



Building Community®

Management's Discussion and Analysis of Financial Performance for the Quarter Ended June 30, 2012

JEA is a municipal utility operating in Jacksonville, Florida (Duval County), and parts of three adjacent counties. The operation is comprised of three enterprise funds - the Electric Enterprise Fund, the Water and Sewer Enterprise Fund and the District Energy System (DES). The Electric Enterprise Fund is comprised of the JEA Electric System, Bulk Power Supply System (Scherer), and St. Johns River Power Park System (SJRPP). The Electric Enterprise Fund, Water and Sewer Enterprise Fund, and DES are presented on a combined basis in the balance sheets, statements of revenue, expenses and changes in net assets, and statements of cash flows.

Financial Highlights

Operating Revenues

Electric Enterprise Fund operating revenues for the quarter ended June 2012 decreased 8.8 percent over operating revenues for the quarter ended June 2011. The decrease was primarily caused by a decline in demand resulting from milder weather conditions as shown in an approximately 9.2 percent decline in cooling degree days quarter over quarter. Territorial MWh sales decreased 6.9 percent and total sales decreased 9.8 percent when off-system sales are included. Total sales for the quarter decreased from 3,953,414 MWh to 3,566,787 MWh. Other operating revenues decreased approximately \$2.0 million (18.5%). The decrease was primarily due to FEMA reimbursements received in 2011 not in 2012.

Operating revenues for the nine month period ended June 2012 decreased 10.0 percent over operating revenues for the nine month period ended June 2011. The decrease in operating revenues for the nine month period was due to the unseasonably mild winter conditions as shown in an approximately 41.2 percent decrease in heating degree days. Territorial MWh sales decreased 8.4 percent and total sales decreased 13.5 percent when off-system sales are included. Total sales decreased from 11,158,634 MWh to 9,657,288 MWh. The factor contributing to the decrease in other operating revenues for the nine month period ended June 2012 was the same as discussed above.

Water and Sewer Enterprise Fund operating revenues increased 3.4 percent for the quarter ended June 2012 compared to the quarter ended June 2011. The increase in operating revenues was due primarily to an increase in water and sewer rates of approximately 9.0 percent which was offset in part by a decrease in volumes for water and sewer services. There was a 15.5 percent decrease in consumption related to water services. Consumption, measured in thousands of gallons (kgals), decreased 1,699.2 kgals from 10,996.1 kgals to 9,296.9 kgals. Sewer sales volume decreased 9.5 percent when compared to the quarter ended June 2011. The decrease was 650.9 kgals from 6,875.8 kgals to 6,225.0 kgals.

Total Water & Sewer Enterprise Fund operating revenues increased 8.5 percent for the nine month period ended June 2012 compared to the nine month period ended June 2011. The increase in revenues for the nine month period ended June 2012 was primarily due to the increased rates; which was offset in part by a decrease in volumes for water and sewer services. Water consumption decreased 2,233.0 kgals (7.9%) from 28,382.0 kgals to 26,149.0 kgals. Sewer sales volume decreased 1,049.0 kgals (5.5%) from 19,226.0 kgals to 18,177.0 kgals.

Revenues for DES increased 4.8 percent for the quarter ended June 2012 over operating revenues for the similar periods last year. The increase was due to increased sales volumes. For the nine month period ended June 2012 operating revenues increased 12.1 percent, for the same reason as discussed above.

Operating Expenses

Total operating expenses for the Electric Enterprise Fund decreased 14.2 percent for the quarter ended June 2012 as compared to the quarter ended June 2011. The primary factors contributing to the decrease were a decrease in fuel and purchased power expense, as discussed below, and a decrease in taxes as a result of decreased revenues. The decrease was offset by an increase in other expenses due to increased operating expenses at Plant Scherer, an increase in maintenance expenses due to outage expense at Brandy Branch, increased depreciation expense, and an increase in the recognition of deferred costs related to SJRPP.

Total operating expenses for the Electric Enterprise Fund decreased 10.7 percent for the nine months ended June 2012 as compared to the similar period in the prior year. The decrease was caused by the items discussed above.

Total fuel and purchased power for the quarter ended June 2012 decreased 33.9 percent over the similar period in the prior year. The decrease in fuel and purchased power expense was primarily driven by a decrease in commodity costs notably natural gas; change in product mix and decrease in energy produced and purchased. As the price for gas and solid fuels have fluctuated over these periods, the components of fuel and purchased power have shifted as JEA has taken advantage of the most economical source of power.

Total fuel and purchased power for the nine months ended June 2012 decreased 26.5 percent over the prior year. The drivers for the decrease were the same as discussed above.

Total production of megawatts generated and purchased for the quarter ended June 2012 decreased 8.1 percent from 3,459,523 MWh to 3,180,330 MWh. Generated megawatts decreased 9.9 percent and purchased power decreased 24.9 percent. JEA's power supply mix for the current quarter was 43.2 percent natural gas, 39.9 percent coal, and 16.9 percent other purchases. JEA's power supply mix for the prior quarter ended June 2011 was 47.9 percent coal, 34 percent natural gas, 7.3 percent petroleum coke, 10.7 percent other purchases, and .1 percent oil.

Total production of megawatts generated and purchased for the nine months ended June 2012 decreased 9.0 percent from 9,632,251 MWh to 8,766,150 MWh. Generated megawatts increased 9.6 percent and purchased power decreased 24.6 percent. JEA's power supply mix for the nine months ended June 2012 was 41.4 percent natural gas, 39.9 percent coal, 12.2 percent other purchases, and 6.5 percent petroleum coke. JEA's power supply mix for the nine months ended June 2011 was 52.1 percent coal, 25.6 percent natural gas, 10.9 petroleum coke, 11.0 percent other purchases, and .4 percent oil.

Northside's availability factors for the quarter ended June 2012 were 97.5 percent for Unit 1, 100.0 percent for Unit 2 and 98.8 percent combined. Northside's availability factors for the nine months ended June 2012 were 82.9 percent for Unit 1, 78.4 percent for Unit 2 and 80.7 percent combined. The availability factors were impacted by planned outages in the first quarter of the fiscal year.

SJRPP's availability factors for the quarter ended June 2012 were 98.5 percent for Unit 1, 99.0 percent for Unit 2 and 99.3 percent combined. SJRPP's availability factors for the nine months ended June 2012 were 96.0 percent for Unit 1, 86.6 percent for Unit 2 and 91.3 percent combined. The availability of the Unit 2 was affected by the annual planned outage.

Plant Scherer Unit 4 availability factor for the quarter ended June 2012 was 56.7 percent. Plant Scherer Unit 4 availability factor for the nine months ended June 2012 was 74.2 percent. The availability factors of the unit was affected by a planned outage during the quarter ended June 2012.

Water and Sewer System total operating expenses for the quarter ended June 2012 increased 16.0 percent when compared to the prior year. The increase was primarily due to increased depreciation expense and increased other operating expenses primarily due to an increase in intercompany shared service charges and increased salaries and related benefits.

Water and Sewer System total operating expenses for the nine months ended June 2012 increased 11.6 percent when compared to the prior year. The factors contributing to the change in operating expenses were the same as discussed above.

DES operating expenses increased .7 percent for the quarter ended June 2012 over the similar period in the prior year. The increase was primarily due to increased utility charges. DES operating expenses for the nine months ended June 2012 increased 6.2 percent. The increase was caused by the item discussed above.

Nonoperating Revenues (Expenses)

There was a net decrease of \$5.9 million (10.7 percent) in total nonoperating expenses for the quarter ended June 2012. Interest expense decreased \$8.5 million due primarily to lower debt balances as a result of increased debt repayments and debt refunding savings. Other investment income decreased \$3.3 million primarily due to non-cash unfavorable adjustments related to investments. Allowance for funds used during construction increased \$0.6 million due to more construction projects.

There was a net decrease of \$32.5 million (16.9 percent) in total non-operating expenses for the nine months ended June 2012. The major factors contributing to the change were a decrease of \$26.4 million in interest expense due to lower debt balances as a result of increased debt repayments and debt refunding savings, other nonoperating income increased \$8.7 million due to a payment from the City of Jacksonville for the termination of a radio maintenance agreement, investment income increased \$2.8 million due to favorable non-cash favorable adjustments related to investments; and TEA earnings decreased \$5.1 million due to lower margins on purchases and sales transaction by TEA and decreased megawatt purchases by JEA during the current period.

Debt Administration

During the quarter, the ratings for the Electric System, SJRPP System and Bulk Power Supply System (BPS) bonds remained the same. Fitch, Moody's and Standard & Poor's ratings for the Electric System senior bonds were AA-, Aa2 and AA-; for the Electric System subordinated bonds, AA-, Aa3 and A+; for the SJRPP bonds, AA-, Aa2 and AA-; and for the BPS bonds, AA-, Aa2 and AA-.

During the quarter, the ratings for the Water and Sewer System remained the same. The Water and Sewer System senior bond ratings by Fitch, Moody's and Standard & Poor's were AA, Aa2, and AA and the Water and Sewer System subordinated bond ratings were AA, Aa2 and AA.

At the end of the quarter, there were no outstanding bank draws under the revolving lines of credit.

The debt service coverage ratio for the Electric System's senior debt was 6.12x and 3.28x for the quarters ended June 2012 and June 2011. The debt service coverage ratio for the Electric System's combined senior and subordinated debt was 2.92x and 1.78x for the quarters ended June 2012 and June 2011. The increase in senior debt service coverage ratio for the quarter was caused primarily by increased net revenues resulting from the decreased fuel and purchased power expenses discussed above and a decrease in the debt service requirement primarily related to lower principal amortization. The increase in combined senior and subordinated debt service coverage ratio for the quarter was due to increased net revenues due to the same reason as discussed above.

The debt service coverage ratio for the Electric System's senior debt was 5.59x and 4.72x for the nine months ended June 2012 and June 2011. The debt service coverage ratio for the Electric System's combined senior and subordinated debt was 2.68x and 2.36x for the nine months ended June 2012 and June 2011. The factors contributing to the changes in debt service coverage ratios were increased net revenues and reduced debt service requirements.

The Water and Sewer senior debt service coverage ratio remained stable and was 2.59x and 2.60x for the quarters ended June 2012 and 2011. The Water and Sewer combined senior and subordinated debt service coverage ratio was 2.36x and 2.32x for the quarters ended June 2012 and 2011. The increase was caused by increased revenues due to increases in rates.

The Water and Sewer senior debt service coverage ratio was 2.47x and 2.33x for the nine months ended June 2012 and 2011. The Water and Sewer combined senior and subordinated debt service coverage ratio was 2.25x and 2.08x for the nine months ended June 2012 and 2011. The change in debt service coverage ratios for the nine months was the same as discussed above.

Capital Assets

JEA's investment in capital assets at June 2012 was \$6.57 billion (net of accumulated depreciation). This included \$3.80 billion in the Electric Enterprise System, \$2.73 billion in the Water & Sewer System and \$.04 billion in DES. For the nine months ended June 2012, capital expenditures were \$169.01 million consisting of \$102.00 million for the Electric Enterprise System, \$65.96 million for the Water & Sewer System and \$1.05 million for DES. The capital items of the Electric Enterprise fund include environmental projects at Scherer and the cooling tower projects at SJRPP. For the nine months ended June 2012, the major capital items of the Water and Sewer System include capacity upgrades and transmission improvements.



Jim Dickenson, Chief Executive Officer

FINANCIAL STATEMENTS

Balance Sheets
(in thousands - unaudited)

ASSETS AND DEFERRED OUTFLOWS	June	
	2012	2011
Current assets:		
Cash and cash equivalents	\$ 221,697	\$ 275,945
Investments	101,340	30,035
Customer accounts receivable, less allowance for doubtful accounts - \$4,232 in 2012 and \$5,254 in 2011	270,726	297,608
Inventories, less reserve of \$1,379 in 2012 and \$1,250 in 2011		
Fuel inventory	104,235	78,212
Materials and supplies	70,404	69,908
Total current assets	768,402	751,708
Restricted assets:		
Cash and cash equivalents	168,568	124,210
Investments	767,231	850,760
Accounts and interest receivable	5,225	6,274
Total restricted assets	941,024	981,244
Noncurrent assets:		
Unamortized debt issue costs and other	59,393	49,937
Investment in The Energy Authority	8,992	10,439
Costs to be recovered from future revenues	11,625	57,946
Total noncurrent assets	80,010	118,322
Capital assets:		
Land and easements	119,441	119,113
Plant in service	10,194,770	10,012,726
Less accumulated depreciation	(3,957,378)	(3,693,407)
Plant in service, net	6,356,833	6,438,432
Construction work in progress	213,477	196,157
Capital assets, net	6,570,310	6,634,589
Total assets	8,359,746	8,485,863
Deferred outflows of resources:		
Accumulated decrease in fair value of fuel hedging derivatives	-	2,168
Accumulated decrease in fair value of interest swaps derivatives	198,374	89,039
Total deferred outflows of resources	198,374	91,207
Total assets and deferred outflows of resources	\$ 8,558,120	\$ 8,577,070
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION		
Current liabilities:		
Accounts and accrued expenses payable	\$ 121,605	\$ 185,953
Customer deposits	56,160	52,037
Total current liabilities	177,765	237,990
Liabilities payable from restricted assets:		
Revenue bonds and line of credit due within one year	249,017	274,431
Interest payable	53,737	70,626
Construction contracts and accounts payable	22,920	20,105
Renewal and replacement reserve	89,791	90,000
Total liabilities payable from restricted assets	415,465	455,162
Other noncurrent liabilities:		
OPEB liability	4,125	4,925
Deferred credits and other	42,747	42,524
Revenues to be used for future costs	83,538	65,675
Total other noncurrent liabilities	130,410	113,124
Long-term debt:		
Bonds and commercial paper	5,747,944	6,051,685
Unamortized original issue premium (discount)	97,980	45,434
Unamortized deferred losses on refundings	(145,957)	(146,016)
Fair value of debt management strategy instruments	198,374	89,038
Total long-term debt	5,898,341	6,040,141
Total liabilities	6,621,981	6,846,417
Deferred inflows of resources:		
Accumulated increase in fair value of fuel derivatives	2,962	-
Accumulated increase in fair value of interest swaps derivatives	-	-
Total deferred inflows of resources	2,962	-
Net position:		
Net investment in capital assets	549,868	400,038
Restricted	812,840	845,799
Unrestricted	570,469	484,816
Total net position	1,933,177	1,730,653
Total liabilities, deferred inflows of resources and net position	\$ 8,558,120	\$ 8,577,070

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

	Quarter		Year-To-Date	
	June		June	
	2012	2011	2012	2011
Operating revenues (net of allowances and discounts):				
Electric	\$ 380,709	\$ 417,698	\$ 1,050,621	\$ 1,169,564
Water and sewer	98,669	95,470	287,023	264,596
District Energy	2,167	2,068	6,184	5,515
Other, net	10,304	12,344	30,453	35,576
Total operating revenues	491,849	527,580	1,374,281	1,475,251
Operating expenses:				
Operations:				
Fuel	111,466	180,932	336,459	451,210
Purchased power	23,195	22,923	50,913	74,073
Other	67,504	56,049	184,268	167,276
Maintenance	25,608	25,304	74,457	72,209
Depreciation	96,236	88,015	282,158	262,870
State utility taxes and franchise fees	17,839	18,712	52,467	56,617
Recognition of deferred costs and revenues, net	17,904	7,226	43,465	20,075
Total operating expenses	359,752	399,161	1,024,187	1,104,330
Operating income	132,097	128,419	350,094	370,921
Nonoperating revenues (expenses):				
Earnings from The Energy Authority	2,673	2,713	4,583	9,666
Investment income, fair market value adjustments	2,560	5,878	6,518	3,723
Other nonoperating income	1,968	1,969	14,451	5,730
Interest on debt	(61,053)	(69,532)	(187,993)	(214,430)
Other interest, net	(18)	(28)	(9)	(88)
Water & Sewer Expansion Authority	-	(162)	-	(456)
Allowance for funds used during construction	871	227	2,214	3,100
Total nonoperating revenues (expenses), net	(52,999)	(58,935)	(160,236)	(192,755)
Income before contributions	79,098	69,484	189,858	178,166
Contributions (to) from:				
General Fund, City of Jacksonville	(26,046)	(25,421)	(78,140)	(76,265)
Developers and others	5,138	5,418	12,900	15,317
City of Jacksonville	-	-	-	-
Total contributions	(20,908)	(20,003)	(65,240)	(60,948)
Change in net position	58,190	49,481	124,618	117,218
Net position, beginning of period	1,874,987	1,681,172	1,808,559	1,613,435
Net position, end of period	\$1,933,177	\$1,730,653	\$1,933,177	\$1,730,653

JEA
Statement of Cash Flows
(in thousands - unaudited)

Page 7

	Quarter June	
	2012	2011
Operations:		
Receipts from customers	\$ 448,770	\$ 462,374
Other receipts	9,940	12,653
Payments to suppliers	(195,330)	(258,617)
Payments to employees	(46,272)	(45,168)
Net cash provided by (used in) operating activities	217,108	171,242
Noncapital and related financing activities:		
Contribution to General Fund, City of Jacksonville, FL.	(26,010)	(25,423)
Contribution to Water and Sewer Expansion Authority	-	(162)
Payment from City of Jacksonville - FCRS	-	-
Build America Bonds subsidies	-	-
Net cash provided by (used in) noncapital financing activities	(26,010)	(25,585)
Capital and related financing activities:		
Acquisition and construction of capital assets	(59,381)	(64,013)
Proceeds from issuance of debt	(385)	-
Debt issue costs and discounts	(209)	(58)
Defeasance of debt	(43,824)	(1,575)
Repayment of debt principal	(2,785)	(13,247)
Interest paid on debt	(103,232)	(117,709)
Contribution from developers and others	3,219	2,824
Proceeds from sales of property	(433)	67
Net cash provided by (used in) capital and related financing activities	(207,030)	(193,711)
Investing activities:		
Purchase of investments	(517,803)	(522,062)
Proceeds from sale and maturities of investments	426,327	500,627
Investment income	2,853	2,099
Distributions from The Energy Authority	2,493	2,427
Net cash provided by (used in) investing activities	(86,130)	(16,909)
Net increase (decrease) in cash and cash equivalents	(102,062)	(64,963)
Cash and cash equivalents at beginning of the period	492,327	465,118
Cash and cash equivalents at end of the period	\$ 390,265	\$ 400,155
Reconciliation of operating income to net cash provided by operating activities:		
Operating Income:	\$ 132,099	\$ 128,418
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	96,679	88,219
Recognition of deferred costs and revenues, net	17,904	7,225
Changes in noncash assets and noncash liabilities:		
Decrease (increase) accounts receivable	(37,581)	(68,799)
Decrease (increase) accounts receivable, restricted	(363)	309
Decrease (increase) in inventories	(4,765)	(23,667)
Increase (decrease) in other	3,185	449
Increase (decrease) in accounts payable	11,689	41,545
Increase (decrease) in accounts payable, restricted	(2,081)	(1,384)
Increase (decrease) in other liabilities and deferred credits	342	(1,073)
Net cash provided by (used in) operating activities	\$ 217,108	\$ 171,242
Non-cash activity:		
Contribution of capital assets from developers	\$ 1,919	\$ 2,594

JEA
Statement of Cash Flows
(in thousands - unaudited)

	Year-To-Date	
	June	
	2012	2011
Operations:		
Receipts from customers	\$ 1,367,011	\$ 1,426,013
Other receipts	35,843	42,040
Payments to suppliers	(643,493)	(744,225)
Payments to employees	(147,263)	(144,638)
Net cash provided by (used in) operating activities	612,098	579,190
Noncapital and related financing activities:		
Contribution to General Fund, City of Jacksonville, FL.	(77,804)	(76,057)
Contribution to Water and Sewer Expansion Authority	-	(456)
Payment from City of Jacksonville - FCRS	8,548	-
Build America Bonds subsidies	3,936	3,761
Net cash provided by (used in) noncapital financing activities	(65,320)	(72,752)
Capital and related financing activities:		
Acquisition and construction of capital assets	(202,734)	(219,400)
Proceeds from issuance of debt	911,557	472,944
Debt issue costs and discounts	66,606	12,669
Defeasance of debt	(1,017,915)	(332,882)
Repayment of debt principal	(233,209)	(203,553)
Interest paid on debt	(261,459)	(260,646)
Contribution from developers and others	8,019	7,833
Proceeds from sales of property	400	530
Net cash provided by (used in) capital and related financing activities	(728,735)	(522,505)
Investing activities:		
Purchase of investments	(1,881,735)	(2,693,989)
Proceeds from sale and maturities of investments	1,419,620	2,137,731
Investment income	7,511	6,166
Distributions from The Energy Authority	4,600	8,846
Net cash provided by (used in) investing activities	(450,004)	(541,246)
Net increase (decrease) in cash and cash equivalents	(631,961)	(557,313)
Cash and cash equivalents at beginning of the period	1,022,226	957,468
Cash and cash equivalents at end of the period	\$ 390,265	\$ 400,155
Reconciliation of operating income to net cash provided by operating activities:		
Operating Income:	\$ 350,094	\$ 370,921
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	268,627	263,460
Recognition of deferred costs and revenues, net	43,465	20,075
Changes in noncash assets and noncash liabilities:		
Decrease (increase) accounts receivable	(15,531)	(51,978)
Decrease (increase) accounts receivable, restricted	5,390	6,464
Decrease (increase) in inventories	(28,319)	(33,180)
Increase (decrease) in other	4,333	(3,210)
Increase (decrease) in accounts payable	(14,950)	5,735
Increase (decrease) in accounts payable, restricted	3,740	2,983
Increase (decrease) in other liabilities and deferred credits	(4,751)	(2,080)
Net cash provided by (used in) operating activities	\$ 612,098	\$ 579,190
Non-cash activity:		
Contribution of capital assets from developers	\$ 4,881	7,485

Combining Balance Sheet
(in thousands - unaudited) June 30, 2012

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Inter- company Transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
ASSETS AND DEFERRED OUTFLOWS								
Current assets:								
Cash and cash equivalents	\$ 150,372	\$ 25,081	\$ -	\$ 175,453	\$ 42,713	\$ 3,531	\$ -	\$ 221,697
Investments	83,909	17,389	-	101,298	-	42	-	101,340
Customer accounts receivable, less allowance for doubtful accounts of \$4,232	200,111	46,412	(15,560)	230,963	39,537	226	-	270,726
Inventories, less reserve of \$1,379								
Fuel inventory	47,250	56,985	-	104,235	-	-	-	104,235
Materials and supplies	1,995	22,106	-	24,101	46,303	-	-	70,404
Total current assets	483,637	167,973	(15,560)	636,050	128,553	3,799	-	768,402
Restricted assets:								
Cash and cash equivalents	19,594	59,052	-	78,646	86,786	3,136	-	168,568
Investments	277,541	280,754	-	558,295	208,936	-	-	767,231
Accounts and interest receivable	2,543	436	-	2,979	2,246	-	-	5,225
Total restricted assets	299,678	340,242	-	639,920	297,968	3,136	-	941,024
Noncurrent assets:								
Unamortized debt issue costs and other	23,492	6,107	-	29,599	29,547	247	-	59,393
Investment in The Energy Authority	8,992	-	-	8,992	-	-	-	8,992
Costs to be recovered from future revenues	11,625	-	-	11,625	-	-	-	11,625
Total noncurrent assets	44,109	6,107	-	50,216	29,547	247	-	80,010
Capital assets:								
Land and easements	64,717	6,660	-	71,377	45,013	3,051	-	119,441
Plant in service	4,872,155	1,393,539	-	6,265,694	3,878,665	50,411	-	10,194,770
Less accumulated depreciation	(1,983,089)	(716,562)	-	(2,699,651)	(1,245,104)	(12,623)	-	(3,957,378)
Plant in service, net	2,953,783	683,637	-	3,637,420	2,678,574	40,839	-	6,356,833
Construction work in progress	121,593	39,077	-	160,670	52,048	759	-	213,477
Capital assets, net	3,075,376	722,714	-	3,798,090	2,730,622	41,598	-	6,570,310
Total assets	3,902,800	1,237,036	(15,560)	5,124,276	3,186,690	48,780	-	8,359,746
Deferred outflows of resources:								
Accumulated decrease in fair value of fuel hedging derivatives	-	-	-	-	-	-	-	-
Accumulated decrease in fair value of interest swaps derivatives	171,530	-	-	171,530	26,844	-	-	198,374
Total deferred outflows of resources	171,530	-	-	171,530	26,844	-	-	198,374
Total assets and deferred outflows of resources	\$ 4,074,330	\$ 1,237,036	\$ (15,560)	\$ 5,295,806	\$ 3,213,534	\$ 48,780	\$ -	\$ 8,558,120
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION								
Current liabilities:								
Accounts and accrued expenses payable	\$ 91,448	\$ 15,163	\$ (216)	\$ 106,395	\$ 15,188	\$ 22	\$ -	\$ 121,605
Customer deposits	43,945	-	-	43,945	12,215	-	-	56,160
Total current liabilities	135,393	15,163	(216)	150,340	27,403	22	-	177,765
Liabilities payable from restricted assets:								
Revenue bonds and line of credit due within one year	76,595	123,255	-	199,850	47,777	1,390	-	249,017
Interest payable	23,640	11,035	-	34,675	19,055	7	-	53,737
Construction contracts and accounts payable	5,053	23,428	(15,344)	13,137	9,474	309	-	22,920
Renewal and replacement reserve	-	89,791	-	89,791	-	-	-	89,791
Total liabilities payable from restricted assets	105,288	247,509	(15,344)	337,453	76,306	1,706	-	415,465
Other noncurrent liabilities:								
OPEB liability	2,600	-	-	2,600	1,525	-	-	4,125
Deferred credits and other	34,020	3,026	-	37,046	5,683	18	-	42,747
Revenues to be used for future costs	61,797	21,741	-	83,538	-	-	-	83,538
Total other noncurrent liabilities	98,417	24,767	-	123,184	7,208	18	-	130,410
Long-term debt:								
Bonds and commercial paper	2,906,700	857,105	-	3,763,805	1,940,389	43,750	-	5,747,944
Unamortized original issue premium (discount)	27,072	31,719	-	58,791	39,189	-	-	97,980
Unamortized deferred losses on refundings	(61,570)	(35,535)	-	(97,105)	(48,852)	-	-	(145,957)
Fair value of debt management strategy instruments	171,530	-	-	171,530	26,844	-	-	198,374
Total long-term debt	3,043,732	853,289	-	3,897,021	1,957,570	43,750	-	5,898,341
Total liabilities	3,382,830	1,140,728	(15,560)	4,507,998	2,068,487	45,496	-	6,621,981
Deferred inflows of resources:								
Accumulated increase in fair value of fuel derivatives	2,962	-	-	2,962	-	-	-	2,962
Accumulated increase in fair value of interest swaps derivatives	-	-	-	-	-	-	-	-
Total deferred inflows of resources	2,962	-	-	2,962	-	-	-	2,962
Net position:								
Net investment in capital assets	88,733	(292,892)	-	(204,159)	757,631	(3,604)	-	549,868
Restricted	276,038	239,416	15,344	530,798	278,913	3,129	-	812,840
Unrestricted	323,767	149,784	(15,344)	458,207	108,503	3,759	-	570,469
Total net position	688,538	96,308	-	784,846	1,145,047	3,284	-	1,933,177
Total liabilities, deferred inflows of resources and net position	\$ 4,074,330	\$ 1,237,036	\$ (15,560)	\$ 5,295,806	\$ 3,213,534	\$ 48,780	\$ -	\$ 8,558,120

Combining Balance Sheet
(in thousands - unaudited) June 30, 2011

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Inter- company Transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
ASSETS AND DEFERRED OUTFLOWS								
Current assets:								
Cash and cash equivalents	\$ 193,472	\$ 39,323	\$ -	\$ 232,795	\$ 38,211	\$ 4,939	\$ -	\$ 275,945
Investments	-	29,987	-	29,987	-	48	-	30,035
Customer accounts receivable, less allowance for doubtful accounts of \$5,254	232,039	48,508	(25,404)	255,143	42,047	418	-	297,608
Inventories, less reserve of \$1,250								
Fuel inventory	54,175	24,037	-	78,212	-	-	-	78,212
Materials and supplies	2,099	22,936	-	25,035	44,873	-	-	69,908
Total current assets	481,785	164,791	(25,404)	621,172	125,131	5,405	-	751,708
Restricted assets:								
Cash and cash equivalents	42,020	48,816	-	90,836	29,506	3,868	-	124,210
Investments	279,461	316,150	-	595,611	255,149	-	-	850,760
Accounts and interest receivable	3,383	1,381	-	4,764	1,510	-	-	6,274
Total restricted assets	324,864	366,347	-	691,211	286,165	3,868	-	981,244
Noncurrent assets:								
Unamortized debt issue costs and other	23,202	7,376	-	30,578	19,101	258	-	49,937
Investment in The Energy Authority	10,439	-	-	10,439	-	-	-	10,439
Costs to be recovered from future revenues	10,074	47,872	-	57,946	-	-	-	57,946
Total noncurrent assets	43,715	55,248	-	98,963	19,101	258	-	118,322
Capital assets:								
Land and easements	64,570	6,660	-	71,230	44,832	3,051	-	119,113
Plant in service	4,777,354	1,394,295	-	6,171,649	3,791,423	49,654	-	10,012,726
Less accumulated depreciation	(1,866,889)	(680,199)	-	(2,547,088)	(1,135,728)	(10,591)	-	(3,693,407)
Plant in service, net	2,975,035	720,756	-	3,695,791	2,700,527	42,114	-	6,438,432
Construction work in progress	137,783	22,360	-	160,143	35,872	142	-	196,157
Capital assets, net	3,112,818	743,116	-	3,855,934	2,736,399	42,256	-	6,634,589
Total assets	3,963,182	1,329,502	(25,404)	5,267,280	3,166,796	51,787	-	8,485,863
Deferred outflows of resources:								
Accumulated decrease in fair value of fuel hedging derivatives	2,168	-	-	2,168	-	-	-	2,168
Accumulated decrease in fair value of interest swaps derivatives	81,397	-	-	81,397	7,642	-	-	89,039
Total deferred outflows of resources	83,565	-	-	83,565	7,642	-	-	91,207
Total assets and deferred outflows of resources	\$ 4,046,747	\$ 1,329,502	\$ (25,404)	\$ 5,350,845	\$ 3,174,438	\$ 51,787	\$ -	\$ 8,577,070
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION								
Current liabilities:								
Accounts and accrued expenses payable	\$ 152,037	\$ 20,481	\$ (223)	\$ 172,295	\$ 13,652	\$ 6	\$ -	\$ 185,953
Customer deposits	42,440	-	-	42,440	9,597	-	-	52,037
Total current liabilities	194,477	20,481	(223)	214,735	23,249	6	-	237,990
Liabilities payable from restricted assets:								
Revenue bonds and line of credit due within one year	121,861	105,555	-	227,416	41,880	5,135	-	274,431
Interest payable	24,445	26,205	-	50,650	19,936	40	-	70,626
Construction contracts and accounts payable	6,217	32,127	(25,181)	13,163	6,932	10	-	20,105
Renewal and replacement reserve	-	90,000	-	90,000	-	-	-	90,000
Total liabilities payable from restricted assets	152,523	253,887	(25,181)	381,229	68,748	5,185	-	455,162
Other noncurrent liabilities:								
OPEB liability	3,144	-	-	3,144	1,781	-	-	4,925
Deferred credits and other	33,876	3,168	-	37,044	5,463	17	-	42,524
Revenues to be used for future costs	65,675	-	-	65,675	-	-	-	65,675
Total other noncurrent liabilities	102,695	3,168	-	105,863	7,244	17	-	113,124
Long-term debt:								
Bonds and commercial paper	2,979,255	1,011,668	-	3,990,923	2,015,622	45,140	-	6,051,685
Unamortized original issue premium (discount)	23,322	6,158	-	29,480	15,954	-	-	45,434
Unamortized deferred losses on refundings	(61,804)	(43,163)	-	(104,967)	(41,049)	-	-	(146,016)
Fair value of debt management strategy instruments	81,396	-	-	81,396	7,642	-	-	89,038
Total long-term debt	3,022,169	974,663	-	3,996,832	1,998,169	45,140	-	6,040,141
Total liabilities	3,471,864	1,252,199	(25,404)	4,698,659	2,097,410	50,348	-	6,846,417
Deferred inflows of resources:								
Accumulated increase in fair value of fuel derivatives	-	-	-	-	-	-	-	-
Accumulated increase in fair value of interest swaps derivatives	-	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-	-
Net position:								
Net investment in capital assets	6,849	(313,981)	-	(307,132)	714,941	(7,771)	-	400,038
Restricted	300,419	250,142	25,181	575,742	266,229	3,828	-	845,799
Unrestricted	267,615	141,142	(25,181)	383,576	95,858	5,382	-	484,816
Total net position	574,883	77,303	-	652,186	1,077,028	1,439	-	1,730,653
Total liabilities, deferred inflows of resources and net position	\$ 4,046,747	\$ 1,329,502	\$ (25,404)	\$ 5,350,845	\$ 3,174,438	\$ 51,787	\$ -	\$ 8,577,070

**Combining Statement of Revenue, Expenses and Changes in Net Assets
(in thousands - unaudited) for the quarter ended June 30, 2012**

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Inter- company Transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating revenues (net of allowances and discounts):								
Electric	\$ 340,036	\$ 112,681	\$ (67,535)	\$ 385,182	\$ -	\$ -	\$ (4,473)	\$ 380,709
Water and sewer	-	-	-	-	98,721	-	(52)	98,669
District Energy	-	-	-	-	-	2,167	-	2,167
Other, net	8,746	-	-	8,746	2,453	-	(895)	10,304
Total operating revenues	348,782	112,681	(67,535)	393,928	101,174	2,167	(5,420)	491,849
Operating expenses:								
Operations:								
Fuel	58,880	52,586	-	111,466	-	-	-	111,466
Purchased power	90,730	-	(67,535)	23,195	-	-	-	23,195
Other	38,202	7,150	-	45,352	26,626	946	(5,420)	67,504
Maintenance	13,426	7,947	-	21,373	4,107	128	-	25,608
Depreciation	50,289	10,158	-	60,447	35,278	511	-	96,236
State utility taxes and franchise fees	15,298	-	-	15,298	2,541	-	-	17,839
Recognition of deferred costs and revenues, net	(1,046)	18,950	-	17,904	-	-	-	17,904
Total operating expenses	265,779	96,791	(67,535)	295,035	68,552	1,585	(5,420)	359,752
Operating income	83,003	15,890	-	98,893	32,622	582	-	132,097
Nonoperating revenues (expenses):								
Earnings from The Energy Authority	2,673	-	-	2,673	-	-	-	2,673
Investment income, fair market value adjustments	756	1,202	-	1,958	599	3	-	2,560
Other nonoperating income	1,187	110	-	1,297	671	-	-	1,968
Interest on debt	(29,292)	(12,963)	-	(42,255)	(18,644)	(154)	-	(61,053)
Other interest, net	(18)	-	-	(18)	-	-	-	(18)
Water & Sewer Expansion Authority	-	-	-	-	-	-	-	-
Allowance for funds used during construction	405	-	-	405	464	2	-	871
Total nonoperating revenues (expenses), net	(24,289)	(11,651)	-	(35,940)	(16,910)	(149)	-	(52,999)
Income before contributions	58,714	4,239	-	62,953	15,712	433	-	79,098
Contributions (to) from:								
General Fund, City of Jacksonville	(20,759)	-	-	(20,759)	(5,287)	-	-	(26,046)
Developers and others	-	-	-	-	5,138	-	-	5,138
Total contributions	(20,759)	-	-	(20,759)	(149)	-	-	(20,908)
Change in net position	37,955	4,239	-	42,194	15,563	433	-	58,190
Net position, beginning of period	650,583	92,069	-	742,652	1,129,484	2,851	-	1,874,987
Net position, end of period	\$ 688,538	\$ 96,308	\$ -	\$ 784,846	\$ 1,145,047	\$ 3,284	\$ -	\$ 1,933,177

**Combining Statement of Revenue, Expenses and Changes in Net Assets
(in thousands - unaudited) for the quarter ended June 30, 2011**

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Inter- company transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating revenues (net of allowances and discounts):								
Electric	\$ 367,215	\$ 132,373	\$ (77,428)	\$ 422,160	\$ -	\$ -	\$ (4,462)	\$ 417,698
Water and sewer	-	-	-	-	95,517	-	(47)	95,470
District Energy	-	-	-	-	-	2,068	-	2,068
Other, net	10,730	-	-	10,730	2,480	-	(866)	12,344
Total operating revenues	377,945	132,373	(77,428)	432,890	97,997	2,068	(5,375)	527,580
Operating expenses:								
Operations:								
Fuel	106,638	74,294	-	180,932	-	-	-	180,932
Purchased power	100,351	-	(77,428)	22,923	-	-	-	22,923
Other	29,279	9,168	-	38,447	22,033	944	(5,375)	56,049
Maintenance	11,888	8,480	-	20,368	4,807	129	-	25,304
Depreciation	47,620	10,087	-	57,707	29,807	501	-	88,015
State utility taxes and franchise fees	16,271	-	-	16,271	2,441	-	-	18,712
Recognition of deferred costs and revenues, net	(1,486)	8,712	-	7,226	-	-	-	7,226
Total operating expenses	310,561	110,741	(77,428)	343,874	59,088	1,574	(5,375)	399,161
Operating income	67,384	21,632	-	89,016	38,909	494	-	128,419
Nonoperating revenues (expenses):								
Earnings from The Energy Authority	2,713	-	-	2,713	-	-	-	2,713
Investment income, fair market value adjustments	869	3,461	-	4,330	1,544	4	-	5,878
Other nonoperating income	1,187	110	-	1,297	672	-	-	1,969
Interest on debt	(29,595)	(19,260)	-	(48,855)	(20,633)	(44)	-	(69,532)
Other interest, net	(28)	-	-	(28)	-	-	-	(28)
Water & Sewer Expansion Authority	-	-	-	-	(162)	-	-	(162)
Allowance for funds used during construction	110	-	-	110	117	-	-	227
Total nonoperating revenues (expenses), net	(24,744)	(15,689)	-	(40,433)	(18,462)	(40)	-	(58,935)
Income before contributions	42,640	5,943	-	48,583	20,447	454	-	69,484
Contributions (to) from:								
General Fund, City of Jacksonville	(20,480)	-	-	(20,480)	(4,941)	-	-	(25,421)
Developers and others	-	-	-	-	5,418	-	-	5,418
Total contributions	(20,480)	-	-	(20,480)	477	-	-	(20,003)
Change in net position	22,160	5,943	-	28,103	20,924	454	-	49,481
Net position, beginning of period	552,723	71,360	-	624,083	1,056,104	985	-	1,681,172
Net position, end of period	\$ 574,883	\$ 77,303	\$ -	\$ 652,186	\$ 1,077,028	\$ 1,439	\$ -	\$ 1,730,653

**Combining Statement of Revenue, Expenses and Changes in Net Assets
(in thousands - unaudited) for the year-to-date ended June 30, 2012**

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Inter- company transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating revenues (net of allowances and discounts):								
Electric	\$ 944,095	\$ 298,563	\$ (179,127)	\$ 1,063,531	\$ -	\$ -	\$ (12,910)	\$ 1,050,621
Water and sewer	-	-	-	-	287,160	-	(137)	287,023
District Energy	-	-	-	-	-	6,184	-	6,184
Other, net	25,798	-	-	25,798	7,354	-	(2,699)	30,453
Total operating revenues	969,893	298,563	(179,127)	1,089,329	294,514	6,184	(15,746)	1,374,281
Operating expenses:								
Operations:								
Fuel	204,214	132,245	-	336,459	-	-	-	336,459
Purchased power	230,040	-	(179,127)	50,913	-	-	-	50,913
Other	105,061	17,425	-	122,486	74,934	2,594	(15,746)	184,268
Maintenance	41,620	18,891	-	60,511	13,542	404	-	74,457
Depreciation	147,166	30,423	-	177,589	103,041	1,528	-	282,158
State utility taxes and franchise fees	45,166	-	-	45,166	7,301	-	-	52,467
Recognition of deferred costs and revenues, net	(3,579)	47,044	-	43,465	-	-	-	43,465
Total operating expenses	769,688	246,028	(179,127)	836,589	198,818	4,526	(15,746)	1,024,187
Operating income	200,205	52,535	-	252,740	95,696	1,658	-	350,094
Nonoperating revenues (expenses):								
Earnings from The Energy Authority	4,583	-	-	4,583	-	-	-	4,583
Investment income, fair market value adjustments	1,573	2,995	-	4,568	1,943	7	-	6,518
Other nonoperating income	7,834	330	-	8,164	6,287	-	-	14,451
Interest on debt	(88,388)	(38,700)	-	(127,088)	(60,567)	(338)	-	(187,993)
Other interest, net	(13)	-	-	(13)	4	-	-	(9)
Water & Sewer Expansion Authority	-	-	-	-	-	-	-	-
Allowance for funds used during construction	1,130	-	-	1,130	1,080	4	-	2,214
Total nonoperating revenues (expenses), net	(73,281)	(35,375)	-	(108,656)	(51,253)	(327)	-	(160,236)
Income before contributions	126,924	17,160	-	144,084	44,443	1,331	-	189,858
Contributions (to) from:								
General Fund, City of Jacksonville	(62,278)	-	-	(62,278)	(15,862)	-	-	(78,140)
Developers and others	-	-	-	-	12,900	-	-	12,900
Total contributions	(62,278)	-	-	(62,278)	(2,962)	-	-	(65,240)
Change in net position	64,646	17,160	-	81,806	41,481	1,331	-	124,618
Net position, beginning of period	623,892	79,148	-	703,040	1,103,566	1,953	-	1,808,559
Net position, end of period	\$ 688,538	\$ 96,308	\$ -	\$ 784,846	\$ 1,145,047	\$ 3,284	\$ -	\$ 1,933,177

**Combining Statement of Revenue, Expenses and Changes in Net Assets
(in thousands - unaudited) for the year-to-date ended June 30, 2011**

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Inter- company transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating revenues (net of allowances and discounts):								
Electric	\$ 1,034,322	\$ 351,715	\$ (204,382)	\$ 1,181,655	\$ -	\$ -	\$ (12,091)	\$ 1,169,564
Water and sewer	-	-	-	-	264,773	-	(177)	264,596
District Energy	-	-	-	-	-	5,515	-	5,515
Other, net	31,231	-	-	31,231	6,937	-	(2,592)	35,576
Total operating revenues	1,065,553	351,715	(204,382)	1,212,886	271,710	5,515	(14,860)	1,475,251
Operating expenses:								
Operations:								
Fuel	268,066	183,144	-	451,210	-	-	-	451,210
Purchased power	278,455	-	(204,382)	74,073	-	-	-	74,073
Other	87,450	27,571	-	115,021	64,789	2,326	(14,860)	167,276
Maintenance	35,745	19,741	-	55,486	16,292	431	-	72,209
Depreciation	140,903	30,183	-	171,086	90,280	1,504	-	262,870
State utility taxes and franchise fees	49,866	-	-	49,866	6,751	-	-	56,617
Recognition of deferred costs and revenues, net	(4,460)	24,535	-	20,075	-	-	-	20,075
Total operating expenses	856,025	285,174	(204,382)	936,817	178,112	4,261	(14,860)	1,104,330
Operating income	209,528	66,541	-	276,069	93,598	1,254	-	370,921
Nonoperating revenues (expenses):								
Earnings from The Energy Authority	9,666	-	-	9,666	-	-	-	9,666
Investment income, fair market value adjustments	518	2,279	-	2,797	906	20	-	3,723
Other nonoperating income	3,479	330	-	3,809	1,921	-	-	5,730
Interest on debt	(92,692)	(57,779)	-	(150,471)	(63,721)	(238)	-	(214,430)
Other interest, net	(85)	-	-	(85)	(3)	-	-	(88)
Water & Sewer Expansion Authority	-	-	-	-	(456)	-	-	(456)
Allowance for funds used during construction	1,811	-	-	1,811	1,277	12	-	3,100
Total nonoperating revenues (expenses), net	(77,303)	(55,170)	-	(132,473)	(60,076)	(206)	-	(192,755)
Income before contributions	132,225	11,371	-	143,596	33,522	1,048	-	178,166
Contributions (to) from:								
General Fund, City of Jacksonville	(61,441)	-	-	(61,441)	(14,824)	-	-	(76,265)
Developers and others	-	-	-	-	15,317	-	-	15,317
Total contributions	(61,441)	-	-	(61,441)	493	-	-	(60,948)
Change in net position	70,784	11,371	-	82,155	34,015	1,048	-	117,218
Net position, beginning of period	504,099	65,932	-	570,031	1,043,013	391	-	1,613,435
Net position, end of period	\$ 574,883	\$ 77,303	\$ -	\$ 652,186	\$ 1,077,028	\$ 1,439	\$ -	\$ 1,730,653

Combining Statement of Cash Flows

(in thousands - unaudited) for the quarter ended June 30, 2012

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Inter- company transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operations:								
Receipts from customers	\$ 310,173	\$ 112,679	\$ (70,434)	\$ 352,418	\$ 98,536	\$ 2,341	\$ (4,525)	\$ 448,770
Other receipts	8,236	-	-	8,236	2,599	-	(895)	9,940
Payments to suppliers	(178,349)	(70,437)	70,434	(178,352)	(21,425)	(973)	5,420	(195,330)
Payments to employees	(29,991)	(7,071)	-	(37,062)	(9,111)	(99)	-	(46,272)
Net cash provided by (used in) operating activities	110,069	35,171	-	145,240	70,599	1,269	-	217,108
Noncapital and related financing activities:								
Contribution to General Fund, City of Jacksonville, FL.	(20,760)	-	-	(20,760)	(5,250)	-	-	(26,010)
Contribution to Water and Sewer Expansion Authority	-	-	-	-	-	-	-	-
Payment from City of Jacksonville - FCRS	-	-	-	-	-	-	-	-
Build America Bonds subsidies	-	-	-	-	-	-	-	-
Net cash provided by (used in) noncapital financing activities	(20,760)	-	-	(20,760)	(5,250)	-	-	(26,010)
Capital and related financing activities:								
Acquisition and construction of capital assets	(25,732)	(3,733)	-	(29,465)	(29,254)	(662)	-	(59,381)
Proceeds from issuance of debt	-	-	-	-	(385)	-	-	(385)
Debt issue costs and discounts	(140)	(15)	-	(155)	(54)	-	-	(209)
Defeasance of debt	(27,745)	(12,594)	-	(40,339)	-	(3,485)	-	(43,824)
Repayment of debt principal	(1,500)	-	-	(1,500)	(1,285)	-	-	(2,785)
Interest paid on debt	(48,964)	(21,911)	-	(70,875)	(32,193)	(164)	-	(103,232)
Contribution from developers and others	-	-	-	-	3,219	-	-	3,219
Proceeds from sales of property	(642)	-	-	(642)	209	-	-	(433)
Net cash provided by (used in) capital and related financing activities	(104,723)	(38,253)	-	(142,976)	(59,743)	(4,311)	-	(207,030)
Investing activities:								
Purchase of investments	(112,675)	(341,483)	-	(454,158)	(63,645)	-	-	(517,803)
Proceeds from sale and maturities of investments	88,998	258,058	-	347,056	79,269	2	-	426,327
Investment income	652	1,102	-	1,754	1,098	1	-	2,853
Distributions from The Energy Authority	2,493	-	-	2,493	-	-	-	2,493
Net cash provided by (used in) investing activities	(20,532)	(82,323)	-	(102,855)	16,722	3	-	(86,130)
Net increase (decrease) in cash and cash equivalents	(35,946)	(85,405)	-	(121,351)	22,328	(3,039)	-	(102,062)
Cash and cash equivalents at beginning of the period	205,912	169,538	-	375,450	107,171	9,706	-	492,327
Cash and cash equivalents at end of the period	\$ 169,966	\$ 84,133	\$ -	\$ 254,099	\$ 129,499	\$ 6,667	\$ -	\$ 390,265

Reconciliation of operating income to net cash provided by operating activities:

Operating Income:	\$ 83,005	\$ 15,890	-	98,895	\$ 32,622	\$ 582	\$ -	\$ 132,099
Adjustments to reconcile operating income to net cash provided by operating activities:								
Depreciation and amortization	50,289	10,158	-	60,447	35,721	511	-	96,679
Recognition of deferred costs and revenues, net	(1,046)	18,950	-	17,904	-	-	-	17,904
Changes in noncash assets and noncash liabilities:								
Decrease (increase) accounts receivable	(29,864)	(7,706)	-	(37,570)	(185)	174	-	(37,581)
Decrease (increase) accounts receivable, restricted	(509)	-	-	(509)	146	-	-	(363)
Decrease (increase) in inventories	(1,155)	(3,680)	-	(4,835)	70	-	-	(4,765)
Increase (decrease) in other	3,017	-	-	3,017	168	-	-	3,185
Increase (decrease) in accounts payable	6,271	3,587	-	9,858	1,829	2	-	11,689
Increase (decrease) in accounts payable, restricted	-	(2,081)	-	(2,081)	-	-	-	(2,081)
Increase (decrease) in other liabilities and deferred credits	61	53	-	114	228	-	-	342
Net cash provided by (used in) operating activities	\$ 110,069	\$ 35,171	\$ -	\$ 145,240	\$ 70,599	\$ 1,269	\$ -	\$ 217,109

Non-cash activity:

Contribution of capital assets from developers	\$ 1,919
--	----------

Combining Statement of Cash Flows

(in thousands - unaudited) for the quarter ended June 30, 2011

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Inter- company transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operations:								
Receipts from customers	\$ 315,199	\$ 132,373	\$ (72,926)	\$ 374,646	\$ 90,186	\$ 2,051	\$ (4,509)	\$ 462,374
Other receipts	11,032	-	-	11,032	2,487	-	(866)	12,653
Payments to suppliers	(221,216)	(93,895)	72,926	(242,186)	(20,762)	(1,045)	5,375	(258,617)
Payments to employees	(29,037)	(7,541)	-	(36,578)	(8,495)	(95)	-	(45,168)
Net cash provided by (used in) operating activities	75,978	30,937	-	106,915	63,416	911	-	171,242
Noncapital and related financing activities:								
Contribution to General Fund, City of Jacksonville, FL.	(20,481)	-	-	(20,481)	(4,942)	-	-	(25,423)
Contribution to Water and Sewer Expansion Authority	-	-	-	-	(162)	-	-	(162)
Payment from City of Jacksonville - FCRS	-	-	-	-	-	-	-	-
Build America Bonds subsidies	-	-	-	-	-	-	-	-
Net cash provided by (used in) noncapital financing activities	(20,481)	-	-	(20,481)	(5,104)	-	-	(25,585)
Capital and related financing activities:								
Acquisition and construction of capital assets	(37,460)	(3,749)	-	(41,209)	(22,712)	(92)	-	(64,013)
Proceeds from issuance of debt	-	-	-	-	-	-	-	-
Debt issue costs and discounts	(43)	-	-	(43)	(15)	-	-	(58)
Defeasance of debt	-	-	-	-	(1,575)	-	-	(1,575)
Repayment of debt principal	(13,205)	-	-	(13,205)	(42)	-	-	(13,247)
Interest paid on debt	(51,802)	(25,810)	-	(77,612)	(40,065)	(32)	-	(117,709)
Contribution from developers and others	-	-	-	-	2,824	-	-	2,824
Proceeds from sales of property	67	-	-	67	-	-	-	67
Net cash provided by (used in) capital and related financing activities	(102,443)	(29,559)	-	(132,002)	(61,585)	(124)	-	(193,711)
Investing activities:								
Purchase of investments	(133,288)	(189,062)	-	(322,350)	(199,712)	-	-	(522,062)
Proceeds from sale and maturities of investments	133,659	170,427	-	304,086	196,538	3	-	500,627
Investment income	340	1,341	-	1,681	414	4	-	2,099
Distributions from The Energy Authority	2,427	-	-	2,427	-	-	-	2,427
Net cash provided by (used in) investing activities	3,138	(17,294)	-	(14,156)	(2,760)	7	-	(16,909)
Net increase (decrease) in cash and cash equivalents	(43,808)	(15,916)	-	(59,724)	(6,033)	794	-	(64,963)
Cash and cash equivalents at beginning of the period	279,300	104,055	-	383,355	73,750	8,013	-	465,118
Cash and cash equivalents at end of the period	\$ 235,492	\$ 88,139	\$ -	\$ 323,631	\$ 67,717	\$ 8,807	\$ -	\$ 400,155

Reconciliation of operating income to net cash provided by operating activities:

Operating Income:	\$ 67,383	\$ 21,632	\$ -	\$ 89,015	\$ 38,909	\$ 494	\$ -	\$ 128,418
Adjustments to reconcile operating income to net cash provided by operating activities:								
Depreciation and amortization	47,620	10,087	-	57,707	30,011	501	-	88,219
Recognition of deferred costs and revenues, net	(1,486)	8,711	-	7,225	-	-	-	7,225
Changes in noncash assets and noncash liabilities:								
Decrease (increase) accounts receivable	(52,016)	(11,435)	-	(63,451)	(5,330)	(18)	-	(68,799)
Decrease (increase) accounts receivable, restricted	303	-	-	303	6	-	-	309
Decrease (increase) in inventories	(25,564)	3,496	-	(22,068)	(1,599)	-	-	(23,667)
Increase (decrease) in other	308	-	-	308	141	-	-	449
Increase (decrease) in accounts payable	40,439	(225)	-	40,214	1,379	(48)	-	41,545
Increase (decrease) in accounts payable, restricted	-	(1,384)	-	(1,384)	-	-	-	(1,384)
Increase (decrease) in other liabilities and deferred credits	(1,009)	55	-	(954)	(101)	(18)	-	(1,073)
Net cash provided by (used in) operating activities	\$ 75,978	\$ 30,937	\$ -	\$ 106,915	\$ 63,416	\$ 911	\$ -	\$ 171,242

Non-cash activity:

Contribution of capital assets from developers	\$ 2,594
--	----------

Combining Statement of Cash Flows

(in thousands - unaudited) for the year-to-date ended June 30, 2012

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Inter- company transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operations:								
Receipts from customers	\$ 963,687	\$ 298,563	\$ (177,233)	\$1,085,017	\$ 288,205	\$ 6,836	\$ (13,047)	\$ 1,367,011
Other receipts	31,091	-	-	31,091	7,451	-	(2,699)	35,843
Payments to suppliers	(543,847)	(214,195)	177,233	(580,809)	(75,712)	(2,718)	15,746	(643,493)
Payments to employees	(94,499)	(23,377)	-	(117,876)	(29,075)	(312)	-	(147,263)
Net cash provided by (used in) operating activities	356,432	60,991	-	417,423	190,869	3,806	-	612,098
Noncapital and related financing activities:								
Contribution to General Fund, City of Jacksonville, FL.	(62,185)	-	-	(62,185)	(15,619)	-	-	(77,804)
Contribution to Water and Sewer Expansion Authority	-	-	-	-	-	-	-	-
Payment from City of Jacksonville - FCRS	4,274	-	-	4,274	4,274	-	-	8,548
Build America Bonds subsidies	2,374	220	-	2,594	1,342	-	-	3,936
Net cash provided by (used in) noncapital financing activities	(55,537)	220	-	(55,317)	(10,003)	-	-	(65,320)
Capital and related financing activities:								
Acquisition and construction of capital assets	(110,686)	(15,100)	-	(125,786)	(76,177)	(771)	-	(202,734)
Proceeds from issuance of debt	174,880	378,004	-	552,884	358,673	-	-	911,557
Debt issue costs and discounts	7,761	38,401	-	46,162	20,444	-	-	66,606
Defeasance of debt	(211,257)	(411,483)	-	(622,740)	(391,690)	(3,485)	-	(1,017,915)
Repayment of debt principal	(87,615)	(101,121)	-	(188,736)	(43,123)	(1,350)	-	(233,209)
Interest paid on debt	(113,124)	(65,452)	-	(178,576)	(82,551)	(332)	-	(261,459)
Contribution from developers and others	-	-	-	-	8,019	-	-	8,019
Proceeds from sales of property	158	-	-	158	242	-	-	400
Net cash provided by (used in) capital and related financing activities	(339,883)	(176,751)	-	(516,634)	(206,163)	(5,938)	-	(728,735)
Investing activities:								
Purchase of investments	(627,908)	(931,379)	-	(1,559,287)	(322,448)	-	-	(1,881,735)
Proceeds from sale and maturities of investments	363,525	820,733	-	1,184,258	235,356	6	-	1,419,620
Investment income	1,619	3,361	-	4,980	2,529	2	-	7,511
Distributions from The Energy Authority	4,600	-	-	4,600	-	-	-	4,600
Net cash provided by (used in) investing activities	(258,164)	(107,285)	-	(365,449)	(84,563)	8	-	(450,004)
Net increase (decrease) in cash and cash equivalents	(297,152)	(222,825)	-	(519,977)	(109,860)	(2,124)	-	(631,961)
Cash and cash equivalents at beginning of the period	467,118	306,958	-	774,076	239,359	8,791	-	1,022,226
Cash and cash equivalents at end of the period	\$ 169,966	\$ 84,133	\$ -	\$ 254,099	\$ 129,499	\$ 6,667	\$ -	\$ 390,265

Reconciliation of operating income to net cash provided by operating activities:

Operating Income:	\$ 200,205	\$ 52,535	-	\$ 252,740	\$ 95,696	\$ 1,658	\$ -	\$ 350,094
Adjustments to reconcile operating income to net cash provided by operating activities:								
Depreciation and amortization	147,166	30,423	-	177,589	89,510	1,528	-	268,627
Recognition of deferred costs and revenues, net	(3,579)	47,044	-	43,465	-	-	-	43,465
Changes in noncash assets and noncash liabilities:								
Decrease (increase) accounts receivable	19,592	(36,821)	-	(17,229)	1,046	652	-	(15,531)
Decrease (increase) accounts receivable, restricted	5,293	-	-	5,293	97	-	-	5,390
Decrease (increase) in inventories	(2,225)	(25,943)	-	(28,168)	(151)	-	-	(28,319)
Increase (decrease) in other	4,486	-	-	4,486	(153)	-	-	4,333
Increase (decrease) in accounts payable	(9,817)	(9,791)	-	(19,608)	4,688	(30)	-	(14,950)
Increase (decrease) in accounts payable, restricted	-	3,740	-	3,740	-	-	-	3,740
Increase (decrease) in other liabilities and deferred credits	(4,689)	(196)	-	(4,885)	136	(2)	-	(4,751)
Net cash provided by (used in) operating activities	\$ 356,432	\$ 60,991	\$ -	\$ 417,423	\$ 190,869	\$ 3,806	\$ -	\$ 612,098

Non-cash activity:

Contribution of capital assets from developers \$ 4,881

Combining Statement of Cash Flows
(in thousands - unaudited) for the year-to-date ended June 30, 2011

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Inter- company transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operations:								
Receipts from customers	\$ 1,028,061	\$ 351,715	\$ (203,220)	\$ 1,176,556	\$ 256,428	\$ 5,297	\$ (12,268)	\$ 1,426,013
Other receipts	34,614	-	-	34,614	10,018	-	(2,592)	42,040
Payments to suppliers	(652,632)	(241,951)	203,220	(691,363)	(65,141)	(2,581)	14,860	(744,225)
Payments to employees	(94,098)	(24,189)	-	(118,287)	(26,070)	(281)	-	(144,638)
Net cash provided by (used in) operating activities	315,945	85,575	-	401,520	175,235	2,435	-	579,190
Noncapital and related financing activities:								
Contribution to General Fund, City of Jacksonville, FL.	(61,198)	-	-	(61,198)	(14,859)	-	-	(76,057)
Contribution to Water and Sewer Expansion Authority	-	-	-	-	(456)	-	-	(456)
Payment from City of Jacksonville - FCRS	-	-	-	-	-	-	-	-
Build America Bonds subsidies	2,292	220	-	2,512	1,249	-	-	3,761
Net cash provided by (used in) noncapital financing activities	(58,906)	220	-	(58,686)	(14,066)	-	-	(72,752)
Capital and related financing activities:								
Acquisition and construction of capital assets	(155,230)	(6,898)	-	(162,128)	(57,027)	(245)	-	(219,400)
Proceeds from issuance of debt	347,101	-	-	347,101	125,843	-	-	472,944
Debt issue costs and discounts	8,221	(3)	-	8,218	4,451	-	-	12,669
Defeasance of debt	(244,852)	-	-	(244,852)	(88,030)	-	-	(332,882)
Repayment of debt principal	(65,610)	(99,823)	-	(165,433)	(36,810)	(1,310)	-	(203,553)
Interest paid on debt	(112,564)	(67,690)	-	(180,254)	(80,190)	(202)	-	(260,646)
Contribution from developers and others	-	-	-	-	7,833	-	-	7,833
Proceeds from sales of property	465	-	-	465	65	-	-	530
Net cash provided by (used in) capital and related financing activities	(222,469)	(174,414)	-	(396,883)	(123,865)	(1,757)	-	(522,505)
Investing activities:								
Purchase of investments	(862,465)	(910,804)	-	(1,773,269)	(920,720)	-	-	(2,693,989)
Proceeds from sale and maturities of investments	658,140	748,938	-	1,407,078	730,641	12	-	2,137,731
Investment income	935	4,152	-	5,087	1,069	10	-	6,166
Distributions from The Energy Authority	8,846	-	-	8,846	-	-	-	8,846
Net cash provided by (used in) investing activities	(194,544)	(157,714)	-	(352,258)	(189,010)	22	-	(541,246)
Net increase (decrease) in cash and cash equivalents	(159,974)	(246,333)	-	(406,307)	(151,706)	700	-	(557,313)
Cash and cash equivalents at beginning of the period	395,466	334,472	-	729,938	219,423	8,107	-	957,468
Cash and cash equivalents at end of the period	\$ 235,492	\$ 88,139	\$ -	\$ 323,631	\$ 67,717	\$ 8,807	\$ -	\$ 400,155
Reconciliation of operating income to net cash provided by operating activities:								
Operating Income:	\$ 209,528	\$ 66,541	\$ -	\$ 276,069	\$ 93,598	\$ 1,254	\$ -	\$ 370,921
Adjustments to reconcile operating income to net cash provided by operating activities:								
Depreciation and amortization	140,903	30,183	-	171,086	90,870	1,504	-	263,460
Recognition of deferred costs and revenues, net	(4,460)	24,535	-	20,075	-	-	-	20,075
Changes in noncash assets and noncash liabilities:								
Decrease (increase) accounts receivable	(6,261)	(37,155)	-	(43,416)	(8,345)	(217)	-	(51,978)
Decrease (increase) accounts receivable, restricted	3,383	-	-	3,383	3,081	-	-	6,464
Decrease (increase) in inventories	(25,904)	(5,532)	-	(31,436)	(1,744)	-	-	(33,180)
Increase (decrease) in other	(3,084)	-	-	(3,084)	(126)	-	-	(3,210)
Increase (decrease) in accounts payable	3,425	4,053	-	7,478	(1,672)	(71)	-	5,735
Increase (decrease) in accounts payable, restricted	-	2,983	-	2,983	-	-	-	2,983
Increase (decrease) in other liabilities and deferred credits	(1,585)	(33)	-	(1,618)	(427)	(35)	-	(2,080)
Net cash provided by (used in) operating activities	\$ 315,945	\$ 85,575	\$ -	\$ 401,520	\$ 175,235	\$ 2,435	\$ -	\$ 579,190
Non-cash activity:								
Contribution of capital assets from developers					\$ 7,485			

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

	Quarter		Year-To-Date	
	2012	2011	2012	2011
Revenues:				
Electric	\$ 340,036	\$ 367,215	\$ 944,095	\$ 1,034,322
Investment income (1)	162	126	385	373
Earnings from The Energy Authority	2,673	2,713	4,583	9,666
Other, net (2)	10,451	11,917	27,503	34,710
Plus: amount paid from the rate stabilization fund into the revenue fund	2,997	10,492	16,517	30,361
Less: amount paid from the revenue fund into the rate stabilization fund	(22,998)	(21,333)	(48,066)	(62,800)
Total revenues	333,321	371,130	945,017	1,046,632
Operating expenses (3):				
Fuel	52,839	98,095	182,478	240,860
Purchased power (4)	108,904	113,594	280,692	318,675
Other operation and maintenance	41,514	37,938	123,332	114,483
State utility taxes and franchise fees	15,068	16,068	44,497	49,259
Total expenses	218,325	265,695	630,999	723,277
Net revenues	\$ 114,996	\$ 105,435	\$ 314,018	\$ 323,355
Debt service:	\$ 19,515	\$ 32,302	\$ 58,435	\$ 69,113
Less: investment income on sinking fund	(309)	(198)	(1,025)	(580)
Less: Build America Bonds subsidy	(407)	-	(1,221)	-
Debt service requirement	\$ 18,799	\$ 32,104	\$ 56,189	\$ 68,533
Senior debt service coverage (5), (6)	6.12x	3.28x	5.59x	4.72x
Net revenues (from above):	\$ 114,996	\$ 105,435	\$ 314,018	\$ 323,355
Debt service requirement (from above):	\$ 18,799	\$ 32,104	\$ 56,189	\$ 68,533
Plus: aggregate subordinated debt service on outstanding subordinated bonds	20,549	26,989	61,040	68,549
Total debt service requirement and aggregate subordinated debt service	\$ 39,348	\$ 59,093	\$ 117,229	\$ 137,082
Senior and subordinated debt service coverage (7), (8)	2.92x	1.78x	2.68x	2.36x

(1) Excludes investment income on sinking funds.

(2) Effective May 30, 2012, the Electric System Resolution was amended to exclude from revenues the amount of cash subsidy received related to senior Build America Bonds.

(3) Excludes depreciation.

(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 System with respect to the use by the Electric System of the capacity and output of the SJRPP and Bulk Power System are reflected as a purchased power expense on these schedules. These schedules do not include revenues of the SJRPP and Bulk Power System, except that the purchased power expense is net of interest income on funds maintained under the SJRPP and Bulk Power Supply Systems Resolutions.

(5) Net revenues divided by debt service requirement. Minimum annual coverage is 1.20x.

(6) Effective May 30, 2012, the Electric System Resolution was amended to exclude from interest the amount of cash subsidy received related to senior Build America Bonds in the debt service requirement calculation. Had such Build America Bonds subsidy not been included in the current year-to-date calculation, senior debt service coverage would have been 5.49x.

(7) Net revenues divided by adjusted debt service requirement. Minimum annual coverage is 1.15x.

(8) Effective May 30, 2012, the Electric System Resolution was amended to exclude from interest the amount of cash subsidy received related to senior Build America Bonds in the debt service requirement calculation. Had such Build America Bonds subsidy not been included in the current year-to-date calculation, senior and subordinated debt service coverage would have been 2.66x.

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

	Quarter June		Year-To-Date June	
	2012	2011	2012	2011
Revenues:				
JEA	\$ 18,175	\$ 13,244	\$ 50,652	\$ 40,219
Investment income	-	27	33	80
Other, net	212	212	635	635
Total revenues	18,387	13,483	51,320	40,934
Operating expenses (1):				
Fuel	6,041	8,542	21,736	27,206
Other operations and maintenance	4,946	2,963	12,449	8,076
Total operating expenses	10,987	11,505	34,185	35,282
Net revenues	\$ 7,400	\$ 1,978	\$ 17,135	\$ 5,652
Aggregate debt service	\$ 2,001	\$ 1,399	\$ 5,532	\$ 4,197
Debt service coverage (2), (3)	3.70x	1.41x	3.10x	1.35x

(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.

(3) Minimum coverage requirement is 1.15x.

JEA
St. Johns River Power Park System
Schedules of Debt Service Coverage - 1st Resolution
(in thousands - unaudited)

	Quarter June		Year-To-Date June	
	2012	2011	2012	2011
Revenues:				
JEA	\$ 66,189	\$ 76,584	\$ 179,927	\$ 203,508
FPL	45,145	54,945	117,907	147,333
Investment income	458	1,241	2,543	3,897
Total revenues	111,792	132,770	300,377	354,738
Operating expenses (1):				
Fuel	52,586	74,294	132,245	183,144
Other operations and maintenance	10,970	12,182	30,363	32,714
Total operating expenses	63,556	86,476	162,608	215,858
Net revenues	\$ 48,236	\$ 46,294	\$ 137,769	\$ 138,880
Aggregate debt service	\$ 35,904	\$ 37,034	107,532	111,102
Debt service coverage (2)	1.34x	1.25x	1.28x	1.25x

(1) Excludes depreciation.

(2) Net revenues divided by debt service requirement.

JEA
St. Johns River Power Park System
Schedules of Debt Service Coverage - 2nd Resolution
(in thousands - unaudited)

	Quarter June		Year-To-Date June	
	2012	2011	2012	2011
Revenues:				
JEA	\$ 6,726	\$ 6,311	\$ 20,180	\$ 17,029
Investment income	-	-	-	-
Other, net	110	110	330	330
Total revenues	6,836	6,421	20,510	17,359
Operating expenses (1):				
Fuel	-	-	-	-
Other operations and maintenance	-	-	-	-
Total operating expenses	-	-	-	-
Net revenues	\$ 6,836	\$ 6,421	\$ 20,510	\$ 17,359
Aggregate debt service	\$ 5,945	\$ 5,584	\$ 17,835	\$ 15,095
Debt service coverage (2), (3)	1.15x	1.15x	1.15x	1.15x

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

(2) Net revenues divided by debt service requirement.

(3) Minimum coverage requirement is 1.15x.

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

	Quarter June		Year-To-Date June	
	2012	2011	2012	2011
Revenues:				
Water, net of allowances and discounts	\$ 42,033	\$ 43,561	\$ 120,297	\$ 115,699
Water capacity fees (1)	1,199	936	3,100	2,444
Sewer, net of allowances and discounts	56,688	51,956	166,863	149,074
Sewer capacity fees (1)	1,889	1,250	4,784	4,670
Investment income	603	654	1,980	1,360
Other	3,124	3,151	9,368	8,858
Plus: amount paid from the rate stabilization fund into the revenue fund	5,855	4,092	16,056	10,543
Less: amounts paid from the revenue fund into the rate stabilization fund	(5,855)	(6,117)	(18,786)	(16,519)
Total revenues	105,536	99,483	303,662	276,129
Operating & maintenance expenses (2):				
Operations and maintenance	33,274	29,281	95,777	87,832
Total expenses	33,274	29,281	95,777	87,832
Net revenues	\$ 72,262	\$ 70,202	\$ 207,885	\$ 188,297
Aggregate debt service:	\$ 27,930	\$ 27,001	\$ 84,216	\$ 80,800
Senior debt service coverage (3)	2.59x	2.60x	2.47x	2.33x
Net revenues from above	\$ 72,262	\$ 70,202	\$ 207,885	\$ 188,297
Debt service requirement (from above):	\$ 27,930	\$ 27,001	\$ 84,216	\$ 80,800
Plus: aggregate subordinated debt service on outstanding subordinated debt	2,643	3,211	7,994	9,747
Adjusted debt service requirement	\$ 30,573	\$ 30,212	\$ 92,210	\$ 90,547
Senior and subordinated debt service coverage (4)	2.36x	2.32x	2.25x	2.08x

- (1) Effective October 01, 2001, the Water and Sewer Bond Resolution was amended to include capacity fees in total revenues. Had such capacity fees not been included in the calculation for the year-to-date periods ending June 2012 and 2011, then the debt service coverage would have been 2.17x and 2.00x.
- (2) Excludes depreciation.
- (3) Net revenues divided by aggregate debt service. Annual minimum coverage is 1.25X
- (4) Net revenues must be greater than or equal to the sum of 100% of the senior debt service and 120% of the subordinated debt service. The sum of such debt service amounts for the year-to-date periods ending June 2012 and 2011 I was \$93,809 and \$92,496.

**Electric Enterprise Fund
Operating Statistics**

	Quarter June		Year-To-Date June	
	2012	2011	2012	2011
Electric revenue sales (000's omitted):				
Residential	\$ 152,286	\$ 166,518	\$ 415,096	\$ 483,113
Commercial and industrial	174,406	186,635	491,765	512,795
Public street lighting	3,811	3,797	11,528	11,476
Sales for resale - territorial	9,831	9,312	25,092	26,662
Electric revenues - territorial	340,334	366,262	943,481	1,034,046
Saleback to Florida Power & Light	45,148	54,945	119,437	147,331
Sales for resale - off system	191	1,584	2,022	2,694
Electric revenues	385,673	422,791	1,064,940	1,184,071
Less: allowance for doubtful accounts	(489)	(631)	(1,408)	(2,418)
Net electric revenues	385,184	422,160	1,063,532	1,181,653
kWh sales (000's omitted):				
Residential	1,205,192	1,322,619	3,265,143	3,819,740
Commercial and industrial	1,723,985	1,838,325	4,804,878	5,005,027
Public street lighting	30,363	30,257	91,604	91,470
Sales for resale - territorial	103,957	98,482	261,305	280,518
Total kWh sales - territorial	3,063,497	3,289,683	8,422,930	9,196,755
Saleback to Florida Power & Light	496,006	629,495	1,175,166	1,892,921
Sales for resale - off system	7,284	34,236	59,192	68,958
Total kWh sales	3,566,787	3,953,414	9,657,288	11,158,634
Average number of accounts:				
Residential	372,582	369,684	371,223	369,357
Commercial and industrial	47,353	46,783	47,166	46,649
Public street lighting	3,435	3,413	3,419	3,428
Sales for resale	3	3	3	3
Total average accounts	423,373	419,883	421,811	419,437
Residential averages:				
Revenue per account - \$	408.73	450.43	1,118.19	1,307.98
kWh per account	3,235	3,578	8,796	10,342
Revenue per kWh - ¢	12.64	12.59	12.71	12.65
Degree days:				
	2012	2011	2012	2011
Heating degree days	30	31	921	1,567
Cooling degree days	889	979	1,243	1,251
Total degree days	919	1,010	2,164	2,818
Degree days - 30 year average	910		2,561	

**Water and Sewer Enterprise Fund
Operating Statistics**

	Quarter June		Year-To-Date June	
	2012	2011	2012	2011
Water				
Revenues (000's omitted):				
Residential	\$ 21,720	\$ 22,504	\$ 62,504	\$ 60,857
Commercial and industrial	10,608	9,897	32,269	29,781
Irrigation	9,783	11,275	25,787	25,345
Total water revenues	42,111	43,676	120,560	115,983
Less: allowance for doubtful accounts	(78)	(115)	(263)	(284)
Net water revenues	\$ 42,033	\$ 43,561	\$ 120,297	\$ 115,699
Water Sales (kgals*):				
Residential	4,453,585	5,354,551	12,430,406	13,748,744
Commercial and industrial	2,889,018	2,946,828	8,840,005	8,938,672
Irrigation	1,954,310	2,694,749	4,878,621	5,694,612
Total kgals sales	9,296,913	10,996,128	26,149,032	28,382,028
Number of accounts (1):				
Residential	250,783	248,796	249,887	248,431
Commercial and industrial	23,421	23,348	23,358	23,182
Irrigation	35,728	35,643	35,611	35,525
Total average accounts	309,933	307,787	308,856	307,138
Residential averages:				
Revenue per account - \$	86.61	90.45	250.13	244.97
kgals per account	17.76	21.52	49.74	55.34
Revenue per kgals - \$	4.88	4.20	5.03	4.43
Reuse				
Revenues (000's omitted):				
Reuse revenues	\$ 1,136	\$ 1,120	\$ 2,774	\$ 2,483
Reuse Sales (kgals*):				
Reuse sales (kgals*)	423,486	514,215	1,020,650	1,096,403
Number of accounts:				
Reuse accounts	2,324	1,715	2,148	1,608
Sewer				
Revenues (000's omitted):				
Residential	\$ 32,926	\$ 31,782	\$ 95,000	\$ 86,645
Commercial and industrial	22,742	19,227	69,483	60,372
Total sewer revenues	55,668	51,009	164,483	147,017
Less: allowance for doubtful accounts	(116)	(173)	(394)	(426)
Net sewer revenues	\$ 55,552	\$ 50,836	\$ 164,089	\$ 146,591
Sewer Sales (kgals*):				
Residential	3,751,032	4,491,467	10,562,331	11,619,173
Commercial and industrial	2,473,920	2,384,375	7,614,717	7,606,874
Total kgals sales	6,224,952	6,875,842	18,177,048	19,226,047
Number of accounts (1):				
Residential	218,797	216,608	217,930	216,072
Commercial and industrial	17,384	17,278	17,349	17,255
Total average accounts	236,181	233,886	235,279	233,327
Residential averages:				
Revenue per account - \$	150.49	146.73	435.92	401.00
kgals per account	17.14	20.74	48.47	53.77
Revenue per kgals - \$	8.78	7.08	8.99	7.46
*kgals = 1000 gallons				
Rainfall				
Normal	11.57	11.99	30.85	31.60
Actual	28.10	9.29	38.92	23.17