

From: "Orfano, Joseph E. - Treasurer" <orfaje@jea.com>
Subject: RE: Phone Call Follow Up
Sent: Mon, 04 Dec 2017 11:22:33 -0600
To: "Miller, John D" <john.d.miller@citi.com>

Perfect – thanks, John!

Joe

From: Miller, John D [mailto:john.d.miller@citi.com]
Sent: Monday, December 04, 2017 12:21 PM
To: Orfano, Joseph E. - Treasurer <orfaje@jea.com>
Cc: Dykes, Melissa H. - Chief Financial Officer <dykemh@jea.com>; Szostak, Robert <robert.szostak@citi.com>
Subject: RE: Phone Call Follow Up

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Joe: as we discussed this morning, I do believe that a sale of JEA would take more than two years to complete. The analysis, review and decision to proceed will take significant time and effort. Should there be a plan to proceed the execution will be complex and time consuming as well. Any time line would need to anticipate a through discussion with the JEA Board, the Mayor and City Council and many of your stakeholders, possibly including extensive public hearings. After a thorough review, should there be a positive intention to proceed, it is my understanding that a sale would require a charter change which would entail a public referendum which could not be done as a special election but rather would need to wait for a regular election cycle. With voter approval, presumably JEA would seek an advisor through an RFP process to assist with the solicitation of bidders to purchase the utility. Significant due diligence will be required to gauge the value of JEA prior to formal bids. The sale process itself will require substantial negotiation. Inasmuch as this undertaking is intended to find a private owner, there would likely be a formal regulatory process to approve the purchase and financing of the transaction. All-in-all, the public nature of JEA requires a careful and open process with the potential for many competing views. As you well know, this environment of open and transparent decision making takes time as it respects the opinions of many different interests and people. The M&A activity itself is more complex because of formal reviews required of both the buyer and seller. Consequently, I think the potential privatization of JEA is a process that you will enter into deliberately and deliberation takes time.

From: Orfano, Joseph E. - Treasurer [mailto:orfaje@jea.com]
Sent: Monday, December 04, 2017 10:05 AM
To: Miller, John D [ICG-MKTS]
Cc: Dykes, Melissa H. - Chief Financial Officer; Szostak, Robert [ICG-MKTS]
Subject: Phone Call Follow Up

John:

Following up on our phone conversation this morning, could you please confirm your opinion that the process to privatize JEA would take at least two (2) years to complete? Let me know if you have any questions or comments.

Regards,



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