From: Charleroy, Melissa M. - Executive Assistant <charmm@jea.com>

**Sent:** Friday, April 27, 2018 3:04 PM

To: Alan Howard; Cumber, Husein (Husein.Cumber@feci.com); 'newbill32218@yahoo.com';

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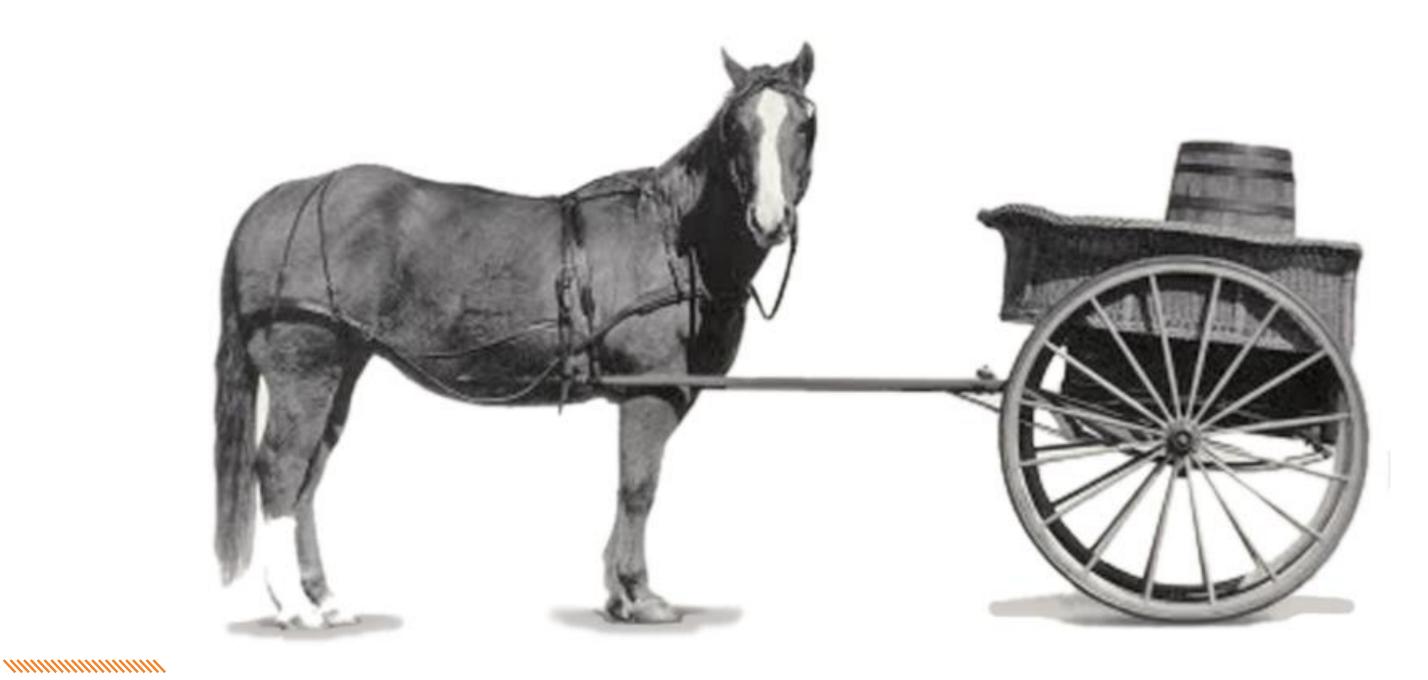
**Cc:** Zahn, Aaron F. - Interim Managing Director CEO; Dykes, Melissa H. - Chief Financial

Officer; Brooks, Jody L. - Chief Legal Officer; Wannemacher, Ryan F. - Dir Financial Planning & Analysis; Hightower, Mike R. - Chief Public Affairs Officer; Rinaldi, Stacey; 't.joseph@firsttimothy.org'; 'clilly@thebethelexperience.com'; Charleroy, Melissa M. -

**Executive Assistant** 

Subject:Presentation to Jacksonville Civic CouncilAttachments:2018-4-27 JEA Civic Council - vFINAL.pdf





How did we get here?



JEA has 6,800 miles of distribution lines and 745 miles of transmission lines across our 900square-mile service territory.

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# **Decision point**





Each day, JEA delivers about 115 million gallons of water from the pristine Floridan aquifer to our customers.

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### JEA's Path Forward

- 1) Focus on Core Business
- 2) Listen and Align our Purpose with Shareholder Trustees and Stakeholders
- 3) Align an 'updated' Strategic Plan to become the Utility of the Future
- 4) Execute as a community

# Serving our Customer is our #1 Commitment to Action

JEA is adding new solar farms that will enable us to provide up to 300 MW of solar power, making JEA one of the leading solar cities in the nation.

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### Focus



We do this with our "Unbeatable Team"



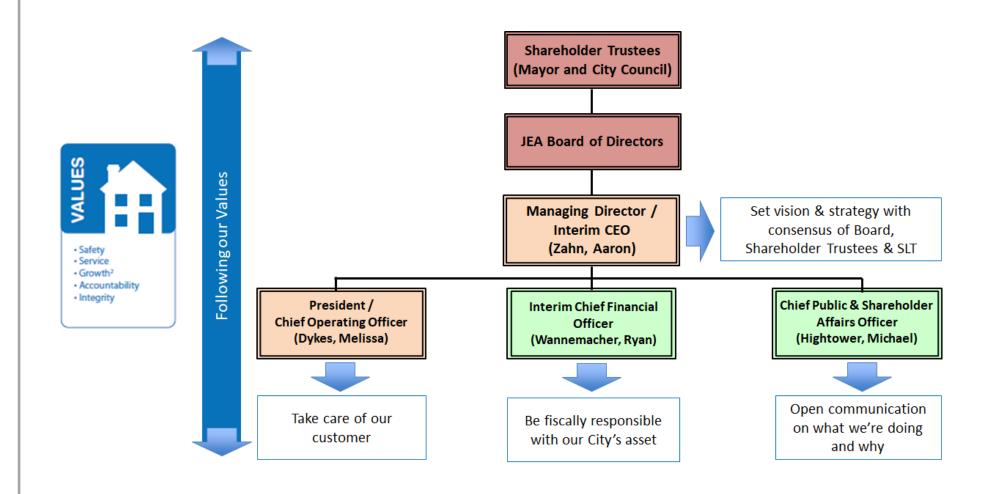
In 2016, JEA reduced the monthly fuel charge by \$6.85 per megawatt hour, a 5.56 percent decrease in the electric portion of a 1,000 kWH/month residential customers bill. JEA rates are currently 4.7 percent below the national average.

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# Step 1(a) – Organize

**Prior:** 36 Direct Stakeholders & Day-to-Day Operational Control



# High Keep Satisfied Monitor Keep Informed Low High Interest / Availability

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# Step 2 – Listen & Align

Develop "Shareholder Trustee Framework" with consensus of City Council and Mayor





JEA is the largest communityowned utility in Florida and the eighth largest in the United States. We are committed to improving the quality of life in the communities we serve, with a spirit that has united our business for more than 100 years.



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## Step 3 - Update Plan

### Customer must remain #1



### **CORE COMPETENCIES:**

- 1) Trusted partner for essential services
- 2) Asset management
- 3) Scale of existing infrastructure
- 4) Regional logistics



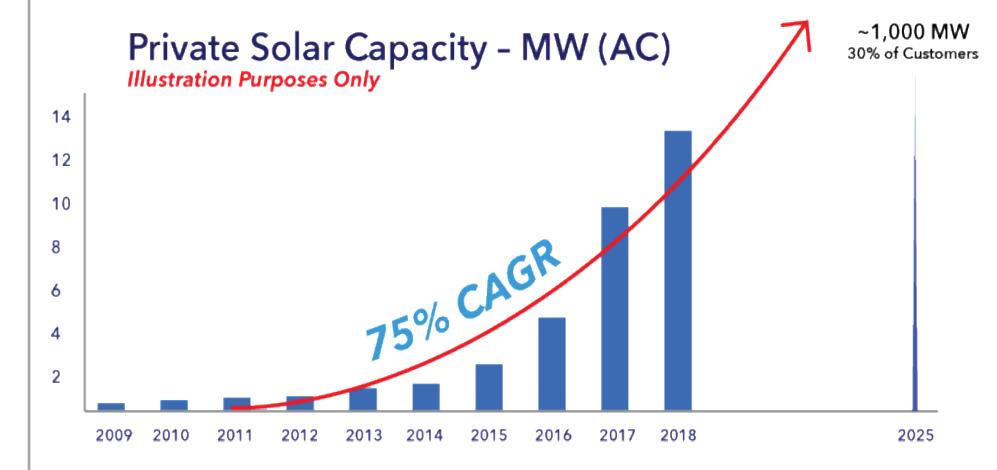
Before Hurricane Irma hit northeast Florida, mutual aid crews from across the country were in place to assist local communities with restoration efforts. More than 800 electric utility workers and 400 treeremoval personnel assisted JEA employees in restoring power to 284,000 customers.

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# Step 4 - Execute

Ride the tailwinds. Don't fight them.



### **Bold Leaders Drive Innovation**























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New

Improve

Innovate

Disrupt

**BOLD Ideas** 

**BOLD Safety** 

**BOLD Service** 

**BOLD Growth<sup>2</sup>** 

**BOLD Accountability** 

**BOLD Integrity** 

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# BE BOLD - BE JEA

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Understand the Leaders, Organization and Culture

Engage the Board and Policy Makers Create
Alignment
Framework and
a Detailed
Transition Plan

Execute
Transition Plan
and Consider
Future JEA

Finalize
Transition &
Begin Strategic
Planning and
Execution

Outcomes

- Identify key themes with Board and Policy Makers for JEA
- Conduct interviews with current leaders, including Board, to gain a deeper understanding of the organization as well as identifying any "red flags"
- Publicly announce a pause to large strategic shifts in the company's business or capitalization
- Outline objectives and agree on a customized transition process
- Organize for stability and smooth transition (e.g. CEO, COO, CFO, etc.)

- Gather input and questions from the Board, Policy Makers, Employees and Stakeholders on JEA
- Conduct interview with outgoing CEO to understand critical issues, initiatives and stakeholders that will need to be addressed
- Conduct interviews with each Board member and each Policy Maker to identify key concerns
- Conduct interviews with key employee groups to identify concerns
- Engage 3<sup>rd</sup> party drive process of CEO transition

- Create collective
   "framework" for alignment
   of City Council, Mayor,
   Board and leadership of
   JEA
- Through an iterative process, detail roles and responsibilities at various stages of the transition
- Develop a go forward plan and review the timetable against key business events and external considerations
- Communicate the transition plan to the organization to reduce potential confusion and set clear expectations

- Review division of Board related responsibilities and Board composition that may aid in transition and strategy
- Identify a Lead Director and/or Chairman to provide governance of the transition process
- Review progress with the Board and adjust as needed
- Facilitate knowledge transfer
- Manage transition plan and milestones
- Hire Chief Strategy Officer to "Take care of customers, tomorrow"
- Map potential growth areas for company

- Ensure the organization has clarity around new roles and responsibilities
- Gap analysis of 2013 Plan with current marketplace
- Communicate the transition plan to critical external stakeholders and policy makers to reduce potential confusion and set clear expectations
- Set 2018/2019 budget
- Continue cost and efficiency management
- Iteratively evaluate and plan business around growth areas and liability management

- Roadmap of vision for JEA's future
- If applicable, valueadded role for the outgoing CEO to maintain historic knowledge (Plant Vogtle management, etc.)
- Finalize senior leadership and organizational structure including permanent CEO
- Framework as basis for common working approach for Policy Makers, Board and senior team to evaluate and implement strategy
- "Bold JEA Plan"

### **Estimated timeframe: 6-12 months**

# Thank you

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