

JEA BOARD MEETING AGENDA

February 26, 2019 • 9:00 a.m.

21 W. Church Street, 19th Floor



I. WELCOME	
A.	Call to Order
B.	Time of Reflection
C.	Pledge to Flag
D.	Adoption of the Agenda – Action
E.	Safety Briefing – Aaron Zahn, Managing Director/CEO
F.	Sunshine Law/Public Records Statement – Jody Brooks, Vice President & Chief Legal Officer

II. COMMENTS / PRESENTATIONS		
Item(s)		Speaker/Title
A.	Comments from the Public	Public
B.	Council Liaison's Comments	Council Member Matt Schellenberg

III. OPERATIONS (DISCUSSION / ACTION)			
Definition: The "Operations" section of the Board Meeting is for business matters requiring Board discussion and action.			
Item(s)		Speaker/Title	Discussion Action/Information
A.	Consent Agenda – The Consent Agenda consists of agenda items that require Board approval but are routine in nature, or have been discussed in previous public meetings of the Board. The Consent Agenda items require no explanation, discussion or presentation, and are approved by one motion and vote.		
	Consent Agenda Reference Material (Provided in Appendices)		
	Appendix A:	Board Meeting Minutes January 22, 2019	Action
	Appendix B:	Monthly Financial Statements	Information
	Appendix C:	Monthly Financial and Operations Detail	Information
	Appendix D:	Monthly FY18 Communications & Engagement Calendar and Plan Update	Information
B.	Monthly Financial and Operations Dashboard		Melissa Dykes, Pres./COO Information

IV. STRATEGY (DISCUSSION ONLY)		
Definition: The "Strategy" section of the Board Meeting is <u>only</u> for discussion & feedback to management on strategic initiatives of and for JEA.		
Item(s)		Speaker/Title
A.	Septic Tank Phase Out (STPO) Thought Leader	Melissa Dykes, President/COO
B.	OHI Survey Update	Angie Hiers, VP & Chief Human Resource Officer

V. SUBJECT MATTER EXPLORATION (OPPORTUNITIES & RISKS – PRESENTATION)		
Definition: The “Subject Matter Exploration” section of the Board Meeting will be used to brief the Board Members on market, environment, business or other generally important matters. Staff and/or 3 rd party experts will provide presentations on a specific subject and the Board will be afforded an opportunity for Q&A at the end.		
Item(s)		Speaker/Title
A.	WateRevolution	Jane Madden, CDM Smith Deryle Calhoun Jr., VP Water Wastewater Systems / Paul Steinbrecher, VP & Chief Environmental Services Officer

VI. COMMITTEE REPORTS			
Item(s)		Speaker/Title	Discussion Action/Information
A.	N/A		

VII. OTHER BUSINESS		
Item(s)		Speaker/Title
A.	Old Business	
B.	Other New Business	
C.	Open Discussion	
D.	Managing Director/CEO’s Report	Aaron Zahn, Managing Director/CEO
E.	Chair’s Report [Rating Agency]	Alan Howard, Board Chair

VIII. CLOSING CONSIDERATIONS		
Item(s)		
A.	Announcements – Next Board Meeting March 26, 2019	
B.	Adjournment	

Board Calendar

Board Meetings: 9:00 a.m. – Fourth Tuesday of Every Month (exception(s): November 19, 2019 and December 17, 2019)

Committees: Finance & Audit Committee: March 18, 2019

Compensation Committee: April 16, 2019

Government Affairs Committee:

Florida's Government in the Sunshine Law Office of General Counsel

This meeting is being held in compliance with Florida's Government in the Sunshine Law, §286.011, Florida Statutes, and shall be open to the public at all times. Official acts of the JEA Board may be conducted at this meeting that will be considered binding on the JEA. Reasonable notice has been provided and minutes of this meeting shall be taken and promptly recorded.

**JEA BOARD
MINUTES
January 22, 2019**

The JEA Board met in regular session on Tuesday, January 22, 2019, on the 19th Floor, 21 W. Church Street, Jacksonville, Florida. Present were Alan Howard, Frederick Newbill, Kelly Flanagan, April Green and Camille Johnson. John Campion was absent and excused.

Agenda Item I – Welcome

- A.** The meeting was **called to order** at 12:01 PM by Chair Howard.
- B.** A **Moment of Reflection** was observed by all.
- C.** The **Pledge of Allegiance** was led by Chair Howard.
- D.** **Adoption of Agenda** – The agenda was approved on **motion** by Ms. Johnson and second by Secretary Newbill.
- E.** The **Safety Briefing** was given by Aaron Zahn, Managing Director/Chief Executive Officer.
- F.** **Sunshine Law/Public Records Statement** – Jody Brooks, Office of General Counsel (OGC), stated this Board Meeting is being held in compliance with Florida's Government in the Sunshine Law, §286.011. The complete statement can be found in section I. F. of the Board package.

Agenda Item II – Presentations and Comments

- A.** **Comments from the Public** - none
- B.** **Council Liaison's Comments** – Council Member Schellenberg stated Aaron Zahn and Ryan Wannemacher met with him and had a great discussion, looking forward to more in the future.

Agenda Item III – Operations (Discussion / Action)

- A.** **Consent Agenda** – used for items that require no explanation, discussion or presentation and are approved by one motion and vote. On **motion** by Ms. Green and second by Secretary Newbill, Appendix A and D were unanimously approved and Appendix B, C, E and F were received for information.

Appendix A: Board Meeting Minutes, December 11, 2018 – approved

Appendix B: Monthly Financial Statements – received for information

Appendix C: Monthly FY19 Communications & Engagement Calendar and Plan Update – received for information

Appendix D: Guiding Principles – approved

Appendix E: Sole Source & Emergency Procurement/Procurement Appeals Board Report – received for information

Appendix F: Protection of JEA Infrastructure from Third Party Damage – received for information

B. Dashboard – Melissa Dykes, President & Chief Operating Officer presented the financial results and focused on the highlights from the report, those being:

- JEA achieved 1st quartile ranking in the JD Power Customer Satisfaction Index for business and residential customers for the first quarter of 2019.
- Grid performance for the electric and water systems have been outstanding over the last month.
- Referring back to the consent agenda, Appendix F is in response to Board Member questions related to damage to JEA infrastructure by 3rd party vendors and Ms. Dykes will take any questions from Board Members on the report.
- Generation Fleet Reliability is listed in the area of Financial Values as it allows us to optimize fuel spend. Currently, JEA is not on track due to Northside Unit 2 not operating at full capacity and issues are being worked.
- Under Community Impact Value, safety has improved year over year, but lagging behind the 1.2 target set for the year.
- Environmental Impact has been mostly good as nitrogen discharge performance is good; the number of sanitary sewer overflows (SSOs) are higher than desired, but total volume is down almost 90% over last year.
- After some initial concern, it now seems that mild winter weather has helped the electric fuel fund to remain at a level sufficient enough to negate a need for a rate increase.

This item was received for information by the Board.

C. Corporate Headquarter – Campus Update – Nancy Kilgo, Director Government Affairs, Chair Howard advised this is for information purposes only and advised the Board to refrain from questions or discussions at this point. The Chair also discussed the procedures for the February 5th Special Board Meeting and advised that the shortlist would be provided today and JEA would ask the candidates to provide documentation that could be shared publicly, which is out of the ordinary procurement process. Chair Howard also advised there would be a time of public comment at the beginning of the February 5th Special Board Meeting. Ms. Kilgo advised that JEA evaluated proposals from six bidders seeking the opportunity to develop JEA's new downtown campus. Ms. Kilgo also advised that, after evaluation by staff, including input from JEA subject matter experts, three bidders have been chosen to continue the procurement process and provided the short list of bidders and locations, which are:

- Jacksonville 1-C Parcel One Holding Company – Lot J, Bay Street
- Kings Avenue Station P3, LLC – Kings Avenue Station
- Ryan Companies US, Inc. – 325 West Adams Street

Ms. Kilgo advised of the process going forward in anticipation of the February 5th meeting. This item was received for information by the Board.

D. JEA's Procurement and Jacksonville Small and Emerging Business (JSEB)

Programs Report – John McCarthy, VP & Chief Supply Chain Officer, thanked the JEA team for the excellent results he reports today. Mr. McCarthy reported that JEA exceeded its total procurement savings goal with a savings of \$10.5 million vs. a goal of \$7.5 million and advised of total cost savings and total sourcing savings results. Mr. McCarthy report JSEB spend of \$15.8 million vs. a goal of \$13.0 million and advised

that JEA will be looking to our successful JSEB companies to support and help facilitate opportunities for other aspiring new and smaller JSEBS. JEA needs to bring in new JSEB companies in order to continue to see the JSEB spend trend upward. Mr. McCarthy advised of targeted outreach to enhance the pool of potential JSEB bidders for FY19 opportunities. This item was received for information by the Board.

Agenda Item IV – Strategy (Discussion Only)

- A. Strategic Planning** – Aaron Zahn, Managing Director & CEO, introduced Anton Derkach from McKinsey & Company and gave an overview of the purpose and groundwork for the strategic planning for JEA. Mr. Derkach advised that changes in technology, public policy, customer preferences and capital markets are bringing significant impact to the entire utility industry and to JEA. Mr. Derkach advised that JEA will be compelled to make internal changes and he presented the 7 core principles to create an effective strategic plan. He provided the five-phase plan and indicated the proposed dates and JEA's current status. The phases of JEA's strategic plan are:

- Stabilize JEA, develop framework and guiding principles (completed)
- Establish current state of “baseline”, develop aspirational goals
- Develop portfolio of initiatives to meet targets
- Finalize executable plan with near term actions and long term options
- Align JEA, stakeholders and Charter with long term plan

Mr. Derkach advised an economic baseline is not sufficient, but JEA must also have a baseline on organizational health and that organizational health must be managed with the same rigor as performance. He described McKinsey's proprietary survey, the extent it has been used internationally and advised the Board there is currently over 70% participation in the survey. The results of the survey will allow JEA staff to provide a complete report as to the health of the company on a regular basis to the Board. This item was received for information by the Board.

Agenda Item V – Subject Matter Exploration (Opportunities & Risks – Presentation)

- A. Demand Pricing Pilot Update – The Future Platform** – Ryan Wannemacher, CFO and Kerri Stewart, VP & Chief Customer Officer, presented that the JEA Demand Pricing initiative is the services pricing platform that will align JEA with the new and emerging energy technologies and customer preference of the future. Mr. Wannemacher advised that existing electric pricing platforms throughout the industry recover the fixed costs associated with the capital-intensive electric service infrastructure via a variable, consumption-based charge, which is neither optimal nor equitable because it does not adequately allocate costs to the cost causers. He further advised that recovering infrastructure-related costs through a demand charge allows higher costs be levied on customers that place a higher demand on the infrastructure. Ms. Stewart provided examples of demand pricing including Starbucks, Ticketmaster, miles on Delta or Florida resident discount passes at Disney; however, JD Power has found when rates are forced on customer, satisfaction can be impacted, but with proactive communication and customer control this can become a positive. Mr. Wannemacher reviewed the demand pricing model and the historical importance of using demand now vs. the consumption model of the past and presented key learnings from the demand rate pilot program. Ms. Stewart went over next steps and invited Board Members to participate in the program to gain feedback on rate and the new technology.

Mr. Wannemacher presented the program timeline, the opt-out and other future initiatives. The Board held discussions with staff regarding this program. This item was received for information by the Board.

Agenda Item VI – Committee Reports

- A. **Compensation Committee** – Ms. Johnson, Interim Chair provided the report for the Compensation Committee meeting and provided an introduction for the JEA Total Compensation Philosophy and its importance to the organization.
 1. **Approval of Minutes** – May 14, 2018 – received for information
 2. **JEA Total Compensation Philosophy (TCP)** – Aaron Zahn, Managing Director/CEO, presented the goal of the Total Compensation Philosophy is to align results with JEA corporate values: Customer Value, Financial Value, Community Impact Value and Environmental Value. Mr. Zahn advised that the Guiding Principles and the Corporate Values will be used to drive behaviors and create metrics for each person in the organization. He further advised that every person's performance is now tied to the dashboard, therefore, review of the dashboard is a review of the performance of every employee. The TCP will seek to elevate the entire team, ensuring the compensation philosophy is aligned with JEA's Guiding Principles, encouraging long-term culture of value creation, establishing a formal compensation policy to align behavior to the four corporate measures of value and market-based compensation and to ensuring policy promotes collaboration to drive vision and mission. Mr. Zahn provided a definition for total compensation and a re-evaluation of the Board policy to incentivize values and advised that the compensation would still be in the 50th percentile, but will include short term and long term incentives to attract and retain talent. Upon **motion** by Interim Committee Chair Johnson and second by Ms. Flanagan, the Board held discussions around the philosophy and voted unanimously to adopt the revised Board Policy Manual, policy 2.7 as included in the materials.
 3. **5-to-5 Innovation Program** – Melissa Dykes, President & Chief Operating Officer, presented the 5-to-5 Innovation Incentive Program, which is designed to empower employees to make ideas a reality, to incentivize behavior around ideas and to align ideas with JEA's corporate measures. Ms. Dykes described the program and advised the Board on the process and the incentives, which range from \$500 to \$5,000 for implemented ideas, based on scope, cost savings, and/or revenue generation.
 4. **Executive Contract** – Ms. Johnson, Interim Chair advised the Board of Aaron Zahn's contract, which is due to expire, and a red-line extension contract with substantially the same language to be put into place until such time as the new compensation structure is in place. The Board Members held discussions regarding the contract with the CEO executive search firm and deferring Mr. Zahn's contract. Chair Howard advised the Board that, based on a conversation with the firm, they are holding their contract open pending finalization of Mr. Zahn's contract. Upon **motion** by Interim Committee Chair Johnson and second by Ms. Green, the Board voted unanimously to extend Mr. Zahn's present contract to July 31, 2019. ***At this time, Committee Chair Johnson also presented a motion on the Total Compensation Philosophy, which will be documented at the original location within the agenda.***

5. Next Meeting- Schedule As Appropriate

Agenda Item VII – Other Business

A. Old Business – N/A

B. Other New Business – N/A

C. Open Discussion –

- 1) Ms. Brooks advised Chair Howard has upcoming travel for the ratings agency, which requires Board approval. Upon **motion** by Secretary Newbill and second by Ms. Green, the Board unanimously approved Chair Howard's upcoming travel.

D. Managing Director/CEO's Report – Aaron Zahn, Managing Director/CEO

Mr. Zahn advised that JEA had an untimely loss of an employee and, while it was not in the course of JEA business, it is a loss to the JEA family and a moment of silence was requested and observed.

E. Chair's Report – Chair Howard advised that we are saddened to receive Vice Chair Cumber's resignation, as his wife is running unopposed for City Council and he wishes to eliminate any perceived conflict of interest. Chair Howard further reported that Mr. Campion's health is improving and he could return soon. Ms. Stewart was asked to summarize JEA programs which can assist customers in times of need, especially given the federal shutdown. Chair Howard thanked JEA for its sponsorship of "Free Day at the Cumber" and advised that over 1,000 people had participated. He further advised the Board that, after a quick survey, it has been noted that the Board Members would prefer earlier Board times and announced future regular Board meetings would occur from 9:00-12:00. The Chair turned the mic over to Melissa Dykes to introduce Caren Anders, VP/General Manager, Energy, who gave her background and indicated it is honor to work with the team. Mr. Zahn advised of the new addition of Julio Romero Agüero, new Chief of Innovation and Transformation, who will begin on February 4th.

Agenda Item VIII – Closing Considerations

A. Announcements – Special Board Meeting – February 5, 2019

Regular Board Meeting – February 26, 2019

B. Adjournment

With no further business claiming the attention of the Board, Chair Howard adjourned the meeting at 1:41 PM.

APPROVED BY:

SECRETARY

DATE: _____

Board Meeting recorded by:

Cheryl W. Mock, Executive Assistant



Monthly Financial Statements

January 2019

Monthly Financial Statements

January 2019

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JEA**Page 2****Statements of Net Position****(in thousands - unaudited) January 2019 and 2018**

	2019	2018
Assets		
Current assets:		
Cash and cash equivalents	\$ 281,411	\$ 255,040
Investments	211,712	214,331
Customer accounts receivable, net of allowance (\$1,799 in 2019 and \$1,856 in 2018)	189,596	215,909
Miscellaneous accounts receivable	18,578	29,421
Interest receivable	4,432	3,082
Inventories:		
Fuel - Electric System	42,089	52,400
Fuel - Plant Scherer	4,846	4,786
Materials and supplies - Water and Sewer	56,823	52,270
Materials and supplies - Electric System	463	23,970
Materials and supplies - Plant Scherer	2,271	2,212
Total current assets	812,221	853,421
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	128,769	82,733
Investments	539,026	679,695
Accounts and interest receivable	27	230
Total restricted assets	667,822	762,658
Costs to be recovered from future revenues	798,783	799,644
Investment in The Energy Authority	7,129	6,412
Other assets	15,245	23,224
Total noncurrent assets	1,488,979	1,591,938
Capital assets:		
Land and easements	194,552	195,013
Plant in service	11,477,130	11,187,090
Less accumulated depreciation	(6,631,559)	(6,301,233)
Plant in service, net	5,040,123	5,080,870
Construction work in progress	342,355	241,850
Net capital assets	5,382,478	5,322,720
Total assets	7,683,678	7,768,079
Deferred outflows of resources		
Unrealized pension contributions and losses	171,367	177,704
Unamortized deferred losses on refundings	140,085	151,339
Accumulated decrease in fair value of hedging derivatives	100,882	120,543
Unrealized asset retirement obligation	25,614	52,922
Unrealized OPEB contributions and losses	4,078	5,240
Total deferred outflows of resources	442,026	507,748
Total assets and deferred outflows of resources	\$ 8,125,704	\$ 8,275,827

JEA**Page 3****Statements of Net Position****(in thousands - unaudited) January 2019 and 2018**

	2019	2018
Liabilities		
Current liabilities:		
Accounts and accrued expenses payable	\$ 108,083	\$ 104,246
Customer deposits	59,706	58,387
City of Jacksonville payable	9,811	9,728
Utility taxes and fees payable	7,394	8,468
Compensated absences due within one year	2,659	1,425
Total current liabilities	187,653	182,254
Current liabilities payable from restricted assets:		
Debt due within one year	192,555	185,790
Renewal and replacement reserve	53,823	96,031
Interest payable	46,997	41,553
Construction contracts and accounts payable	16,795	13,017
Total current liabilities payable from restricted assets	310,170	336,391
Noncurrent liabilities:		
Net pension liability	544,203	557,665
Asset retirement obligation	9,632	38,597
Compensated absences due after one year	26,814	27,994
Net OPEB liability	19,160	39,848
Environmental liabilities	16,818	17,647
Other liabilities	2,574	3,687
Total noncurrent liabilities	619,201	685,438
Long-term debt:		
Debt payable, less current portion	3,623,125	3,813,680
Unamortized premium, net	144,655	172,286
Fair value of debt management strategy instruments	100,883	120,543
Total long-term debt	3,868,663	4,106,509
Total liabilities	4,985,687	5,310,592
Deferred inflows of resources		
Revenues to be used for future costs	265,409	269,365
Unrealized pension gains	50,124	12,955
Unrealized OPEB gains	8,712	659
Accumulated increase in fair value of hedging derivatives	1,751	8,676
Total deferred inflows of resources	325,996	291,655
Net position		
Net investment in capital assets	2,043,460	1,841,333
Restricted for:		
Debt service	65,640	63,440
Other purposes	360,020	385,143
Unrestricted	344,901	383,664
Total net position	2,814,021	2,673,580
Total liabilities, deferred inflows of resources, and net position	\$ 8,125,704	\$ 8,275,827

JEA
Combining Statement of Net Position
(in thousands - unaudited) January 2019

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	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Assets							
Current assets:							
Cash and cash equivalents	\$ 137,986	\$ 60,762	\$ -	\$ 198,748	78,496	\$ 4,167	\$ 281,411
Investments	204,808	6,904	-	211,712	-	-	211,712
Customer accounts receivable, net of allowance (\$1,799)	142,086	-	-	142,086	47,179	331	189,596
Miscellaneous accounts receivable	17,404	684	(2,651)	15,437	3,141	-	18,578
Interest receivable	2,706	4	-	2,710	1,722	-	4,432
Inventories:							
Fuel inventory - Electric System	42,089	-	-	42,089	-	-	42,089
Fuel inventory - Plant Scherer	4,846	-	-	4,846	-	-	4,846
Materials and supplies - Water and Sewer	-	-	-	-	56,823	-	56,823
Materials and supplies - Electric System	-	463	-	463	-	-	463
Materials and supplies - Plant Scherer	2,271	-	-	2,271	-	-	2,271
Total current assets	554,196	68,817	(2,651)	620,362	187,361	4,498	812,221
Noncurrent assets:							
Restricted assets:							
Cash and cash equivalents	203	86,638	-	86,841	39,982	1,946	128,769
Investments	279,616	10,857	-	290,473	248,553	-	539,026
Accounts and interest receivable	7	12	-	19	8	-	27
Total restricted assets	279,826	97,507	-	377,333	288,543	1,946	667,822
Costs to be recovered from future revenues	300,112	256,544	-	556,656	242,100	27	798,783
Investment in The Energy Authority	7,129	-	-	7,129	-	-	7,129
Other assets	11,419	-	-	11,419	3,814	12	15,245
Total noncurrent assets	598,486	354,051	-	952,537	534,457	1,985	1,488,979
Capital assets:							
Land and easements	123,626	6,660	-	130,286	61,215	3,051	194,552
Plant in service	5,564,625	1,316,043	-	6,880,668	4,540,086	56,376	11,477,130
Less accumulated depreciation	(3,138,743)	(1,312,696)	-	(4,451,439)	(2,153,753)	(26,367)	(6,631,559)
Plant in service, net	2,549,508	10,007	-	2,559,515	2,447,548	33,060	5,040,123
Construction work in progress	116,377	-	-	116,377	224,717	1,261	342,355
Net capital assets	2,665,885	10,007	-	2,675,892	2,672,265	34,321	5,382,478
Total assets	3,818,567	432,875	(2,651)	4,248,791	3,394,083	40,804	7,683,678
Deferred outflows of resources							
Unrealized pension contributions and losses	83,649	34,238	-	117,887	53,480	-	171,367
Unamortized deferred losses on refundings	82,526	4,114	-	86,640	53,255	190	140,085
Accumulated decrease in fair value of hedging derivatives	81,234	-	-	81,234	19,648	-	100,882
Unrealized asset retirement obligation	-	25,614	-	25,614	-	-	25,614
Unrealized OPEB contributions and losses	2,488	-	-	2,488	1,590	-	4,078
Total deferred outflows of resources	249,897	63,966	-	313,863	127,973	190	442,026
Total assets and deferred outflows of resources	\$ 4,068,464	\$ 496,841	\$ (2,651)	\$ 4,562,654	\$ 3,522,056	\$ 40,994	\$ 8,125,704

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Combining Statement of Net Position
(in thousands - unaudited) January 2019

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Liabilities							
Current liabilities:							
Accounts and accrued expenses payable	\$ 79,005	\$ 16,956	\$ (545)	\$ 95,416	\$ 12,623	\$ 44	\$ 108,083
Customer deposits	43,957	-	-	43,957	15,749	-	59,706
City of Jacksonville payable	7,746	-	-	7,746	2,065	-	9,811
Utility taxes and fees payable	7,394	-	-	7,394	-	-	7,394
Compensated absences due within one year	1,622	-	-	1,622	1,014	23	2,659
Total current liabilities	139,724	16,956	(545)	156,135	31,451	67	187,653
Current liabilities payable from restricted assets:							
Debt due within one year	122,380	13,780	-	136,160	54,705	1,690	192,555
Renewal and replacement reserve	-	53,823	-	53,823	-	-	53,823
Interest payable	23,568	3,709	-	27,277	19,277	443	46,997
Construction contracts and accounts payable	4,316	2,681	(2,106)	4,891	11,836	68	16,795
Total current liabilities payable from restricted assets	150,264	73,993	(2,106)	222,151	85,818	2,201	310,170
Noncurrent liabilities:							
Net pension liability	321,885	16,523	-	338,408	205,795	-	544,203
Asset retirement obligation	-	9,632	-	9,632	-	-	9,632
Compensated absences due after one year	19,110	-	-	19,110	7,685	19	26,814
Net OPEB liability	11,681	-	-	11,681	7,479	-	19,160
Environmental liabilities	16,818	-	-	16,818	-	-	16,818
Other liabilities	2,350	-	-	2,350	224	-	2,574
Total noncurrent liabilities	371,844	26,155	-	397,999	221,183	19	619,201
Long-term debt:							
Debt payable, less current portion	1,896,970	265,105	-	2,162,075	1,427,915	33,135	3,623,125
Unamortized premium (discount), net	72,429	2,127	-	74,556	70,131	(32)	144,655
Fair value of debt management strategy instruments	81,235	-	-	81,235	19,648	-	100,883
Total long-term debt	2,050,634	267,232	-	2,317,866	1,517,694	33,103	3,868,663
Total liabilities	2,712,466	384,336	(2,651)	3,094,151	1,856,146	35,390	4,985,687
Deferred inflows of resources							
Revenues to be used for future costs	225,105	10,624	-	235,729	29,680	-	265,409
Unrealized pension gains	26,250	7,091	-	33,341	16,783	-	50,124
Unrealized OPEB gains	5,314	-	-	5,314	3,398	-	8,712
Accumulated increase in fair value of hedging derivatives	1,751	-	-	1,751	-	-	1,751
Total deferred inflows of resources	258,420	17,715	-	276,135	49,861	-	325,996
Net position							
Net investment in capital assets	689,287	(1,581)	-	687,706	1,356,104	(350)	2,043,460
Restricted for:							
Debt service	40,229	4,716	-	44,945	20,132	563	65,640
Other purposes	150,596	23,811	2,106	176,513	182,567	940	360,020
Unrestricted	217,466	67,844	(2,106)	283,204	57,246	4,451	344,901
Total net position	1,097,578	94,790	-	1,192,368	1,616,049	5,604	2,814,021
Total liabilities, deferred inflows of resources, and net position	\$ 4,068,464	\$ 496,841	\$ (2,651)	\$ 4,562,654	\$ 3,522,056	\$ 40,994	\$ 8,125,704

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Combining Statement of Net Position
(in thousands - unaudited) January 2018

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	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Assets							
Current assets:							
Cash and cash equivalents	\$ 148,043	\$ 12,599	\$ -	\$ 160,642	\$ 90,333	\$ 4,065	\$ 255,040
Investments	200,015	251	-	200,266	14,065	-	214,331
Customer accounts receivable, net of allowance (\$1,856)	168,942	-	-	168,942	46,421	546	215,909
Miscellaneous accounts receivable	15,457	15,349	(3,500)	27,306	2,115	-	29,421
Interest receivable	1,649	1	-	1,650	1,432	-	3,082
Inventories:							
Fuel inventory - Electric System	27,322	25,078	-	52,400	-	-	52,400
Fuel inventory - Plant Scherer	4,786	-	-	4,786	-	-	4,786
Materials and supplies - Water and Sewer	-	-	-	-	52,270	-	52,270
Materials and supplies - Electric System	-	23,970	-	23,970	-	-	23,970
Materials and supplies - Plant Scherer	2,212	-	-	2,212	-	-	2,212
Total current assets	568,426	77,248	(3,500)	642,174	206,636	4,611	853,421
Noncurrent assets:							
Restricted assets:							
Cash and cash equivalents	383	79,968	-	80,351	494	1,888	82,733
Investments	333,184	62,574	-	395,758	283,937	-	679,695
Accounts and interest receivable	21	197	-	218	12	-	230
Total restricted assets	333,588	142,739	-	476,327	284,443	1,888	762,658
Costs to be recovered from future revenues	290,598	270,188	-	560,786	238,831	27	799,644
Investment in The Energy Authority	6,412	-	-	6,412	-	-	6,412
Other assets	17,499	-	-	17,499	5,714	11	23,224
Total noncurrent assets	648,097	412,927	-	1,061,024	528,988	1,926	1,591,938
Capital assets:							
Land and easements	123,656	6,660	-	130,316	61,646	3,051	195,013
Plant in service	5,411,291	1,315,200	-	6,726,491	4,404,802	55,797	11,187,090
Less accumulated depreciation	(2,935,502)	(1,311,306)	-	(4,246,808)	(2,029,536)	(24,889)	(6,301,233)
Plant in service, net	2,599,445	10,554	-	2,609,999	2,436,912	33,959	5,080,870
Construction work in progress	77,159	-	-	77,159	163,202	1,489	241,850
Capital assets, net	2,676,604	10,554	-	2,687,158	2,600,114	35,448	5,322,720
Total assets	3,893,127	500,729	(3,500)	4,390,356	3,335,738	41,985	7,768,079
Deferred outflows of resources							
Unrealized pension contributions and losses	95,814	20,631	-	116,445	61,259	-	177,704
Unamortized deferred losses on refundings	90,737	4,326	-	95,063	56,075	201	151,339
Accumulated decrease in fair value of hedging derivatives	97,064	-	-	97,064	23,479	-	120,543
Unrealized asset retirement obligation	-	52,922	-	52,922	-	-	52,922
Unrealized OPEB contributions and losses	3,197	-	-	3,197	2,043	-	5,240
Total deferred outflows of resources	286,812	77,879	-	364,691	142,856	201	507,748
Total assets and deferred outflows of resources	\$ 4,179,939	\$ 578,608	\$ (3,500)	\$ 4,755,047	\$ 3,478,594	\$ 42,186	\$ 8,275,827

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Combining Statement of Net Position
(in thousands - unaudited) January 2018

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Liabilities							
Current liabilities:							
Accounts and accrued expenses payable	\$ 74,523	\$ 21,260	\$ (2,890)	\$ 92,893	\$ 11,296	\$ 57	\$ 104,246
Customer deposits	43,233	-	-	43,233	15,154	-	58,387
City of Jacksonville payable	7,623	-	-	7,623	2,105	-	9,728
Utility taxes and fees payable	8,468	-	-	8,468	-	-	8,468
Compensated absences due within one year	1,115	2	-	1,117	304	4	1,425
Total current liabilities	134,962	21,262	(2,890)	153,334	28,859	61	182,254
Current liabilities payable from restricted assets:							
Debt due within one year	130,690	1,720	-	132,410	51,720	1,660	185,790
Renewal and replacement reserve	-	96,031	-	96,031	-	-	96,031
Interest payable	21,737	3,736	-	25,473	15,627	453	41,553
Construction contracts and accounts payable	3,978	899	(610)	4,267	8,750	-	13,017
Total current liabilities payable from restricted assets	156,405	102,386	(610)	258,181	76,097	2,113	336,391
Noncurrent liabilities:							
Net pension liability	330,025	16,640	-	346,665	211,000	-	557,665
Asset retirement obligation	-	38,597	-	38,597	-	-	38,597
Compensated absences due after one year	19,760	-	-	19,760	8,175	59	27,994
Net OPEB liability	24,311	-	-	24,311	15,537	-	39,848
Environmental liabilities	17,647	-	-	17,647	-	-	17,647
Other liabilities	2,567	-	-	2,567	1,120	-	3,687
Total noncurrent liabilities	394,310	55,237	-	449,547	235,832	59	685,438
Long-term debt:							
Debt payable, less current portion	2,019,350	278,885	-	2,298,235	1,480,620	34,825	3,813,680
Unamortized premium (discount), net	87,661	3,168	-	90,829	81,494	(37)	172,286
Fair value of debt management strategy instruments	97,064	-	-	97,064	23,479	-	120,543
Total long-term debt	2,204,075	282,053	-	2,486,128	1,585,593	34,788	4,106,509
Total liabilities	2,889,752	460,938	(3,500)	3,347,190	1,926,381	37,021	5,310,592
Deferred inflows of resources							
Revenues to be used for future costs	245,893	-	-	245,893	23,472	-	269,365
Unrealized pension gains	4,867	4,976	-	9,843	3,112	-	12,955
Unrealized OPEB gains	402	-	-	402	257	-	659
Accumulated increase in fair value of hedging derivatives	8,676	-	-	8,676	-	-	8,676
Total deferred inflows of resources	259,838	4,976	-	264,814	26,841	-	291,655
Net position							
Net investment in capital assets	564,758	10,627	-	575,385	1,266,747	(799)	1,841,333
Restricted for:							
Debt service	42,896	667	-	43,563	19,324	553	63,440
Other purposes	203,522	31,089	610	235,221	149,040	882	385,143
Unrestricted	219,173	70,311	(610)	288,874	90,261	4,529	383,664
Total net position	1,030,349	112,694	-	1,143,043	1,525,372	5,165	2,673,580
Total liabilities, deferred inflows of resources, and net position	\$ 4,179,939	\$ 578,608	\$ (3,500)	\$ 4,755,047	\$ 3,478,594	\$ 42,186	\$ 8,275,827

JEA
Schedule of Cash and Investments
(in thousands - unaudited) January 2019

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	Electric System and Bulk Power Supply	SJRPP System	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Unrestricted cash and investments						
Operations	\$ 83,219	\$ 48,551	\$ 131,770	\$ 33,067	\$ 1,430	\$ 166,267
Rate stabilization:						
Fuel	52,690	-	52,690	-	-	52,690
Debt management	29,884	-	29,884	14,209	2,737	46,830
Environmental	43,487	-	43,487	15,471	-	58,958
Purchased Power	49,552	-	49,552	-	-	49,552
DSM/Conservation	4,188	-	4,188	-	-	4,188
Total rate stabilization funds	179,801	-	179,801	29,680	2,737	212,218
Customer deposits	43,920	-	43,920	15,749	-	59,669
General reserve	-	19,115	19,115	-	-	19,115
Self insurance reserve funds:						
Self funded health plan	9,036	-	9,036	-	-	9,036
Property insurance reserve	10,000	-	10,000	-	-	10,000
Total self insurance reserve funds	19,036	-	19,036	-	-	19,036
Environmental liability reserve	16,818	-	16,818	-	-	16,818
Total unrestricted cash and investments	\$ 342,794	\$ 67,666	\$ 410,460	\$ 78,496	\$ 4,167	\$ 493,123
Restricted assets						
Renewal and replacement funds	\$ 150,683	\$ 50,308	\$ 200,991	\$ 149,705	\$ 939	\$ 351,635
Debt service reserve account	65,433	11,434	76,867	68,648	-	145,515
Debt service funds	63,594	8,426	72,020	37,329	1,007	110,356
Environmental funds	-	-	-	725	-	725
Construction funds	203	-	203	31,435	-	31,638
Subtotal	279,913	70,168	350,081	287,842	1,946	639,869
Unrealized holding gain (loss) on investments	(94)	73	(21)	693	-	672
Other funds	-	27,254	27,254	-	-	27,254
Total restricted cash and investments	\$ 279,819	\$ 97,495	\$ 377,314	\$ 288,535	\$ 1,946	\$ 667,795

JEA
Schedule of Cash and Investments
(in thousands - unaudited) January 2018

	Electric System and Bulk Power Supply	SJRPP System	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Unrestricted cash and investments						
Operations	\$ 71,552	\$ (3,920)	\$ 67,632	\$ 65,772	\$ 1,328	\$ 134,732
Rate stabilization:						
Fuel	102,497	-	102,497	-	-	102,497
Debt management	29,884	-	29,884	14,209	2,737	46,830
Environmental	38,828	-	38,828	9,263	-	48,091
Purchased Power	21,403	-	21,403	-	-	21,403
DSM/Conservation	4,375	-	4,375	-	-	4,375
Total rate stabilization funds	196,987	-	196,987	23,472	2,737	223,196
Customer deposits	43,111	-	43,111	15,154	-	58,265
General reserve	-	16,770	16,770	-	-	16,770
Self insurance reserve funds:						
Self funded health plan	8,761	-	8,761	-	-	8,761
Property insurance reserve	10,000	-	10,000	-	-	10,000
Total self insurance reserve funds	18,761	-	18,761	-	-	18,761
Environmental liability reserve	17,647	-	17,647	-	-	17,647
Total unrestricted cash and investments	\$ 348,058	\$ 12,850	\$ 360,908	\$ 104,398	\$ 4,065	\$ 469,371
Restricted assets						
Renewal and replacement funds	\$ 203,543	\$ 95,847	\$ 299,390	\$ 146,298	\$ 882	\$ 446,570
Debt service reserve account	65,432	11,204	76,636	102,850	-	179,486
Debt service funds	64,250	4,403	68,653	32,552	1,006	102,211
Construction funds	383	-	383	494	-	877
Environmental funds	-	-	-	467	-	467
Subtotal	333,608	111,454	445,062	282,661	1,888	729,611
Unrealized holding gain (loss) on investments	(41)	(415)	(456)	1,770	-	1,314
Other funds	-	31,503	31,503	-	-	31,503
Total restricted cash and investments	\$ 333,567	\$ 142,542	\$ 476,109	\$ 284,431	\$ 1,888	\$ 762,428

JEA
Regulatory Accounting Balances
(in thousands - unaudited) January 2019

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DESCRIPTION	Electric System and Bulk Power Supply System	SJRPP System	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Unfunded pension costs	264,486	-	264,486	169,097	-	433,583
SJRPP	4,723	254,478	259,201	-	-	259,201
Water environmental projects	-	-	-	57,009	-	57,009
Unfunded OPEB costs	14,316	-	14,316	9,153	-	23,469
Storm costs to be recovered	13,504	-	13,504	4,537	27	18,068
Debt issue costs	3,083	2,066	5,149	2,304	-	7,453
Costs to be recovered from future revenues	300,112	256,544	556,656	242,100	27	798,783
Fuel stabilization	52,690	-	52,690	-	-	52,690
Environmental	43,487	-	43,487	15,471	-	58,958
Nonfuel purchased power	49,553	-	49,553	-	-	49,553
Scherer	36,267	-	36,267	-	-	36,267
Debt management stabilization	29,884	-	29,884	14,209	-	44,093
Excess pension contributions	-	10,624	10,624	-	-	10,624
Self-insurance medical reserve	9,036	-	9,036	-	-	9,036
Customer benefit stabilization	4,188	-	4,188	-	-	4,188
Revenues to be used for future costs	225,105	10,624	235,729	29,680	-	265,409

JEA
Regulatory Accounting Balances
(in thousands - unaudited) January 2018

DESCRIPTION	Electric System and Bulk Power Supply System	SJRPP System	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JFA
Unfunded pension costs	239,078	985	240,063	152,853	-	392,916
Scherer	10,431	266,999	277,430	-	-	277,430
Water environmental projects	-	-	-	65,559	-	65,559
Unfunded OPEB costs	21,305	-	21,305	13,622	-	34,927
Storm costs to be recovered	16,407	-	16,407	4,595	27	21,029
Debt issue costs	3,377	2,204	5,581	2,202	-	7,783
Costs to be recovered from future revenues	290,598	270,188	560,786	238,831	27	799,644
Fuel stabilization	102,497	-	102,497	-	-	102,497
Environmental	38,829	-	38,829	9,263	-	48,092
Nonfuel purchased power	21,402	-	21,402	-	-	21,402
SJRPP and Scherer	40,145	-	40,145	-	-	40,145
Debt management stabilization	29,884	-	29,884	14,209	-	44,093
Self-insurance medical reserve	8,761	-	8,761	-	-	8,761
Customer benefit stabilization	4,375	-	4,375	-	-	4,375
Revenues to be used for future costs	245,893	-	245,893	\$ 23,472	-	269,365

JEA
Statements of Revenues, Expenses and Changes in Net Position
(in thousands - unaudited)

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	Month January		Year-to-Date January	
	2019	2018	2019	2018
Operating revenues				
Electric - base	\$ 66,532	\$ 83,654	\$ 262,133	\$ 278,525
Electric - fuel and purchased power	39,027	57,915	144,333	185,458
Water and sewer	34,833	32,716	142,337	137,043
District energy system	586	569	2,644	2,767
Other	2,293	58,049	10,914	65,708
Total operating revenues	143,271	232,903	562,361	669,501
Operating expenses				
Operations and maintenance:				
Fuel	33,341	45,824	119,271	151,374
Purchased power	9,481	16,281	41,438	33,125
Maintenance and other operating expenses	36,802	78,819	131,198	167,659
Depreciation	30,980	29,353	121,888	131,722
State utility and franchise taxes	5,905	7,191	23,999	24,240
Recognition of deferred costs and revenues, net	1,531	38,220	5,726	35,208
Total operating expenses	118,040	215,688	443,520	543,328
Operating income	25,231	17,215	118,841	126,173
Nonoperating revenues (expenses)				
Interest on debt	(11,532)	(18,698)	(47,286)	(57,709)
Debt management strategy	(943)	(1,112)	(3,727)	(4,797)
Investment income	2,227	1,510	13,730	3,715
Allowance for funds used during construction	1,169	752	4,602	3,100
Other nonoperating income, net	797	601	2,559	2,624
Earnings from The Energy Authority	113	2,201	640	2,911
Other interest, net	(39)	(16)	(627)	(544)
Total nonoperating expenses, net	(8,208)	(14,762)	(30,109)	(50,700)
Income before contributions	17,023	2,453	88,732	75,473
Contributions (to) from				
General Fund, City of Jacksonville, Florida	(9,804)	(9,719)	(39,216)	(38,874)
Developers and other	4,481	8,689	23,493	21,385
Reduction of plant cost through contributions	(2,438)	(6,672)	(14,297)	(13,226)
Total contributions, net	(7,761)	(7,702)	(30,020)	(30,715)
Change in net position	9,262	(5,249)	58,712	44,758
Net position, beginning of period	2,804,759	2,678,829	2,755,309	2,628,822
Net position, end of period	\$ 2,814,021	\$ 2,673,580	\$ 2,814,021	\$ 2,673,580

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Combining Statement of Revenues, Expenses and Changes in Net Position
(in thousands - unaudited) for the month ended January 2019

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating revenues								
Electric - base	\$ 66,805	\$ -	\$ -	\$ 66,805	\$ -	\$ -	\$ (273)	\$ 66,532
Electric - fuel and purchased power	39,824	2,514	(2,285)	40,053	-	-	(1,026)	39,027
Water and sewer	-	-	-	-	34,881	-	(48)	34,833
District energy system	-	-	-	-	-	612	(26)	586
Other	1,455	(1)	-	1,454	1,119	(1)	(279)	2,293
Total operating revenues	108,084	2,513	(2,285)	108,312	36,000	611	(1,652)	143,271
Operating expenses								
Operations and maintenance:								
Fuel	32,722	619	-	33,341	-	-	-	33,341
Purchased power	11,766	-	(2,285)	9,481	-	-	-	9,481
Maintenance and other operating expenses	21,271	2,101	-	23,372	14,787	295	(1,652)	36,802
Depreciation	18,288	35	-	18,323	12,454	203	-	30,980
State utility and franchise taxes	5,016	-	-	5,016	889	-	-	5,905
Recognition of deferred costs and revenues, net	(133)	1,172	-	1,039	492	-	-	1,531
Total operating expenses	88,930	3,927	(2,285)	90,572	28,622	498	(1,652)	118,040
Operating income	19,154	(1,414)	-	17,740	7,378	113	-	25,231
Nonoperating revenues (expenses)								
Interest on debt	(6,122)	(870)	-	(6,992)	(4,428)	(112)	-	(11,532)
Debt management strategy	(767)	-	-	(767)	(176)	-	-	(943)
Investment income	1,275	403	-	1,678	538	11	-	2,227
Allowance for funds used during construction	416	-	-	416	749	4	-	1,169
Other nonoperating income, net	366	29	-	395	402	-	-	797
Earnings from The Energy Authority	113	-	-	113	-	-	-	113
Other interest, net	(34)	-	-	(34)	(5)	-	-	(39)
Total nonoperating expenses, net	(4,753)	(438)	-	(5,191)	(2,920)	(97)	-	(8,208)
Income before contributions	14,401	(1,852)	-	12,549	4,458	16	-	17,023
Contributions (to) from								
General Fund, City of Jacksonville, Florida	(7,746)	-	-	(7,746)	(2,058)	-	-	(9,804)
Developers and other	385	-	-	385	4,096	-	-	4,481
Reduction of plant cost through contributions	(385)	-	-	(385)	(2,053)	-	-	(2,438)
Total contributions, net	(7,746)	-	-	(7,746)	(15)	-	-	(7,761)
Change in net position	6,655	(1,852)	-	4,803	4,443	16	-	9,262
Net position, beginning of period	1,090,923	96,642	-	1,187,565	1,611,606	5,588	-	2,804,759
Net position, end of period	\$ 1,097,578	\$ 94,790	\$ -	\$ 1,192,368	\$ 1,616,049	\$ 5,604	\$ -	\$ 2,814,021

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Combining Statement of Revenues, Expenses and Changes in Net Position
(in thousands - unaudited) for the month ended January 2018

	Electric System and Bulk Power Supply System	SJRRP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating revenues								
Electric - base	\$ 83,933	\$ -	\$ -	\$ 83,933	\$ -	\$ -	\$ (279)	\$ 83,654
Electric - fuel and purchased power	58,678	978	(694)	58,962	-	-	(1,047)	57,915
Water and sewer	-	-	-	-	32,775	-	(59)	32,716
District energy system	-	-	-	-	-	592	(23)	569
Other	1,936	55,422	-	57,358	908	-	(217)	58,049
Total operating revenues	144,547	56,400	(694)	200,253	33,683	592	(1,625)	232,903
Operating expenses								
Operations and maintenance:								
Fuel	47,302	(1,478)	-	45,824	-	-	-	45,824
Purchased power	16,975	-	(694)	16,281	-	-	-	16,281
Maintenance and other operating expenses	21,744	43,673	-	65,417	14,686	341	(1,625)	78,819
Depreciation	17,206	43	-	17,249	11,905	199	-	29,353
State utility and franchise taxes	6,284	-	-	6,284	907	-	-	7,191
Recognition of deferred costs and revenues, net	(227)	38,109	-	37,882	338	-	-	38,220
Total operating expenses	109,284	80,347	(694)	188,937	27,836	540	(1,625)	215,688
Operating income	35,263	(23,947)	-	11,316	5,847	52	-	17,215
Nonoperating revenues (expenses)								
Interest on debt	(6,199)	(7,991)	-	(14,190)	(4,394)	(114)	-	(18,698)
Debt management strategy	(898)	-	-	(898)	(214)	-	-	(1,112)
Investment income	776	263	-	1,039	464	7	-	1,510
Allowance for funds used during construction	227	-	-	227	522	3	-	752
Other nonoperating income, net	360	31	-	391	210	-	-	601
Earnings from The Energy Authority	2,201	-	-	2,201	-	-	-	2,201
Other interest, net	(17)	-	-	(17)	1	-	-	(16)
Total nonoperating expenses, net	(3,550)	(7,697)	-	(11,247)	(3,411)	(104)	-	(14,762)
Income before contributions	31,713	(31,644)	-	69	2,436	(52)	-	2,453
Contributions (to) from								
General Fund, City of Jacksonville, Florida	(7,623)	-	-	(7,623)	(2,096)	-	-	(9,719)
Developers and other	225	-	-	225	8,464	-	-	8,689
Reduction of plant cost through contributions	(225)	-	-	(225)	(6,447)	-	-	(6,672)
Total contributions, net	(7,623)	-	-	(7,623)	(79)	-	-	(7,702)
Change in net position	24,090	(31,644)	-	(7,554)	2,357	(52)	-	(5,249)
Net position, beginning of period, as restated	1,006,259	144,338	-	1,150,597	1,523,015	5,217	-	2,678,829
Net position, end of period	\$ 1,030,349	\$ 112,694	\$ -	\$ 1,143,043	\$ 1,525,372	\$ 5,165	\$ -	\$ 2,673,580

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Combining Statement of Revenues, Expenses and Changes in Net Position
(in thousands - unaudited) for the four months ended January 2019

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating revenues								
Electric - base	\$ 263,245	\$ -	\$ -	\$ 263,245	\$ -	\$ -	\$ (1,112)	\$ 262,133
Electric - fuel and purchased power	147,475	10,505	(9,464)	148,516	-	-	(4,183)	144,333
Water and sewer	-	-	-	-	142,548	-	(211)	142,337
District energy system	-	-	-	-	-	2,769	(125)	2,644
Other	7,664	314	-	7,978	4,051	1	(1,116)	10,914
Total operating revenues	418,384	10,819	(9,464)	419,739	146,599	2,770	(6,747)	562,361
Operating expenses								
Operations and maintenance:								
Fuel	115,882	3,389	-	119,271	-	-	-	119,271
Purchased power	50,902	-	(9,464)	41,438	-	-	-	41,438
Maintenance and other operating expenses	80,772	3,529	-	84,301	52,145	1,499	(6,747)	131,198
Depreciation	71,560	137	-	71,697	49,378	813	-	121,888
State utility and franchise taxes	20,481	-	-	20,481	3,518	-	-	23,999
Recognition of deferred costs and revenues, net	(636)	4,687	-	4,051	1,675	-	-	5,726
Total operating expenses	338,961	11,742	(9,464)	341,239	106,716	2,312	(6,747)	443,520
Operating income	79,423	(923)	-	78,500	39,883	458	-	118,841
Nonoperating revenues (expenses)								
Interest on debt	(25,315)	(3,480)	-	(28,795)	(18,042)	(449)	-	(47,286)
Debt management strategy	(3,063)	-	-	(3,063)	(664)	-	-	(3,727)
Investment income	7,641	1,445	-	9,086	4,597	47	-	13,730
Allowance for funds used during construction	1,559	-	-	1,559	3,028	15	-	4,602
Other nonoperating income, net	1,422	115	-	1,537	1,022	-	-	2,559
Earnings from The Energy Authority	640	-	-	640	-	-	-	640
Other interest, net	(562)	-	-	(562)	(65)	-	-	(627)
Total nonoperating expenses, net	(17,678)	(1,920)	-	(19,598)	(10,124)	(387)	-	(30,109)
Income before contributions	61,745	(2,843)	-	58,902	29,759	71	-	88,732
Contributions (to) from								
General Fund, City of Jacksonville, Florida	(30,984)	-	-	(30,984)	(8,232)	-	-	(39,216)
Developers and other	1,547	-	-	1,547	21,946	-	-	23,493
Reduction of plant cost through contributions	(1,547)	-	-	(1,547)	(12,750)	-	-	(14,297)
Total contributions, net	(30,984)	-	-	(30,984)	964	-	-	(30,020)
Change in net position	30,761	(2,843)	-	27,918	30,723	71	-	58,712
Net position, beginning of year	1,066,817	97,633	-	1,164,450	1,585,326	5,533	-	2,755,309
Net position, end of period	\$ 1,097,578	\$ 94,790	\$ -	\$ 1,192,368	\$ 1,616,049	\$ 5,604	\$ -	\$ 2,814,021

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Combining Statement of Revenues, Expenses and Changes in Net Position
(in thousands - unaudited) for the four months ended January 2018

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating revenues								
Electric - base	\$ 279,676	\$ -	\$ -	\$ 279,676	\$ -	\$ -	\$ (1,151)	\$ 278,525
Electric - fuel and purchased power	161,497	63,577	(35,290)	189,784	-	-	(4,326)	185,458
Water and sewer	-	-	-	-	137,225	-	(182)	137,043
District energy system	-	-	-	-	-	2,885	(118)	2,767
Other	7,739	55,422	-	63,161	3,416	-	(869)	65,708
Total operating revenues	448,912	118,999	(35,290)	532,621	140,641	2,885	(6,646)	669,501
Operating expenses								
Operations and maintenance:								
Fuel	115,967	35,407	-	151,374	-	-	-	151,374
Purchased power	68,415	-	(35,290)	33,125	-	-	-	33,125
Maintenance and other operating expenses	73,025	51,381	-	124,406	48,388	1,511	(6,646)	167,659
Depreciation	71,713	10,732	-	82,445	48,479	798	-	131,722
State utility and franchise taxes	20,765	-	-	20,765	3,475	-	-	24,240
Recognition of deferred costs and revenues, net	(908)	35,410	-	34,502	706	-	-	35,208
Total operating expenses	348,977	132,930	(35,290)	446,617	101,048	2,309	(6,646)	543,328
Operating income	99,935	(13,931)	-	86,004	39,593	576	-	126,173
Nonoperating revenues (expenses)								
Interest on debt	(24,954)	(13,350)	-	(38,304)	(18,948)	(457)	-	(57,709)
Debt management strategy	(3,871)	-	-	(3,871)	(926)	-	-	(4,797)
Investment income	1,852	331	-	2,183	1,508	24	-	3,715
Allowance for funds used during construction	948	-	-	948	2,134	18	-	3,100
Other nonoperating income, net	1,436	123	-	1,559	1,065	-	-	2,624
Earnings from The Energy Authority	2,911	-	-	2,911	-	-	-	2,911
Other interest, net	(451)	-	-	(451)	(93)	-	-	(544)
Total nonoperating expenses, net	(22,129)	(12,896)	-	(35,025)	(15,260)	(415)	-	(50,700)
Income before contributions	77,806	(26,827)	-	50,979	24,333	161	-	75,473
Contributions (to) from								
General Fund, City of Jacksonville, Florida	(30,491)	-	-	(30,491)	(8,383)	-	-	(38,874)
Developers and other	589	-	-	589	20,796	-	-	21,385
Reduction of plant cost through contributions	(589)	-	-	(589)	(12,637)	-	-	(13,226)
Total contributions, net	(30,491)	-	-	(30,491)	(224)	-	-	(30,715)
Change in net position	47,315	(26,827)	-	20,488	24,109	161	-	44,758
Net position, beginning of year, as restated	983,034	139,521	-	1,122,555	1,501,263	5,004	-	2,628,822
Net position, end of period	\$ 1,030,349	\$ 112,694	\$ -	\$ 1,143,043	\$ 1,525,372	\$ 5,165	\$ -	\$ 2,673,580

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Statement of Cash Flows
(in thousands - unaudited)

	Year-to-Date January	
	2019	2018
Operating activities		
Receipts from customers	\$ 573,000	\$ 635,220
Payments to suppliers	(270,456)	(316,884)
Payments to employees	(87,466)	(113,305)
Other operating activities	11,132	68,868
Net cash provided by operating activities	226,210	273,899
Noncapital and related financing activities		
Contribution to General Fund, City of Jacksonville, Florida	(39,139)	(38,828)
Net cash used in noncapital financing activities	(39,139)	(38,828)
Capital and related financing activities		
Defeasance of debt	-	(993,690)
Proceeds received from debt	2,000	821,000
Acquisition and construction of capital assets	(155,137)	(130,998)
Interest paid on debt	(82,129)	(99,698)
Repayment of debt principal	(185,790)	(229,095)
Capital contributions	9,195	8,159
Other capital financing activities	281	38,819
Net cash used in capital and related financing activities	(411,580)	(585,503)
Investing activities		
Purchase of investments	(186,425)	(484,077)
Proceeds from sale and maturity of investments	257,886	554,398
Investment income	6,905	882
Distributions from The Energy Authority	541	2,968
Net cash provided by investing activities	78,907	74,171
Net change in cash and cash equivalents	(145,602)	(276,261)
Cash and cash equivalents, beginning of year	555,782	614,034
Cash and cash equivalents, end of period	\$ 410,180	\$ 337,773
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 118,841	\$ 126,173
Adjustments:		
Depreciation and amortization	122,305	132,158
Recognition of deferred costs and revenues, net	5,726	35,208
Other nonoperating income, net	270	289
Changes in noncash assets and noncash liabilities:		
Accounts receivable	42,816	29,826
Inventories	(10,418)	6,857
Other assets	893	(2,366)
Accounts and accrued expenses payable	(31,005)	(27,070)
Current liabilities payable from restricted assets	392	(9,181)
Other noncurrent liabilities and deferred inflows	(23,610)	(17,995)
Net cash provided by operating activities	\$ 226,210	\$ 273,899
Noncash activity		
Contribution of capital assets from developers	\$ 14,297	\$ 13,226
Unrealized gains on fair value of investments, net	\$ 5,259	\$ 2,520

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Combining Statement of Cash Flows

(in thousands - unaudited) for the four months ended January 2019

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating activities								
Receipts from customers	\$ 425,995	\$ 10,714	\$ (10,568)	\$ 426,141	\$ 149,192	\$ 3,298	\$ (5,631)	\$ 573,000
Payments to suppliers	(242,565)	(5,346)	10,568	(237,343)	(38,512)	(1,348)	6,747	(270,456)
Payments to employees	(63,168)	(12)	-	(63,180)	(24,072)	(214)	-	(87,466)
Other operating activities	7,913	314	-	8,227	4,019	2	(1,116)	11,132
Net cash provided by operating activities	128,175	5,670	-	133,845	90,627	1,738	-	226,210
Noncapital and related financing activities								
Contribution to General Fund, City of Jacksonville, Florida	(30,861)	-	-	(30,861)	(8,278)	-	-	(39,139)
Net cash used in noncapital financing activities	(30,861)	-	-	(30,861)	(8,278)	-	-	(39,139)
Capital and related financing activities								
Proceeds received from debt	-	-	-	-	2,000	-	-	2,000
Acquisition and construction of capital assets	(96,213)	-	-	(96,213)	(58,638)	(286)	-	(155,137)
Interest paid on debt	(43,964)	(5,603)	-	(49,567)	(31,882)	(680)	-	(82,129)
Repayment of debt principal	(130,690)	(1,720)	-	(132,410)	(51,720)	(1,660)	-	(185,790)
Capital contributions	-	-	-	-	9,195	-	-	9,195
Other capital financing activities	270	-	-	270	11	-	-	281
Net cash used in capital and related financing activities	(270,597)	(7,323)	-	(277,920)	(131,034)	(2,626)	-	(411,580)
Investing activities								
Purchase of investments	(102,920)	(57,946)	-	(160,866)	(25,559)	-	-	(186,425)
Proceeds from sale and maturity of investments	124,509	65,569	-	190,078	67,808	-	-	257,886
Investment income	3,528	1,477	-	5,005	1,853	47	-	6,905
Distributions from The Energy Authority	541	-	-	541	-	-	-	541
Net cash provided by investing activities	25,658	9,100	-	34,758	44,102	47	-	78,907
Net change in cash and cash equivalents	(147,625)	7,447	-	(140,178)	(4,583)	(841)	-	(145,602)
Cash and cash equivalents, beginning of year	285,814	139,953	-	425,767	123,061	6,954	-	555,782
Cash and cash equivalents, end of period	\$ 138,189	\$ 147,400	\$ -	\$ 285,589	\$ 118,478	\$ 6,113	\$ -	\$ 410,180
Reconciliation of operating income to net cash provided by operating activities								
Operating income	\$ 79,423	\$ (923)	\$ -	\$ 78,500	\$ 39,883	\$ 458	\$ -	\$ 118,841
Adjustments:								
Depreciation and amortization	71,560	137	-	71,697	49,795	813	-	122,305
Recognition of deferred costs and revenues, net	(636)	4,687	-	4,051	1,675	-	-	5,726
Other nonoperating income, net	73	-	-	73	197	-	-	270
Changes in noncash assets and noncash liabilities:								
Accounts receivable	38,221	209	-	38,430	3,857	529	-	42,816
Inventories	(11,161)	1,216	-	(9,945)	(473)	-	-	(10,418)
Other assets	1,293	-	-	1,293	(388)	(12)	-	893
Accounts and accrued expenses payable	(25,253)	(48)	-	(25,301)	(5,669)	(35)	-	(31,005)
Current liabilities payable from restricted assets	-	392	-	392	-	-	-	392
Other noncurrent liabilities and deferred inflows	(25,345)	-	-	(25,345)	1,750	(15)	-	(23,610)
Net cash provided by operating activities	\$ 128,175	\$ 5,670	\$ -	\$ 133,845	\$ 90,627	\$ 1,738	\$ -	\$ 226,210
Noncash activity								
Contribution of capital assets from developers	\$ 1,547	\$ -	\$ -	\$ 1,547	\$ 12,750	\$ -	\$ -	\$ 14,297
Unrealized gains on fair value of investments, net	\$ 3,208	\$ 11	\$ -	\$ 3,219	\$ 2,040	\$ -	\$ -	\$ 5,259

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Combining Statement of Cash Flows

(in thousands - unaudited) for the four months ended January 2018

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating activities								
Receipts from customers	\$ 440,197	\$ 64,941	\$ (12,014)	\$ 493,124	\$ 144,984	\$ 2,889	\$ (5,777)	\$ 635,220
Payments to suppliers	(229,186)	(65,534)	12,014	(282,706)	(39,517)	(1,307)	6,646	(316,884)
Payments to employees	(59,971)	(30,741)	-	(90,712)	(22,398)	(195)	-	(113,305)
Other operating activities	10,924	55,422	-	66,346	3,391	-	(869)	68,868
Net cash provided by operating activities	161,964	24,088	-	186,052	86,460	1,387	-	273,899
Noncapital and related financing activities								
Contribution to General Fund, City of Jacksonville, Florida	(30,557)	-	-	(30,557)	(8,271)	-	-	(38,828)
Net cash used in noncapital financing activities	(30,557)	-	-	(30,557)	(8,271)	-	-	(38,828)
Capital and related financing activities								
Defeasance of debt	(405,105)	(128,280)	-	(533,385)	(460,305)	-	-	(993,690)
Proceeds received from debt	383,840	-	-	383,840	437,160	-	-	821,000
Acquisition and construction of capital assets	(72,766)	-	-	(72,766)	(58,070)	(162)	-	(130,998)
Interest paid on debt	(50,034)	(11,082)	-	(61,116)	(37,891)	(691)	-	(99,698)
Repayment of debt principal	(135,105)	(41,330)	-	(176,435)	(51,020)	(1,640)	-	(229,095)
Capital contributions	-	-	-	-	8,159	-	-	8,159
Other capital financing activities	22,382	(7,408)	-	14,974	23,845	-	-	38,819
Net cash used in capital and related financing activities	(256,788)	(188,100)	-	(444,888)	(138,122)	(2,493)	-	(585,503)
Investing activities								
Purchase of investments	(178,461)	(212,982)	-	(391,443)	(92,634)	-	-	(484,077)
Proceeds from sale and maturity of investments	107,179	351,116	-	458,295	96,103	-	-	554,398
Investment income	2,058	(2,582)	-	(524)	1,382	24	-	882
Distributions from The Energy Authority	2,968	-	-	2,968	-	-	-	2,968
Net cash provided by (used in) investing activities	(66,256)	135,552	-	69,296	4,851	24	-	74,171
Net change in cash and cash equivalents	(191,637)	(28,460)	-	(220,097)	(55,082)	(1,082)	-	(276,261)
Cash and cash equivalents, beginning of year	340,063	121,027	-	461,090	145,909	7,035	-	614,034
Cash and cash equivalents, end of period	\$ 148,426	\$ 92,567	\$ -	\$ 240,993	\$ 90,827	\$ 5,953	\$ -	\$ 337,773
Reconciliation of operating income to net cash provided by operating activities								
Operating income	\$ 99,935	\$ (13,931)	\$ -	\$ 86,004	\$ 39,593	\$ 576	\$ -	\$ 126,173
Adjustments:								
Depreciation and amortization	71,713	10,732	-	82,445	48,915	798	-	132,158
Recognition of deferred costs and revenues, net	(908)	35,410	-	34,502	706	-	-	35,208
Other nonoperating income (loss), net	55	-	-	55	234	-	-	289
Changes in noncash assets and noncash liabilities:								
Accounts receivable	25,012	1,364	-	26,376	3,446	4	-	29,826
Inventories	5,861	4,930	-	10,791	(3,934)	-	-	6,857
Other assets	(2,003)	-	-	(2,003)	(352)	(11)	-	(2,366)
Accounts and accrued expenses payable	(16,588)	(3,683)	-	(20,271)	(6,771)	(28)	-	(27,070)
Current liabilities payable from restricted assets	-	(9,181)	-	(9,181)	-	-	-	(9,181)
Other noncurrent liabilities and deferred inflows	(21,113)	(1,553)	-	(22,666)	4,623	48	-	(17,995)
Net cash provided by operating activities	\$ 161,964	\$ 24,088	\$ -	\$ 186,052	\$ 86,460	\$ 1,387	\$ -	\$ 273,899
Noncash activity								
Contribution of capital assets from developers	\$ 589	\$ -	\$ -	\$ 589	\$ 12,637	\$ -	\$ -	\$ 13,226
Unrealized gains (losses) on fair value of investments, net	\$ (791)	\$ 3,674	\$ -	\$ 2,883	\$ (363)	\$ -	\$ -	\$ 2,520

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Electric System and Plant Scherer

Changes in Debt Service, R & R and Construction Funds

(in thousands - unaudited) for the four months ended January 2019 and January 2018

	January 2019			January 2018		
	Debt service funds	Renewal and replacement funds	Construction funds	Debt service funds	Renewal and replacement funds	Construction funds
Beginning balance	\$ 232,915	\$ 212,051	\$ 203	\$ 239,961	\$ 225,985	\$ -
Additions:						
Revenue transfers for debt service	66,526	-	-	70,077	-	-
R & R and OCO	-	56,483	-	-	73,870	-
Proceeds from property sales	-	270	-	-	384	-
Debt issuance	-	-	-	-	-	805
Total additions	66,526	56,753	-	70,077	74,254	805
Deductions:						
Debt service payments	170,414	-	-	180,356	-	-
Increase in utility plant	-	83,931	-	-	60,509	-
Decrease in accounts payable	-	12,280	-	-	12,245	-
Debt issue costs and discounts	-	-	-	-	-	422
Total deductions	170,414	96,211	-	180,356	72,754	422
Ending balance	\$ 129,027	\$ 172,593	\$ 203	\$ 129,682	\$ 227,485	\$ 383
Recap:						
Renewal and replacement fund:						
Cash & investments		\$ 150,683			\$ 203,543	
Storm costs to be recovered		13,504			16,407	
Accounts / notes receivable:						
Accounts receivable		8,399			7,515	
Street light & other customer loans		7			20	
		<u>\$ 172,593</u>			<u>\$ 227,485</u>	
Construction fund:						
Generation projects			\$ 101			\$ 187
T&D and other capital projects			102			196
			<u>\$ 203</u>			<u>\$ 383</u>

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Water and Sewer System

Changes in Debt Service, R & R and Construction Funds

(in thousands - unaudited) for the four months ended January 2019 and January 2018

	January 2019				January 2018			
	Debt service funds	Renewal and replacement funds	Construction funds	Environmental funds	Debt service funds	Renewal and replacement funds	Construction funds	Environmental funds
Beginning balance	\$ 184,091	\$ 146,728	\$ 284	\$ 1,160	\$ 189,696	\$ 155,284	\$ 15	\$ 1,838
Additions:								
R & R and OCO	-	52,597	-	-	-	43,508	-	-
Revenue transfers for debt service	38,412	-	-	-	37,928	-	-	-
Contribution in aid of construction	-	9,195	-	-	-	8,159	-	-
Bond proceeds	-	-	33,884	-	-	-	894	-
Increase in accounts payable	-	-	97	-	-	-	-	-
Proceeds from property sales	-	11	-	-	-	221	-	-
Total additions	38,412	61,803	33,981	-	37,928	51,888	894	-
Deductions:								
Debt service payments	82,324	-	-	-	87,584	-	-	-
Increase in utility plant	-	30,083	2,830	-	-	27,879	-	-
Debt service reserve releases	34,202	-	-	-	4,638	-	-	-
Decrease in accounts payable	-	23,714	-	435	-	28,113	-	1,371
Debt issue costs and discounts	-	-	-	-	-	-	415	-
Total deductions	116,526	53,797	2,830	435	92,222	55,992	415	1,371
Ending balance	\$ 105,977	\$ 154,734	\$ 31,435	\$ 725	\$ 135,402	\$ 151,180	\$ 494	\$ 467
Renewal and replacement fund:								
Cash & investments		\$ 149,705				\$ 146,298		
Storm costs to be recovered		4,537				4,595		
Accounts / notes receivable:								
Accounts receivable		484				275		
Notes receivable		8				12		
		<u>\$ 154,734</u>				<u>\$ 151,180</u>		
Construction fund:								
Project funds			\$ 31,435				\$ 494	
			<u>\$ 31,435</u>				<u>\$ 494</u>	
Environmental fund:								
Cash & investments			\$ 725				\$ 467	
			<u>\$ 725</u>				<u>\$ 467</u>	

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Electric System	Month				Prior Year Month	
	ANNUAL BUDGET	BUDGET	ACTUAL	Variance	ACTUAL	Variance
Budget vs. Actual	2018-19	2018-19	2018-19	%	2017-18	%
January 2019 and 2018						
Fuel Related Revenues & Expenses						
Fuel Rate Revenues	\$ 422,782,362	\$ 35,245,249	\$ 31,977,871	-9.27%	\$ 38,845,563	-17.68%
Fuel Expense and Purchased Power:						
Fuel Expense - Electric System	327,822,632	29,972,404	29,576,120		44,278,276	
Fuel Expense - SJRPP	1,554,666	-	-		(854,482)	
Other Purchased Power	108,921,904	8,456,956	10,165,294		15,143,101	
Subtotal Energy Expense	438,299,202	38,429,360	39,741,414	-3.41%	58,566,895	32.14%
Transfer to (from) Rate Stabilization, Net	(16,151,013)	(3,236,959)	(7,809,665)		(19,780,369)	
Fuel Related Uncollectibles	634,173	52,848	46,122		59,037	
Total	422,782,362	35,245,249	31,977,871	9.27%	38,845,563	17.68%
Fuel Balance	-	-	-		-	
Nonfuel Related Revenues						
Base Rate Revenues	812,153,353	67,705,159	60,928,489		76,951,772	
Conservation Charge Revenue	1,000,000	83,365	43,471		248,179	
Environmental Charge Revenue	8,039,817	670,239	607,470		739,904	
Investment Income	11,600,594	966,716	1,275,575		774,611	
Natural Gas Revenue Pass Through	2,464,374	205,365	78,133		56,961	
Other Revenues	28,263,290	2,355,274	1,745,429		1,968,285	
Total	863,521,428	71,986,118	64,678,567	-10.15%	80,739,712	-19.89%
Nonfuel Related Expenses						
Non-Fuel O&M	221,286,372	23,258,437	19,568,643		17,764,717	
DSM / Conservation O&M	8,126,797	669,931	440,458		509,454	
Environmental O&M	3,071,529	161,292	156,828		92,326	
Rate Stabilization - DSM	(536,783)	(44,732)	98,444		343,590	
Rate Stabilization - Environmental	4,968,288	490,789	450,642		647,578	
Natural Gas Expense Pass Through	2,418,255	200,718	77,077		67,486	
Debt Principal - Electric System	116,230,000	9,685,833	9,685,833		10,433,929	
Debt Interest - Electric System	87,438,843	7,286,570	6,944,370		7,372,656	
R&R - Electric System	64,447,700	5,370,642	5,370,642		5,467,400	
Operating Capital Outlay	183,115,980	8,000,000	8,000,000		24,000,000	
City Contribution Expense	92,952,147	7,746,012	7,746,012		7,622,650	
Taxes & Uncollectibles	1,437,599	119,800	109,485		140,746	
Emergency Reserve	5,000,000	-	-		-	
Nonfuel Purchased Power:						
* SJRPP D/S Principal	13,780,000	1,148,333	1,148,333		143,333	
* SJRPP D/S Interest	11,127,870	927,323	898,688		903,151	
** Other Non-Fuel Purchased Power	48,656,831	4,054,736	3,756,329		5,173,030	
Total Nonfuel Expenses	863,521,428	69,075,684	64,451,784	6.69%	80,682,046	20.12%
Non-Fuel Balance	-	2,910,434	226,783		57,666	
Total Balance	-	2,910,434	226,783		57,666	
Total Revenues	1,286,303,790	107,231,367	96,656,438	-9.86%	119,585,275	-19.17%
Total Expenses	1,286,303,790	104,320,933	96,429,655	7.56%	119,527,609	19.32%
KWH Sold - Territorial	13,180,028,000	1,098,752,992	992,409,969	-9.68%	1,205,004,690	-17.64%
KWH Sold - Off System	-	-	3,056,000		3,119,000	
	13,180,028,000	1,098,752,992	995,465,969	-9.40%	1,208,123,690	-17.60%

* Gross debt service

** Includes transmission capacity, SJRPP and Scherer R & R, O & M and Investment Income.

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Electric System	Year-to-Date				Prior Year-to-Date	
	ANNUAL BUDGET	BUDGET	ACTUAL	Variance	ACTUAL	Variance
Budget vs. Actual	2018-19	2018-19	2018-19	%	2017-18	%
January 2019 and 2018						
Fuel Related Revenues & Expenses						
Fuel Rate Revenues	\$ 422,782,362	\$ 130,929,458	\$ 123,968,005	-5.32%	\$ 131,844,392	-5.97%
Fuel Expense and Purchased Power:						
Fuel Expense - Electric System	327,822,632	100,433,838	103,104,196		104,218,285	
Fuel Expense - SJRPP	1,554,666	1,554,666	-		21,940,746	
Other Purchased Power	108,921,904	35,455,911	42,388,155		34,807,370	
Subtotal Energy Expense	438,299,202	137,444,415	145,492,351	-5.86%	160,966,401	9.61%
Transfer to (from) Rate Stabilization, Net	(16,151,013)	(6,726,348)	(21,686,510)		(29,217,956)	
Fuel Related Uncollectibles	634,173	211,391	162,164		95,947	
Total	422,782,362	130,929,458	123,968,005	5.32%	131,844,392	5.97%
Fuel Balance	-	-	-		-	
Nonfuel Related Revenues						
Base Rate Revenues	812,153,353	251,511,909	239,149,858		256,059,362	
Conservation Charge Revenue	1,000,000	309,685	188,273		356,321	
Environmental Charge Revenue	8,039,817	2,489,813	2,355,824		2,509,697	
Investment Income	11,600,594	3,866,864	4,432,453		2,636,929	
Natural Gas Revenue Pass Through	2,464,374	821,458	245,480		175,176	
Other Revenues	28,263,290	9,421,097	8,833,935		8,660,665	
Total	863,521,428	268,420,826	255,205,823	-4.92%	270,398,150	-5.62%
Nonfuel Related Expenses						
Non-Fuel O&M	221,286,372	83,796,599	68,694,829		60,259,206	
DSM / Conservation O&M	8,126,797	2,723,537	1,458,361		1,708,459	
Environmental O&M	3,071,529	1,445,167	1,031,353		98,065	
Rate Stabilization - DSM	(536,783)	(178,928)	717,941		679,360	
Rate Stabilization - Environmental	4,968,288	1,050,924	1,324,472		2,411,632	
Natural Gas Expense Pass Through	2,418,255	807,692	280,842		222,385	
Debt Principal - Electric System	116,230,000	38,743,333	38,743,333		41,508,571	
Debt Interest - Electric System	87,438,843	29,146,281	28,600,040		29,902,341	
R&R - Electric System	64,447,700	21,482,567	21,482,567		21,869,600	
Operating Capital Outlay	183,115,980	35,000,000	35,000,000		52,000,000	
City Contribution Expense	92,952,147	30,984,049	30,984,049		30,490,598	
Taxes & Uncollectibles	1,437,599	479,199	383,752		259,677	
Emergency Reserve	5,000,000	-	-		-	
Nonfuel Purchased Power:						
* SJRPP D/S Principal	13,780,000	4,593,333	4,593,333		6,666,302	
* SJRPP D/S Interest	11,127,870	3,709,290	3,594,751		4,557,401	
** Other Non-Fuel Purchased Power	48,656,831	16,218,944	17,794,208		17,209,642	
Total Nonfuel Expenses	863,521,428	270,001,987	254,683,831	5.67%	269,843,239	5.62%
Non-Fuel Balance	-	(1,581,161)	521,992		554,911	
Total Balance	-	(1,581,161)	521,992		554,911	
Total Revenues	1,286,303,790	399,350,284	379,173,828	-5.05%	402,242,542	-5.74%
Total Expenses	1,286,303,790	400,931,445	378,651,836	5.56%	401,687,631	5.73%
KWH Sold - Territorial	13,180,028,000	4,081,660,325	3,848,860,891	-5.70%	4,094,542,486	-6.00%
KWH Sold - Off System	-	-	56,990,000		15,582,000	
	13,180,028,000	4,081,660,325	3,905,850,891	-4.31%	4,110,124,486	-4.97%

* Gross debt service

** Includes transmission capacity, SJRPP and Scherer R & R, O & M and Investment Income.

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Water and Sewer System		Month				Prior Year Month	
Budget vs. Actual	ANNUAL BUDGET	BUDGET	ACTUAL	Variance	ACTUAL	Variance	
January 2019 and 2018	2018-19	2018-19	2018-19	%	2017-18	%	
REVENUES							
Water & Sewer Revenues	\$ 457,315,688	\$ 34,968,492	\$ 34,275,725		\$ 32,664,180		
Capacity & Extension Fees	24,500,000	1,705,879	2,027,678		2,011,854		
Capital Contributions	-	-	14,879		4,960		
Investment Income	6,318,534	526,544	538,575		460,341		
Other Income	40,244,423	2,992,989	3,621,417		1,120,762		
Total	528,378,645	40,193,904	40,478,274	0.71%	36,262,097	11.63%	
EXPENSES							
O & M Expenses	161,824,556	13,330,972	14,324,100		13,588,800		
Debt Principal - Water & Sewer	54,705,000	4,558,750	4,558,750		4,310,000		
Debt Interest - Water & Sewer	65,430,545	5,452,545	5,257,551		5,390,732		
Rate Stabilization - Environmental	-	-	253,361		745,053		
R&R - Water & Sewer	23,552,350	1,962,696	1,962,696		2,039,483		
Operating Capital Outlay	156,553,034	9,326,169	9,326,169		5,712,602		
Operating Capital Outlay - Capacity/Extension	24,500,000	2,041,666	2,027,678		2,011,854		
Operating Capital Outlay - Contributions	-	-	14,879		4,960		
Operating Capital Outlay - Environmental	15,431,798	1,283,056	491,268		338,282		
City Contribution Expense	24,695,388	2,057,949	2,057,949		2,095,668		
Uncollectibles & Fees	685,974	57,164	30,337		51,000		
Interlocal Agreements	-	-	366,392		346,727		
Emergency Reserve	1,000,000	-	-		-		
Total Expenses	528,378,645	40,070,967	40,671,130	-1.50%	36,635,161	-11.02%	
Total Balance	\$ -	\$ 122,937	\$ (192,856)		\$ (373,064)		
Sales kgals							
Water	42,000,000	3,027,776	2,724,342	-10.02%	2,790,054	-2.36%	
Sewer	34,650,000	2,621,348	2,365,361	-9.77%	2,366,319	-0.04%	
Total	76,650,000	5,649,124	5,089,703	-9.90%	5,156,373	-1.29%	
Budget vs. Actual		Year-To-Date				Prior Year to Date	
January 2019 and 2018	ANNUAL BUDGET	BUDGET	ACTUAL	Variance	ACTUAL	Variance	
	2018-19	2018-19	2018-19	%	2017-18	%	
REVENUES							
Water & Sewer Revenues	\$ 457,315,688	\$ 146,069,747	\$ 141,742,899		\$ 137,994,697		
Capacity & Extension Fees	24,500,000	6,794,923	9,170,406		8,143,997		
Capital Contributions	-	-	24,799		14,879		
Investment Income	6,318,534	2,106,178	2,555,963		1,857,254		
Other Income	40,244,423	11,322,382	13,014,711		4,493,967		
Total	528,378,645	166,293,230	166,508,778	0.13%	152,504,794	9.18%	
EXPENSES							
O & M Expenses	161,824,556	54,053,200	50,727,301		46,441,180		
Debt Principal - Water & Sewer	54,705,000	18,235,000	18,234,999		17,240,000		
Debt Interest - Water & Sewer	65,430,545	21,810,181	21,317,902		22,016,964		
Rate Stabilization - Environmental	-	-	2,556,714		4,049,485		
R&R - Water & Sewer	23,552,350	7,850,783	7,850,783		8,157,933		
Operating Capital Outlay	156,553,034	44,745,963	44,745,963		35,350,407		
Operating Capital Outlay - Capacity/Extension	24,500,000	8,166,667	9,170,406		8,143,997		
Operating Capital Outlay - Contributions	-	-	24,799		14,879		
Operating Capital Outlay - Environmental	15,431,798	5,132,223	1,674,460		706,204		
City Contribution Expense	24,695,388	8,231,796	8,231,796		8,382,673		
Uncollectibles & Fees	685,974	228,658	156,337		195,000		
Interlocal Agreements	-	-	366,392		346,727		
Emergency Reserve	1,000,000	-	-		-		
Total Expenses	528,378,645	168,454,471	165,057,852	2.02%	151,045,449	-9.28%	
Total Balance	\$ -	\$ (2,161,241)	\$ 1,450,926		\$ 1,459,345		
Sales kgals							
Water	42,000,000	13,122,165	11,591,152	-11.67%	11,701,560	-0.94%	
Sewer	34,650,000	10,949,491	9,874,732	-9.82%	9,572,574	3.16%	
Total	76,650,000	24,071,656	21,465,884	-10.83%	21,274,134	0.90%	

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District Energy System

Budget vs. Actual January 2019 and 2018	Month				Prior Year Month	
	ANNUAL BUDGET 2018-19	BUDGET 2018-19	ACTUAL 2018-19	Variance %	ACTUAL 2017-18	Variance %
REVENUES						
Revenues	\$ 9,256,655	\$ 662,963	\$ 611,432		\$ 592,150	
Investment Income	-	-	11,007		6,704	
Total	9,256,655	662,963	622,439	-6.11%	598,854	3.94%
EXPENSES						
O & M Expenses	5,127,648	354,596	294,762		343,722	
Debt Principal - DES	1,690,000	140,833	140,833		138,333	
Debt Interest - DES	1,330,449	110,871	110,871		113,257	
R&R - DES	442,950	36,913	36,913		36,404	
Operating Capital Outlay	665,608	-	-		-	
Total Expenses	9,256,655	643,213	583,379	9.30%	631,716	7.65%
Total Balance	\$ -	\$ 19,750	\$ 39,060		\$ (32,862)	

Budget vs. Actual January 2019 and 2018	Year-To-Date				Prior-Year-to-Date	
	ANNUAL BUDGET 2018-19	BUDGET 2018-19	ACTUAL 2018-19	Variance %	ACTUAL 2017-18	Variance %
REVENUES						
Revenues	\$ 9,256,655	\$ 3,059,311	\$ 2,770,476		\$ 2,885,260	
Investment Income	-	-	46,689		23,972	
Total	9,256,655	3,059,311	2,817,165	-7.92%	2,909,232	-3.16%
EXPENSES						
O & M Expenses	5,127,648	1,561,716	1,495,222		1,490,815	
Debt Principal - DES	1,690,000	563,333	563,333		553,333	
Debt Interest - DES	1,330,449	443,483	443,483		453,028	
R&R - DES	442,950	147,650	147,650		145,617	
Operating Capital Outlay	665,608	-	-		-	
Total Expenses	9,256,655	2,716,182	2,649,688	2.45%	2,642,793	-0.26%
Total Balance	\$ -	\$ 343,129	\$ 167,477		\$ 266,439	

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Electric System**Schedule of Debt Service Coverage****(in thousands - unaudited)**

	Month January		Year-to-Date January	
	2019	2018	2019	2018
Revenues				
Electric	\$ 98,394	\$ 122,876	\$ 387,136	\$ 411,259
Investment income ⁽¹⁾	1,096	650	3,712	2,141
Earnings from The Energy Authority	113	2,201	640	2,911
Other, net ⁽²⁾	1,474	1,944	7,701	7,764
Plus: amount paid from the rate stabilization fund into the revenue fund	9,225	21,235	27,085	34,713
Less: amount paid from the revenue fund into the rate stabilization fund	(990)	(1,500)	(3,501)	(4,799)
Total revenues	109,312	147,406	422,773	453,989
Operating expenses ⁽³⁾				
Fuel	29,576	44,278	103,104	104,218
Purchased power ⁽⁴⁾	17,137	24,030	74,929	92,677
Other operations and maintenance	19,941	18,589	73,130	64,059
State utility taxes and fees	4,911	6,182	20,036	20,311
Total operating expenses	71,565	93,079	271,199	281,265
Net revenues	\$ 37,747	\$ 54,327	\$ 151,574	\$ 172,724
Debt service	\$ 6,844	\$ 6,012	\$ 27,570	\$ 23,790
Less: investment income on sinking fund	(180)	(126)	(721)	(502)
Less: Build America Bonds subsidy	(127)	(127)	(509)	(507)
Debt service requirement	\$ 6,537	\$ 5,759	\$ 26,340	\$ 22,781
Senior debt service coverage ⁽⁵⁾, (min 1.20x)	5.77 x	9.43 x	5.75 x	7.58 x
Net revenues (from above)	\$ 37,747	\$ 54,327	\$ 151,574	\$ 172,724
Debt service requirement (from above)	\$ 6,537	\$ 5,759	\$ 26,340	\$ 22,781
Plus: aggregate subordinated debt service on outstanding subordinated bonds	8,895	10,785	35,586	42,973
Less: Build American Bonds subsidy	(166)	(171)	(667)	(682)
Total debt service requirement and aggregate subordinated debt service	\$ 15,266	\$ 16,373	\$ 61,259	\$ 65,072
Senior and subordinated debt service coverage ⁽⁶⁾, (min 1.15x)	2.47 x	3.32 x	2.47 x	2.65 x
Fixed charge coverage ⁽⁷⁾	1.81 x	2.67 x	1.82 x	1.97 x

⁽¹⁾ Excludes investment income on sinking funds.⁽²⁾ Excludes the Build America Bonds subsidy.⁽³⁾ Excludes depreciation and recognition of deferred costs and revenues, net.⁽⁴⁾ In accordance with the requirements of the Electric System Resolution, all the contract debt payments from the Electric System to the SJRPP and Bulk Power Supply System with respect to the use by the Electric System of the capacity and output of the SJRPP and Bulk Power Systems are reflected as a purchased power expense on these schedules. These schedules do not include revenues of the SJRPP and Bulk Power Supply System, except that the purchased power expense is net of interest income on funds maintained under the SJRPP and Bulk Power Supply System resolutions.⁽⁵⁾ Net revenues divided by debt service requirement. Minimum annual coverage is 1.20x.⁽⁶⁾ Net revenues divided by total debt service requirement and aggregate subordinated debt service. Minimum annual coverage is 1.15x.⁽⁷⁾ Net revenues plus JEA's share of SJRPP's and Bulk Power Supply System's debt service less city contribution divided by the sum of the adjusted debt service requirement and JEA's share of SJRPP's and Bulk Power Supply System's debt service.

JEA
Bulk Power Supply System
Schedule of Debt Service Coverage
(in thousands - unaudited)

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	Month January		Year-to-Date January	
	2019	2018	2019	2018
Revenues				
Operating	\$ 5,371	\$ 7,054	\$ 24,027	\$ 24,261
Investment income	9	8	33	40
Total revenues	5,380	7,062	24,060	24,301
Operating expenses ⁽¹⁾				
Fuel	3,146	3,024	12,778	11,749
Other operations and maintenance	1,246	1,384	4,515	5,231
Total operating expenses	4,392	4,408	17,293	16,980
Net revenues	\$ 988	\$ 2,654	\$ 6,767	\$ 7,321
Aggregate debt service	\$ 843	\$ 828	\$ 3,370	\$ 3,314
Less: Build America Bonds subsidy	(52)	(55)	(208)	(222)
Aggregate debt service	\$ 791	\$ 773	\$ 3,162	\$ 3,092
Debt service coverage ⁽²⁾	1.25 x	3.43 x	2.14 x	2.37 x

⁽¹⁾ Excludes all current expenses paid or accrued to the extent that such expenses are to be paid from revenues.

⁽²⁾ Net revenues divided by aggregate debt service. Minimum annual coverage is 1.15x.

St. Johns River Power Park System
Schedule of Debt Service Coverage - Second Resolution
(in thousands - unaudited)

	Month January		Year-to-Date January	
	2019	2018	2019	2018
Revenues				
Operating	\$ 2,526	\$ 1,221	\$ 11,514	\$ 4,862
Investment income	403	28	1,433	156
Total revenues	2,929	1,249	12,947	5,018
Operating expenses	619	-	3,389	-
Net revenues	\$ 2,310	\$ 1,249	\$ 9,558	\$ 5,018
Aggregate debt service	\$ 2,076	\$ 1,077	\$ 8,303	\$ 4,308
Less: Build America Bonds subsidy	(29)	(30)	(115)	(122)
Aggregate debt service	\$ 2,047	\$ 1,047	\$ 8,188	\$ 4,186
Debt service coverage ⁽¹⁾	1.13 x	1.19 x	1.17 x	1.20 x

⁽¹⁾ Net revenues divided by aggregate debt service. Semiannual minimum coverage is 1.15x.

JEA
Water and Sewer
Schedule of Debt Service Coverage
(in thousands - unaudited)

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	Month January		Year-to-Date January	
	2019	2018	2019	2018
Revenues				
Water	\$ 13,281	\$ 12,848	\$ 56,558	\$ 55,849
Water capacity fees	730	713	3,137	2,788
Sewer	21,854	20,673	88,547	85,426
Sewer capacity fees	1,297	1,298	6,033	5,356
Investment Income	539	464	2,558	1,871
Other ⁽¹⁾	1,315	910	4,247	3,649
Plus: amounts paid from the rate stabilization fund into the revenue fund	1,608	1,122	5,242	3,695
Less: amounts paid from the revenue fund into the rate stabilization fund	(1,862)	(1,868)	(7,799)	(7,745)
Total revenues	38,762	36,160	158,523	150,889
Operating expenses				
Operations and maintenance ⁽²⁾	15,676	15,593	55,663	51,863
Total operating expenses	15,676	15,593	55,663	51,863
Net revenues	\$ 23,086	\$ 20,567	\$ 102,860	\$ 99,026
Aggregate debt service	\$ 8,085	\$ 7,968	\$ 32,400	\$ 32,072
Less: Build America Bonds subsidy	(206)	(208)	(826)	(832)
Aggregate debt service	\$ 7,879	\$ 7,760	\$ 31,574	\$ 31,240
Senior debt service coverage ⁽³⁾, (min 1.25x)	2.93 x	2.65 x	3.26 x	3.17 x
Net revenues (from above)	\$ 23,086	\$ 20,567	\$ 102,860	\$ 99,026
Aggregate debt service (from above)	\$ 7,879	\$ 7,760	\$ 31,574	\$ 31,240
Plus: aggregate subordinated debt service on outstanding subordinated debt	1,470	1,511	5,966	5,967
Total aggregate debt service and aggregate subordinated debt service	\$ 9,349	\$ 9,271	\$ 37,540	\$ 37,207
Senior and subordinated debt service coverage excluding capacity fees ⁽⁴⁾	2.25 x	2.00 x	2.50 x	2.44 x
Senior and subordinated debt service coverage including capacity fees ⁽⁴⁾	2.47 x	2.22 x	2.74 x	2.66 x
Fixed charge coverage	2.25 x	1.99 x	2.52 x	2.44 x

⁽¹⁾ Excludes the Build America Bonds subsidy.

⁽²⁾ Excludes depreciation and recognition of deferred costs and revenues, net.

⁽³⁾ Net revenues divided by aggregate debt service. Minimum annual coverage is 1.25x.

⁽⁴⁾ Net revenues divided by total aggregate debt service and aggregate subordinated debt service. Minimum annual coverage is either 1.00x aggregate debt service and aggregate subordinated debt service (excluding capacity charges) or the sum of 1.00x aggregate debt service and 1.20x aggregate subordinated debt service (including capacity

District Energy System
Schedule of Debt Service Coverage
(in thousands - unaudited)

	Month January		Year-to-Date January	
	2019	2018	2019	2018
Revenues				
Service revenues	\$ 612	\$ 592	\$ 2,769	\$ 2,885
Investment income	11	7	47	24
Total revenues	623	599	2,816	2,909
Operating expenses ⁽¹⁾				
Operations and maintenance	295	341	1,499	1,511
Total operating expenses	295	341	1,499	1,511
Net revenues	\$ 328	\$ 258	\$ 1,317	\$ 1,398
Aggregate debt service ⁽²⁾	\$ 252	\$ 251	\$ 1,007	\$ 1,006
Debt service coverage ⁽³⁾, (min 1.15x)	1.30 x	1.03 x	1.31 x	1.39 x

⁽¹⁾ Excludes depreciation.

⁽²⁾ On June 19, 2013, the closing date of the District Energy System Refunding Revenue Bonds, 2013 Series A, the JEA covenanted to deposit into the 2013 Series A Bonds Subaccount from Available Water and Sewer System Revenues an amount equal to the Aggregate DES Debt Service Deficiency that exists with respect to the 2013 Series A Bonds, in the event that the amount on deposit in the Debt Service Account in the Debt Service Fund in accordance with the District Energy System Resolution is less than Accrued Aggregate Debt Service as of the last business day of the then current month.

⁽³⁾ Net revenues divided by aggregate debt service. Minimum annual coverage is 1.15x.

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Electric System, St. Johns River Power Park System and Scherer
Principal Amount of Debt Outstanding and Average Interest Rates
January 2019

Issue/Average Coupon Rate	Interest Rates	Principal Payment Dates	Par Amount Principal Outstanding	Current Portion of Long-Term Debt
Electric System - Fixed Rate Bonds				
Series Three 2004 A	5.000%	2039	\$ 5,000	\$ -
Series Three 2005 B	4.750%	2033	100,000	-
Series Three 2009 D - BABs	6.056%	2033-2044	45,955,000	-
Series Three 2010 A	4.000%	2019	5,070,000	5,070,000
Series Three 2010 C	4.125 - 4.500%	2026-2031	1,950,000	-
Series Three 2010 D	4.250 - 5.000%	2020-2038	1,205,000	-
Series Three 2010 E - BABs	5.350 - 5.482%	2028-2040	34,255,000	-
Series Three 2012A	4.000 - 4.500%	2023-2033	16,995,000	-
Series Three 2012B	2.000 - 5.000%	2019-2039	85,615,000	725,000
Series Three 2013A	3.000 - 5.000%	2019-2026	65,765,000	8,990,000
Series Three 2013B	3.000 - 5.000%	2026-2038	7,500,000	-
Series Three 2013C	4.600 - 5.000%	2019-2030	15,040,000	1,700,000
Series Three 2014A	3.400 - 5.000%	2019-2034	10,810,000	1,285,000
Series Three 2015A	2.750 - 5.000%	2019-2041	69,830,000	155,000
Series Three 2015B	3.375 - 5.000%	2019-2031	17,225,000	6,945,000
Series Three 2017A	5.000%	2019	18,670,000	18,670,000
Series Three 2017B	3.375 - 5.000%	2026-2039	198,095,000	-
Total Fixed Rate Senior Bonds			594,085,000	43,540,000
2009 Series F - BABs	4.900 - 6.406%	2019-2034	62,155,000	1,550,000
2009 Series G	4.000 - 5.000%	2019-2019	14,665,000	14,665,000
2010 Series B	4.000 - 5.000%	2019-2024	3,680,000	960,000
2010 Series D - BABs	4.150 - 5.582%	2019-2027	42,050,000	2,705,000
2012 Series A	3.250 - 5.000%	2019-2033	56,490,000	2,655,000
2012 Series B	3.250 - 5.000%	2019-2037	50,415,000	2,215,000
2013 Series A	3.000 - 5.000%	2019-2030	43,055,000	2,780,000
2013 Series B	3.000 - 5.000%	2019-2026	18,535,000	2,870,000
2013 Series C	1.375 - 5.000%	2019-2038	77,155,000	885,000
2013 Series D	4.000 - 5.250%	2019-2035	74,535,000	20,830,000
2014 Series A	4.000 - 5.000%	2019-2039	110,330,000	14,635,000
2017 Series A	3.000 - 5.000%	2019-2019	1,290,000	1,290,000
2017 Series B	3.375 - 5.000%	2019-2034	184,950,000	1,055,000
Total Fixed Rate Subordinated Bonds			739,305,000	69,095,000
Total Fixed Rate Electric System Bonds/4.558%			1,333,390,000	112,635,000
Electric System - Variable Rate Bonds				
Current Interest Rates (1)				
Series Three 2008 A - Weekly	1.542%	2027-2036	51,680,000	-
Series Three 2008 B-1 - Weekly	1.919%	2019-2040	59,620,000	425,000
Series Three 2008 B-2 - Weekly	1.542%	2025-2040	41,900,000	-
Series Three 2008 B-3 - Weekly	1.542%	2024-2036	37,000,000	-
Series Three 2008 B-4 - Weekly	1.919%	2019-2036	49,010,000	425,000
Series Three 2008 C-1 - Weekly	1.533%	2024-2034	44,145,000	-
Series Three 2008 C-2 - Weekly	1.533%	2024-2034	43,900,000	-
Series Three 2008 C-3 - Flex	1.878%	2030-2038	25,000,000	-
Series Three 2008 D-1 - Weekly	1.919%	2019-2036	106,275,000	2,745,000
Total Variable Rate Senior Bonds			458,530,000	3,595,000
Series 2000 A - Flex	1.954%	2021-2035	30,965,000	-
Series 2000 F-1 - Flex	1.904%	2026-2030	37,200,000	-
Series 2000 F-2 - Flex	1.991%	2026-2030	24,800,000	-
Series 2008 D - Daily	1.494%	2024-2038	39,455,000	-
Total Variable Rate Subordinated Bonds			132,420,000	-
Total Variable Rate Bonds			590,950,000	3,595,000
Total Electric System Bonds			1,924,340,000	116,230,000
St. Johns River Power Park - Fixed Rate Bonds				
Issue 3 Series 1	4.500%	2037	100,000	-
Issue 3 Series 2	5.000%	2034-2037	29,370,000	-
Issue 3 Series 4 - BABs	4.700 - 5.450%	2019-2028	20,690,000	1,775,000
Issue 3 Series 6	2.375 - 5.000%	2019-2037	91,330,000	5,680,000
Issue 3 Series 7	2.000 - 5.000%	2019-2033	79,500,000	4,120,000
Issue 3 Series 8	2.000 - 5.000%	2019-2039	57,895,000	2,205,000
Total Fixed Rate St. Johns River Power Park Bonds/4.014%			278,885,000	13,780,000
Bulk Power Supply System, Scherer 4 Project - Fixed Rate Bonds				
Series 2010A - BABs	4.800 - 5.920%	2019-2030	34,355,000	2,140,000
Series 2014A	2.000 - 4.125%	2019-2038	60,655,000	4,010,000
Total Fixed Rate Bulk Power Supply System Bonds/4.324%			95,010,000	6,150,000
Weighted Average Cost(2) / Total Outstanding Debt		3.422%	\$ 2,298,235,000	\$ 136,160,000

(1) Current month interest rate excluding variable debt fees.

(2) Weighted Average Cost of debt is net of BABs subsidy, original issue premiums/discounts and excludes variable debt liquidity/restructuring fees and interest rate swap payments.

	Current YTD	Prior YTD	Year End Target
• Debt Ratio - Electric Enterprise Fund	70.4%	74.7%	66.0%
	Electric System	Power Park	Issue Three
• Remaining New Money Authorization	\$ 465,160,992	103,865,000	
• Remaining Senior Refunding Authorization	\$ 1,022,837,381	250,810,000	
• Remaining Subordinated Refunding Authorization	\$ 634,898,000	n/a	

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Water and Sewer System

Principal Amount of Debt Outstanding and Average Interest Rates
January 2019

Issue/Average Coupon Rate	Interest Rates	Principal Payment Dates	Par Amount Principal Outstanding	Current Portion of Long-Term Debt
Fixed Rate Bonds				
2009 Series B	3.750 - 5.000%	2019	\$ 8,915,000	\$ 8,915,000
2010 Series A - BABs	6.210 - 6.310%	2026-2044	83,115,000	-
2010 Series B - Taxable	5.200 - 5.700%	2019-2025	12,110,000	1,730,000
2010 Series C	5.000%	2020	3,000,000	-
2010 Series D	4.000 - 5.000%	2019-2039	38,625,000	5,015,000
2010 Series E	4.000 - 5.000%	2021-2039	11,865,000	-
2010 Series F - BABs	3.900 - 5.887%	2019-2040	42,095,000	2,395,000
2012 Series A	3.000 - 5.000%	2019-2041	162,430,000	1,070,000
2012 Series B	2.000 - 5.000%	2019-2037	74,600,000	1,280,000
2013 Series A	4.500 - 5.000%	2019-2027	51,720,000	12,580,000
2014 Series A	2.000 - 5.000%	2019-2040	212,960,000	5,625,000
2017 Series A	3.125 - 5.000%	2020-2041	378,220,000	-
Total Fixed Rate Senior Bonds			1,079,655,000	38,610,000
2010 Series A	5.000%	2019-2022	5,620,000	2,790,000
2010 Series B	3.000 - 5.000%	2020-2025	3,255,000	-
2012 Series A	3.000%	2021	1,440,000	-
2012 Series B	3.250 - 5.000%	2030-2043	29,685,000	-
2013 Series A	2.125 - 5.000%	2019-2029	31,730,000	5,365,000
2017 Series A	2.750 - 5.000%	2021-2034	58,940,000	-
Total Fixed Rate Subordinated Bonds			130,670,000	8,155,000
Total Fixed Rate Bonds/4.531%			1,210,325,000	46,765,000
Variable Rate Bonds				
	Current Interest Rates (1)			
2006 Series B - CPI Bonds	3.931% (2)	2019-2022	24,850,000	5,740,000
2008 Series A-2 - Weekly	1.469%	2028-2042	51,820,000	-
2008 Series B - Weekly	1.522%	2023-2041	85,290,000	-
Total Variable Rate Senior Bonds			161,960,000	5,740,000
2008 Series A-1 - Daily	1.133%	2019-2038	48,850,000	2,200,000
2008 Series A-2 - Weekly	1.366%	2030-2038	25,600,000	-
2008 Series B-1 - Weekly	1.531%	2030-2036	30,885,000	-
Total Variable Rate Subordinated Bonds			105,335,000	2,200,000
Total Variable Rate Bonds			267,295,000	7,940,000
Other Obligations				
Revolving Credit Agreement	3.672%	2021	5,000,000	-
Total Other Obligations			5,000,000	-
Weighted Average Cost(3) / Total Outstanding Debt		3.596%	\$ 1,482,620,000	\$ 54,705,000

(1) Current month interest rate excluding variable debt fees.

(2) Designated swap obligation. The rate shown is the weighted average of the variable CPI Index rates for the 6 month re-set period.

(3) Weighted Average Cost of debt is net of BABs subsidy, original issue premiums/discounts and excludes variable debt liquidity/restructuring fees and interest rate swap payments.

	Current YTD	Prior YTD	Year End Target
• Debt Ratio - Water and Sewer	50.4%	51.8%	48.2%
• Remaining New Money Authorization	\$ 218,078,023		
• Remaining Refunding Authorization	\$ 794,813,942		

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District Energy System

Principal Amount of Debt Outstanding and Average Interest Rates
January 2019

Issue/Average Coupon	Interest Rates	Principal Payment Dates	Par Amount Principal Outstanding	Current Portion of Long-Term Debt
Fixed Rate Bonds				
2013 Series A/4.184%	2.065 - 4.538%	2019-2034	\$ 34,825,000	\$ 1,690,000
Weighted Average Cost(1) / Total Outstanding Debt		4.188%	\$ 34,825,000	\$ 1,690,000

(1) Weighted Average Cost of debt is net of original issue premiums/discounts.

• Remaining New Money Authorization	\$ 54,321,245
• Remaining Refunding Authorization	\$ 106,670,000

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INVESTMENT PORTFOLIO REPORT
January 2019
All Funds

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INVESTMENT	BOOK VALUE	YIELD	% OF TOTAL	LAST MONTH	6 MONTH AVERAGE
* Treasuries	\$ 169,742,930	2.22%	14.62%	17.12%	15.52%
Agencies					
Federal Farm Credit Bank	47,535,115	1.76%	4.09%	5.04%	4.70%
Federal Home Loan Bank	263,126,284	2.16%	22.66%	23.14%	20.59%
Total	310,661,399	2.10%	26.75%	28.18%	25.29%
Municipal Bonds	201,136,793	2.72%	17.32%	17.69%	17.26%
Commercial Paper	163,301,496	2.62%	14.06%	16.54%	14.41%
U.S. Treasury Money Market Funds (1)	76,585,573	2.29%	6.59%	4.80%	5.62%
Agency Money Market Funds (2)	38,225,000	2.32%	3.29%	0.21%	1.34%
FEITF Money Market Fund	7,500,000	2.61%	0.65%	0.66%	1.83%
Florida Prime Fund	162,965,000	2.67%	14.03%	12.01%	12.04%
Wells Fargo Bank Accounts (3)					
Electric, Scherer	21,936,015	2.40%	1.89%	1.88%	3.79%
SJRPP	8,524,983	2.40%	0.73%	0.52%	1.62%
Water & Sewer, DES	717,939	2.40%	0.06%	0.40%	1.28%
Total Portfolio	\$ 1,161,297,127	2.44%	100.00%	100.00%	100.00%

* Backed by Full Faith and Credit of U. S. Government

Weighted Avg. Annual Yield for January 2019, Excluding Bank & Money Market Funds: 2.38%

Weighted Avg. Annual Yield for January 2019, Including Bank & Money Market Funds: 2.44%

Some investments listed above may be classified as Cash Equivalents on the Statements of Net Position in accordance with generally accepted accounting principles.

- (1) Fidelity Treasury Fund
- (2) State Street Government Fund
- (3) Month-end bank balances

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Interest Rate Swap Position Report
January 2019

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JEA Debt Management Swaps Variable to Fixed

ID	Dealer	Effective Date	Termination Date	Electric	Water/Sewer Allocation	Fixed Rate	Floating Rate (1)	Spread	Rate Cap	Index
				System Allocation						
1	Goldman Sachs	9/18/2003	9/18/2033	\$ 84,800,000	\$ -	3.717	1.714	2.003	n/a	68% 1 mth Libor
3	Morgan Stanley	1/27/2005	10/1/2039	82,575,000	-	4.351	1.419	2.932	n/a	SIFMA
4	JPMorgan	1/27/2005	10/1/2035	85,200,000	-	3.661	1.714	1.947	n/a	68% 1 mth Libor
6	JPMorgan	1/27/2005	10/1/2037	39,175,000	-	3.716	1.714	2.002	n/a	68% 1 mth Libor
7	Morgan Stanley	10/31/2006	10/1/2022	-	24,850,000	4.039	3.931	0.108	n/a	CPI
8	Morgan Stanley	1/31/2007	10/1/2031	62,980,000	-	3.907	1.419	2.488	n/a	SIFMA
9	Merrill Lynch	3/8/2007	10/1/2041	-	85,290,000	3.895	1.419	2.476	n/a	SIFMA
10	Goldman Sachs	1/31/2008	10/1/2036	51,680,000	-	3.836	1.419	2.417	n/a	SIFMA
Total				<u>\$ 406,410,000</u>	<u>\$ 110,140,000</u>	Wtd Avg Spread		2.230		

Note: (1) The "Floating Rate" column is the average of the floating rate for each instrument for this month.

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Electric System
Operating Statistics

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	Month January			Year-to-Date January		
	2019	2018	Variance	2019	2018	Variance
Electric revenues sales (000's omitted):						
Residential	\$ 51,142	\$ 69,708	-26.63%	\$ 192,269	\$ 205,760	-6.56%
Commercial	30,122	33,401	-9.82%	124,400	128,103	-2.89%
Industrial	16,019	18,466	-13.25%	64,400	68,880	-6.50%
Public street lighting	1,111	1,102	0.82%	4,360	4,295	1.51%
Sales for resale - territorial	-	219	-100.00%	-	3,775	-100.00%
Electric revenues - territorial	98,394	122,896	-19.94%	385,429	410,813	-6.18%
Sales for resale - off system	134	156	-14.10%	2,173	720	201.81%
Electric revenues	98,528	123,052	-19.93%	387,602	411,533	-5.82%
Less: rate stabilization & recovery	8,235	19,735	58.27%	23,584	29,914	21.16%
Less: allowance for doubtful accounts	(134)	(176)	-23.86%	(466)	(274)	70.07%
Net electric revenues	106,629	142,611	-25.23%	410,720	441,173	-6.90%
MWh sales						
Residential	447,579	621,569	-27.99%	1,674,891	1,803,356	-7.12%
Commercial	307,606	340,224	-9.59%	1,268,229	1,308,952	-3.11%
Industrial	231,858	232,127	-0.12%	885,968	923,265	-4.04%
Public street lighting	5,367	5,613	-4.38%	19,773	20,330	-2.74%
Sales for resale - territorial	-	5,472	-100.00%	-	38,640	-100.00%
Total MWh sales - territorial	992,410	1,205,005	-17.64%	3,848,861	4,094,543	-6.00%
Sales for resale - off system	3,056	3,119	-2.02%	56,990	15,582	265.74%
Total MWh sales	995,466	1,208,124	-17.60%	3,905,851	4,110,125	-4.97%
Number of accounts (1)						
Residential	416,794	408,449	2.04%	415,676	407,557	1.99%
Commercial	52,805	52,234	1.09%	52,756	52,165	1.13%
Industrial	196	197	-0.51%	196	199	-1.51%
Public street lighting	3,824	3,753	1.89%	3,822	3,759	1.68%
Sales for resale - territorial	-	-	-	-	1	-100.00%
Total average accounts	473,619	464,633	1.93%	472,450	463,681	1.89%
Residential averages						
Revenue per account - \$	122.70	170.67	-28.11%	462.55	504.86	-8.38%
kWh per account	1,074	1,522	-29.43%	4,029	4,425	-8.95%
Revenue per kWh - ¢	11.43	11.21	1.96%	11.48	11.41	0.61%
Degree days						
Heating degree days	324	452	(128)	720	798	(78)
Cooling degree days	20	10	10	452	445	7
Total degree days	344	462	(118)	1,172	1,243	(71)
Degree days - 30 year average	391			1,166		

(1) The year-to-date column represents a fiscal year-to-date average.

JEA
Water and Sewer System
Operating Statistics

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	Month January			Year-to-Date January		
	2019	2018	Variance	2019	2018	Variance
Water						
<i>Revenues (000's omitted):</i>						
Residential	\$ 7,547	\$ 7,223	4.49%	\$ 31,035	\$ 30,022	3.37%
Commercial and industrial	3,827	3,729	2.63%	15,662	15,602	0.38%
Irrigation	1,920	1,916	0.21%	9,924	10,303	-3.68%
Total water revenues	13,294	12,868	3.31%	56,621	55,927	1.24%
Less: rate stabilization	(1,065)	(1,077)	-1.11%	(4,610)	(4,607)	0.07%
Less: allowance for doubtful accounts	(13)	(20)	-35.00%	(63)	(78)	-19.23%
Net water revenues	\$ 12,216	\$ 11,771	3.78%	\$ 51,948	\$ 51,242	1.38%
<i>Kgal sales (000s omitted)</i>						
Residential	1,364,148	1,395,116	-2.22%	5,526,057	5,473,123	0.97%
Commercial and industrial	1,107,127	1,127,053	-1.77%	4,527,232	4,575,695	-1.06%
Irrigation	253,067	267,885	-5.53%	1,537,863	1,652,742	-6.95%
Total kgals sales	2,724,342	2,790,054	-2.36%	11,591,152	11,701,560	-0.94%
<i>Number of accounts (1):</i>						
Residential	290,860	283,811	2.48%	290,099	283,081	2.48%
Commercial and industrial	25,881	25,634	0.96%	25,850	25,597	0.99%
Irrigation	37,064	36,937	0.34%	37,105	36,964	0.38%
Total average accounts	353,805	346,382	2.14%	353,054	345,642	2.14%
<i>Residential averages:</i>						
Revenue per account - \$	25.95	25.45	1.96%	106.98	106.05	0.88%
Kgals per account	4.69	4.92	-4.67%	19.05	19.33	-1.45%
Revenue per kgals - \$	5.53	5.18	6.76%	5.62	5.49	2.37%
Sewer						
<i>Revenues (000's omitted):</i>						
Residential	\$ 11,786	\$ 11,371	3.65%	\$ 47,039	\$ 45,575	3.21%
Commercial and industrial	9,099	8,590	5.93%	36,593	35,848	2.08%
Total sewer revenues	20,885	19,961	4.63%	83,632	81,423	2.71%
Less: rate stabilization	811	331	145.02%	2,053	557	268.58%
Less: allowance for doubtful accounts	(18)	(31)	-41.94%	(94)	(117)	-19.66%
Net sewer revenues	21,678	20,261	6.99%	85,591	81,863	4.55%
<i>Kgal sales (000s omitted)</i>						
Residential	1,201,897	1,231,011	-2.37%	4,871,380	4,737,265	2.83%
Commercial and industrial	976,237	955,897	2.13%	3,950,232	3,897,194	1.36%
Total kgals sales	2,178,134	2,186,908	-0.40%	8,821,612	8,634,459	2.17%
<i>Number of accounts (1):</i>						
Residential	257,753	251,039	2.67%	257,021	250,301	2.68%
Commercial and industrial	18,456	18,317	0.76%	18,431	18,288	0.78%
Total average accounts	276,209	269,356	2.54%	275,452	268,589	2.56%
<i>Residential averages:</i>						
Revenue per account - \$	45.73	45.30	0.95%	183.02	182.08	0.52%
kgals per account	4.66	4.90	-4.90%	18.95	18.93	0.11%
Revenue per kgals - \$	9.81	9.24	6.17%	9.66	9.62	0.42%
Reuse						
<i>Revenues (000's omitted):</i>						
Reuse revenues	\$ 987	\$ 743	32.84%	\$ 5,009	\$ 4,120	21.58%
<i>Kgal sales (000s omitted)</i>						
Reuse sales (kgals)	187,227	179,411	4.36%	1,053,120	938,115	12.26%
<i>Number of accounts (1):</i>						
Reuse accounts	13,714	10,991	24.77%	13,310	10,726	24.09%
Rainfall						
	Diff in inches			Diff in inches		
Normal	3.30	3.30		12.14	12.14	
Actual	4.37	3.64	0.73	15.84	12.68	3.16
Rain Days	6	8	(2)	35	30	5

(1) The year-to-date column represents a fiscal year-to-date average.

JEA
Electric System
Production Statistics

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	Month January			Year-to-Date January		
	2019	2018	Variance	2019	2018	Variance
Generated power:						
Steam:						
<i>Fuel oil</i>						
Fuel expense	\$ (17,372)	\$ 4,218,463	-100.41%	\$ 136,403	\$ 4,279,702	-96.81%
Barrels #6 oil consumed	(160)	38,989	-100.41%	1,214	39,555	-96.93%
\$/ per barrel consumed	\$ 108.58	\$ 108.20	0.35%	\$ 112.36	\$ 108.20	3.85%
kWh oil generated (1)	603,843	23,603,290	-97.44%	1,084,567	23,603,290	-95.41%
Cost per MWh - oil	\$ (28.77)	\$ 178.72	-116.10%	\$ 125.77	\$ 181.32	-30.64%
<i>Natural gas units #1-3</i>						
Gas expense - variable	\$ 3,383,321	\$ 3,781,690	-10.53%	\$ 19,813,596	\$ 9,641,539	105.50%
MMBTU's consumed	907,032	1,021,093	-11.17%	5,170,351	2,839,232	82.10%
\$/ per MMBTU consumed	\$ 3.73	\$ 3.70	0.72%	\$ 3.83	\$ 3.40	12.85%
kWh - gas generated (1)	77,158,998	99,178,676	-22.20%	472,057,433	259,181,807	82.13%
Cost per MWh - gas	\$ 43.85	\$ 38.13	15.00%	\$ 41.97	\$ 37.20	12.83%
Cost per MWh - gas & oil - steam	\$ 43.28	\$ 65.16	-33.57%	\$ 42.16	\$ 49.23	-14.35%
<i>Coal</i>						
Coal expense	\$ 4,486,355	\$ 3,812,351	17.68%	\$ 8,843,976	\$ 8,579,355	3.08%
kWh generated	78,234,773	103,461,026	-24.38%	194,286,615	243,985,377	-20.37%
Cost per MWh - coal	\$ 57.34	\$ 36.85	55.62%	\$ 45.52	\$ 35.16	29.45%
<i>Pet coke and limestone</i>						
Expense	\$ 5,997,449	\$ 7,870,125	-23.79%	\$ 14,749,183	\$ 17,648,017	-16.43%
kWh generated	151,558,839	205,674,438	-26.31%	365,459,325	477,888,264	-23.53%
Cost per MWh - pet coke and limestone	\$ 39.57	\$ 38.26	3.42%	\$ 40.36	\$ 36.93	9.28%
Cost per MWh - coal & petcoke - steam	\$ 45.62	\$ 37.79	20.72%	\$ 42.15	\$ 36.33	16.01%
Combustion turbine:						
<i>Fuel oil</i>						
Fuel expense	\$ 194,108	\$ 2,581,142	-92.48%	\$ 741,869	\$ 2,804,085	-73.54%
Barrels #2 oil consumed	1,577	30,296	-94.79%	5,965	31,346	-80.97%
\$/ per barrel consumed	\$ 123.09	\$ 85.20	44.47%	\$ 124.37	\$ 89.46	39.03%
kWh - oil generated	593,175	12,371,315	-95.21%	2,186,107	12,615,142	-82.67%
Cost per MWh - oil	\$ 327.24	\$ 208.64	56.84%	\$ 339.36	\$ 222.28	52.67%
<i>Natural gas (includes landfill)</i>						
Gas expense Kennedy & landfill - variable	\$ 386,346	\$ 667,065	-42.08%	\$ 1,489,482	\$ 1,135,275	31.20%
MMBTU's consumed	106,093	180,530	-41.23%	364,936	330,328	10.48%
\$/ per MMBTU consumed	\$ 3.64	\$ 3.70	-1.45%	\$ 4.08	\$ 3.44	18.76%
kWh - gas generated (1)	8,783,870	15,145,723	-42.00%	30,227,715	27,432,645	10.19%
Cost per MWh - gas	\$ 43.98	\$ 44.04	-0.14%	\$ 49.28	\$ 41.38	19.07%
Gas expense BB simple - variable	\$ 186,651	\$ 406,167	-54.05%	\$ 1,991,459	\$ 861,564	131.14%
MMBTU's consumed	\$ 55,573	\$ 103,363	-46.24%	\$ 527,010	\$ 257,578	104.60%
\$/ per MMBTU consumed	\$ 3.36	\$ 3.93	-14.53%	\$ 3.78	\$ 3.34	12.97%
kWh - gas generated (1)	4,874,500	8,469,551	-42.45%	46,326,253	21,747,217	113.02%
Cost per MWh - gas simple	\$ 38.29	\$ 47.96	-20.15%	\$ 42.99	\$ 39.62	8.51%
Gas expense BB combined - variable	\$ 9,149,207	\$ 10,640,306	-14.01%	\$ 37,832,627	\$ 33,052,835	14.46%
MMBTU's consumed	2,491,596	2,680,829	-7.06%	9,972,029	10,358,923	-3.73%
\$/ per MMBTU consumed	\$ 3.67	\$ 3.97	-7.48%	\$ 3.79	\$ 3.19	18.90%
kWh - gas generated (1)	365,242,833	378,296,414	-3.45%	1,451,298,753	1,471,824,932	-1.39%
Cost per MWh - gas combined	\$ 25.05	\$ 28.13	-10.94%	\$ 26.07	\$ 22.46	16.08%
Gas expense GEC simple - variable	\$ 147,280	\$ 3,831,899	-96.16%	\$ 2,961,017	\$ 5,459,660	-45.77%
MMBTU's consumed	70,108	286,311	-75.51%	1,020,601	1,028,698	-0.79%
\$/ per MMBTU consumed	\$ 2.10	\$ 13.38	-84.30%	\$ 2.90	\$ 5.31	-45.34%
kWh - gas generated	5,355,186	24,670,391	-78.29%	89,878,654	91,708,373	-2.00%
Cost per MWh - gas simple	\$ 27.50	\$ 155.32	-82.29%	\$ 32.94	\$ 59.53	-44.66%
Cost per MWh - gas & oil ct	\$ 26.15	\$ 41.29	-36.68%	\$ 27.79	\$ 26.65	4.28%
Natural gas expense - fixed	\$ 3,948,025	\$ 3,651,686	8.12%	\$ 13,647,318	\$ 13,193,874	3.44%
Total generated power:						
Fuels expense	\$ 27,861,370	\$ 41,460,894	-32.80%	\$ 102,206,930	\$ 96,655,906	5.74%
kWh generated	692,406,017	870,870,824	-20.49%	2,652,805,422	2,629,987,047	0.87%
Cost per MWh	\$ 40.24	\$ 47.61	-15.48%	\$ 38.53	\$ 36.75	4.83%

(1) Allocation of kWh generated is based upon a ratio of gas MBTU's (adjusted to oil equivalent - 95.5%) and oil MBTU's.

Cost of fuels

Fuel oil #6	\$ (17,372)	\$ 4,218,463	\$ 136,403	\$ 4,279,702
Natural gas units #1-3 with landfill - variable	3,383,321	3,781,690	19,813,596	9,641,539
Coal	4,486,355	3,812,351	8,843,976	8,579,355
Petcoke	5,997,449	7,870,125	14,749,183	17,648,017
Fuel oil #2	194,108	2,581,142	741,869	2,804,085
Natural gas - simple cycle (BB & GEC) - variable	720,277	4,905,131	6,441,958	7,456,499
Natural gas - combined (BB) - variable	9,149,207	10,640,306	37,832,627	33,052,835
Natural gas - fixed	3,948,025	3,651,686	13,647,318	13,193,874
Total	\$ 27,861,370	\$ 41,460,894	\$ 102,206,930	\$ 96,655,906

JEA
Electric System
Production Statistics (Continued)

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	Month January			Year-to-Date January		
	2019	2018	Variance	2019	2018	Variance
Production Statistics (Continued)						
Purchased power:						
<i>Plant Scherer</i>						
Purchases	\$ 4,581,129	\$ 6,281,425	-27.07%	\$ 20,865,580	\$ 21,169,504	-1.44%
kWh purchased	116,238,000	110,600,000	5.10%	487,966,000	455,487,000	7.13%
Cost per MWh	\$ 39.41	\$ 56.79	-30.61%	\$ 42.76	\$ 46.48	-8.00%
<i>TEA & other</i>						
Purchases	\$ 9,480,883	\$ 16,281,439	-41.77%	\$ 41,437,515	\$ 33,125,933	25.09%
kWh purchased	225,565,433	243,824,408	-7.49%	923,935,905	579,000,296	59.57%
Cost per MWh	\$ 42.03	\$ 66.78	-37.06%	\$ 44.85	\$ 57.21	-21.61%
<i>SJRPP</i>						
Purchases	\$ 2,284,851	\$ 693,893	229.28%	\$ 9,464,282	\$ 35,289,753	-73.18%
kWh purchased	-	-		-	539,759,000	-100.00%
Cost per MWh				\$	65.38	
Total purchased power:						
Purchases	\$ 16,346,863	\$ 23,256,757	-29.71%	\$ 71,767,377	\$ 89,585,190	-19.89%
kWh purchased	341,803,433	354,424,408	-3.56%	1,411,901,905	1,574,246,296	-10.31%
Cost per MWh	\$ 47.83	\$ 65.62	-27.12%	\$ 50.83	\$ 56.91	-10.68%
Subtotal - generated and purchased power:	\$ 44,208,233	\$ 64,717,651	-31.69%	\$ 173,974,307	\$ 186,241,096	-6.59%
Fuel interchange sales	(80,808)	(105,130)	-23.14%	(1,975,390)	(519,337)	280.37%
Earnings of The Energy Authority	(113,119)	(2,471,546)	-95.42%	(642,678)	(3,189,646)	-79.85%
Realized and Unrealized (Gains) Losses	-	169,260	-100.00%	(5,434,520)	169,260	-3310.75%
Fuel procurement and handling	1,105,727	1,214,089	-8.93%	4,089,207	3,347,673	22.15%
By product reuse	609,021	1,434,036	-57.53%	2,242,578	4,045,447	-44.57%
Total generated and net purchased power:						
Cost, net	45,729,054	64,958,360	-29.60%	172,253,504	190,094,493	-9.39%
kWh generated and purchased	1,034,209,450	1,225,295,232	-15.60%	4,064,707,327	4,204,233,343	-3.32%
Cost per MWh	\$ 44.22	\$ 53.01	-16.60%	\$ 42.38	\$ 45.22	-6.27%
Reconciliation:						
Generated and purchased power per above	\$ 45,729,054	\$ 44.22		\$ 172,253,504	\$ 42.38	
SJRPP operating expenses:						
SJRPP O & M	(378,369)	(0.37)		(1,653,842)	(0.41)	
SJRPP debt service	(1,650,852)	(1.60)		(6,787,922)	(1.67)	
SJRPP R & R	(255,629)	(0.25)		(1,022,517)	(0.25)	
SCHERER operating expenses:						
Scherer power production	(636,061)	(0.62)		(2,148,524)	(0.53)	
Scherer R & R	(189,850)	(0.18)		(3,572,645)	(0.88)	
Scherer transmission	(503,815)	(0.49)		(1,920,688)	(0.47)	
Scherer taxes	(105,624)	(0.10)		(445,656)	(0.11)	
Florida and other capacity	(1,292,708)	(1.25)		(5,268,730)	(1.30)	
MEAG	(974,733)	(0.94)		(3,940,629)	(0.97)	
Rounding	1	0.00		-	-	
Energy expense per budget page	\$ 39,741,414	\$ 38.43		\$ 145,492,351	\$ 35.79	

JEA
Electric System
SJRPP Sales and Purchased Power

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	Month January		Year-to-Date January	
	2019	2018	2019	2018
MWh sales				
JEA	-	-	-	539,759
FPL saleback	-	-	-	332,467
FPL direct portion	-	-	-	218,056
Total MWh sales	-	-	-	1,090,282
Fuel costs	\$ 384,951	\$ (856,035)	\$ 1,659,275	\$ 21,975,924
(Includes fuel handling expenses)				
Less interest credits: inventory bank	(2,388)	-	(8,342)	(41,431)
Plus (less): true-up interest	(437)	1,292	(1,489)	5,992
Total	382,126	(854,743)	1,649,444	21,940,485
Cost per MWh				\$ 40.65
Operating and maintenance expenses	(3,757)	648,726	4,399	4,614,499
Less: operations bank interest	-	524	-	(7,379)
Less: annual variable o & m true-up	-	-	-	3,444
Total	(3,757)	649,250	4,399	4,610,564
Cost per MWh				\$ 8.54
Debt service contribution				
Principal	1,148,333	143,333	4,593,333	6,666,302
Interest	927,323	933,773	3,709,290	4,679,885
Less credits:				
Reserve Issue 2	-	(81,830)	-	4,082,537
Reserve Issue 3	(11,871)	(9,171)	(88,364)	(117,240)
Debt service Issue 2	-	(9,128)	-	43,365
Debt service Issue 3	(202)	(1,963)	(5,032)	(2,869)
Bond proceeds COB	(173,603)	-	(260,074)	(23,091)
General reserve Issue 2	(595)	(13,486)	(1,941)	(73,368)
General reserve Issue 3	(4,095)	(8,783)	(634,007)	(27,446)
Build America Bonds subsidy	(28,635)	(30,621)	(114,539)	(122,485)
Inventory carrying costs	-	(66,386)	-	(257,351)
Total	1,856,655	855,738	7,198,666	14,848,239
Cost per MWh				\$ 27.51
R & R contribution	255,629	43,648	1,022,517	923,369
Less: interest credit	(205,802)	-	(410,744)	(346,170)
Less: cumulative capital recovery amount	-	-	-	(6,686,734)
Total	49,827	43,648	611,773	(6,109,535)
Cost per MWh				\$ (11.32)
Debt service coverage	-	2,022,000	-	2,022,000
Transfer to JEA	-	(2,022,000)	-	(2,022,000)
Total	-	-	-	-
Cost per MWh				\$ -
Total	\$ 2,284,851	\$ 693,893	\$ 9,464,282	\$ 35,289,753
kWh purchased	-	-	-	539,759,000
Cost per MWh				\$ 65.38











**BOARD OF
DIRECTORS MEETING**
OPERATIONS UPDATE
as of January 31, 2019

Energy System Update



ENERGY MONTHLY OPERATIONS SCORECARD

Energy System	FY2018	FY2019 Goal	FY2019 YTD	Status
JEA Safety RIR	1.48	1.40	1.44	
Sales Forecast (million MWh)	12.4	12.4	12.1	
T&D Grid Performance Customer Outage				
<i>Frequency (outages/year)</i>	1.4	1.8	1.14	
<i>Electric Outage Duration (minutes/year)</i>	67	80	51.2	
<i>Transmission Line Faults (# per 100 miles)</i>	2.2	2.5	2.2	
<i>CEMI₅ (% cust. > 5 outages/year)</i>	0.4	0.8	0.09	
Generating Plant Performance				
<i>Generation Fleet Reliability (forced outages rate)</i>	2.1	2.0	3.09	
<i>Environmental Compliance (permit exceedances)</i>	2	4	0	

Significant Occurrences or Concerns This Month

- The JEA Fleet Forced Outage Rate is higher than target during Q1 due to extended unit recovery on NS Unit 2 as a result of excess ash build up. On-going root cause investigation currently underway with a consulting firm.
- CEMI-5 improved by a large margin due to customers with multiple events in Jan FY18 rolling off and not having major events in Jan FY19.
- ETR, Frequency, and Duration all performing better than goal.

FINANCIAL RESULTS AND COST METRICS

(\$ in thousands)

Revenues	FY19 Forecast	FY18 Actual	FY19 Budget	FY19 vs FY18 (%)	Variance (%)
Fuel Revenue	\$389,242	\$398,293	\$402,650	(\$9,051)	(2.3%)
Base Revenue	756,982	772,155	782,136	(15,173)	(2.0%)
Other Revenue	41,731	37,174	42,328	4,557	12.3%
Total Revenues	\$1,187,955	\$1,207,622	\$1,227,114	(\$19,667)	(1.6%)
<div style="display: flex; justify-content: space-around; align-items: center;"> ↑ (\$39m) ↑ </div>					
Select Expenses					
Fuel Expense	\$415,125	\$455,633	\$418,167	\$40,508	8.9%
Fuel Fund Transfers	(25,882)	(57,339)	(15,517)	(31,457)	
O & M Expense	231,232	207,551	233,679	(23,681)	(11.4%)
Non-fuel Purchased Power	92,591 ³	140,575	73,565	47,984	34.1%
Net Revenues	\$463,097	\$449,545	\$507,359	\$13,552	3.0%
<div style="display: flex; justify-content: space-around; align-items: center;"> ↑ (\$44m) ↑ </div>					
Capital Expenditures	\$312,014 ²	\$174,320	\$334,588 ¹	(\$137,694)	(79.0%)
Debt Service	\$183,598	\$196,288	\$190,618	\$12,690	6.5%

Fuel Fund	(\$ in millions)
Beginning Balance	\$74.4
Surplus/Defecit	(25.9)
Ending Balance	48.5

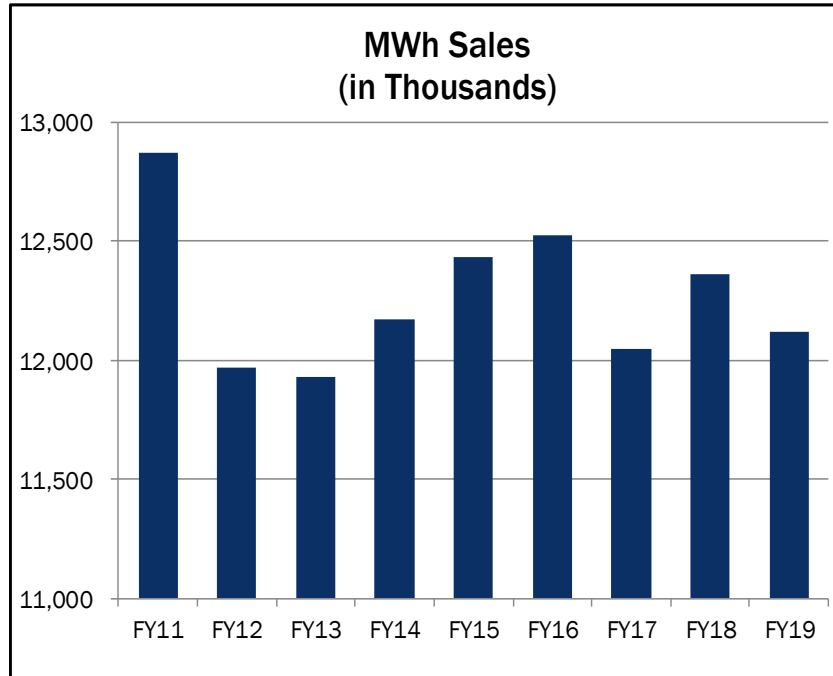
Financial Metrics	FY19 Forecast
Coverage:	2.8x
Days Liquidity/Cash:	281 / 113
Debt/Asset:	66%
Total Debt:	\$2.3B (\$132m lower)

¹ Council approved limit for capital expenditures in FY19 is \$335 million

² Includes \$57 million for Brandy Branch upgrades and \$8 million for Solar Land purchase

³ Includes \$18 million contribution to Rate Stabilization – Non-fuel Purchased Power for Plant Vogtle

ENERGY SYSTEM MWh SALES



Unit Sales Driver: FY19 MWh decrease due to warmer weather, evidenced by 6% decrease in Degree Days.

Month	FY19	FY18	%
Oct	1,018,615	1,065,925	(4.4%)
Nov	898,455	833,994	7.7%
Dec	939,381	989,619	(5.1%)
Jan	992,410	1,205,005	(17.6%)
YTD	3,848,861	4,094,543	(6.0%)
Feb		733,718	
Mar		889,143	
Apr		855,216	
May		1,050,255	
Jun		1,124,820	
Jul		1,170,996	
Aug		1,249,276	
Sep		1,196,374	
Forecast/Total	12,118,658	12,364,341	

YTD Degree Days		
30-yr. Avg.	FY19	FY18
1,166	1,172	1,243

YTD Customer Accounts		
FY19	FY18	%
472,450	463,681	1.9%

Total System	(6.0%)
Residential	(7.1%)
Comm./Industrial	(4.0%)
Interruptible	(0.7%)
Wholesale (FPU)	(100.0%)

FY2019 ENERGY SYSTEM PERFORMING OBJECTIVES

T&D Grid Performance

Customer Outage Frequency
Electric Outage Duration
Transmission Line Faults
CEMI₅

Metric	FY2019	FY2019 Target	FY2018	FY2017
# of Outages per Year	1.1	1.6	1.39	1.55
# of Minutes out per Year	51.2	75	66.9	99.5
# of Faults per 100 miles	2.2	2.5	2.2	1.9
% Customers > 5 outages per yr	0.09	0.8	0.4	1.07

Electric Service Reliability

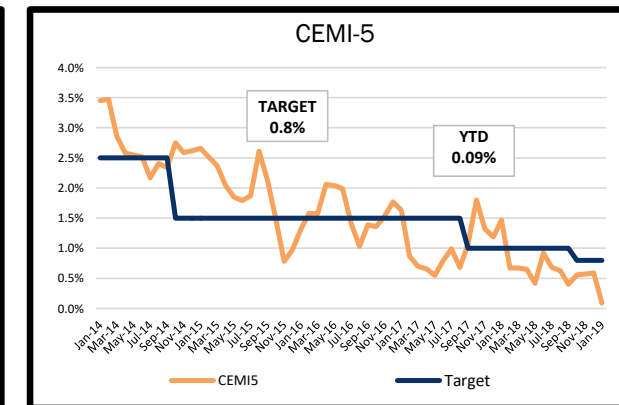
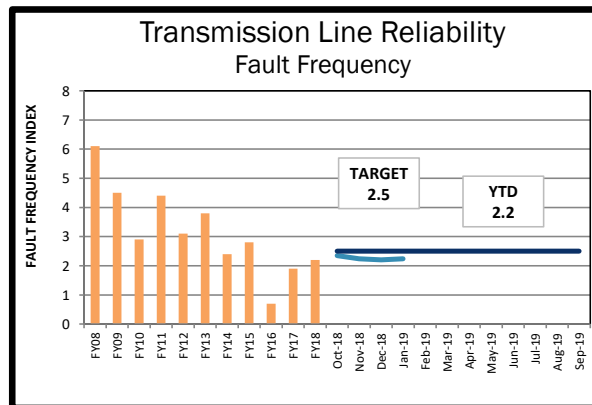
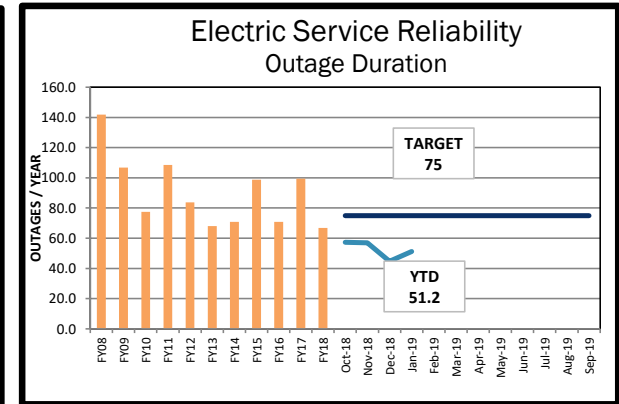
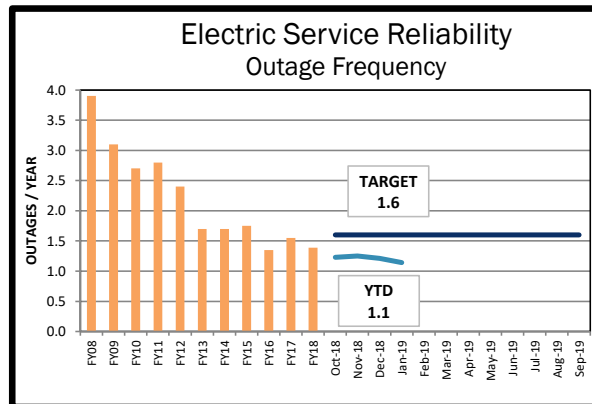
- Outage frequency and duration have been reduced significantly over the last 9 years; running flat over last several years
- The typical JEA customer sees 1.1 outages per year and a total outage duration of about 51 minutes
- Improvement trend over past three years for CEMI₅. 441 (0.09%) of our customers have experienced more than 5 outages in the past 12 months

Transmission Line Reliability

- Overall downward trend over the last eight years
- FY19 (2.2) is better than target.

Other Operational Metrics

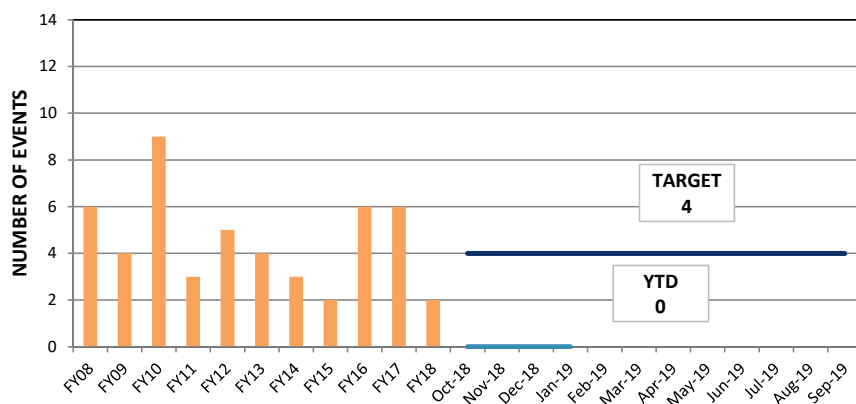
- Continue showing favorable trends over time



FY2019 PERFORMING OBJECTIVES

Generating Plant Performance	Metric	FY2019 YTD	FY2019 Target	FY2018	FY2017
Generation Fleet Reliability	Forced Outages Rate	3.94	2.0	2.1	2.17
Environmental Compliance	Permit Exceedances	0	4	2	6

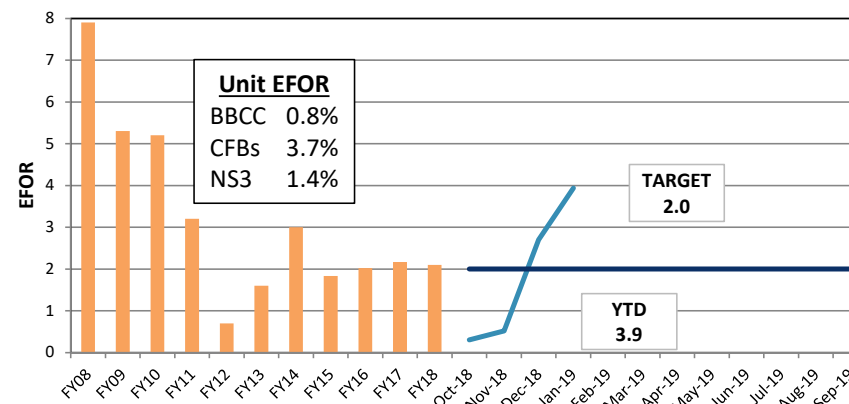
Environmental Compliance
Reportable Events



Environmental Compliance

- We have experienced 0 reportable events thus far during FY2019.
- JEA remains actively engaged in and preparing for all new and emerging environmental regulations.

JEA Fleet Reliability
Forced Outage Rate

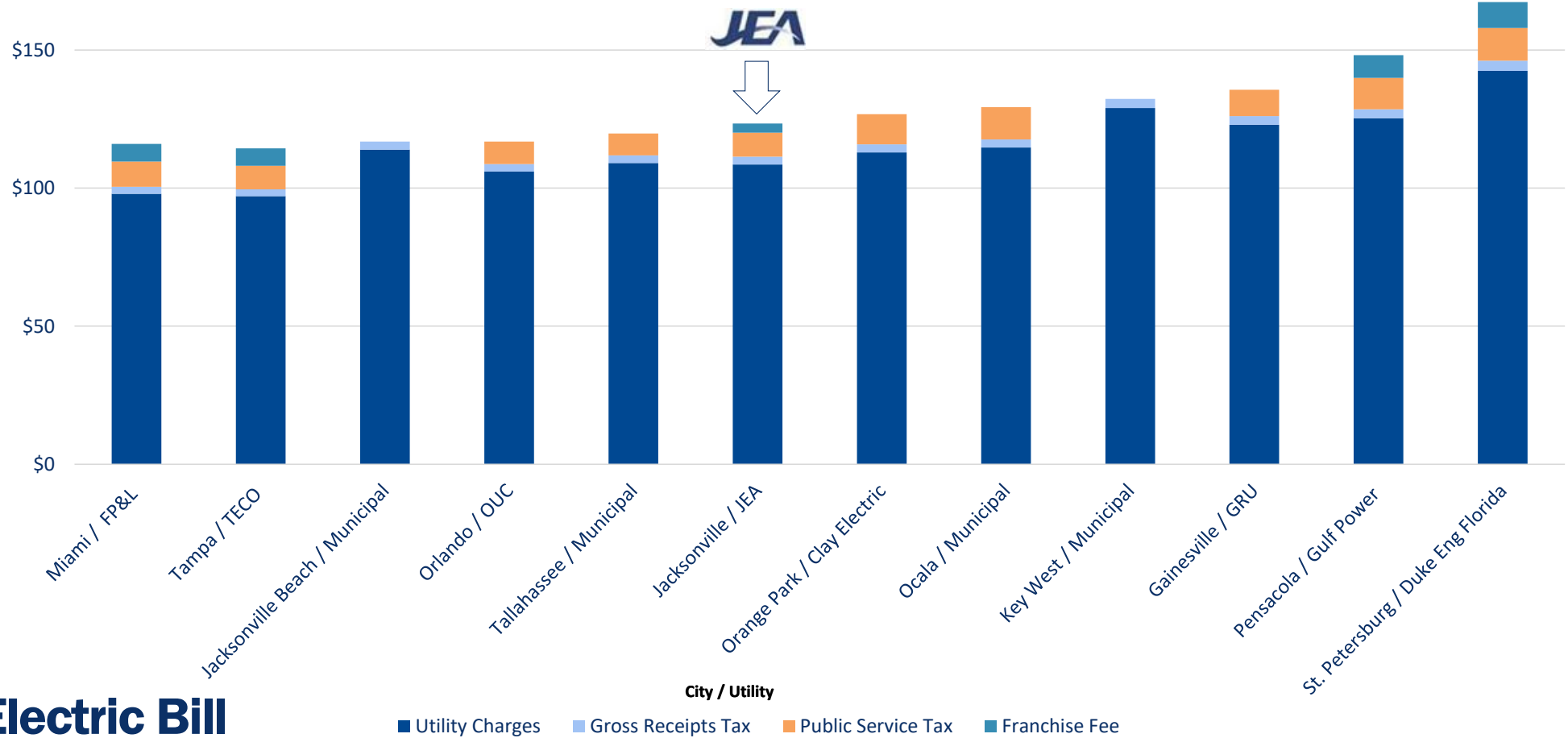


Generating Fleet Reliability

- The JEA Fleet Forced Outage Rate is running higher than target during Q1 due to extended unit recovery on NS Unit 2 as a result of excessive ash build up. On-going root cause investigation currently underway with a consulting firm.

FLORIDA UTILITIES MONTHLY RESIDENTIAL ELECTRIC BILL COMPARISON







(Consumption @ 1,000 kWh)
Residential Rates as of January 2019



Water Wastewater System Update



WATER & WASTEWATER MONTHLY OPERATIONS SCORECARD

Water & Wastewater	FY2018	FY2019 Goal	FY2019YTD	Status
JEA Safety RIR	2.0	1.40	1.44	
Water Sales Forecast (kGals in 1000's)	36,187	37,615	35,856	
Water Unplanned Outages (# cust.)	4.79%	2%	0.39%	
CUP Compliance	Yes	Yes	Yes	
Nitrogen to the River (tons)	550	616	153	
Sanitary Sewer Overflows (SSO's per 100 miles of pipe)	0.63	0.58	0.34	

Significant Occurrences or Concerns This Month

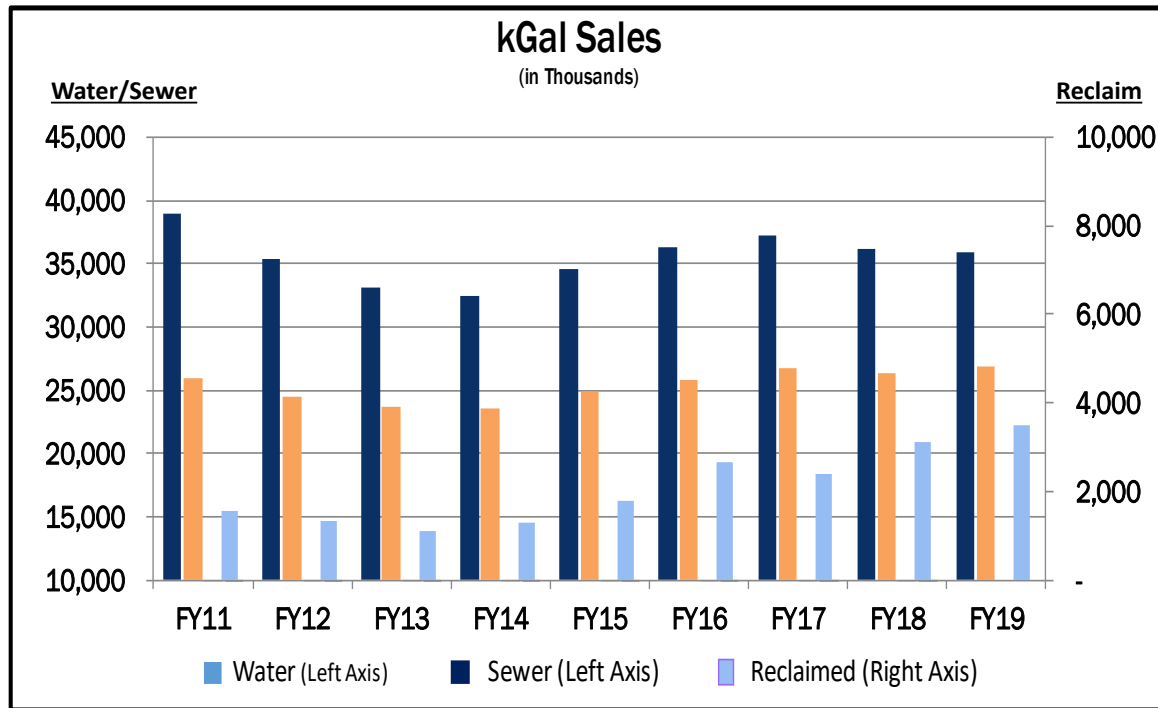
- ▶ Two (2) OSHA recordable safety incidents for JEA in the month of January
- ▶ Unplanned Water Main Outages: 422 customers experienced an outage in the month of January
- ▶ CUP: Average daily flow of 101 MGD was 25% below CY limit of 135 MGD; reclaimed usage at 14 MGD
- ▶ Nitrogen to River: 153 tons YTD; JEA has a limit of 683 tons per year and provides the COJ with 37 tons
- ▶ SSO's Impacting Waters of the US: 17 YTD, root cause analysis is performed on each SSO - exploring other options for inspections of system

OSHA - Occupational Safety and Health Administration, CUP - Consumptive Use Permit, MGD - Million Gallons Per Day, COJ - City of Jacksonville

Revenues	FY19 Forecast	FY18 Actual	FY19 Budget	FY19 vs FY18 (\$)	Variance (%)
Water & Sewer Revenues	\$429,035	\$421,937	\$444,081	\$7,098	1.7%
Other Revenue	76,241	70,902	71,063	5,339	7.5%
Total Revenues	\$505,276	\$492,839	\$515,144	\$12,437	2.5%
<div> <div></div> <div>(\$10m)</div> <div></div> </div>					
Select Expenses					
O&M Expense	\$159,236	\$147,334	\$161,825	(\$11,902)	(8.1%)
Net Revenues	\$345,415	\$344,913	\$352,653	\$502	0.1%
<div> <div></div> <div>(\$7m)</div> <div></div> </div>					
Capital Expenditures	\$213,862	\$199,314	\$248,461 ¹	(\$14,548)	(7.3%)
Debt Service	\$112,394	\$111,407	\$115,964	(\$987)	(0.9%)

Metrics	FY19 Forecast
Coverage:	3.0x
Days Liquidity/Cash	393 / 236
Debt/Asset:	48%
Total Debt:	\$1.5B (\$50m lower)

WATER AND SEWER SYSTEM kGal SALES



Month	FY19	FY18	%
Oct	3,212	2,992	7.4%
Nov	2,862	3,037	(5.8%)
Dec	2,792	2,883	(3.2%)
Jan	2,724	2,790	(2.4%)
YTD	11,590	11,702	(1.0%)
Feb		2,553	
Mar		3,191	
Apr		3,006	
May		3,270	
Jun		3,001	
Jul		3,133	
Aug		3,157	
Sep		3,174	
Forecast/Total	35,856	36,187	

Unit Sales Driver: FY19 rain days up 5.0 days. Reclaimed accounts for FY19 up 24.1% versus FY18.

YTD Customer Accounts			
	FY19	FY18	%
Water	353,054	345,642	2.1%
Sewer	275,452	268,589	2.6%
Reclaimed	13,310	10,726	24.1%

YTD Rainfall			
	30-Yr. Avg.	FY19	FY18
Inches	12.1	15.8	12.7
Days	30.7	35.0	30.0

Total System (1.0%)	
Residential	1.0%
Comm./Industrial	(1.1%)
Irrigation	(7.0%)

**Water Wastewater
System Update**

CUSTOMER RELIABILITY

Unplanned Water Outages

Percentage of customers affected by unplanned outages

Water Pressure

(minutes per month < 30 psi)

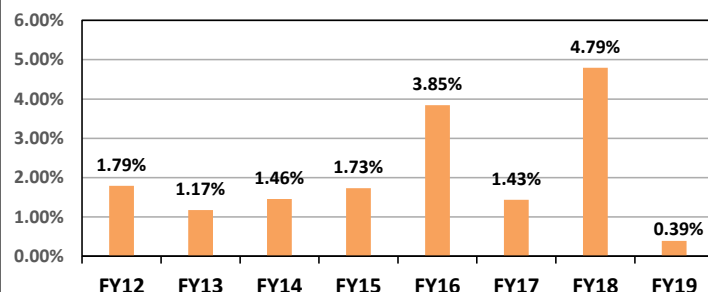
Measured by 133 pressure monitoring stations in the distribution system.

Pressure must be greater than 30 psi, and is expected to be greater than 50 psi.

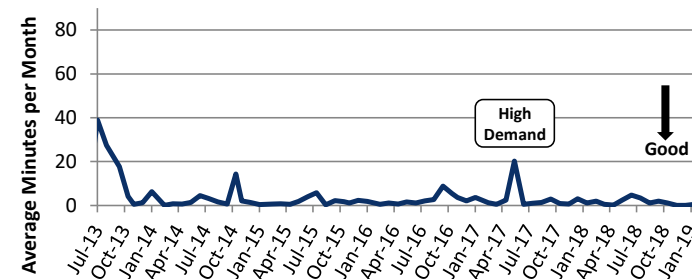
Customer Response Time

Average time from a customer call to the ticket completion or transfer to a field crew for a more extensive repair

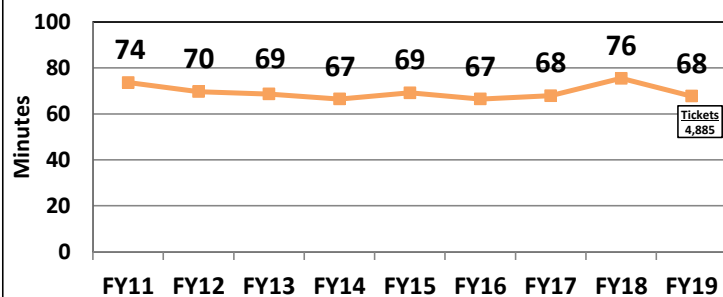
Customers Affected by Unplanned Outages
(% of customers)



Water Distribution System
Average Minutes Water Pressure Less than 30 psi



Priority Tickets: Customer Response Time



*Aligned with the PSC Rule for Electric Reliability Reporting, the Operational Metrics will exclude the impact of all service interruptions associated with a storm named by the National Hurricane Center.

ENVIRONMENTAL - WATER CONSUMPTIVE USE PERMIT (CUP)

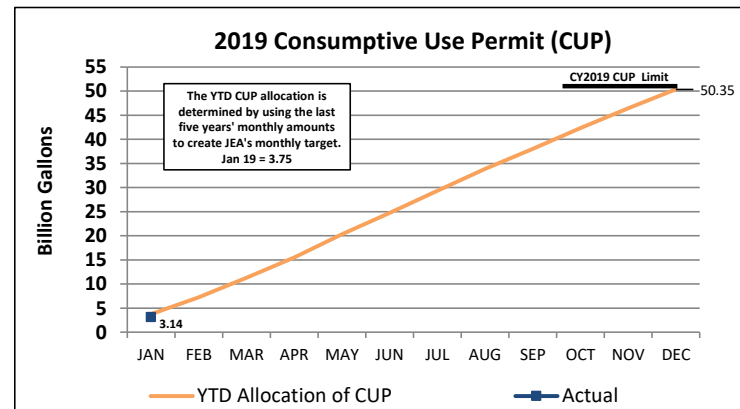
St. Johns River Water Management District CUP

Condition 12: YTD average daily flow is 25% below CY limit of 135 MGD

Condition 44: South Grid Wellfields are 21% below the base limit in CY19, and have annual operational flexibility of 20% above allocation limits.

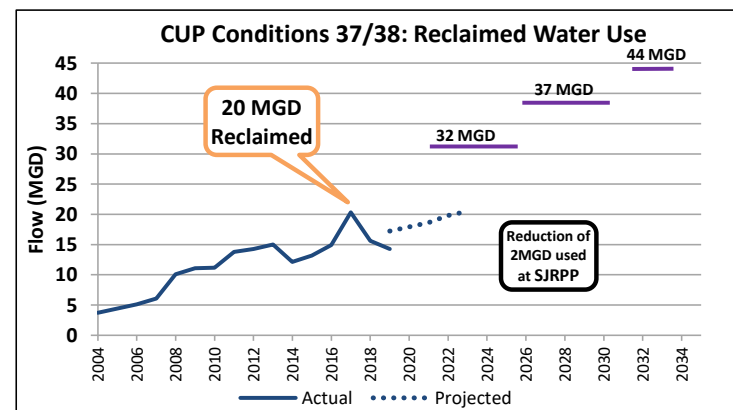
Conditions 37/38: Use of reclaimed water “to the maximum extent technologically, economically, and environmentally feasible”. The annual CUP limit continues to increase beginning in FY21 if 32 MGD is achieved.

Compliance	Metric – CY Basis	CY2019	2019 Target	2018	2017	2016
Water	CUP Limits (MGD)	101	135 limit	112 (135 limit)	114 (133 limit)	112 (131 limit)
South Grid	Wellfield Allocation (MGD)	39.35	< 50.23 limit	46.35 (<50.23 limit)	48.62 (<50.23 limit)	52.95 (<50.23 limit)
Reclaim	Usage (MGD)	14.26	17	17	20	16



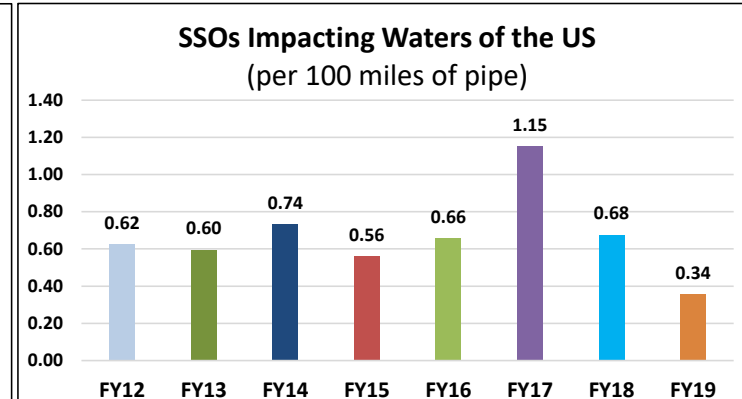
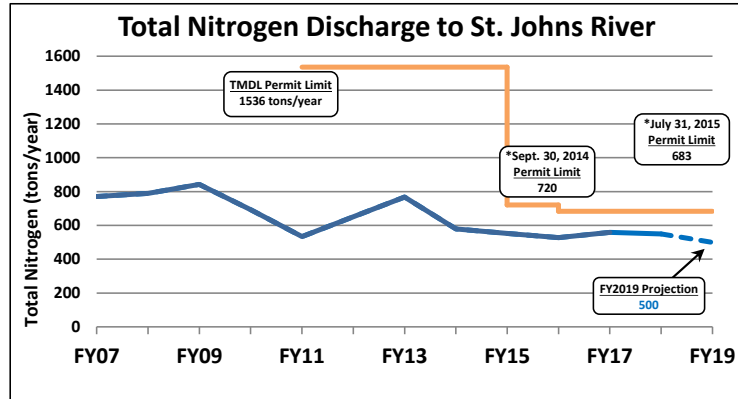
CUP Condition 44: South Grid Wellfield Allocation Limits

South Grid Actuals							YTD	Post Sep -14 Permit Limit
Critical Wellfields	2014	2015	2016	2017	2018	2019		
Deerwood III	7.01	6.67	7.88	7.64	7.17	4.33		7.00
Ridenour	6.39	6.66	7.64	6.68	6.54	5.51		6.85
Oakridge	6.23	4.99	5.79	5.49	5.55	4.23		5.65
Greenland	1.53	4.27	4.16	3.99	4.18	4.03		4.53
Brierwood	4.53	2.84	3.36	2.98	2.43	1.90		3.02
Subtotal	25.69	25.43	28.83	26.78	25.67	20.00		27.05
Other Wellfields	20.92	22.07	24.12	21.85	20.48	19.35		23.18
Total South Grid	46.61	47.50	52.95	48.62	46.35	39.35		50.23
Total System ADF MGD	104	107	112	114	112	101		135



MGD – Million Gallons Per Day

ENVIRONMENTAL COMPLIANCE WASTEWATER

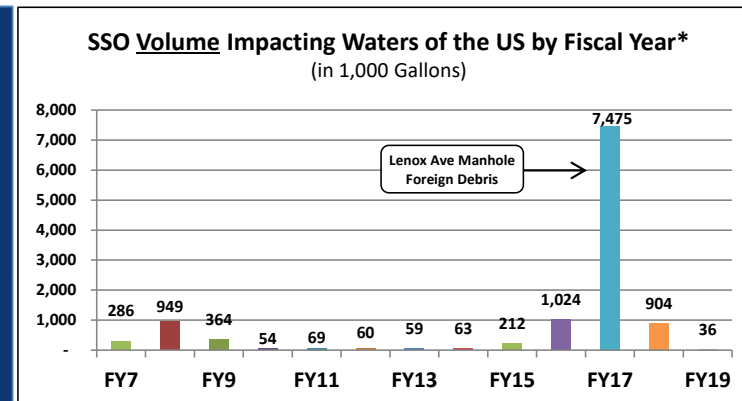


Nitrogen Discharge to St. Johns River

- Total Maximum Daily Load (TMDL) is 683 tons (rolling 12 month total).
- FY19 projection is 500 tons

Sanitary Sewer Overflows (SSOs to US Waters)

- FY04 – FY07: 54 per year average
- FY08 – FY16: 30 per year average
- Seventeen (17) SSO's impacting US Waters during FY19

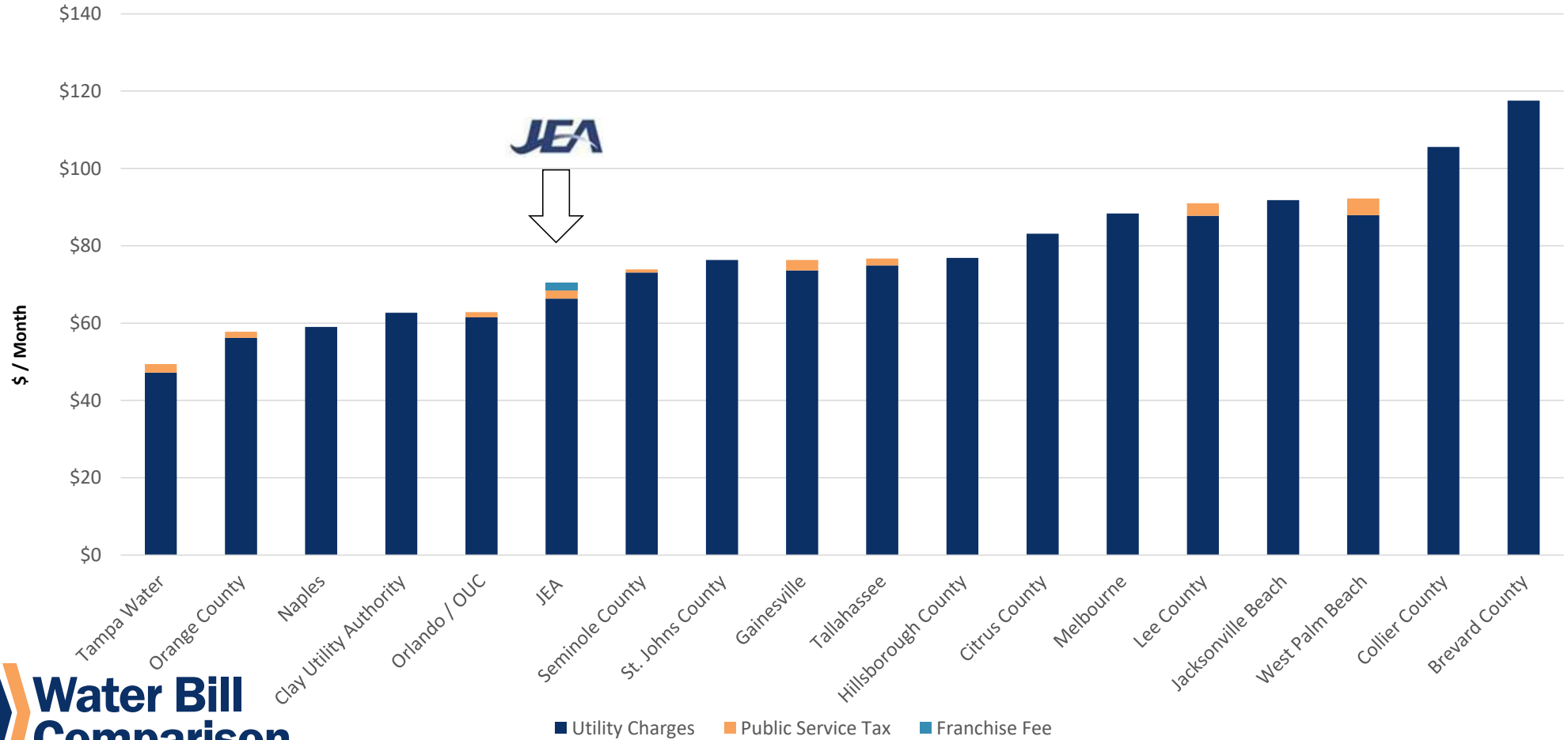


*Aligned with the PSC Rule for Electric Reliability Reporting, the Operational Metrics will exclude the impact of all service interruptions associated with a storm named by the National Hurricane Center.

Compliance	Metric	FY2019	FY2019 Target	FY2018	FY2017
Sewer	Nitrogen (N) Tons – FY basis	153	616	550(TMDL of 683*)	527 (TMDL of 683*)
Sewer	SSOs – US Waters (per 100 miles of pipe)	0.34	0.58	0.68	1.15

WATER & SEWER RATES IN FLORIDA






Residential Service with a 5/8" meter and 6 kgals of Consumption
Residential Rates as of January 2019



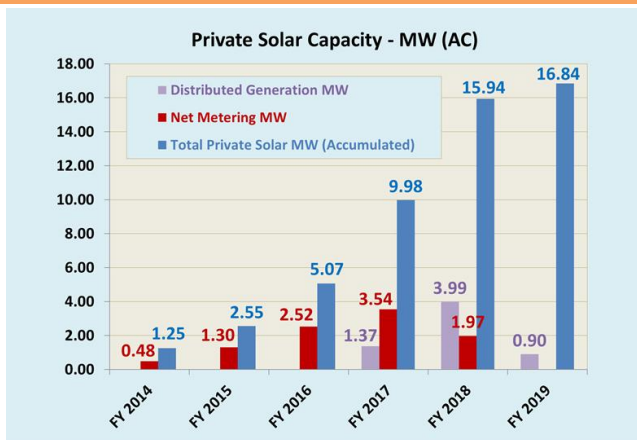
Customer Experience Update



MONTHLY OPERATIONS SCORECARD

Customer Experience	FY2016	FY2017	FY2018	FY2019	Status
JDP Customer Satisfaction Index - Residential	2 nd Q	1 st Q	2 nd Q	1 st Q	
JDP Customer Satisfaction Index - Business	1 st Q	1 st Q	1 st Q	3 rd Q	
Overall First Contact Resolution Index	79.4%	79.4%	78.9%	80.3%	
Self Service Utilization	76.0%	79.6%	82.0%	82.7%	
Net Write-Offs	0.14%	0.15%	0.13%	0.13%	

Significant Occurrences or Concerns This Month



	New Residential Solar 2017 vs. 2018										
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Total
2017	20	46	37	28	32	15	29	19	20	31	280
2018	33	18	17	17	15	16	26	19	21	16	198

	New Solar + Battery Incentive Program										
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Total
2018	9	5	3	2	0	1	2	2	3	3	32

FY19 Customer Satisfaction Goal

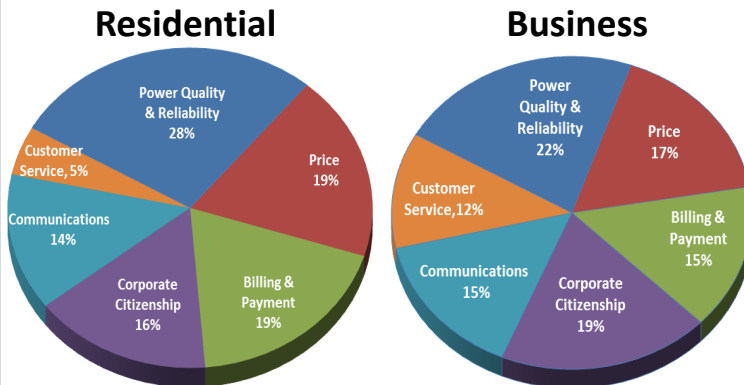
Achieve 1st Quartile Ranking for JD Power
Customer Satisfaction Index for both
Residential and Business Studies

Residential (R)

FY17	FY18	Per 1	Per 2	Per 3	Per 4	YTD 19
1Q 747	2Q 737	2Q 750	1Q 765			1Q 758

Business (B)

FY17	FY18	Per 1	Per 2	YTD 19
1Q 779	1Q 802	3Q 760		3Q 760



FY19 Residential # of companies ranked:
FY19 Business # of companies ranked:

142
88

1Q= 1st quartile 2Q= 2nd quartile 3Q = 3rd quartile 4Q = 4th quartile

Achieve 1st Quartile Ranking on All Drivers

Be Easy to Do Business With

Customer Service

	FY18	Per 1	Per 2	Per 3	Per 4	YTD 19
R	2Q 788	1Q 849	1Q 818			1Q 832
B	1Q 843	2Q 811				2Q 811

Power Quality & Reliability

	FY18	Per 1	Per 2	Per 3	Per 4	YTD 19
R	2Q 781	2Q 792	1Q 819			1Q 805
B	1Q 823	3Q 795				3Q 795

Empower Customers to Make Informed Decisions

Billing & Payment

	FY18	Per 1	Per 2	Per 3	Per 4	YTD 19
R	2Q 794	2Q 811	1Q 823			1Q 817
B	1Q 844	3Q 803				3Q 803

Communication

	FY18	Per 1	Per 2	Per 3	Per 4	YTD 19
R	1Q 696	2Q 695	1Q 728			1Q 711
B	1Q 796	3Q 728				3Q 728

Price

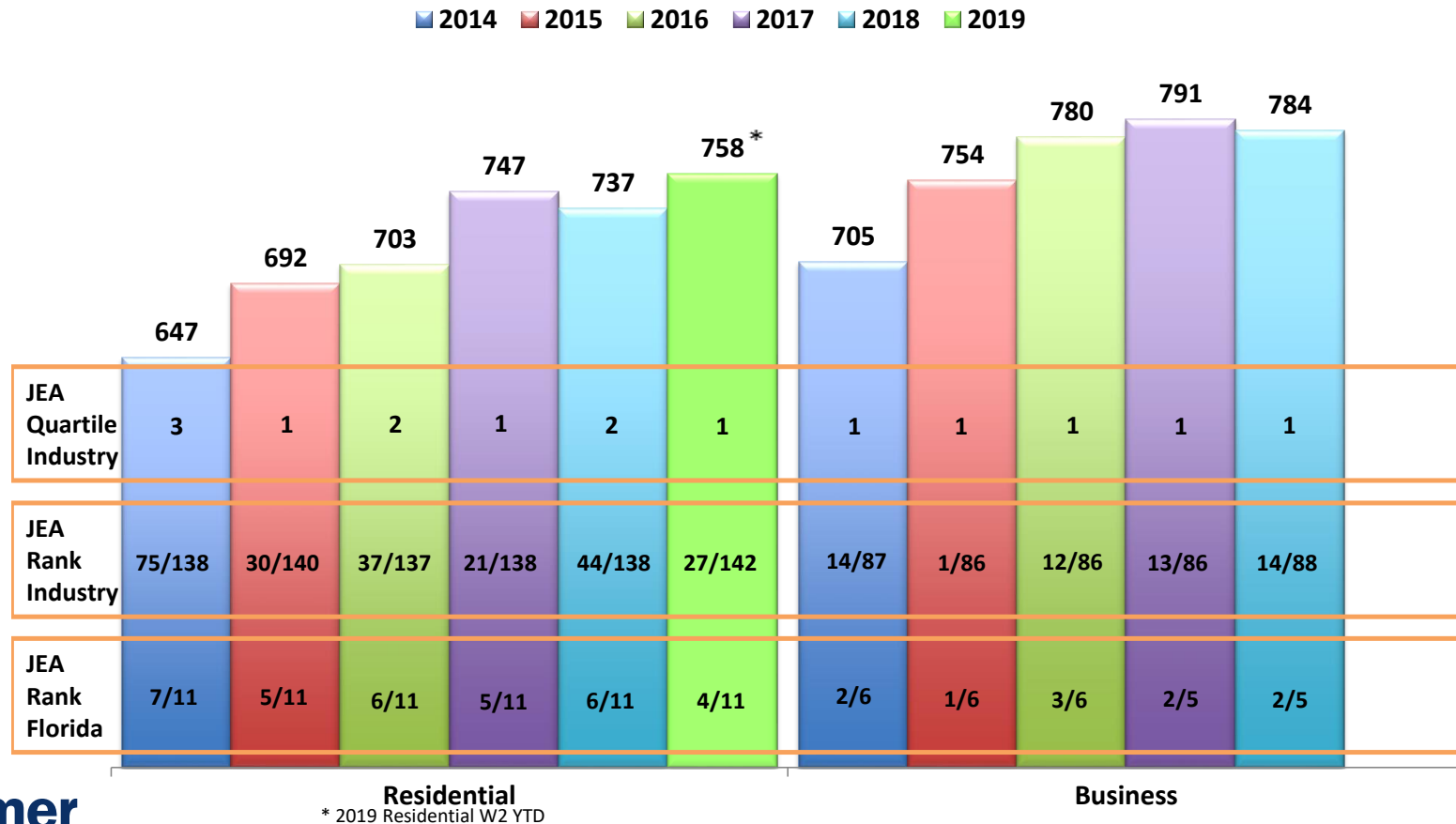
	FY18	Per 1	Per 2	Per 3	Per 4	YTD 19
R	2Q 675	1Q 706	1Q 702			1Q 704
B	1Q 760	2Q 722				2Q 722

Demonstrate Community Responsibility

Corporate Citizenship

	FY18	Per 1	Per 2	Per 3	Per 4	YTD 19
R	2Q 684	2Q 682	2Q 697			2Q 689
B	1Q 765	3Q 721				3Q 721

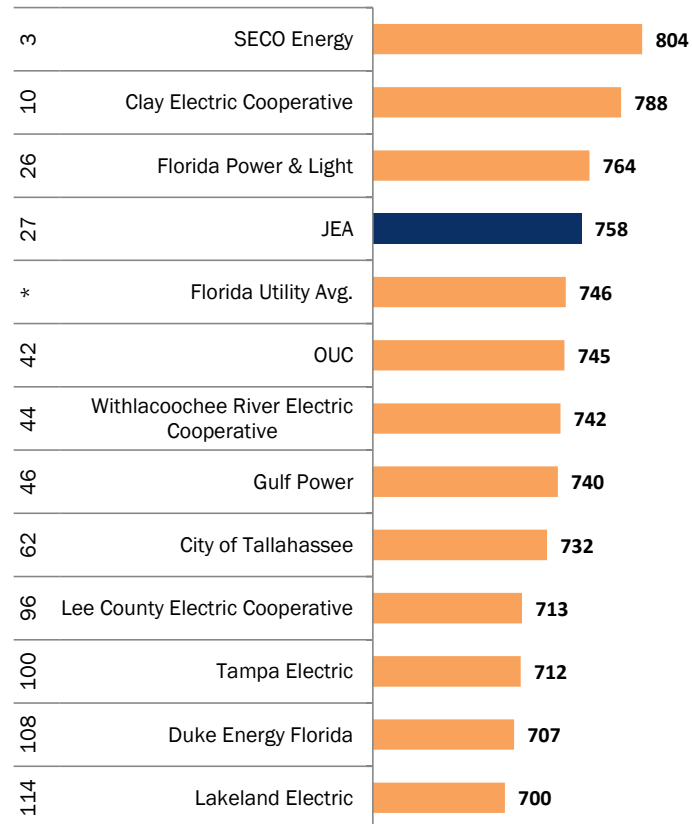
CUSTOMER SATISFACTION INDEX SCORES



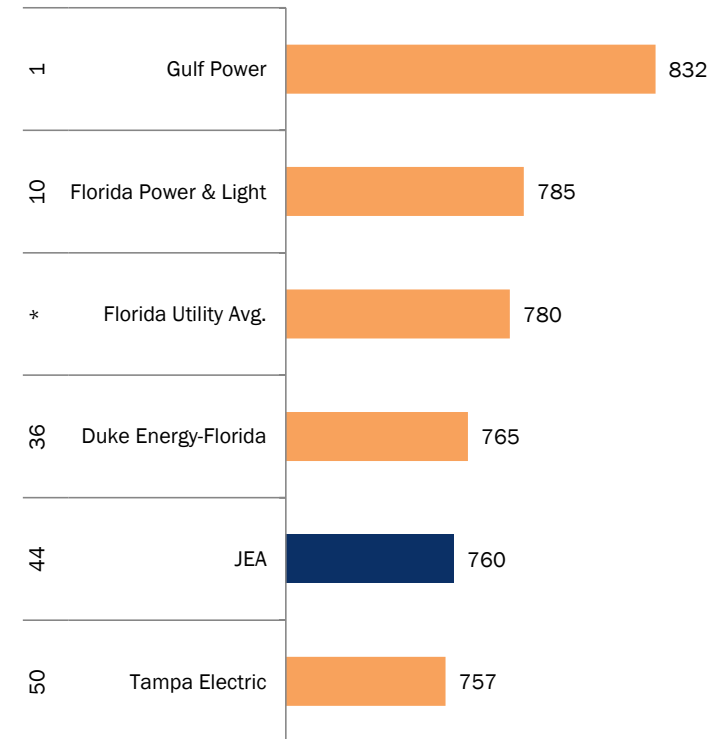
CUSTOMER SATISFACTION INDEX SCORES

FLORIDA UTILITIES

Residential 2019 WV1 & WV2



Business 2018 W2 (FY19)



Safety Update



SAFETY PERFORMANCE

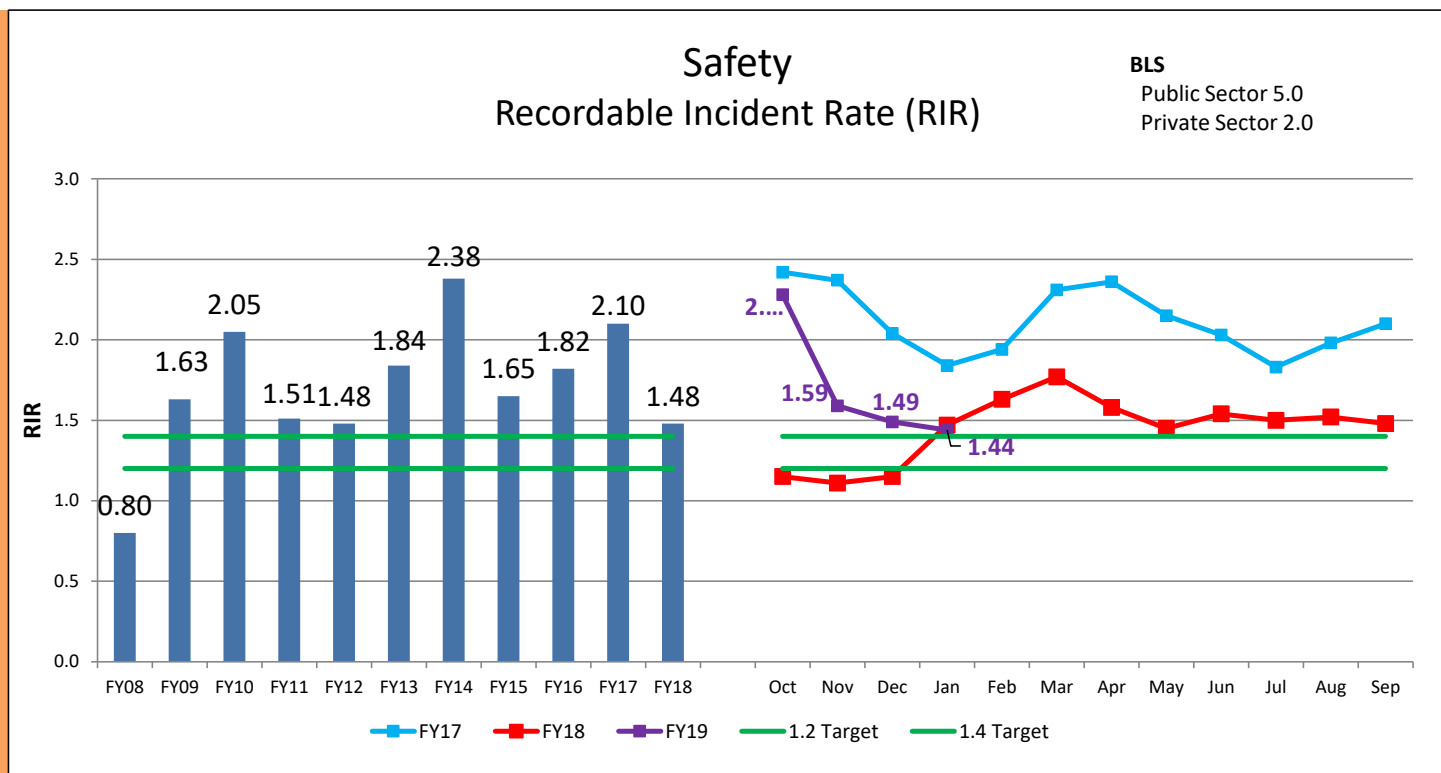
FY2018

- RIR = 1.48
- # of Recordables = 31

FY2019

- January Recordables = 2
 - Electric Systems = 2
- Lost Time Incidents=0
- Continuing to “Plan for Zero”
- Maintain focus on:
 - Complacency
 - Hand/Finger
 - 0-5 Year Employees
 - PPE Use
 - Strains, Sprains, Slip/Trip/Fall
 - Repeat Occurrences
 - Job Briefings
 - Training

Industry Benchmark* RIR – 5.0



Units	FY2019	FY2019 Target	FY2018	FY2017
RIR	1.44	1.4	1.48	2.10

Financial Update



KEY FINANCIAL METRICS

Energy System	Year-to-Date		FY2019 Full Year		Result
	FY2019	FY2018	Forecast	Target	
Debt Service Coverage	2.5x	2.7x	2.8x	≥ 2.2x	✓
Days Liquidity	356	319	281	150 to 250 days ¹	✓
Days Cash on Hand	194	220	113		✓
Debt to Asset %	70%	75%	66%	61% ²	✓

Water and Sewer System	FY2019	FY2018	Forecast	Target	Result
Debt Service Coverage	2.7x	2.7x	3.0x	≥ 1.8x	✓
Days Liquidity	393	580	298		✓
Days Cash on Hand	236	484	135	150 to 250 days ⁴	✓
Debt to Asset %	50%	52%	48%	49% ³	✓

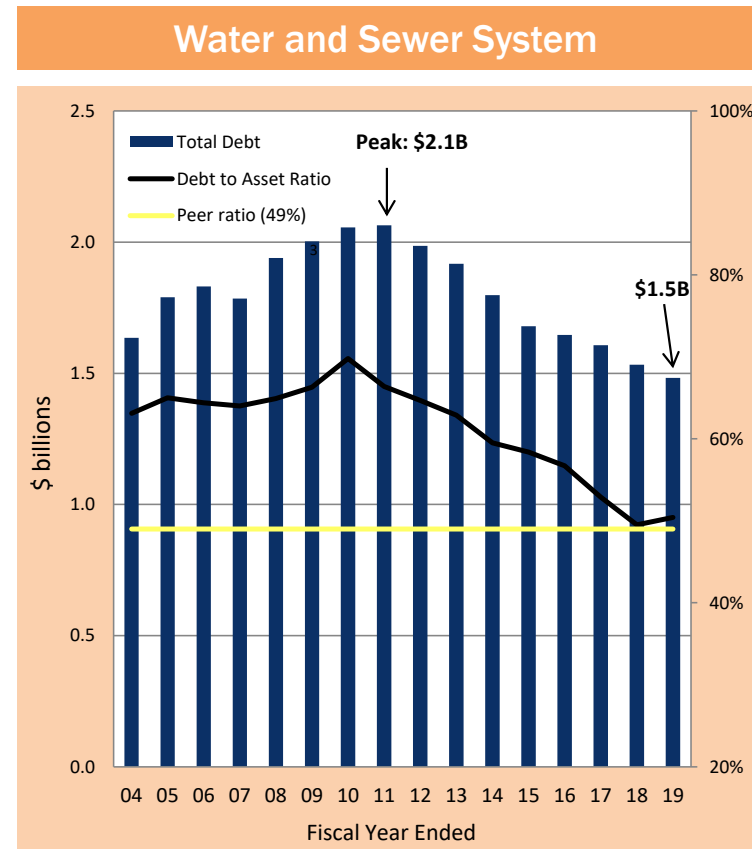
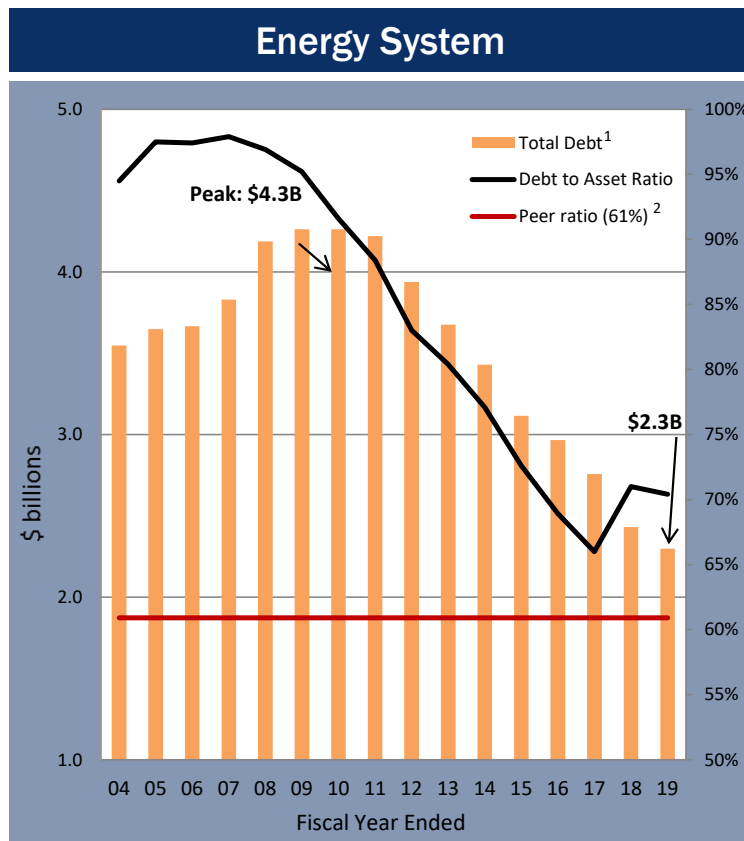
¹ Moody's Aa benchmark: 150 to 250 **days liquidity**; per Moody's Rating Methodology: "U.S. Public Power Electric Utilities with Generation Ownership Exposure, Nov. 2017"

² Long-term target is 60.9%; per Moody's Sector In-Depth Report Public Power Medians: "Stability Continues Amid Low Energy Prices, Clean Energy Shift, Sep. 2018"

³ Long-term target is 49%; calculated peer group per "Moody's 214 Aa rated public water-sewer utilities, Dec. 2016"

⁴ Moody's Aa benchmark: 150 to 250 **days cash**; per Moody's Rating Methodology: "U.S. Municipal Utility Revenue Debt, Oct. 2017"

DEBT AND DEBT TO ASSET RATIOS



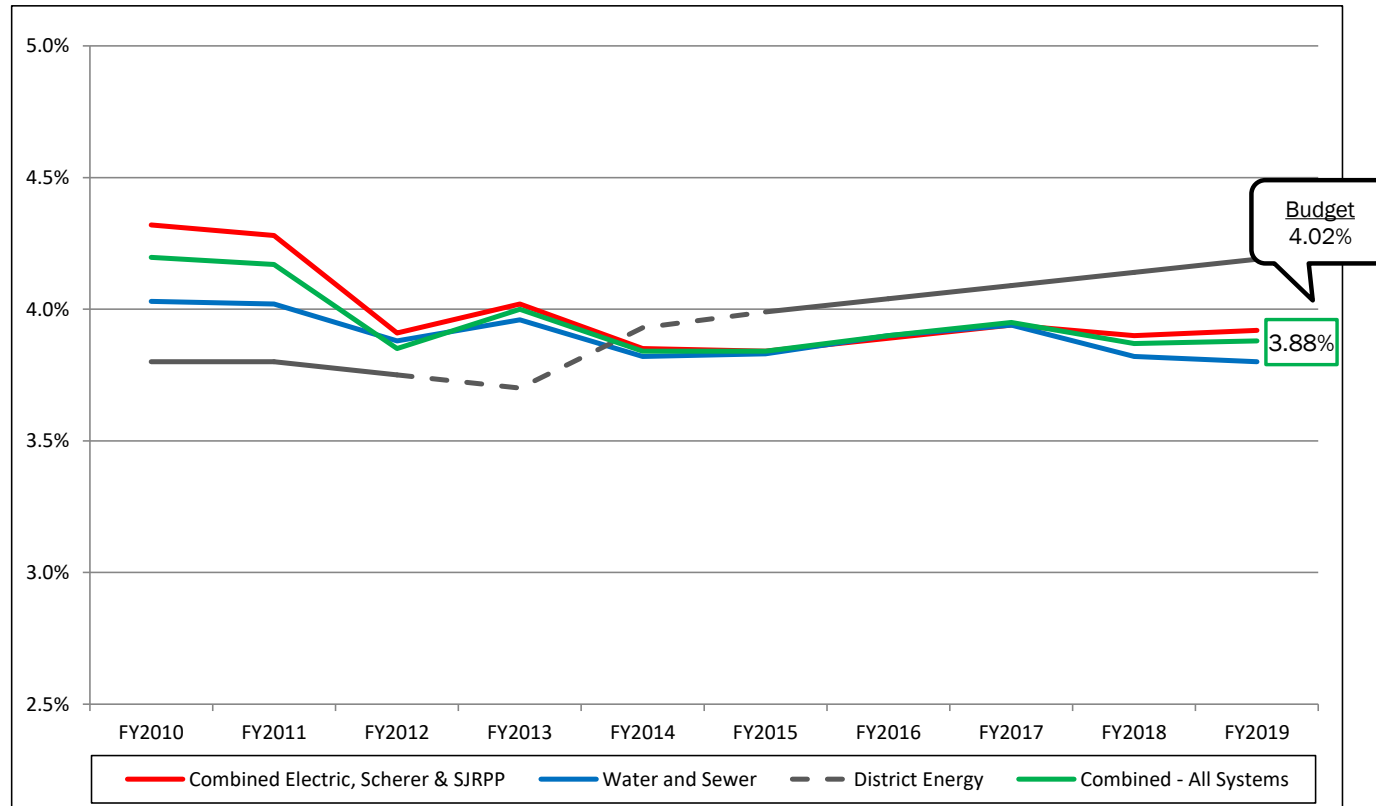
¹ Includes JEA, Scherer and SJRPP

² Per Moody's Sector In-Depth Report "Public Power Medians: Stability Continues Amid Low Energy Prices, Clean Energy Shift", Sept. 2018

³ As calculated from Moody's Municipal Financial Ratio Analysis database of 209 Aa rated public water-sewer utilities, Jan. 10, 2017

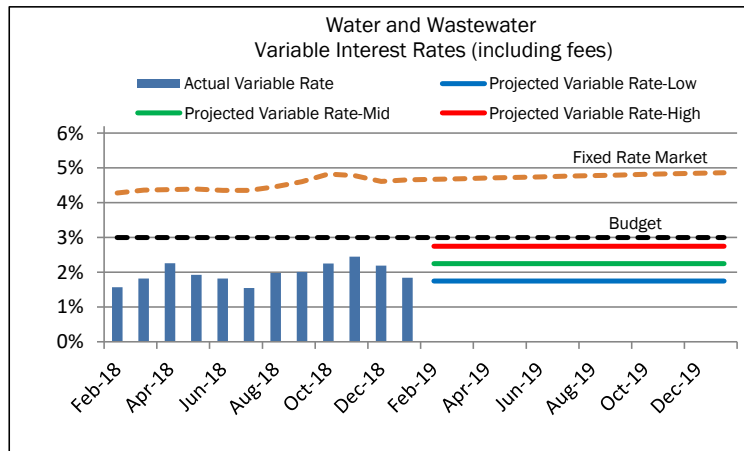
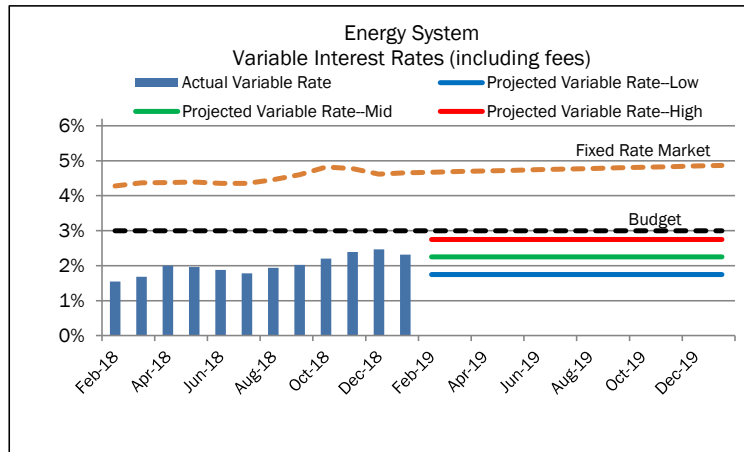
COMBINED DEBT OUTSTANDING

Weighted Average Interest Rates*



- Fiscal year end interest rates are net of BABs subsidy, original issue premiums / discounts and includes variable debt liquidity / remarketing fees and interest rate swap payments.
- - - - During FY2010 - FY2013 DES was funded with variable rate debt at an average of 1 percent.

VARIABLE DEBT RISK ANALYSIS



Total variable rate debt of \$863 with \$516 swapped to fixed rate

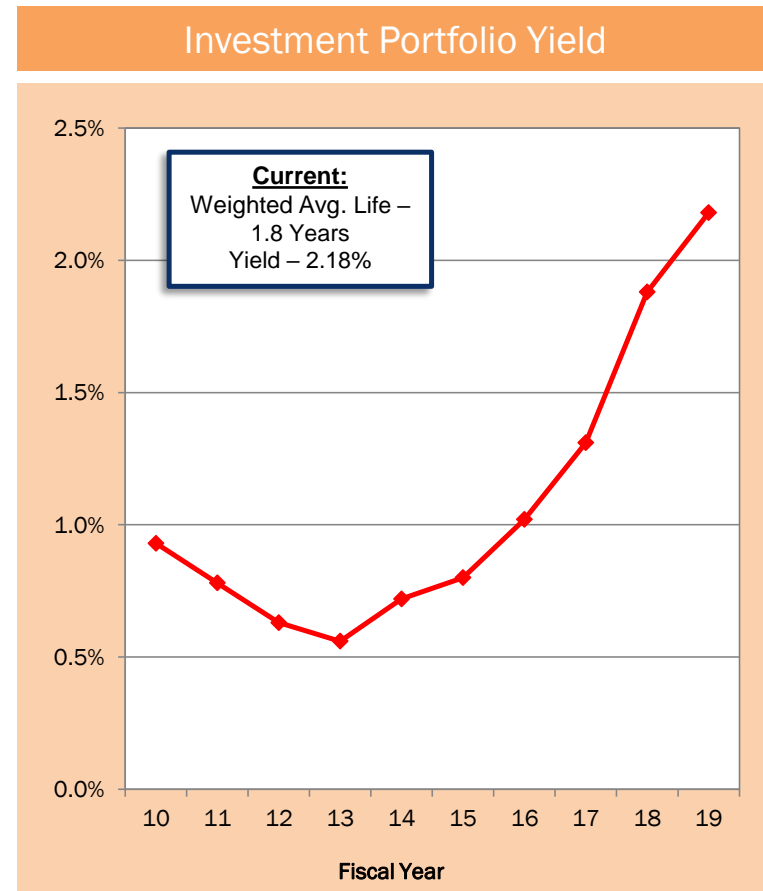
Liquidity Facilities and Direct Purchase Bonds (DPBs)			
Bank	Moody's/S&P/Fitch	\$ (in millions)	%
Wells Fargo Bank N.A. (100% DPBs)	Aa2/A+/AA-	\$215	26
JP Morgan Chase Bank N.A.	Aa2/A+/AA	199	24
Royal Bank of Canada	A2/AA-/AA	193	23
US Bank, N.A.	A1/AA-/AA-	144	17
Sumitomo	A1/A/A	52	6
State Street Bank	Aa3/AA-/AA	31	4
Total		\$834	

Swap Providers			
Bank	Moody's/S&P/Fitch	\$ (in millions)	%
Morgan Stanley Capital Services	A3/BBB+/A	\$171	33
Goldman Sachs Mitsui Marine Derivative Products	Aa2/AA-/NR	136	26
JP Morgan Chase Bank N.A.	Aa2/A+/AA	124	24
Merrill Lynch	A3/A-/A+	85	17
Total		\$516	

Items of Interest

- Variable debt as a percentage of total debt:
- Unhedged variable at 8% for Electric and 11% for Water and Sewer
- Hedged variable at 18% for Electric and 7% for Water and Sewer
- Liquidity facilities / direct purchase bonds are with highly rated providers
- Wells Fargo renewed in Dec 2018
- Next liquidity renewal in May 2020
- Variable rate reserve to mitigate risk of higher rates - \$44 million

COMBINED INVESTMENTS OUTSTANDING



JEA Community Engagement Calendar - January - March 2019

	A	B	C	D	E
1	Date	Event/Activity	Location	Time	Type
2	Jan-19				
3	1/7/2019	USO No Dough Dinner	Mayport Rd.	4 - 8pm	Volunteer Activity
4	1/7/2019	Emergency Prep Mutual Aide	GRU	9am	Ambassador Speaker
5	1/9/2019	DCPS Science Fair Awards	UNF	6pm	Ambassador Speaker
6	1/10/2019	DCPS Science Fair Awards	UNF	9am	Ambassador Event
7	1/10/2019	BEAM Food Bank	6th Avenue	1 - 4pm	Volunteer Activity
8	1/10/2019	Business Clients Seminar	JEA T-19	9am	Ambassador
9	1/10 - 1/11/2019	FIRST LEGO League	Thrasher Horne Center	7:30am - 4:00pm	Volunteer Activity
10	1/10/2019	COJ Tree Commission	Court House	11am - 1pm	Ambassador Speaker
11	1/11/2019	Frank H Peterson	NGS Tour	10:30am	Ambassador Facility Tour
12	1/11/2019	Christ Church Academy	Mandarin WWTP Tour	10:30am	Ambassador Facility Tour
13	1/12/2019	FIRST LEGO League	9000 Southside Blvd.	8am - 12pm	Volunteer Activity
14	1/14/2019	Hope at Hand	Atlantic Blvd.	1 - 4pm	Volunteer Activity
15	1/16/2019	Catholic Charities	Church St.	9:30am - 3:30pm	Volunteer Activity
16	1/16/2019	25th Annual Gayla & Dance	TIAA Field	5pm	Volunteer Activity
17	1/17/2019	Farm Share	Jessie St.	9am - 12pm	Volunteer Activity
18	1/17/2019	Trinity Christian High	800 Hammond Blvd	9:30am - 3:30pm	Ambassador Speaker
19	1/18/2019	Arbor Day Tree Planting	FSCJ	8am	Ambassador Event
20	1/18/2019	Catty Shack	1860 Starratt Rd.	10am	Volunteer Activity
21	1/23/2019	Sulzbacher Ctr. Breakfast	E. Adams St.	6am - 8am	Volunteer Activity
22	1/24/2019	Cathedral Terrace Café	Newnan St.	11am - 1pm	Volunteer Activity
23	1/24/2019	Mandarin Middle	Mandarin WWTP Tour	10:30am	Ambassador Facility Tour
24	1/25/2019	HabiJax Builds	Hubbard St.	7:30am	Volunteer Activity
25	1/25/2019	Liberty Pines STEM Fair	10901 Russell Sampson Rd.	9am	Ambassador Speaker
26	1/25/2019	Mandarin Middle	Mandarin WWTP Tour	10am	Ambassador Facility Tour
27	1/25/2019	Frank H Peterson	Buckman WWTP Tour	10am	Ambassador Facility Tour
28	1/25/2019	Feeding NE FL Food Bank	Edgewood Ave.	8:30am	Volunteer Activity
29	1/26/2019	FIRST Tech Challenge	Bolles Middle School	8am	Volunteer Activity
30	1/26/2019	FCNMHP Pet Food Bank	464 Cassat Ave.	9am	Volunteer Activity
31	1/28/2019	Callahan Food Distribution	Nassau County Extension Ofc.	12:30 PM	Volunteer Activity

JEA Community Engagement Calendar - January - March 2019

	A	B	C	D	E
	Date	Event/Activity	Location	Time	Type
32					
33	1/28/2019	USO No Dough Dinner	Mayport Rd.	10am	Volunteer Activity
34	1/29/2019	Frank H Peterson	4049 Woodstock	9am	Ambassador Event
35	1/30/2019	Morning Star High Career Fair	725 Mickle Rd	9am	Ambassador Event
36	1/31/2019	City of Jax Beach WWTP Staff	Alrington East Tour	10am	Ambassador Facility Tour
37					
38					
39	Feb-19				
40	2/1/2019	Water Contractor	Main St Lab Tour	9am	Ambassador Facility Tour
41	2/5/2019	SP Livingston STEM Career	1128 Barber St	9am	Ambassador Speakers
42	2/6 - 2/7/2019	PACE Center for Girls	University Blvd.	9am	Volunteer Activity
43	2/6/2019	Waverly Academy Career Day	5701 Wesconnet Blvd	9am	Ambassador Event
44	2/8/2019	Barkin' Biscuits	Berry Good Farms	9am	Volunteer Activity
45	2/8/2019	Hyde Park Elem. Career Day	5300 Park St.	9am	Ambassador Event
46	2/8/2019	Chappell School	3951 Emerson St.	10am	Ambassador Instructors
47	2/8 - 2/9/2019	Donna Marathon Expo	Old K-Mart, Neptune Bch.	8:30am	Volunteer Activity
48	2/9/2019	FL STEM Expo	River City Science Academy	10am - 2pm	Ambassador Event
49	2/10/2019	Donna Marathon	Seahorse Inn	8am	Volunteer Activity
50	2/11/2019	Hope at Hand	Atlantic Blvd.	1pm	Volunteer Activity
51	2/11/2019	USO No Dough Dinner	Mayport Blvd.	10am	Volunteer Activity
52	2/11/2019	JEA Power Pals	Rufus Payne Elem.	1:45pm	Ambassador Instructors
53	2/11/2019	NEFRSEF	Morocco Shrine	7:30am	Volunteer Activity
54	2/12/2019	SP Livingston STEM Career	1128 Barber St	9am	Ambassador Speakers
55	2/13/2019	Catholic Charities	Church St.	9:30am	Volunteer Activity
56	2/13/2019	DLC N & L Valentines Dance	College St.	9am	Volunteer Activity
57	2/14/2019	Waterleak Elem. Career Day	450 Kernan Blvd.	8:30am	Ambassador Event
58	2/14/2019	BEAM Food Bank	6th Ave.	1pm	Volunteer Activity
59	2/15/2019	Catty Shack	1860 Starratt Rd.	10am	Volunteer Activity
60	2/15/2019	Communities in Schools	APR Career Academy HS	8am	Volunteer Activity
61	2/15/2019	COJ Senior Serv.	117 W Duval St	10am	Ambassador Speaker
62	2/16/2019	Eden Gardens	9179 Gardens St.	8am	Volunteer Activity

JEA Community Engagement Calendar - January - March 2019

	A	B	C	D	E
	Date	Event/Activity	Location	Time	Type
63					
64	2/16/2019	Manatee Fest	Jax Zoo	10am - 2pm	Ambassador Event
65	2/19/2019	SP Livingston STEM Career	1128 Barber St	9am	Ambassador Speakers
66	2/20/2019	Sulzbacher Ctr. Breakfast	E. Adams St.	6am - 8am	Volunteer Activity
67	2/20/2019	JEA Power Pals	North Shore Elem.	10am	Ambassador Instructor
68	2/20/2019	JEA Senior Day	JEA Lobby	1pm	Ambassador Event
69	2/21/2019	Farm Share	Jessie St.	9am - 12pm	Volunteer Activity
70	2/21/2019	Cathedral Terrace Café	Newnan St.	11am - 1pm	Volunteer Activity
71	2/21/2019	Ed White Career fair	1700 Old Middleburg Rd	8am	Ambassador Event
72	2/22/2019	HabiJax Builds	Hubbard St.	7:30am	Volunteer Activity
73	2/22/2019	Tulsa Welding	NW Jax Solar Tour	9:30am	Ambassador facility Tour
74	2/22/2019	MATHCOUNTS	UNF	7:30am	Volunteer Activity
75	2/22/2019	Feeding NE FL Food Bank	Edgewood Ave.	8:30am	Volunteer Activity
76	2/22/2019	SOS Academy Career day	6974 Wilson Blvd	8am	Ambassador Event
77	2/23/2019	Renaissance Championship	Prime Osborn	6:30am	Volunteer Activity
78	2/23/2019	Big Talbot Island Cleanup	Big Talbot Island State Park	9am	Volunteer Activity
79	2/23 - 24/2019	World of Nations	Met Park	10am - 6pm	Ambassador Event
80	2/25/2019	Callahan Food Distribution	Nassau County Extension Ofc.	12:30pm	Volunteer Activity
81	2/25/2019	JEA Power Pals	Rufus Payne Elem.	1:45pm	Ambassador Instructor
82	2/25/2019	USO No Dough Dinner	Mayport Blvd.	10am	Volunteer Activity
83	2/26/2019	SP Livingston STEM Career	1128 Barber St	9am	Ambassador Speakers
84	2/26 - 2/28/2019	Construction Career Days	Equestrian Center	7am	Volunteer Activity
85	2/26 - 2/28/2019	Construction Career Days	Equestrian Center	7am	Ambassador Event
86	2/27/2019	JEA Power Pals	North Shore Elem.	10am	Ambassadpr Instructor
87	2/27/2019	Dr. Seuss Reading Day	Love Grove Elem	9:30am	Volunteer Activity
88	2/28/2019	PACE Family Night	2933 University Blvd.	9am	Volunteer Activity
89	2/28/2019	PACE Family Night	2933 University Blvd.	5:30pm	Ambassador Event
90	2/28/2019	ER Prep Exercise JAA	JIA	10pm	Volunteer Activity
91	2/28 - 3/3/2019	Spring Home & Patio Show	Prime Osborn	10am - 9pm	Ambassador Event
92	Mar-19				

JEA Community Engagement Calendar - January - March 2019

	A	B	C	D	E
93	3/2/2019	Weed Wrangle	Hanna Park	9am	Volunteer Activity
94	3/2/2019	Eden Gardens	9179 Gardens St.	8am	Volunteer Activity
95	3/2/2019	FCNMHP Pet Food Bank	Cassat Ave.	9am	Volunteer Activity
96	3/4/2019	JEA Power Pals	Rufus Payne Elem.	1:45pm	Ambassador Instructor
97	3/4/2019	IEEE IAS Electrical Safety Group	NGS Tour	8am	Ambassador Facility Tour
98	3/6/2019	JEA Power Pals	North Shore Elem.	10am	Ambassador Instructor
99	3/7 - 3/8/2019	GATE River Run Expo	Jax. Fairgrounds	Multiple Shifts	Volunteer Activity
100	3/8/2019	Barkin' Biscuits	Berry Good Farms	9am	Volunteer Activity
101	3/9/2019	JEA Water Station GATE Run	2 mi. mark Riverplace Blvd.	6am	Volunteer Activity
102	3/11/2019	Callahan Food Distribution	Nassau County Extension Ofc.	12:30pm	Volunteer Activity
103	3/11/2019	JEA Power Pals	Rufus Payne Elem.	1:45pm	Ambassador Instructor
104	3/11/2019	Hope at Hand	3886 Atlantic Blvd.	1pm	Volunteer Activity
105	3/11/2019	USO No Dough Dinner	Mayport Blvd.	10am	Volunteer Activity
106	3/13/2019	Catholic Charities	134 E. Church St.	9:30am	Volunteer Activity
107	3/13/2019	JEA Power Pals	North Shore Elem.	10am	Ambassador Instructor
108	3/14/2019	BEAM Food Bank	6th Ave.	1pm	Volunteer Activity
109	3/15/2019	Catty Shack	1860 Starratt Rd.	10am	Volunteer Activity
110	3/15/2019	Girls Inc. Career fair	900 Scorn St	12pm	Ambassador Event
111	3/15/2019	St. Johns River Cleanup	TBD	9am	Volunteer Activity
112	3/19/2019	Pizza w/ a Professional	Terry Parker	11am	Volunteer Activity
113	3/20/2019	Sulzbacher Ctr. Breakfast	E. Adams St.	6am	Volunteer Activity
114	3/20/2019	JEA Power Pals	North Shore Elem.	10am	Ambassador Instructor
115	3/20/2019	Mayport Middle Career fair	2900 Mayport Rd.	10am	Ambassador Event
116	3/21/2019	Eden Gardens	9179 Gardens St.	8am	Volunteer Activity
117	3/21/2019	Farm Share	1502 Jessie St.	9am	Volunteer Activity
118	3/22/2019	Fish-A-Thon	Hanna Park	8am	Volunteer Activity
119	3/22/2019	Feeding NE FL Food Bank	Edgewood Ave.	8:30am	Volunteer Activity
120	3/25/2019	Callahan Food Distribution	Nassau County Extension Ofc.	12:30pm	Volunteer Activity
121	3/25/2019	USO No Dough Dinner	Mayport Blvd.	10am	Volunteer Activity
122	3/26/2019	Pizza w/ a Professional	Terry Parker	11am	Volunteer Activity
123	3/28/2019	Cathedral Terrace Café	Newnan St.	11am	Volunteer Activity

JEA Community Engagement Calendar - January - March 2019

	A	B	C	D	E
	Date	Event/Activity	Location	Time	Type
124					
125	3/28/2019	Pizza w/ a Professional	Terry Parker	11am	Volunteer Activity
126	3/29/2019	HabiJax Builds	Hubbard St.	7:30am	Volunteer Activity
127	3/29/2019	Disco Spring Fling for Seniors	Morocco Shrine	9am	Volunteer Activity
128					
129					
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151					
152					
153					
154					

JEA Community Engagement Calendar - January - March 2019

	A	B	C	D	E
155					



Customer & Community Engagement Overview and Update

February FY19

Each month, we update the board on Customer & Community Engagement activities for the previous and current months. The purpose is to keep you apprised on these activities so that you are knowledgeable about JEA's efforts to keep our customers informed, to assist them in the management of their utility services and to be a good corporate citizen.

Customer Communications

In January, JEA joined the fight against fatbergs by rolling out a digital marketing campaign. The month-long Fatberg Invasion campaign officially kicked off on January 28th with teasers beginning the week prior. The campaign's purpose is to educate customers about what fatbergs, large coagulations of non-biodegradable sewage consisting of wipes, grease, and other items not meant to be flushed, are and how to stop them. JEA's Wastewater Treatment System is designed to dispose of human waste and toilet paper only. Many other commonly flushed items lead to the formation of fatbergs which cause damage to JEA's wastewater collection system and the treatment process.

We are attacking this costly issue with a coordinated marketing campaign featuring a video trailer on YouTube. We are promoting the video through JEA social media, email, jea.com, digital billboards, and signage around JEA facilities. The Key Accounts team will also be working directly with their business accounts to promote the video and to educate them on the problems with flushing items that are non-biodegradable.

Community Engagement

JEA employees participated in numerous Ambassador events and Volunteer activities throughout the month of January, with Ambassadors participating in 20 activities and volunteers serving 363 hours in the community. Deryle Calhoun's water wastewater systems team set a FY19 record for the highest number of volunteer hours served in one month by a single division, serving 240 hours.

JEA Ambassadors

In January, JEA Ambassadors participated in multiple community events including the Morning Star High and Frank H Peterson High Career Fairs as well as the Duval County Science Fair. Facility tours were conducted for Frank H Peterson High, Mandarin Middle Gifted Class, and the City of Jacksonville Beach wastewater treatment staff. Ambassadors were requested to speak to several groups which included the Trinity Christian Academy and to the attendees of the Duval County Science Awards Ceremony.

The JEA Power Pals spring program is set to kick-off this February, with Ambassadors teaching the program at 3 elementary schools. During the 4 week program, ambassadors will teach first graders the importance of electric safety and how to identify potential dangers in their home.

Employee Volunteerism

In January, 70 JEA employees volunteered 363 hours in the community, connecting with customers and assisting with numerous nonprofit projects and activities. From volunteering at the Sulzbacher Center Breakfast Service to assisting the Catholic Charities Food Pantry, JEA employees gave generously of their time and talents for the benefit of our community.

JEA employees also volunteered time at USO No Dough Dinner, Beaches Emergency Assistance Ministry (BEAM) Food Bank, FIRST LEGO League Qualifier, FIRST LEGO League Jr. Expo, Farm Share, Catty Shack Ranch, Cathedral Terrace Café, HabiJax Builds, Feeding NE FL Food Bank, FCNMHP Pet Food Bank, FIRST Tech Challenge League and Callahan Food Distribution.

JEA employees take great pride in the Ambassador and Volunteer programs, which are a tangible demonstration for our customers and our community of the “Heart of JEA.”



Corporate Metrics Dashboard

As of January 31, 2018

Metrics for FY19 Goals	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 YTD	2019 Goal	Variance
Customer Value										
JDP Customer Satisfaction Index - Residential	4th Quartile	3rd Quartile	3rd Quartile	1st Quartile	2nd Quartile	1st Quartile	2nd Quartile	1st Quartile	1st Quartile	-
JDP Customer Satisfaction Index - Business	4th Quartile	4th Quartile	1st Quartile	1st Quartile	1st Quartile	1st Quartile	1st Decile	3rd Quartile	Top Decile	-
Customer Response Time (min.): W/WW System	70	69	67	69	67	68	76	68	65	-5%
Overall First Contact Resolution	N/A	N/A	78.5%	80.9%	79.4%	79.4%	79.0%	88.7%	80.0%	11%
Estimated Time of Restoration Accuracy	-	-	88%	85%	89%	82%	80%	88%	80%	10%
Grid Performance: Frequency (outages/year)	2.4	1.7	1.7	1.7	1.4	1.6	1.4	1.14	1.6	29%
Grid Performance: Outage Duration (minutes/year)	84	68	71	99	71	99.5	67	51	75	32%
Grid Performance: CEMIS (% cust. > 5 outages/year)	n/a	n/a	2.34	2.10	1.40	1.07	0.40	0.09	0.80	89%
Water Unplanned Outages (% cust.)	2%	1%	1%	2%	4%	1%	5%	0.39%	2%	81%
Water Distribution System Pressure (avg min < 30 psi)	34.9	20.0	2.1	2.8	2.1	3.7	1.8	0.42	2.0	79%
Financial Value										
Net Write-Offs	0.19%	0.15%	0.15%	0.16%	0.14%	0.14%	0.13%	0.13%	0.18%	28%
Generation Fleet Reliability (forced outages rate)	0.7%	1.6%	3.0%	1.8%	2.0%	2.2%	2.1%	3.9%	2.0%	-95%
Percent of Net O&M Budget	92%	90%	88%	93%	93%	93%	93%	99%	95%	-4%
Cost Reduction Metric (\$000)	n/a	n/a	n/a	n/a	\$25,156	\$10,087	\$10,495	\$5,869	\$9,100	TBD
Community Impact Value										
Capital Invested (\$000)	\$273,774	\$234,718	\$158,392	\$204,708	\$298,045	\$307,918	\$374,456	\$131,534	\$437,774 – \$574,578	TBD
Safety (RIR)	1.48	1.84	2.38	1.65	1.82	2.10	1.48	1.44	1.40	-3%
JEA Volunteers	237 Activities	465 Activities	670 Activities	753 Activities	985 Activities	913 Activities	1,050 Activities	1,837 Hours	4,800 Hours	TBD
JSEB Spend (\$000)	\$9,168	\$10,121	\$7,302	\$9,318	\$9,983	\$13,365	\$15,760	\$5,493	\$15,000	TBD
Environmental Value										
Electric System Environmental Compliance (permit exceedances)	5	4	3	2	4	6	2	0	4	TBD
Consumptive Use Permit Compliance	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Nitrogen to the River (tons)	650	767	579	553	527	558	550	153	616	TBD
Sanitary Sewer Overflows (SSO's) (per 100 miles of pipe)	0.62	0.60	0.74	0.56	0.66	1.15	0.68	0.34	0.58	TBD

Metrics We Watch	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Forecast
Financial Value								
Change in Net Position (\$000)	\$182,642	\$79,975	\$156,269	\$323,008	\$210,016	\$254,620	\$126,488	\$190,415
Debt to Capitalization	75%	73%	70%	69%	66%	63%	59%	54%
City Contribution (\$000)	\$104,188	\$106,687	\$109,188	\$111,688	\$129,187	\$115,823	\$116,620	\$132,648
Electric sales (000's MWh)	13,855	11,930	12,172	12,434	12,561	12,050	12,364	12,119
Water Sales (000's kgal)	35,345	33,088	32,468	34,558	36,358	37,245	36,187	35,856
Sewer Sales (000's kgal)	24,490	23,624	23,527	24,922	25,818	26,713	26,340	26,917
Reclaim Sales (000's kgal)	1,330	1,110	1,301	1,784	2,644	3,290	3,120	3,503
Community Impact Value								
Utility Scale Solar Energy (000's MWh)	21	21	20	21	21	26	55	71
New Partnerships and Student Programs	N/A	N/A	N/A	N/A	N/A	N/A	N/A	5% Complete
Voluntary Attrition	46	36	44	32	33	35	35	15
Diverse Slate of Candidates (% of recruitments)	N/A	N/A	N/A	97.6%	98.6%	100%	100%	100%
Economic Development Program Participants	N/A	0	0	1	0	0	4	2
Environmental Value								
Reclaimed Water Customer Growth*	35%	40%	43%	31%	27%	25%	22%	24%

Strategic Metrics - Long Term Influence	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Forecast
Customer Value								
Residential Electric Bill in FL (% of State Median)	101%	101%	99%	99.5%	101%	100%	98%	98.6%
Residential Water/Sewer Bill in FL (% of State Median)	110%	104%	102%	100%	96%	94%	92%	92.1%
Financial Value								
Consolidated Return on Equity	13%	8%	10%	12%	13%	13%	9%	10.0%
Return on Net Assets	4%	2%	3%	4%	5%	5%	4%	5.0%
Unlevered Free Cash Flow: EBITDA less CAPEX (\$000)	\$606,131	\$532,872	\$632,212	\$591,925	\$547,897	\$573,259	\$367,007	\$351,971
Net Position (Book Value of Equity) (\$000)	\$1,991,311	\$2,071,286	\$2,196,006	\$2,166,909	\$2,376,928	\$2,631,545	\$2,755,310	\$2,945,725
City Contribution NPV	-	-	-	-	-	-	\$1,998,311	\$1,998,311
Electric Credit Ratings	Aa2/AA-/AA-	Aa2/AA-/AA	Aa2/AA-/AA	Aa2/AA-/AA	Aa2/AA-/AA	Aa2/AA-/AA	Aa2/AA-/AA	A2/A+/AA
W/WW Credit Ratings	Aa2/AA/AA	Aa2/AA/AA	Aa2/AA/AA	Aa2/AA/AA	Aa2/AAA/AA	Aa2/AAA/AA	Aa2/AAA/AA	A2/AAA/AA
Community Impact Value								
Employee engagement (survey)	-	71%	-	74%	72%	79%	81%	-
Environmental Value								
CO ₂ Emissions (lbs/MWh), net basis, w/ Scherer	1,631	1,828	1,851	1,731	1,799	1,593	1,478	1,448
Aquifer Withdrawal Limit	104	100	103	107	112	114	112	112
Residential Water Use Efficiency (gal. per capita per day)	88	80	75	79	81	82	75	74

*May contain reclaimed customers temporarily supplied with potable water

MANAGEMENT DISCUSSION

Financial

Electric Enterprise:

- FY19 sales down 6.0% compared to Jan FY18 YTD
- Sales per customer are down 7.7% compared to Jan FY18 YTD
- Degree days are down 6.0% compared to Jan FY18 YTD
- Total customers are up 1.9% compared to Jan FY18 YTD
- Revenues decreased \$58m vs. FY18 driven by lower sales and SJRPP decreases.
- Expenses decreased \$105m vs. FY18 with decreases in O&M, regulatory, and depreciation related to the SJRPP shutdown. Decrease in fuel and purchased power was driven by lower costs.

Water and Sewer:

- Water sales are down 0.94% compared to Jan FY18 YTD
- Sewer sales are up 2.2% compared to Jan FY18 YTD
- Reclaimed sales are up 12.3% compared to Jan FY18 YTD
- Sales per customer down 1.8% compared to Jan FY18 YTD
- Rain days are up 16.7% (5 days) compared to Jan FY18 YTD, irrigation down 7.0% versus Jan FY18 YTD
- Total customers are up 2.7% compared to Jan FY18 YTD
- Revenues increased by \$5m vs. FY18 due to higher customer accounts.
- Expenses increased \$6m vs. FY18 driven by an increase in overhead, mostly related to compensation and benefits.

DES

- Stable, minimal change from FY18

FEMA reimbursement:

- Matthew - \$2.2m of \$11m received
- Irma - \$0m of \$19m received

Operations

Two (2) OSHA recordables safety incidents for JEA in the month of January.

Electric:

- The JEA fleet Forced Outage Rate is running higher than target during Q1 due to extended unit recovery on NS Unit 2 as a result of excessive ash build up. On-going root cause investigation currently underway with a consulting firm.
- CEMI-5 improved by a large margin due to customers with multiple events in Jan FY18 rolling off and not having events in Jan FY19.
- ETR, Frequency, and Duration all performing better than goal.

Water/Sewer:

- Unplanned Water Main Outages: 422 customers experienced an outage in the month of January
- CUP: Average daily flow of 101 MGD was 25% below CY19 limit of 135 MGD; reclaimed usage at 14 MGD
- Nitrogen to River: FY19 Forecast is 500 tons this includes the deletion of 45 additional tons possible during the aeration basin project at Buckman, the project has been deferred. JEA has a limit of 683 tons per year and provides the COJ with 37 tons.
- SSO's Impacting Waters of the US: 17YTD, root cause analysis is performed on each SSO - exploring other options for inspections of system.



INTER-OFFICE MEMORANDUM

February 8, 2019

SUBJECT: SEPTIC TANK PHASEOUT OVERVIEW

FROM: Aaron F. Zahn, Interim Managing Director/CEO

TO: JEA Board of Directors

BACKGROUND:

Water and wastewater infrastructure availability has been an on-going concern for the City and community. Many of the related historical issues have been largely resolved such as access to treatment plants, quality of wastewater treatment, phase out of older package plants and levels of services and rates fairness for those with central services. The lack of central water and wastewater service available to older neighborhoods served with septic tank systems especially in areas of more dense development, aging tank systems and poor soil conditions requires a continued effort and focus. While many capital and grant funded projects have continued to phase out septic tanks, there remains a large number of neighborhoods that need or desire central services.

DISCUSSION:

The overview includes an historical perspective on water and sewer infrastructure efforts, a summary of the current septic tank phase out program and a forward look at a planned study to identify different technologies that seek to reduce costs of the overall need. A primary and recurring theme is the ever increasing cost and scope of the need and the lack of funding sources to address the issue. The study may reveal innovative ways to address the problem that will benefit the City and the community.

RECOMMENDATION:

This item is presented for background and information in advance of the proposed study.

Aaron F. Zahn, Interim Managing Director/CEO

AFZ/MHD/DC/NKV



SEPTIC TANK PHASEOUT

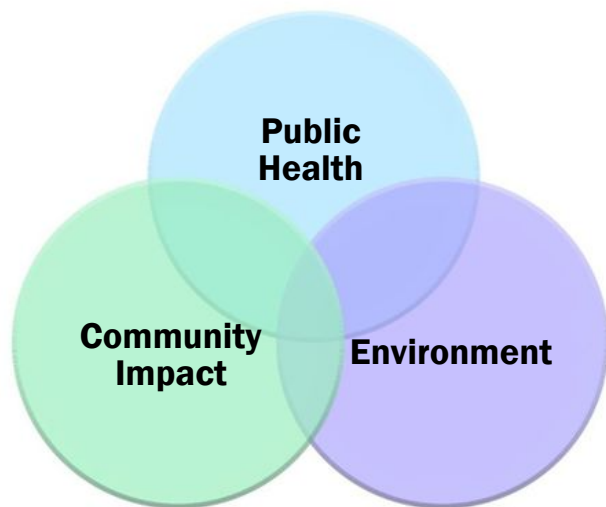
Program Overview



PROJECT HISTORY & JEA's SUPPORT ROLE

- Central water installation and septic tank phaseout projects continued over the years, including River City Renaissance, Better Jacksonville Plan (BJP), CDBG funding, and various other City, state and federal grant funding
- In 1997 the water and sewer utility transferred to JEA, and JEA's role included:
 - Project management on phaseout projects (including project outreach)
 - Assistance with Water and Sewer Expansion Authority (2003 to 2011) voluntary customer driven projects through financing and project management; sought grant monies for BJP projects, Pine Forest and Lincoln Villas
 - Expanded role in 2011 with the commitment to limited project support costs such as design engineering and capacity fees for environmental credits
- There was no obligation for JEA to fund further expansion in the Water and Sewer Transfer documents; in fact, JEA's bond resolution prohibits free service including capacity and connection fees


**HISTORICAL
PERSPECTIVE**

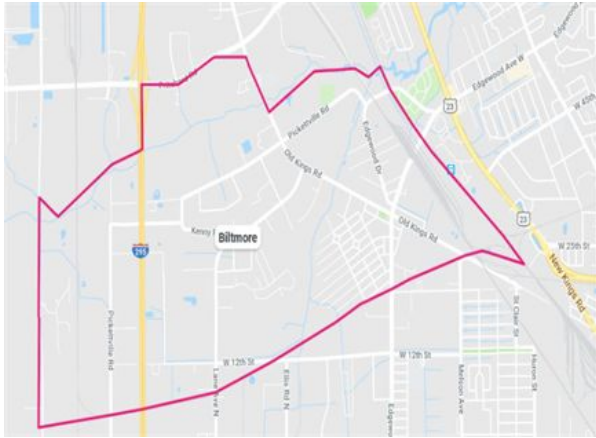


PROGRAM OVERVIEW

- Continued concerns over water and sewer expansion arose during contribution agreement discussions in 2015-16 during the Special Committee on the JEA Agreement
- In 2016 JEA and the City provided \$30m seed funding for a new septic tank program
 - 35 neighborhoods in septic tank failure areas
 - Projects ranked according to Public Health, Community Impact, and Environmental criteria
- With the approved contribution agreement, JEA will fund an additional \$15m for the current program.




**CURRENT
PROGRAM**



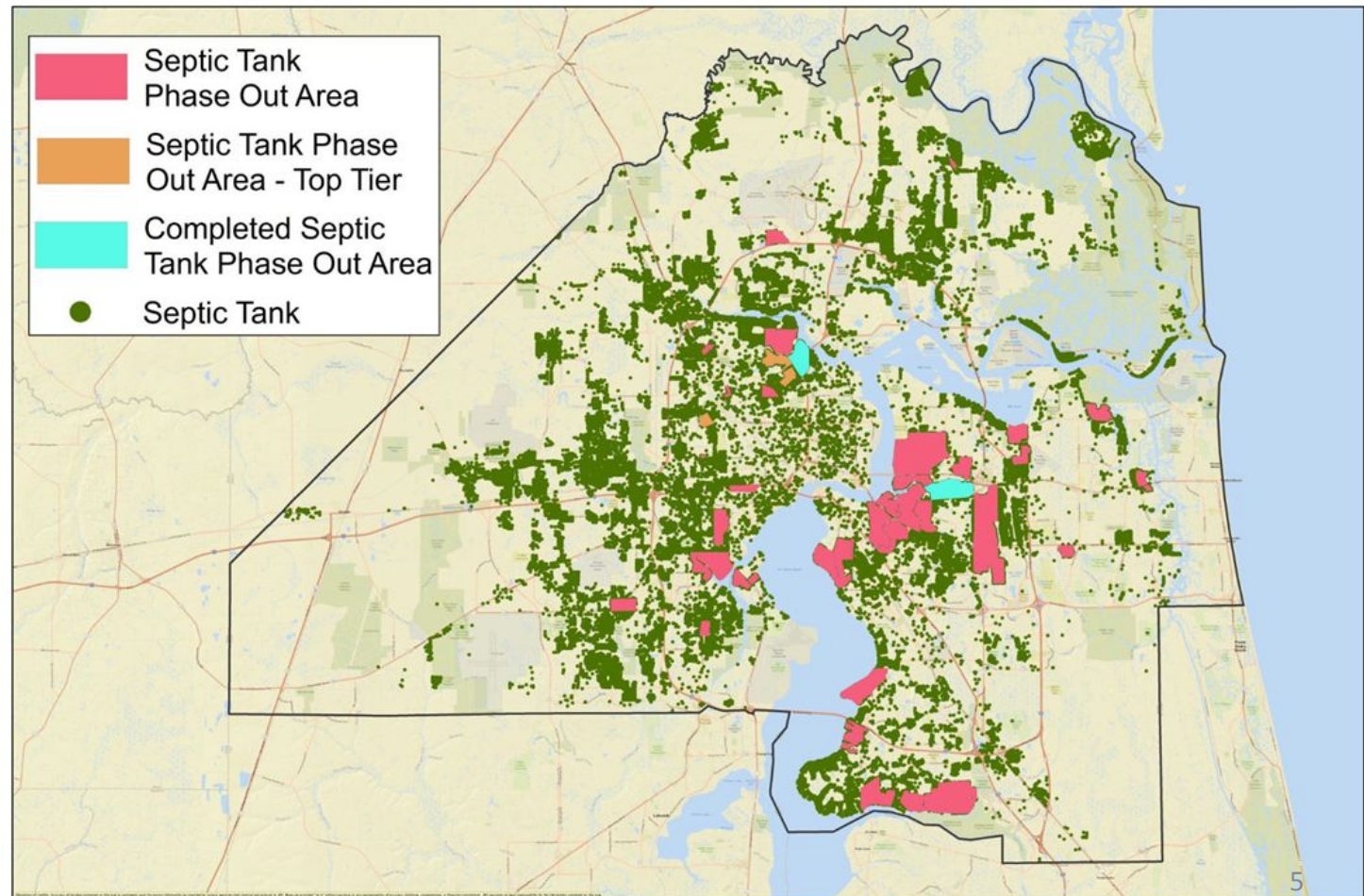
SEPTIC TANK PHASE OUT PROJECT Biltmore C (Example Scoring from 2016)	
Environmental, Health and Welfare	Maximum Points 70
Dept. of Health Customer 2016 score (max 60 pts)	49.0
Factor for lots within 150 M Buffer (BMAP) (max 5 pts)	4.0
Impaired tributary exceedance factor (max 5 pts)	0
Environmental Health & Welfare score	53.0
Community Considerations	Maximum Points 30
Development prior to 1968 (max 10 pts)	10.0
Median Home Value (max 5 pts)	5.0
Water (central water lacking) (max 5 pts)	5.0
Elimination of future septic tank proliferation (max 5 pts)	2.7
Offsite economic development opportunities (max 5 pts)	2.0
Community Considerations score	24.7
Overall Score	77.7




Scoring Sample

AREAS OF CONCERN

65,000 septic tanks in Duval County, 24,000 of which in Septic Tank Phaseout Areas



//////
**CURRENT
 PROGRAM**

THREE PROJECTS FUNDED

- The program pays all installation and connection costs
- 70% of property owners must sign a participation agreement before JEA can proceed with design/ construction
- Three projects approved/funded, phasing out more than 1,600 septic tanks at completion:

1. Biltmore

- 287 agreements executed (80% of total)
- Mittauer & Associates awarded design contract
- Tentative construction start date: May 2019

2. Beverly Hills

- 584 agreements executed (79% of total)
- Tentative Phase 1 construction start date: Summer 2020 (Phase 1)

3. Christobel

- Outreach will commence after bids are received on Biltmore (estimated to occur Q2 2019)



**CURRENT
PROGRAM**



A NEW APPROACH

Phasing out the remaining septic tanks in Duval County may cost more than \$2.5 billion

JEA will commission a study to explore new technologies to address the wastewater infrastructure gap on behalf of the City and the community

Infrastructure innovation may result in solutions that differ from the traditional centralized wastewater services model

Study goal:

Identify potential solutions to the infrastructure gap at a substantially lower cost than traditional gravity sewer infrastructure, so all neighborhoods in our community can have adequate infrastructure to serve their needs while protecting public health and the environment

THE PATH
FORWARD

Septic Tank Phase-Out Prioritization - June 2018

	Environmental, Health & Welfare (Max. 70 points)							Community Considerations (Max. 30 points)							Overall	
Area Designation	DCHD 2018 Score (60 pts) ^D	No. of Units Within Area	No. of Units Within 150M Buffer ^A (BMAP)	Factor For Lots Within The 150 M Buffer	Potential Annual Water Quality Benefit ^B (Metric Tons)	Impaired Tributary Exceedance Factor ^C	Environ, Health & Welfare Score	Development Prior to 1968 10 pts	Median Home Value 5 pts	Other Infrastructure			Elimination of Future Proliferation 5 pts	Offsite Economic Development Opportunities 5 pts	Community Considerations Score	Total Score 0.00
										Water 5 pts	FYI					
Drain.	Curb	S/W														
Biltmore C		358	266		0.12											
Beverly Hills		749	314		0.25											
Christobel		509	123		0.06											
Riverview	54.78	1812	612	2	0.56	3.40	60.18	10	4	2	N	N	N	1.5	0.0	17.50
Champion Forest	48.64	610	262	3	0.24	4.38	56.02	10	4	3	N	N	N	0.7	1.0	18.7
Emerson	48.66	751	437	3	0.4	4.75	56.41	10	4	0	N	N	N	1.1	2.0	17.1
St. Nicholas	48.69	623	343	3	0.31	4.52	56.21	10	4	0	N	N	P	0.3	3.0	17.3
Eggleston Heights	47.01	3416	1446	3	1.31	4.82	54.83	10	4	0	Y	P	P	0.1	2.7	16.8
Kinard	50.12	63	59	5	0.05	3.40	58.52	0	4	3	N	P	P	2.4	2.0	11.4
Julington Creek	58.03	2000	1282	4	1.16	1.72	63.75	0	2	2	P	P	P	0.6	1.0	5.6
Sub-Totals:		10891			4.46											

Sewer Cost			TOP TIER	Water Cost
Sewer Capacity Fee Available From JEA (% of lots)	Sewer Cost per House ^E (2016 \$'s)	Sewer Cost Area Total		Area Water Cost ^F
74	\$23,000	\$8,073,000		\$2,281,500
42	\$23,000	\$17,365,000		\$0
21	\$21,000	\$10,689,000		\$671,900
33	\$30,000	\$54,360,000		\$5,798,400
43	\$33,000	\$20,130,000		\$2,928,000
58	\$30,000	\$22,530,000		\$0
55	\$36,000	\$22,428,000		\$0
42	\$33,000	\$112,728,000		\$0
94	\$36,000	\$2,268,000		\$302,400
64	\$30,000	\$60,000,000		\$6,400,000
Sub-Totals:		\$330,571,000		\$18,382,200

DCHD Determining Criteria										DCHD 2018 Score
Area Designation	1A Number of Septic Tank Repair Permits	1B Age of Septic Tank System	2 Average Lot Size	3 Soil Potential	4 Seasonal High Water Table	5 Threat to Potable Water	6 Sanitary Conditions	7 Proximity to Surface Water	8 Potential for Flooding	
Beverly Hills	10		4	9.58	9.68	2	5	10	10	60.26
Julington Creek	10		2	7.06	7.97	6	5	10	10	58.03
Westfield	6		6	10	10	0	3	10	10	55.00
Riverview	10		2	7.16	7.62	6	2	10	10	54.78
Kinard	2		0	8.2	8.92	6	5	10	10	50.12
Christobel	2		6	8.82	8.94	6	6	7	5	49.76
Julington Hills	10		0	7.21	8.31	4	5	10	5	49.52
Biltmore C	2		0	10	10	10	8	4	5	49.00
St. Nicholas	10		0	7.74	8.95	4	8	10	0	48.69
Emerson	10		6	6.13	7.53	4	8	7	0	48.66

Environmental, Health & Welfare Notes

^A Potential to qualify for water quality benefit credits including JEA payment of plant capacity fee (\$2200 +/- per connection) not to exceed \$650,000 per year.

^B Per Septic Tank Phase Out Water Quality Prioritization (by consultant) dated May 11, 2016.

^C Refers to fecal coliform impairment only, and is the score provided by the Environmental Quality Division.

^D Maximum DCHD score allowable in matrix = 60.00.

^E Blue numbers require map update and count verification.

Factor For Lots Within The 150 M Buffer

% Within Buffer	Factor
0	0
1 to 20	1
21 to 40	2
41 to 60	3
61 to 80	4
81 to 100	5

Community Considerations Notes	
Home Value^H Scoring:	5 pts < \$50,000 4 pts \$50,000 to \$100,000 3 pts \$100,000 to \$150,000 2 pts \$150,000 to \$200,000 1 pt \$200,000 to \$250,000 0 pts > \$250,000 ^H Value source - Duval Co. Property Appraiser
Water Scoring:	5 = No existing water system in Area 4 = Existing water system in 20% of Area 3 = Existing water system in 40% of Area 2 = Existing water system in 60% of Area 1 = Existing water system in 80% of Area 0 = Existing water system in 100% of Area
Elimination of Proliferation Score:	The numerical percentage of undeveloped lots divided by ten. For example: 5.0 = 50% or greater undeveloped 1.0 = 10% undeveloped 0.1 = 1% undeveloped 0 = 0% undeveloped
Other Infrastructure:	'N' denotes infrastructure is not in-place 'P' denotes infrastructure is partially in-place 'Y' denotes infrastructure is fully in place

Legend

Denotes columns to be scored.

Denotes costs from 2017 matrix.

Standard Costs per Dwelling (Incl. Connection) ^G			
Type	Unit Cost	Units	Sub-Total
Gravity Systems			
Gravity Main (GM) w/ Manholes	\$ 175	75 If	\$ 13,125
Real Estate	\$ 90,000	1/300 lots	\$ 300
Lift Station	\$ 300,000	1/300 lots	\$ 1,000
Force Main	\$ 75	2000 If/300 lots	\$ 500
Septic Tank Removal	\$ 1,900	1	\$ 1,900
Reversal	\$ 6,000	1	\$ 6,000
Lateral	\$ 430	1	\$ 430
Capacity Fee & Main Extension Fee	\$ 2,270	1	\$ 2,270
Proj. Mgmt, Eng, CEI (20% +/-)	\$ 4,475	1	\$ 4,475
Baseline Total			\$ 30,000
Potential Additional Cost:			
Deep GM w/ highline (est 10% of pipe LF) or large lots	\$ 500	7.5 If	\$ 3,750
Lift Station (added cost for 150 units)	\$ 150,000	1/150 lots	\$ 1,000
Proj Mgmt, Eng, CEI (20% +/-) + Misc.	\$ 1,250	1	\$ 1,250
Additional cost sub-total			\$ 6,000
Adverse condition total			\$ 36,000
Low Pressure *			
LP PS	\$ 6,700	1	\$ 6,700
On-Site 2" FM	\$ 25	100 If	\$ 2,500
System FM	\$ 35	65 If	\$ 2,275
Septic Tank Removal	\$ 1,900	1	\$ 1,900
Reversal	\$ 4,000	1	\$ 4,000
Capacity Fee & Main Extension Fee	\$ 2,270	1	\$ 2,270
Proj. Mgmt, Eng, CEI (20% +/-)	\$ 3,355	1	\$ 3,355
Total			\$ 23,000

* Requires additional owner maintenance costs

Cost Consideration Notes

^E Includes Plant Capacity Fee and Line Extension Charge. \$33,000 is avg of Baseline & Adverse costs.

^F Water cost est per lot = (\$70/ft x 70ft) x 120% + \$2100 connection and capacity fee = \$8000

\$8000 x no. of units x % w/o existing water = Area Water Cost

^G Costs include restoring road and drainage to pre-construction condition. Road and sod restoration costs are included in pipeline unit costs.

Septic Tank Phase-Out Prioritization

Area Designation	Environmental, Health & Welfare (Max. 70 Points)							Community Considerations (Max. 30 points)								Overall	
	DCHD 2018 Score	No. of Units Within Failure Area	No. of Units Within 150M Buffer ^A (BMAP)	Factor For Lots Within The 150 M Buffer	Potential Annual Water Quality Benefit ^B (Metric Tons)	Impaired Tributary Exceedance Factor ^C	Environ, Health & Welfare Score	Development Prior to 1968 10 pts	Median Home Value 5 pts	Other Infrastructure				Elimination of Future Proliferation 5 pts	Offsite Economic Development Opportunities 5 pts	Community Considerations Score	Total Score
										FYI							
										Water 5 pts	Drain.	Curb	S/W				
Atlantic Highlands	41.16	62	54	5	0.05	4.03	50.19	10	4	3	N	N	P	1.8	0.0	18.8	68.99
Westfield	55	181	13	1	0.01	1.10	57.10	10	1	0	N	N	N	0.1	0.0	11.1	68.20
Oak Lawn	47.11	230	220	5	0.20	2.86	54.97	10	3	0	Y	Y	Y	0.1	0.0	13.1	68.07
Sans Pereil	45.98	211	181	5	0.16	1.96	52.94	0	4	5	N	N	N	5	0.0	14.0	66.94
Empire Point	45.08	342	212	4	0.19	3.52	52.60	10	2	0	P	P	N	0.5	1.5	14.0	66.60
Cedar River	42.82	386	263	4	0.24	4.47	51.29	10	4	0	P	P	P	0.3	0.5	14.8	66.09
Spring Glen	41.13	485	348	4	0.32	3.52	48.65	10	4	0	P	P	P	0.5	1.0	15.5	64.15
Lakeshore	45.99	1344	253	1	0.23	1.10	48.09	10	4	0	P	N	P	0.1	1.0	15.1	63.19
Freeman Rd/ Inwood Terrace	39.00	79	52	4	0.05	4.75	47.75	10	4	0	Y	P	P	1.1	0.0	15.1	62.85
Holly Oaks	39.56	282	171	4	0.16	4.07	47.63	10	3	1	P	P	P	0.1	0.2	14.3	61.93
Mill Creek	41.26	435	141	2	0.13	3.24	46.50	10	3	1	Y	Y	P	0.1	0.9	15.0	61.50
Oakhaven	40.91	790	500	4	0.45	2.22	47.13	10	3	0	P	P	N	0.4	0.5	13.9	61.03
Julington Hills	49.52	617	432	4	0.39	3.00	56.52	0	2	0	P	P	P	0.4	1.0	3.4	59.92
Northlake	42.00	121	121	5	0.11	1.85	48.85	0	1	5	Y	N	N	1.4	3.0	10.4	59.25
Lone Star Park	37.33	321	127	2	0.12	4.07	43.40	10	4	0	Y	P	P	0.2	0.9	15.1	58.50
Hood Landing II	47.64	509	410	5	0.37	3.00	55.64	0	2	0	Y	Y	Y	0.2	0.0	2.2	57.84
Point La Vista	40.70	830	143	1	0.13	3.69	45.39	10	0	0	Y	P	P	0.1	0.2	10.3	55.69
Southside Estates	30.94	2305	1780	4	1.61	3.62	38.56	10	4	0	P	N	P	0.3	1.0	15.3	53.86
Beauclerc Gardens	44.88	530	300	3	0.27	3.57	51.45	0	1	1	Y	P	P	0.2	0.0	2.2	53.65
Clifton	31.93	524	309	3	0.28	3.24	38.17	10	3	0	Y	P	P	0.2	1.9	15.1	53.27
Ortega	39.84	128	31	2	0.03	1.10	42.94	10	0	0	Y	N	N	0.2	0.0	10.2	53.14
Odessa	31.00	33	31	5	0.03	1.90	37.90	10	5	0	Y	N	N	0.0	0.1	15.1	53.00
The Cape	37.64	35	35	5	0.03	0.00	42.64	0	2	5	Y	N	N	0.9	0.0	7.9	50.54
Pablo Point	37.31	238	133	3	0.12	4.03	44.34	0	2	0	Y	Y	N	0.0	0.6	2.6	46.94
Mt. Pleasant	32.87	439	280	4	0.25	2.26	39.13	0	2	3	Y	P	P	0.2	0.0	5.2	44.33
This page sub total:		11457				5.93	Notes: 1. Lincoln Villas, and other areas not yet identified as septic tank failure areas, will be entered on the above spreadsheet when assigned a DCHD score.										
Totals:		Lots	#REF!	MT Removed:		#REF!											

Notes: 1. Lincoln Villas, and other areas not yet identified as septic tank failure areas, will be entered on the above spreadsheet when assigned a DCHD score.

2. Offsite Economic Dev. Opportunity Scoring: Whole points are awarded for the potential to connect significant undeveloped/under-developed (SU/UD) parcels along the offsite route of new wastewater mains providing service.
Whole points are awarded for the potential to connect exterior SU/UD parcels abutting the area.
If the area is bi-sected by a major commercial highway, fractional points are awarded for the potential to connect interior SU/UD parcels on the highway.

3. Sewer cost per house of \$33,000 is an average of Baseline cost (\$30,000) and Adverse Condition cost (\$36,000).

Sewer Cost			Water Cost
Sewer Capacity Fee Available From JEA (%) of lots	Sewer Cost per House ^D (See Note 2) (2016 \$'s)	Sewer Cost Total Area	
87	\$33,000	\$2,046,000	\$297,600
7	\$30,000	\$5,430,000	\$0
96	\$33,000	\$7,590,000	\$0
86	\$33,000	\$6,963,000	\$1,688,000
62	\$33,000	\$11,286,000	\$0
68	\$33,000	\$12,738,000	\$0
72	\$33,000	\$16,005,000	\$0
19	\$33,000	\$44,352,000	\$0
66	\$33,000	\$2,607,000	\$0
61	\$33,000	\$9,306,000	\$451,200
32	\$33,000	\$14,355,000	\$696,000
63	\$33,000	\$26,070,000	\$0
70	\$33,000	\$20,361,000	\$0
100	\$33,000	\$3,993,000	\$968,000
40	\$33,000	\$10,593,000	\$0
81	\$33,000	\$16,797,000	\$0
17	\$33,000	\$27,390,000	\$0
77	\$33,000	\$76,065,000	\$0
57	\$33,000	\$17,490,000	\$848,000
59	\$33,000	\$17,292,000	\$0
24	\$33,000	\$4,224,000	\$0
94	\$36,000	\$1,188,000	\$0
100	\$33,000	\$1,155,000	\$280,000
56	\$33,000	\$7,854,000	\$0
64	\$33,000	\$14,487,000	\$2,107,200
Total This Page	\$377,637,000		\$7,336,000
Overall Total	#REF!		#REF!



INTER-OFFICE MEMORANDUM

February 8, 2019

SUBJECT: JEA'S ORGANIZATIONAL HEALTH INDEX (OHI) SURVEY

FROM: Aaron F. Zahn, Interim Managing Director/CEO

TO: Board of Directors - Alan Howard, Chair

BACKGROUND:

JEA is committed to continuous performance improvement and the achievement of goals set forth in the organization's strategic framework. In order to gain a clear understanding of the current state of organizational health, JEA engaged McKinsey to conduct an Organizational Health Index (OHI) Survey. This tool provides JEA a baseline score of overall Organizational Health that can be used to measure performance improvement.

DISCUSSION:

Organizational health is defined as how an organization aligns itself, executes itself with excellence, and renews itself to sustainably achieve its performance aspirations. Organizational health is made of up nine "outcomes" that measure what people believe about the organization and how it operates. These nine outcomes are organized in three dimensions:

- Alignment (Direction, Work Environment, and Leadership)
- Execution (Accountability, Coordination & Control, Capabilities, Motivation, Leadership)
- Renewal (Innovation & Learning, External Orientation, Leadership)

A companywide survey was launched on January 15, 2019, for a two-week period. The survey received nearly 1700 completed responses, which surpassed our 85% stretch participation goal. The OHI survey analysis produced a score that benchmarks to the nearly 900 organizations in the OHI database to show relative strength with measures and outcomes being "quartiled" – first or top quartile means the organization is in the top 25% of all surveyed organizations, while fourth or bottom quartile means an organization is in the bottom 25%. JEA's overall organizational health score is 56, which puts JEA in the bottom quartile of the global OHI database.

The outcome and data analysis from the survey provides reference points from which to launch initiatives for improvement. Next steps include conducting focus groups to gain more personalized insights into the survey results. We must then narrow the outcomes most important to target to achieve the organization's strategic goals. A comprehensive improvement plan will be developed as part of JEA's strategic planning work.

RECOMMENDATION:

This item is submitted for information. No action by the Board is required.

Aaron F. Zahn, Managing Director/CEO

AFZ/MHD/ARH

The big idea: leaders need to measure and manage organizational health with the same rigor as performance

Performance



Health

What an enterprise
delivers to stakeholders
in *financial and*
operational terms
through systems and
process change

Deliver Results

How an organization
aligns itself, *executes*
with excellence, and
renews itself to
sustainably
achieve
performance
aspirations

Run the Place

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**Organizational
Health Update**

SOURCE: Organization Practice, McKinsey & Co.

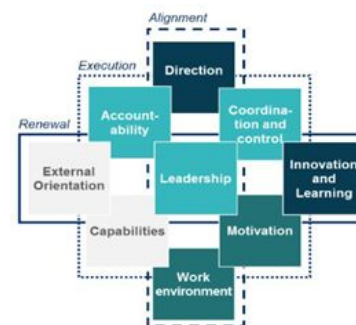
Along with overall health, the outcomes and practices create a common language to discuss “culture” and organizational health

Overall Health



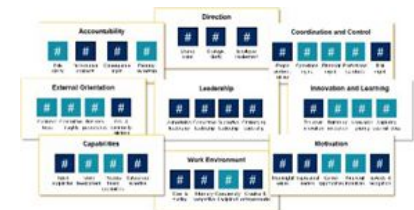
- An assessment of the overall health of the organization
- Color indicates health relative to other organizations in the OHI database

Outcomes



- “What you see” in an organization
- Based on questions asking whether respondents agree with certain statements about the organization
- Example: “Employees here are highly motivated”

Practices



- “What people do” – behaviors that drive each outcome
- Different questions from the outcomes, asking how often respondents see certain healthy behaviors done at the organization
- Example: “Managers in my company provide praise, thanks, or other forms of recognition to high performers”

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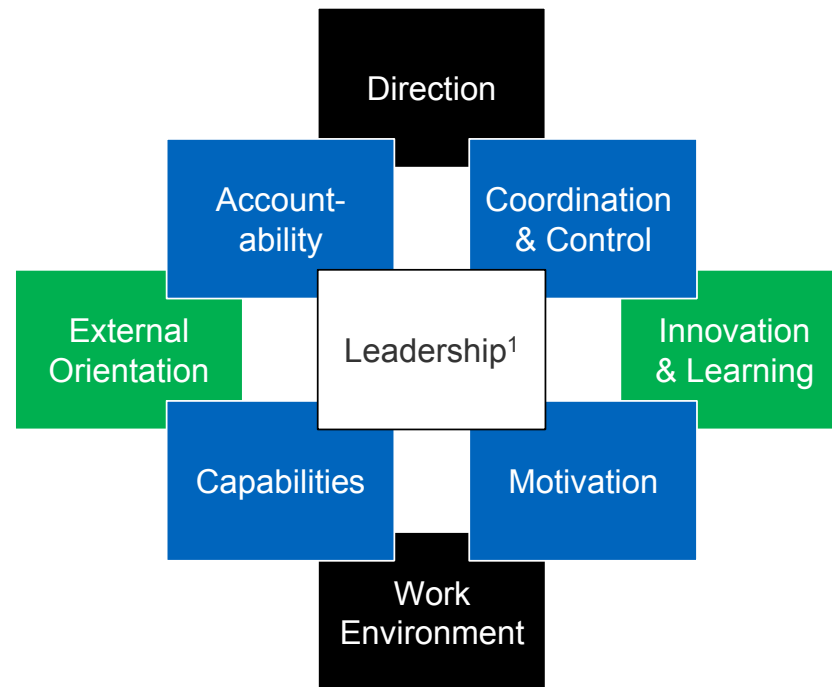


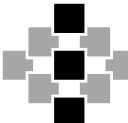


**Organizational
Health Update**

SOURCE: Organization Practice, McKinsey & Co.

The nine outcomes measure the “soft” and “hard” building blocks of the organizational ecosystem across three dimensions

Measure agreement, from “strongly agree” to “strongly disagree”



- 
Alignment
 Are people aligned around the organization’s vision, strategy, culture and values?
- 
Execution
 Can employees deliver on their roles with the current capabilities, processes and motivation level?
- 
Renewal
 How does the organization understand, interact, respond, and adapt to its situation and external environment?

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Organizational Health Update

¹ Leadership, as a central component to organizational health, is part of all 3 dimensions of health

SOURCE: Organizational Health Index, Organization Practice, McKinsey & Co.

Definitions of the 9 OHI outcomes

	Outcomes	How effective and in what ways does the organization ...
Alignment	Direction	... communicate a clear and compelling vision of where the organization is headed, how to get there, and what it means for people
	Leadership	...use effective leadership styles to shape the actions of people in the organization to drive high performance
	Work Environment	...cultivate a clear, consistent set of values and working norms that foster effective workplace behavior
Execution	Accountability	...ensure individuals understand what is expected of them, have sufficient authority and feel accountable for delivering results
	Coordination & Control	...consistently measure and manage business and risk, and act to address problems when they arise
	Capability	...ensure the institutional skills and talent are in place to execute the strategy and create competitive advantage
	Motivation	...develop employee loyalty and enthusiasm, and inspire people to exert extraordinary effort to perform at their very best
Renewal	Innovation & Learning	...encourage and harness new ideas, including everything from radical innovation to incremental improvement, so the organization can effectively evolve and grow over time
	External Orientation	...engage with important external stakeholders (customers, suppliers, partners, and others) to more effectively create and deliver value – both now and in the future

NOTE: Leadership is shaded as part of the “alignment” dimension of health but technically is part of all three dimensions (alignment, execution, renewal)

SOURCE: Organizational Health Index, Organization Practice, McKinsey & Co.

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**Organizational
Health Update**

The 37 practices offer tactical insights by looking at the behaviors, actions, and processes that create these healthy building blocks

Practices (Measure frequency, from “often” to “rarely”)

Direction <ol style="list-style-type: none"> 1. Shared Vision 2. Strategic Clarity 3. Employee Involvement 	Accountability <ol style="list-style-type: none"> 4. Role Clarity 5. Performance Contracts 6. Consequence Management 7. Personal Ownership 	Coordination & Control <ol style="list-style-type: none"> 8. People Performance Review 9. Operational Management 10. Financial Management 11. Professional standards 12. Risk Management
External Orientation <ol style="list-style-type: none"> 13. Customer Focus 14. Competitor Insights 15. External Partnerships 16. Gov’t & Community Relations 	Leadership <ol style="list-style-type: none"> 17. Authoritative Leadership 18. Consultative Leadership 19. Supportive Leadership 20. Challenging Leadership 	Innovation & Learning <ol style="list-style-type: none"> 21. Top-Down Innovation 22. Bottom-Up Innovation 23. Knowledge Sharing 24. Capturing External Ideas
Capabilities <ol style="list-style-type: none"> 25. Talent Acquisition 26. Talent Development 27. Process Based Capabilities 28. Outsourced Expertise 	Work Environment <ol style="list-style-type: none"> 29. Open and Trusting 30. Performance Transparency 31. Operationally Disciplined 32. Creative & Entrepreneurial 	Motivation <ol style="list-style-type: none"> 33. Meaningful Values 34. Inspirational Leaders 35. Career Opportunities 36. Financial Incentives 37. Rewards & Recognition

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Organizational Health Update

SOURCE: Organizational Health Index, Organization Practice, McKinsey & Co.

Definitions of the 37 OHI outcomes (1/3)

Outcome	Practice	Description
Direction	1. Shared Vision	1. Setting the direction by creating and communicating a compelling, vivid image of what the future will look like
	2. Strategic Clarity	2. Articulating a clear direction and strategy for winning, and translating it into specific goals and targets
	3. Employee Involvement	3. Engaging employees in dialogue on the direction of the organization and discussing their part in making it happen
Leadership	4. Authoritative Leadership	4. Leaders emphasize hierarchy and managerial pressure to get things done
	5. Consultative Leadership	5. Leaders involve and empower employees through communication, consultation and delegation
	6. Supportive Leadership	6. Leaders build a positive environment characterized by team harmony, support, and caring for employees' welfare
	7. Challenging Leadership	7. Leaders encourage employees to take on tough challenges and do more than they thought was possible
Work Environment	8. Open & Trusting	8. Encouraging honesty, transparency and candid, open dialogue
	9. Performance Transparency	9. Emphasizing results and achievement, with a healthy sense of internal competition to drive performance
	10. Operationally Disciplined	10. Fostering clear behavioral and performance standards, with close monitoring of adherence to those standards
	11. Creative & Entrepreneurial	11. Supporting innovation, creativity, and initiative-taking

NOTE: Leadership is shaded as part of the "alignment" dimension of health but technically is part of all three dimensions (alignment, execution, renewal)

SOURCE: Organizational Health Index, Organization Practice, McKinsey & Co.

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**Organizational
Health Update**

Definitions of the 37 OHI outcomes (2/3)

Outcome	Practice	Description
Account-ability	12. Role Clarity	12. Driving accountability by creating a clear structure, roles and responsibilities
	13. Performance Contracts	13. Driving accountability by creating clear objectives and formal, explicit performance targets
	14. Personal Ownership	14. Driving accountability by linking rewards and consequences to individual performance
	15. Consequence Management	15. Driving accountability by creating a sense of individual ownership and personal responsibility
Coordinati-on & Control	16. People Performance Review	16. Using formal performance assessments, feedback, and tracking to coordinate and control flows of talent
	17. Operational Management	17. Focusing on operational KPIs, metrics and targets to monitor and manage business performance
	18. Financial Management	18. Focusing on financial KPIs and the effective allocation and control of financial resources to monitor and manage performance
	19. Professional Standards	19. Using clear standards, policies and rules to set behavioral expectations and enforce compliance
Capabilities	20. Risk Management	20. Identifying and mitigating anticipated risks, and responding rapidly to unexpected problems as they arise
	21. Talent Acquisition	21. Hiring the right talent
	22. Talent Development	22. Developing employees' knowledge and skills
	23. Process Based Capabilities	23. Embedding capabilities and 'know-how' through codified methods and procedures (e.g., training manuals, SOPs)
	24. Outsourced Expertise	24. Using external resources to fill capability gaps (e.g., consultants, vendors, business partners)

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**Organizational
Health Update**

SOURCE: Organizational Health Index, Organization Practice, McKinsey & Co.

Definitions of the 37 OHI outcomes (3/3)

Outcome	Practice	Description
Motivation	25. Meaningful Values	25. Appealing to compelling and personally meaningful values to motivate employees
	26. Inspirational Leaders	26. Inspiring employees through encouragement, guidance and recognition
	27. Career Opportunities	27. Providing career and development opportunities to motivate employees
	28. Financial Incentives	28. Using performance-related financial rewards to motivate employees
	29. Rewards & Recognition	29. Providing non-financial rewards and recognition to encourage high performance
Innovation & Learning	30. Top-down Innovation	30. Driving innovation and learning through high-priority initiatives sponsored by senior leaders
	31. Bottom-up Innovation	31. Encouraging and rewarding employee participation in the development of new ideas and improvement initiatives
	32. Knowledge Sharing	32. Enabling collaboration and knowledge sharing across the organization
	33. Capturing External Ideas	33. Importing ideas and best practices from outside the organization
External Orientation	34. Customer Focus	34. Understanding customers and responding to their needs
	35. Competitive Insights	35. Acquiring and using information about competitors to inform business decisions
	36. External Partnerships	36. Building and maintaining a network of external business partners
	37. Business & Community Relations	37. Developing strong relationships with the public, local communities, government and regulatory agencies

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**Organizational
Health Update**

SOURCE: Organizational Health Index, Organization Practice, McKinsey & Co.

JEA employees were also asked to assess practices that drive performance and organizational health in public institutions

What is the Public & Social Sector OHI Module?

- Core OHI practices apply to all organizations – however governments, inter-governmental organizations, non-profits, and other public institutions often face complex and unique challenges requiring different solutions
- A set of additional sector-specific practices are tailored to the behaviors and actions most linked to performance in non-commercial entities¹
- Complementing the core OHI with these practices can allow public & social sector entities to identify tailored insights relevant to them, and the right path to their own health aspirations
- The Public & social Sector module questions are not benchmarked and “quartiled” like the core OHI questions – their results are shown as numbers and are incorporated into the themes

Additional practices in the OHI Public & Social Sector module

Direction

1. Clear Mission

Motivation

2. Compelling Mission
3. Intrinsic Motivation

Coordination & Control

4. Efficiency
5. Evaluation
6. Budgeting

Accountability

7. Decision Making

Capabilities

8. Sustainable Funding
9. Subject-matter Expertise

Work Environment

10. Multiple Viewpoints
11. Organizational Connectivity

External Orientation

12. Stakeholder Management

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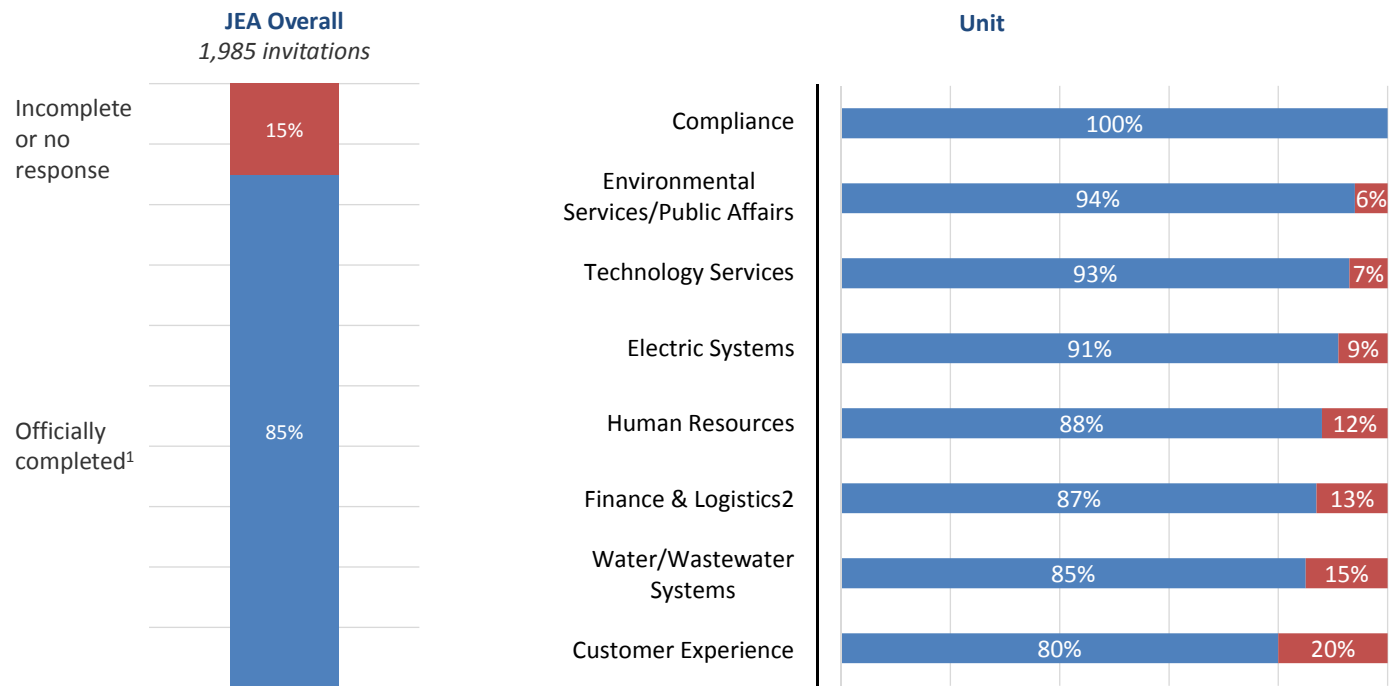
**Organizational
Health Update**

¹ New PSS practices were designed based on extensive SME interviews, literature reviews, and feedback from multiple pilots

SOURCE: Organizational Health Index, Organization Practice, McKinsey & Co.

JEA's response rates – overall and by unit – were well above average, indicating strong engagement and successful deployment by the JEA team

Breakdown of completed responses



¹ "Finance" and "Logistics Services" were merged for the purposes of reporting, as these two units were recently separated and respondents may have identified themselves as part of the other unit incorrectly in the survey. ² In total 87% of recipients completed the survey but 2% were removed for responses that were flagged as potentially inaccurate (e.g., completing the survey in less than 2 minutes)

SOURCE: JEA (n=1685)

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Organizational Health Update

JEA has an overall health in the bottom quartile compared to the OHI global database

Overall health



- JEA is in the bottom quartile of organizational health relative to the 2019 OHI global database
- The global database includes nearly 900 organizations across industries and geographies that have completed the OHI in the last 5 years

Benchmark: Top Decile Top Quartile Second Quartile Third Quartile Bottom Quartile

SOURCE: JEA (n=1685); Organizational Health Index Global Database, McKinsey & Company

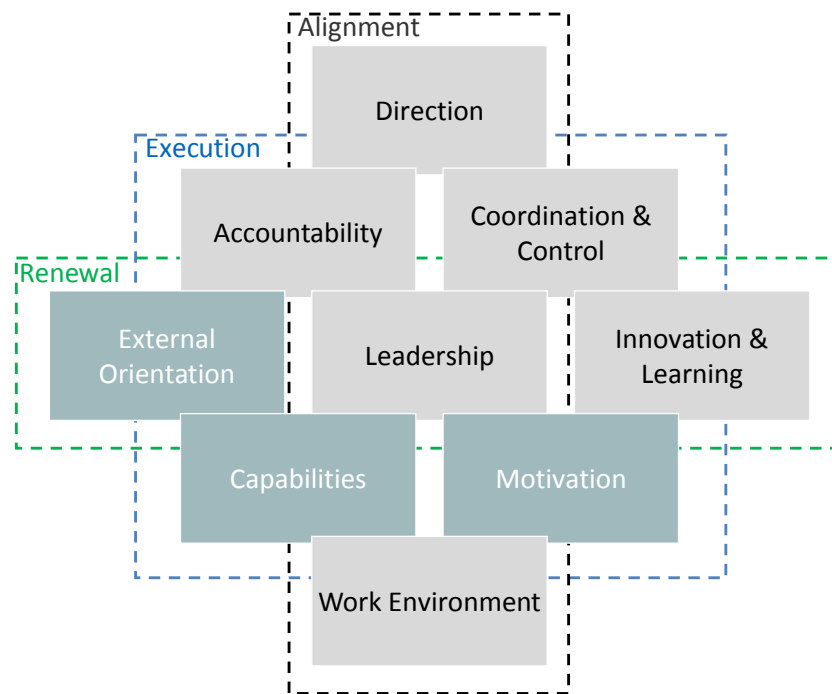
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**Organizational
Health Update**

All of JEA's health outcomes are below the global database's median, with three in the third quartile and six in the bottom quartile

Percentage of respondents who selected 'agree' or 'strongly agree'



- All three outcomes in the **alignment axis are in the bottom quartile** (Direction, Leadership and Work Environment) for JEA
 - That axis might be the first and most critical place for JEA to focus to improve its health
- Two of JEA's healthier outcomes are Capabilities and Motivation – indicating employees believe they have the **right “raw people materials” to work with**
- **External Orientation is strong for JEA** relatively, not surprising given its relationship with the community it serves

Benchmark: ■ Top Decile ■ Top Quartile ■ Second Quartile ■ Third Quartile ■ Bottom Quartile

SOURCE: JEA (n=1685); Organizational Health Index Global Database, McKinsey & Company

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**Organizational
Health Update**

When compared with peers groups who also tend to have weaker health, JEA's health is still low – especially relative to other utilities

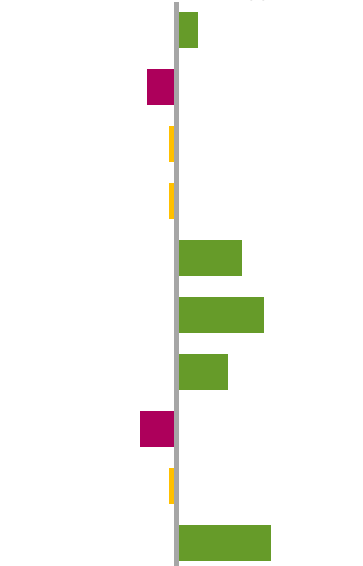
Percentage of respondents who selected 'agree' or 'strongly agree'

JEA results



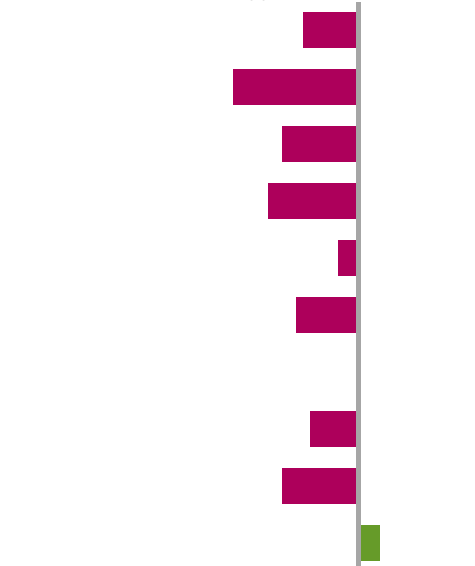
Public Sector

Difference between organization and benchmark median, pp



Electric Power & Natural Gas (Utilities)

Difference between organization and benchmark median, pp



Benchmark: ■ Top Decile ■ Top Quartile ■ Second Quartile ■ Third Quartile ■ Bottom Quartile
Peer Group Difference: ■ Significantly Stronger¹ ■ Comparable ■ Significantly Weaker¹

¹ - The significance level is at p = .05. Statistical significance is calculated based on practice distribution, size of population and size of point difference

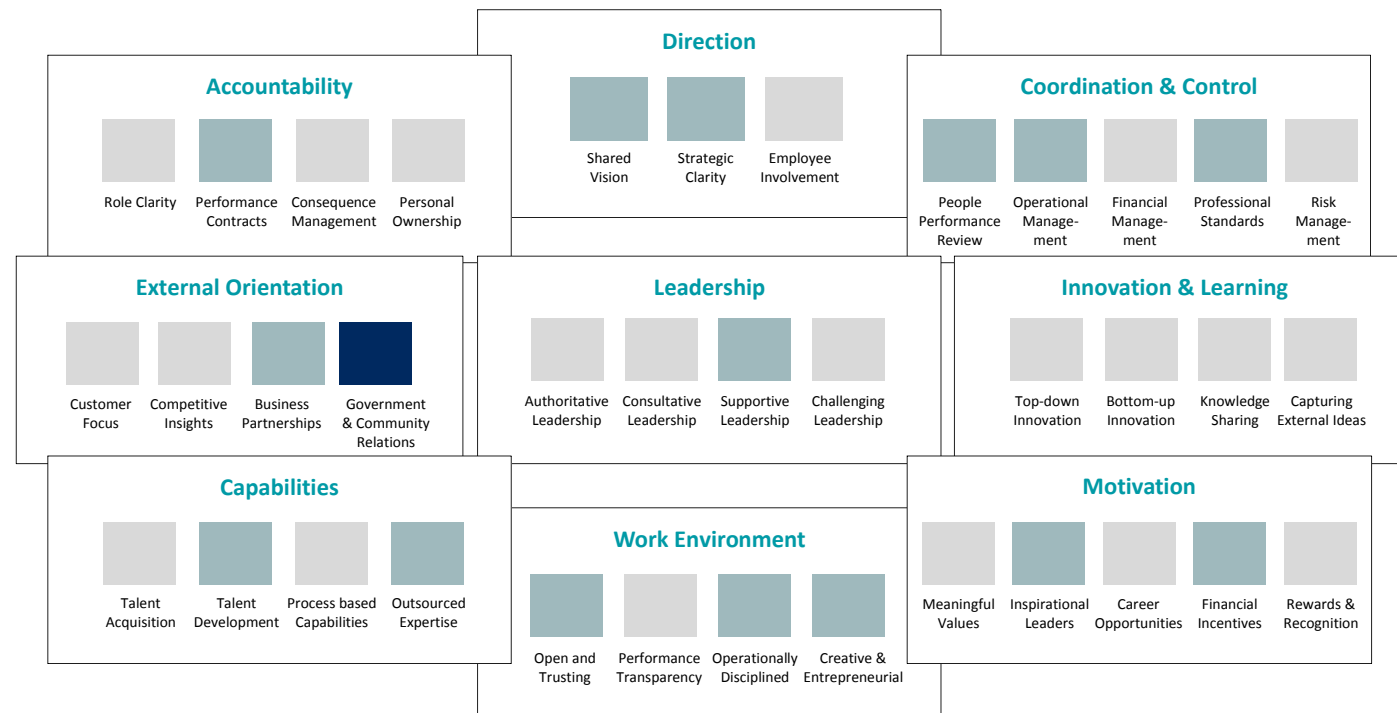
SOURCE: JEA (n=1685); Organizational Health Index Global Database, McKinsey & Company

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Organizational Health Update

JEA's practices are primarily in the 3rd and bottom quartile, with one – Government & Community Relations – in the top quartile

Percentage of respondents who selected 'often' or 'almost always'



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Organizational Health Update

Benchmark: ■ Top Decile ■ Top Quartile ■ Second Quartile ■ Third Quartile ■ Bottom Quartile

SOURCE: JEA (n=1685); Organizational Health Index Global Database, McKinsey & Company

Themes that emerge from JEA's practices

- 1** Employees perceive JEA prioritizes actively engaging its partners and other players in the market in order to serve the community
- 2** Employees say JEA has a relatively open and supportive culture, but say a sense of belonging and healthy work environment aren't there yet
- 3** JEA maintains clear performance standards and trainings to achieve them, however employees want coaching and personal development
- 4** Employees don't see a clear strategy at JEA – they want leaders to set the direction, and decisively push themselves & the organization to get there
- 5** There's an opportunity to bring in new ideas from outside JEA, and establish processes to share those ideas across the organization
- 6** Employees currently lack clarity around how JEA is structured, what is expected of them, and what authority they have to make decisions
- 7** OHI results suggest a need to better motivate people, especially high performers, using multiple methods to drive sustained performance

FEBRUARY 2019



Organizational Health Update

SOURCE: JEA (n=1685); Organizational Health Index Global Database, McKinsey & Company

A summary of JEA's organizational health today

Overall Health



- JEA has an **overall health is in the bottom quartile** compared to the current OHI global database of nearly 900 organizations
- All of JEA's health outcome **are below the global database's median**, with three in the 3rd quartile and six in the bottom quartile
- JEA's **practices are primarily in the 3rd and bottom quartiles**, with 15 in the former and 21 in the latter, with just one – Government & Community Relations – in the top quartile

Outcomes & Practices

Direction	Shared Vision	Accountability	Role Clarity	Motivation	Meaningful Values
	Strategic Clarity		Performance Contracts		Inspirational Leaders
	Employee Involvement		Consequence Management		Career Opportunities
Leadership	Authoritative Leadership	Coordination & Control	Personal Ownership	Innovation & Learning	Financial Incentives
	Consultative Leadership		People Performance Review		Rewards & Recognition
	Supportive Leadership		Operational Management		Top-down Innovation
	Challenging Leadership		Financial Management		Bottom-up Innovation
Work Environment	Open and Trusting	Capabilities	Professional Standards	External Orientation	Knowledge Sharing
	Performance Transparency		Risk Management		Capturing External Ideas
	Operationally Disciplined		Talent Acquisition		Customer Focus
	Creative & Entrepreneurial		Talent Development		Competitive Insights
			Process Based Capabilities		External Partnerships
			Outsourced Expertise		Business & Community Relations

Benchmark: ■ Top Decile ■ Top Quartile ■ Second Quartile ■ Third Quartile ■ Bottom Quartile

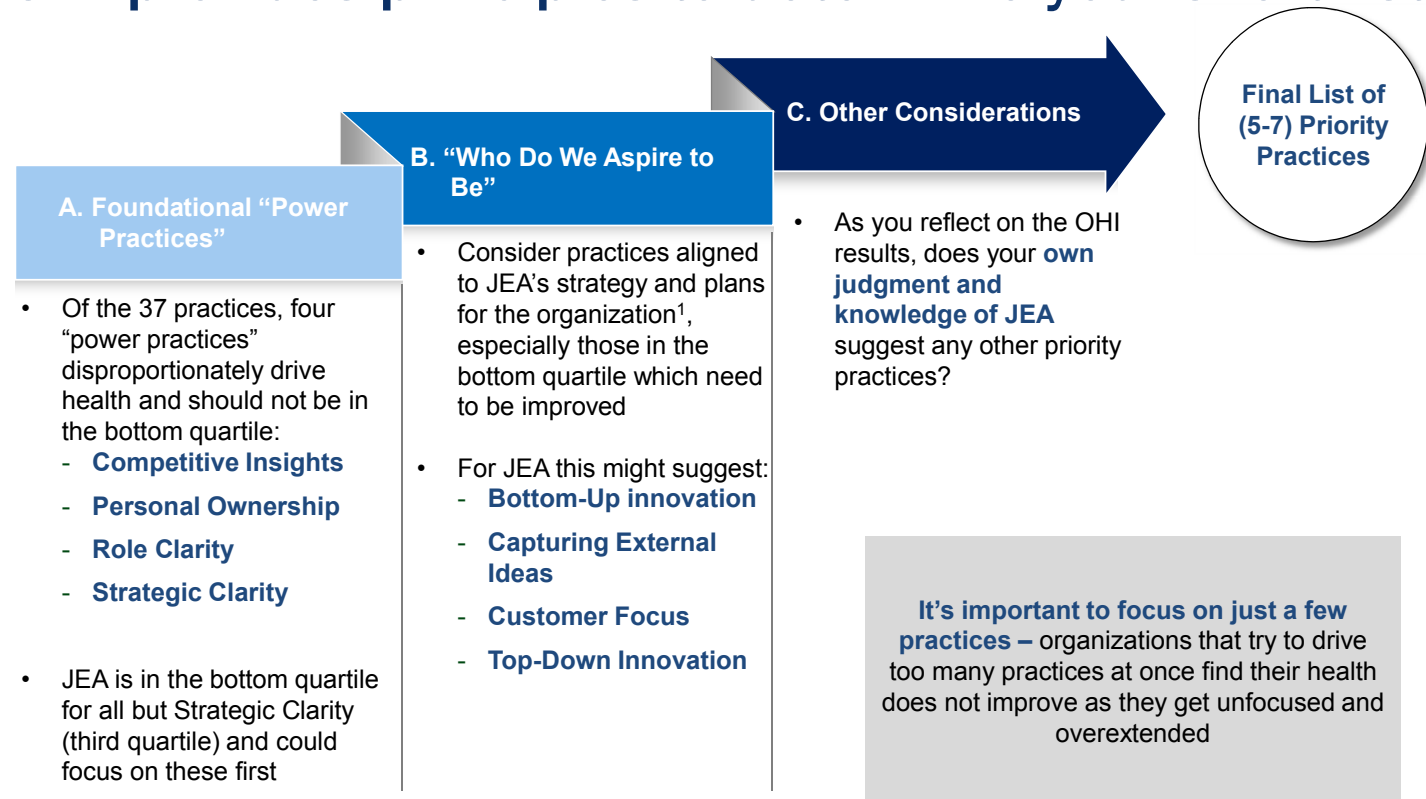
SOURCE: JEA (n=1685); Organizational Health Index Global Database, McKinsey & Company

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Organizational Health Update

Organizations should pick a set of priority practices to work on to improve their health – the OHI provides principles to determine your short list



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Organizational Health Update

¹ OHI research identifies four "recipes" that health organizations typically follow – selecting a recipe aligned to the organization's strategy is one way to select priority practices that should help fast-track health improvements

SOURCE: Organizational Health Index, Organization Practice, McKinsey & Co.



INTER-OFFICE MEMORANDUM

February 1, 2019

SUBJECT: WATEREVOLUTION

FROM: Aaron F. Zahn, Managing Director/CEO

TO: JEA Board of Directors

BACKGROUND:

The JEA WaterRevolution began in 1997, when JEA acquired the water and sewer utility from the City of Jacksonville. Over the past 21 years, JEA has become an industry leader through the investment of approximately \$4 billion on the drinking water and water reclamation systems, bringing them to state of the art standards while supporting growth. As demands on Florida's water resources increase, JEA will continue to lead sustainability and stewardship. This presentation will provide context for future Board discussions and actions.

DISCUSSION:

Florida's continued growth is placing pressures on water resources in the state – both in terms of total groundwater supply and surface water quality. There is a growing consciousness at the state level of the need for “One Water” approaches, which JEA has adopted. “One Water” embraces the fact that all water has been used before and that we can engineer the use of water from a variety of sources, more than once, for sustainability. This is consistent with historic JEA environmental and public water supply initiatives and our focus on the future.

Today's discussion will 1) provide an overview of the extensive investment JEA has made over the past 21 years making it a “best in class” system; 2) describe state regulatory drivers and the Governor's environmental initiative, as they relate to regional and local water supply challenges; 3) describe the next phase of innovation that is underway as JEA continues to lead towards a fully integrated one water utility, optimizing resource recovery and sustainable growth by continuing to diversify the water portfolio. The next phase in this journey has multiple components. Some major initiatives include:

- Investigating alternatives for septic tank phase-out, currently a \$2B problem in Duval County
- Partnering with the private sector to create a regional organics recycling facility
- Entering the renewable natural gas market, utilizing methane produced at Buckman
- Launching an Integrated Water Resource Plan (IWRP) to continue diversification of the water portfolio and sustainably serve growth through 2050
- Continuing investigation of potable reuse as one potential alternative water supply of the future.

The integration of these program elements will be measured against JEA's four measures of value: customer, community, environmental and financial, to achieve multiple goals of reducing emissions, maximizing resource and energy recovery, affordably serving growth, and sustaining our treasured environmental resources.

RECOMMENDATION:

This item is presented for information. No action is required by the board.

Aaron Zahn, Managing Director/CEO

AFZ/MHD/PKS/DIC



WATEREVOLUTION

Improving Lives by Accelerating Water Innovation

JEA'S WATER EVOLUTION

PAST

- Protecting the St. Johns River
- Beneficial Reuse of Byproducts
- Conserving our Water Resource

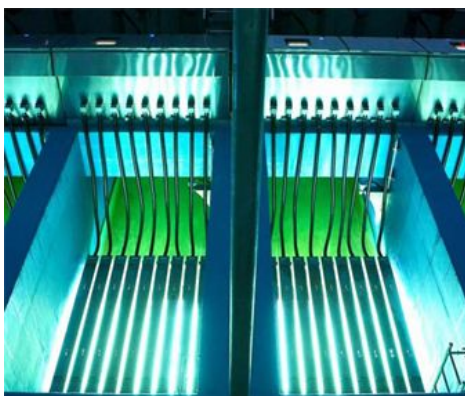
PRESENT

- Resource Constraints
- Policy/Regulatory Drivers

FUTURE of INNOVATION

- Integrated Water Resource Planning
- Infrastructure Innovation





INFRASTRUCTURE
INVESTMENT

THE PATH TO LEADERSHIP

- In 1997 JEA acquired Public Utilities from the City of Jacksonville
- To date, nearly \$4B invested to advance infrastructure to state of the art standards and to support growth
- Became a utility leader focused on protection of the environment

NEWSPAPER ARTICLE

The Florida Times Union

Buckman Wastewater Plant Outshines 3,500 Others; Once Dubbed the Worst Facility in Florida, EPA Rewards Its Turnaround with Top Prize

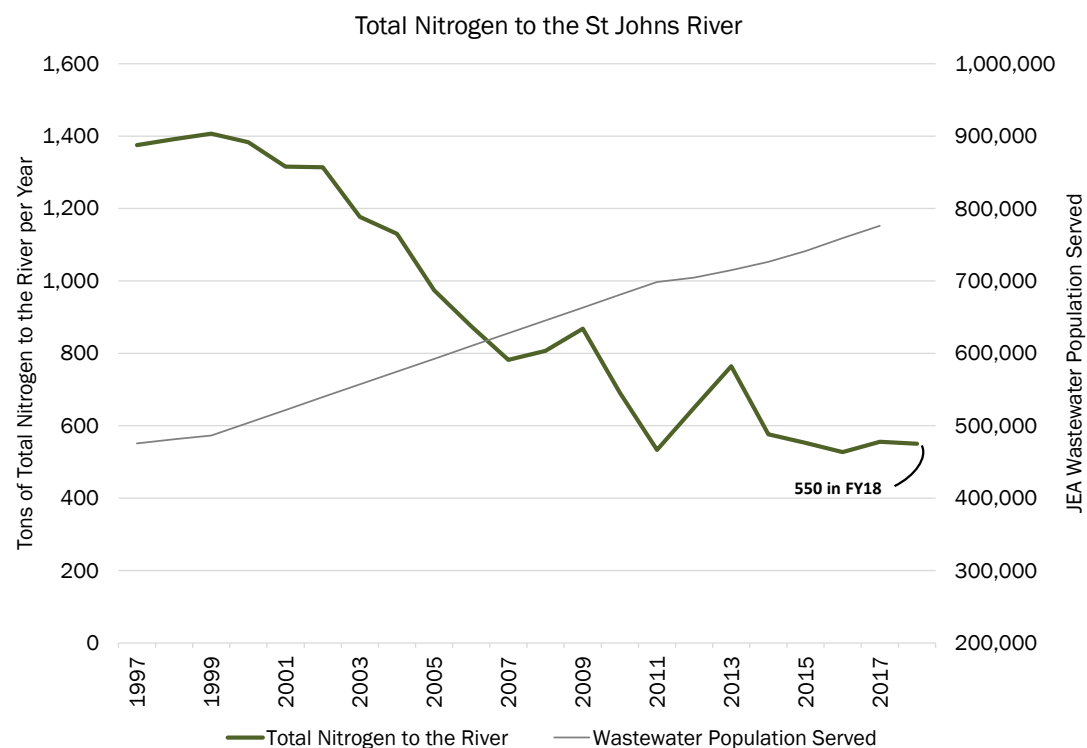
JEA reduced nitrogen discharge by 60% while population grew by 37%

- Improve treatment at regional facilities
- Phase out old technology
- Build reclaimed system



JEA's SUCCESSFUL STRATEGY

PROTECTING THE ST. JOHNS RIVER



RESOURCE RECOVERY: *BIOSOLIDS*

Converting a wastewater byproduct into a fertilizer protects the environment while saving our customers money

Pelletizer replaced incinerator at Buckman Water Reclamation Facility in 2001

- Improved air quality
- Created slow-release fertilizer for market consumption



 **BENEFICIAL USE
OF RESOURCES**

PROTECTING THE AQUIFER THROUGH CONSERVATION

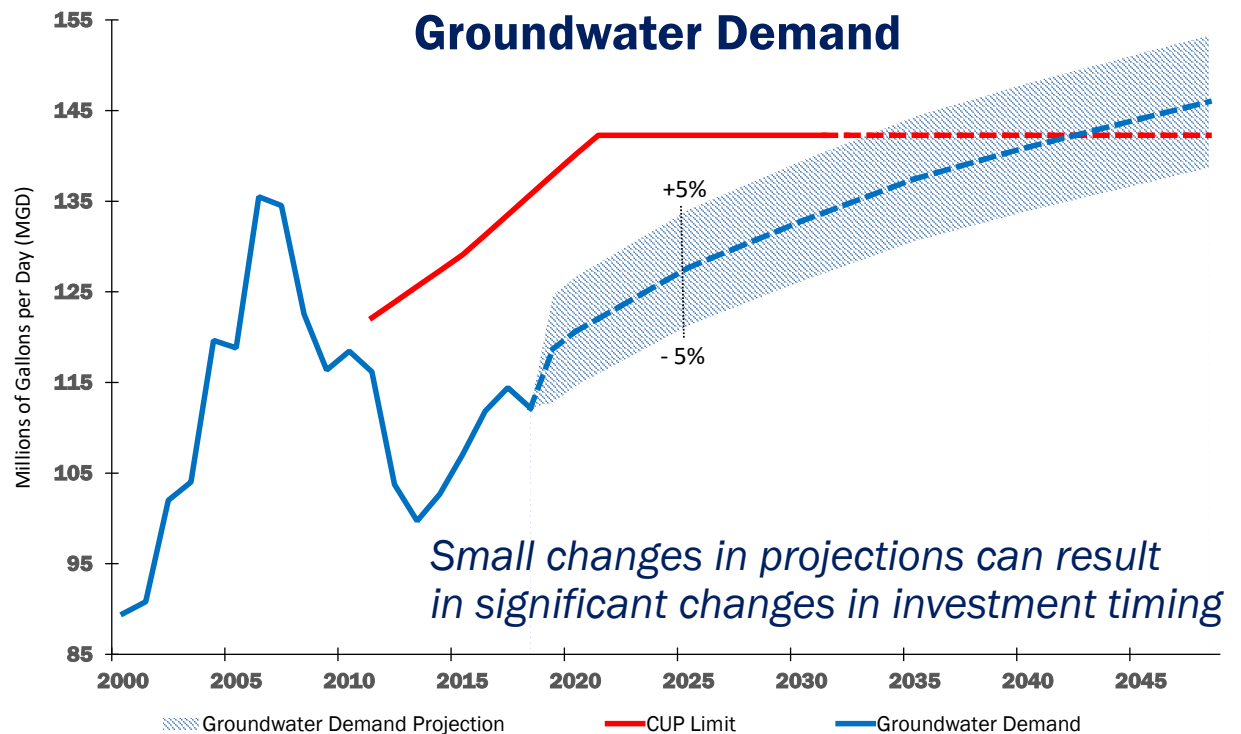
Usage per capita reduced by 24% since 2007 (182 GPD to 138 GPD)

Groundwater Allocation

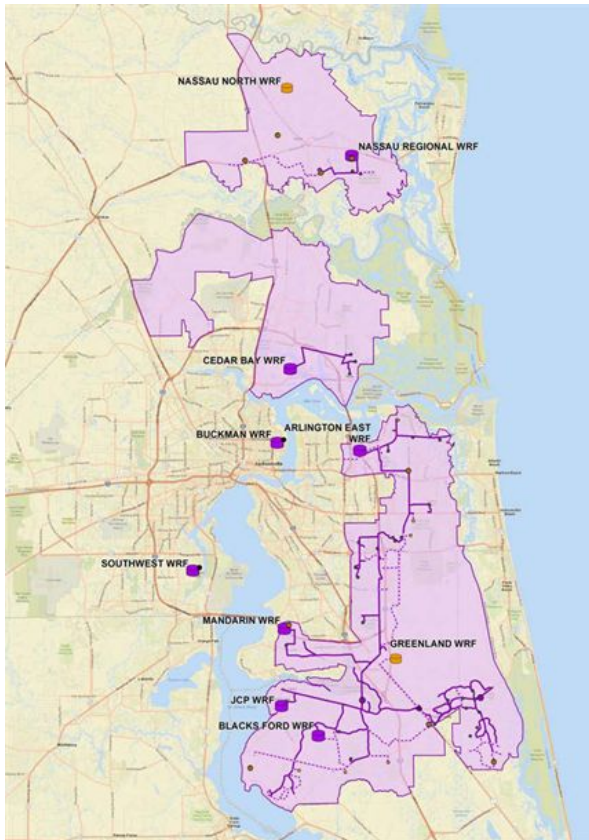
- JEA was issued a 20-year Consumptive Use Permit in 2011
- Capacity is limited to 142 MGD

Water Conservation

- Expansion of reclaimed system
- Tiered rates
- Public messaging/conservation efforts
- Housing fixture efficiencies



RESOURCE RECOVERY: *RECLAIMED WATER*



By increasing use of reclaimed water JEA conserves water in the Floridan Aquifer

- Reclaim System started in 2000
- Focused on areas of greatest growth
- Use has grown to 18 MGD in 2018 to over 13,000 customers and is increasing 28% annually over the past 5 years
- FWEA 2015 David York Water Reuse Award

ADDRESSING SOUTH GRID RESOURCE CONSTRAINTS

While water is a scarce resource everywhere, it is particularly constrained in JEA's South Grid



**MEETING WATER
SUPPLY CHALLENGES**



- River Crossings completed in 2004 and 2014 to convey water from North Grid
- Wellfield rehabilitation program implemented
- Continued expansion of reclaimed water



Focus includes: Blue-Green
Algae & Drinking Water Supply

GOVERNOR'S EXECUTIVE ORDER: EO 19-12

STATE WATER POLICY TRENDS

JEA's future-focused environmental and public water supply initiatives align with the Governor's vision

Surface Water Quality

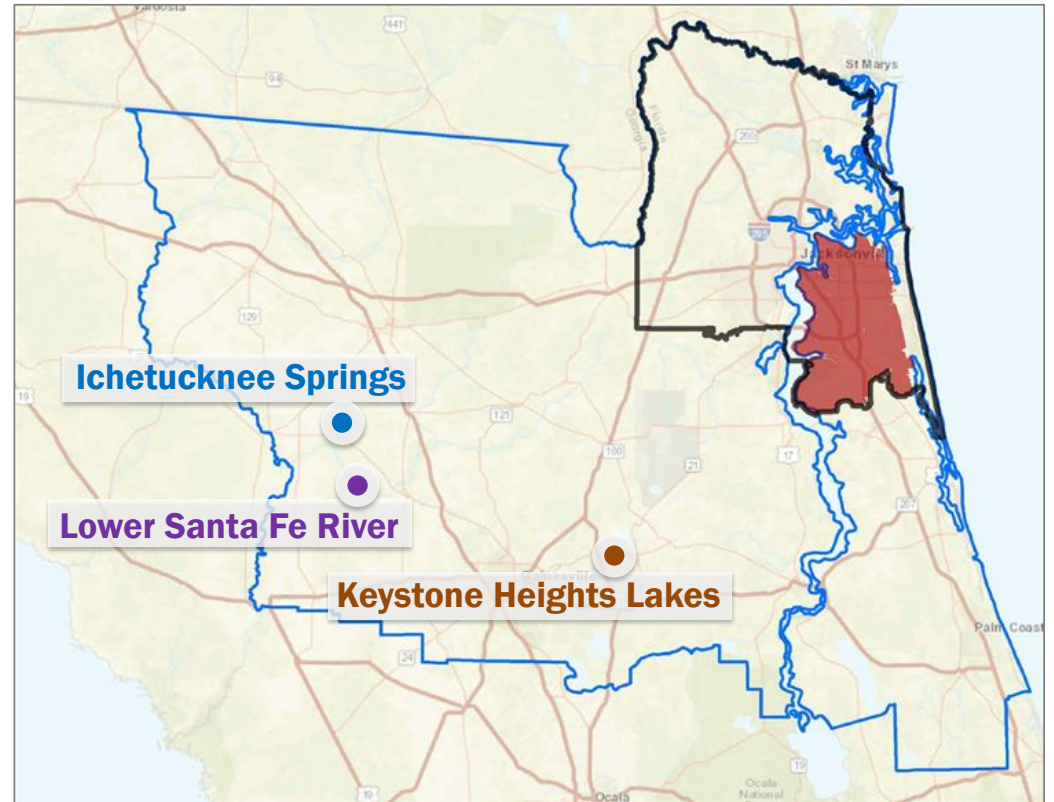
- Establish a Blue-Green Algae Task Force
- State to invest \$2.5 billion on water quality improvements
- Establish a septic tank conversion and remediation grant program

Drinking Water Supply

- Seek recurring funding for an alternative water supply grant program; includes conservation, reuse, alternative water supply
- Engage local governments, citizens and businesses in education and outreach on the importance of water conservation and reuse

REGIONAL SUPPLY ISSUES FOR ALL

- Water supply limitations being defined in revised “Minimum Flows and Levels” (MFLs) programs
- Revised MFLs may impact regional groundwater withdrawals
- Could affect timing of future demand management and alternative water supply investments



 North Florida Regional Water Supply Plan Area

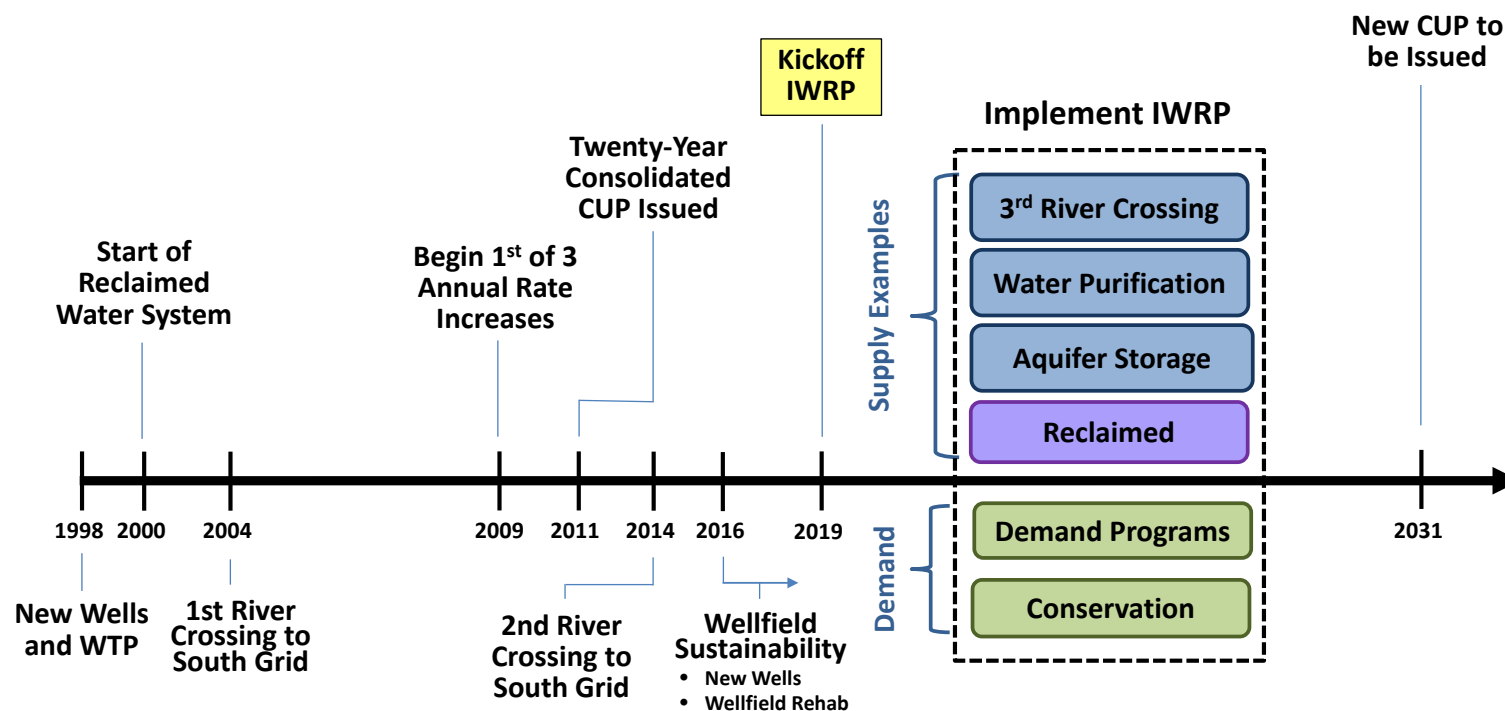
 JEA Interlocal Area

 JEA South Grid

   MFLs in Redevelopment

LOCAL WATER SUPPLY

WATER RESOURCE SUSTAINABILITY MILESTONES



**NEXT STEP: INTEGRATED WATER
RESOURCE PLAN (IWRP)**

- **Water Resources**
- **Water Supply**
 - Quality
 - Quantity
- **Water Resources Treatment**



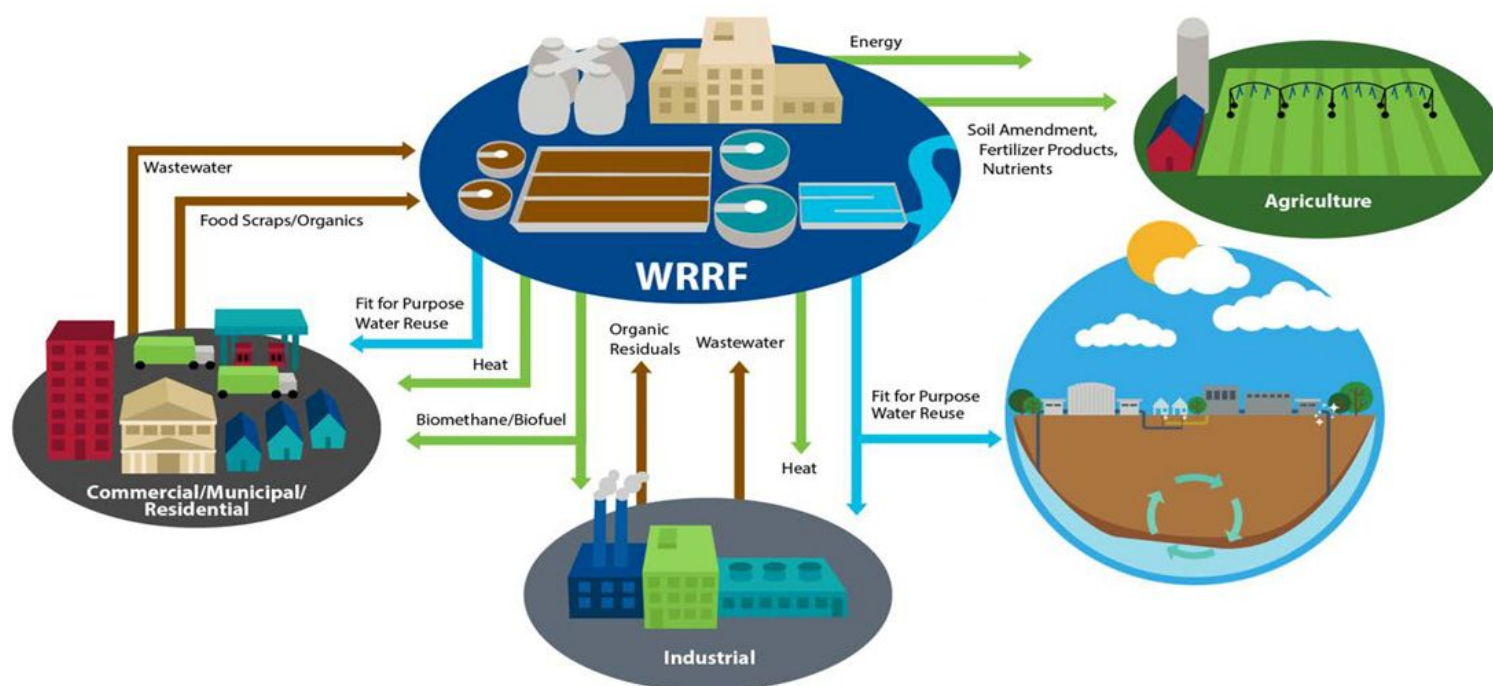
TRADITIONAL WATER RESOURCE PLANNING

- **Water Resources**
- **Water Supply**
 - Quality
 - Quantity
- **Water Resources Recovery Facilities**



INTEGRATED WATER RESOURCE PLAN (IWRP)

Water Reclamation Facilities Are the Centerpiece of Resource Recovery and Water Resource Development



EVERYTHING FLOWS FROM THERE

INTEGRATED RESOURCES DRIVE CORPORATE VALUES



- Reduce air pollution and GHG emissions
- Reduce energy costs
- Support economic growth
- Improve energy and water efficiency
- Extend life of infrastructure and equipment
- Enhanced protection of public health
- Continue to demonstrate leadership

ALIGNS WITH JEA
CORPORATE MEASURES

PUBLIC-PRIVATE PARTNERSHIP FOR ORGANIC RECYCLING

Merchant Organics Recycling Facility (MORF) replaces Buckman's pelletizer as the next generation in beneficial use

- Reduces energy demand and landfill waste
- Greater market opportunity due to type of fertilizer produced
- Lower cost to customers and to City of Jacksonville



- Biogas Credit Feasibility Study underway
- Upgrade biogas from Buckman WRF to a purified Renewable Natural Gas (RNG)
- Evaluate injecting RNG into commercial natural gas pipeline
- Optimizing production of RNG from WRF digestion processes



RENEWABLE NATURAL GAS

By capturing waste gas produced by wastewater treatment, JEA reduces greenhouse gas emissions and increases financial value



WATER PURIFICATION

One Potential Alternative Water Supply Option



PHASE

1

RESEARCH & DEVELOPMENT

- Tested 2 leading technologies at 2 water reclamation facilities
- Report completion Feb 2019

PHASE

2

DEMONSTRATION TESTING

- Selected best technology from Phase 1 for optimization
- Immersive public engagement at demonstration facility

PHASE

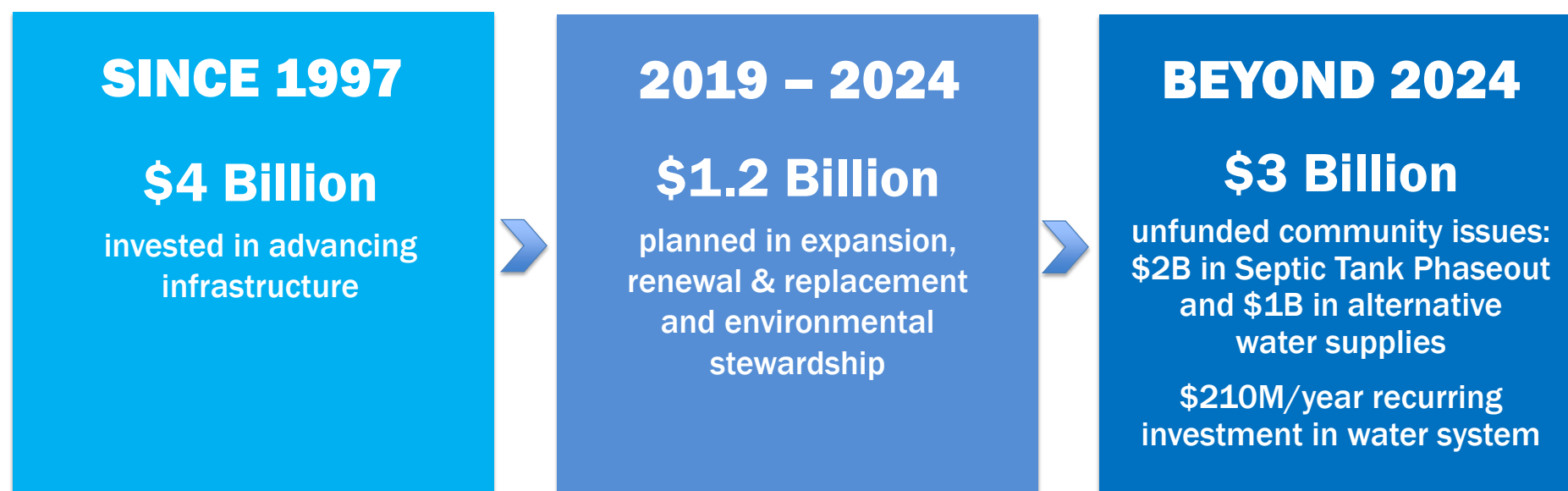
3

COMMERCIAL IMPLEMENTATION

- Dependent upon Integrated Water Resource Plan insights
- Can be expanded as needed to meet demands

**ACCELERATING
INNOVATION**

INVESTING IN OUR WATER EVOLUTION



Water Purification Movie Here

<https://daltonagency.sharefile.com/share/view/s699152396eb44f5b>