Status Quo Baseline – SLT assumptions final discussion

Energy Sales

Updated since previous SLT
(previous version)

		Key metric	2019	2025	2030	Source / rationale
1 Customer growth		Population (thousands)	969	1,050	1,115	Moody's Duval county forecast
		GDP (Duval, Total, (Mil. Ch. 2009 USD))	55,930	70,030	80,635	Moody's Duval county forecast
		Median household income	57,204	76,609	93,258	Moody's Duval county forecast
2 Energy efficiency		Residential efficiency (kWh/customer)	12.5	11.5	11.3	Appliance-level adoption assumptions
		Commercial efficiency (kWh/customer)	77.5	69.6	68.8	Appliance-level adoption assumptions
		Industrial per-capita consumption (kWh/customer)		Constant		JEA customer forecast
3 Distributed generation (DG) (solar)	Cost	Residential solar cost ($/W)	$2.65	$1.41	$1.17	2018 solar cost forecast model
		Residential storage cost ($/W/system)	$0.42	$0.23	$0.19	2018 storage cost forecast model
		C&I solar cost ($/W)	$1.58	$1.12	$0.91	GTM solar cost projection
	Value	Retail electricity price (R) ($/kWh)	0.103	**0.110** *(.108)*	**0.126** *(.118)*	Baseline (current projection) assumptions
		Incentives in place	ITC through 2022, battery rebate through 2030			Current regulation
		Residential storage backup value ($/year)	$200	$200	$200	Internal estimate based on sales trends
		Self-consumption (w/o battery)[1]	65%	65%	65%	Solar output and household consumption curves
		Retail electricity price (C&I) - weighted solar ($/kWh)	**$0.07** *(new)*	**$0.08** *(new)*	**$0.09** *(new)*	Baseline (current projection) assumptions
	Adop-tion	Developer hurdle (% IRR)	9%	9%	9%	Appetite for commercial offtaker risk & new market
		Pre-parity adoption (residential, C&I)	0.10%	0.10%	0.10%	In line with historic pre-parity adoption trends
		Post-parity adoption (C&I developer economics)	**1.25%** *(new)*	**1.25%** *(new)*	**1.25%** *(new)*	High end of historic post-parity adoption trends
		Post-parity adoption (Resi customer economics)	1.00%	1.00%	1.00%	High end of historic post-parity adoption trends
		Post-parity adoption (Resi **developer** economics)	**1.50%** *(new)*	**1.50%** *(new)*	**1.50%** *(new)*	High end of historic post-parity adoption trends
4 DG (non-solar)		Annual adoption (kW)	475	475	475	Consistent with national trends over past decade
		Economically viable for broad customer base		No		Consistent with national trends
5 Electric vehicles (EV)		Consumption per BEV (weighted, MWh)	3,850	3,208	2,750	Current efficiencies and estimate of improvements
		EVs in fleet (#)	1,968	12,635	30,751	2018 EV growth forecast model
		EV penetration (%)	0.30%	1.60%	3.60%	2018 EV growth forecast model, current JEA fleet

1 Assumes battery part of most installations by mid-2020s