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JEA Comp Committee_Draft_4.5.19_FINAL.PDF

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Angie, Pat and Scott:

Attached is the draft document for the committee meeting. It addresses all of the items discussed in our prior meeting with Aaron and Ryan. It's long and probably too much material for a committee meeting, but we can discuss where we might want to cut back content. Please let us know if you want to schedule a call to walk through it.

Have a good weekend!

David Wathen
Senior Director, Rewards

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Compensation Program Review – Discussion Document for Compensation Committee Meeting

Prepared for JEA

April 5, 2019

Discussion Draft

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Willis Towers Watson

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Introduction

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Introduction

Summary

- JEA engaged Willis Towers Watson ("WTW") to complete the following:
  - Conduct a competitive market assessment for JEA's Chief Executive Officer ("CEO") position
  - Review JEA's competitive market assessments across all employee populations
  - Provide a summary of market practices related to short-term incentive plan design
  - Conduct a competitive market analysis of long-term incentive ("LTI") plan design practices and develop a proposed design
- WTW presented its initial findings to JEA's CEO, CFO and Human Resources team, and based on their feedback, this report includes the following:
  - Confirmation of JEA's current compensation philosophy
  - Review of the evolution of JEA's compensation programs
  - Analysis of the compensation variances across JEA's employee populations
  - Analysis of the gaps to market for JEA's Appointed population and Bargaining Units
  - Proposed LTI plan design
  - Total rewards market best practices

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Compensation Philosophy Review

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Compensation Philosophy Review

JEA's Current Compensation Philosophy

- The following table summarizes JEA's current compensation philosophy, which guided WTW's review of JEA's competitive market assessments:

Compensation Philosophy Element	Details
Alignment of Interest Between Employees, Stakeholders, and Organization	JEA's compensation philosophy should support the overall business and human resources strategy with the ultimate goal of driving performance of the organization
Market for Talent	JEA's geographic market for talent varies by job level: • Individual Contributors/Managers – local and regional scope (reflects a -5% geographic differential to national market data) • Directors/Executives – national scope
Target Competitiveness	Targets the market 50th %ile for all pay elements
Pay Mix	JEA's pay mix currently consists of base salary and a short-term incentive award
Industry Perspectives	For functional roles – a 50/50 weighted mix of Utility/General Industry market data For operational roles – only Utility Industry market data

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Evolution of JEA's Compensation Program

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Evolution of JEA's Compensation Program

Timeline of Goals and Major Changes

Year of WTW's Review

Competitive position Improving (see next page)

2011

- Conducted competitive cash compensation analysis for approximately 200 Appointed positions, as well as a benefits assessment
- While total cash compensation levels were generally below market, benefit programs were generally above market (the retirement plan was significantly above market)

2013

- Conducted competitive market analysis, which showed an improved competitive positioning
- In an updated benefits analysis, JEA's benefits were reported as average compared to the peer group

2017

- Updated 2013 analysis
- At some point between 2013 and 2017, JEA re-instituted a short-term incentive plan where all employees are eligible to receive an award
- Effective October 2017, the defined benefit plan closed for new participants

2019

- Competitive market positioning continues to improves
- CEO's objective is to create and implement a long-term incentive plan where all employees are eligible to receive an award

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Evolution of JEA's Compensation Program

Appointed Population Variances

Year of WTW's Review

Variances to market decreasing

Level	# of Jobs	# of Incumbents	Base Salary Variance	Total Cash Variance
2011				
Executive	13	13	-17%	-40%
Director	46	49	-10%	-21%
Manager	96	116	-12%	-21%
Individual Contributor	44	79	-7%	-12%
Total	**199**	**257**	**-11%**	**-20%**
2013				
Executive	10	10	-11%	-36%
Director	40	45	-6%	-18%
Manager	96	125	-4%	-12%
Individual Contributor	46	82	0%	-5%
Total	**192**	**262**	**-4%**	**-13%**
2017				
Executive	8	8	-9%	-30%
Director	39	39	-2%	-10%
Manager	97	124	-5%	-12%
Individual Contributor	77	136	-4%	-6%
Total	**221**	**307**	**-4%**	**-10%**
2019 (1)				
Executive	11	11	-12%	-28%
Director	29	31	-1%	-8%
Manager	89	121	-2%	-6%
Individual Contributor	61	115	-1%	-1%
Total	**190**	**278**	**-2%**	**-6%**

(1) 2019 review reflects a -5% geographic differential for the Manager and Individual Contributor job levels. Geographic differentials were not applied during 2011, 2013, or 2017.

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CEO Competitive Market Pricing

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CEO Competitive Market Pricing

Methodology

- To conduct the competitive market pricing for the CEO position, a peer group was developed reflecting:
  - [redacted]
  - Survey source: Willis Towers Watson's 2018 Energy Services Industry Executive Compensation Database
- [redacted]

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CEO Competitive Market Pricing

Market Pricing Details

Chief Executive Officer		Competitive Market Data[5]		
Pay Component	Data Perspective	25th %ile	50th %ile	75th %ile
Base ($000s)	Combined Peer Group	[redacted]		
	Investor Owned Utility Peers			
	Public Power Peers			
Target Bonus % [1]	Combined Peer Group			
	Investor Owned Utility Peers			
	Public Power Peers [3]			
Target TCC ($000s)	Combined Peer Group			
	Investor Owned Utility Peers			
	Public Power Peers			
LTI % [2]	Combined Peer Group			
	Investor Owned Utility Peers			
	Public Power Peers			
Target TDC ($000s)	Combined Peer Group [4]			
	Investor Owned Utility Peers			
	Public Power Peers			

"---"= Data not available.

(1) Target bonus percentages are represented as a percentage of base salary.

(2) Long-term incentive (LTI) percentages are represented as a percentage of base salary. LTI figures are based on ASC 718 (FAS 123R) "accounting values". [redacted]

(3) [redacted]

(4) Target TDC for the Combined Peer Group perspective is built up by using Base Salary, Target TCC, and LTI % data.

(5) Market data greater than $100,000 rounded to the nearest $5,000.

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Compensation Benchmarking Summary

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Compensation Benchmarking Summary

Methodology

- The following pages contain a summary of WTW's review of JEA's competitive market data for its Appointed population (including 13 executives)
- A separate review of variances was also conducted for JEA's entire population (including the Bargaining Units and M&C group)
- WTW reviewed the most current incumbent, pay grade, and market data provided by JEA
  - JEA provided market data for the 50th percentile only for all pay components

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Compensation Benchmarking Summary

Appointed Population vs. Market 50th Percentile Variances By Job Level

- The following exhibits summarize variances comparing incumbent pay data with market data from job weighted and incumbent weighted perspectives for the Appointed population only
- Variances are similar for both perspectives, and are lower to market for executives and directors at target bonus %, target TCC, and target TDC compared to the other job levels

Job Weighted:

Level	Average Base Salary Variance	Average Target Bonus % Absolute Variance	Average Target TCC Variance	Average Long-term Incentive % Absolute Variance	Average Target TDC Variance
Executive	-12%	-33%	-28%	--	-42%
Director	-1%	-10%	-8%	--	-13%
Manager	-2%	-5%	-6%	--	-6%
Individual Contributor	-1%	-2%	-1%	--	-1%
Total	**-2%**	**-7%**	**-6%**	**--**	**-7%**

Incumbent Weighted:

Level	Average Base Salary Variance	Average Target Bonus % Absolute Variance	Average Target TCC Variance	Average Long-term Incentive % Absolute Variance	Average Target TDC Variance
Executive	-12%	-33%	-28%	--	-42%
Director	0%	-10%	-7%	--	-12%
Manager	-3%	-5%	-6%	--	-6%
Individual Contributor	0%	-2%	1%	--	1%
Total	**-2%**	**-5%**	**-4%**	**--**	**-6%**

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Compensation Benchmarking Summary

Entire Population vs. Market 50th Percentile Variances By Job Level

- The following exhibit summarizes variances for the entire JEA population by building compensation elements up from JEA's **pay grade midpoints**
- Pay grade midpoints are generally competitive for directors, manager, and individual contributors and are high to market for executives and Bargaining Units
- Variances are lower to market for the executives at target bonus % and target TDC and for the directors at target bonus %, target TCC, and target TDC compared to the other job levels

Job Weighted:

Level	Average Midpoint Variance	Average Target Bonus % Absolute Variance	Average Target TCC Variance	Average Long-term Incentive % Absolute Variance	Average Target TDC Variance
Executive	24%	-33%	2%	--	-15%
Director	-3%	-10%	-10%	--	-15%
Manager	0%	-5%	-4%	--	-4%
Individual Contributor	4%	-3%	4%	--	4%
Bargaining Units	11%	-6%	8%	--	8%
Total	**6%**	**-6%**	**2%**	**--**	**1%**

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Short-Term Incentive Plan Practices

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Short-Term Incentive Plan Practices

Introduction

- JEA re-instated a broad-based short-term incentive plan several years ago, both to address competitive pay levels, as well as to reinforce specific messages related to performance expectations
- The following pages summarize market practices related to short-term incentive plan design
  - As appropriate, JEA may consider these practices as they continue to evolve their incentive plan design
  - Key design features covered include eligibility, target award opportunities, payout ranges, bonus pool funding, performance measures and performance range
- The market practices information has been summarized from survey research, as well as our consulting experiences

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Short-Term Incentive Plan Practices

Eligibility

- Eligibility for short-term incentive plans is typically broad for both the Utility and General Industries, with prevalence actually higher in the Utility Industry
- Over 60% of organizations extend eligibility to the lower exempt and non-exempt roles
  - Lower roles may not have an expressed target opportunity, but they may be part of a "sharing program" based on organizational performance
  - In some cases, overall funding and participation at lower levels may be discretionary

Incentive Plan Eligibility – By Job Level

		Utility Industry			General Industry		
Level		Minimum	Median	Maximum	Minimum	Median	Maximum
M5	Senior Group Manager	[redacted]					
M4	Group Manager						
M3	Senior Manager						
M2	Manager						
M1	Supervisor						
P6	Renowned Expert						
P5	Master						
P4	Specialist						
P3	Career						
P2	Intermediate						
P1	Entry						
U4	Lead/Advanced						
U3	Senior						
U2	Intermediate						
U1	Entry						

Source: Willis Towers Watson 2018 General Industry and Energy Services MMPS Compensation Survey Reports - U.S.

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Short-Term Incentive Plan Practices

Target Incentive Award Opportunities

- Target incentive opportunities typically increase with job level, and are relatively similar in both the Utility and General Industries
- Note that we have recommended STI targets as part of our analysis to "close the gap" between market and JEA's desired competitive positioning

Target Incentive Award Opportunities – By Job Level

	Target STI Opportunities	
Role/Career Level	Utilities	General Industry
Non-exempt	[redacted]	
Entry-Mid Level Professionals		
Senior Level Professionals		
Supervisors		
Managers		
Senior Directors		

Source: Willis Towers Watson 2018 General Industry and Energy Services MMPS Compensation Survey Reports – U.S.

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Short-Term Incentive Plan Practices

Payout Ranges

- Payout ranges reflect the total award opportunity as a percentage of the target award, and represent the minimum award opportunity if threshold performance is achieved, and the maximum opportunity if maximum performance is achieved
- Payout ranges are typically 50% of target at threshold performance and 200% of target at maximum performance

[redacted]

- In most cases (and based on the specific performance standards), organizations will interpolate actual performance between threshold, target and maximum to provide appropriate incentive to improve performance at every possible increment
- Note that it is important to calibrate the payout range with the performance range to ensure that the awards are aligned with the probability of achievement

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Short-Term Incentive Plan Practices

Bonus Pool Funding

- There are two primary approaches to determine bonus pool funding:
  1. Sum-of-targets: specific target opportunities are defined (typically by role or grade) and the sum of these targets determines the bonus "pool" (the aggregated award which would be generated at target performance)
  2. Financial results-based formula: typically a financially-driven formula (e.g., bonus pool equals 10% of profits above a specific threshold)
- The sum-of-targets approach is typically the most common in both the Utility and General Industries
  - Prevalence for financial results-based formulas increases slightly for broad-based plans that are separate from executive plans because there is often a greater requirement that they be self-funding
- Particularly for sum-of-target plans, circuit breakers are a common design feature
  - A circuit breaker represents a single performance measure (typically a financial measure) that must be reached before any incentive award is paid regardless of performance in other measures
  - In other words, if the circuit breaker financial performance isn't achieved, it shuts down the entire plan regardless of performance on other performance measures
  - Note that a financial circuit breaker may be set at levels below threshold levels for payout
- Another design feature is a modifier, which can be used to adjust the initial funding up or down based on another important measure (e.g. determine pool based on financial performance, and then modify by operational or customer performance measures)

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Short-Term Incentive Plan Practices

Performance Measures

- Performance measures send an important message about what an organization must achieve, and how individual employees can contribute to those objectives
- We consider it a best practice to have a portfolio of performance measures to balance expectations across financial, operational and customer service categories
  - However, in order to ensure appropriate focus, we typically see 3-5 performance measures, with each measure having at least a 10% weight
- It is typical for organizations in both Utility and General Industry to include at least one profit or income measure, with profit/operating income being the most common in both industries
- For non-financial performance measures, environmental health and safety, as well as operating/strategic measures are the most common in the Utility Industry
- Individual performance measures are also common in the Utility and General Industries
  - These measures help create line-of-sight to broader corporate measures

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Short-Term Incentive Plan Practices

Performance Range

- Performance ranges reflect the minimum acceptable performance as a percentage of target performance, and the maximum performance recognized as a percentage of target performance
- Narrow performance ranges are typically used for measures where results are not expected to vary significantly from target (e.g., revenues)
- Wider performance ranges are typically used for measures where performance can fluctuate significantly year to year (e.g., profitability)
- In the Utility Industry, performance ranges for profitability at minimum is typically set to be 90% of target and for maximum is typically set to be 115% of target
- An important consideration in establishing the performance range is the probability of achievement
  - A best practice is to set threshold performance goals where the probability of achievement is 80-90% to ensure appropriate motivation
  - Similarly, probability of achievement for target performance should be 50-60% and for 10-20% for maximum performance
  - As noted earlier, it is important to calibrate the performance range with the payout range

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Long-Term Incentive Plan Design

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Long-Term Incentive Plan Design

Market Practices Summary

Design Aspect	Public Power Utilities	Investor Owned Utility (IOU) Peer Group	Broader Utility Industry
Prevalence	LTI plans are uncommon, but used selectively	All 13 IOU peers have an LTI plan	LTI plans are very prevalent with almost all IOUs using an LTI plan
Eligibility	For those Public Power Utilities with an LTI plan, eligibility typically limited to select executives	Typically executives down to director level positions	Typically executives down to director level positions
Target Opportunity (% of Base Salary)	Varies widely based on the organization, but targets will be lower than IOU levels	Median for CEOs: 230% Median for NEOs*: 110% Median for Directors: NA	
Award Frequency	Annual awards with overlapping cycles are most common	All 13 peers grant annual awards with overlapping cycles	

"NEOs" = Named Executive Officers, as disclosed in the IOU's proxy statement

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Long-Term Incentive Plan Design

Market Practices Summary (continued)

Design Aspect	Public Power Utilities	Investor Owned Utility (IOU) Peer Group	Broader Utility Industry
Award Vehicles	Cash-based performance plans	100% of peers use performance plans 69% use restricted stock No peers use stock options	
Performance Metrics	Financial and operational	TSR (100%) EPS (38%) Operational (15%)	
Performance Metrics Weights	Operational metrics weighted more heavily than financial metrics	TSR and financial metrics weighted more heavily than operational metrics	Not available
Performance Range	More conservative compared to IOUs	Relative TSR: 28th %ile at threshold, 50th %ile at target, and 90th %ile at maximum	
Payout Range	Threshold: 50% of Target Maximum: 150% of Target	Threshold: 0-50% of Target Maximum: 150-200% of Target	

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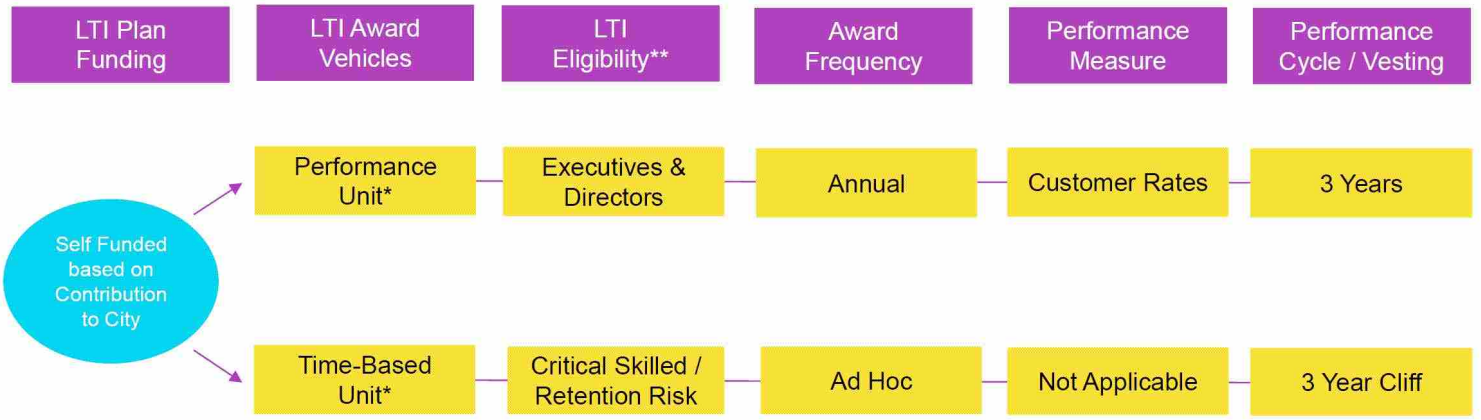
Long-Term Incentive Plan Design

Proposed Design

- *Given consideration of the overarching goal to allow all employees the opportunity to share in the long-term success of the company, we propose a multi-pronged LTI design approach below:*



* Value of units tied to JEA Net Book Value.
** All employees are eligible for LTI, but proposed design targets awards to select employees.

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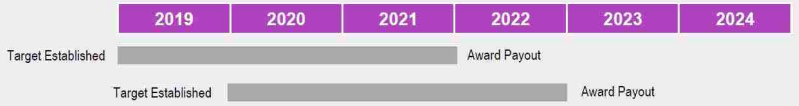
Long-Term Incentive Plan Design

Proposed Design Details: Performance Unit

Performance Unit

Plan Design Element	Plan Design Details
Award Vehicle	• Performance Unit: value of unit tied to JEA Net Book Value; unit valuation formula to be determined
Eligibility	• All employees eligible, but awards targeted to **Executive and Director level positions** and other select positions that have ability to impact Company performance; Director job level methodology needs to be revisited and clearly defined to avoid title inflation
Target Award Opportunity (as % of base salary)	• Initial award opportunities set at 20% for Executives and 10% for Directors; intent is to close competitive gap to market for LTI over 2 to 3 years
Award Frequency	• Annual
Circuit Breaker	• Defined level of contribution to the City will be established for each award cycle; intent is for contribution level to ensure LTI plan is self funded
Performance Measures	• Net Book Value: used to determine Performance Unit value • Customer Rates: performance measure used to modify the number of Performance Units earned; performance goal to be determined
Performance Period	• 3-year performance cycle with overlapping cycles due to annual grant frequency 
Payout Range	• Threshold: 50% of Target • Maximum: 150% of Target
Estimated Cost	• Estimated cost of annual Performance Unit awards to Executives and Directors based on current incumbent base salaries is $1.3M

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Long-Term Incentive Plan Design

Proposed Design Details: Time-Based Unit

Time-Based Unit

Plan Design Element	Plan Design Details
Award Vehicle	• Time-Based Unit: value of unit tied to JEA Net Book Value; unit valuation formula to be determined
Eligibility	• All employees eligible, but awards targeted to **critically skilled employees or employees viewed as retention risk**; awards generally intended for Manager level positions and below as these positions are not granted annual Performance Unit awards • Target 10% of employees below the Director level (approximately 1,500 including Bargaining Units) or approximately 150 employees below the Director level to receive awards each year
Target Award Opportunity (as % of base salary)	• Retention award values range from 10% to 20% depending on criticality of role and/or retention need
Award Pool Funding	• Defined level of contribution to the City will be established each year with intent for contribution level to ensure LTI plan, covering both Performance Unit and Time-Based Unit awards, is self funded
Award Frequency	• Ad hoc awards
Vesting Period	• 3-year cliff vesting period
Estimated Cost	• Estimated cost of annual Time-Based Unit awards to employees below the Director level based on current pay grade midpoints is $1.25M

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Proposed Compensation Adjustments

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Proposed Compensation Adjustments

Competitive Pay Gaps to Market by Pay Element

- The following exhibit summarizes the current gaps to market for JEA's population (excluding the M&C roles due to lack of incumbent data) by each pay element:
  - JEA's base salary, target TCC, and target TDC show variances comparing incumbent pay to market for the non-Bargaining Units
  - Bargaining Units' pay elements and JEA target bonus % are based off of pay grade midpoints
- Gaps to market exist at target bonus % and long-term incentive %, particularly for the executives and directors, which lead to higher variances to market at target TCC and target TDC

Job Weighted:

Level	Average Base Salary/Midpoint Variance	Average Target Bonus %		Average Target TCC Variance	Average Long-term Incentive %		Average Target TDC Variance
	JEA	JEA	Market	JEA	JEA	Market	JEA
Executive	-12%	10%	[redacted]	-28%	--	[redacted]	-42%
Director	-1%	8%	[redacted]	-8%	--	[redacted]	-13%
Manager	-2%	7%	[redacted]	-6%	--	[redacted]	-6%
Individual Contributor	-1%	6%	[redacted]	-1%	--	[redacted]	-1%
Bargaining Units	11%	2%	[redacted]	8%	--	[redacted]	8%
Total	**3%**	**5%**	[redacted]	**-1%**	**--**	[redacted]	**-2%**

*Market data provided by JEA.

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Proposed Compensation Adjustments

Proposed Base Salary, Target Bonus and Long-Term Incentive Adjustments

- **Base salary**: assess individual competitive position to market; for individual positions well below market, JEA should bring positions to within the competitive range of the market median within two to three years
- **Target Bonus % and LTI %**: the tables below summarize JEA's current average target bonus and LTI incentive opportunities and WTW's proposed target values
  - The proposed incentive adjustments are intended to partially close the gap to market with the intent of moving to market within two to three years, depending on market movement
  - Bargaining Units do not have proposed values as they will be determined by the collective bargaining agreements

Target Bonus %			
Level	Current	Market	Proposed
Executive	10%	[redacted]	30%
Director	8%	[redacted]	15%
Manager	7%	[redacted]	10%
Individual Contributor	6%	[redacted]	10%
Bargaining Units	2%	[redacted]	--

LTI Opportunity %			
Level	Current	Market	Proposed
Executive	--	[redacted]	20%
Director	--	[redacted]	10%
Manager	--	[redacted]	--
Individual Contributor	--	[redacted]	--
Bargaining Units	--	[redacted]	--

- **Estimated Cost Impact:** the estimated incremental cost impact of the proposed target bonus and LTI adjustments are as follows:
  - Target Bonus Cost: $2M based off current incumbent base salaries
  - LTI Cost: $1.3M based off current Executive and Director incumbent base salaries

*Market data provided by JEA.

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Proposed Compensation Adjustments

Market Positioning Based on Proposed Pay Adjustments

- The following exhibit summarizes the competitive position of JEA pay based on WTW's proposed target bonus % and LTI % adjustments
  - JEA's competitive position to market improves at all levels with Executive level competitive gap to market target TDC cut in half
    - While a competitive gap to market for executives at target TCC and target TDC still exists, applicable base salary adjustments and multi-year approach for adjusting target bonus and LTI plan will close the gap
  - Target TCC and target TDC for all levels fall within the competitive range of market (defined as +/- 15% for target TCC and +/-20% for target TDC)

Job Weighted:

Level	Average Base Salary/Midpoint Variance	Average Target Bonus %		Proposed Target TCC Variance	Average Long-term Incentive %		Proposed Target TDC Variance
	JEA	JEA Proposed	Market	JEA	JEA Proposed	Market	JEA
Executive	-12%	30%	[redacted]	-15%	20%	[redacted]	-20%
Director	-1%	15%	[redacted]	-2%	10%	[redacted]	1%
Manager	-2%	10%	[redacted]	-3%	--	[redacted]	-3%
Individual Contributor	-1%	10%	[redacted]	2%	--	[redacted]	2%
Bargaining Units	11%	2%	[redacted]	8%	--	[redacted]	8%
Total	**3%**	**8%**	[redacted]	**2%**	**12%**	[redacted]	**2%**

*Market data provided by JEA.

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Modernizing Total Rewards

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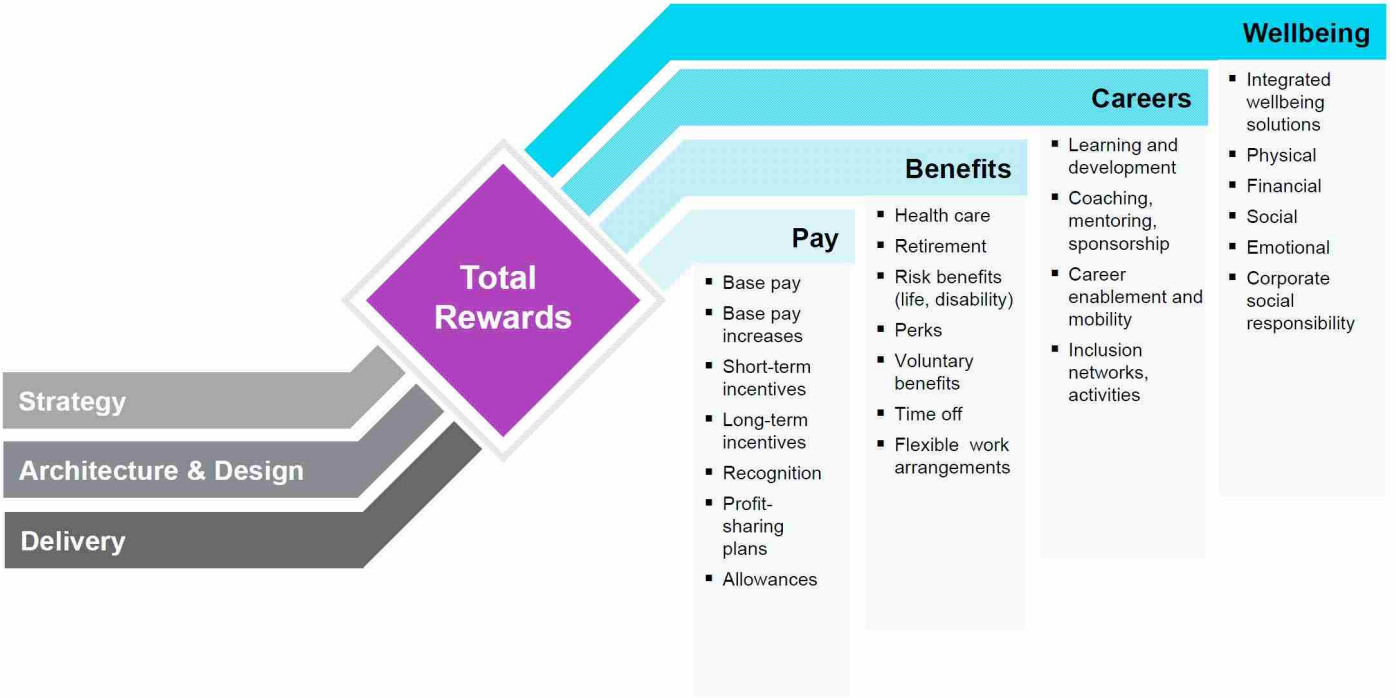
Modernizing Total Rewards

Integrated Total Rewards strategy, architecture & design and delivery for a superior Talent Value Proposition



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Modernizing Total Rewards

Key themes emerging in the market with implications for Total Rewards

1. Future focused

Emerging work dynamics and skills and multi-generational workforce re-write the deal

2. Technology Advancements

Expansion of *digitization* of the Total Rewards delivery and experience

3. Optimising cost and risk of TR

Analytics and data measurement

4. Segmentation

More tailored Total Rewards with increased choice

5. Consumerism and flexibility

Expansion of worker choice and *voluntary benefits*

6. Transparency

Legislative and social media increase public scrutiny

7. Inclusion and diversity

Total rewards that enable an inclusive culture and diverse workforce

8. Wellbeing

Holistic *physical, financial, social and emotional health*

9. Talent experience

Emphasis on *workplace differentials* that enhance the environment and Talent Value Proposition

10. Good governance

Being *agile and nimble* to adapt to changing, fast-moving business strategies

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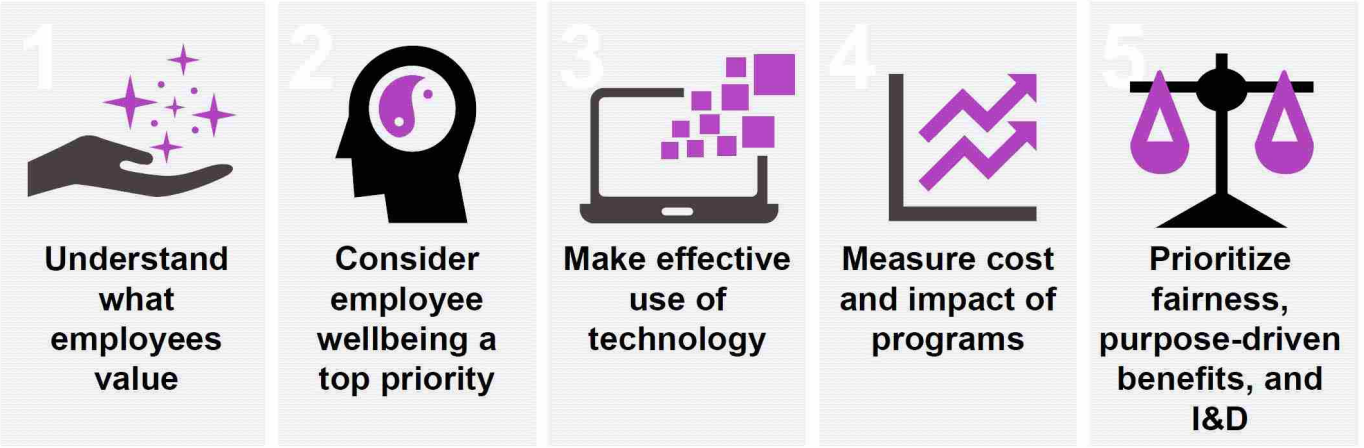
Modernizing Total Rewards

Our findings identify five areas critical to meeting employees' Total Rewards expectations and delivering a consumer-grade experience



Source: 2018 Willis Towers Watson Modernizing Total Rewards Survey

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Modernizing Total Rewards

Top attraction drivers – Energy & Utilities

What are the top five reasons a prospective employee would be attracted to your organization?

Rank	[redacted]
1	
2	
3	
4	
5	
6	
7	

Source: 2018 Willis Towers Watson Modernizing Total Rewards Survey, Energy & Utilities

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Modernizing Total Rewards

Top retention drivers – Energy & Utilities

What are the top five reasons an employee would leave your organization?

Rank	[redacted]
1	
2	
3	
4	
5	
6	
7	

Source: 2018 Willis Towers Watson Modernizing Total Rewards Survey, Energy & Utilities

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Appendix

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Appendix

CEO Competitive Market Pricing Utility Peer Group

[redacted]

JEA	Public Power	$1,790	3,330	Diversified	X	X	X
Percentile Rank		60%	45%				

[redacted]

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Appendix

Incentive Plan Review Methodology

- The competitive market review of short and long-term incentive plan design practices covered the following:
  - Utility and General Industry market best practices were considered
  - Peer group reflecting a mix of Public Power Utilities and comparably-sized IOUs was developed for the LTI plan design review
- Sources:
  - WTW's *2018 General Industry and Energy Services Executive Compensation Survey Report*
  - WTW's *2018 General Industry and Energy Services MMPS Compensation Survey Report*
  - WTW's *2018 Long-Term Incentives Policies and Practices Survey Report – General and Utility Industries data cuts*
  - WTW's *2018 Global Executive Incentive Design Survey*
  - Consulting experience with broad-based and executive compensation practices in both the Utility and General Industries

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Appendix

LTI Plan Design Review Utility Peer Group

IOUs (13 Companies)

- ALLETE
- Alliant Energy
- Avista
- Black Hills
- El Paso Electric
- Hawaiian Electric Industries
- NorthWestern Energy
- OGE Energy
- Otter Tail
- Pinnacle West Capital
- PNM Resources
- Portland General Electric
- Vectren

Public Power Utilities

- *Six public power utility clients*
- *Anecdotal consulting experience*

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