



**Materials to assist the
City Council Special Committee on the Potential Sale of
JEA
March 15, 2018**

Contents:

JEA Strategic Planning

American Public Power Association Member Benchmarking

Rating Agency Key Financial Metrics

Reserve Fund Quarterly Report

Rating Agency Reports

JEA STRATEGIC PLAN CASCADE AND EXECUTION

BRIEFING TO JEA BOARD

SEPTEMBER 16, 2013

BOARD WORKSHOPS ON STRATEGIC PLAN

DATE	TOPICS
January 15, 2013	<ul style="list-style-type: none"> • Strategic plan objectives • Strategic planning process • Strategy implementation approach (ACT)
February 18, 2013	<ul style="list-style-type: none"> • Assessment of strategic environment – external change drivers • Preliminary strategic issue priorities
May 21, 2013	<ul style="list-style-type: none"> • Confronting JEA's business reality • Possible changes to mission, vision and values • Change readiness and organizational effectiveness • Preliminary strategic initiatives • Operationalizing the initiatives
July 16, 2013	<ul style="list-style-type: none"> • Refreshed mission, vision, and values • Final strategic initiatives • Commitments to Action process • Cascade preview
September 16, 2013	<ul style="list-style-type: none"> • JEA branding materials • Cascade progress report • Execution process

REFRESHED MISSION, VISION AND VALUES



NOISSIM

Energizing our community through high-value energy and water solutions.

(fundamental purpose)



NOISIA

JEA is a premier service provider, valued asset and vital partner in advancing our community.

(desired future state)



VALUES

- Safety
- Service
- Growth²
- Accountability
- Integrity

(guideposts for behavior)

STRATEGIC COMMITMENTS AND DEFINITIONS OF SUCCESS

Our Strategic Focus Areas

1

Earn Customer Loyalty

- Be easy to do business
- Empower customers to make informed decisions
- Demonstrate community responsibility

2

Deliver Business Excellence

- Grow net revenues
- Improve cost efficiency
- Improve operational performance

3

Develop an Unbeatable Team

- Institute agile employment and HR model
- Facilitate and expect employee growth and development
- Ensure a safe, healthy and ethical workplace

Definition of Success

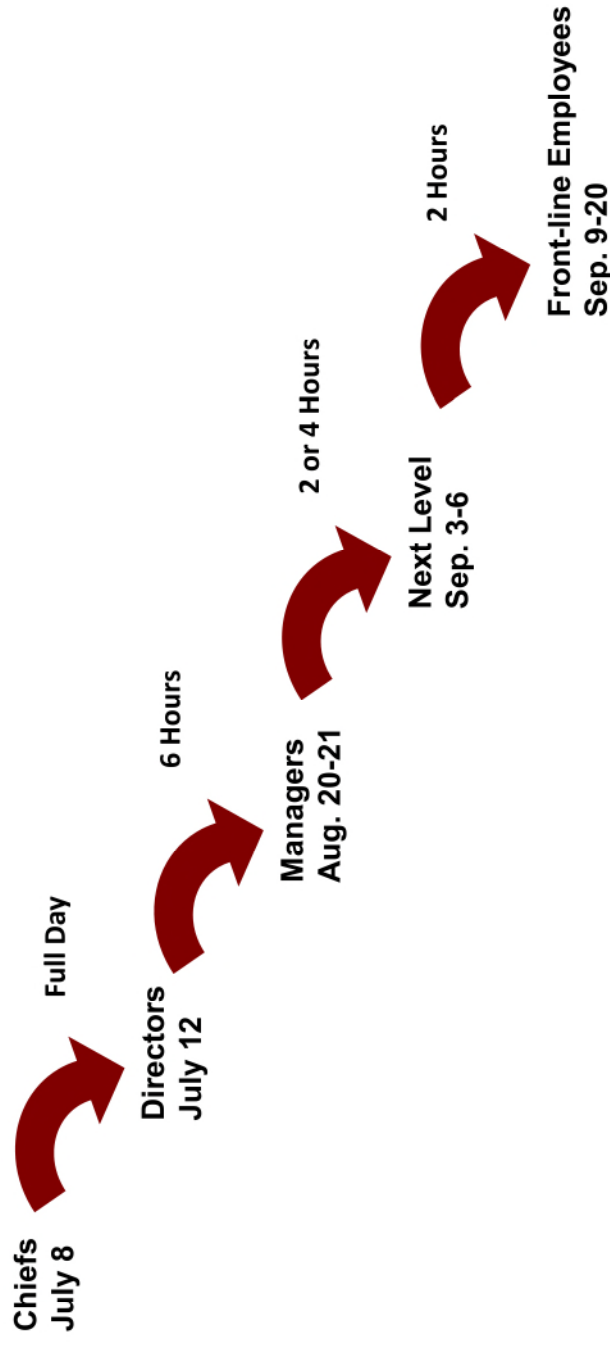
What matters to our customers matters to us. We earn our customers' loyalty by continually improving.

We provide high-quality service at an affordable cost. Service, safety and compliance are ingrained in our culture.

We deliver the highest level of proficiency and performance for our customers by attracting, retaining and developing a competent, motivated and agile workforce.

JEA CASCADE SCHEDULE

Objective: effectively and efficiently bring groups together across all departments during the Cascade meeting process



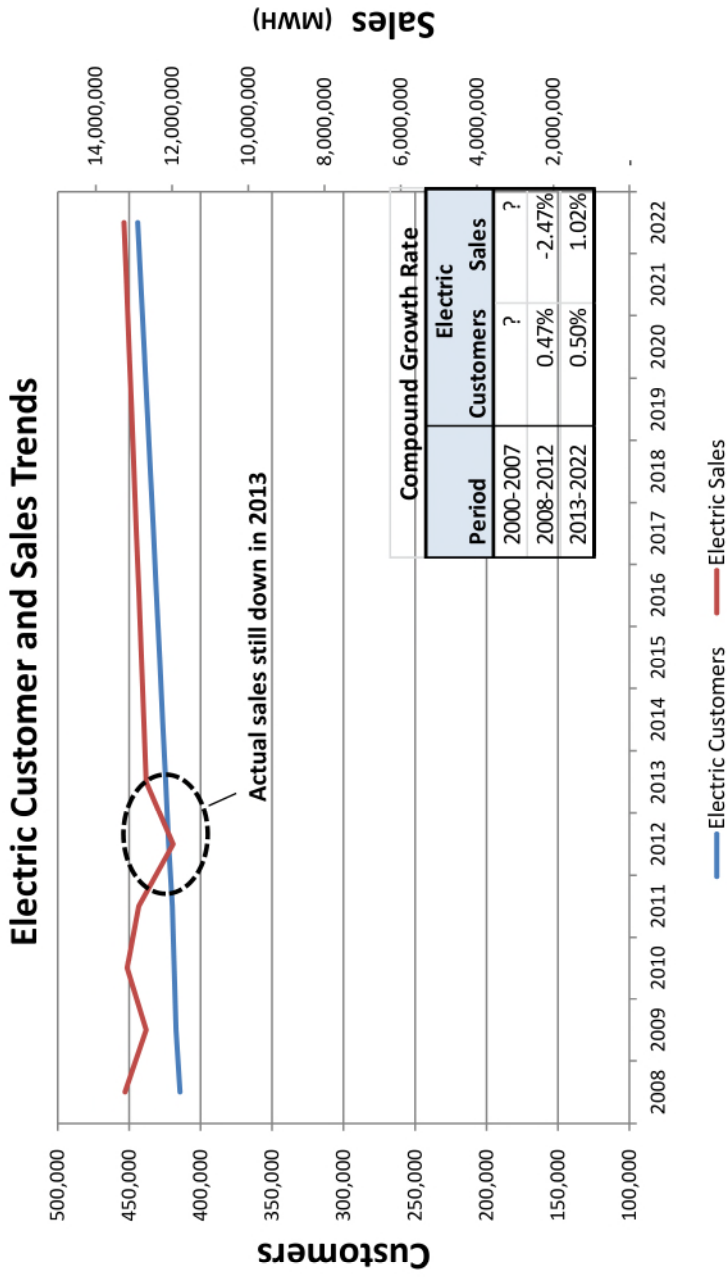
- Cascade of strategic plan engagement and aligned goal-setting
- Orchestrated by Strategic Planning Team
- Supported by Chiefs, Transformation Support Team

CASCADE MEETING OBJECTIVES

- ☐ To understand the overall effort to reposition JEA to meet its serious challenges successfully; our new “game plan”
- ☐ To understand the three major strategic initiatives and to make personal commitments to achieving them
- ☐ To understand JEA’s core values, and make personal behavior change commitments to live those values and model them for your subordinates
- ☐ To understand and be ready to lead the all-employee, high-engagement cascade in your part of the company
- ☐ To take personal accountability for leading the transformation of JEA to achieve our strategic objectives and realize our vision

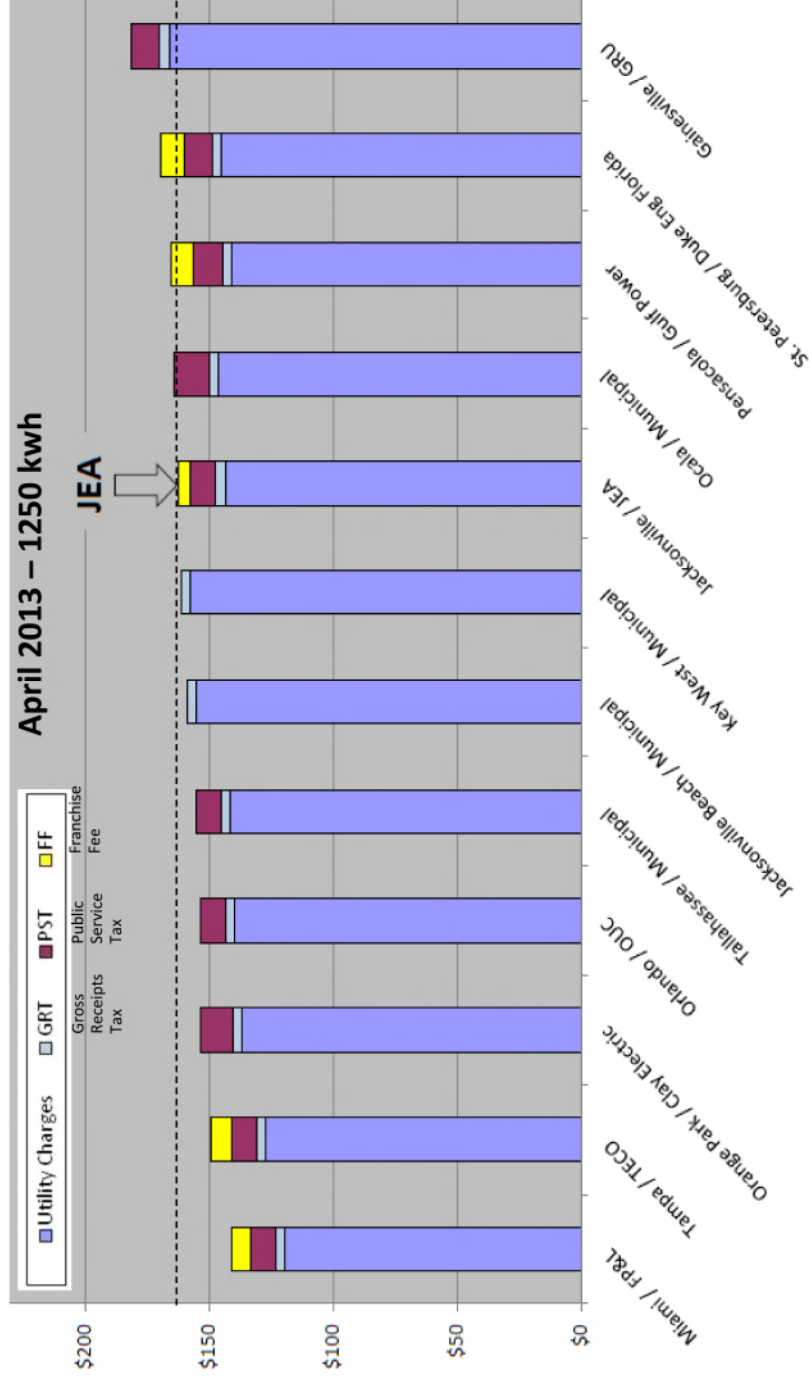
CONFRONTING JEA'S BUSINESS REALITY

JEA ELECTRIC CUSTOMER AND USAGE GROWTH



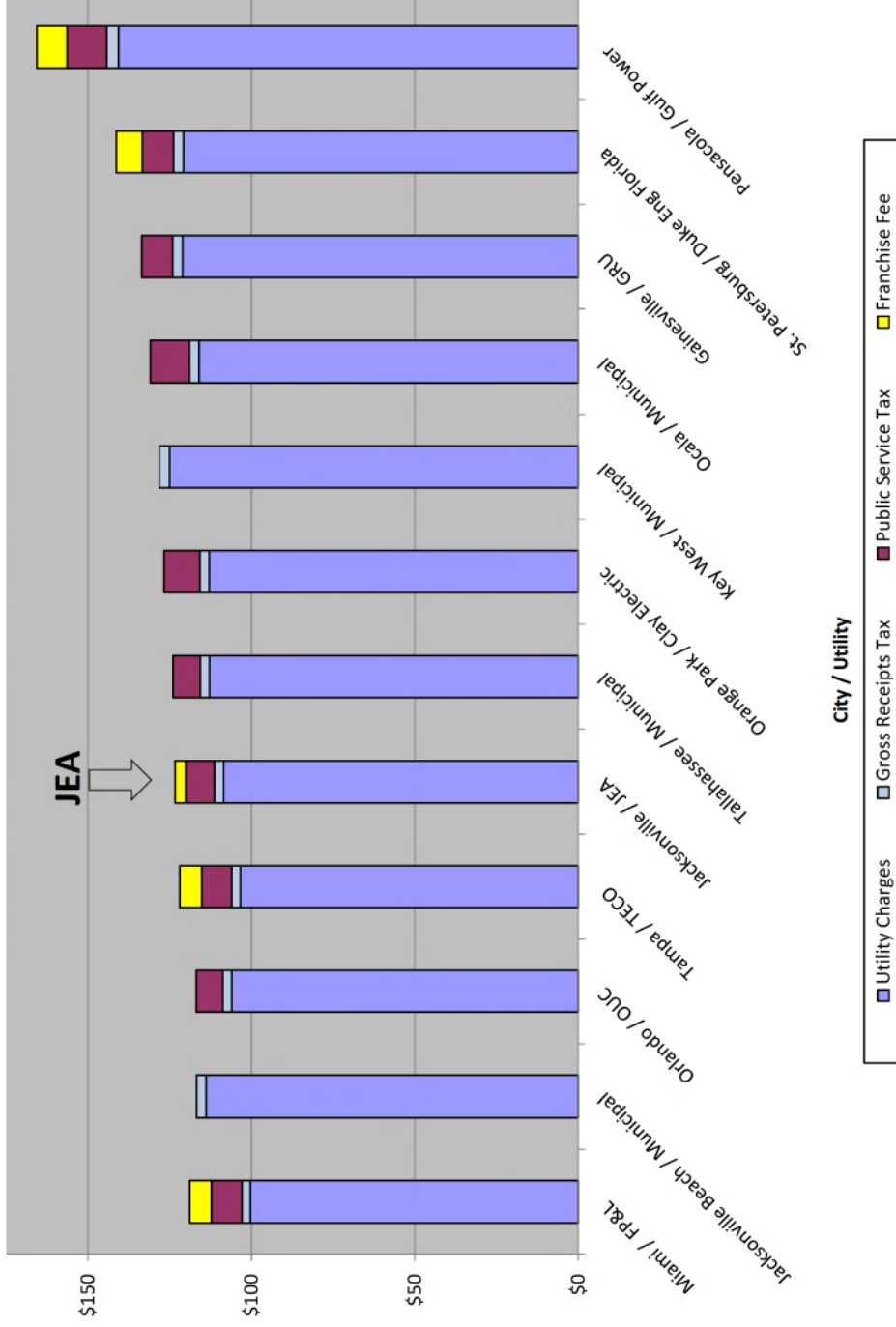
Sales and revenue have fallen significantly since 2008 in both Electric and Water; hoped-for turnaround has not materialized

UPDATED TYPICAL RESIDENTIAL ELECTRIC BILL COMPARISON



- JEA typical bills above Florida average; same for Water
- C&I rates among the highest in Southeast

Florida Utilities Monthly Residential Electric Bill Comparison (Consumption @ 1,000 kWh) Residential Rates as of February 2018





FPL HAS MUNIS IN ITS SIGHTS... SOUTHERN AND DUKE ALSO LOOKING FOR GROWTH

- FPL promoting its “low rates, high reliability and excellent customer service” – fuel cost advantage due to nuclear and gas dominance in generation fleet
- FPL (as well as Southern and Duke) looking at opportunities to expand wholesale service to municipal utilities; also actively pursuing acquisition of municipal utilities
- Municipal/coop rates range from 11% to 51% above FPL’s rates

Wake-up call for everyone at JEA

TOP STRATEGIC ISSUES FOR OTHER LARGE PUBLIC POWER UTILITIES

Concerns

- Flattening load growth
- More intense generation competition
- Decreasing rate advantage vs. IOUs
- Lack of appreciation of local control
- IOU advantages in scale, agility, and political influence
- Ability to attract good talent and transfer knowledge
- Environmental mandates
- Fuel management / fuel choices
- Workforce issues
- Changing technology
- Aging infrastructure
- Future of public power business model

Opportunities

- Proactive messaging on value
- Developing strong consumer relationships
- Better competitive intelligence (IOUs, Coops, VCs)
- Sharing best practices
- Sharing resources to achieve scale
- Leveraging innovative technology
- Serving customers better

From May 2013 meeting of LPPC Council

- **Look familiar?**
- **Similar themes to JEA**
- **All large public power utilities are facing these issues**

CONCLUSIONS FROM JEA'S BUSINESS REALITY

JEA has a proud history.

- Operational excellence
- Environmental leadership
- Heart of service for our community

But dark clouds are on the horizon...

- Declining revenue
- Rising costs
- Dissatisfied customers
- Disruptive technologies
- Competitive and regulatory threats

***...and they could harm our customers
and our employees if not addressed.***

We must rise to the challenge together.

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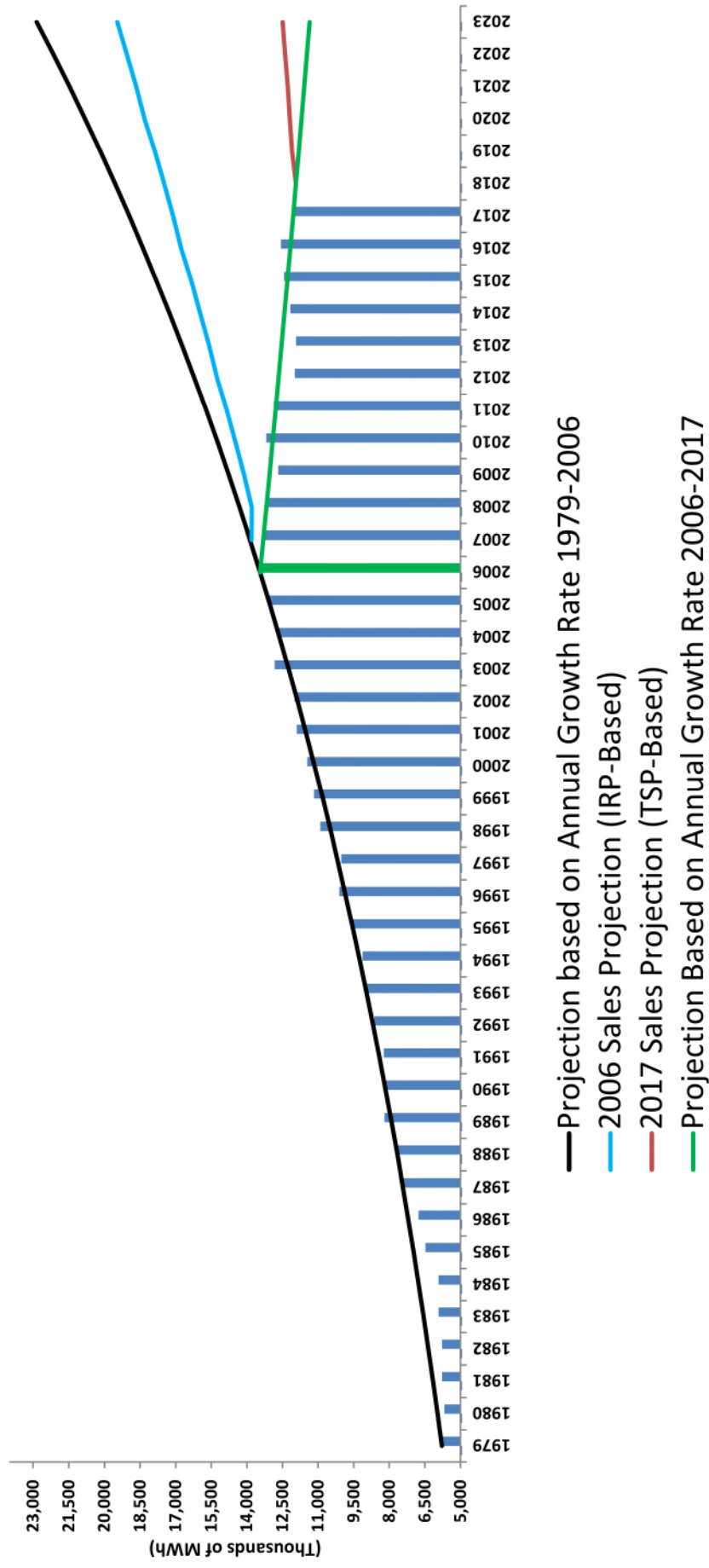
2012 - 2018

2013 Cascade Program Update

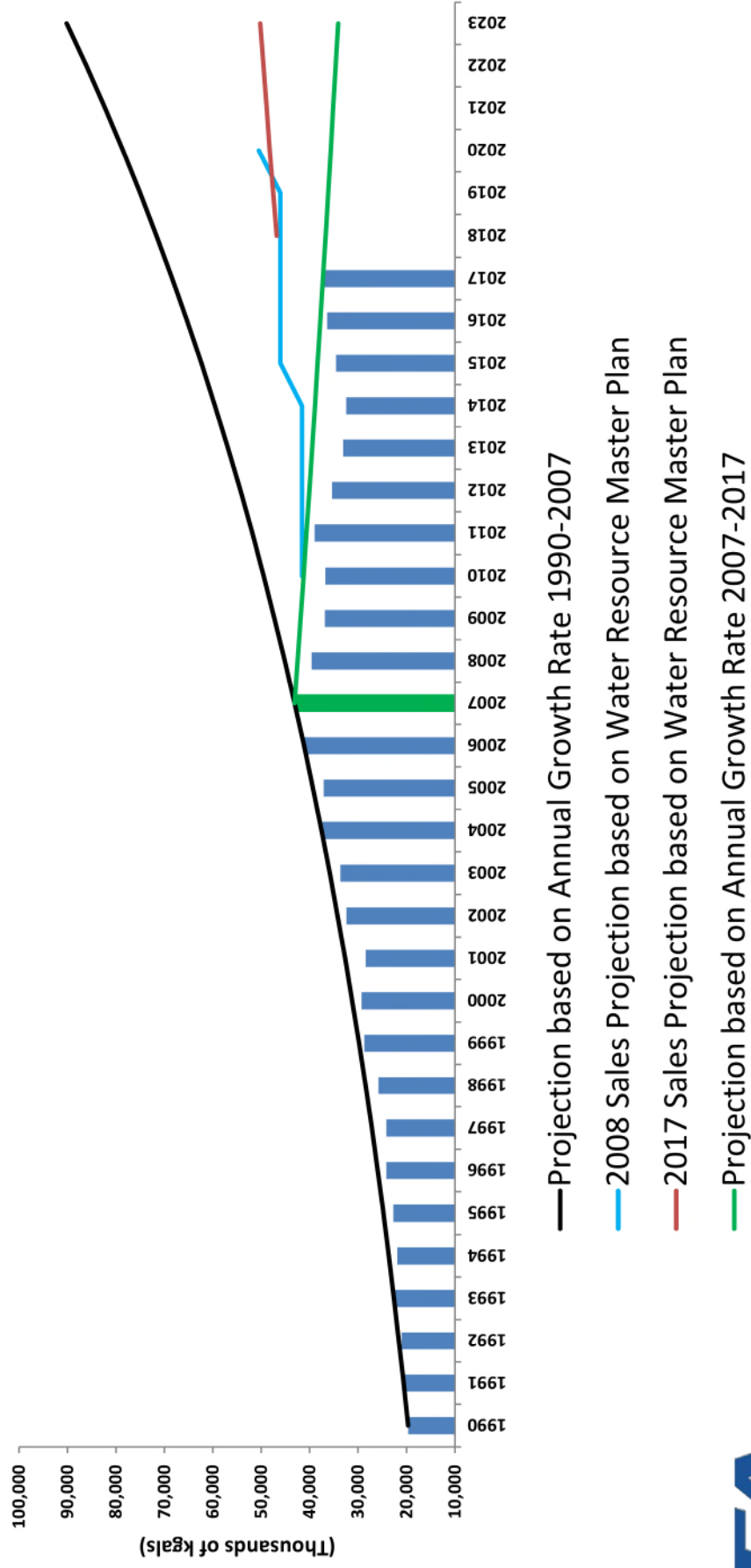
Area of Focus	Goal Description	2012 Established Goal	Current Performance
Earn Customer Loyalty	JD Power Business Survey	1st Quartile by 2016	1st Quartile (achieved FY14) ●
Earn Customer Loyalty	JD Power Residential Survey	1st Quartile by 2016	1st Quartile (achieved FY15) ●
Deliver Business Excellence	Customer Growth	Net new meters of 6,000 in ES and 5,000 in WS by FY15 over FY13 baseline	+8,145 ES & +12,438 WS FY15 v. FY13 +32,181 ES & +28,102 WS FY17 v. FY13 ●
Deliver Business Excellence	Reduce Unbilled Production	\$1M for ES & WS in FY14	Yes, ES & WS ●
Deliver Business Excellence	Rate Competitiveness	Residential below FL median	Below median WS and ES ●
Deliver Business Excellence	Improve Debt-to-asset ratio	.71 (ES) and .58 (WS) by FY15	.63 (ES) and .50 (WS) in FY17 ●
Deliver Business Excellence	Cost performance	Flat cost per unit delivered (kwh, kgal) vs. FY12 baseline	ES, yes. WS, no, due to increased investment in water/sewer system upgrades ●
Deliver Business Excellence	Revenue growth	Increase of 2% in weather- normalized gross revenues by FY15 over FY13 baseline	-3.50% FY15 v. FY13 +3.44% FY17 v. FY13 ●
Develop an Unbeatable Team	Safety	Recordable Incident Rate of 1.2 in FY14	2.29 FY14 2.06 FY17 ●
Develop an Unbeatable Team	Workplace survey overall rating	10% improvement in FY14	Baseline FY13 71% FY15 74.4%, 5% increase FY17 78.8%, 11% increase ●



JEA Electric Sales and Projections



JEA Water Sales and Projections

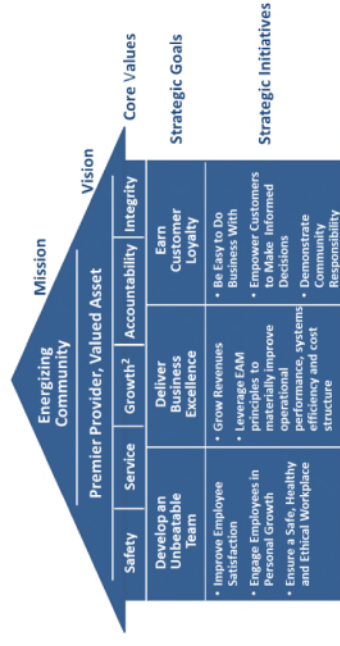
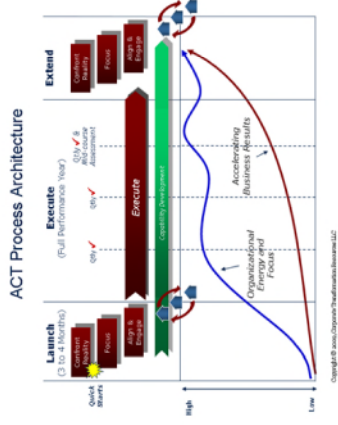


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2018 Cascade

CEO Update – 5 Year Journey

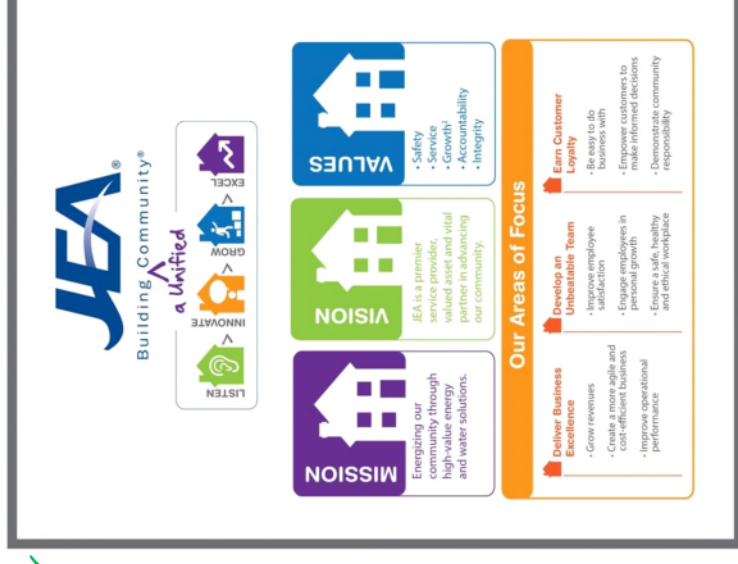
- JEA's began our initial strategic planning in the late fall of 2012.
- Our strategic planning was based on the Board's vision for JEA and executed using the Accelerated Corporate Transformation (ACT) model, ultimately involving each and every employee.
- Strategic Plan was launched in September 2013
- 2018 both completes our 5th year and begins a new opportunity to assess and update our strategic plan



CEO Update – 5 Year Journey

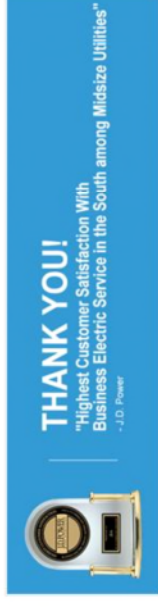
2013 Goals

- Clean Power Plan Implementation ✓
- Improve Balance Sheet Flexibility: pay-down debt ✓
- Update Electric System Pricing to capture effect of customer-owned distributed generation (solar) and energy efficiency ✓
- Transform Cost Structure ✓
 - Lower costs to match declining revenue ✓
 - Leverage technology to improve productivity ✓
 - Challenging workforce – civil service, union, pension and performance pay (3-5%) ✓
 - Can we participate in additional business opportunities ✓
- Maintain/Improve ✓
 - System Reliability ✓
 - Customer Satisfaction/Loyalty ✓
 - Employee Satisfaction and Engagement ✓
- Vital Partner in Advancing Our Community ✓
 - Government Transfers ✓
 - Water/Sewer Expansion ✓
 - Nitrogen removal from the St. Johns River ✓
 - Economic development ✓

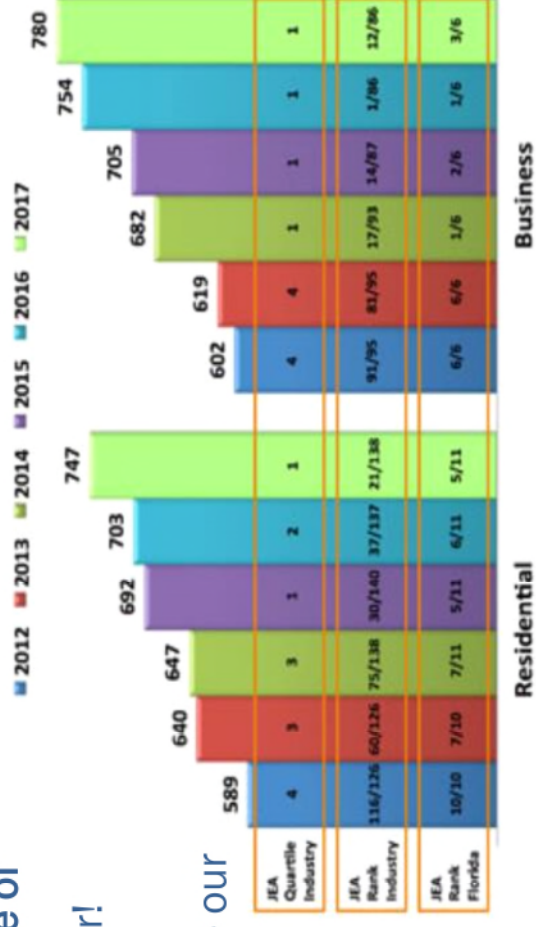


CEO Update - Success

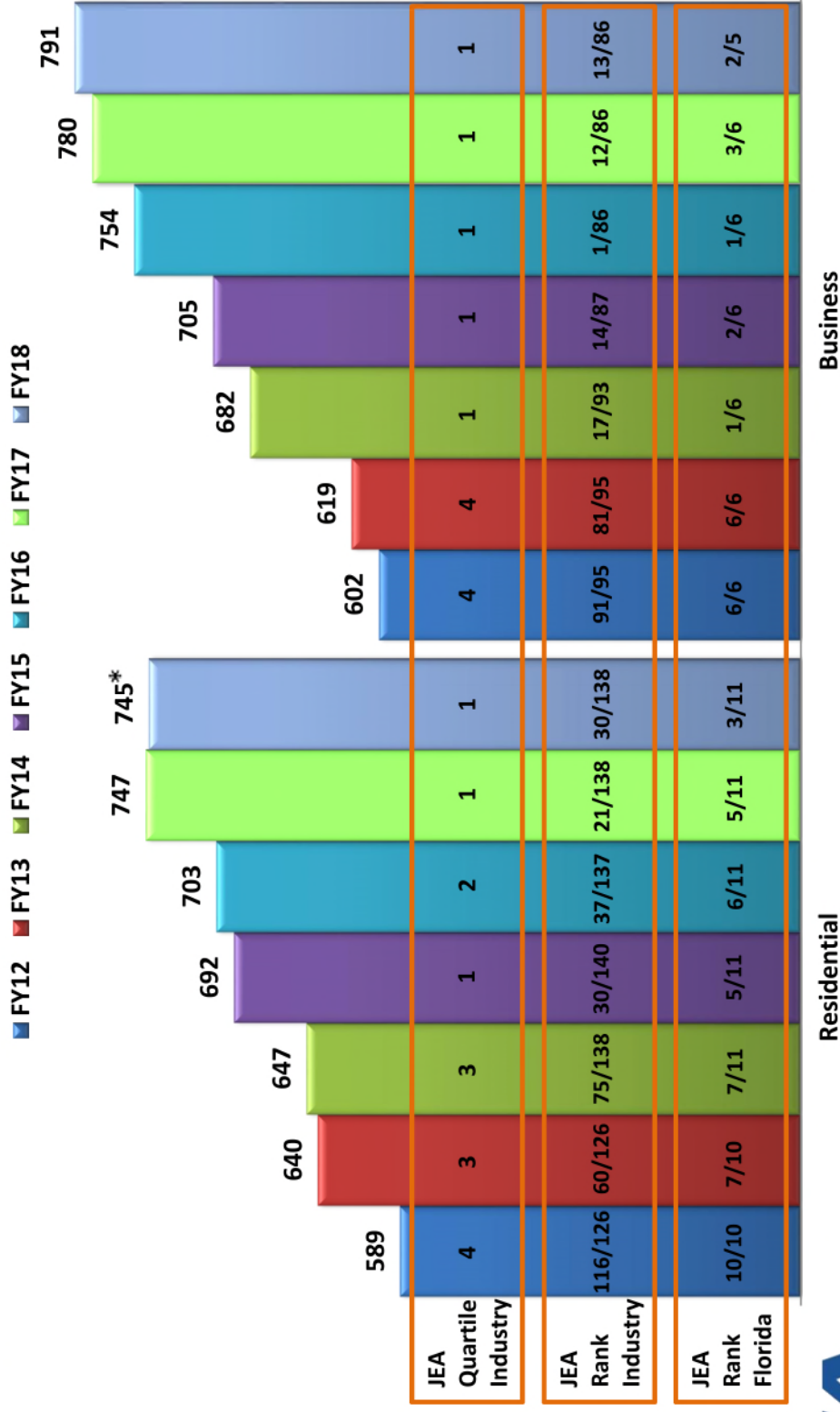
- In 2017 JEA posted a record high J.D. Power Residential Electric Customer Satisfaction score.
- In July, J.D. Power released the 2017 results showing our customers' overall satisfaction has improved for the fifth consecutive year to a score of 747 – our highest Overall Customer Satisfaction ever!
- Customers scored us a whopping 44 points above our 2016 results and 28 points above the national average!



Customer Satisfaction Index Scores



Customer Satisfaction Index Scores



* FY18 Residential W2 YTD



2018 W2 YTD Residential: JD Power Customer Satisfaction Index

Top Quartile (1st)	Mean	Rank	2nd Quartile	Mean	Rank	3rd Quartile	Mean	Rank	Bottom Quartile (4th)	Mean	Rank
Sawnee EMC	812	1	CPS Energy	742	36	Ameren Illinois	724	69	Lakeland Electric	702	104
NOVEC	806	2	Louisville Gas & Electric	742	36	Duke Energy-Carolinas	724	69	NIPSCO	702	104
Southern Maryland Electric Cooperative	798	3	Consumers Energy	740	38	Penelec	724	69	Tucson Electric Power	701	106
Walton EMC	795	4	OG&E	739	39	Wisconsin Public Service	724	69	NES	699	107
Clark Public Utilities	792	5	OUC	739	39	Xcel Energy-Midwest	724	69	Westar Energy	699	107
EPB	791	6	Portland General Electric	739	39	Green Mountain Power	723	74	APS	698	109
SECO Energy	779	7	Florida Power & Light	738	42	ComEd	722	75	NorthWestern Energy	698	109
SRP	779	7	Lincoln Electric System	738	42	Dayton Power & Light	722	75	NYSEG	696	111
GreyStone Power	776	9	Minnesota Power	738	42	Pacific Power	722	75	Atlantic City Electric	695	112
Cobb EMC	775	10	Omaha Public Power District	738	42	NV Energy	721	78	Huntsville Utilities	695	112
Pedernales Electric	775	10	Gulf Power	737	46	Southern California Edison	721	78	Avista	694	114
Jackson EMC	774	12	Indianapolis Power & Light	737	46	Alliant Energy	720	80	Duke Energy-Florida	691	115
Rappahannock Electric Cooperative	773	13	Penn Power	736	48	Rocky Mountain Power	720	80	Appalachian Power	686	116
EnergyUnited	771	14	Seattle City Light	736	48	Xcel Energy-South	720	80	Empire District Electric	686	116
Kentucky Utilities	770	15	Intermountain Rural Electric Assoc.	735	50	Toledo Edison	719	83	MLGW	686	116
Energy Mississippi	768	16	Central Maine Power	734	51	Xcel Energy-West	719	83	Entergy New Orleans	685	119
CoServ	767	17	Mississippi Power	734	51	Duke Energy-Midwest	718	85	Mon Power	685	119
SMUD	766	18	Withlacoochee River Electric Cooperative	734	51	Public Service Co. of Oklahoma	718	85	PSEG Long Island	685	119
MidAmerican Energy	762	19	BGE	733	54	KCP&L	717	87	National Grid	684	122
Clay Electric Cooperative	760	20	Dominion Energy	732	55	Lee County Electric Cooperative	717	87	Pacific Gas and Electric	683	123
Middle Tennessee EMC	759	21	Southwestern Electric Power	732	55	Delmarva Power	715	89	The Illuminating Company	683	123
Entergy Louisiana	758	22	Entergy Texas	731	57	Cleco Power	713	90	Jersey Central Power & Light	682	125
Great Lakes Energy	758	22	Potomac Edison	731	57	Puget Sound Energy	712	91	Eversource Energy	681	126
Connexus Energy	755	24	Duke Energy-Progress	729	59	Snohomish County PUD	712	91	Montana-Dakota Utilities	679	127
South Central Power	753	25	PSE&G	729	59	AEP Ohio	711	93	Knoxville Utilities Board	676	128
Entergy Arkansas	750	26	Santee Cooper	729	59	Con Edison	709	94	Orange & Rockland	674	129
Idaho Power	747	27	PECO	728	62	Tampa Electric	709	94	L. A. Dept. of Water & Power	668	130
PPL Electric Utilities	747	27	Indiana Michigan Power	727	63	West Penn Power	709	94	Central Hudson Gas & Electric	666	131
Ohio Edison	746	29	Ameren Missouri	726	64	Rochester Gas & Electric	708	97	El Paso Electric	663	132
JEA	745	30	Otter Tail Power Company	726	64	Pepco	706	98	Emera Maine	660	133
Alabama Power	744	31	Madison Gas & Electric	725	66	Austin Energy	705	99	PNM	659	134
DTE Energy	744	31	Tacoma Power	725	66	Duquesne Light	704	100	United Illuminating	659	134
Imperial Irrigation District	744	31	We Energies	725	66	Met-Ed	704	100	Hawaiian Electric	657	136
Colorado Springs Utilities	743	34				San Diego Gas & Electric	704	100	Black Hills Energy	653	137
Georgia Power	743	34				South Carolina Electric & Gas	703	103	Vectren	647	138
									Kenturky Power	624	139

JD Power Business FY18 Final

Top Quartile (1st)	Mean	Rank	2nd Quartile	Mean	Rank	3rd Quartile	Mean	Rank	Bottom Quartile (4th)	Mean	Rank
Alabama Power	819	1	Duke Energy-Midwest	779	23	PECO	761	43	NYSEG	752	64
Duquesne Light	816	2	Atlantic City Electric	776	24	NES	761	43	West Penn Power	752	64
Portland General Electric	804	3	Con Edison	775	25	NorthWestern Energy	760	45	The Illuminating Company	752	64
Georgia Power	801	4	Kentucky Utilities	775	25	Entergy Louisiana	759	46	Dayton Power & Light	748	67
Entergy Mississippi	800	5	Ameren Missouri	774	27	OG&E	759	46	San Diego Gas & Electric	748	67
Gulf Power	799	6	Indianapolis Power & Light	774	27	Southern California Edison	759	46	NV Energy	747	69
Public Service Co. of Oklahoma	799	6	Ohio Edison	773	29	Louisville Gas & Electric	758	49	Delmarva Power	744	70
SRP	798	8	Xcel Energy - Midwest	773	29	Westar Energy	758	49	National Grid	742	71
Entergy Texas	797	9	PPL Electric Utilities	771	31	Rocky Mountain Power	757	51	Appalachian Power	741	72
SMUD	796	10	We Energies	771	31	PSE&G	756	52	El Paso Electric	741	72
DTE Energy	793	11	Duke Energy-Florida	771	31	AEP Ohio	756	52	Alliant Energy	736	74
Idaho Power	793	11	South Carolina Electric & Gas	771	31	Consumers Energy	756	52	Austin Energy	736	74
JEA	791	13	Duke Energy-Carolinas	769	35	L. A. Dept. of Water & Power	756	52	NIPSCO	735	76
BGE	790	14	Tampa Electric	766	36	Jersey Central Power & Light	755	56	Potomac Edison	734	77
Seattle City Light	790	14	ComEd	765	37	Met-Ed	755	56	Central Maine Power	731	78
Florida Power & Light	789	16	Indiana Michigan Power	765	37	Ameren Illinois	755	56	Penelec	725	79
MidAmerican Energy	784	17	Southwestern Electric Power	765	37	Puget Sound Energy	755	56	Eversource Energy	722	80
WPS	784	17	APS	765	37	Pepco	754	60	Avista	719	81
Dominion Virginia Power	784	17	Entergy Arkansas	763	41	KCP&L	754	60	MLGW	718	82
Omaha Public Power District	783	20	Xcel Energy - West	762	42	Pacific Gas and Electric	753	62	PSEG Long Island	710	83
CPS Energy	783	20				Pacific Power	753	62	Central Hudson Gas & Electric	710	83
Duke Energy-Progress	780	22							PNM	709	85
									Mon Power	708	86

Review of 2017 YE Metrics



Deliver Business Excellence

Co-Champions: Paul Cosgrave, Melissa Dykes and Ted Hobson

Grow Revenues		FY17 Goal	2017 YE
Reduce unbilled revenue			
Grow non-core utility businesses			
<ul style="list-style-type: none"> Telecommunication/fiber <ul style="list-style-type: none"> Dark Fiber Wireless Colocation Natural Gas Sales Joint Dispatch (GRU) Pole attachments 			
Grow revenues from new business lines and unbilled revenue reductions		\$12M	\$11.9M

Deliver Business Excellence

Leverage EAM Principles		FY17 Goal	2017 YE
Leverage EAM principles to improve systems efficiency and cost structure			
Identify EAM principle-driven projects capable of producing \$10 million of annual value		\$10 million	>\$10M identified
Cost performance: 1a. Non-Fuel Electric \$/MWh 1b. Water \$/kGal 1c. Wastewater \$/kGal		1a. \$53.94/MWh 1b. < \$4.75/kGal 1c. < \$10.27/kGal	1a. \$52.50/MWh 1b. \$4.57/kGal 1c. \$9.20/kGal
Debt/Asset Ratio Reduction - No new debt in FY2017		\$0	\$0
No base rate increases projected for at least 5 years in electric, at least 10 years in water/sewer		No base rate increases	No base rate increases

Deliver Business Excellence

Leverage EAM Principles	FY17 Goal	2017 YE
Optimize implementation of Oracle Projects (Q1) & Oracle eAM (Q3) to improve EAM at JEA		
Leverage EAM principles to improve electric, water sewer, & reliability		
Launch Demand Rate Pilot Program		
At least 100 customers on Demand Rate Pilot before 9/30	100	123
Improve Reliability- CEMI-5	Meets < 1.5% Exceeds < 1.0%	1.07%
Water pressure > 50psi	Meets > 95% Exceeds > 97%	96.1%

Develop an Unbeatable Team

Co-Champions: Angie Hiers and Brian Roche

Improve Employee Satisfaction & Engagement	FY17 Goal	2017 YE
Improve the quality and measurement of job factors/goals/objectives		
Engage employees in company Ambassadorship and Advocacy		
Continuously promote a workplace environment where contributions of employees with similar and different backgrounds, experiences and perspectives are recognized and utilized to maximize operational excellence		
Consistent development of relevant, robust and measurable goals.	100% of audited goals pass criteria	100% of audited goals pass criteria
Roll out of "I Am An Ambassador" Program to all employees.	100%	100%
Delivery of Respect and Inclusion curriculum/activity to all employees.	100%	93% appointed 100% non-appointed



Develop an Unbeatable Team

Engage Employees in Personal Growth	FY17 Goal	2017 YE
Build job-specific and general competencies		
Promote career path opportunities		
Design, completion and delivery of curriculum to address competency gaps.	Completed by 9/1/17	Design complete
At least 1 completed development activity from IDP for 75% of employees who have submitted an IDP	75%	87.6%
Design and completion of career path projects for various areas.	Completed and delivered at least 3 major job groups by 3 rd Qtr	Completed and delivered at least 3 major job groups by 3 rd Qtr

Develop an Unbeatable Team

Ensure a Safe, Healthy and Ethical Workplace	FY17 Goal	2017 YE
Plan for zero RIRs		
Compliance with JEA's ethics standards and training requirements		
Promote a culture of employee wellness and health		
Safety - Recordable Incident Rate meets or exceeds established objective.	RIR 1.4	RIR 2.01
Ethics – 100% completion of new and enhanced ethics training with new employees completing within first 10 days of employment.	100% completion of new training by established guideline	100%
Participation of at least 70% of employees in at least one (1) wellness activity (sponsored activity, annual wellness exam, personal health assessment, bio-metric screening)	70%	64%

Earn Customer Loyalty

Co-Champions: Kerri Stewart, Mike Brost, Mike Hightower

Be Easy to Do Business With	FY17 Goal	2017 YE
Ensure policies and processes produce a customer experience which is easy, timely, and accurate the first time		
Ensure customer facing technology provides customer centric functionality, including proactive and customized self-service tools and 24/7 reliability		
Demonstrate empathy, courtesy and knowledge in every customer interaction		
Provide consistent customer experience across all channels and all touch points		
Customer Service: Residential and Business	R: 1 st B: 1 st	R: 1 st B: 1 st
Power Quality and Reliability: Residential and Business	R: 1 st B: 1 st	R: 1 st B: 1 st



Earn Customer Loyalty

Empower Customers to Make Informed Decisions	FY17 Goal	2017 YE
Increase awareness of customer choice and participation in customer solutions		
Enhance customer solution portfolio options leveraging leading edge technology		
Make JEA our customers' first and best source of utility information, and ultimately be their Trusted Advisor		
Communications: Residential and Business	R: 1 st B: 1 st	R: 1 st B: 1 st
Billing & Payment: Residential and Business	R: 1 st B: 1 st	R: 1 st B: 2 nd
Price: Residential and Business	R: 1 st B: 1 st	R: 2 nd B: 1 st



Earn Customer Loyalty

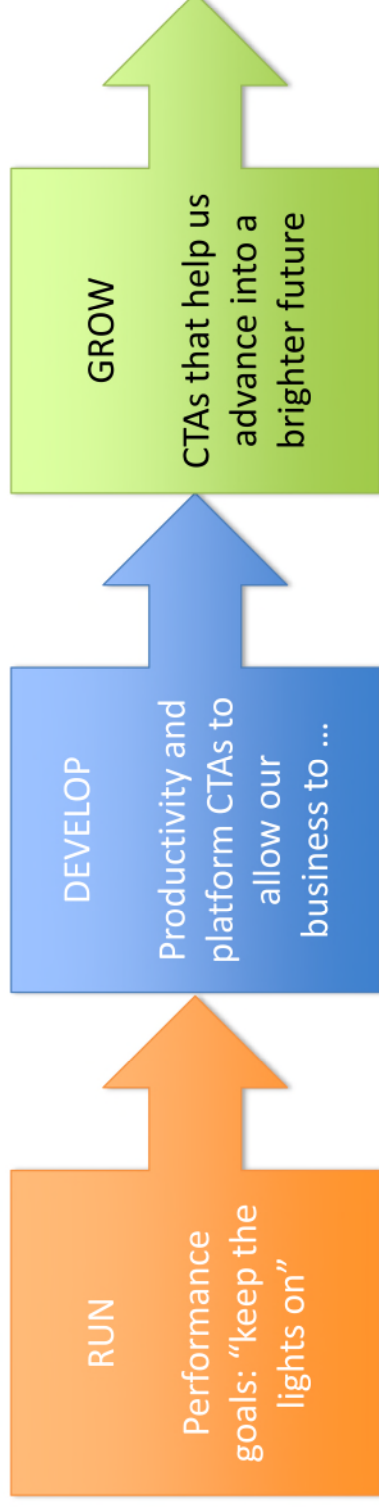
Demonstrate Community Responsibility	FY17 Goal	2017 YE
Grow JEA's ambassador and volunteer programs to deepen customer and community engagement		
Develop and communicate JEA's strategy to meet the community's future electric, water and sewer needs in an economically and environmentally responsible way		
Proactively capture and incorporate the voice of customers, including silent and low-income customers, in business decisions		
Demonstrate JEA's support of Economic Development in the local community		
Demonstrate JEA's support of local governments and regulators through enhanced communication and collaboration		
Citizenship	1 st	1 st
Corporate Citizenship	1 st	1 st



2018 CTAs and Initiatives



Goals, Objectives and CTAs



- Performance Goals and Objectives
 - Keep lights on
 - Job description
- CTAs
 - Moving the organization forward
 - Increasing organization capabilities
 - Increasing productivity and efficiencies

FY18 corporate CTAs

DELIVER BUSINESS EXCELLENCE

- Increase productivity by making strategic process improvements and technology investments to facilitate \$40M/year sustained cost reductions

BUILD AN UNBEATABLE TEAM

- Cultivate teamwork excellence by fostering a **Safe**, inclusive, engaged environment that embraces change.

EARN CUSTOMER LOYALTY

- Sustain nationally ranked customer satisfaction



2022 Vision

- **Increase productivity, while improving service**
 - Produce more, while spending less
 - Leverage technology and data to significantly reduce total costs
 - Optimize capital investments and O&M resources
- **More agile business**
 - A cost structure that is more responsive to changing customer, regulatory, and other external factors
 - Greater operational flexibility and shorter-lived assets
- **Improve operational performance and reliability thru Enterprise Asset Management**
 - Better production and process outcomes - Plants
 - Improved delivery performance - Grids
 - More efficient support systems – Services
- **Customer Satisfaction**
 - Continue providing superior customer satisfaction while streamlining business operations ... aka – improve customer satisfaction and lower costs



Culture is Critical - Heart of Success or Failure

APPA 2016 Comparison

Metric	Customer Size				Region				Generation			
	1	2	3	4	1	2	3	4	1	2	3	4
1 Revenue per KWH												
All Retail Customers			✓				✓				✓	
Residential Customers		✓					✓			✓		
Commercial Customers			✓		✓						✓	
Industrial Customers			✓				✓				✓	
2 Debt to Total Assets			✓					✓			✓	
3 Operating Ratio	✓				✓				✓			
4 Current Ratio				✓				✓				
5a Times Interest Earned			✓			✓						
5b Debt Service Coverage				✓		✓						
6 Net Income per Revenue Dollar				✓				✓				
7 Uncollec. Accts per Rev Dollar	✓				✓							
8 Retail Cust. per Non-Pwr Gen Emp				✓				✓				
9 Total O&M exp per KWH sold		✓			✓					✓		
10 Total O&M exp per Retail Cust (1)	✓					✓						
11 Total Pwr Supply Exp per KWH sold		✓			✓					✓		
12 Purch Pwr Cost per KWH		✓			✓					✓		
13 Retail Cust per Meter Reader			✓					✓				
14 Dist OM Exp per Retail Cust	✓				✓							
15 Dist OM Expense per Circuit Mile	✓				✓							
16 Cust Acct, Svc Sales exp per retail Cust			✓					✓				
17 Admin and Gen Exp per Retail Cust	✓					✓			✓			
18 Labor Expense per Worker - Hour	✓							✓	✓			
19 Energy Loss Percentage			✓				✓					✓
20 System Load Factor			✓					✓				
21 Capital Expen to Depreciation Exp	✓				✓				✓			

(1) (Excl. Pwr Sup Exp)

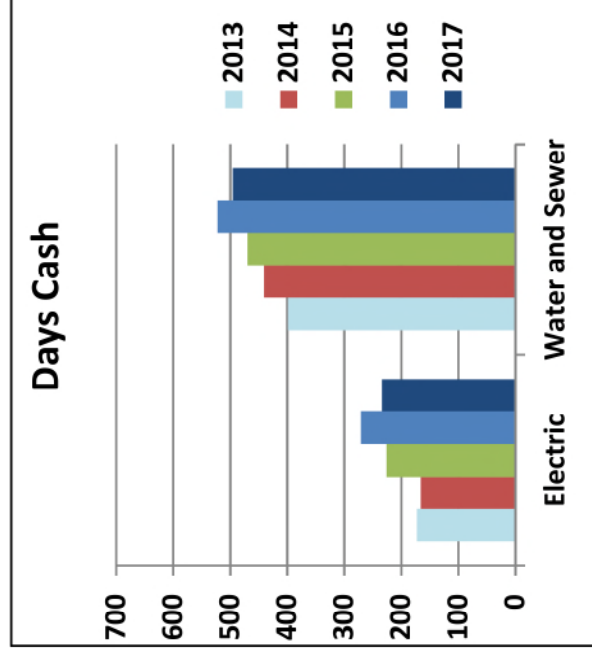
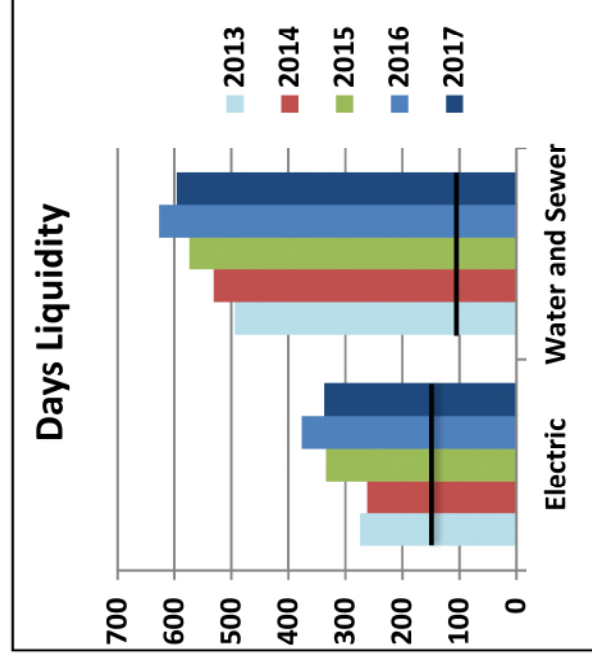
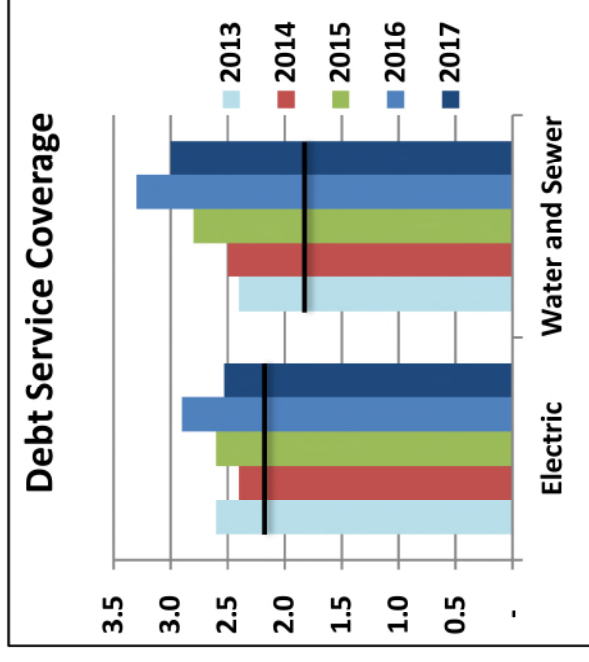
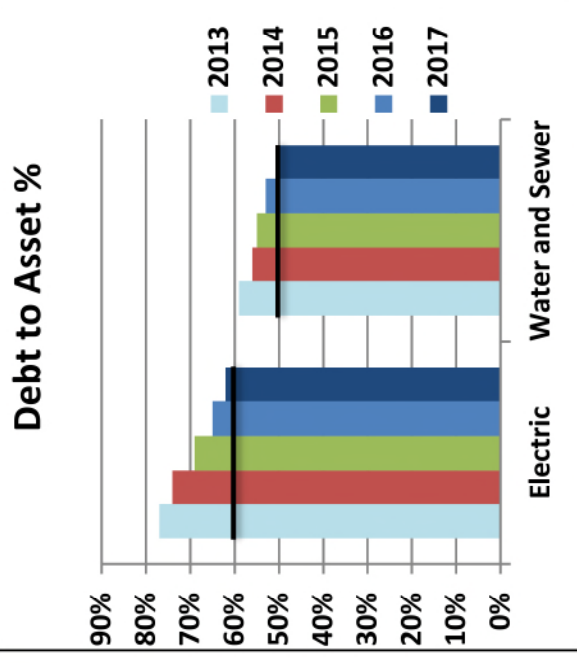
	Below Average			Above Average	
Items shaded this color	1	2	3	4	
Items shaded this color	1	2	3	4	

Green = Good Red = Bad

Key Financial Metrics

FY2017 results demonstrated strong performance across all key financial metrics

- FY2017 Debt Service Coverage remains strong and provides financial flexibility to respond to industry challenges
- Debt-to-Asset % continues to improve and approach long-term targets
- Days Liquidity and Days Cash metrics continue to be strong and provide the ability to invest in infrastructure in both systems without the need for additional debt



— Long-term targets per JEA Pricing Policy