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Sent: Wednesday, June 19, 2019 2:54 PM
To: 'Banks Willis'; Stewart, Kerri - VP & Chief Customer Officer; Maddie Milne;
Michael Munz; Kyle, Gina A. - Manager Media Relations
Cc: Gutos, Joy W. - Manager, Internal Communications
Subject: UnderCurrents - for review
Attachments: The Sky is Not Falling v3.docx

I plan to send this as today's UnderCurrents unless anyone objects. I think this is the perfect first one to send out.

David

No, The Sky is Not Falling

Questions have been swirling around the idea that, “If things are so bad at JEA, then why are they spending money on things like advertising, a new building and technology upgrades?”

To put it plainly, the sky isn’t falling. JEA is not in trouble – **yet**. In fact, this past year, JEA operating costs came in below revenues to produce a positive margin.

However, the reality is we continue to experience declining revenues, increased operating costs and new technologies disrupting our industry at a faster pace year after year. JEA will not be able to sustain itself in its current business model for long. This is why leadership is conducting scenario planning and determining how we may respond to each potential scenario to pursue long-term growth and success.

So, back to the initial question...

If we are facing financial challenges now and expect them in the future, why are we spending money on the things we are?

The answer is simple: We have a business to run. We still have 466,000 electric, 348,000 water and 271,000 wastewater customers. They have come to depend on JEA to provide extraordinary service at stable rates with all the benefits of us being community-owned.

We advertise to educate our customers. We are moving into a new building to invest in our employees and JEA’s future. We invest in technology to provide the best service to our customers.

So let’s all take a deep breath. Our leadership team is planning for the future to help ensure our long-term success. By doing the things we are already doing incredibly well—serving our customer, innovating and improving infrastructure—we will be just fine for the next few years.

Let’s focus on doing our jobs safely and serving our customers—not the noise. Don’t let the headlines fool you. Instead, get the facts at our next Board of Directors meeting Tuesday at 9 a.m. We’ll save you a seat.