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**From:** Zahn, Aaron F. - Managing Director/CEO <zahnaf@jea.com>  
**Sent:** Monday, August 5, 2019 10:34 PM  
**To:** Wannemacher, Ryan F. - Chief Financial Officer  
**Cc:** Orfano, Joseph E. - Treasurer; Dykes, Melissa H. - President/COO; Vinyard, Herschel T. - Chief Administrative Officer  
**Subject:** Re: JEA Voluntary EMMA Filing and ITN

What's going on here?

Please note the Board didn't authorize a sale of JEA but an exploration of all viable future states. One constraint of government is our inability to use anything other than a "formal procurement process" to explore these alternatives. In normal course we would have informal conversations to complete strategic planning. But sunshine law and other constraints prohibit / inhibit our ability to have such natural dialogs. It is entirely possible JEA remains a government entity. Implements traditional utility response and accelerates debt amortization to address changing market dynamics.

Aaron F. Zahn  
JEA  
Managing Director & Chief Executive Officer  
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On Aug 5, 2019, at 8:43 PM, Wannemacher, Ryan F. - Chief Financial Officer <[wannrf@jea.com](mailto:wannrf@jea.com)> wrote:

David,

We have been undertaking a scenario based approach to strategic planning which is evaluating multiple scenarios in order envision the resulting future state. We can pull together a complete set of the work that has been done to date. The board made the decision to evaluate a recapitalization based on the materials presented at the July 23<sup>rd</sup> board meeting. That was the first time that the board discussed the possibility of a recapitalization.

I think it would make sense for us to come to New York and sit down in person sometime over the several weeks so that we can give you complete context for our scenario planning process as well as an update on our current financial strength and outlook through 2023.

As you know, we have continued to be aggressive at de-risking the business and paying down debt. As a result, we are forecasting debt service coverage in the range of 3.5 to 4x on both the electric and water system for 2020 and as of 10/1 we will have reduced debt by \$3 billion since our peak less than 10 years ago. We plan to cash fund \$2 billion in capex across both systems over the next 5 years including approximately \$500 million next year. We discussed this with you when we last met and this is unchanged. I personally think we have one of the best financial stories of anyone in public power; and I think you will find that our strategic planning process is emblematic of a fully engaged management team that is dedicated to the success of the business.

It is for these reasons that I think it is best to schedule some time to meet in person. I will have to check calendars on our end, but how do you guys look for the back half of the week of the 19<sup>th</sup> or the first part of the week of the 26<sup>th</sup>?

Thank you,  
Ryan

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**Ryan Wannemacher** | Chief Financial Officer | **JEA** | T: 904 665 7223 | C: 214 770 4366 | [wannrf@jea.com](mailto:wannrf@jea.com)

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**From:** Bodek, David <[david.bodek@spglobal.com](mailto:david.bodek@spglobal.com)>  
**Sent:** Monday, August 5, 2019 6:56 PM  
**To:** Orfano, Joseph E. - Treasurer <[orfaje@jea.com](mailto:orfaje@jea.com)>  
**Cc:** Wannemacher, Ryan F. - Chief Financial Officer <[wannrf@jea.com](mailto:wannrf@jea.com)>; Panger, Jeffrey <[jeff.panger@spglobal.com](mailto:jeff.panger@spglobal.com)>  
**Subject:** RE: JEA Voluntary EMMA Filing and ITN

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Joe,

Please send the PowerPoint slides that are featured in the video of the May 28<sup>th</sup> board meeting. Our particular interest is in those slides that relate to the board's decision to explore the sale of the utility.

David

David Bodek  
Senior Director  
S&P Global Ratings  
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(v) 212 438 7969  
Please note that our e-mail addresses have changed  
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**From:** Orfano, Joseph E. - Treasurer <[orfaje@jea.com](mailto:orfaje@jea.com)>  
**Sent:** Friday, August 02, 2019 1:53 PM  
**To:** Panger, Jeffrey (Analytical) <[jeff.panger@spglobal.com](mailto:jeff.panger@spglobal.com)>; Bodek, David (Analytical) <[david.bodek@spglobal.com](mailto:david.bodek@spglobal.com)>  
**Cc:** Wannemacher, Ryan F. - Chief Financial Officer <[wannrf@jea.com](mailto:wannrf@jea.com)>  
**Subject:** JEA Voluntary EMMA Filing and ITN

Jeff/David:

Per our discussion on Wednesday, attached is the voluntary EMMA filing posted this afternoon. The ITN can be found at the following link:

[www.jea.com/strategicalternatives](http://www.jea.com/strategicalternatives)

Regards,  
Joe

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