

From: Pedersen, William [William.Pedersen@morganstanley.com]
Sent: 1/25/2018 2:28:09 PM
To: 'Wannemacher, Ryan F. - Dir Financial Planning & Analysis' [wannrf@jea.com]
Subject: Meeting Yesterday

Ryan,

Great to meet you in person. Hopefully your team found the meeting helpful, from our side it looked like a constructive conversation. Will be interesting to see how the whole situation shakes out.

On another note, I realized that Paul asked if we had comped historical allowed equity to capitalization and allowed ROE on water comps. We did not have precedent rate cases for water so the 10.25% was an assumption on our end. As he alluded to it is possible that if JEA Water were to go in front of the PSC for a rate case they could get a lower return but we do feel that it would be in the ballpark.

Have a great day and feel free to reach out with any follow-up.

Best,
Bill

William Pedersen
Morgan Stanley | Investment Banking Division
1585 Broadway, 32nd Floor | New York, NY 10036
Phone: +1 212 296-4451
Fax: +1 212 507-4927
William.Pedersen@morganstanley.com

Be carbon conscious. Please consider our environment before printing this email.

NOTICE: Morgan Stanley is not acting as a municipal advisor and the opinions or views contained herein are not intended to be, and do not constitute, advice within the meaning of Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. If you have received this communication in error, please destroy all electronic and paper copies and notify the sender immediately. Mistransmission is not intended to waive confidentiality or privilege. Morgan Stanley reserves the right, to the extent required and/or permitted under applicable law, to monitor electronic communications, including telephone calls with Morgan Stanley personnel. This message is subject to the Morgan Stanley General Disclaimers available at the following link: <http://www.morganstanley.com/disclaimers>. If you cannot access the links, please notify us by reply message and we will send the contents to you. By communicating with Morgan Stanley you acknowledge that you have read, understand and consent, (where applicable), to the foregoing and the Morgan Stanley General Disclaimers.

