending	\$ 16,241	\$ 16,640	\$ 16,523	\$ 4,001	\$ 7,794
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	89.53%	89.53%	90.24%	97.71%	95.41%
Covered Payroll	\$ 16,665	\$ 15,730	\$ 15,621	\$ 3,992	\$ 452
Net Pension Liability (Asset) as a Percentage of Covered Payroll	97.46%	105.79%	105.78%	100.24%	1723.50%

^(a) All information is on a measurement year basis.

^(b) The mortality tables and improvement scales used by FRS were updated in their July 1, 2019 valuation. The new FRS mortality assumptions were adopted for this measurement.

^(c) The mortality tables and improvement scales used by FRS were updated in their July 1, 2021 valuation. The new FRS mortality assumptions were adopted for this measurement.

^(d) The new funding policy adopted for the Plan on December 14, 2022 implemented five-year smoothing for the actuarial value of assets and five-year amortization of the unfunded accrued actuarial liability. The changed methods were adopted for this measurement.

JEA
Required Supplementary Information – Pension (continued)
(Dollars in Thousands)

SJRPP Plan – Schedule of Changes in Net Pension (Asset) Liability and Related Ratios^(a)

	2020	2021 ^(c)	2022 ^(d)	2023	2024
Total Pension Liability					
Beginning balance	\$ 169,807	\$ 167,697	\$ 163,682	\$ 160,439	\$ 154,923
Service cost	21	22	10	10	10
Interest	9,795	9,656	9,414	9,243	8,910
Changes in benefit terms	–	–	–	–	–
Difference between actual and expected experience	1,222	(153)	912	(1,950)	566
Changes in assumptions	–	–	–	–	–
Benefit payments	(13,148)	(13,540)	(13,579)	(12,819)	(12,872)
Total pension liability – ending	\$ 167,697	\$ 163,682	\$ 160,439	\$ 154,923	\$ 151,537
Plan Fiduciary Net Position					
Beginning balance	\$ 162,013	\$ 169,982	\$ 190,094	\$ 155,643	\$ 160,606
Contributions – employer	13,307	–	6,900	–	–
Contributions – employee	19	15	12	14	16
Net investment income (loss)	7,877	33,731	(27,684)	17,835	33,182
Benefit payments	(13,148)	(13,540)	(13,579)	(12,819)	(12,872)
Administrative expense	(86)	(94)	(100)	(67)	(143)
Plan fiduciary net position – ending	\$ 169,982	\$ 190,094	\$ 155,643	\$ 160,606	\$ 180,789
Net Pension Liability (Asset) – Ending	\$ (2,285)	\$ (26,412)	\$ 4,796	\$ (5,683)	\$ (29,252)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	101.36%	116.14%	97.01%	103.67%	119.30%
Covered Payroll	\$ 468	\$ 373	\$ 297	\$ 339	\$ 386
Net Pension Liability (Asset) as a Percentage of Covered Payroll	-488.67%	-7078.62%	1616.38%	-1676.86%	-7570.45%

^(a) All information is on a measurement year basis.

^(b) The mortality tables and improvement scales used by FRS were updated in their July 1, 2019 valuation. The new FRS mortality assumptions were adopted for this measurement.

^(c) The mortality tables and improvement scales used by FRS were updated in their July 1, 2021 valuation. The new FRS mortality assumptions were adopted for this measurement.

^(d) The new funding policy adopted for the Plan on December 14, 2022 implemented five-year smoothing for the actuarial value of assets and five-year amortization of the unfunded accrued actuarial liability. The changed methods were adopted for this measurement.

JEA
Required Supplementary Information – OPEB
(Dollars in Thousands)

OPEB Plan – Schedule of Changes in Net OPEB Liability (Asset) and Related Ratios^(a)

	2016	2017	2018	2019 ^(d)	2020 ^(c)
Total OPEB Liability					
Beginning balance	\$ 62,554	\$ 60,949	\$ 44,547	\$ 46,705	\$ 40,794
Service cost	781	811	499	539	453
Interest on the total OPEB liability	4,203	4,253	3,044	2,740	2,392
Changes in benefit terms	–	(11,556)	–	–	–
Difference between actual and expected experience	–	(7,891)	(4,057)	362	(620)
Change of assumptions	–	–	5,794	(6,387)	(1,131)
Benefit payments	(6,589)	(2,019)	(3,122)	(3,165)	(2,753)
Total OPEB liability - ending	\$ 60,949	\$ 44,547	\$ 46,705	\$ 40,794	\$ 39,135
Plan Fiduciary Net Position					
Beginning balance	\$ 18,156	\$ 21,441	\$ 25,712	\$ 28,449	\$ 30,703
Employer contributions	5,061	5,240	4,078	3,903	4,394
Net investment income	2,135	2,942	1,989	1,617	2,112
Reimbursements to employer	(3,911)	(3,911)	(3,308)	(3,244)	(3,187)
OPEB plan administrative expense	–	–	(22)	(22)	(23)
Plan fiduciary net position - ending	\$ 21,441	\$ 25,712	\$ 28,449	\$ 30,703	\$ 33,999
Net OPEB Liability (Asset) - Ending	\$ 39,508	\$ 18,835	\$ 18,256	\$ 10,091	\$ 5,136
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	35.18%	57.72%	60.91%	75.26%	86.88%
Covered Payroll	\$ 150,073	\$ 155,326	\$ 156,042	\$ 157,415	\$ 162,138
Net OPEB Liability (Asset) as a Percentage of Covered Payroll	26.33%	12.13%	11.70%	6.41%	3.17%

^(a) This schedule is presented to illustrate the requirement to share information for ten years. However, until a full ten year trend is compiled, only available information is shown. All information is on a measurement year basis.

^(b) The expected claims costs and premiums were updated to reflect recent information provided for this valuation. Long-term trend rates of healthcare increases were lowered from 3.99% to 3.75%, and the year for reaching the ultimate value was revised from 2040 to 2050.

^(c) A load for modeling the excise tax was removed following the repeal of the Cadillac tax.

^(d) First year trend on premiums was reduced from 6.50% to 2.06%. Assumed initial cost of coverage was reduced from previously projected \$1,090 per subscriber per month to \$1,016 per subscriber per month, partially offset by a modest change in the first year average premium to \$699 per month from expected \$695 per month. Assumed mortality rates were updated to PUB-2020 tables. These are the same rates used by the Florida Retirement System in their July 1, 2019 Actuarial Valuation for non K-12 Instructional Regular Class Members. Demographic assumptions for GERP members were updated following an experience study by the plan actuary for the GERP. Updated assumptions include salary increase assumptions, rates of disability, rates of withdrawal, and rates of retirement. The ultimate inflation assumption was changed from 2.5% to 2.25% with healthcare cost trend assumption revised accordingly.

JEA
Required Supplementary Information – OPEB
(Dollars in Thousands)

OPEB Plan – Schedule of Changes in Net OPEB Liability (Asset) and Related Ratios^(a) (continued)

	2021 ^(b)	2022	2023	2024
Total OPEB Liability				
Beginning balance	\$ 39,135	\$ 42,338	\$ 42,117	\$ 35,844
Service cost	432	528	535	588
Interest on the total OPEB liability	2,291	2,489	2,473	2,098
Changes in benefit terms	-	-	-	-
Difference between actual and expected experience	(2,934)	670	(1,460)	(153)
Change of assumptions	6,202	(1,135)	(4,965)	4,198
Benefit payments	(2,788)	(2,773)	(2,856)	(2,930)
Total OPEB liability – ending	\$ 42,338	\$ 42,117	\$ 35,844	\$ 39,645
Plan Fiduciary Net Position				
Beginning balance	\$ 33,999	\$ 40,696	\$ 34,146	\$ 35,287
Employer contributions	2,946	1,714	961	1,641
Net investment income	6,552	(5,463)	3,062	7,131
Reimbursements to employer	(2,774)	(2,773)	(2,856)	(2,930)
OPEB plan administrative expense	(27)	(28)	(26)	(27)
Plan fiduciary net position – ending	\$ 40,696	\$ 34,146	\$ 35,287	\$ 41,102
Net OPEB Liability (Asset) - Ending	\$ 1,642	\$ 7,971	\$ 557	\$ (1,457)
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	96.12%	81.07%	98.45%	103.67%
Covered Payroll	\$ 169,291	\$ 173,502	\$ 224,612	\$ 239,069
Net OPEB Liability (Asset) as a Percentage of Covered Payroll	0.97%	4.59%	0.25%	-0.61%

^(a) This schedule is presented to illustrate the requirement to share information for ten years. However, until a full ten year trend is compiled, only available information is shown. All information is on a measurement year basis.

^(b) The expected claims costs and premiums were updated to reflect recent information provided for this valuation. Long-term trend rates of healthcare increases were lowered from 3.99% to 3.75%, and the year for reaching the ultimate value was revised from 2040 to 2050.

^(c) A load for modeling the excise tax was removed following the repeal of the Cadillac tax.

^(d) First year trend on premiums was reduced from 6.50% to 2.06%. Assumed initial cost of coverage was reduced from previously projected \$1,090 per subscriber per month to \$1,016 per subscriber per month, partially offset by a modest change in the first year average premium to \$699 per month from expected \$695 per month. Assumed mortality rates were updated to PUB-2020 tables. These are the same rates used by the Florida Retirement System in their July 1, 2019 Actuarial Valuation for non K-12 Instructional Regular Class Members. Demographic assumptions for GERP members were updated following an experience study by the plan actuary for the GERP. Updated assumptions include salary increase assumptions, rates of disability, rates of withdrawal, and rates of retirement. The ultimate inflation assumption was changed from 2.5% to 2.25% with healthcare cost trend assumption revised accordingly.

JEA
Required Supplementary Information – OPEB
(Dollars in Thousands)

OPEB Plan – Investment Returns^(a)

2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
-0.46%	7.90%	13.35%	7.54%	5.55%	6.69%	19.13%	-13.56%	9.17%	20.48%

OPEB Plan – Schedule of Contributions^(a)

Fiscal Year Ending September 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2015	5,011	7,255	(2,244)	N/A	N/A
2016	5,061	7,739	(2,678)	150,073	5.16%
2017	4,138	5,240	(1,102)	155,326	3.37%
2018	4,078	4,078	-	156,042	2.61%
2019	3,903	3,903	-	157,415	2.48%
2020	4,394	4,394	-	162,138	2.71%
2021	2,946	2,946	-	169,291	1.74%
2022	1,714	1,714	-	173,502	0.99%
2023	961	961	-	224,612	0.43%
2024	1,641	1,641	-	239,069	0.69%

(a) All information is on measurement year basis.

Notes to Schedule of Contributions**Methods and Assumptions Used to Determine Contribution Rates:**

Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar, Open
Remaining amortization period	5 years
Asset valuation method	Market value
Inflation	2.5%
Salary increases	2.5% – 12.5% per year, including inflation; varies by years of service
Investment rate of return	6.0%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	Mortality rates used by the Florida Retirement System for its regular class members other than K-12 School Instructional Personnel described as follows: Healthy pre-retirement mortality rates: PUB-2010 Headcount Weighted General Below Median Employee tables, generationally projected from year 2010 using Scale MP-2018, set back 1 year for males; Healthy post-retirement mortality rates: PUB-2010 Headcount Weighted General Below Median Healthy Retiree tables, generationally projected from year 2010 using Scale MP-2018, set back 1 year for males; Disabled mortality rates: PUB-2010 Headcount Weighted General Disabled Retiree tables, set forward 3 years.
Healthcare cost trend rates	Based on the Getzen Model, with trend starting at 7.5% (0.0% for premiums) and gradually decreasing to an ultimate trend rate of 4.0% in 2051.
Aging factors	Based on the 2013 SOA Study "Health Care Costs – From Birth to Death".
Expenses	Investment returns are net of the investment expenses; and, administrative expenses related to operation of the health plan are included in the per capita costs.

Combining Statements

JEA
Combining Statement of Net Position
(In Thousands)
September 30, 2025

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of intercompany transactions	Total Electric Enterprise Fund
Assets				
Current assets:				
Cash and cash equivalents	\$ 291,563	\$ 3,525	\$ -	\$ 295,088
Investments	101,908	2,058	-	103,966
Customer accounts receivable, net of allowance (\$2,680)	201,220	-	-	201,220
Inventories:				
Materials and supplies	2,550	-	-	2,550
Fuel	46,942	-	-	46,942
Prepaid assets	33,246	-	-	33,246
Other current assets	33,820	100	(1,454)	32,466
Total current assets	711,249	5,683	(1,454)	715,478
Noncurrent assets:				
Restricted assets:				
Cash and cash equivalents	125	30,000	-	30,125
Investments	170,376	943	-	171,319
Other restricted assets	1,615	9	-	1,624
Total restricted assets	172,116	30,952	-	203,068
Costs to be recovered from future revenues				
Hedging derivative instruments	546,202	38,298	-	584,500
Other assets	58,775	-	-	58,775
Total noncurrent assets	821,576	98,502	-	920,078
Net capital assets	2,657,684	7,275	-	2,664,959
Total assets	4,190,509	111,460	(1,454)	4,300,515
Deferred outflows of resources				
Unrealized pension contributions and losses				
Unamortized deferred losses on refundings	58,180	15,555	-	73,735
Unrealized asset retirement obligation	58,127	536	-	58,663
Accumulated decrease in fair value of hedging derivatives	31,525	-	-	31,525
Unrealized OPEB contributions and losses	11,082	-	-	11,082
Total deferred outflows of resources	166,466	16,091	-	182,557
Total assets and deferred outflows of resources	\$ 4,356,975	\$ 127,551	\$ (1,454)	\$ 4,483,072

JEA
Combining Statement of Net Position (continued)
(In Thousands)
September 30, 2025

	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Assets			
Current assets:			
Cash and cash equivalents	\$ 19,223	\$ 1,855	\$ 316,166
Investments	-	-	103,966
Customer accounts receivable, net of allowance (\$2,680)	62,162	156	263,538
Inventories:			
Materials and supplies	155,781	-	158,331
Fuel	-	-	46,942
Prepaid assets	423	8	33,677
Other current assets	5,994	-	38,460
Total current assets	243,583	2,019	961,080
Noncurrent assets:			
Restricted assets:			
Cash and cash equivalents	129,750	23,950	183,825
Investments	79,091	-	250,410
Other restricted assets	-	-	1,624
Total restricted assets	208,841	23,950	435,859
Costs to be recovered from future revenues			
Hedging derivative instruments	496,712	1,008	1,082,220
Other assets	-	-	58,775
Total noncurrent assets	706,212	24,958	1,651,248
Net capital assets	3,893,612	56,543	6,615,114
Total assets	4,843,407	83,520	9,227,442
Deferred outflows of resources			
Unrealized pension contributions and losses	47,602	-	121,337
Unamortized deferred losses on refundings	25,036	109	83,808
Unrealized asset retirement obligation	-	-	31,525
Accumulated decrease in fair value of hedging derivatives	-	-	11,082
Unrealized OPEB contributions and losses	6,179	-	13,731
Total deferred outflows of resources	78,817	109	261,483
Total assets and deferred outflows of resources	\$ 4,922,224	\$ 83,629	\$ 9,488,925

JEA
Combining Statement of Net Position (continued)
(In Thousands)
September 30, 2025

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of intercompany transactions	Total Electric Enterprise Fund
Liabilities				
Current liabilities:				
Accounts and accrued expense payable	\$ 72,881	\$ 80	\$ (80)	\$ 72,881
Customer deposits and prepayments	83,332	-	-	83,332
Billings on behalf of state and local governments	25,972	-	-	25,972
Compensation and benefits payable	10,580	-	-	10,580
City of Jacksonville payable	8,264	-	-	8,264
Asset retirement obligation	3,172	-	-	3,172
Total current liabilities	204,201	80	(80)	204,201
Current liabilities payable from restricted assets:				
Debt due within one year	36,885	17,105	-	53,990
Interest payable	31,135	1,053	-	32,188
Construction contracts and accounts payable	50,676	1,374	(1,374)	50,676
Renewal and replacement reserve	-	9,365	-	9,365
Total current liabilities payable from restricted assets	118,696	28,897	(1,374)	146,219
Noncurrent liabilities:				
Long-term debt:				
Debt payable, less current portion	1,365,910	43,300	-	1,409,210
Unamortized premium (discount), net	115,668	(53)	-	115,615
Total long-term debt	1,481,578	43,247	-	1,524,825
Net pension liability	483,328	-	-	483,328
Lease liability	84,899	-	-	84,899
Asset retirement obligations	28,353	-	-	28,353
Compensation and benefits payable	31,879	-	-	31,879
Other liabilities	67,101	-	-	67,101
Total noncurrent liabilities	2,177,138	43,247	-	2,220,385
Total liabilities	2,500,035	72,224	(1,454)	2,570,805
Deferred inflows of resources				
Revenues to be used for future costs	270,341	15,541	-	285,882
Accumulated increase in fair value of hedging derivatives	58,774	-	-	58,774
Unrealized OPEB gains	10,872	-	-	10,872
Unrealized pension gains	36,439	29,266	-	65,705
Total deferred inflows of resources	376,426	44,807	-	421,233
Net position				
Net investment in (divestment of) capital assets	1,172,836	(13,288)	-	1,159,548
Restricted for:				
Capital projects	65,478	-	-	65,478
Debt service	36,885	17,840	-	54,725
Other purposes	-	365	1,374	1,739
Unrestricted	205,315	5,603	(1,374)	209,544
Total net position	1,480,514	10,520	-	1,491,034
Total liabilities, deferred inflows of resources, and net position	\$ 4,356,975	\$ 127,551	\$ (1,454)	\$ 4,483,072

JEA
Combining Statement of Net Position (continued)
(In Thousands)
September 30, 2025

	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Liabilities			
Current liabilities:			
Accounts and accrued expense payable	\$ 16,671	\$ 54	\$ 89,606
Customer deposits and prepayments	25,088	-	108,420
Billings on behalf of state and local governments	4,322	-	30,294
Compensation and benefits payable	4,831	38	15,449
City of Jacksonville payable	3,326	-	11,590
Asset retirement obligation	-	-	3,172
Total current liabilities	54,238	92	258,531
Current liabilities payable from restricted assets:			
Debt due within one year	49,460	1,995	105,445
Interest payable	43,120	1,929	77,237
Construction contracts and accounts payable	112,437	2,589	165,702
Renewal and replacement reserve	-	-	9,365
Total current liabilities payable from restricted assets	205,017	6,513	357,749
Noncurrent liabilities:			
Long-term debt:			
Debt payable, less current portion	1,818,365	64,030	3,291,605
Unamortized premium (discount), net	137,473	(2)	253,086
Total long-term debt	1,955,838	64,028	3,544,691
Net pension liability	395,450	-	878,778
Lease liability	-	-	84,899
Asset retirement obligations	-	-	28,353
Compensation and benefits payable	13,637	105	45,621
Other liabilities	-	-	67,101
Total noncurrent liabilities	2,364,925	64,133	4,649,443
Total liabilities	2,624,180	70,738	5,265,723
Deferred inflows of resources			
Revenues to be used for future costs	-	-	285,882
Accumulated increase in fair value of hedging derivatives	-	-	58,774
Unrealized OPEB gains	8,895	-	19,767
Unrealized pension gains	29,814	-	95,519
Total deferred inflows of resources	38,709	-	459,942
Net position			
Net investment in (divestment of) capital assets	2,017,628	(10,952)	3,166,224
Restricted for:			
Capital projects	18,632	20,026	104,136
Debt service	49,460	1,995	106,180
Other purposes	-	-	1,739
Unrestricted	173,615	1,822	384,981
Total net position	2,259,335	12,891	3,763,260
Total liabilities, deferred inflows of resources, and net position	\$ 4,922,224	\$ 83,629	\$ 9,488,925

JEA
Combining Statement of Net Position (continued)
(In Thousands)
September 30, 2024

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of intercompany transactions	Total Electric Enterprise Fund
Assets				
Current assets:				
Cash and cash equivalents	\$ 230,655	\$ 3,327	\$ -	\$ 233,982
Investments	142,095	1,347	-	143,442
Customer accounts receivable, net of allowance (\$2,848)	188,414	-	-	188,414
Inventories:				
Materials and supplies	2,453	-	-	2,453
Fuel	56,329	-	-	56,329
Prepaid assets	33,324	4	-	33,328
Other current assets	12,230	111	(929)	11,412
Total current assets	665,500	4,789	(929)	669,360
Noncurrent assets:				
Restricted assets:				
Cash and cash equivalents	-	26,840	-	26,840
Investments	105,155	1,645	-	106,800
Other restricted assets	911	16	-	927
Total restricted assets	106,066	28,501	-	134,567
Costs to be recovered from future revenues				
Hedging derivative instruments	507,451	54,711	-	562,162
Other assets	53,512	-	-	53,512
Total noncurrent assets	42,347	18,960	(13,277)	48,030
Total noncurrent assets	709,376	102,172	(13,277)	798,271
Net capital assets	2,611,322	7,685	-	2,619,007
Total assets	3,986,198	114,646	(14,206)	4,086,638
Deferred outflows of resources				
Unrealized pension contributions and losses	94,344	23,701	-	118,045
Unamortized deferred losses on refundings	36,559	766	-	37,325
Unrealized asset retirement obligation	31,501	-	-	31,501
Accumulated decrease in fair value of hedging derivatives	56,755	-	-	56,755
Unrealized OPEB contributions and losses	7,698	-	-	7,698
Total deferred outflows of resources	226,857	24,467	-	251,324
Total assets and deferred outflows of resources	\$ 4,213,055	\$ 139,113	\$ (14,206)	\$ 4,337,962

JEA
Combining Statement of Net Position (continued)
(In Thousands)
September 30, 2024

	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Assets			
Current assets:			
Cash and cash equivalents	\$ 20,047	\$ 1,809	\$ 255,838
Investments	-	-	143,442
Customer accounts receivable, net of allowance (\$2,848)	59,482	173	248,069
Inventories:			
Materials and supplies	140,854	-	143,307
Fuel	-	-	56,329
Prepaid assets	506	9	33,843
Other current assets	4,983	-	16,395
Total current assets	225,872	1,991	897,223
Noncurrent assets:			
Restricted assets:			
Cash and cash equivalents	139,525	14,039	180,404
Investments	55,053	-	161,853
Other restricted assets	-	-	927
Total restricted assets	194,578	14,039	343,184
Costs to be recovered from future revenues	429,338	423	991,923
Hedging derivative instruments	-	-	53,512
Other assets	15	-	48,045
Total noncurrent assets	623,931	14,462	1,436,664
Net capital assets	3,561,438	49,790	6,230,235
Total assets	4,411,241	66,243	8,564,122
Deferred outflows of resources			
Unrealized pension contributions and losses	74,127	-	192,172
Unamortized deferred losses on refundings	24,820	121	62,266
Unrealized asset retirement obligation	-	-	31,501
Accumulated decrease in fair value of hedging derivatives	8,028	-	64,783
Unrealized OPEB contributions and losses	6,048	-	13,746
Total deferred outflows of resources	113,023	121	364,468
Total assets and deferred outflows of resources	\$ 4,524,264	\$ 66,364	\$ 8,928,590

JEA
Combining Statement of Net Position (continued)
(In Thousands)
September 30, 2024

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of intercompany transactions	Total Electric Enterprise Fund
Liabilities				
Current liabilities:				
Accounts and accrued expense payable	\$ 69,873	\$ 97	\$ (97)	\$ 69,873
Customer deposits and prepayments	66,342	-	-	66,342
Billings on behalf of state and local governments	23,992	-	-	23,992
Compensation and benefits payable	8,786	-	-	8,786
City of Jacksonville payable	8,047	-	-	8,047
Asset retirement obligation	2,817	-	-	2,817
Total current liabilities	179,857	97	(97)	179,857
Current liabilities payable from restricted assets:				
Debt due within one year	32,515	16,445	-	48,960
Interest payable	22,259	1,404	-	23,663
Construction contracts and accounts payable	16,762	831	(832)	16,761
Renewal and replacement reserve	-	6,983	-	6,983
Total current liabilities payable from restricted assets	71,536	25,663	(832)	96,367
Noncurrent liabilities:				
Long-term debt:				
Debt payable, less current portion	1,297,500	60,405	-	1,357,905
Unamortized premium (discount), net	70,071	(105)	-	69,966
Fair value of debt management strategy instruments	36,057	-	-	36,057
Total long-term debt	1,403,628	60,300	-	1,463,928
Net pension liability				
Lease liability	540,763	-	-	540,763
Asset retirement obligations	87,300	-	-	87,300
Compensation and benefits payable	28,684	-	-	28,684
Net OPEB liability	31,733	-	-	31,733
Other liabilities	312	-	-	312
Total noncurrent liabilities	59,860	13,277	(13,277)	59,860
Total noncurrent liabilities	2,152,280	73,577	(13,277)	2,212,580
Total liabilities	2,403,673	99,337	(14,206)	2,488,804
Deferred inflows of resources				
Revenues to be used for future costs	281,281	12,702	-	293,983
Accumulated increase in fair value of hedging derivatives	53,512	-	-	53,512
Unrealized OPEB gains	11,039	-	-	11,039
Unrealized pension gains	3,400	16,683	-	20,083
Total deferred inflows of resources	349,232	29,385	-	378,617
Net position				
Net investment in (divestment of) capital assets	1,245,434	(11,502)	-	1,233,932
Restricted for:				
Capital projects	-	-	-	-
Debt service	32,515	16,802	-	49,317
Other purposes	-	400	832	1,232
Unrestricted	182,201	4,691	(832)	186,060
Total net position	1,460,150	10,391	-	1,470,541
Total liabilities, deferred inflows of resources, and net position	\$ 4,213,055	\$ 139,113	\$ (14,206)	\$ 4,337,962

JEA
Combining Statement of Net Position (continued)
(In Thousands)
Year Ended September 30, 2024

	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Liabilities			
Current liabilities:			
Accounts and accrued expense payable	\$ 25,912	\$ 71	\$ 95,856
Customer deposits and prepayments	27,903	-	94,245
Billings on behalf of state and local governments	3,849	-	27,841
Compensation and benefits payable	3,752	32	12,570
City of Jacksonville payable	2,390	-	10,437
Asset retirement obligation	-	-	2,817
Total current liabilities	63,806	103	243,766
Current liabilities payable from restricted assets:			
Debt due within one year	55,415	1,930	106,305
Interest payable	31,173	665	55,501
Construction contracts and accounts payable	99,151	1,612	117,524
Renewal and replacement reserve	-	-	6,983
Total current liabilities payable from restricted assets	185,739	4,207	286,313
Noncurrent liabilities:			
Long-term debt:			
Debt payable, less current portion	1,531,815	51,025	2,940,745
Unamortized premium (discount), net	111,622	(5)	181,583
Fair value of debt management strategy instruments	8,028	-	44,085
Total long-term debt	1,651,465	51,020	3,166,413
Net pension liability			
Lease liability	424,886	-	965,649
Asset retirement obligations	-	-	87,300
Compensation and benefits payable	-	-	28,684
Net OPEB liability	13,163	84	44,980
Other liabilities	245	-	557
Total noncurrent liabilities	2,089,759	51,104	4,353,443
Total liabilities	2,339,304	55,414	4,883,522
Deferred inflows of resources			
Revenues to be used for future costs	-	-	293,983
Accumulated increase in fair value of hedging derivatives	-	-	53,512
Unrealized OPEB gains	8,673	-	19,712
Unrealized pension gains	2,671	-	22,754
Total deferred inflows of resources	11,344	-	389,961
Net position			
Net investment in (divestment of) capital assets	1,923,907	(4,228)	3,153,611
Restricted for:			
Capital projects	46,037	11,444	57,481
Debt service	55,377	1,930	106,624
Other purposes	-	-	1,232
Unrestricted	148,295	1,804	336,159
Total net position	2,173,616	10,950	3,655,107
Total liabilities, deferred inflows of resources, and net position	\$ 4,524,264	\$ 66,364	\$ 8,928,590

JEA
Combining Statement of Revenues, Expenses, and Changes in Net Position
(In Thousands)
Year Ended September 30, 2025

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of intercompany transactions	Total Electric Enterprise Fund
Operating revenue				
Electric	\$ 1,551,088	\$ 20,529	\$ (20,529)	\$ 1,551,088
Water and sewer	-	-	-	-
District energy system	-	-	-	-
Other operating revenue	26,205	-	-	26,205
Total operating revenue	1,577,293	20,529	(20,529)	1,577,293
Operating expense				
Operations and maintenance:				
Maintenance and other operating expense	323,180	2,385	-	325,565
Fuel	375,969	-	-	375,969
Purchased power	439,044	-	(20,529)	418,515
Depreciation and amortization	225,288	410	-	225,698
State utility and franchise taxes	74,217	-	-	74,217
Recognition of deferred costs and revenues, net	(1,275)	16,283	-	15,008
Total operating expense	1,436,423	19,078	(20,529)	1,434,972
Operating income	140,870	1,451	-	142,321
Nonoperating revenue (expense)				
Interest on debt	(59,308)	(2,519)	-	(61,827)
Earnings from The Energy Authority	11,200	-	-	11,200
Allowance for funds used during construction	9,500	-	-	9,500
Other nonoperating income, net	3,464	162	-	3,626
Investment income, net	18,795	1,035	-	19,830
Other interest, net	(6,449)	-	-	(6,449)
Total nonoperating expense, net	(22,798)	(1,322)	-	(24,120)
Income (loss) before contributions	118,072	129	-	118,201
Contributions (to) from				
General Fund, City of Jacksonville, Florida	(97,708)	-	-	(97,708)
Developers and other	3,572	-	-	3,572
Reduction of plant cost through contributions	(3,572)	-	-	(3,572)
Total contributions, net	(97,708)	-	-	(97,708)
Change in net position	20,364	129	-	20,493
Net position, beginning of year	1,460,150	10,391	-	1,470,541
Net position, end of year	\$ 1,480,514	\$ 10,520	\$ -	\$ 1,491,034

JEA
Combining Statement of Revenues, Expenses, and Changes in Net Position
(In Thousands)
Year Ended September 30, 2025

	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating revenue				
Electric	\$ -	\$ -	\$ (24,489)	\$ 1,526,599
Water and sewer	534,632	-	(720)	533,912
District energy system	-	13,417	(775)	12,642
Other operating revenue	21,041	-	(7,024)	40,222
Total operating revenue	555,673	13,417	(33,008)	2,113,375
Operating expense				
Operations and maintenance:				
Maintenance and other operating expense	275,998	5,792	(33,008)	574,347
Fuel	-	-	-	375,969
Purchased power	-	-	-	418,515
Depreciation and amortization	179,431	3,229	-	408,358
State utility and franchise taxes	12,016	-	-	86,233
Recognition of deferred costs and revenues, net	970	13	-	15,991
Total operating expense	468,415	9,034	(33,008)	1,879,413
Operating income	87,258	4,383	-	233,962
Nonoperating revenue (expense)				
Interest on debt	(73,439)	(3,067)	-	(138,333)
Earnings from The Energy Authority	-	-	-	11,200
Allowance for funds used during construction	41,460	90	-	51,050
Other nonoperating income, net	2,445	-	-	6,071
Investment income, net	4,483	535	-	24,848
Other interest, net	137	-	-	(6,312)
Total nonoperating expense, net	(24,914)	(2,442)	-	(51,476)
Income (loss) before contributions	62,344	1,941	-	182,486
Contributions (to) from				
General Fund, City of Jacksonville, Florida	(39,716)	-	-	(137,424)
Developers and other	167,093	-	-	170,665
Reduction of plant cost through contributions	(104,002)	-	-	(107,574)
Total contributions, net	23,375	-	-	(74,333)
Change in net position	85,719	1,941	-	108,153
Net position, beginning of year	2,173,616	10,950	-	3,655,107
Net position, end of year	\$ 2,259,335	\$ 12,891	\$ -	\$ 3,763,260

JEA
Combining Statement of Revenues, Expenses, and Changes in Net Position
(In Thousands)
Year Ended September 30, 2024

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of intercompany transactions	Total Electric Enterprise Fund
Operating revenue				
Electric	\$ 1,396,655	\$ 20,655	\$ (20,655)	\$ 1,396,655
Water and sewer	-	-	-	-
District energy system	-	-	-	-
Other operating revenue	24,507	-	-	24,507
Total operating revenue	1,421,162	20,655	(20,655)	1,421,162
Operating expense				
Operations and maintenance:				
Maintenance and other operating expense	319,674	2,448	-	322,122
Fuel	354,743	-	-	354,743
Purchased power	359,620	-	(20,655)	338,965
Depreciation and amortization	227,260	410	-	227,670
State utility and franchise taxes	67,161	-	-	67,161
Recognition of deferred costs and revenues, net	10,946	15,738	-	26,684
Total operating expense	1,339,404	18,596	(20,655)	1,337,345
Operating income	81,758	2,059	-	83,817
Nonoperating revenue (expense)				
Interest on debt	(58,254)	(3,105)	-	(61,359)
Earnings from The Energy Authority	13,286	-	-	13,286
Allowance for funds used during construction	7,795	-	-	7,795
Other nonoperating income, net	3,784	196	-	3,980
Investment income, net	29,373	1,139	-	30,512
Other interest, net	(6,684)	-	-	(6,684)
Total nonoperating expense, net	(10,700)	(1,770)	-	(12,470)
Income (loss) before contributions	71,058	289	-	71,347
Contributions (to) from				
General Fund, City of Jacksonville, Florida	(95,209)	-	-	(95,209)
Developers and other	5,289	-	-	5,289
Reduction of plant cost through contributions	(5,289)	-	-	(5,289)
Total contributions, net	(95,209)	-	-	(95,209)
Change in net position	(24,151)	289	-	(23,862)
Net position, beginning of year	1,484,301	10,102	-	1,494,403
Net position, end of year	\$ 1,460,150	\$ 10,391	\$ -	\$ 1,470,541

JEA
Combining Statement of Revenues, Expenses, and Changes in Net Position
(In Thousands)
Year Ended September 30, 2024

	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating revenue				
Electric	\$ -	\$ -	\$ (22,744)	\$ 1,373,911
Water and sewer	504,323	-	(713)	503,610
District energy system	-	12,882	(764)	12,118
Other operating revenue	25,672	2	(8,525)	41,656
Total operating revenue	529,995	12,884	(32,746)	1,931,295
Operating expense				
Operations and maintenance:				
Maintenance and other operating expense	265,577	5,732	(32,746)	560,685
Fuel	-	-	-	354,743
Purchased power	-	-	-	338,965
Depreciation and amortization	182,333	3,118	-	413,121
State utility and franchise taxes	11,483	-	-	78,644
Recognition of deferred costs and revenues, net	420	8	-	27,112
Total operating expense	459,813	8,858	(32,746)	1,773,270
Operating income	70,182	4,026	-	158,025
Nonoperating revenue (expense)				
Interest on debt	(56,943)	(2,057)	-	(120,359)
Earnings from The Energy Authority	-	-	-	13,286
Allowance for funds used during construction	33,765	107	-	41,667
Other nonoperating income, net	2,493	-	-	6,473
Investment income, net	5,046	214	-	35,772
Other interest, net	(175)	-	-	(6,859)
Total nonoperating expense, net	(15,814)	(1,736)	-	(30,020)
Income (loss) before contributions	54,368	2,290	-	128,005
Contributions (to) from				
General Fund, City of Jacksonville, Florida	(28,439)	-	-	(123,648)
Developers and other	214,377	-	-	219,666
Reduction of plant cost through contributions	(125,116)	-	-	(130,405)
Total contributions, net	60,822	-	-	(34,387)
Change in net position	115,190	2,290	-	93,618
Net position, beginning of year	2,058,426	8,660	-	3,561,489
Net position, end of year	\$ 2,173,616	\$ 10,950	\$ -	\$ 3,655,107

JEA
Combining Statement of Cash Flows
(In Thousands)
Year Ended September 30, 2025

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of intercompany transactions	Total Electric Enterprise Fund
Operating activities				
Receipts from customers	\$ 1,541,440	\$ 20,529	\$ (21,054)	\$ 1,540,915
Payments to suppliers	(933,458)	542	21,054	(911,862)
Payments for salaries and benefits	(245,084)	-	-	(245,084)
Other operating activities	3,642	(17)	-	3,625
Net cash provided by operating activities	366,540	21,054	-	387,594
Noncapital and related financing activities				
Contribution to General Fund, City of Jacksonville, Florida	(97,501)	-	-	(97,501)
Net cash used in noncapital and related financing activities	(97,501)	-	-	(97,501)
Capital and related financing activities				
Acquisition and construction of capital assets	(255,781)	-	-	(255,781)
Defeasance of debt	(514,535)	-	-	(514,535)
Proceeds received from debt	472,830	-	-	472,830
Interest paid on debt	(57,500)	(2,457)	-	(59,957)
Repayment of debt principal	(32,515)	(16,445)	-	(48,960)
Capital contributions	-	-	-	-
Revolving credit agreement withdrawals/(repayments)	147,000	-	-	147,000
Other capital financing activities	28,895	179	-	29,074
Net cash provided by (used in) capital and related financing activities	(211,606)	(18,723)	-	(230,329)
Investing activities				
Proceeds from sale and maturity of investments	291,203	667	-	291,870
Purchase of investments	(316,631)	(667)	-	(317,298)
Distributions from The Energy Authority	9,581	-	-	9,581
Investment income	19,447	1,027	-	20,474
Net cash provided by (used in) investing activities	3,600	1,027	-	4,627
Net change in cash and cash equivalents	61,033	3,358	-	64,391
Cash and cash equivalents at beginning of year	230,655	30,167	-	260,822
Cash and cash equivalents at end of year	\$ 291,688	\$ 33,525	\$ -	\$ 325,213
Reconciliation of operating income to net cash provided by operating activities				
Operating income	\$ 140,870	\$ 1,451	\$ -	\$ 142,321
Adjustments:				
Depreciation and amortization	225,288	410	-	225,698
Recognition of deferred costs and revenues, net	(1,275)	16,283	-	15,008
Other nonoperating income, net	(2,837)	-	-	(2,837)
Changes in noncash assets and noncash liabilities:				
Accounts receivable	(12,807)	-	-	(12,807)
Inventories	9,290	-	-	9,290
Other assets	(22,381)	13,280	-	(9,101)
Accounts and accrued expense payable	23,529	(17)	-	23,512
Current liabilities payable from restricted assets	-	2,924	-	2,924
Other noncurrent liabilities and deferred inflows	6,863	(13,277)	-	(6,414)
Net cash provided by operating activities	\$ 366,540	\$ 21,054	\$ -	\$ 387,594
Non-cash activity				
Contribution of capital assets from developers	\$ 3,572	\$ -	\$ -	\$ 3,572
Unrealized investment fair market value changes, net	\$ (395)	\$ 8	\$ -	\$ (387)

JEA
Combining Statement of Cash Flows
(In Thousands)
Year Ended September 30, 2025

	Water and Sewer Enterprise Fund	District Energy System Fund	Elimination of intercompany transactions	Total JEA
Operating activities				
Receipts from customers	\$ 529,273	\$ 13,434	\$ (25,984)	\$ 2,057,638
Payments to suppliers	(199,815)	(4,764)	33,008	(1,083,433)
Payments for salaries and benefits	(110,260)	(1,017)	-	(356,361)
Other operating activities	20,286	-	(7,024)	16,887
Net cash provided by operating activities	239,484	7,653	-	634,731
Noncapital and related financing activities				
Contribution to General Fund, City of Jacksonville, Florida	(38,776)	-	-	(136,277)
Net cash used in noncapital and related financing activities	(38,776)	-	-	(136,277)
Capital and related financing activities				
Acquisition and construction of capital assets	(500,558)	(9,031)	-	(765,370)
Defeasance of debt	(76,835)	-	-	(591,370)
Proceeds received from debt	532,845	42,000	-	1,047,675
Interest paid on debt	(73,123)	(1,779)	-	(134,859)
Repayment of debt principal	(55,415)	(1,930)	-	(106,305)
Capital contributions	63,090	-	-	63,090
Revolving credit agreement withdrawals/(repayments)	(120,000)	(27,000)	-	-
Other capital financing activities	38,492	(491)	-	67,075
Net cash provided by (used in) capital and related financing activities	(191,504)	1,769	-	(420,064)
Investing activities				
Proceeds from sale and maturity of investments	69,528	-	-	361,398
Purchase of investments	(95,041)	-	-	(412,339)
Distributions from The Energy Authority	-	-	-	9,581
Investment income	5,710	535	-	26,719
Net cash provided by (used in) investing activities	(19,803)	535	-	(14,641)
Net change in cash and cash equivalents	(10,599)	9,957	-	63,749
Cash and cash equivalents at beginning of year	159,572	15,848	-	436,242
Cash and cash equivalents at end of year	\$ 148,973	\$ 25,805	\$ -	\$ 499,991
Reconciliation of operating income to net cash provided by operating activities				
Operating income	\$ 87,258	\$ 4,383	\$ -	\$ 233,962
Adjustments:				
Depreciation and amortization	179,431	3,229	-	408,358
Recognition of deferred costs and revenues, net	970	13	-	15,991
Other nonoperating income, net	137	-	-	(2,700)
Changes in noncash assets and noncash liabilities:				
Accounts receivable	(2,680)	17	-	(15,470)
Inventories	(14,926)	-	-	(5,636)
Other assets	(1,328)	1	-	(10,428)
Accounts and accrued expense payable	(10,508)	(10)	-	12,994
Current liabilities payable from restricted assets	-	-	-	2,924
Other noncurrent liabilities and deferred inflows	1,130	20	-	(5,264)
Net cash provided by operating activities	\$ 239,484	\$ 7,653	\$ -	\$ 634,731
Non-cash activity				
Contribution of capital assets from developers	\$ 104,002	\$ -	\$ -	\$ 107,574
Unrealized investment fair market value changes, net	\$ (1,476)	\$ -	\$ -	\$ (1,863)

JEA
Combining Statement of Cash Flows
(In Thousands)

Year Ended September 30, 2024

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of intercompany transactions	Total Electric Enterprise Fund
Operating activities				
Receipts from customers	\$ 1,397,556	\$ 20,655	\$ (21,158)	\$ 1,397,053
Payments to suppliers	(880,324)	445	21,158	(858,721)
Payments for salaries and benefits	(233,198)	-	-	(233,198)
Other operating activities	23,182	48	-	23,230
Net cash provided by operating activities	307,216	21,148	-	328,364
Noncapital and related financing activities				
Contribution to General Fund, City of Jacksonville, Florida	(95,233)	-	-	(95,233)
Net cash used in noncapital and related financing activities	(95,233)	-	-	(95,233)
Capital and related financing activities				
Acquisition and construction of capital assets	(276,262)	-	-	(276,262)
Defeasance of debt	-	-	-	-
Proceeds received from debt	-	-	-	-
Interest paid on debt	(63,687)	(3,124)	-	(66,811)
Repayment of debt principal	(19,275)	(15,865)	-	(35,140)
Capital contributions	-	-	-	-
Revolving credit agreement withdrawals/(repayments)	-	-	-	-
Other capital financing activities	(20)	213	-	193
Net cash provided by (used in) capital and related financing activities	(359,244)	(18,776)	-	(378,020)
Investing activities				
Proceeds from sale and maturity of investments	422,598	1,841	-	424,439
Purchase of investments	(333,471)	(599)	-	(334,070)
Distributions from The Energy Authority	8,045	-	-	8,045
Investment income	23,944	922	-	24,866
Net cash provided by investing activities	121,116	2,164	-	123,280
Net change in cash and cash equivalents	(26,145)	4,536	-	(21,609)
Cash and cash equivalents at beginning of year	256,800	25,631	-	282,431
Cash and cash equivalents at end of year	\$ 230,655	\$ 30,167	\$ -	\$ 260,822
Reconciliation of operating income to net cash provided by operating activities				
Operating income	\$ 81,758	\$ 2,059	\$ -	\$ 83,817
Adjustments:				
Depreciation and amortization	227,260	410	-	227,670
Recognition of deferred costs and revenues, net	10,946	15,738	-	26,684
Other nonoperating income, net	(3,029)	-	-	(3,029)
Changes in noncash assets and noncash liabilities:				
Accounts receivable	5,868	-	-	5,868
Inventories	(359)	-	-	(359)
Other assets	(12,885)	(9,398)	-	(22,283)
Accounts and accrued expense payable	(9,559)	(17)	-	(9,576)
Current liabilities payable from restricted assets	-	2,891	-	2,891
Other noncurrent liabilities and deferred inflows	7,216	9,465	-	16,681
Net cash provided by operating activities	\$ 307,216	\$ 21,148	\$ -	\$ 328,364
Non-cash activity				
Contribution of capital assets from developers	\$ 5,289	\$ -	\$ -	\$ 5,289
Unrealized investment fair market value changes, net	\$ 5,459	\$ 229	\$ -	\$ 5,688

JEA
Combining Statement of Cash Flows
 (In Thousands)
 Year Ended September 30, 2024

	Water and Sewer Enterprise Fund	District Energy System Fund	Elimination of intercompany transactions	Total JEA
Operating activities				
Receipts from customers	\$ 504,167	\$ 12,829	\$ (24,221)	\$ 1,889,828
Payments to suppliers	(209,672)	(5,200)	32,746	(1,040,847)
Payments for salaries and benefits	(97,728)	(888)	-	(331,814)
Other operating activities	33,262	2	(8,525)	47,969
Net cash provided by operating activities	230,029	6,743	-	565,136
Noncapital and related financing activities				
Contribution to General Fund, City of Jacksonville, Florida	(28,314)	-	-	(123,547)
Net cash used in noncapital and related financing activities	(28,314)	-	-	(123,547)
Capital and related financing activities				
Acquisition and construction of capital assets	(505,039)	(8,708)	-	(790,009)
Defeasance of debt	(171,295)	-	-	(171,295)
Proceeds received from debt	503,835	-	-	503,835
Interest paid on debt	(59,582)	(2,010)	-	(128,403)
Repayment of debt principal	(52,365)	(1,870)	-	(89,375)
Capital contributions	89,261	-	-	89,261
Revolving credit agreement withdrawals/(repayments)	(7,000)	16,000	-	9,000
Other capital financing activities	59,759	-	-	59,952
Net cash provided by (used in) capital and related financing activities	(142,426)	3,412	-	(517,034)
Investing activities				
Proceeds from sale and maturity of investments	46,699	-	-	471,138
Purchase of investments	(39,982)	-	-	(374,052)
Distributions from The Energy Authority	-	-	-	8,045
Investment income	2,864	214	-	27,944
Net cash provided by investing activities	9,581	214	-	133,075
Net change in cash and cash equivalents	68,870	10,369	-	57,630
Cash and cash equivalents at beginning of year	90,702	5,479	-	378,612
Cash and cash equivalents at end of year	\$ 159,572	\$ 15,848	\$ -	\$ 436,242
Reconciliation of operating income to net cash provided by operating activities				
Operating income	\$ 70,182	\$ 4,026	\$ -	\$ 158,025
Adjustments:				
Depreciation and amortization	182,333	3,118	-	413,121
Recognition of deferred costs and revenues, net	420	8	-	27,112
Other nonoperating income, net	(175)	-	-	(3,204)
Changes in noncash assets and noncash liabilities:				
Accounts receivable	(1,023)	(52)	-	4,793
Inventories	(40,089)	-	-	(40,448)
Other assets	7,571	(3)	-	(14,715)
Accounts and accrued expense payable	9,101	(368)	-	(843)
Current liabilities payable from restricted assets	-	-	-	2,891
Other noncurrent liabilities and deferred inflows	1,709	14	-	18,404
Net cash provided by operating activities	\$ 230,029	\$ 6,743	\$ -	\$ 565,136
Non-cash activity				
Contribution of capital assets from developers	\$ 125,116	\$ -	\$ -	\$ 130,405
Unrealized investment fair market value changes, net	\$ 1,860	\$ -	\$ -	\$ 7,548



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**Report of Independent Auditors on Internal Control Over Financial Reporting and
on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

The Board of Directors
JEA
Jacksonville, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (Government Auditing Standards), the financial statements of the business-type activities and fiduciary activity of JEA, as of and for the year ended September 30, 2025 and the related notes to the financial statements, which collectively comprise JEA's basic financial statements, and have issued our report thereon dated December 12, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered JEA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of JEA's internal control. Accordingly, we do not express an opinion on the effectiveness of JEA's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.



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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether JEA's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Ernst & Young LLP

December 12, 2025



Bond Compliance Information

JEA Electric System
Schedule of Debt Service Coverage
(In Thousands)

	Year Ended September 30	
	2025	2024
Revenues		
Electric	\$ 1,540,208	\$ 1,389,106
Investment income ⁽¹⁾	17,469	23,586
Earnings from The Energy Authority	11,200	13,286
Other ⁽²⁾	26,236	24,783
Plus: amounts paid from the Rate Stabilization Fund into the Revenue Fund	10,880	7,551
Less: amounts paid from the Revenue Fund into the Rate Stabilization Fund	-	(1)
Total Revenues	\$ 1,605,992	\$ 1,458,311
Cost of Operation and Maintenance⁽³⁾		
Fuel	375,969	354,743
Purchased power ⁽⁴⁾	455,284	370,984
Maintenance and other operating expense	310,815	311,752
State utility and franchise taxes	74,217	67,162
Total Cost of Operation and Maintenance	1,216,285	1,104,641
Net Revenues	\$ 389,708	\$ 353,670
Debt Service Requirement on Electric System Bonds (prior to reduction of investment income on sinking fund and Build America Bonds subsidy)	\$ 57,103	\$ 53,914
Less: investment income on sinking fund	(1,722)	(296)
Less: Build America Bonds subsidy	(1,535)	(1,535)
Debt Service Requirement on Electric System Bonds	\$ 53,846	\$ 52,083
Debt service coverage on Electric System Bonds⁽⁵⁾	7.24 x	6.79 x
Debt Service Requirement on Electric System Bonds (from above)	\$ 53,846	\$ 52,083
Plus: Aggregate Subordinated Debt Service on Subordinated Electric System Bonds (prior to Build America Bonds subdsidy)	37,240	33,884
Less: Build America Bonds subsidy	(1,555)	(1,698)
Debt Service Requirement on Electric System Bonds and Aggregate Subordinated Debt Service on Subordinated Electric System Bonds	\$ 89,531	\$ 84,269
Debt service coverage on Electric System Bonds and Subordinated Electric System Bonds⁽⁶⁾	4.35 x	4.20 x

⁽¹⁾ Excludes investment income on sinking funds.

⁽²⁾ Excludes the Build America Bonds subsidy.

⁽³⁾ Excludes depreciation and recognition of deferred costs and revenues, net.

⁽⁴⁾ In accordance with the requirements of the Electric System Resolution, all the contract debt payments from the Electric System to 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 Supply System are reflected as a purchased power expense on these schedules. These schedules do not include revenue of 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 on Electric System Bonds. Minimum annual coverage is 1.20x.

⁽⁶⁾ Net Revenues divided by Debt Service Requirement on Electric System Bonds and Aggregate Subordinated Debt Service on Subordinated Electric System Bonds. Minimum annual coverage is 1.15x.

JEA Bulk Power Supply System
Schedule of Debt Service Coverage
(In Thousands)

	Year ended September 30	
	2025	2024
Revenues		
Operating	\$ 16,241	\$ 11,364
Investment income	229	288
Total Revenues	16,470	11,652
Operation and Maintenance Expenses⁽¹⁾		
Maintenance and other operating expense	4,366	4,408
Total Operation and Maintenance Expenses	4,366	4,408
Net Revenues	\$ 12,104	\$ 7,244
Aggregate Debt Service (prior to reduction of Build America Bonds subsidy)	\$ 4,256	\$ 3,868
Less: Build America Bonds subsidy	(380)	(426)
Aggregate Debt Service	\$ 3,876	\$ 3,442
Debt service coverage⁽²⁾	3.12 x	2.10 x

⁽¹⁾ Excludes depreciation.

⁽²⁾ Net Revenues divided by Aggregate Debt Service. Minimum annual coverage is 1.15x.

St. Johns River Power Park

	Year ended September 30	
	2025	2024
Revenues		
Operating	\$ 20,882	\$ 21,008
Investment income	1,027	909
Total Revenues	21,909	21,917
Operation and Maintenance Expenses		
Net Revenues	\$ 21,909	\$ 21,917
Aggregate Debt Service (prior to reduction of Build America Bonds subsidy)	\$ 19,211	\$ 19,253
Less: Build America Bonds subsidy	(160)	(195)
Aggregate Debt Service	\$ 19,051	\$ 19,058
Debt service coverage⁽¹⁾	1.15 x	1.15 x

⁽¹⁾ Net Revenues divided by Aggregate Debt Service. Minimum annual coverage is 1.15x.

JEA Water and Sewer System
Schedule of Debt Service Coverage
(In Thousands)

	Year Ended September 30	
	2025	2024
Revenues		
Water	\$ 245,800	\$ 223,823
Water Capacity Charges	18,804	24,776
Sewer	288,832	280,500
Sewer Capacity Charges	44,287	64,485
Investment income	5,959	3,187
Other ⁽¹⁾	21,041	25,672
Total Revenues	\$ 624,723	\$ 622,443
Operation and Maintenance Expenses		
Maintenance and other operating expense ⁽²⁾	275,998	265,577
State utility and franchise taxes	12,016	11,483
Total Operation and Maintenance Expenses	\$ 288,014	\$ 277,060
Net Revenues	\$ 336,709	\$ 345,383
Aggregate Debt Service on Water and Sewer System Bonds (prior to reduction of Build America Bonds subsidy)	\$ 109,628	\$ 102,228
Less: Build America Bonds subsidy	(2,424)	(2,432)
Aggregate Debt Service on Water and Sewer System Bonds	\$ 107,204	\$ 99,796
Debt service coverage on Water and Sewer System Bonds ⁽³⁾	3.14 x	3.46 x
Aggregate Debt Service on Water and Sewer System Bonds (from above)	\$ 107,204	\$ 99,796
Plus: Aggregate Subordinated Debt Service on Subordinated Water and Sewer System Bonds	22,156	14,954
Aggregate Debt Service on Water and Sewer System Bonds and Aggregate Subordinated Debt Service on Subordinated Water and Sewer System Bonds	\$ 129,360	\$ 114,750
Debt service coverage on Water and Sewer System Bonds and Subordinated Water and Sewer System Bonds excluding Capacity Charges ⁽⁴⁾	2.12 x	2.23 x
Debt service coverage on Water and Sewer System Bonds and Subordinated Water and Sewer System Bonds including Capacity Charges ⁽⁴⁾	2.60 x	3.01 x

⁽¹⁾ Excludes investment income on sinking funds.

⁽²⁾ Excludes the Build America Bonds subsidy.

⁽³⁾ Excludes depreciation and recognition of deferred costs and revenues, net.

⁽⁴⁾ In accordance with the requirements of the Electric System Resolution, all the contract debt payments from the Electric System to 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 Supply System are reflected as a purchased power expense on these schedules. These schedules do not include revenue of 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 on Electric System Bonds. Minimum annual coverage is 1.20x.

⁽⁶⁾ Net Revenues divided by Debt Service Requirement on Electric System Bonds and Aggregate Subordinated Debt Service on Subordinated Electric System Bonds. Minimum annual coverage is 1.15x.

JEA District Energy System
Schedule of Debt Service Coverage
(In Thousands)

	Year Ended September 30	
	2025	2024
Revenues		
Service revenue	\$ 13,417	\$ 12,882
Investment income	535	214
Other	-	2
Total Revenues	13,952	13,098
Operation and Maintenance Expenses⁽¹⁾		
Maintenance and other operating expense	5,792	5,732
Total Operation and Maintenance Expenses	5,792	5,732
Net Revenues	\$ 8,160	\$ 7,366
Aggregate Debt Service⁽²⁾	\$ 4,437	\$ 3,021
Debt service coverage⁽³⁾	1.84 x	2.44 x

⁽¹⁾ Excludes depreciation.

⁽²⁾ On June 19, 2013, the closing date of the District Energy System Refunding Revenue Bonds, 2013 Series A, 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.

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Statistical Section



Statistical Section

This part of JEA's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about JEA's overall financial health.

Statistical Section (unaudited)

Financial Trends

Net Position by Component

Changes in Net Position

Revenue Capacity

Revenue Statistics-Electric

Revenue Statistics-Water, Sewer, and Reuse Services

Utility Rate Schedules-Electric

Utility Rate Schedules-Water

Utility Rate Schedules-Wastewater

Utility Rate Schedules-Reclaim Service

Top 10 Customers

Debt Capacity

Ratios of Outstanding Debt by Type

Demographic and Economic Information

Jacksonville Metropolitan Service Area

Principal Employers

Operating Information

Financial and Operating Highlights-Electric

Financial and Operating Highlights-Water and Sewer

Financial Trends (unaudited)

The schedules in this section contain information intended to assist readers in understanding and assessing how JEA's financial position has changed over time.



JEA in Jacksonville, FL
Net Position by Component (unaudited)
Last 10 Fiscal Years, ending September 30th

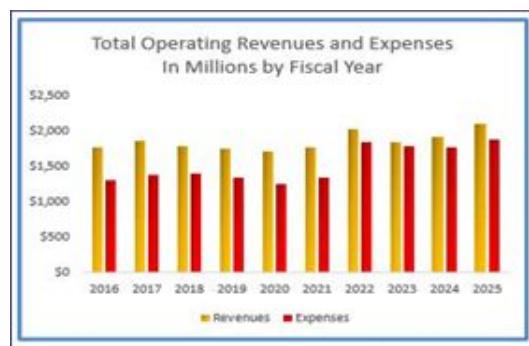
	2016	2017	2018	2019	2020
Net investment in capital assets	\$ 1,420,504	\$ 1,622,160	\$ 1,856,725	\$ 2,248,863	\$ 2,532,627
Restricted	611,607	613,454	542,037	400,254	355,030
Unrestricted	344,814	393,208	356,547	303,616	336,333
Total net position	\$ 2,376,925	\$ 2,628,822	\$ 2,755,309	\$ 2,952,733	\$ 3,223,990

JEA in Jacksonville, FL
Net Position by Component (unaudited)
Last 10 Fiscal Years, ending September 30th

	2021	2022	2023	2024	2025
Net investment in capital assets	\$ 2,696,104	\$ 2,830,411	\$ 3,042,666	\$ 3,153,611	\$ 3,166,224
Restricted	431,256	424,037	229,421	165,337	212,055
Unrestricted	340,094	330,444	289,402	336,159	384,981
Total net position	\$ 3,467,454	\$ 3,584,892	\$ 3,561,489	\$ 3,655,107	\$ 3,763,260

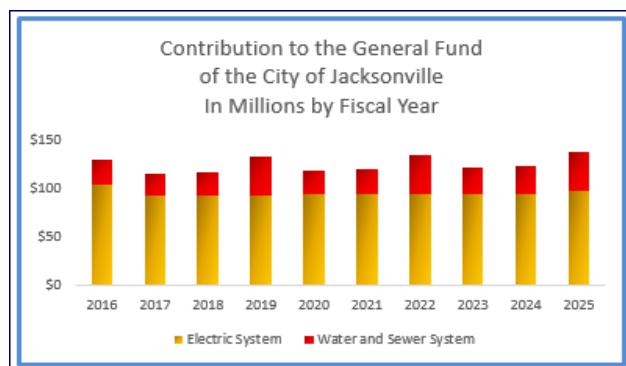
JEA in Jacksonville, FL
Changes in Net Position (in thousands) (unaudited)
Last 10 Fiscal Years, ending September 30th

	2016	2017	2018	2019	2020
Operating revenues:					
Electric	\$ 1,321,713	\$ 1,382,206	\$ 1,267,202	\$ 1,259,815	\$ 1,203,688
Water and sewer	417,404	448,057	423,480	450,116	469,914
District energy system	8,337	8,185	8,348	8,504	8,235
Other operating revenues	34,298	36,729	90,952	33,526	32,621
Total operating revenues	1,781,752	1,875,177	1,789,982	1,751,961	1,714,458
Operating expenses:					
Maintenance and other operating expenses	380,219	392,142	431,269	395,692	422,925
Fuel and purchased power	485,874	536,250	530,246	465,573	376,011
Depreciation	382,432	386,699	360,609	362,313	365,146
State utility and franchise taxes	71,244	69,683	70,027	71,569	69,769
Recognition of deferred costs and revenues, net	(1,527)	(4,075)	6,856	44,792	28,619
Total operating expenses	1,318,242	1,380,699	1,399,007	1,339,939	1,262,470
Operating income	463,510	494,478	390,975	412,022	451,988
Nonoperating revenues (expenses):					
Interest on debt	(184,457)	(182,992)	(166,508)	(175,046)	(141,213)
Earnings from The Energy Authority	6,136	6,335	4,074	2,412	2,848
Allowance for funds used during construction	9,407	11,774	11,764	14,099	19,713
Other nonoperating income, net	8,765	5,918	9,857	9,082	7,370
Investment income (loss)	14,225	10,576	11,826	39,745	15,721
Other interest, net	(403)	(451)	(1,825)	(1,626)	666
Total nonoperating expenses, net	(146,327)	(148,840)	(130,812)	(111,334)	(94,895)
Income before contributions and special item	317,183	345,638	260,163	300,688	357,093
Contributions (to) from:					
General fund, City of Jacksonville	(129,187)	(115,823)	(116,620)	(132,802)	(118,824)
Capital contributions:					
Developers and other	53,652	66,875	82,157	97,726	109,546
Reduction of plant cost through contributions	(31,632)	(42,069)	(54,114)	(68,188)	(76,558)
Total contributions, net	(107,167)	(91,017)	(88,577)	(103,264)	(85,836)
Special item	-	-	(45,099)	-	-
Change in net position	210,016	254,621	126,487	197,424	271,257
Net position - beginning of year, originally reported	2,166,909	2,376,925	2,628,822	2,755,309	2,952,733
Effect of change in accounting	-	(2,724)	-	-	-
Net position - beginning of year, as restated	2,166,909	2,374,201	2,628,822	2,755,309	2,952,733
Net position - end of year	\$ 2,376,925	\$ 2,628,822	\$ 2,755,309	\$ 2,952,733	\$ 3,223,990



JEA in Jacksonville, FL
Changes in Net Position (in thousands) (unaudited) (concluded)
Last 10 Fiscal Years, ending September 30th

	2021	2022	2023	2024	2025
Operating revenues:					
Electric	\$ 1,267,212	\$ 1,491,097	\$ 1,276,715	\$ 1,373,911	\$ 1,526,599
Water and sewer	457,076	489,814	518,767	503,610	533,912
District energy system	7,704	8,516	11,934	12,118	12,642
Other operating revenues	37,269	40,435	37,533	41,656	40,222
Total operating revenues	1,769,261	2,029,862	1,844,949	1,931,295	2,113,375
Operating expenses:					
Maintenance and other operating expenses	387,916	402,290	521,676	560,685	574,347
Fuel and purchased power	475,461	771,954	711,072	693,708	794,484
Depreciation	391,715	500,257	432,147	413,121	408,358
State utility and franchise taxes	70,966	83,892	83,809	78,644	86,233
Recognition of deferred costs and revenues, net	30,718	92,261	39,718	27,112	15,991
Total operating expenses	1,356,776	1,850,654	1,788,422	1,773,270	1,879,413
Operating income	412,485	179,208	56,527	158,025	233,962
Nonoperating revenues (expenses):					
Interest on debt	(120,911)	(114,707)	(109,275)	(120,359)	(138,333)
Earnings from The Energy Authority	15,378	29,731	23,603	13,286	11,200
Allowance for funds used during construction	9,305	13,866	25,853	41,667	51,050
Other nonoperating income, net	4,796	6,853	6,600	6,473	6,071
Investment income (loss)	2,165	(9,668)	27,785	35,739	24,848
Other interest, net	(23)	(1,343)	(7,742)	(6,826)	(6,312)
Total nonoperating expenses, net	(89,290)	(75,268)	(33,176)	(30,020)	(51,476)
Income before contributions and special item	323,195	103,940	23,351	128,005	182,486
Contributions (to) from:					
General fund, City of Jacksonville	(120,012)	(133,713)	(122,424)	(123,648)	(137,424)
Capital contributions:					
Developers and other	94,580	121,227	176,771	219,666	170,665
Reduction of plant cost through contributions	(54,299)	(74,016)	(112,236)	(130,405)	(107,574)
Total contributions, net	(79,731)	(86,502)	(57,889)	(34,387)	(74,333)
Special item	-	100,000	11,135	-	-
Change in net position	243,464	117,438	(23,403)	93,618	108,153
Net position - beginning of year, originally reported	3,223,990	3,467,454	3,584,892	3,561,489	3,655,107
Effect of change in accounting	-	-	-	-	-
Net position - beginning of year, as restated	3,223,990	3,467,454	3,584,892	3,561,489	3,655,107
Net position - end of year	\$ 3,467,454	\$ 3,584,892	\$ 3,561,489	\$ 3,655,107	\$ 3,763,260





Revenue Capacity (unaudited)

The schedules in this section contain information intended to assist users in understanding and assessing the factors affecting JEA's ability to generate its own-source revenues.

For Every Dollar on an Electric Bill

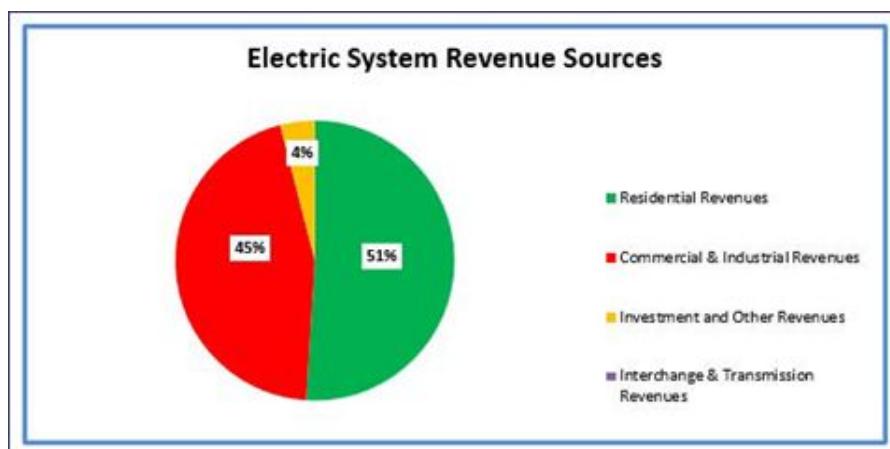


For Every Dollar on a Water Bill



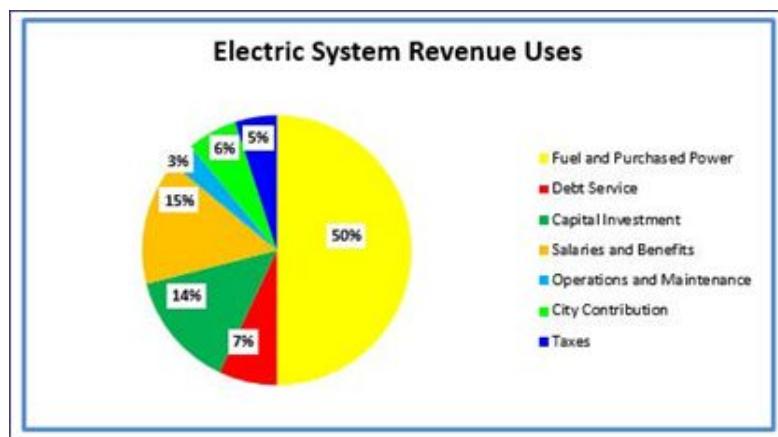
JEA in Jacksonville, FL
Revenue Statistics – Electric Services (unaudited)
Last 10 Fiscal Years, ending September 30th

	2016	2017	2018	2019	2020
Electric revenues (000s omitted):					
Residential	\$ 599,009	\$ 584,663	\$ 618,171	\$ 629,355	\$ 624,078
Commercial and industrial	597,796	587,972	594,395	590,473	556,722
Public street lighting	13,488	13,069	12,873	13,176	13,410
Sales for resale	31,210	21,813	5,474	3,914	2,128
Florida Power & Light saleback	130,053	128,737	30,767	1,664	(1)
Total	\$ 1,371,556	\$ 1,336,254	\$ 1,261,680	\$ 1,238,582	\$ 1,196,337
Sales (megawatt hours):					
Residential	5,328,245	5,108,945	5,414,721	5,515,428	5,566,222
Commercial and industrial	6,847,583	6,725,201	6,851,803	6,793,557	6,562,365
Public street lighting	80,108	65,721	59,176	57,410	55,974
Sales for resale	474,352	300,903	74,069	99,563	18,412
Florida Power & Light saleback	1,856,198	1,693,082	332,467	-	-
Total	14,586,486	13,893,852	12,732,236	12,465,958	12,202,973
Average number of accounts:					
Residential	396,664	403,164	410,060	418,728	427,321
Commercial and industrial	51,472	52,060	52,573	53,204	53,750
Public street lighting	3,649	3,727	3,776	3,854	3,929
Total	451,785	458,951	466,409	475,786	485,000
System installed capacity - MW					
3,722	3,722	3,084	3,114	3,113	
Peak demand - MW (60 minute net)					
2,806	2,727	3,103	2,717	2,706	
System load factor - %					
56%	53%	48%	56%	54%	
Residential averages - annual:					
Revenue per account - \$	1,510.12	1,450.19	1,507.51	1,503.02	1,460.44
kWh per account	13,433	12,672	13,205	13,172	13,026
Revenue per kWh - ¢	11.24	11.44	11.42	11.41	11.21
All other retail - annual:					
Revenue per account - \$	11,089.86	10,773.85	10,776.91	10,579.57	9,884.57
kWh per account	125,682	121,729	122,646	120,070	114,744
Revenue per kWh - ¢	8.82	8.85	8.79	8.81	8.61
Heating-cooling degree days	4,117	3,737	4,256	4,294	4,015



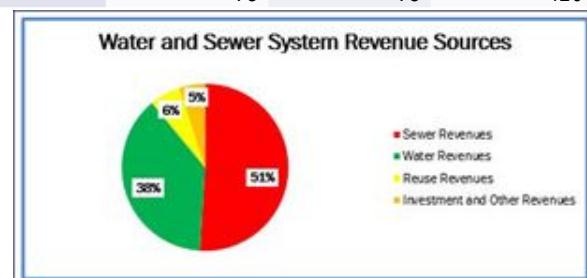
JEA in Jacksonville, FL
Revenue Statistics – Electric Services (unaudited) (concluded)
Last 10 Fiscal Years, ending September 30th

	2021	2022	2023	2024	2025
Electric revenues (000s omitted):					
Residential	\$ 644,639	\$ 785,986	\$ 760,374	\$ 736,195	\$ 826,155
Commercial and industrial	566,942	714,288	708,529	638,805	696,887
Public street lighting	13,821	15,039	15,423	14,813	15,636
Sales for resale	2,137	1,341	2,254	2,800	4,299
Florida Power & Light saleback	1	-	-	-	-
Total	\$ 1,227,540	\$ 1,516,654	\$ 1,486,580	\$ 1,392,613	\$ 1,542,977
Sales (megawatt hours):					
Residential	5,642,412	5,741,350	5,650,016	5,894,674	6,157,469
Commercial and industrial	6,518,435	6,674,205	6,608,722	6,744,599	6,871,058
Public street lighting	55,487	54,939	54,822	55,802	56,621
Sales for resale	22,815	17,758	52,902	74,041	65,820
Florida Power & Light saleback	-	-	-	-	-
Total	12,239,149	12,488,252	12,366,462	12,769,116	13,150,968
Average number of accounts:					
Residential	436,299	444,840	455,609	467,268	477,877
Commercial and industrial	54,381	55,105	55,895	56,728	57,425
Public street lighting	3,976	3,989	4,010	4,055	4,091
Total	494,656	503,934	515,514	528,051	539,393
System installed capacity - MW					
3,129	2,931	2,931	2,931	2,931	2,931
Peak demand - MW (60 minute net)					
2,610	2,857	2,869	2,804	3,047	3,047
System load factor - %					
56%	52%	52%	54%	54%	54%
Residential averages - annual:					
Revenue per account - \$	1,477.52	1,766.90	1,668.92	1,575.53	1,728.80
kWh per account	12,932	12,907	12,401	12,615	12,885
Revenue per kWh - ¢	11.42	13.69	13.46	12.49	13.42
All other retail - annual:					
Revenue per account - \$	9,951.90	12,341.81	12,085.00	10,753.30	11,582.73
kWh per account	112,650	113,872	111,235	111,880	112,616
Revenue per kWh - ¢	8.83	10.84	10.86	9.61	10.29
Heating-cooling degree days	4,012	3,937	4,004	4,164	4,433



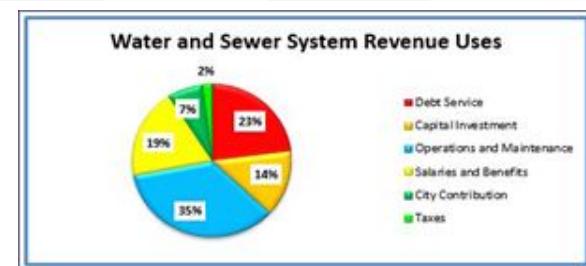
JEA in Jacksonville, FL
Revenue Statistics – Water, Sewer, and Reuse Services (unaudited)
Last 10 Fiscal Years, ending September 30th

		2016	2017	2018	2019	2020
WATER	Water revenues (000s omitted):					
	Residential	\$ 89,946	\$ 96,615	\$ 91,954	\$ 96,699	\$ 100,316
	Commercial and industrial	46,212	47,969	47,494	47,619	47,011
	Irrigation	34,846	36,836	32,004	34,800	35,030
	Total	\$ 171,004	\$ 181,420	\$ 171,452	\$ 179,118	\$ 182,357
	Water sales (kgals):					
	Residential	17,086,586	17,624,952	16,932,812	17,921,588	18,839,990
	Commercial and industrial	13,343,376	13,402,094	14,023,130	13,958,000	13,540,631
	Irrigation	5,927,957	6,218,142	5,230,617	5,816,484	5,891,176
	Total	36,357,919	37,245,188	36,186,559	37,696,072	38,271,797
	Average number of accounts:					
	Residential	272,157	278,838	285,404	292,460	299,872
	Commercial and industrial	24,698	25,423	25,702	25,963	26,190
	Irrigation	36,284	36,755	37,053	37,212	37,535
	Total	333,139	341,016	348,159	355,635	363,597
	Residential averages - annual:					
	Revenue per account - \$	330.49	346.49	322.19	330.64	334.53
	kgals per account	62.78	63.21	59.33	61.28	62.83
	Revenue per kgal - \$	5.26	5.48	5.43	5.40	5.32
SEWER	Sewer revenues (000s omitted):					
	Residential	\$ 135,288	\$ 143,967	\$ 139,174	\$ 146,186	\$ 151,893
	Commercial and industrial	103,731	107,446	108,126	110,724	109,682
	Total	\$ 239,019	\$ 251,413	\$ 247,300	\$ 256,910	\$ 261,575
	Volume (kgals):					
	Residential	14,614,026	15,225,124	14,623,682	15,717,129	16,405,359
	Commercial and industrial	11,203,632	11,487,646	11,716,940	12,009,667	11,754,843
	Total	25,817,658	26,712,770	26,340,622	27,726,796	28,160,202
	Average number of accounts:					
	Residential	239,738	246,187	252,531	259,308	266,460
	Commercial and industrial	17,981	18,149	18,340	18,507	18,644
	Total	257,719	264,336	270,871	277,815	285,104
	Residential averages - annual:					
	Revenue per account - \$	564.32	584.79	551.12	563.75	570.04
	kgals per account	60.96	61.84	57.91	60.61	61.57
	Revenue per kgal - \$	9.26	9.46	9.52	9.30	9.26
REUSE	Reuse revenues (000s omitted):	\$ 10,267	\$ 13,216	\$ 13,659	\$ 17,909	\$ 21,097
	Reuse sales (kgals):	2,644,046	3,290,311	3,119,739	3,884,210	4,426,905
	Average number of accounts:	7,498	9,391	11,498	14,267	17,031
RAINFALL	Inches	31.38	72.89	57.41	45.95	60.97
	Days	98	98	120	123	122



JEA in Jacksonville, FL
Revenue Statistics – Water, Sewer, and Reuse Services (unaudited) (concluded)
Last 10 Fiscal Years, ending September 30th

		2021	2022	2023	2024	2025
WATER	Water revenues (000s omitted):					
	Residential	\$ 100,361	\$ 105,065	\$ 107,920	\$ 110,867	\$ 118,920
	Commercial and industrial	47,429	49,302	49,970	50,788	58,439
	Irrigation	31,666	34,510	34,291	34,694	38,195
	Total	\$ 179,456	\$ 188,877	\$ 192,181	\$ 196,349	\$ 215,554
	Water sales (kgals):					
	Residential	18,448,336	19,168,978	19,632,070	19,941,731	20,273,319
	Commercial and industrial	13,675,041	14,321,083	14,423,321	14,437,002	14,548,554
	Irrigation	5,057,191	5,718,816	5,678,470	5,646,107	5,925,889
	Total	37,180,568	39,208,877	39,733,861	40,024,840	40,747,762
	Average number of accounts:					
	Residential	308,626	318,284	326,119	333,002	339,261
	Commercial and industrial	26,518	26,939	27,265	27,597	27,831
	Irrigation	37,931	38,258	38,475	38,708	38,870
	Total	373,075	383,481	391,859	399,307	405,962
	Residential averages - annual:					
	Revenue per account - \$	325.19	330.10	330.92	332.93	350.53
	kgals per account	59.78	60.23	60.20	59.88	59.76
	Revenue per kgal - \$	5.44	5.48	5.50	5.56	5.87
SEWER	Sewer revenues (000s omitted):					
	Residential	\$ 152,684	\$ 157,706	\$ 162,512	\$ 166,236	\$ 167,838
	Commercial and industrial	111,255	114,448	114,093	114,859	121,231
	Total	\$ 263,939	\$ 272,154	\$ 276,605	\$ 281,095	\$ 289,069
	Volume (kgals):					
	Residential	16,148,759	16,816,302	17,295,189	17,600,743	17,892,506
	Commercial and industrial	11,990,765	12,436,566	12,371,643	12,369,254	12,692,626
	Total	28,139,524	29,252,868	29,666,832	29,969,997	30,585,132
	Average number of accounts:					
	Residential	275,022	284,401	292,490	299,540	305,885
	Commercial and industrial	18,848	19,149	19,383	19,574	19,729
	Total	293,870	303,550	311,873	319,114	325,614
	Residential averages - annual:					
	Revenue per account - \$	555.17	554.52	555.62	554.97	548.70
	kgals per account	58.72	59.13	59.13	58.76	58.49
	Revenue per kgal - \$	9.45	9.38	9.40	9.44	9.38
REUSE	Reuse revenues (000s omitted):	\$ 20,644	\$ 25,260	\$ 26,150	\$ 27,949	\$ 30,434
	Reuse sales (kgals):	4,463,047	5,166,479	5,277,237	5,448,304	6,129,757
	Average number of accounts:	19,704	22,633	25,764	28,351	30,495
RAINFALL	Inches	56.40	59.32	50.07	71.85	42.54
	Days	135	109	104	132	122



JEA in Jacksonville, FL
Utility Rate Schedule - Electric Service (unaudited)
Last 10 Fiscal Years, ending September 30th

	2016	2017	2018	2019	2020
Variable Fuel Rate per kWh	\$ 0.0368	\$ 0.0325	\$ 0.0325	\$ 0.0325	\$ 0.0325
Environmental Charge ⁽¹⁾	\$ 0.0006	\$ 0.0006	\$ 0.0006	\$ 0.0006	\$ 0.0006
Residential					
Customer Charge	5.50	5.50	5.50	5.50	5.50
Energy Charge	0.0662	0.0699	0.0699	0.0699	0.0699
Energy Charge 1-1000 kWh					
Energy Charge >1000 kWh					
General Service - Non-Demand					
Customer Charge	9.25	9.25	9.25	9.25	9.25
Energy Charge	0.0611	0.0645	0.0645	0.0645	0.0645
General Service - Demand					
Customer Charge	85.00	85.00	85.00	85.00	85.00
Demand Charge	8.40	8.40	8.40	8.40	8.40
Energy Charge	0.0336	0.0336	0.0336	0.0336	0.0336
General Service - Large Demand					
Customer Charge	335.00	335.00	335.00	335.00	335.00
Demand Charge	12.16	12.16	12.16	12.16	12.16
Energy Charge	0.0246	0.0246	0.0246	0.0246	0.0246
Primary Dmd Discount (kW)	(0.6300)	(0.6300)	(0.6300)	(0.6300)	(0.6300)
Primary kWh Discount	(0.0013)	(0.0013)	(0.0013)	(0.0013)	(0.0013)
Interruptible Option B					
Customer Charge	770.00	770.00	770.00	770.00	770.00
Demand Charge	6.58	6.58	6.58	6.58	6.58
Energy Charge	0.0160	0.0192	0.0192	0.0192	0.0192
Primary Dmd Discount (kW)	(0.6300)	(0.6300)	(0.6300)	(0.6300)	(0.6300)
Primary kWh Discount	(0.0013)	(0.0013)	(0.0013)	(0.0013)	(0.0013)
Wholesale Service Rates MWh⁽²⁾					
FPU					
Customer Charge					
Demand Charge	11.38	11.38	11.38	11.38	11.38
Energy Charge	0.0152	0.0152	0.0152	0.0152	0.0152
FPU Fuel	36.75	32.50	32.50	32.50	32.50
FPU Environmental	0.6200	0.6200	0.6200	0.6200	0.6200

⁽¹⁾ Discontinued as of FY2023

⁽²⁾ Discontinued as of FY2022

⁽³⁾ Discontinued as of FY2025

JEA in Jacksonville, FL
Utility Rate Schedule - Electric Service (unaudited) (concluded)
Last 10 Fiscal Years, ending September 30th

	2021	2022	2023	2024	2025
Variable Fuel Rate per kWh	\$ 0.0325	\$ 0.0305	\$ 0.0416	\$ 0.0312	\$ 0.0467
Environmental Charge ⁽¹⁾	\$ 0.0006	\$ 0.0006			
Residential					
Customer Charge	5.50	5.50	15.00	15.75	17.50
Energy Charge ⁽³⁾	0.0699	0.0717	0.0655	0.0682	
Energy Charge 1-1000 kWh					0.0685
Energy Charge >1000 kWh					0.0835
General Service - Non-Demand					
Customer Charge	9.25	9.25	21.00	21.00	23.00
Energy Charge	0.0645	0.0663	0.0608	0.0628	0.0667
General Service - Demand					
Customer Charge	85.00	85.00	185.00	185.00	203.00
Demand Charge	8.40	8.40	8.40	8.40	8.40
Energy Charge	0.0336	0.0354	0.0333	0.0333	0.0331
General Service - Large Demand					
Customer Charge	335.00	335.00	750.00	750.00	825.00
Demand Charge	12.16	12.16	12.16	12.16	12.16
Energy Charge	0.0246	0.0264	0.0245	0.0259	0.0291
Primary Dmd Discount (kW)	(0.6300)	(0.6300)	(0.5900)	(0.5900)	(0.5900)
Primary kWh Discount	(0.0013)	(0.0013)	(0.0010)	(0.0010)	(0.0010)
Interruptible Option B					
Customer Charge	770.00	770.00	1,500.00	1,500.00	1,650.00
Demand Charge	6.58	6.58	6.58	7.02	7.02
Energy Charge	0.0192	0.0211	0.0214	0.0217	0.0291
Primary Dmd Discount (kW)	(0.6300)	(0.6300)	(0.5900)	(0.5900)	(0.5900)
Primary kWh Discount	(0.0013)	(0.0013)	(0.0010)	(0.0010)	(0.0010)
Wholesale Service Rates MWh⁽²⁾					
FPU	Customer Charge				
	Demand Charge	11.38			
	Energy Charge	0.0152			
	FPU Fuel	32.50			
	FPU Environmental	0.6200			

⁽¹⁾ Discontinued as of FY2023

⁽²⁾ Discontinued as of FY2022

⁽³⁾ Discontinued as of FY2025

JEA in Jacksonville, FL
Utility Rate Schedule - Water Service (unaudited)
Last 10 Fiscal Years, ending September 30th

	2016	2017	2018	2019	2020
Service Availability Charges					
Residential Potable					
5/8" Meter	\$ 12.60	\$ 12.60	\$ 12.60	\$ 12.60	\$ 12.60
3/4" Meter	18.90	18.90	18.90	18.90	18.90
1" Meter	31.50	31.50	31.50	31.50	31.50
1 1/2" Meter	63.00	63.00	63.00	63.00	63.00
2" Meter	100.80	100.80	100.80	100.80	100.80
3" Meter	201.60	201.60	201.60	201.60	201.60
Residential Irrigation					
5/8" Meter	12.60	12.60	12.60	12.60	12.60
3/4" Meter	18.90	18.90	18.90	18.90	18.90
1" Meter	31.50	31.50	31.50	31.50	31.50
1 1/2" Meter	63.00	63.00	63.00	63.00	63.00
2" Meter	100.80	100.80	100.80	100.80	100.80
3" Meter	201.60	201.60	201.60	201.60	201.60
Multi-Family Potable					
5/8" Meter	18.41	18.41	18.41	18.41	18.41
3/4" Meter	27.62	27.62	27.62	27.62	27.62
1" Meter	46.03	46.03	46.03	46.03	46.03
1 1/2" Meter	92.05	92.05	92.05	92.05	92.05
2" Meter	147.28	147.28	147.28	147.28	147.28
3" Meter	294.56	294.56	294.56	294.56	294.56
4" Meter	460.25	460.25	460.25	460.25	460.25
6" Meter	920.50	920.50	920.50	920.50	920.50
8" Meter	1,472.80	1,472.80	1,472.80	1,472.80	1,472.80
10" Meter	2,117.15	2,117.15	2,117.15	2,117.15	2,117.15
12" Meter	3,958.15	3,958.15	3,958.15	3,958.15	3,958.15
20" Meter	8,284.50	8,284.50	8,284.50	8,284.50	8,284.50
Commercial Potable					
5/8" Meter	12.60	12.60	12.60	12.60	12.60
3/4" Meter	18.90	18.90	18.90	18.90	18.90
1" Meter	31.50	31.50	31.50	31.50	31.50
1 1/2" Meter	63.00	63.00	63.00	63.00	63.00
2" Meter	100.80	100.80	100.80	100.80	100.80
3" Meter	201.60	201.60	201.60	201.60	201.60
4" Meter	315.00	315.00	315.00	315.00	315.00
6" Meter	630.00	630.00	630.00	630.00	630.00
8" Meter	1,008.00	1,008.00	1,008.00	1,008.00	1,008.00
10" Meter	1,974.55	1,974.55	1,974.55	1,974.55	1,974.55
12" Meter	3,691.55	3,691.55	3,691.55	3,691.55	3,691.55
20" Meter	7,726.50	7,726.50	7,726.50	7,726.50	7,726.50

JEA in Jacksonville, FL
Utility Rate Schedule - Water Service (unaudited) (continued)
Last 10 Fiscal Years, ending September 30th

Service Availability Charges	2021	2022	2023	2024	2025
Residential Potable					
5/8" Meter					
	\$ 12.60	\$ 12.60	\$ 12.60	\$ 12.60	\$ 13.24
3/4" Meter	18.90	18.90	18.90	18.90	17.67
1" Meter	31.50	31.50	31.50	31.50	26.53
1 1/2" Meter	63.00	63.00	63.00	63.00	48.70
2" Meter	100.80	100.80	100.80	100.80	75.29
3" Meter	201.60	201.60	201.60	201.60	159.52
Residential Irrigation					
5/8" Meter					
	12.60	12.60	12.60	12.60	13.24
3/4" Meter	18.90	18.90	18.90	18.90	17.67
1" Meter	31.50	31.50	31.50	31.50	26.53
1 1/2" Meter	63.00	63.00	63.00	63.00	48.70
2" Meter	100.80	100.80	100.80	100.80	75.29
3" Meter	201.60	201.60	201.60	201.60	159.52
Multi-Family Potable					
5/8" Meter					
	18.41	18.41	18.41	18.41	13.24
3/4" Meter	27.62	27.62	27.62	27.62	17.67
1" Meter	46.03	46.03	46.03	46.03	51.93
1 1/2" Meter	92.05	92.05	92.05	92.05	99.48
2" Meter	147.28	147.28	147.28	147.28	156.55
3" Meter	294.56	294.56	294.56	294.56	337.26
4" Meter	460.25	460.25	460.25	460.25	575.04
6" Meter	920.50	920.50	920.50	920.50	1,288.39
8" Meter	1,472.80	1,472.80	1,472.80	1,472.80	1,526.17
10" Meter	2,117.15	2,117.15	2,117.15	2,117.15	3,999.08
12" Meter	3,958.15	3,958.15	3,958.15	3,958.15	5,045.32
20" Meter	8,284.50	8,284.50	8,284.50	8,284.50	9,295.50
Commercial Potable					
5/8" Meter					
	12.60	12.60	12.60	12.60	13.24
3/4" Meter	18.90	18.90	18.90	18.90	17.67
1" Meter	31.50	31.50	31.50	31.50	26.53
1 1/2" Meter	63.00	63.00	63.00	63.00	48.70
2" Meter	100.80	100.80	100.80	100.80	75.29
3" Meter	201.60	201.60	201.60	201.60	159.52
4" Meter	315.00	315.00	315.00	315.00	270.34
6" Meter	630.00	630.00	630.00	630.00	602.79
8" Meter	1,008.00	1,008.00	1,008.00	1,008.00	713.61
10" Meter	1,974.55	1,974.55	1,974.55	1,974.55	1,866.13
12" Meter	3,691.55	3,691.55	3,691.55	3,691.55	2,353.73
20" Meter	7,726.50	7,726.50	7,726.50	7,726.50	4,706.00

JEA in Jacksonville, FL
Utility Rate Schedule - Water Service (unaudited) (continued)
Last 10 Fiscal Years, ending September 30th

	2016	2017	2018	2019	2020
Service Availability Charges					
Commercial & Multi-Family Irrigation					
5/8" Meter	\$ 12.60	\$ 12.60	\$ 12.60	\$ 12.60	\$ 12.60
3/4" Meter	18.90	18.90	18.90	18.90	18.90
1" Meter	31.50	31.50	31.50	31.50	31.50
1 1/2" Meter	63.00	63.00	63.00	63.00	63.00
2" Meter	100.80	100.80	100.80	100.80	100.80
3" Meter	201.60	201.60	201.60	201.60	201.60
4" Meter	315.00	315.00	315.00	315.00	315.00
6" Meter	630.00	630.00	630.00	630.00	630.00
8" Meter	1,008.00	1,008.00	1,008.00	1,008.00	1,008.00
Commodity Charges per 1,000 Gallons					
Residential					
1-6 Kgal	0.93	0.93	0.93	0.93	0.93
7-20 Kgal	2.60	2.60	2.60	2.60	2.60
> 20 Kgal	5.60	5.60	5.60	5.60	5.60
Residential Irrigation					
1-14 Kgal	2.60	2.60	2.60	2.60	2.60
> 14 Kgal	5.60	5.60	5.60	5.60	5.60
1-7 Kgal					
> 7 Kgal					
Multi-Family - 8" Meters and Smaller					
All Metered Water Use	1.00	1.00	1.00	1.00	1.00
Multi-Family - 10" Meters and Greater					
All Metered Water Use	1.00	1.00	1.00	1.00	1.00

JEA in Jacksonville, FL
Utility Rate Schedule - Water Service (unaudited) (continued)
Last 10 Fiscal Years, ending September 30th

	2021	2022	2023	2024	2025
Service Availability Charges					
Commercial & Multi-Family Irrigation					
5/8" Meter	\$ 12.60	\$ 12.60	\$ 12.60	\$ 12.60	\$ 13.24
3/4" Meter	18.90	18.90	18.90	18.90	17.67
1" Meter	31.50	31.50	31.50	31.50	26.53
1 1/2" Meter	63.00	63.00	63.00	63.00	48.70
2" Meter	100.80	100.80	100.80	100.80	75.29
3" Meter	201.60	201.60	201.60	201.60	159.52
4" Meter	315.00	315.00	315.00	315.00	270.34
6" Meter	630.00	630.00	630.00	630.00	602.79
8" Meter	1,008.00	1,008.00	1,008.00	1,008.00	713.61
Commodity Charges per 1,000 Gallons					
Residential					
1-6 Kgal	0.93	0.93	1.30	1.30	
7-20 Kgal	2.60	2.60	2.97	2.97	
> 20 Kgal	5.60	5.60	5.97	5.97	
1-4 Kgal					1.34
5-8 Kgal					2.99
9-15 Kgal					5.13
> 15 Kgal					6.45
Residential Irrigation					
1-14 Kgal	2.60	2.60	2.97	2.97	
> 14 Kgal	5.60	5.60	5.97	5.97	
1-7 Kgal					4.02
> 7 Kgal					6.03
Multi-Family - 8" Meters and Smaller					
All Metered Water Use	1.00	1.00	1.37	1.37	
Multi-Family - 10" Meters and Greater					
All Metered Water Use	1.00	1.00	1.37	1.37	2.47

JEA in Jacksonville, FL
Utility Rate Schedule - Water Service (unaudited) (continued)
Last 10 Fiscal Years, ending September 30th

	2016	2017	2018	2019	2020
Commercial - 8" Meters and Smaller					
All Metered Water Use	1.49	1.49	1.49	1.49	1.49
Commercial - 10" Meters and Greater					
All Metered Water Use	1.24	1.24	1.24	1.24	1.24
Commercial & Multi-Family Irrigation					
1-14 Kgal	3.44	3.44	3.44	3.44	3.44
> 14 Kgal	3.96	3.96	3.96	3.96	3.96
1-7 Kgal					
> 7 Kgal					
Fire Protection Charges					
Closed Unmetered Connections (Annual Charge)					
≤ 4" Meter	\$ 67.00	\$ 67.00	\$ 67.00	\$ 67.00	\$ 67.00
6" Meter	133.00	133.00	133.00	133.00	133.00
8" Meter	274.00	274.00	274.00	274.00	274.00
≥ 10" Meter	488.00	488.00	488.00	488.00	488.00
Open Unmetered Connections (Monthly Charge)					
≤ 4" Meter	21.00	21.00	21.00	21.00	21.00
6" Meter	28.00	28.00	28.00	28.00	28.00
8" Meter	42.00	42.00	42.00	42.00	42.00
≥ 10" Meter	55.00	55.00	55.00	55.00	55.00

JEA in Jacksonville, FL
Utility Rate Schedule - Water Service (unaudited) (continued)
Last 10 Fiscal Years, ending September 30th

	2021	2022	2023	2024	2025
Commercial - 8" Meters and Smaller					
All Metered Water Use	1.49	1.49	1.86	1.86	3.06
Commercial - 10" Meters and Greater					
All Metered Water Use	1.24	1.24	1.86	1.86	3.06
Commercial & Multi-Family Irrigation					
1-14 Kgal	3.44	3.44	3.81	3.81	
> 14 Kgal	3.96	3.96	4.33	4.33	
1-7 Kgal					3.49
> 7 Kgal					4.69
Fire Protection Charges					
Closed Unmetered Connections (Annual Charge)					
≤ 4" Meter	\$ 67.00	\$ 67.00	\$ 67.00	\$ 67.00	\$ 81.96
6" Meter	133.00	133.00	133.00	133.00	237.96
8" Meter	274.00	274.00	274.00	274.00	507.24
≥ 10" Meter	488.00	488.00	488.00	488.00	912.12
Open Unmetered Connections (Monthly Charge)					
≤ 4" Meter	21.00	21.00	21.00	21.00	6.83
6" Meter	28.00	28.00	28.00	28.00	19.83
8" Meter	42.00	42.00	42.00	42.00	42.27
≥ 10" Meter	55.00	55.00	55.00	55.00	76.01

JEA in Jacksonville, FL
Utility Rate Schedule - Water Service (unaudited) (continued)
Last 10 Fiscal Years, ending September 30th

	2016	2017	2018	2019	2020
Service Availability Charges					
Residential					
5/8" Meter	\$ 14.10	\$ 14.10	\$ 14.10	\$ 14.10	\$ 14.10
3/4" Meter	21.15	21.15	21.15	21.15	21.15
1" Meter	35.25	35.25	35.25	35.25	35.25
1 1/2" Meter	70.50	70.50	70.50	70.50	70.50
2" Meter	112.80	112.80	112.80	112.80	112.80
3" Meter	225.60	225.60	225.60	225.60	225.60
> 20 Kgal					
Residential Multi-Family					
5/8" Meter	24.68	24.68	24.68	24.68	24.68
3/4" Meter	37.01	37.01	37.01	37.01	37.01
1" Meter	61.69	61.69	61.69	61.69	61.69
1 1/2" Meter	123.38	123.38	123.38	123.38	123.38
2" Meter	197.40	197.40	197.40	197.40	197.40
3" Meter	394.80	394.80	394.80	394.80	394.80
4" Meter	616.88	616.88	616.88	616.88	616.88
6" Meter	1,233.75	1,233.75	1,233.75	1,233.75	1,233.75
8" Meter	1,974.00	1,974.00	1,974.00	1,974.00	1,974.00
10" Meter	2,837.63	2,837.63	2,837.63	2,837.63	2,837.63
12" Meter	5,305.13	5,305.13	5,305.13	5,305.13	5,305.13
20" Meter	11,103.75	11,103.75	11,103.75	11,103.75	11,103.75
Commercial					
5/8" Meter	21.15	21.15	21.15	21.15	21.15
3/4" Meter	31.73	31.73	31.73	31.73	31.73
1" Meter	52.88	52.88	52.88	52.88	52.88
1 1/2" Meter	105.75	105.75	105.75	105.75	105.75
2" Meter	169.20	169.20	169.20	169.20	169.20
3" Meter	338.40	338.40	338.40	338.40	338.40
4" Meter	528.75	528.75	528.75	528.75	528.75
6" Meter	1,057.50	1,057.50	1,057.50	1,057.50	1,057.50
8" Meter	1,692.00	1,692.00	1,692.00	1,692.00	1,692.00
10" Meter	2,432.25	2,432.25	2,432.25	2,432.25	2,432.25
12" Meter	4,547.25	4,547.25	4,547.25	4,547.25	4,547.25
20" Meter	9,517.50	9,517.50	9,517.50	9,517.50	9,517.50
Commodity Charges per Thousand Gallons					
Residential					
1-6 Kgal	4.94	4.94	4.94	4.94	4.94
7-20 Kgal	6.02	6.02	6.02	6.02	6.02
All Metered Water Use					
Residential Multi-Family					
All Metered Water Use	6.02	6.02	6.02	6.02	6.02
Commercial					
All Metered Water Use	6.02	6.02	6.02	6.02	6.02
Limited Sewer					
All Metered Water Use	4.74	4.74	4.74	4.74	4.74

JEA in Jacksonville, FL
Utility Rate Schedule - Wastewater Service (unaudited) (concluded)
Last 10 Fiscal Years, ending September 30th

	2021	2022	2023	2024	2025
Service Availability Charges					
Residential					
5/8" Meter	\$ 14.10	\$ 14.10	\$ 14.10	\$ 14.10	\$ 15.86
3/4" Meter	21.15	21.15	21.15	21.15	21.61
1" Meter	35.25	35.25	35.25	35.25	33.10
1 1/2" Meter	70.50	70.50	70.50	70.50	61.83
2" Meter	112.80	112.80	112.80	112.80	96.31
3" Meter	225.60	225.60	225.60	225.60	191.78
> 20 Kgal					
Residential Multi-Family					
5/8" Meter	24.68	24.68	24.68	24.68	15.86
3/4" Meter	37.01	37.01	37.01	37.01	21.61
1" Meter	61.69	61.69	61.69	61.69	79.69
1 1/2" Meter	123.38	123.38	123.38	123.38	155.01
2" Meter	197.40	197.40	197.40	197.40	245.39
3" Meter	394.80	394.80	394.80	394.80	531.60
4" Meter	616.88	616.88	616.88	616.88	908.20
6" Meter	1,233.75	1,233.75	1,233.75	1,233.75	2,037.98
8" Meter	1,974.00	1,974.00	1,974.00	1,974.00	2,414.57
10" Meter	2,837.63	2,837.63	2,837.63	2,837.63	6,331.15
12" Meter	5,305.13	5,305.13	5,305.13	5,305.13	7,988.16
20" Meter	11,103.75	11,103.75	11,103.75	11,103.75	13,624.56
Commercial					
5/8" Meter	21.15	21.15	21.15	21.15	37.08
3/4" Meter	31.73	31.73	31.73	31.73	53.43
1" Meter	52.88	52.88	52.88	52.88	86.14
1 1/2" Meter	105.75	105.75	105.75	105.75	167.90
2" Meter	169.20	169.20	169.20	169.20	266.03
3" Meter	338.40	338.40	338.40	338.40	576.74
4" Meter	528.75	528.75	528.75	528.75	985.58
6" Meter	1,057.50	1,057.50	1,057.50	1,057.50	2,212.09
8" Meter	1,692.00	1,692.00	1,692.00	1,692.00	2,620.92
10" Meter	2,432.25	2,432.25	2,432.25	2,432.25	6,872.82
12" Meter	4,547.25	4,547.25	4,547.25	4,547.25	8,671.70
20" Meter	9,517.50	9,517.50	9,517.50	9,517.50	12,163.62
Commodity Charges per Thousand Gallons					
Residential					
1-6 Kgal	4.94	4.94	5.31	5.31	
7-20 Kgal	6.02	6.02	6.39	6.39	4.88
All Metered Water Use					
Residential Multi-Family					
All Metered Water Use	6.02	6.02	6.39	6.39	4.88
Commercial					
All Metered Water Use	6.02	6.02	6.39	6.39	4.88
Limited Sewer					
All Metered Water Use	4.74	4.74	5.11	5.11	3.90

JEA in Jacksonville, FL
Utility Rate Schedule - Reclaimed Service (unaudited)
Last 10 Fiscal Years, ending September 30th

	2016	2017	2018	2019	2020
Service Availability Charges					
Residential⁽¹⁾					
5/8" Meter	\$ 12.60	\$ 12.60	\$ 12.60	\$ 12.60	\$ 12.60
3/4" Meter	18.90	18.90	18.90	18.90	18.90
1" Meter	31.50	31.50	31.50	31.50	31.50
1 1/2" Meter	63.00	63.00	63.00	63.00	63.00
2" Meter	100.80	100.80	100.80	100.80	100.80
3" Meter	201.60	201.60	201.60	201.60	201.60
Commercial & Multi-Family⁽¹⁾					
5/8" Meter	12.60	12.60	12.60	12.60	12.60
3/4" Meter	18.90	18.90	18.90	18.90	18.90
1" Meter	31.50	31.50	31.50	31.50	31.50
1 1/2" Meter	63.00	63.00	63.00	63.00	63.00
2" Meter	100.80	100.80	100.80	100.80	100.80
3" Meter	201.60	201.60	201.60	201.60	201.60
4" Meter	315.00	315.00	315.00	315.00	315.00
6" Meter	630.00	630.00	630.00	630.00	630.00
8" Meter	1,008.00	1,008.00	1,008.00	1,008.00	1,008.00
Commercial & Multi-Family Bulk					
5/8" Meter	12.60	12.60	12.60	12.60	12.60
3/4" Meter	18.90	18.90	18.90	18.90	18.90
1" Meter	31.50	31.50	31.50	31.50	31.50
1 1/2" Meter	63.00	63.00	63.00	63.00	63.00
2" Meter	100.80	100.80	100.80	100.80	100.80
3" Meter	201.60	201.60	201.60	201.60	201.60
4" Meter	315.00	315.00	315.00	315.00	315.00
6" Meter	630.00	630.00	630.00	630.00	630.00
8" Meter	1,008.00	1,008.00	1,008.00	1,008.00	1,008.00
Commodity Charges per 1,000 Gallons					
Residential⁽¹⁾					
1-14 Kgal	2.60	2.60	2.60	2.60	2.60
> 14 Kgal	5.60	5.60	5.60	5.60	5.60
Commercial & Multi-Family⁽¹⁾					
1-14 Kgal	3.44	3.44	3.44	3.44	3.44
> 14 Kgal	3.96	3.96	3.96	3.96	3.96
Bulk Reclaimed					
All Kgal ⁽²⁾	0.14	0.14	0.14	0.14	0.14
All Kgal ⁽³⁾	0.28	0.28	0.28	0.28	0.28
Environmental Charge					
Water System - per kgal	0.37	0.37	0.37	0.37	0.37
Irrigation - per kgal	0.37	0.37	0.37	0.37	0.37
Wastewater - Residential 1-20 kgal -					
Other All kgal	0.37	0.37	0.37	0.37	0.37
Reclaimed Water System -					
per kgal not including bulk	0.37	0.37	0.37	0.37	0.37

Notes:

(1) Non-bulk reclaimed customers in a DRI will be charged an additional \$6.00 regardless of meter size to cover costs due to regulatory requirements.

(2) Bulk Reclaimed rater per kgal for bulk reclaimed irrigation customers that are relinquishing, suspending, or foregoing an application for a Consumptive Use Permit or ground water withdrawals from SJRWMD. Rates apply in accordance with JEA standard bulk reclaimed water service agreement until such time as JEA may no longer offer reclaimed water service under such agreement.

(3) Bulk Reclaimed rate per kgal for all other bulk reclaimed irrigation customers. Rates apply in accordance with JEA standard bulk reclaimed water service agreement until such time as JEA may no longer offer reclaimed water service under such agreement.

JEA in Jacksonville, FL
Utility Rate Schedule - Reclaimed Service (unaudited) (concluded)
Last 10 Fiscal Years, ending September 30th

	2021	2022	2023	2024	2025
Service Availability Charges					
Residential⁽¹⁾					
5/8" Meter	\$ 12.60	\$ 12.60	\$ 12.60	\$ 12.60	\$ 12.60
3/4" Meter	18.90	18.90	18.90	18.90	18.90
1" Meter	31.50	31.50	31.50	31.50	31.50
1 1/2" Meter	63.00	63.00	63.00	63.00	63.00
2" Meter	100.80	100.80	100.80	100.80	100.80
3" Meter	201.60	201.60	201.60	201.60	201.60
Commercial & Multi-Family⁽¹⁾					
5/8" Meter	12.60	12.60	12.60	12.60	12.60
3/4" Meter	18.90	18.90	18.90	18.90	18.90
1" Meter	31.50	31.50	31.50	31.50	31.50
1 1/2" Meter	63.00	63.00	63.00	63.00	63.00
2" Meter	100.80	100.80	100.80	100.80	100.80
3" Meter	201.60	201.60	201.60	201.60	201.60
4" Meter	315.00	315.00	315.00	315.00	315.00
6" Meter	630.00	630.00	630.00	630.00	630.00
8" Meter	1,008.00	1,008.00	1,008.00	1,008.00	1,008.00
Commercial & Multi-Family Bulk					
5/8" Meter	12.60	12.60	12.60	12.60	13.24
3/4" Meter	18.90	18.90	18.90	18.90	17.67
1" Meter	31.50	31.50	31.50	31.50	26.53
1 1/2" Meter	63.00	63.00	63.00	63.00	48.70
2" Meter	100.80	100.80	100.80	100.80	75.29
3" Meter	201.60	201.60	201.60	201.60	159.52
4" Meter	315.00	315.00	315.00	315.00	270.34
6" Meter	630.00	630.00	630.00	630.00	602.79
8" Meter	1,008.00	1,008.00	1,008.00	1,008.00	713.61
Commodity Charges per 1,000 Gallons					
Residential⁽¹⁾					
1-14 Kgal	2.60	2.60	2.97	2.97	2.97
> 14 Kgal	5.60	5.60	5.97	5.97	5.97
Commercial & Multi-Family⁽¹⁾					
1-14 Kgal	3.44	3.44	3.81	3.81	3.81
> 14 Kgal	3.96	3.96	4.33	4.33	4.33
Bulk Reclaimed					
All Kgal ⁽²⁾	0.14	0.14	0.14	0.14	0.28
All Kgal ⁽³⁾	0.28	0.28	0.28	0.28	0.28
Environmental Charge					
Water System - per kgal	0.37	0.37			
Irrigation - per kgal	0.37	0.37			
Wastewater - Residential 1-20 kgal -					
Other All kgal	0.37	0.37			
Reclaimed Water System - per kgal not including bulk	0.37	0.37			

Notes:

(1) Non-bulk reclaimed customers in a DRI will be charged an additional \$6.00 regardless of meter size to cover costs due to regulatory requirements.

(2) Bulk Reclaimed rater per kgal for bulk reclaimed irrigation customers that are relinquishing, suspending, or foregoing an application for a Consumptive Use Permit or ground water withdrawals from SJRWMD. Rates apply in accordance with JEA standard bulk reclaimed water service agreement until such time as JEA may no longer offer reclaimed water service under such agreement.

(3) Bulk Reclaimed rate per kgal for all other bulk reclaimed irrigation customers. Rates apply in accordance with JEA standard bulk reclaimed water service agreement until such time as JEA may no longer offer reclaimed water service under such agreement.

JEA in Jacksonville, FL
Top 10 Customers – Electric System (unaudited)
Current Year and Nine Years Prior, ending September 30th

Rank	Customer	2025		2025	
		Billed Electric Revenue		Billed Kilowatt Hours	
		\$	%	kWh	%
(1)	U.S. Navy Public Works Ctr	\$ 28,522,846	1.9%	366,159,610	2.8%
(2)	CMC Steel US LLC	23,401,669	1.5%	325,849,840	2.5%
(3)	Westrock CP LLC	16,073,420	1.0%	200,636,359	1.5%
(4)	City of Jacksonville	25,367,381	1.6%	188,529,639	1.4%
(5)	Duval County School Board	15,110,383	1.0%	144,825,575	1.1%
(6)	Mayo Clinic Jacksonville	11,482,632	0.7%	116,160,204	0.9%
(7)	Southern Baptist Hospital of Florida Inc	10,697,314	0.7%	110,461,019	0.8%
(8)	Johnson and Johnson Vision Care Inc	9,003,089	0.6%	110,286,975	0.8%
(9)	Anheuser Busch Co Inc	9,326,171	0.6%	109,353,392	0.8%
(10)	Publix Super Markets Inc	9,718,339	0.6%	103,031,868	0.8%
Subtotal of 10 Largest Customers		158,703,244	10.3%	1,775,294,481	13.5%
Billed to Other Customers		1,379,893,448	89.7%	11,396,914,342	86.5%
Total Billed		\$ 1,538,596,692	100.0%	13,172,208,823	100.0%

Rank	Customer	2016		2016	
		Billed Electric Revenue		Billed Kilowatt Hours	
		\$	%	kWh	%
(1)	U.S. Navy Public Works Ctr	\$ 24,687,677	2.0%	357,551,999	2.8%
(2)	FLA Public Utility Co	27,428,185	2.2%	310,951,276	2.4%
(3)	Gerdau Ameristeel US Inc	16,575,303	1.3%	287,472,260	2.3%
(4)	Westrock CP LLC	13,778,101	1.1%	220,592,640	1.7%
(5)	City of Jacksonville	23,499,952	1.9%	214,697,056	1.7%
(6)	Duval County School Board	15,844,532	1.3%	171,031,329	1.3%
(7)	Publix Super Markets Inc	8,435,524	0.7%	106,070,124	0.8%
(8)	Winn Dixie Stores Inc	8,200,898	0.7%	103,209,407	0.8%
(9)	Southern Baptist Hospital of Florida Inc	7,906,681	0.6%	96,055,323	0.8%
(10)	Johnson and Johnson Vision Care Inc	7,270,467	0.6%	92,690,605	0.7%
Subtotal of 10 Largest Customers		153,627,320	12.3%	1,960,322,019	15.4%
Billed to Other Customers		1,092,670,983	87.7%	10,744,665,545	84.6%
Total Billed		\$ 1,246,298,303	100.0%	12,704,987,564	100.0%

JEA in Jacksonville, FL
Top 10 Customers – Water System (unaudited)
Current Year and Nine Years Prior, ending September 30th

Rank	Customer	2025			2025		
		Billed Water Revenue		%	Billed Kgals and CCF		CCF %
		\$	%		Kgals	CCF	
(1)	St. Johns County Utility	\$ 1,350,930	0.6%		696,902	931,687	1.5%
(2)	City of Jacksonville	2,199,802	0.9%		466,121	623,157	1.0%
(3)	Duval County School Board	1,336,593	0.5%		297,230	397,366	0.6%
(4)	Southern Baptist Hospital of Florida Inc	843,213	0.3%		257,709	344,531	0.6%
(5)	Mayo Clinic Jacksonville	645,622	0.3%		231,766	309,848	0.5%
(6)	The American Bottling Company	470,996	0.2%		181,986	243,297	0.4%
(7)	American Homes 4 Rent LP	934,987	0.4%		174,524	233,321	0.4%
(8)	Gate Petroleum Company	564,283	0.2%		163,250	218,249	0.3%
(9)	Johnson and Johnson Vision Care Inc	428,344	0.2%		158,766	212,254	0.3%
(10)	WWF Operating Company LLC	376,082	0.2%		138,170	184,719	0.3%
Subtotal of 10 Largest Customers		9,150,852	3.7%		2,766,424	3,698,429	5.9%
Billed to Other Customers		236,140,624	96.3%		43,880,477	58,663,738	94.1%
Total Billed		\$ 245,291,476	100.0%		46,646,901	62,362,167	100.0%

Rank	Customer	2016			2016		
		Billed Water Revenue		%	Billed Kgals and CCF		CCF %
		\$	%		Kgals	CCF	
(1)	City of Jacksonville	\$ 2,320,203	1.3%		647,071	865,068	1.7%
(2)	Tolomato Community Development	169,606	0.1%		386,576	516,813	1.0%
(3)	St. Johns County Utility	626,906	0.3%		374,665	500,890	1.0%
(4)	Duval County School Board	1,166,310	0.6%		251,898	336,762	0.6%
(5)	Southern Baptist Hospital of Florida Inc	591,494	0.3%		245,484	328,187	0.6%
(6)	The American Bottling Company	402,563	0.2%		206,063	275,486	0.5%
(7)	University of North Florida	389,975	0.2%		172,743	230,940	0.4%
(8)	Mayo Clinic Jacksonville	313,115	0.2%		157,818	210,987	0.4%
(9)	St. Vincents Health System Inc	392,969	0.2%		146,018	195,212	0.4%
(10)	Johnson and Johnson Vision Care Inc	422,696	0.2%		145,237	194,167	0.4%
Subtotal of 10 Largest Customers		6,795,837	3.7%		2,733,573	3,654,512	7.0%
Billed to Other Customers		174,560,626	96.3%		36,200,452	48,396,324	93.0%
Total Billed		\$ 181,356,463	100.0%		38,934,025	52,050,836	100.0%

JEA in Jacksonville, FL
Top 10 Customers – Sewer System (unaudited)
Current Year and Nine Years Prior, ending September 30th

Rank	Customer	2025		2025		
		Billed Sewer Revenue		Billed Kgals and CCF		
		\$	%	Kgals	CCF	CCF %
(1)	St. Johns County Utility	\$ 1,614,353	0.6%	324,305	433,563	1.1%
(2)	City of Jacksonville	2,578,731	0.9%	247,709	331,162	0.8%
(3)	Duval County School Board	2,418,870	0.8%	216,815	289,860	0.7%
(4)	Mayo Clinic Jacksonville	1,332,563	0.5%	206,191	275,657	0.7%
(5)	American Homes 4 Rent LP	1,300,238	0.5%	166,180	222,166	0.5%
(6)	Johnson and Johnson Vision Care Inc	1,486,805	0.5%	134,009	179,157	0.4%
(7)	Southern Baptist Hospital of Florida Inc	1,043,732	0.4%	131,126	175,302	0.4%
(8)	Gate Petroleum Company	915,027	0.3%	128,981	172,435	0.4%
(9)	Symrise Inc	926,832	0.3%	119,569	159,852	0.4%
(10)	St Vincent's Health System Inc	896,448	0.3%	115,535	154,458	0.4%
Subtotal of 10 Largest Customers		14,513,599	5.1%	1,790,420	2,393,612	5.9%
Billed to Other Customers		271,037,156	94.9%	28,679,370	38,341,402	94.1%
Total Billed		\$ 285,550,755	100.0%	30,469,790	40,735,014	100.0%

Rank	Customer	2016		2016		
		Billed Sewer Revenue		Billed Kgals and CCF		
		\$	%	Kgals	CCF	CCF %
(1)	City of Jacksonville	\$ 3,125,827	1.3%	365,736	488,952	1.4%
(2)	Duval County School Board	2,260,366	0.9%	203,415	271,945	0.8%
(3)	St. Johns County Utility	1,152,405	0.5%	203,169	271,617	0.8%
(4)	The American Bottling Company	1,114,089	0.5%	130,443	174,389	0.5%
(5)	Southern Baptist Hospital of Florida Inc	997,608	0.4%	128,221	171,418	0.5%
(6)	St Vincent's Health System Inc	945,871	0.4%	120,806	161,505	0.5%
(7)	American Home Portfolio LLC	802,268	0.3%	102,780	137,406	0.4%
(8)	Mayo Clinic Jacksonville	823,732	0.3%	98,065	131,103	0.4%
(9)	Renessenz LLC	694,033	0.3%	91,478	122,297	0.4%
(10)	Fla Coca Cola Bottling	756,667	0.3%	89,859	120,132	0.3%
Subtotal of 10 Largest Customers		12,672,866	5.2%	1,533,972	2,050,764	6.0%
Billed to Other Customers		227,917,204	94.8%	24,465,932	32,708,466	94.0%
Total Billed		\$ 240,590,070	100.0%	25,999,904	34,759,230	100.0%

Debt Capacity (unaudited)

The schedules in this section present information intended to assist users in understanding and assessing JEA's debt burden and its ability to issue additional debt in the future.



JEA in Jacksonville, FL
Electric Debt Service Coverage (unaudited)
Last 10 Fiscal Years, ending September 30th

	2016	2017	2018	2019	2020
Revenues					
Electric	1,240,324	1,206,919	1,229,625	1,235,358	1,192,898
Investment income ⁽¹⁾	3,675	5,939	9,525	11,818	6,057
Earnings from The Energy Authority	6,136	6,335	4,074	2,412	2,848
Other ⁽²⁾	26,777	29,758	22,216	23,400	22,016
Plus: amounts paid from the Rate Stabilization Fund into the Revenue Fund	66,812	79,216	88,415	83,302	91,118
Less: amounts paid from the Revenue Fund into the Rate Stabilization Fund	(99,758)	(15,991)	(64,901)	(43,817)	(64,132)
Total Revenues	1,243,966	1,312,176	1,288,954	1,312,473	1,250,805
Cost of Operation and Maintenance ⁽³⁾					
Fuel	246,737	253,204	328,160	287,956	271,164
Purchased power ⁽⁴⁾	251,729	284,436	244,478	234,793	164,362
Maintenance and other operating expenses	189,794	199,511	204,982	222,515	222,585
State utility and franchise taxes	59,614	57,951	59,551	60,767	58,806
Total Cost of Operation and Maintenance	747,874	795,102	837,171	806,031	716,917
Net Revenues	496,092	517,074	451,783	506,442	533,888
Debt Service Requirement on Electric System Bonds (prior to reduction of investment income on sinking fund and Build America Bonds subsidy)	79,428	71,557	71,890	81,494	53,384
Less: investment income on sinking fund	(2,603)	(1,431)	(1,436)	(2,114)	(1,842)
Less: Build America Bonds subsidy	(1,517)	(1,516)	(1,521)	(1,527)	(1,532)
Debt Service Requirement on Electric System Bonds	75,308	68,610	68,933	77,853	50,010
Debt service coverage on Electric System Bonds ⁽⁵⁾	6.59x	7.54x	6.55x	6.51x	10.68x
Debt Service Requirement on Electric System Bonds (from above)	75,308	68,610	68,933	77,853	50,010
Plus: Aggregate Subordinated Debt Service on Subordinated Electric System Bonds (prior to Build America Bonds Subsidy)	98,419	137,892	129,469	104,640	63,443
Less: Build America Bonds Subsidy	(2,084)	(2,070)	(2,045)	(2,002)	(1,947)
Debt Service Requirement on Electric System Bonds and Aggregate Subordinated Debt Service on Subordinated Electric System Bonds	171,643	204,432	196,357	180,491	111,506
Debt service coverage on Electric System Bonds and Subordinated Electric System Bonds ⁽⁶⁾	2.89x	2.53x	2.30x	2.81x	4.79x

⁽¹⁾ Excludes investment income on sinking funds.

⁽²⁾ Excludes the Build America Bonds subsidy.

⁽³⁾ Excludes depreciation and recognition of deferred costs and revenues, net.

⁽⁴⁾ In accordance with the requirements of the Electric System Resolution, all the contract debt payments from the Electric System to 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 Supply System are reflected as a purchased power expense on these schedules. These schedules do not include revenue of 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 on Electric System Bonds. Minimum annual coverage is 1.20x.

⁽⁶⁾ Net Revenues divided by Debt Service Requirement on Electric System Bonds and Aggregate Subordinated Debt Service on Subordinated Electric System Bonds. Minimum annual coverage is 1.15x.

JEA in Jacksonville, FL
Electric Debt Service Coverage (unaudited) (concluded)
Last 10 Fiscal Years, ending September 30th

	2021	2022	2023	2024	2025
Revenues					
Electric	1,225,947	1,516,654	1,481,583	1,389,106	1,540,208
Investment income ⁽¹⁾	2,295	2,547	17,917	23,586	17,469
Earnings from The Energy Authority	15,378	29,731	23,603	13,286	11,200
Other ⁽²⁾	25,303	123,175	35,711	24,783	26,236
Plus: amounts paid from the Rate Stabilization Fund into the Revenue Fund	82,016	82,232	15,034	7,551	10,880
Less: amounts paid from the Revenue Fund into the Rate Stabilization Fund	(24,370)	(87,515)	(197,071)	(1)	-
Total Revenues	1,326,569	1,666,824	1,376,777	1,458,311	1,605,993
Cost of Operation and Maintenance⁽³⁾					
Fuel	326,870	478,743	438,127	354,743	375,969
Purchased power ⁽⁴⁾	204,846	408,317	306,647	370,984	455,284
Maintenance and other operating expenses	211,522	227,313	304,327	311,752	310,815
State utility and franchise taxes	60,080	72,598	72,490	67,162	74,217
Total Cost of Operation and Maintenance	803,318	1,186,971	1,121,591	1,104,641	1,216,285
Net Revenues	523,251	479,853	255,186	353,670	389,708
Debt Service Requirement on Electric System Bonds (prior to reduction of investment income on sinking fund and Build America Bonds subsidy)	47,552	50,560	42,012	53,914	57,103
Less: investment income on sinking fund	(1,677)	(1,167)	(1,231)	(296)	(1,722)
Less: Build America Bonds Subsidy	(1,536)	(1,535)	(1,535)	(1,535)	(1,535)
Debt Service Requirement on Electric System Bonds	44,339	47,858	39,246	52,083	53,846
Debt service coverage on Electric System Bonds⁽⁵⁾	11.80x	10.03x	6.50x	6.79x	7.24x
Debt Service Requirement on Electric System Bonds (from above)	44,339	47,858	39,246	52,083	53,846
Plus: Aggregate Subordinated Debt Service on Subordinated Electric System Bonds (prior to Build America Bonds Subsidy)	58,701	40,500	31,179	33,884	37,240
Less: Build America Bonds Subsidy	(1,908)	(1,843)	(1,775)	(1,698)	(1,555)
Debt Service Requirement on Electric System Bonds and Aggregate Subordinated Debt Service on Subordinated Electric System Bonds	101,132	86,515	68,650	84,269	89,531
Debt service coverage on Electric System Bonds and Subordinated Electric System Bonds⁽⁶⁾	5.17x	5.55x	3.72x	4.20x	4.35x

⁽¹⁾ Excludes investment income on sinking funds.

⁽²⁾ Excludes the Build America Bonds subsidy.

⁽³⁾ Excludes depreciation and recognition of deferred costs and revenues, net.

⁽⁴⁾ In accordance with the requirements of the Electric System Resolution, all the contract debt payments from the Electric System to 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 Supply System are reflected as a purchased power expense on these schedules. These schedules do not include revenue of 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 on Electric System Bonds. Minimum annual coverage is 1.20x.

⁽⁶⁾ Net Revenues divided by Debt Service Requirement on Electric System Bonds and Aggregate Subordinated Debt Service on Subordinated Electric System Bonds. Minimum annual coverage is 1.15x.

JEA in Jacksonville, FL
Debt Service Coverage (unaudited)
Last 10 Fiscal Years, ending September 30th

Bulk Power Supply

	2016	2017	2018	2019	2020
Revenues					
Operating	65,382	66,818	78,302	73,053	54,185
Investment Income	133	150	162	190	485
Total Revenues	65,515	66,968	78,464	73,243	54,670
Operation and Maintenance Expenses⁽¹⁾					
Fuel	29,493	36,745	28,717	37,703	19,801
Maintenance and other operating expenses	17,893	14,522	17,545	14,812	15,031
Total Operation and Maintenance Expenses	47,386	51,267	46,262	52,515	34,832
Net Revenues	18,129	15,701	32,202	20,728	19,838
Aggregate Debt Service (prior to reduction of Build America Bonds Subsidy)	10,758	9,679	9,943	10,109	10,691
Less: Build America Bonds Subsidy	(737)	(699)	(667)	(624)	(592)
Aggregate Debt Service	10,021	8,980	9,276	9,485	10,099
Debt service coverage⁽²⁾	1.81x	1.75x	3.47x	2.19x	1.96x

⁽¹⁾ Excludes depreciation.

⁽²⁾ Net Revenues divided by Aggregate Debt Service. Minimum annual coverage is 1.15x

St Johns River Power Park

	2016	2017	2018	2019	2020
Revenues					
Operating	14,510	14,572	34,196	29,322	25,175
Investment Income	199	250	1,339	4,633	1,830
Total Revenues	14,709	14,822	35,535	33,955	27,005
Operation and Maintenance Expenses	-	-	15,389	4,669	-
Net Revenues	14,709	14,822	20,146	29,286	27,005
Aggregate Debt Service (prior to reduction of Build America Bonds Subsidy)	12,930	12,950	12,925	24,908	23,784
Less: Build America Bonds Subsidy	(410)	(389)	(367)	(344)	(317)
Aggregate Debt Service	12,520	12,561	12,558	24,564	23,467
Debt service coverage⁽¹⁾	1.17x	1.18x	1.60x	1.19x	1.15x

⁽¹⁾ Net Revenues divided by Aggregate Debt Service. Minimum annual coverage is 1.15x

JEA in Jacksonville, FL
Debt Service Coverage (unaudited) (concluded)
Last 10 Fiscal Years, ending September 30th

Bulk Power Supply

	2021	2022	2023	2024	2025
Revenues					
Operating Investment Income	66,816 101	70,918 77	12,683 141	11,364 288	16,241 229
Total Revenues	66,917	70,995	12,824	11,652	16,470
Operation and Maintenance Expenses⁽¹⁾					
Fuel	37,204	9,033	5	-	-
Maintenance and other operating expenses	16,948	9,173	5,408	4,408	4,366
Total Operation and Maintenance Expenses	54,152	18,206	5,413	4,408	4,366
Net Revenues	12,765	52,789	7,411	7,244	12,104
Aggregate Debt Service (prior to reduction of Build America Bonds Subsidy)	10,579	6,153	3,918	3,868	4,256
Less: Build America Bonds Subsidy	(550)	(511)	(470)	(426)	(380)
Aggregate Debt Service	10,029	5,642	3,448	3,442	3,876
Debt service coverage⁽²⁾	1.27x	9.36x	2.15x	2.10x	3.12x

⁽¹⁾ Excludes depreciation.

⁽²⁾ Net Revenues divided by Aggregate Debt Service. Minimum annual coverage is 1.15x

St Johns River Power Park

	2021	2022	2023	2024	2025
Revenues					
Operating Investment Income	27,234 147	53,495 717	21,395 470	21,008 909	20,882 1,027
Total Revenues	27,381	54,212	21,865	21,917	21,909
Operation and Maintenance Expenses	-	-	-	-	-
Net Revenues	27,381	54,212	21,865	21,917	21,909
Aggregate Debt Service (prior to reduction of Build America Bonds Subsidy)	24,069	23,741	19,305	19,253	19,211
Less: Build America Bonds Subsidy	(289)	(259)	(228)	(195)	(160)
Aggregate Debt Service	23,780	23,482	19,077	19,058	19,051
Debt service coverage⁽¹⁾	1.15x	2.31x	1.15x	1.15x	1.15x

⁽¹⁾ Net Revenues divided by Aggregate Debt Service. Minimum annual coverage is 1.15x

JEA in Jacksonville, FL
Water and Sewer Debt Service Coverage (unaudited)
Last 10 Fiscal Years, ending September 30th

	2016	2017	2018	2019	2020
Revenues					
Water	170,807	181,313	171,216	178,908	202,848
Water Capacity Charges	7,893	8,859	9,730	10,477	13,083
Sewer	248,990	264,469	260,606	274,505	260,808
Sewer Capacity Charges	13,799	15,916	18,268	18,911	19,775
Investment Income	3,802	6,793	7,097	7,710	2,879
Other ⁽¹⁾	11,746	9,560	11,831	15,040	13,941
Plus: amounts paid from the Rate Stabilization Fund into the Revenue Fund	21,790	26,842	16,128	22,327	32,201
Less: amounts paid from the Revenue Fund into the Rate Stabilization Fund	(23,489)	(24,276)	(23,829)	(25,099)	(25,677)
Total Revenues	455,338	489,476	471,047	502,779	519,858
Operation and Maintenance Expenses					
Maintenance and other operating expenses ⁽²⁾	131,807	141,445	149,646	160,671	175,711
State utility and franchise taxes	10,401	10,562	10,476	10,802	10,963
Total Operation and Maintenance Expenses	142,208	152,007	160,122	171,473	186,674
Net Revenues	313,130	337,469	310,925	331,306	333,184
Aggregate Debt Service on Water and Sewer System Bonds (prior to reduction of Build America Bonds subsidy)	85,332	97,699	95,818	94,693	62,160
Less: Build America Bonds subsidy	(2,502)	(2,500)	(2,495)	(2,478)	(2,455)
Aggregate Debt Service on Water and Sewer System Bonds	82,830	95,199	93,323	92,215	59,705
Debt service coverage on Water and Sewer System Bonds ⁽³⁾	3.78x	3.54x	3.33x	3.59x	5.58x
Aggregate Debt Service on Water and Sewer System Bonds (from above)	82,830	95,199	93,323	92,215	59,705
Plus: Aggregate Subordinated Debt Service on Subordinated Water and Sewer System Bonds	12,587	17,592	18,084	17,585	7,418
Aggregate Debt Service on Water and Sewer System Bonds and Aggregate Subordinated Debt Service on Subordinated Water and Sewer System Bonds	95,417	112,791	111,407	109,800	67,123
Debt service coverage on Water and Sewer System Bonds and Subordinated Water and Sewer System Bonds excluding Capacity Charges ⁽⁴⁾	3.05x	2.77x	2.54x	2.75x	4.47x
Debt service coverage on Water and Sewer System Bonds and Subordinated Water and Sewer System Bonds including Capacity Charges ⁽⁴⁾	3.28x	2.99x	2.79x	3.02x	4.96x

⁽¹⁾ Excludes Build America Bonds subsidy

⁽²⁾ Excludes depreciation and recognition of deferred costs and revenues, net

⁽³⁾ Net Revenues divided by Aggregate Debt Service on Water and Sewer System Bonds. Minimum annual coverage of 1.25x

⁽⁴⁾ Net Revenues divided by Aggregate Debt Service on Water and Sewer System Bonds and Aggregate Subordinated Debt Service on Subordinated Water and Sewer System Bonds. Minimum annual coverage is either 1.00x Aggregate Debt Service on Water and Sewer System Bonds and Aggregate Subordinated Debt Service on Subordinated Water and Sewer System Bonds (excluding Capacity Charges) or the sum of 1.00x Aggregate Debt Service on Water and Sewer System Bonds and 1.20x Aggregate Subordinated Debt Service on Subordinated Water and Sewer System Bonds (including Capacity Charges)

JEA in Jacksonville, FL
Water and Sewer Debt Service Coverage (unaudited)
Last 10 Fiscal Years, ending September 30th

	2021	2022	2023	2024	2025
Revenues					
Water	200,100	214,073	217,572	223,823	245,800
Water Capacity Charges	15,798	17,046	18,845	24,776	18,804
Sewer	263,939	272,074	275,642	280,500	288,832
Sewer Capacity Charges	24,131	30,165	45,690	64,485	44,287
Investment Income	2,578	3,674	6,338	3,187	5,959
Other ⁽¹⁾	14,123	19,732	18,999	25,672	21,041
Plus: amounts paid from the Rate Stabilization Fund into the Revenue Fund	18,494	30,609	48,387	-	-
Less: amounts paid from the Revenue Fund into the Rate Stabilization Fund	(25,198)	(26,626)	(22,292)	-	-
Total Revenues	513,965	560,747	609,181	622,443	624,723
Operation and Maintenance Expenses					
Maintenance and other operating expenses ⁽²⁾	166,302	195,656	231,632	265,577	275,998
State utility and franchise taxes	10,886	11,294	11,319	11,483	12,016
Total Operation and Maintenance Expenses	177,188	206,950	242,951	277,060	288,014
Net Revenues	336,777	353,797	366,230	345,383	336,709
Aggregate Debt Service on Water and Sewer System Bonds (prior to reduction of Build America Bonds subsidy)	48,944	48,341	86,676	102,228	109,628
Less: Build America Bonds subsidy	(2,447)	(2,443)	(2,435)	(2,432)	(2,424)
Aggregate Debt Service on Water and Sewer System Bonds	46,497	45,898	84,241	99,796	107,204
Debt service coverage on Water and Sewer System Bonds ⁽³⁾	7.24x	7.71x	4.35x	3.46x	3.14x
Aggregate Debt Service on Water and Sewer System Bonds (from above)	46,497	45,898	84,241	99,796	107,204
Plus: Aggregate Subordinated Debt Service on Subordinated Water and Sewer System Bonds	6,700	7,302	16,899	14,954	22,156
Aggregate Debt Service on Water and Sewer System Bonds and Aggregate Subordinated Debt Service on Subordinated Water and Sewer System Bonds	53,197	53,200	101,140	114,750	129,360
Debt service coverage on Water and Sewer System Bonds and Subordinated Water and Sewer System Bonds excluding Capacity Charges ⁽⁴⁾	5.58x	5.76x	2.98x	2.23x	2.12x
Debt service coverage on Water and Sewer System Bonds and Subordinated Water and Sewer System Bonds including Capacity Charges ⁽⁴⁾	6.33x	6.65x	3.62x	3.01x	2.60x

⁽¹⁾ Excludes Build America Bonds subsidy

⁽²⁾ Excludes depreciation and recognition of deferred costs and revenues, net

⁽³⁾ Net Revenues divided by Aggregate Debt Service on Water and Sewer System Bonds. Minimum annual coverage of 1.25x

⁽⁴⁾ Net Revenues divided by Aggregate Debt Service on Water and Sewer System Bonds and Aggregate Subordinated Debt Service on Subordinated Water and Sewer System Bonds. Minimum annual coverage is either 1.00x Aggregate Debt Service on Water and Sewer System Bonds and Aggregate Subordinated Debt Service on Subordinated Water and Sewer System Bonds (excluding Capacity Charges) or the sum of 1.00x Aggregate Debt Service on Water and Sewer System Bonds and 1.20x Aggregate Subordinated Debt Service on Subordinated Water and Sewer System Bonds (including Capacity Charges)

JEA in Jacksonville, FL
DES Debt Service Coverage (unaudited)
Last 10 Fiscal Years, ending September 30th

	2016	2017	2018	2019	2020
Revenues					
Service revenue	8,731	8,692	8,756	8,891	8,587
Investment income	22	45	103	156	72
Other income	-	-	-	-	-
Plus: amounts paid from the Rate Stabilization Fund into the Revenue Fund	-	-	-	2,737	-
Total Revenues	8,753	8,737	8,859	11,784	8,659
Operation and Maintenance Expenses ⁽¹⁾					
Maintenance and other operating expenses	4,823	4,570	4,603	4,703	4,611
Total Operation and Maintenance Expenses	4,823	4,570	4,603	4,703	4,611
Net Revenues	3,930	4,167	4,256	7,081	4,048
Aggregate Debt Service ⁽²⁾	3,024	3,022	3,019	3,020	3,021
Debt service coverage ⁽³⁾	1.30x	1.38x	1.41x	2.34x	1.34x

⁽¹⁾ Excludes depreciation.

⁽²⁾ On June 19, 2013, the closing date of the District Energy System Refunding Revenue Bonds, 2013 Series A, 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.

JEA in Jacksonville, FL
DES Debt Service Coverage (unaudited) (concluded)
Last 10 Fiscal Years, ending September 30th

	2021	2022	2023	2024	2025
Revenues					
Service revenue	8,042	8,989	12,761	12,882	13,417
Investment income	2	21	100	214	535
Other income	1	8	-	2	-
Plus: amounts paid from the Rate Stabilization Fund into the Revenue Fund	-	-	-	-	-
Total Revenues	8,045	9,018	12,861	13,098	13,952
Operation and Maintenance Expenses⁽¹⁾					
Maintenance and other operating expenses	4,460	5,239	6,064	5,732	5,792
Total Operation and Maintenance Expenses	4,460	5,239	6,064	5,732	5,792
Net Revenues	3,585	3,779	6,797	7,366	8,160
Aggregate Debt Service⁽²⁾	3,024	3,021	3,022	3,021	4,437
Debt service coverage⁽³⁾	1.19x	1.25x	2.25x	2.44x	1.84x

⁽¹⁾ Excludes depreciation.

⁽²⁾ On June 19, 2013, the closing date of the District Energy System Refunding Revenue Bonds, 2013 Series A, 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.

JEA in Jacksonville, FL
Last 10 Fiscal Years, ending September 30th

Debt Capacity – Ratios of Outstanding Debt by Type (unaudited)

	Electric System			Water/Sewer System	
	Revenue Bonds ⁽¹⁾	Leases	Total	Revenue Bonds ⁽¹⁾	Per Customer
2016	2,539,574,626	-	2,539,574,626	5,621	1,700,265,699
2017	2,361,966,090	-	2,361,966,090	5,146	1,652,288,457
2018	2,226,787,713	-	2,226,787,713	4,774	1,606,042,565
2019	1,976,034,731	-	1,976,034,731	4,153	1,447,611,267
2020	1,793,292,118	-	1,793,292,118	3,698	1,339,203,751
2021	1,609,891,495	-	1,609,891,495	3,255	1,300,401,524
2022	1,486,173,196	-	1,486,173,196	2,949	1,278,787,058
2023	1,429,207,216	91,400,336	1,520,607,552	2,950	1,383,692,591
2024	1,400,086,237	89,463,096	1,489,549,333	2,821	1,698,852,027
2025	1,518,464,375	87,300,321	1,605,764,696	2,977	2,005,297,935

⁽¹⁾ Reported net of unamortized discounts and premiums

Debt Limits (unaudited)

	Electric System	Water/Sewer System	District Energy System
2016	N/A	N/A	N/A
2017	N/A	N/A	N/A
2018	N/A	N/A	N/A
2019	N/A	N/A	N/A
2020	N/A	N/A	N/A
2021	N/A	N/A	N/A
2022	N/A	N/A	N/A
2023	N/A	N/A	N/A
2024	1,900,000,000	2,500,000,000	150,000,000
2025	1,900,000,000	2,500,000,000	150,000,000

Demographic and Economic Statistics (unaudited)

The schedules in this section of demographic indicators are intended (1) to assist users in understanding the socioeconomic environment within which JEA operates and (2) to provide information that facilitates comparisons of financial statement information over time and among governments.



JEA in Jacksonville, FL
Demographic and Economic Indicator – Jacksonville Metropolitan Service Area (Unaudited)
Last 10 Fiscal Years, ending September 30th

	Population	Total Personal Income	Per Capital Personal Income	Civilian	Employment	Unemployment Rates		
						Jacksonville MSA	Florida	United States
2015	1,449,481	\$ 64,162,726	\$ 44,266	722,937	683,745	5.4%	5.5%	5.3%
2016	1,478,212	66,776,749	45,174	738,827	704,144	4.7%	4.9%	4.9%
2017	1,504,980	71,825,171	47,725	757,108	721,215	4.1%	4.3%	4.4%
2018	1,534,701	75,754,376	49,361	766,719	739,813	3.5%	3.7%	3.9%
2019	1,605,855	82,759,343	51,536	779,889	754,917	3.2%	3.3%	3.7%
2020	1,587,892	87,065,706	54,831	777,024	725,930	6.6%	8.1%	8.1%
2021	1,637,666	98,692,304	60,264	800,061	767,454	4.1%	4.7%	5.3%
2022	1,675,668	104,070,712	62,107	832,239	808,776	2.9%	3.0%	3.6%
2023	1,713,240	111,915,690	65,324	845,400	819,996	3.0%	2.9%	3.6%
2024	1,760,548	***	***	864,863	827,379	3.5%	3.5%	3.9%

***Data not available at the time report was compiled

Source:

U.S. Bureau of Labor Statistics Local Area Unemployment Statistics database <https://www.bls.gov/lau/data.htm> (for Jacksonville MSA and Florida annual data) and Current Population Survey database <https://www.bls.gov/cps/cpsaat01.htm> (for U.S. annual data). Annual data are not seasonally adjusted.

JEA in Jacksonville, FL
Average Non-Agricultural Wage and Salary Employment by Sector
Jacksonville Metropolitan Service Area (Unaudited)
Current Year, as of September 30th and Nine Years Prior, as of December 31st

	12/31/2015		9/30/2024	
	Number of Employees	Percent of Distribution	Number of Employees	Percent of Distribution
Trade, Transportation and Utilities	135,600	20.9%	171,300	21.3%
Professional and Business Services	101,200	15.6%	121,000	15.1%
Education and Health Services	97,300	15.0%	128,900	16.1%
Leisure and Hospitality	***	0.0%	93,600	11.7%
Government	75,300	11.6%	81,400	10.1%
Finance	61,600	9.5%	74,800	9.3%
Construction	35,100	5.4%	51,900	6.5%
Other Services ⁽¹⁾	112,300	17.3%	43,300	5.4%
Manufacturing	29,500	4.6%	36,200	4.5%
 Total Non-Agricultural Employment (Except Domestic, Self-Employed and Unpaid Family Workers)	 647,900	 100.0%	 802,400	 100.0%

Source:

U.S. Bureau of Labor Statistics Local Area Unemployment Statistics database <https://www.bls.gov/lau/data.htm> (for Jacksonville MSA)

⁽¹⁾ Consists of other services, information and natural resources and mining.

*** Information not available at the time report was compiled

JEA in Jacksonville, FL
Principal Employers (Unaudited)
Current Year and Nine Years Prior, as of December 31st

Ten Largest Non-Governmental Employers in Jacksonville MSA

Company	Business Type	2016	2025
Baptist Health System	Healthcare	9,800	15,000
Publix	Supermarket Chain	***	10,920
Mayo Clinic	Healthcare	5,500	10,000
Bank of America / Merrill Lynch	Banking	8,000	8,050
Amazon	E-Commerce Fulfillment	***	8,000
Walmart	Retail Chain	***	7,680
Florida Blue	Health Insurance	6,000	5,700
Southeastern Grocers (Aldi)	Supermarket Chain	5,700	5,700
St. Vincent's Healthcare	Healthcare	***	5,050
UF Health Jacksonville	Healthcare	3,600	5,000

Top 8 Largest Governmental Employers in Jacksonville MSA

Company	Business Type	2016	2025
Naval Air Station, Jacksonville	United States Navy	19,800	14,390
Duval County Public Schools	Public Education	11,876	11,310
Naval Station, Mayport	United States Navy	9,000	10,600
City of Jacksonville	Municipal Government	7,195	7,910
Clay County School Board	Public Education	4,663	5,250
Fleet Readiness Center	Maintenance / Repair Overhaul	3,850	4,200
Nassau Country School District	Public Education	***	3,730
Jacksonville Sheriff's Office	City Government - Correctional Institution	***	3,500

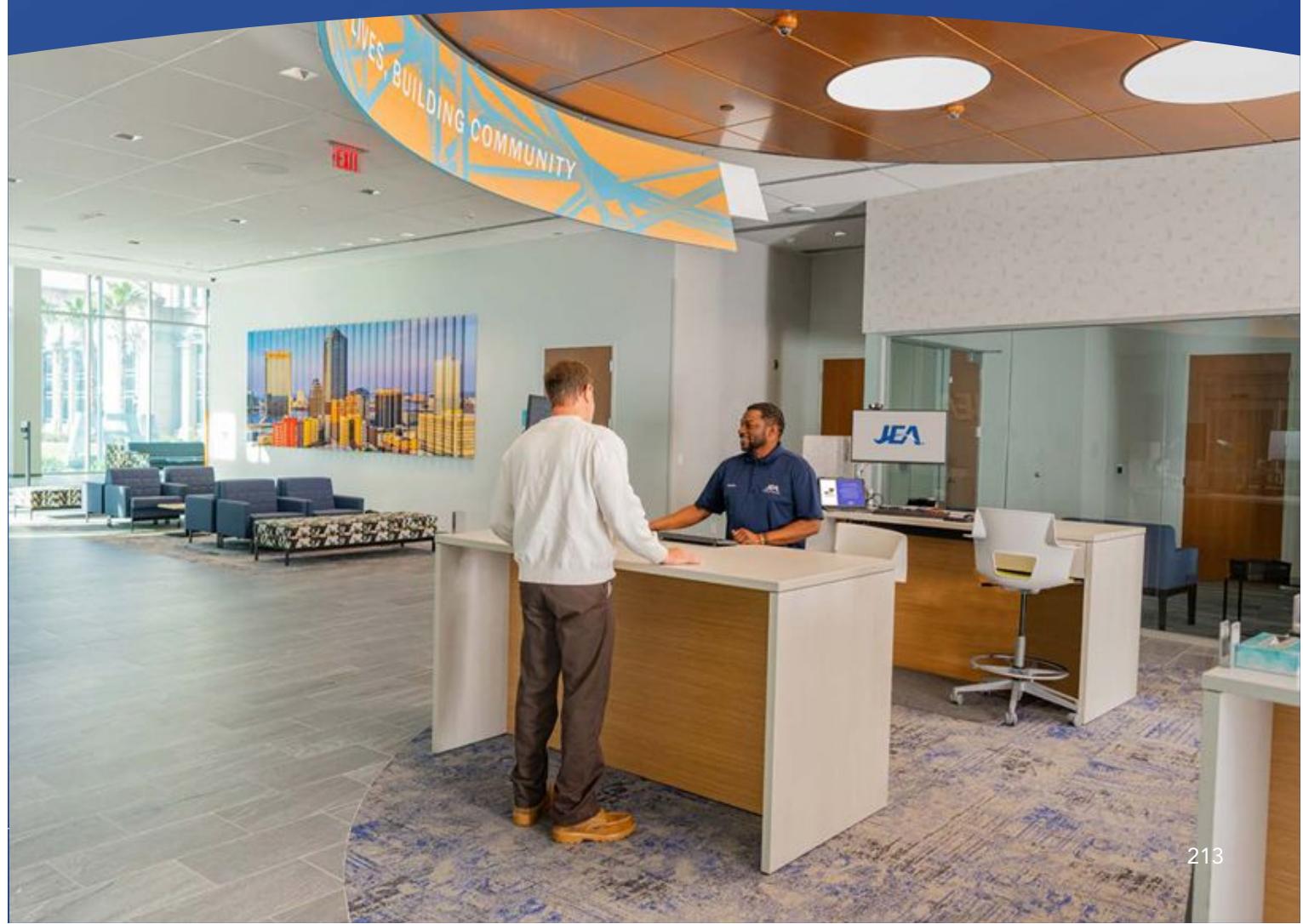
***Data not available at the time report was compiled

Source:

Jacksonville Regional Chamber of Commerce Research Department employer survey

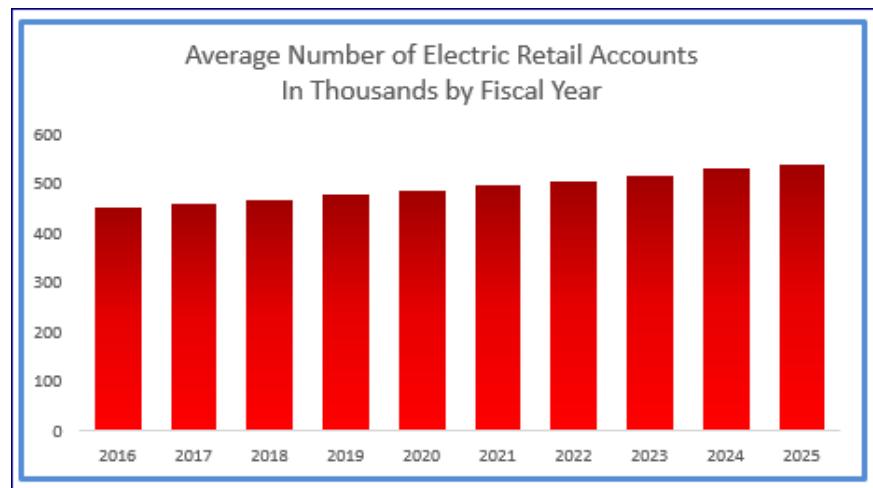
Operating Information (unaudited)

The schedules in this section contain service and infrastructure data intended to provide contextual information about JEA's operations and resources to assist readers in using financial statement information to understand and assess JEA's economic condition.



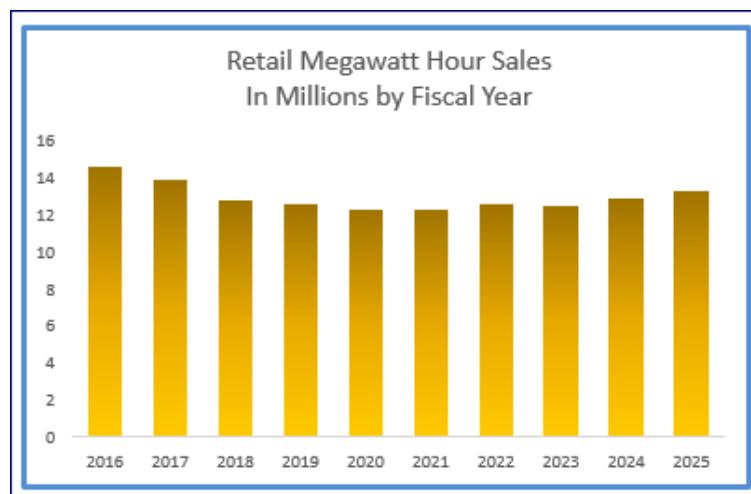
JEA in Jacksonville, FL
Electric Financial and Operating Highlights (unaudited)
Last 10 Fiscal Years, ending September 30th

	2016	2017	2018	2019	2020
FINANCIAL HIGHLIGHTS					
Total operating revenues (thousands)	\$ 1,337,431	\$ 1,398,881	\$ 1,366,111	\$ 1,300,208	\$ 1,241,506
Fuel and purchased power expenses (thousands)	\$ 485,874	\$ 536,250	\$ 530,246	\$ 465,573	\$ 376,011
Total operating expenses (thousands)	\$ 1,032,774	\$ 1,088,386	\$ 1,102,133	\$ 1,019,589	\$ 921,912
Debt service coverage:					
Senior and subordinated - Electric	2.89 x	2.53 x	2.30 x	2.81 x	4.79 x
Senior - Electric	6.59 x	7.54 x	6.55 x	6.51 x	10.68 x
Bulk Power Supply System	1.81 x	1.75 x	3.47 x	2.19 x	1.96 x
St. Johns River Power Park 2nd Resolution	1.17 x	1.18 x	1.60 x	1.19 x	1.15 x
OPERATING HIGHLIGHTS					
Sales (megawatt hours)	14,586,486	13,893,852	12,732,236	12,465,958	12,202,973
Peak demand - megawatts (60 minute net)	2,806	2,727	3,103	2,717	2,706
Total accounts - average number	451,785	458,951	466,409	475,786	485,000
Sales per residential account (kilowatt hours)	13,433	12,672	13,205	13,172	13,026
Average residential revenue per kilowatt hour	\$ 11.24	\$ 11.44	\$ 11.42	\$ 11.41	\$ 11.21
Power supply:					
Natural gas	32%	39%	48%	49%	63%
Purchases	42%	43%	18%	26%	13%
Coal	11%	12%	22%	16%	12%
Petroleum coke	15%	6%	12%	9%	12%



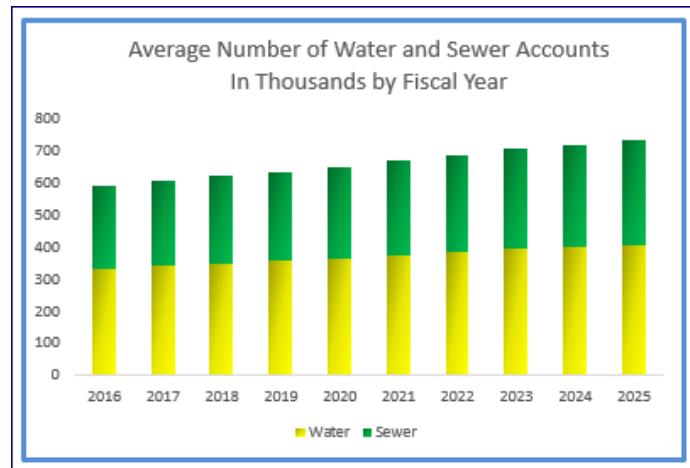
JEA in Jacksonville, FL
Electric Financial and Operating Highlights (unaudited) (concluded)
Last 10 Fiscal Years, ending September 30th

	2021	2022	2023	2024	2025
FINANCIAL HIGHLIGHTS					
Total operating revenues (thousands)	\$ 1,308,982	\$ 1,534,816	\$ 1,324,028	\$ 1,421,162	\$ 1,577,293
Fuel and purchased power expenses (thousands)	\$ 475,461	\$ 771,954	\$ 711,072	\$ 693,708	\$ 794,484
Total operating expenses (thousands)	\$ 1,010,636	\$ 1,470,109	\$ 1,351,113	\$ 1,337,345	\$ 1,434,972
Debt service coverage:					
Senior and subordinated - Electric	5.17 x	5.55 x	3.72 x	4.20 x	4.35 x
Senior - Electric	11.80 x	10.03 x	6.50 x	6.79 x	7.24 x
Bulk Power Supply System	1.27 x	9.36 x	2.15 x	2.10 x	3.12 x
St. Johns River Power Park 2nd Resolution	1.15 x	2.31 x	1.15 x	1.15 x	1.15 x
OPERATING HIGHLIGHTS					
Sales (megawatt hours)	12,239,149	12,488,252	12,366,462	12,769,116	13,150,968
Peak demand - megawatts (60 minute net)	2,610	2,857	2,869	2,804	3,047
Total accounts - average number	494,656	503,934	515,514	528,051	539,393
Sales per residential account (kilowatt hours)	12,932	12,907	12,401	12,615	12,885
Average residential revenue per kilowatt hour	\$ 11.42	\$ 13.69	\$ 13.46	\$ 12.49	\$ 13.42
Power supply:					
Natural gas	62%	58%	58%	61%	55%
Purchases	15%	29%	30%	32%	36%
Coal	15%	6%	3%	1%	2%
Petroleum coke	8%	7%	9%	6%	7%



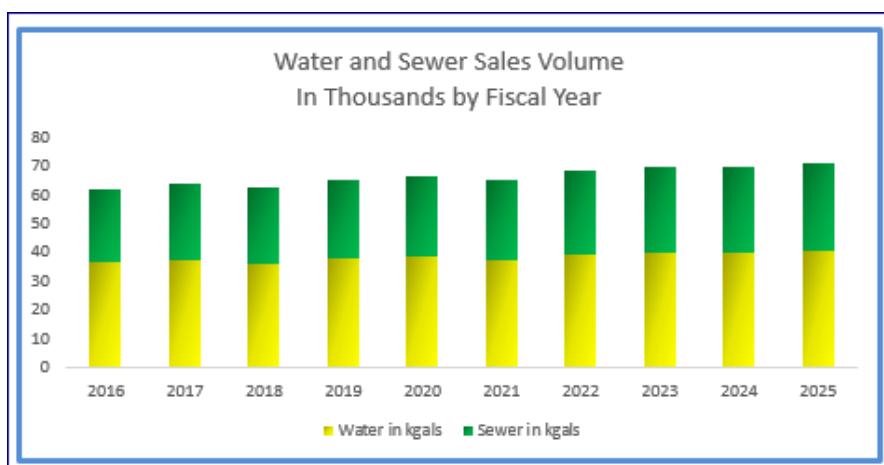
JEA in Jacksonville, FL
Water and Sewer Financial and Operating Highlights (unaudited)
Last 10 Fiscal Years, ending September 30th

	2016	2017	2018	2019	2020
FINANCIAL HIGHLIGHTS					
Total operating revenues (thousands)	\$ 427,750	\$ 457,908	\$ 435,682	\$ 463,817	\$ 483,859
Operating expenses (thousands)	\$ 297,325	\$ 305,131	\$ 310,435	\$ 334,177	\$ 352,973
Debt service coverage:					
Senior and subordinated	3.28 x	2.99 x	2.79 x	3.02 x	4.96 x
Senior	3.78 x	3.54 x	3.33 x	3.59 x	5.58 x
OPERATING HIGHLIGHTS					
WATER					
Total sales (kgals)	36,357,919	37,245,188	36,186,559	37,696,072	38,271,797
Total accounts - average number	333,139	341,016	348,159	355,635	363,597
Average sales per residential account (kgals)	62.78	63.21	59.33	61.28	62.83
Average residential revenue per kgal	\$ 5.26	\$ 5.48	\$ 5.43	\$ 5.40	\$ 5.32
SEWER					
Total sales (kgals)	25,817,658	26,712,770	26,340,622	27,726,796	28,160,202
Total accounts - average number	257,719	264,336	270,871	277,815	285,104
Average sales per residential account (kgals)	60.96	61.84	57.91	60.61	61.57
Average residential revenue per kgal	\$ 9.26	\$ 9.46	\$ 9.52	\$ 9.30	\$ 9.26
REUSE					
Total sales (kgals)	2,644,046	3,290,311	3,119,739	3,884,210	4,426,905
Total accounts - average number	7,498	9,391	11,498	14,267	17,031



JEA in Jacksonville, FL
Water and Sewer Financial and Operating Highlights (unaudited) (concluded)
Last 10 Fiscal Years, ending September 30th

	2021	2022	2023	2024	2025
FINANCIAL HIGHLIGHTS					
Total operating revenues (thousands)	\$ 471,430	\$ 509,862	\$ 538,308	\$ 529,995	\$ 555,673
Operating expenses (thousands)	\$ 358,288	\$ 396,512	\$ 458,489	\$ 459,813	\$ 468,415
Debt service coverage:					
Senior and subordinated	6.33 x	6.65 x	3.62 x	3.01 x	2.60 x
Senior	7.24 x	7.71 x	4.35 x	3.46 x	3.14 x
OPERATING HIGHLIGHTS					
WATER					
Total sales (kgals)	37,180,568	39,208,877	39,733,861	40,024,840	40,747,762
Total accounts - average number	373,075	383,481	391,859	399,307	405,962
Average sales per residential account (kgals)	59.78	60.23	60.20	59.88	59.76
Average residential revenue per kgal	\$ 5.44	\$ 5.48	\$ 5.50	\$ 5.56	\$ 5.87
SEWER					
Total sales (kgals)	28,139,524	29,252,868	29,666,832	29,969,997	30,585,132
Total accounts - average number	293,870	303,550	311,873	319,114	325,614
Average sales per residential account (kgals)	58.72	59.13	59.13	58.76	58.49
Average residential revenue per kgal	\$ 9.45	\$ 9.38	\$ 9.40	\$ 9.44	\$ 9.38
REUSE					
Total sales (kgals)	4,463,047	5,166,479	5,277,237	5,448,304	6,129,757
Total accounts - average number	19,704	22,633	25,764	28,351	30,495



JEA in Jacksonville, FL
Personnel and Operating Statistics (Unaudited)
Last 10 Fiscal Years, ending September 30th

	Number of Employees (Budgeted)			Operating Statistics				
	Electric	Water and Sewer	District Energy System	Total	Annual Peak Load	Transmission Lines (Miles)	Water Pipe Lines (Miles)	Wastewater Manholes
2016	1,554	599	5	2,158	2,806	***	4,695	66,552
2017	1,554	599	5	2,158	2,727	744.84	4,758	66,680
2018	1,553	599	6	2,158	3,103	743.58	5,003	66,680
2019	1,538	614	6	2,158	2,717	743.58	5,136	67,482
2020	1,553	599	6	2,158	2,706	743.06	5,251	68,955
2021	1,527	625	6	2,158	2,610	744.02	5,350	69,904
2022	1,527	650	6	2,183	2,857	744.02	5,458	71,404
2023	1,583	705	6	2,294	2,869	744.02	5,561	72,789
2024	1,646	750	6	2,402	2,804	744.30	6,306	74,256
2025	1,646	784	7	2,437	3,047	744.30	7,601	75,465



Supplemental Audit Reports



Schedule of Expenditures of Federal Awards and Reports Required by the Uniform Guidance

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND REPORTS REQUIRED BY THE UNIFORM GUIDANCE**

Year Ended September 30, 2025

With Report of Independent Auditors

Ernst & Young LLP



JEA
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2025

Federal Sponsor/Federal Program Title/Project Title Number	Assistance Listing Number	Pass Through ID Number	Federal Expenditures
U.S. Department of Homeland Security: Passed through Florida Executive Office of the Governor: Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	17-PA-U5-04-26-09-084/8401F	\$ 3,202,929
U.S. Department of Energy: Direct Program Cybersecurity, Energy Security & Emergency Response (CESER)	81.008		292,714
Total Expenditures of Federal Awards			\$ 3,495,643

See accompanying notes.

JEA
Notes to Schedule of Expenditures of Federal Awards
Year Ended September 30, 2025

1. General

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) presents the activity of each Federal program for the year ended September 30, 2025. The information in this Schedule is presented in accordance with Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

2. Basis of Presentation

The purpose of the Schedule is to present, in summary form, total expenditures of federal awards received by JEA for the year ended September 30, 2025. The Schedule is prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The information in this Schedule is presented in accordance with the requirements of the Uniform Guidance. Because the Schedule presents only a selected portion of the results of operations of JEA, it is not intended to and does not present either the financial position or results of operations of JEA.

Expenditures awarded from the Federal Emergency Management Agency (FEMA) under Assistance Listing No. 97.036 are presented on the Schedule when FEMA approves the Project Worksheet (PW). For the year ended September 30, 2025, the Schedule includes expenditures amounting to \$3,202,929 that were incurred in prior years, but the PW was not approved until the fiscal year ended September 30, 2025.

3. Contingencies

Grant revenue amounts received are subject to audit and adjustment. If any expenditure is disallowed by the grantor agencies as a result of such an audit, any claim for reimbursement to the grantor agencies would become a liability to JEA. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreement and applicable federal laws and regulations.

4. Indirect Cost Rate

JEA has elected not to use the 10% de minimis indirect cost rate allowed by the Uniform Guidance.



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**Report of Independent Auditors on Compliance for Each Major Federal Program;
Report on Internal Control Over Compliance; and Report on Schedule of
Expenditures of Federal Awards Required by the Uniform Guidance**

The Management and the Board of Directors
JEA

Report of Independent Auditors on Compliance for Each Major Federal Program

Opinion on the Major Federal Program

We have audited JEA's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on JEA's major federal program for the year ended September 30, 2025. JEA's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, JEA complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2025.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of JEA and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on compliance for the major federal program. Our audit does not provide a legal determination of JEA's compliance with the compliance requirements referred to above.



Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to JEA's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on JEA's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about JEA's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding JEA's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of JEA's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of JEA's internal control over compliance. Accordingly, no such opinion is expressed.



We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of JEA as of and for the year ended September 30, 2025, and have issued our report thereon dated September 30, 2025, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Ernst & Young LLP

December 12, 2025

JEA
Schedule of Findings and Questioned Costs

Section II—Financial Statement Findings

No findings were identified.

Section III—Federal Award Findings and Questioned Costs

No findings were identified.

Schedule of Expenditures of State Financial Assistance Required by
Chapter 10.550, *Rules of the Auditor General*

**SCHEDULE OF EXPENDITURES OF STATE AWARDS AND
REPORTS REQUIRED BY THE UNIFORM GUIDANCE**

Year Ended September 30, 2025

With Report of Independent Auditors

Ernst & Young LLP



JEA
 Schedule of Expenditures of State Financial Assistance
 For the Year Ended September 30, 2025

State Sponsor/State Program Title/Project Title Number	CSFA Number	Grant/Contract Number	State Expenditures
Executive Office of the Governor: Direct Programs: Emergency Management Programs	31.063	17-PA-U5-04-26-09-084/8401S	\$ 238,572
Florida Department of Environmental Protection: Direct Programs: Innovative Technologies	37.103	INW04	65,851
Passed through St. Johns River Water Management District: Alternative Water Supply	37.100	38717, 38868, 38884	2,846,687
Total Expenditures of State Financial Assistance			\$ 3,151,109

See accompanying notes.

JEA
Notes to Schedule of Expenditures of State Financial Assistance
Year Ended September 30, 2025

1. General

The accompanying Schedule of Expenditures of State Financial Assistance (the Schedule) presents the activity of all state financial assistance of JEA for the year ended September 30, 2025. The information in this schedule is presented in accordance with Chapter 10.550, *Rules of the Auditor General of the State of Florida*.

2. Basis of Presentation

The purpose of the Schedule is to present, in summary form, total expenditures of state financial assistance received by JEA for the year ended September 30, 2025. The Schedule is prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States. The information in this schedule is presented in accordance with the requirements of the Florida Single Audit Act. Because the Schedule presents only a selected portion of the results of operations of JEA, it is not intended to and does not present either the financial position or results of operations of JEA.

3. Contingencies

Grant revenue amounts received are subject to audit and adjustment. If any expenditure is disallowed by the grantor agencies as a result of such an audit, any claim for reimbursement to the grantor agencies would become a liability to JEA. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreement and applicable state laws and regulation.



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Report of Independent Auditors on Compliance for Each Major State Financial Assistance Project; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of State Financial Assistance Required by Chapter 10.550, Rules of the Auditor General

The Management and the Board of Directors
JEA

Report of Independent Auditors on Compliance for the Major State Financial Assistance Project

Opinion on the Major State Financial Assistance Project

We have audited JEA's compliance with the types of compliance requirements identified as subject to audit in the state of Florida Department of Financial Services State *Compliance Supplement* that could have a direct and material effect on JEA's major state financial assistance project for the year ended September 30, 2025. JEA's major state financial assistance project is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, JEA complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major state financial assistance projects for the year ended September 30, 2025.

Basis for Opinion on the Major State Financial Assistance Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and Chapter 10.550, Rules of the Auditor General. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.



We are required to be independent of JEA and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on compliance for each major state financial assistance project. Our audit does not provide a legal determination of JEA's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to JEA's state financial assistance projects.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on JEA's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and Chapter 10.550, Rules of the Auditor General, will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about JEA's compliance with the requirements of each major state financial assistance project as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and Chapter 10.550, Rules of the Auditor General, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding JEA's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.



- Obtain an understanding of JEA's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with Chapter 10.550, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of JEA's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct noncompliance with a type of compliance requirement of a state financial assistance project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state financial assistance project will not be prevented, or detected and corrected on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state financial assistance project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.



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The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Chapter 10.550, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of State Financial Assistance Required by the Chapter 10.550, Rules of the Auditor General

We have audited the financial statements of JEA as of and for the year ended September 30, 2025, and have issued our report thereon dated December 12, 2025, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of state financial assistance is presented for purposes of additional analysis as required by Chapter 10.550, Rules of the Auditor General and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of state financial assistance is fairly stated in all material respects in relation to the financial statements as a whole.

Ernst & Young LLP

December 12, 2025

JEA
 Schedule of Findings and Questioned Costs
 For the Year Ended September 30, 2025

Section I—Summary of Auditor’s Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Significant deficiency(ies) identified?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> None reported

Noncompliance material to financial statements noted?

<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
------------------------------	--

State Financial Assistance Projects Section

Internal control over State Financial Assistance Projects:

Material weakness(es) identified?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Significant deficiency(ies) identified?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> None reported

Type of auditor’s report issued on compliance for the major state financial assistance projects:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Chapter 10.550, *Rules of the Auditor General*?

<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
------------------------------	--

Identification of major state financial assistance Financial Assistance Projects:

CSFA Number	Name of the State Program
37.100	Alternate Water Supply
Dollar threshold used to distinguish between Type A and Type B programs:	\$ 750,000

JEA
Schedule of Findings and Questioned Costs (continued)

Section II—Financial Statement Findings

No findings were noted.

Section III—State Financial Assistance Project Findings and Questioned Costs

No findings were noted.



Reserve Report

**For the First Quarter Ending
December 2025**

Electric System and Water System Reserve and Fund Balances (1)*For the Years Ending September 30**(In Thousands of Dollars)***Electric System**

	<u>Actual</u> <u>Fiscal Year</u>	<u>Actual</u> <u>Fiscal Year</u>	<u>Actual</u> <u>Fiscal Year</u>	
	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>Detail</u> <u>Page #</u>
Unrestricted				
Operations/Revenue Fund	\$ 29,261	\$ 55,498	\$ 37,214	
Debt Management Strategy Reserve	-	-	-	
Self Insurance Reserve Fund				
• Property	10,000	10,000	10,000	3
• Employee health insurance	22,243	22,183	19,877	4
Rate Stabilization				
• Fuel	-	-	-	5
• DSM / Conservation	936	-	-	5
• Environmental	12,101	2,158	727	6
• Debt Management	-	-	-	
• Non-Fuel Purchased Power	246,000	246,000	161,000	7
Environmental	-	-	-	8
Customer Deposits	50,376	55,555	56,390	9
Total Unrestricted	370,918	391,394	285,208	
Days of Cash on Hand (2)	112	128	80	
Days of Liquidity (3)	198	184	173	
Restricted				
Debt Service Funds (Sinking Funds)	51,548	64,339	84,671	10
Debt Service Reserve Funds	50,993	37,465	37,465	11
Renewal and Replacement Funds/OCO	(2,161)	63,738	17,810	12
Environmental Fund [Capital Projects]	-	-	-	13
Construction Funds	-	125	125	14
Total Restricted	100,381	165,668	140,071	
Total Electric System	\$ 471,299	\$ 557,061	\$ 425,279	

Water System

	<u>Actual</u> <u>Fiscal Year</u>	<u>Actual</u> <u>Fiscal Year</u>	<u>Actual</u> <u>Fiscal Year</u>	
	<u>2024</u>	<u>2025</u>	<u>2026</u>	
Unrestricted				
Operations/Revenue Fund	\$ 1,701	\$ 39	\$ 9,214	
Customer Deposit	18,346	19,167	19,767	15
Total Unrestricted	20,047	19,207	28,981	
Days of Cash on Hand (2)	55	42	47	
Days of Liquidity (3)	140	431	431	
Restricted				
Debt Service Funds (Sinking Funds)	86,549	92,580	95,087	16
Debt Service Reserve Funds	62,614	99,726	98,699	17
Renewal and Replacement Funds	26,267	(41,068)	(78,594)	18
Construction Funds	19,770	59,700	92,065	19
Total Restricted	195,200	210,938	207,257	
Total Water & Sewer System	\$ 215,247	\$ 230,144	\$ 236,238	

(1) This report does not include Scherer, SJRPP, DES or funds held on behalf of the City of Jacksonville.

(2) Days of Cash on Hand includes R&R Fund in the cash balances, and includes the Contribution to the City of Jacksonville General Fund with the Operating Expenses net of Depreciation.

(3) Days of Liquidity includes R&R Fund and the Revolving credit facility in the cash balances, and includes the Contribution to the City of Jacksonville General Fund with the Operating Expenses, net of Depreciation.

Funds Established Per the Bond Resolutions

Fund/Account Description	Electric System	Water and Sewer System
Revenue Fund	Net Revenues (i.e. Revenues minus Cost of Operation and Maintenance), pledged to bondholders, balance available for any lawful purpose after other required payments under the bond resolution have been made.	Pledged to bondholders; balance available for any lawful purpose after other required payments under the bond resolution have been made, however, revenues representing impact fees may only be used to finance costs of expanding the system or on the debt service on bonds issued for such expansion purposes.
Rate Stabilization Fund	Not pledged to bondholders; available for any lawful purpose.	Pledged to bondholders; able to transfer to any other fund or account established under the resolution or use to redeem Bonds.
Debt Service Account	Pledged to bondholders; used to pay debt service on bonds.	Pledged to bondholders; used to pay debt service on bonds.
Debt Service Reserve Account	Pledged to bondholders; used to pay debt service on bonds in the event revenues were insufficient to make such payments.	Pledged to bondholders; used to pay debt service on bonds in the event revenues were insufficient to make such payments.
Renewal and Replacement Fund	Not pledged to bondholders but required amounts deposited into this Fund pursuant to the bond resolution are limited as to what they can be spent on (e.g. capital expenditures and, bond redemptions).	Pledged to bondholders; but required amounts deposited into this Fund pursuant to the bond resolution are limited as to what they can be spent on (e.g. capital expenditures and, bond redemptions).
Construction Fund	Pledged to bondholders; applied to the payment of costs of the system.	Pledged to bondholders; applied to the payment of costs of the system.
Subordinated Construction Fund	Pledged to bondholders; applied to the payment of costs of the system	Pledged to bondholders; applied to the payment of costs of the system
Construction Fund - Construction Reserve Account	Pledged to bondholders; applied to fund downgraded reserve fund sureties.	Pledged to bondholders; applied to fund downgraded debt service reserve fund sureties.
General Reserve Fund	Not pledged to bondholders; available for any lawful purpose.	n/a

Regardless of whether the Funds/Accounts are designated as pledged, in the event that monies in the Debt Service Account are insufficient to pay debt service on the bonds, pursuant to the respective bond resolutions, amounts in the various Funds/Accounts are required to be transferred to the respective Debt Service Accounts and used to pay debt service.

Electric System Self Insurance - Property

For the First Quarter Ending December 31, 2025

Definitions and Goals

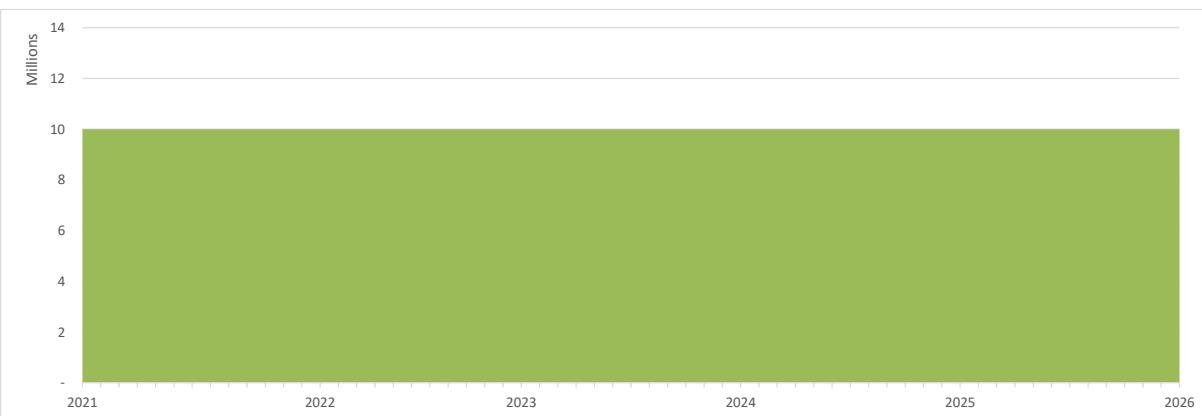
JEA's self-insurance fund is for catastrophic damage to JEA's electric lines (transmission and distribution) caused by the perils of hurricanes, tornadoes, and ice storms. This fund was established in October, 1992, as an alternative to JEA's procurement of commercial property insurance.

Current Activity

(In Thousands)	Quarter-End	<u>2026</u>
Opening Balance	\$ 10,000	\$ 10,000
Additions:		
Contributions		
Sub-total	\$ -	\$ -
Withdrawals		
Sub-total	\$ -	\$ -
Ending Balance	<u>\$ 10,000</u>	<u>\$ 10,000</u>

Historical Activity

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Opening Balance	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Additions:					
Contributions	-	-	-	-	-
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -
Withdrawals					
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -
Ending balance	<u>\$ 10,000</u>				



Observations

- Reserve/Fund Authorization: Budget Appropriation.

Electric System Self Insurance - Employee Health Insurance

For the First Quarter Ending December 31, 2025

Definitions and Goals

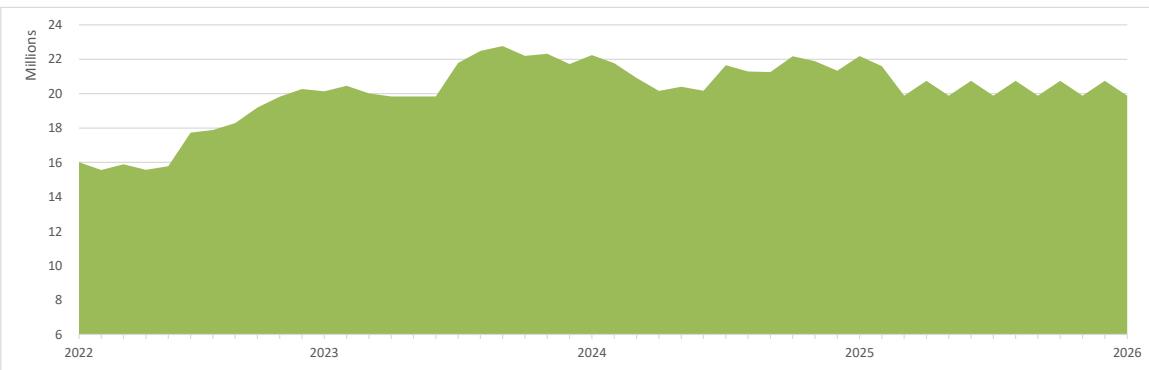
This reserve fund is a requirement under Florida Statute 112.08 that requires self insured government plans to have enough money in a reserve fund to cover the Incurred But Not Reimbursed (IBNR) claims and a 60 day surplus of claims. The IBNR claims are claims that would still need to be paid if the company went back to a fully insured plan or dropped coverage all together. An actuary calculates this amount annually.

Current Activity

(In Thousands)	Quarter-End	2026
Opening Balance	\$ 22,183	\$ 22,183
Additions:		
Employee Contributions	1,638	6,236
Retirees and Other	1,777	8,485
Employer Contributions	6,485	24,154
Sub-total	\$ 9,900	\$ 38,874
Withdrawals:		
Payments for Claims	10,767	38,527
Actuary & Other Payments	643	2,653
Other		
Sub-total	\$ 11,409	\$ 41,180
Ending Balance	<u><u>\$ 20,673</u></u>	<u><u>\$ 19,877</u></u>

Historical Activity

	2022	2023	2024	2025	2026
Opening Balance	\$ 14,272	\$ 14,145	\$ 20,134	\$ 22,243	\$ 22,183
Additions:					
Employee Contributions	6,714	6,179	6,084	6,444	6,236
Retiree & Other Contributions	5,713	9,998	7,724	7,732	8,485
Employer Contributions	20,688	22,875	23,904	25,682	24,154
Sub-total	<u><u>\$ 33,115</u></u>	<u><u>\$ 39,052</u></u>	<u><u>\$ 37,712</u></u>	<u><u>\$ 39,858</u></u>	<u><u>\$ 38,874</u></u>
Withdrawals:					
Payments for Claims	30,819	30,057	33,140	37,429	38,527
Actuary & Other Payments	2,423	3,006	2,463	2,489	2,653
Sub-total	<u><u>\$ 33,242</u></u>	<u><u>\$ 33,063</u></u>	<u><u>\$ 35,603</u></u>	<u><u>\$ 39,918</u></u>	<u><u>\$ 41,180</u></u>
Ending balance	<u><u>\$ 14,145</u></u>	<u><u>\$ 20,134</u></u>	<u><u>\$ 22,243</u></u>	<u><u>\$ 22,183</u></u>	<u><u>\$ 19,877</u></u>



Maximum Balance: 22,765
Minimum Balance: 15,565

Average Balance: 20,154

Observations

- Self Insurance for Employee Health Insurance began in July 2009.

Electric System Rate Stabilization - DSM / Conservation

For the First Quarter Ending December 31, 2025

Definitions and Goals

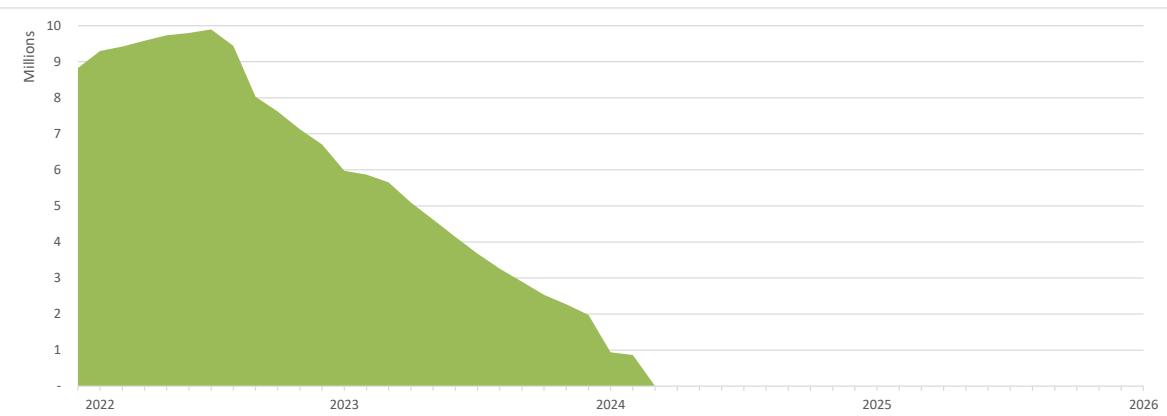
The Electric System Bond Resolution authorizes the establishment of a Rate Stabilization Fund in which contributions or withdrawals shall be made as set forth in the current annual budget or an amount otherwise determined by an authorized officer of JEA. The Rate Stabilization Fund provides a means to minimize the year-to-year impact to customer charges and support financial metrics by providing consistent revenue collection for expenditures impacted by external factors such as fuel, debt management and regulatory requirements or initiatives. Effective April 1, 2023, the Environmental charge and Conservation charges were eliminated for all rate classes and incorporated into the energy charge.

Current Activity

(In Thousands)	Quarter-End	2026
Opening Balance	\$ _____ -	\$ _____ -
Additions:		
Contributions	-	-
Sub-total	\$ _____ -	\$ _____ -
Withdrawals:		
Withdrawals	-	-
Sub-total	\$ _____ -	\$ _____ -
Ending Balance	<u><u>\$ _____ -</u></u>	<u><u>\$ _____ -</u></u>

Historical Activity

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Opening Balance	\$ 7,233	\$ 8,824	\$ 5,976	\$ 937	\$ _____ -
Additions:					
Contributions	7,164	2,959	1	-	-
Sub-total	<u>\$ 7,164</u>	<u>\$ 7,164</u>	<u>\$ 7,164</u>	<u>\$ -</u>	<u>\$ _____ -</u>
Withdrawals:					
Withdrawals	5,573	5,807	5,040	937	-
Sub-total	<u>\$ 5,573</u>	<u>\$ 5,807</u>	<u>\$ 5,040</u>	<u>\$ 937</u>	<u>\$ _____ -</u>
Ending balance	<u><u>\$ 8,824</u></u>	<u><u>\$ 5,976</u></u>	<u><u>\$ 937</u></u>	<u><u>\$ -</u></u>	<u><u>\$ _____ -</u></u>



Maximum Balance:
Minimum Balance:

9,897

Average Balance:

3,050

Observations

- Rate Stabilization Fund for Demand Side Management began in April 2009.

Electric System Rate Stabilization - Environmental

For the First Quarter Ending December 31, 2025

Definitions and Goals

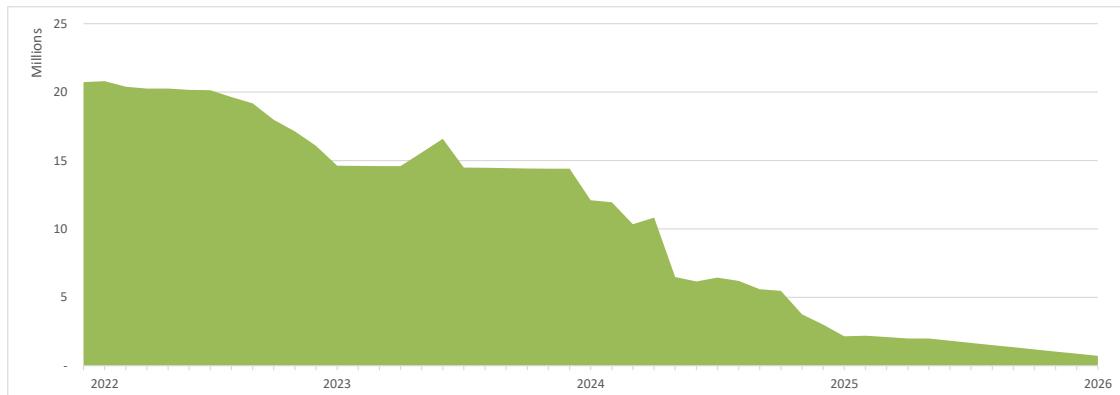
The Electric System Bond Resolution authorizes the establishment of a Rate Stabilization Fund in which contributions or withdrawals shall be made as set forth in the current annual budget or an amount otherwise determined by an authorized officer of JEA. The Rate Stabilization Fund provides a means to minimize the year-to-year impact to customer charges and support financial metrics by providing consistent revenue collection for expenditures impacted by external factors such as fuel, debt management and regulatory requirements or initiatives. Deposits to this fund began in fiscal year 2010 for amounts representing the Electric System Environmental Charge (\$0.62 per 1000 kWh). Withdrawals from this reserve are limited to potential environmental expenditures approved by the Board, and may include initiatives such as the cost of acquisition of renewable energy capacity. Costs directly required to operate and maintain the environmentally driven or regulatory required assets can also be funded from this revenue source. Effective April 1, 2023, the Environmental charge and Conservation charges were eliminated for all rate classes and incorporated into the energy charge. Basic monthly charges for each rate class were raised to more closely represent the cost to serve each class of customer.

Current Activity

(In Thousands)	Quarter-End	<u>2026</u>
Opening Balance	\$ 2,158	\$ 2,158
Additions:		
Contributions	(0)	
Sub-total	\$ (0)	\$ -
Withdrawals:		
Withdrawals	173	\$ 1,431
Sub-total	\$ 173	\$ 1,431
Ending Balance	<u>\$ 1,985</u>	<u>\$ 727</u>

Historical Activity

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Opening Balance	\$ 19,756	\$ 20,728	\$ 14,612	\$ 12,101	\$ 2,158
Additions:					
Contributions	7,619	3,111	-	-	-
Sub-total	<u>\$ 7,619</u>	<u>\$ 3,111</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Withdrawals:					
Withdrawals	6,647	9,227	2,511	9,943	1,431
Sub-total	<u>\$ 6,647</u>	<u>\$ 9,227</u>	<u>\$ 2,511</u>	<u>\$ 9,943</u>	<u>\$ 1,431</u>
Ending balance	<u><u>\$ 20,728</u></u>	<u><u>\$ 14,612</u></u>	<u><u>\$ 12,101</u></u>	<u><u>\$ 2,158</u></u>	<u><u>\$ 727</u></u>



Maximum Balance: 47,018
Minimum Balance: 19,629

Average Balance: 27,946

Observations

- Rate Stabilization Fund for Environmental began in June 2010.

Electric System Rate Stabilization - Non-Fuel Purchased Power

For the First Quarter Ending December 31, 2025

Definitions and Goals

The Electric System Bond Resolution authorizes the establishment of a Rate Stabilization Fund in which deposits or withdrawals shall be made as set forth in the current annual budget or an amount otherwise determined by an authorized officer of IEA. The Rate Stabilization Funds provide a means to minimize the year-to-year impact to customer charges and support financial metrics by providing consistent revenue collection for expenditures impacted by external factors such as fuel, debt management and regulatory requirements or initiatives. Deposits to the Rate Stabilization Fund for Non-Fuel Purchased Power Stabilization during the fiscal year are made with the approval of the CEO or CFO, provided such deposits are not in excess of IEA's total operating budget for the current fiscal year. Withdrawals from the Rate Stabilization Fund for Non-Fuel Purchased Power are to reimburse the costs associated with any non-fuel purchased power activities. Withdrawals can be made as necessary during the fiscal year and requires the approval of the CEO or the CFO.

Current Activity

(In Thousands)	Quarter-End	2026
Opening Balance	\$ 246,000	\$ 246,000
Additions:		
Contributions	-	
Sub-total	\$ -	\$ -
Withdrawals:		
Withdrawals	-	85,000
Ending Balance	\$ 246,000	\$ 161,000

Historical Activity

	2022	2023	2024	2025	2026
Opening Balance	\$ 10,513	\$ 55,000	\$ 246,000	\$ 246,000	\$ 246,000
Additions:					
Contributions	72,731	191,000	-	-	-
Sub-total	\$ 72,731	\$ 191,000	\$ -	\$ -	\$ -
Withdrawals:					
Withdrawals	28,244	-	-	-	85,000
Sub-total	\$ 28,244	\$ -	\$ -	\$ -	\$ 85,000
Ending balance	\$ 55,000	\$ 246,000	\$ 246,000	\$ 246,000	\$ 161,000



Maximum Balance:
Minimum Balance:

246,000
55,000

Average Balance: 216,301

Observations

- The Non-Fuel Purchased Power Rate Stabilization Fund began in FY 2014.

Electric System Environmental Reserve

For the First Quarter Ending December 31, 2025

Definitions and Goals

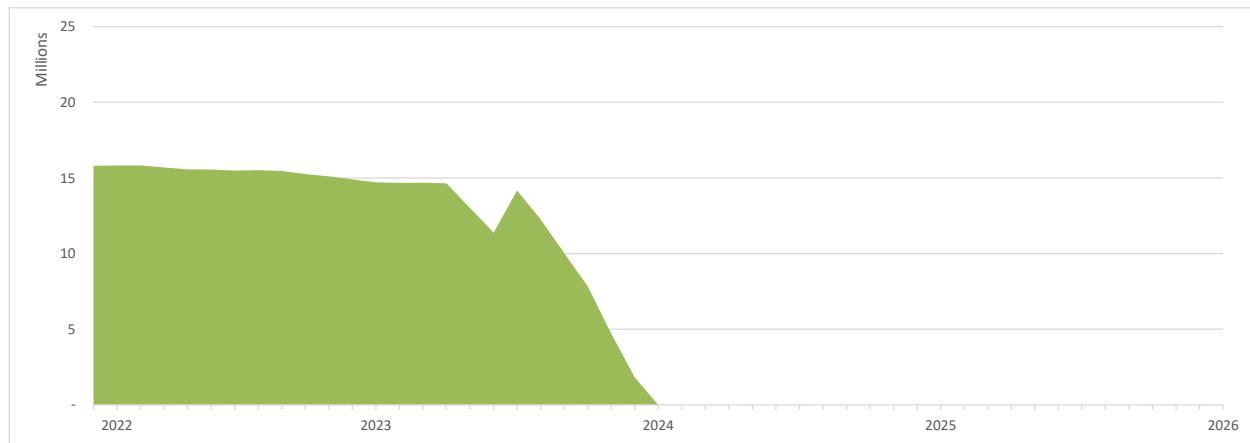
This reserve represents the initial amounts collected from the Electric System Environmental Charge and will be deposited until the balance in this reserve equals the balance in the environmental liability account. Withdrawals from this account will represent payments for these liabilities. Fund was fully drawn down in FY 2024

Current Activity

(In Thousands)	Quarter-End	<u>2026</u>
Opening Balance	\$ _____ -	\$ _____ -
Additions:		
Contributions	- -	- -
Sub-total	\$ _____ -	\$ _____ -
Withdrawals:		
Withdrawals	- -	- -
Sub-total	\$ _____ -	\$ _____ -
Ending Balance	<u><u>\$ _____ -</u></u>	<u><u>\$ _____ -</u></u>

Historical Activity

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Opening Balance	\$ 16,568	\$ 15,797	\$ 14,713	\$ -	\$ -
Additions:					
Contributions		58	- -	- -	- -
Sub-total	\$ - -	\$ 58	\$ - -	\$ - -	\$ - -
Withdrawals:					
Withdrawals	771	1,142	14,713	- -	- -
Sub-total	<u><u>\$ 771</u></u>	<u><u>\$ 1,142</u></u>	<u><u>\$ 14,713</u></u>	<u><u>\$ - -</u></u>	<u><u>\$ - -</u></u>
Ending balance	<u><u>\$ 15,797</u></u>	<u><u>\$ 14,713</u></u>	<u><u>\$ - -</u></u>	<u><u>\$ - -</u></u>	<u><u>\$ - -</u></u>



Maximum Balance:
Minimum Balance:

15,826

Average Balance:

6,335

Observations

- The Environmental Reserve began in FY 2008.

Electric System Customer Deposits

For the First Quarter Ending December 31, 2025

Definitions and Goals

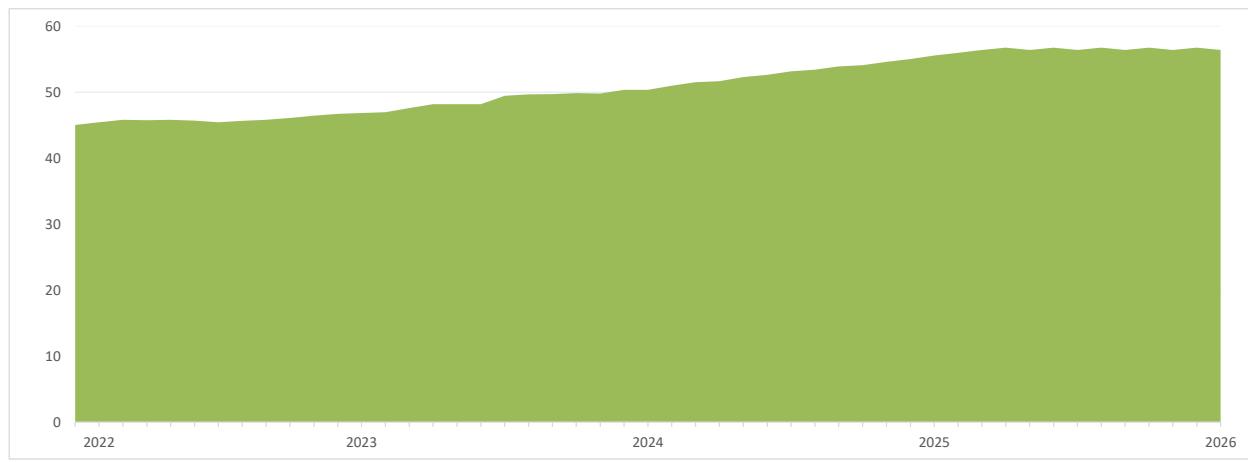
Pursuant to internal procedure CR40400 MBC302 Credit and Collections, JEA assesses customers a deposit that may be used to offset any future unpaid amounts during the course of providing utility service to a customer.

Current Activity

(In Thousands)	Quarter-End		<u>2026</u>
Opening Balance	\$ 55,555		\$ 55,555
Additions:			
Net Customer Activity	1,199		1,650
Sub-total	<u>\$ 1,199</u>		<u>\$ 1,650</u>
Withdrawals:			
Net Customer Activity	-		817
Sub-total	<u>\$ -</u>		<u>\$ 817</u>
Ending Balance	<u><u>\$ 56,754</u></u>		<u><u>\$ 56,389</u></u>

Historical Activity

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Opening Balance	\$ 43,641	\$ 45,044	\$ 46,838	\$ 50,376	\$ 55,555
Additions:					
Net Customer Activity	3,666	2,194	3,604	5,713	1,650
Sub-total	<u>\$ 3,666</u>	<u>\$ 2,194</u>	<u>\$ 3,604</u>	<u>\$ 5,713</u>	<u>\$ 1,650</u>
Withdrawals:					
Net Customer Activity	2,263	400	66	534	817
Sub-total	<u>\$ 2,263</u>	<u>\$ 400</u>	<u>\$ 66</u>	<u>\$ 534</u>	<u>\$ 817</u>
Ending balance	<u><u>\$ 45,044</u></u>	<u><u>\$ 46,838</u></u>	<u><u>\$ 50,376</u></u>	<u><u>\$ 55,555</u></u>	<u><u>\$ 56,389</u></u>



Observations

Electric System Debt Service Sinking Fund

For the First Quarter Ending December 31, 2025

Definitions and Goals

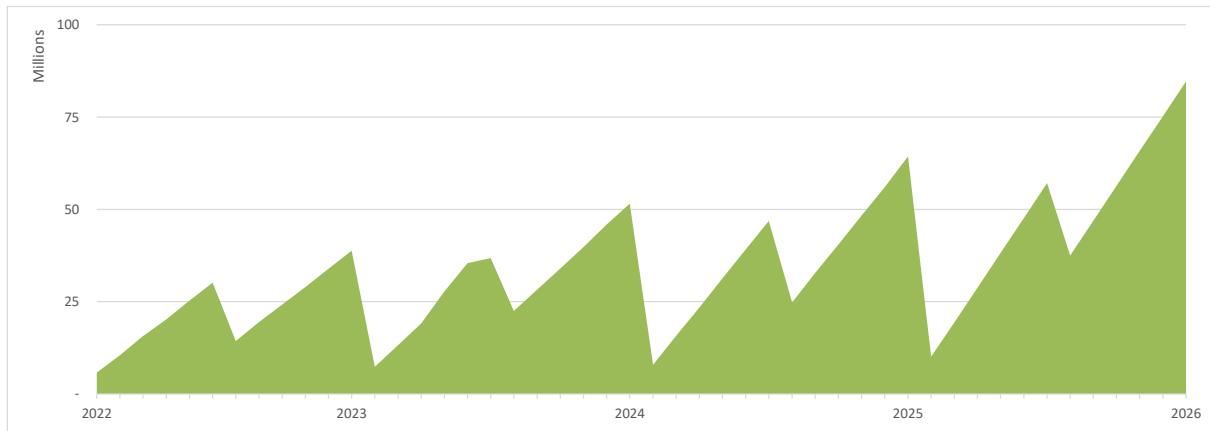
JEA is required monthly to fund from revenues an amount equal to the aggregate of the Debt Service Requirement for senior and subordinated bonds for such month into this account. On or before such interest payment date, JEA shall pay out of this account to the paying agents the amount required for the interest and principal due on such date.

Current Activity

(In Thousands)	Quarter-End	<u>2026</u>
Opening Balance	\$ 64,339	\$ 64,339
Additions:		
Revenue Fund Deposits	29,955	113,617
Sub-total	<u>\$ 29,955</u>	<u>\$ 113,617</u>
Withdrawals:		
Principal and Int Payments	65,516	93,285
Sub-total	<u>\$ 65,516</u>	<u>\$ 93,285</u>
Ending Balance	<u><u>\$ 28,778</u></u>	<u><u>\$ 84,671</u></u>

Historical Activity

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2026</u>	<u>2026</u>
Opening Balance	\$ 80,988	\$ 66,705	\$ 38,818	\$ 51,549	\$ 64,339
Additions:					
Revenue Fund Deposits	91,059	73,192	93,685	97,089	113,617
Sub-total	<u>\$ 91,059</u>	<u>\$ 73,192</u>	<u>\$ 93,685</u>	<u>\$ 97,089</u>	<u>\$ 113,617</u>
Withdrawals:					
Principal and Int Payments	105,342	101,079	80,954	84,299	93,285
Sub-total	<u>\$ 105,342</u>	<u>\$ 101,079</u>	<u>\$ 80,954</u>	<u>\$ 84,299</u>	<u>\$ 93,285</u>
Ending balance	<u><u>\$ 66,705</u></u>	<u><u>\$ 38,818</u></u>	<u><u>\$ 51,549</u></u>	<u><u>\$ 64,339</u></u>	<u><u>\$ 84,671</u></u>



Maximum Balance: 84,671
Minimum Balance: 5,778

Average Balance: 33,915

Observations

- September 30th ending balances are used to pay the October 1st interest and principal payments.
- This report does not include any Scherer debt service sinking funds.
- Timing differences occur due to the accrual of debt service during one fiscal year and the payment in the following fiscal year (primarily fixed rate principal and interest on October 1st of the following fiscal year).
- Projections are based on the debt outstanding as of the quarter-end referenced above.

Electric System Debt Service Reserve Account

For the First Quarter Ending December 31, 2025

Definitions and Goals

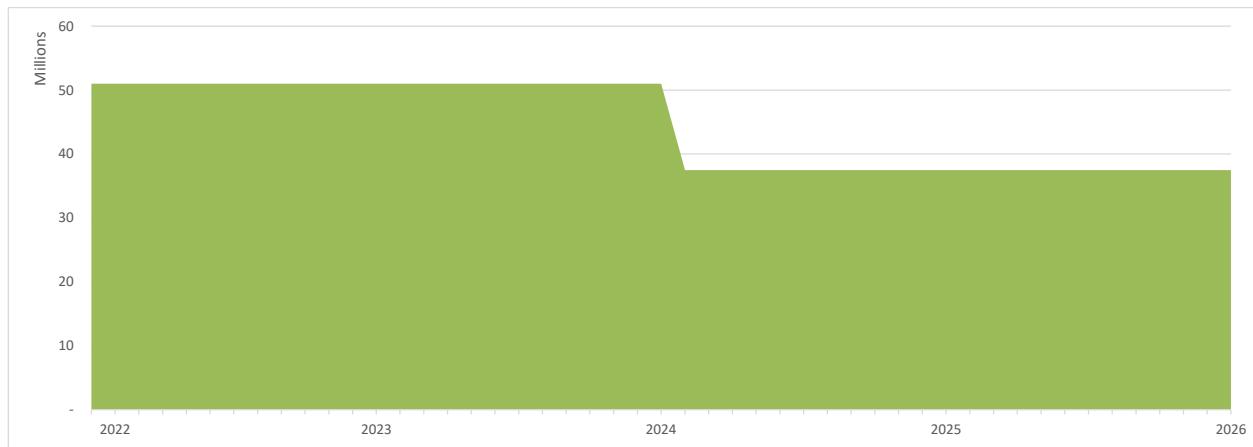
This reserve will be funded, maintained and held for the benefit of bondholders as specified in the Supplemental Resolution authorizing the sale of the bonds to pay principal and/or interest on the bonds should revenues from operations not be sufficient for such purpose in accordance with the appropriate bond resolution. It is JEA's current practice to fund this reserve account with cash from the sale of bonds; however, revenues may be utilized to fund this reserve when necessary.

Current Activity

(In Thousands)	Quarter-End	<u>2026</u>
Opening Balance	\$ 37,465	\$ 37,465
Additions:		
Proceeds from Bonds	-	-
Sub-total	\$ -	\$ -
Withdrawals:		
Bond	-	-
Ending Balance	<u>\$ 37,465</u>	<u>\$ 37,465</u>

Historical Activity

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Opening Balance	\$ 50,993	\$ 50,993	\$ 50,993	\$ 50,993	\$ 37,465
Additions:					
Proceeds from Bonds	-	-	-	-	-
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -
Withdrawals:					
Release to Revenue Fund	-	-	-	-	13,528
Release for Defeasance	-	-	-	-	-
Sub-total	\$ -	\$ -	\$ -	\$ 13,528	\$ -
Ending balance	<u>\$ 50,993</u>	<u>\$ 50,993</u>	<u>\$ 50,993</u>	<u>\$ 37,465</u>	<u>\$ 37,465</u>



Maximum Balance: 50,993
 Minimum Balance: 37,465

Average Balance: 44,229

Observations

- This report does not include any Scherer debt service reserves.
- Projections are based on the debt outstanding as of the quarter-end referenced above.

Electric System Renewal and Replacement (R&R) / Operating Capital Outlay (OCO)

For the First Quarter Ending December 31, 2025

Definitions and Goals

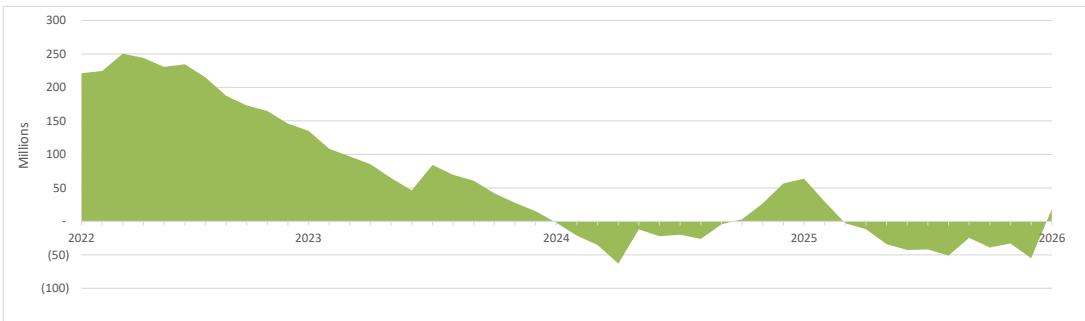
Pursuant to the bond resolution and Article 21 of the City of Jacksonville Charter, JEA is required to deposit from the revenue fund annually an amount for Renewal and Replacement of system assets. According to the bond resolutions the amount is equal to the greater of 10% of the prior year defined annual net revenues or 5% of the prior year defined gross revenues. The funds shall be used for the purposes of paying the cost of extensions, enlargements or additions to, or the replacement of capital assets. In addition, as a portion of the base rate, JEA will recover from current revenue a formula driven amount for capital expenditures known as Operating Capital Outlay. This amount is calculated separately from the R&R deposit and may be allocated for use between capacity or non-capacity related expenditures based on the most beneficial economic and tax related financing structure incorporating the use of internal and bond funding.

Current Activity

(In Thousands)	Quarter-End	2026
Opening Balance	\$ 63,738	\$ 63,738
Additions:		
R&R/OCO Contribution	20,075	180,300
Debt Funding	52,739	219,626
Other		
Sub-total	<u>\$ 72,814</u>	<u>\$ 399,926</u>
Withdrawals:		
Capital Expenditures	46,220	435,405
Transfers btw Capital Fds		
Debt Reduction	-	-
Other	3,581	10,448
Sub-total	<u>\$ 49,801</u>	<u>\$ 445,853</u>
Ending Balance	<u><u>\$ 86,751</u></u>	<u><u>\$ 17,810</u></u>

Historical Activity

	2022	2023	2024	2025	2026
Opening Balance	\$ 183,800	\$ 233,019	\$ 135,034	\$ (2,160)	\$ 63,738
Additions:					
R&R/OCO Contribution	240,825	143,458	136,307	224,336	180,300
Debt Funding				95,267	219,626
Other	6,031	12,774	1,876	1,376	-
Sub-total	<u>\$ 246,856</u>	<u>\$ 156,232</u>	<u>\$ 138,183</u>	<u>\$ 320,979</u>	<u>\$ 399,926</u>
Withdrawals:					
Capital Expenditures	197,637	234,217	265,824	251,491	435,405
Transfers/loans b/w Capital Fds					
Debt Defeasance	-	20,000	9,553	3,590	10,448
Other	-	-	-	-	-
Sub-total	<u>\$ 197,637</u>	<u>\$ 254,217</u>	<u>\$ 275,377</u>	<u>\$ 255,081</u>	<u>\$ 445,853</u>
Ending balance	<u><u>\$ 233,019</u></u>	<u><u>\$ 135,034</u></u>	<u><u>\$ (2,160)</u></u>	<u><u>\$ 63,738</u></u>	<u><u>\$ 17,810</u></u>



Maximum Balance: 187,629 Minimum Balance: (63,064) Average Balance: 28,337

Observations

- Other includes Sale of Property and miscellaneous billings.

Electric System Environmental Fund - Capital Projects

For the First Quarter Ending December 31, 2025

Definitions and Goals

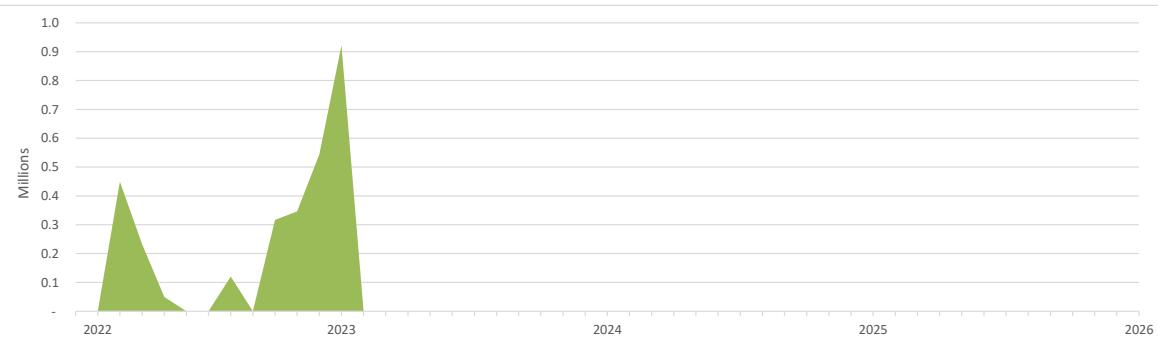
The Environmental Charge will be applied to all kWh consumption and structured to provide funding for major specific environmental and regulatory program needs. The Environmental Charge is designed to recover from customers all costs of environmental remediation and compliance with new and existing environmental regulations, excluding the amount already collected in the Environmental Liability Reserve, as specified in the Pricing Policy for specific environmental and regulatory programs. This fund represents the amounts collected from the Electric System Environmental Charge and used on expenditures for capital projects. Environmental Rate was dissolved in April 2023.

Current Activity

(In Thousands)	Quarter-End	2026
Opening Balance	\$ -	\$ -
Additions:		
Environmental Contributions	-	-
Transfers betw Capital Fds		
Other		
Sub-total	\$ -	\$ -
Withdrawals:		
Capital Expenditures	-	-
Transfers betw Capital Fds		
Other		
Sub-total	\$ -	\$ -
Ending Balance	<u>\$ -</u>	<u>\$ -</u>

Historical Activity

	2022	2023	2024	2025	2026
Opening Balance	\$ 83	\$ -	\$ 922	\$ -	\$ -
Additions:					
Environmental Contributions	503	3,088	-	-	-
Loans betw Capital Fds					
Other					
Sub-total	\$ 503	\$ 3,088	\$ -	\$ -	\$ -
Withdrawals:					
Capital Expenditures	586	2,166	922	-	-
Transfers/loans b/w Capital Fds					
Other					
Sub-total	\$ 586	\$ 2,166	\$ 922	\$ -	\$ -
Ending balance	<u>\$ -</u>	<u>\$ 922</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



Maximum Balance: 922
Minimum Balance: -

Average Balance: 53

Observations

- The Environmental Construction Fund began in October 2019 and ended April 2023.

Electric System Construction / Bond Fund

For the First Quarter Ending December 31, 2025

Definitions and Goals

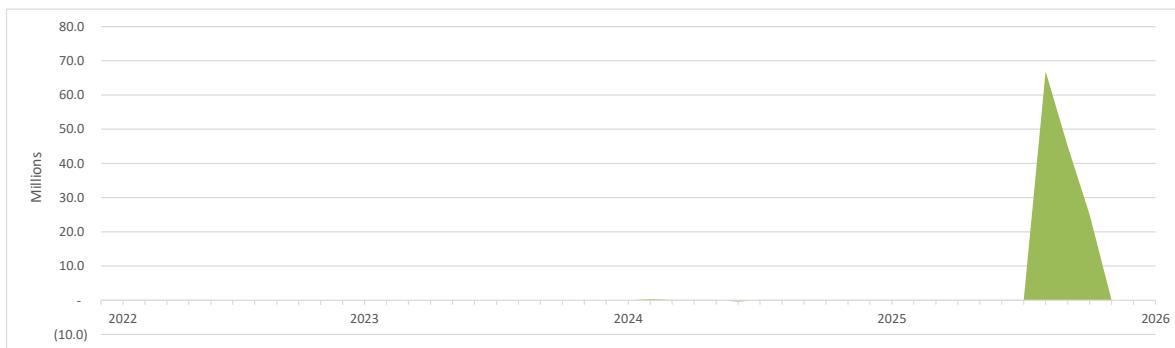
JEA maintains a senior and subordinated construction fund of which bonds proceeds are deposited and used for the payment of the costs of additions, extensions and improvements to the Electric System. The senior construction fund is limited to the costs of additions, extension and improvements relating to non-generation capital expenditures. The subordinated construction fund is used for capital projects relating to all categories of capital expenditures but primarily targeted to fund generation capital expenditures.

Current Activity

(In Thousands)	Quarter-End	<u>2026</u>
Opening Balance	\$ 125	\$ 125
Additions:		
Bond Proceeds	-	
Transfers		
Other		
Sub-total	\$ -	\$ -
Withdrawals:		
Capital Expenditures	-	
Transfers betw Capital Fds		
Other		
Sub-total	\$ -	\$ -
Ending Balance	<u>\$ 125</u>	<u>\$ 125</u>

Historical Activity

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Opening Balance	\$ 286	\$ 111	\$ -	\$ -	\$ 125
Additions:					
Bond Proceeds	0	-	-	916	
Loans betw Capital Fds				468	
Other				5	
Sub-total	\$ -	\$ -	\$ -	\$ 1,389	\$ -
Withdrawals:					
Capital Expenditures	175	111	-	-	1,264
Transfers/loans b/w Capital Fds					
Other					
Sub-total	<u>\$ 175</u>	<u>\$ 111</u>	<u>\$ -</u>	<u>\$ 1,264</u>	<u>\$ -</u>
Ending balance	<u>\$ 111</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 125</u>	<u>\$ 125</u>



Maximum Balance: 66,905 Average Balance: 3,092
 Minimum Balance: -

Observations

- JEA's philosophy has been to borrow bond funds on a "just-in-time" basis. Staff has used revolving credit facility borrowings and loans between capital funds to decrease borrowing costs.

Water System Customer Deposits

For the First Quarter Ending December 31, 2025

Definitions and Goals

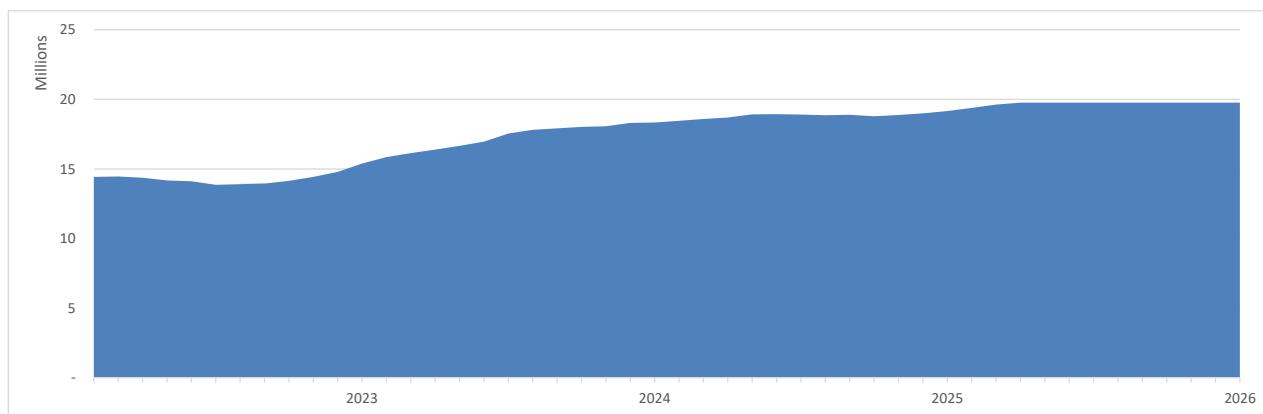
Pursuant to internal procedure CR40400 MBC302 Credit and Collections, JEA assesses customers a deposit that may be used to offset any future unpaid amounts during the course of providing utility service to a customer.

Current Activity

(In Thousands)	Quarter-End	<u>2026</u>
Opening Balance	\$ 19,167	\$ 19,167
Additions:		
Allocated from Electric	599	1,471
Sub-total	\$ 599	\$ 1,471
Withdrawals:		
Allocated from Electric	-	871
Sub-total	\$ -	\$ 871
Ending Balance	<u>\$ 19,767</u>	<u>\$ 19,767</u>

Historical Activity

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Opening Balance	\$ 17,043	\$ 14,710	\$ 15,386	\$ 18,346	\$ 19,167
Additions:					
Allocated from Electric	356	1,544	2,960	1,024	1,471
Sub-total	<u>\$ 356</u>	<u>\$ 1,544</u>	<u>\$ 2,960</u>	<u>\$ 1,024</u>	<u>\$ 1,471</u>
Withdrawals:					
Allocated from Electric	2,689	868	-	203	871
Sub-total	<u>\$ 2,689</u>	<u>\$ 868</u>	<u>\$ -</u>	<u>\$ 203</u>	<u>\$ 871</u>
Ending balance	<u>\$ 14,710</u>	<u>\$ 15,386</u>	<u>\$ 18,346</u>	<u>\$ 19,167</u>	<u>\$ 19,767</u>



Maximum Balance:
Minimum Balance:

19,767
13,864

Average Balance:

17,559

Observations

Water System Debt Service Sinking Fund

For the First Quarter Ending December 31, 2025

Definitions and Goals

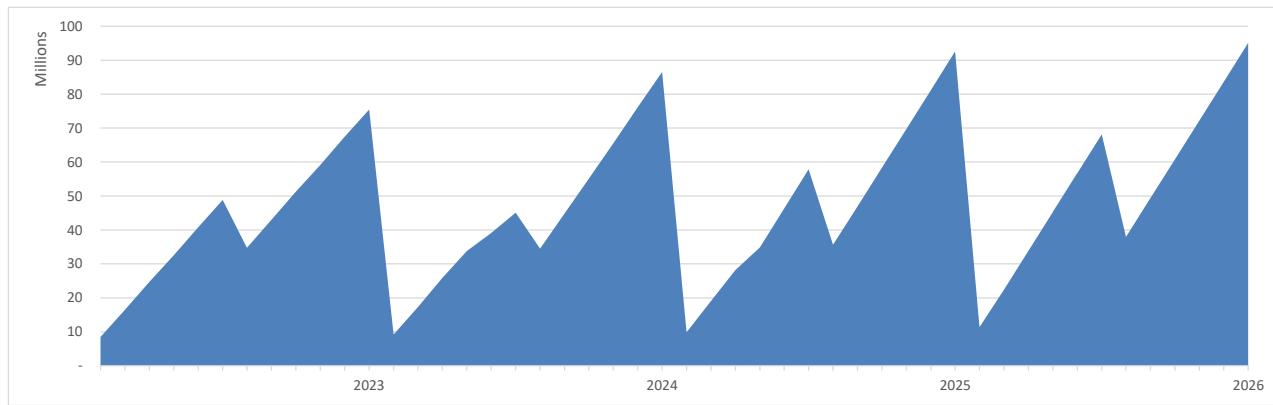
JEA is required monthly to fund from revenues an amount equal to the aggregate of the Debt Service Requirement for senior and subordinated bonds for such month into this account. On or before such interest payment date, JEA shall pay out of this account to the paying agents the amount required for the interest and principal due on such date.

Current Activity

(In Thousands)	Quarter-End	<u>2026</u>
Opening Balance	\$ 92,580	\$ 92,580
Additions:		
Revenue fund deposits	34,544	136,793
Sub-total	<u>\$ 34,544</u>	<u>\$ 136,793</u>
Withdrawals:		
Principal and interest payments	93,266	134,286
Sub-total	<u>\$ 93,266</u>	<u>\$ 134,286</u>
Ending Balance	<u><u>\$ 33,858</u></u>	<u><u>\$ 95,087</u></u>

Historical Activity

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Opening Balance	\$ 30,006	\$ 32,499	\$ 75,477	\$ 86,549	\$ 92,580
Additions:					
Revenue fund deposits	55,811	105,245	137,337	135,861	136,793
Sub-total	<u>\$ 55,811</u>	<u>\$ 105,245</u>	<u>\$ 137,337</u>	<u>\$ 135,861</u>	<u>\$ 136,793</u>
Withdrawals:					
Principal and interest payments	53,318	62,267	126,264	129,830	134,286
Sub-total	<u>\$ 53,318</u>	<u>\$ 62,267</u>	<u>\$ 126,264</u>	<u>\$ 129,830</u>	<u>\$ 134,286</u>
Ending balance	<u><u>\$ 32,499</u></u>	<u><u>\$ 75,477</u></u>	<u><u>\$ 86,549</u></u>	<u><u>\$ 92,580</u></u>	<u><u>\$ 95,087</u></u>



Maximum Balance:
Minimum Balance:

95,087
8,472

Average Balance: 46,941

Observations

- September 30th ending balances are used to pay Oct 1st interest and principal payments.
- Timing differences occur due to the accrual of debt service during one fiscal year and the payment in the following fiscal year (primarily fixed rate principal and interest on Oct 1st of the following fiscal year).
- Projections are based on the debt outstanding as of the quarter referenced above plus projected new money issuance.

Water System Debt Service Reserve Account

For the First Quarter Ending December 31, 2025

Definitions and Goals

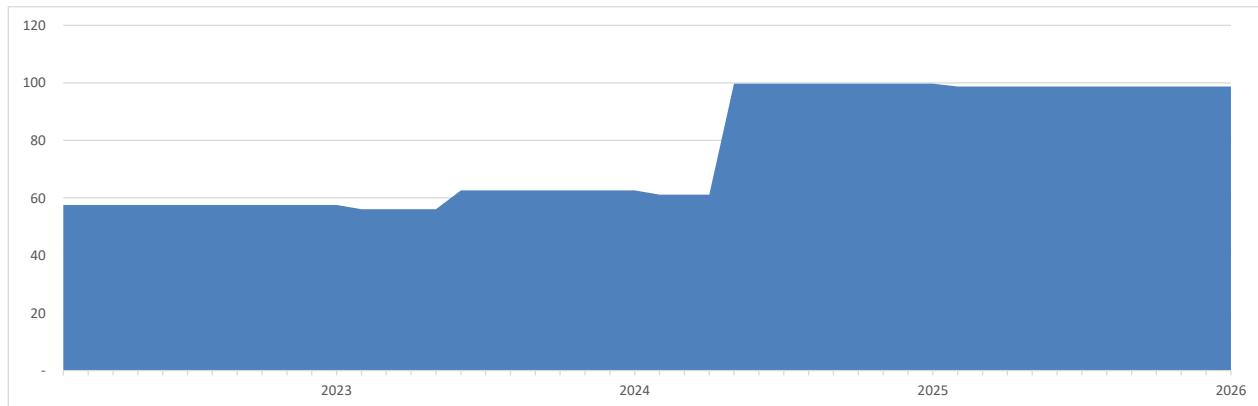
This reserve will be funded, maintained and held for the benefit of bondholders as specified in the Supplemental Resolution authorizing the sale of the bonds to pay principal and/or interest on the bonds should revenues from operations not be sufficient for such purpose in accordance with the appropriate bond resolution. It is JEA's current practice to fund this reserve account with cash from the sale of bonds; however, revenues may be utilized to fund this reserve when necessary.

Current Activity

(In Thousands)	Quarter-End	<u>2026</u>
Opening Balance	\$ 99,726	\$ 99,726
Additions:		
Bond Issue	-	-
Revenue Fund	-	-
Sub-total	<u>\$ -</u>	<u>\$ -</u>
Withdrawals:		
Revenue Fund	1,027	1,027
Release to Refunding Defeasance	-	-
Sub-total	<u>\$ 1,027</u>	<u>\$ 1,027</u>
Ending Balance	<u><u>\$ 98,699</u></u>	<u><u>\$ 98,699</u></u>

Historical Activity

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Opening Balance	\$ 55,665	\$ 56,606	\$ 57,587	\$ 62,614	\$ 99,726
Additions:					
Bond Issue	-	-	-	38,582	-
Revenue Fund	941	981	5,027	-	-
Sub-total	<u>\$ 941</u>	<u>\$ 981</u>	<u>\$ 5,027</u>	<u>\$ 38,582</u>	<u>\$ -</u>
Withdrawals:					
Revenue Fund	-	-	-	1,470	1,027
Release to Construction Fund	-	-	-	-	-
Release for Defeasance	-	-	-	-	-
Release to Refunding Defeasance	-	-	-	-	-
Sub-total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,470</u>	<u>\$ 1,027</u>
Ending balance	<u><u>\$ 56,606</u></u>	<u><u>\$ 57,587</u></u>	<u><u>\$ 62,614</u></u>	<u><u>\$ 99,726</u></u>	<u><u>\$ 98,699</u></u>



Maximum Balance: 99,726
Minimum Balance: 56,079

Average Balance: 76,700

Observations

- Projections are based on the debt outstanding as of the quarter referenced above.

Water System Renewal and Replacement (R&R) / Operating Capital Outlay (OCO)

For the First Quarter Ending December 31, 2025

Definitions and Goals

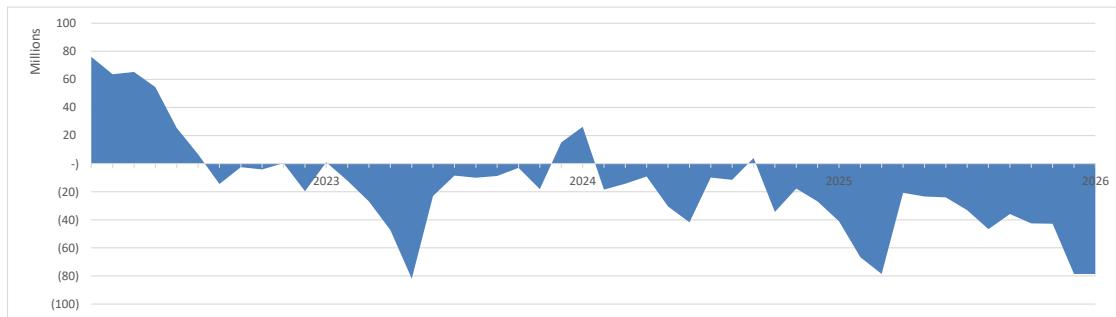
Pursuant to the Water System bond resolutions and Article 21 of the City of Jacksonville Charter, JEA is required to deposit from the revenue fund annually an amount for Renewal and Replacement of system assets. According to the bond resolutions the amount is equal to the greater of 10% of the prior year defined annual net revenues or 5% of the prior year defined gross revenues. The funds shall be used for the purposes of paying the cost of extensions, enlargements or additions to, or the replacement of capital assets of the Electric System. In addition, as a portion of the base rate, JEA will recover from current revenue a formula driven amount for capital expenditures which is referred to as Operating Capital Outlay. This amount is calculated separately from the R&R deposit. In accordance with the Pricing Policy, by 2013, the objective is to fund an amount equal to all non-capacity capital expenditures with current year internally generated funds. Capacity fees are charged to customers as a one-time fee for a new connection to the Water System and a one-time fee for a new connection to the Water Reclamation System. Capacity charges may be used and applied for the purpose of paying costs of expansion of the Water System or paying or providing for the payment of debt that was issued for the same purpose.

Current Activity

(In Thousands)	Quarter-End	<u>2026</u>
Opening Balance	\$ (41,068)	\$ (41,068)
Additions:		
R&R/OCO Contribution	22,809	71,236
Capacity Fees	17,132	85,525
Debt Issue	136,244	385,534
Other	8,322	847
Sub-total	<u>\$ 184,507</u>	<u>\$ 543,142</u>
Withdrawals:		
Capital Expenditures	121,959	559,921
NVU	696	696
Other	51	51
Sub-total	<u>\$ 122,706</u>	<u>\$ 560,668</u>
Ending Balance	<u><u>\$ 20,733</u></u>	<u><u>\$ (58,594)</u></u>

Historical Activity

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Opening Balance	\$ 97,066	\$ 112,930	\$ 946	\$ 26,267	\$ (41,068)
Additions:					
R&R/OCO Contribution	197,357	108,060	62,834	80,468	71,236
Capacity Fees	48,027	64,535	89,827	63,090	85,525
Debt Issue		127,072	332,150	293,367	385,534
Other (incl septic tank)	18,654	20,497	7,667	1,092	847
Sub-total	<u>\$ 264,038</u>	<u>\$ 320,164</u>	<u>\$ 492,478</u>	<u>\$ 438,017</u>	<u>\$ 543,142</u>
Withdrawals:					
Capital Expenditures	234,775	426,329	463,498	502,331	559,921
NVU		-	-	564	696
Other (incl septic tank)	13,399	5,819	3,659	2,457	51
Sub-total	<u>\$ 248,174</u>	<u>\$ 432,148</u>	<u>\$ 467,157</u>	<u>\$ 505,352</u>	<u>\$ 560,668</u>
Ending balance	<u><u>\$ 112,930</u></u>	<u><u>\$ 946</u></u>	<u><u>\$ 26,267</u></u>	<u><u>\$ (41,068)</u></u>	<u><u>\$ (58,594)</u></u>



Observations

- Other includes the Septic Tank Phase-out project, Sale of Property, and change in receivable.
- Environmental Fund [Capital Projects] schedule is now included in the above Renewal and Replacement (R&R) schedule.

Water System - Construction / Bond Fund

For the First Quarter Ending December 31, 2025

Definitions and Goals

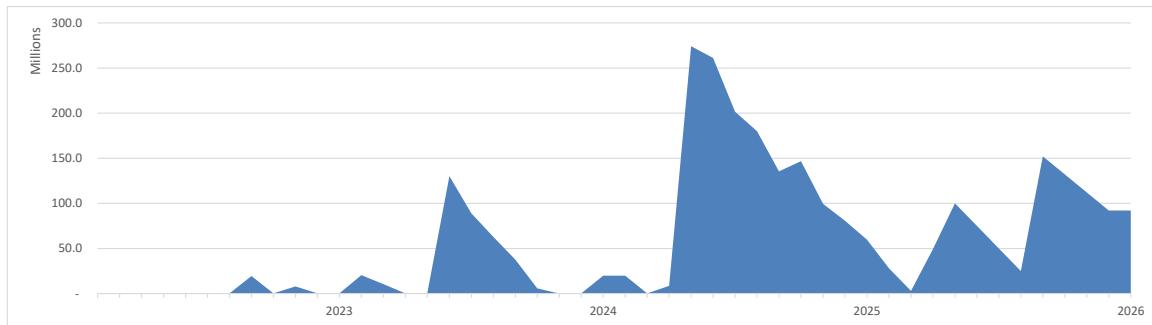
JEA maintains a senior and subordinated construction fund of which bonds proceeds are deposited and used for the payment of the costs of additions, extensions and improvements to the Water System.

Current Activity

(In Thousands)	Quarter-End	2026
Opening Balance	\$ 59,700	\$ 59,700
Additions:		
Bond Proceeds	-	397,065
Revolving credit facility	125,000	225,000
Other	834	834
Sub-total	\$ 125,834	\$ 622,899
Withdrawals:		
Capital Expenditures/Bond Issue Costs	136,244	365,534
Other	-	225,000
Sub-total	\$ 136,244	\$ 590,534
Ending Balance	\$ 49,290	\$ 92,065

Historical Activity

	2022	2023	2024	2025	2026
Opening Balance	\$ 14,266	\$ 646	\$ 242	\$ 19,770	\$ 59,700
Additions:					
Bond Proceeds	7,304		206,622	495,000	397,065
Revolving credit facility		127,000	170,000	50,000	225,000
Loans/transfers b/w Capital Fds					
Other	-	-	2,197	4,555	834
Sub-total	\$ 7,304	\$ 127,000	\$ 378,819	\$ 549,555	\$ 622,899
Withdrawals:					
Capital Expenditures	20,924		127,404	359,291	509,625
Repayment of Revolving credit facility					365,534
Loans/trnsf btw CapFds					225,000
Other	-	-			
Sub-total	\$ 20,924	\$ 127,404	\$ 359,291	\$ 509,625	\$ 590,534
Ending balance	\$ 646	\$ 242	\$ 19,770	\$ 59,700	\$ 92,065



Observations

- JEA's philosophy has been to borrow bond funds on a "just-in-time" basis. Staff has used revolving credit facility borrowings and loans between capital funds to decrease borrowing costs.

Energy Market Risk Management: Physical and Financial Positions

Summary as of 10/1/2025	
FY26 Fuel Expense (Budget \$551M)	474M
EMRM Compliance	Yes
Counterparty Credit Limit Exceptions	No
Any Issues of Concern	No

Table 1: Physical Counterparties (Contracts One Year or Greater) as of 1/1/2026

Generating Unit	Fuel Type	Supplier/Counterparty	Contract Type	Remaining Contract Value	Remaining Contract Term
NG Fleet	Natural Gas	Shell Energy	Index w/Fixed Price Option	\$429,588,449	5.41 years
NG Fleet	Natural Gas	Main Street/MGAG	Index w/Discount	\$131,261,274	23.24 years
NG Fleet	Natural Gas	Main Street/MGAG	Index w/Discount	\$65,262,825	13.24 years
NG Fleet	Natural Gas	Main Street/MGAG	Index w/Discount	\$148,901,492	27.83 years
NG Fleet	Natural Gas	Main Street/MGAG	Index w/Discount	\$146,107,646	28.83 years
NG Fleet	Natural Gas	Main Street/MGAG	Index W/Discount	\$211,681,245	26.83 years
NG Fleet	Natural Gas	Main Street/MGAG	Index W/Discount	\$284,037,676	27.33 years
NG Fleet	Natural Gas	Main Street/MGAG	Index W/Discount	\$351,478,756	27.41 years
NG Fleet	Natural Gas	Main Street/MGAG	Index W/Discount	\$384,120,630	28.24 years
NG Fleet	Natural Gas	Main Street/MGAG	Index W/Discount	\$195,225,653	28.83 years
NG Fleet	Natural Gas	Main Street/MGAG	Index W/Discount	\$194,699,303	28.83 years
NG Fleet	Natural Gas	Main Street/MGAG	Index W/Discount	\$268,631,545	30 years

Table 2: Financial Positions as of 1/1/2026

Year	Commodity	Physical Volume (mmBtu)	Hedged Volume (mmBtu)	Percent Hedged	Unhedged Cost	Hedge Type	Hedge Price	Mark-to-Market Credit/(Cost)	Counterparty
FY26	Natural Gas	34,688,862	22,885,218	66.0%	\$3.47	Swap	\$3.99	\$ (11,237,374)	Wells Fargo & RBC
FY27	Natural Gas	51,616,936	28,210,876	54.7%	\$3.87	Swap	\$4.10	\$ (6,028,364)	Wells Fargo & RBC
FY28	Natural Gas	50,454,868	18,870,000	37.4%	\$3.77	Swap	\$3.86	\$ (1,819,712)	Wells Fargo & RBC
FY29	Natural Gas	51,802,134	10,565,000	20.4%	\$3.62	Swap	\$3.75	\$ (1,205,786)	Wells Fargo & RBC
CYR25-31	Nat.Gas-PPA	72,514,286	50,760,000	70.0%	\$3.65	Swap	\$2.60	\$ 53,499,865	Nextera

Table 3: Fuel & Purchase Power Procurement as of 1/1/2026

Fuel Type	Natural Gas	Coal	Petcoke	Limestone	FPL PPA	PurchPwr	Oil/Diesel	Renewables	Vogtle
FY26 Projection / Energy Mix	53%	5%	10%	N/A	11%	4%	0%	4%	12%
Expected Spend (\$)	171.9M	18M	33.4M	4.5M	32.4M	25.1M	2.4M	22.8M	13.3M
% Procured	73%	100%	100%	100%	100%	0%	100%	100%	100%
% Hedged	60%	100%	0%	100%	77%	0%	100%	96%	100%
FY27 Projection / Energy Mix	51%	5%	9%	N/A	11%	5%	0%	7%	12%
Expected Spend (\$)	219.8M	20.8M	40.7M	5M	43.4M	35.1M	6.8M	42.5M	16.1M
% Procured	75%	15%	30%	16%	100%	0%	100%	100%	100%
% Hedged	53%	15%	0%	16%	78%	0%	100%	97%	100%
FY28 Projection / Energy Mix	51%	4%	7%	N/A	10%	4%	0%	12%	12%
Expected Spend (\$)	196.6M	18.1M	36.6M	4.3M	38.1M	30.4M	7.1M	55.4M	16.3M
% Procured	71%	0%	0%	0%	100%	0%	100%	100%	100%
% Hedged	43%	0%	0%	0%	87%	0%	100%	98%	100%

Supporting Notes:

- Renewable purchase power agreements are not included in Table 1
- Table 1: Natural Gas discount - Municipal Gas Authority of Georgia (MGAG) issues municipal bonds to prepay for gas, allowing them to offer discounts to JEA for qualified use
- Table 1: MGAG prepay agreement remaining contract values are based on current discounts, future discounts are subject to change
- Table 1: Limestone contract value is based on current contract pricing; due to supply disruption this price is expected to increase
- Table 3: FY Energy Mix based on MWH; the procured percent relates to inventory on hand or contracted and the percent hedged is inventory on hand or contracted with fixed pricing or financial hedges
- Solar purchase power agreement with FPL reported as renewable in Table 3
- Placeholders for new solar deals included in FY27 projections in Table 3

