



Building Community®

## **Management's Discussion and Analysis of Financial Performance for the Quarter Ended June 30, 2015**

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 2015 decreased 12.1 percent over operating revenues for the quarter ended June 2014. The decrease was attributable to an approximately \$50 million Fuel Charge Credit approved by the Board of Directors of JEA (the Board) in March of 2015 and decreased sales of megawatt hours sold to Florida Power and Light (FPL) in conjunction with the SJRPP coal generating facility. A fuel charge credit of approximately \$56 per average residential customer was provided in April 2015. Megawatt hour sales to FPL decreased 25,376 MWh (5.6) percent when compared to the quarter ending June 2014. However, territorial sales increased 4.9 percent when compared to the quarter ending June 2014 and total sales, including off-system, increased 2.9 percent when compared to the quarter ending June 2014. The increase in territorial sales was mainly attributable to increased cooling degree days as a result of abnormally hot weather. Territorial and off-system sales increased 103,232 MWh from 3,538,463 MWh to 3,641,694 MWh. Other revenues decreased \$0.93 million mainly due to decreased transmission revenues.

Electric Enterprise Fund operating revenues for the nine months ended June 2015 decreased 4.9 percent over operating revenues for the nine months ended June 2014. The decrease was due to the Fuel Charge Credit and decreased sales of megawatt hours to FPL as discussed above. Megawatt hour sales to FPL decreased 118,155 MWh (8.3) percent when compared with the nine month period ended June 2014. However, territorial sales increased approximately 2.8 percent and total sales, including off-system sales increased 0.9 percent. Total territorial and off-system sales for the year increased 92,674 MWh from 10,163,823 MWh to 10,256,497 MWh. Other revenues decreased \$1.5 million, primarily due to decreased transmission revenues.

Total Water and Sewer Enterprise Fund operating revenues increased 7.3 percent for the quarter ended June 2015 compared to the quarter ended June 2014. Water revenues increased 9.0 percent, mainly due to an 11.3 percent increase in consumption and a 2.1 percent increase in customer accounts. Water consumption measured in thousands of gallons (kgals) increased 980,509 kgals from 8,675,771 kgals to 9,656,280 kgals. Sewer revenues increased 5.9 percent primarily related to an 8.8 percent increase in sewer sales volume and a 2.6 percent increase in sewer accounts. Sewer sales increased 536,491 kgals from 6,074,472 kgals to 6,610,963 kgals.

Total Water and Sewer Enterprise Fund operating revenues increased 5.2 percent for the nine months ended June 2015 compared to the nine months ended June 2014. Water revenues increased 6.1 percent, mainly due to an 8.4 percent increase in consumption and a 2.1 percent increase in customer accounts. Water consumption measured in kgals increased 1,979,498 kgals from 23,505,018 kgals to 25,484,516 kgals. Sewer revenues increased 4.3 percent primarily related to a 6.4 percent increase in sewer sales volume and a 2.5 percent increase in sewer accounts. Sewer sales increased 1,105,772 kgals from 17,410,714 kgals to 18,516,486 kgals.

Operating revenues for DES decreased 0.2 percent for the quarter ended June 2015 compared to operating revenues for the similar period last year due to fuel charge credit given to chilled water customers discussed above offset by an increase in usage at one of the locations.

Operating revenues for DES decreased 0.3 percent for the nine months ended June 2015 compared to operating revenues for the similar period last year, as a result of the items discussed above.

### **Operating Expenses**

Total operating expenses for the Electric Enterprise Fund decreased 16.3 percent for the quarter ended June 2015 as compared to the quarter ended June 2014. Fuel and purchased power expense decreased \$21.3 million, as discussed below. Operating and maintenance expenses decreased \$5.0 million (7.4 percent). The major factor driving the decrease in operating and maintenance expenses was decreased maintenance expenses at Plant Scherer. Taxes and franchise fees decreased \$1.6 million (11.2 percent) due to the decrease in revenues. Recognition of deferred costs decreased \$19.3 million primarily due to a regulatory assets adjustment resulting from timing differences between principal payments and depreciation expense at SJRPP. Depreciation expense decreased \$2.7 million due to the retirement of assets becoming fully depreciated.

Total fuel and purchased power expense for the quarter ended June 2015 decreased \$21.3 million (14.4 percent) over the similar quarter in the prior year. Fuel mix, commodity prices and purchased power costs were the drivers for the decrease. The decrease was partially offset by increases in megawatts generated and purchased. Generation costs decreased 23.8 percent, primarily due to the lower cost of natural gas, and purchased power costs also decreased 23.8 percent. The total cost per MWh decreased from \$53.13 to \$39.03 (26.53 percent). As the prices 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 production of megawatt hours generated and purchased for the quarter ended June 2015 increased 4.1 percent from 3,194,733,710 MWh to 3,324,052,037 MWh over the similar quarter in the prior year. Generated megawatt hours increased 0.2 percent and purchased power increased 11.0 percent. JEA's power supply mix for the current quarter was 43.3 percent coal, 40.1 percent natural gas, 9.4 percent petroleum coke, and 7.2 percent other purchases. JEA's power supply mix for the quarter ended June 2014 was 49.1 percent natural gas, 29.3 percent petroleum coke, 12.0 percent coal, and 9.6 percent other purchases.

Total operating expenses for the Electric Enterprise Fund decreased 11.9 percent for the nine months ended June 2015 as compared to the nine months ended June 2014. Fuel and purchased power expense decreased \$41.1 million, as discussed below. Operating and maintenance expenses decreased \$6.0 million (3.1 percent). The major factor impacting the decrease in operating and maintenance expenses were lower expenses at Plant Scherer. The decrease was offset by an increase in maintenance expenses related to a termination payment made for a maintenance contract related to combustive turbine units and increased maintenance expenses at Northside generating station due to planned outages during the first quarter. Taxes and franchise fees decreased \$1.5 million (3.2 percent) due to lower revenues when compared to the prior year. Recognition of deferred costs decreased in the amount of \$49.1 million primarily due to a regulatory assets adjustment resulting from timing differences between principal payments and depreciation expense at SJRPP. Depreciation expense decreased \$6.7 million due to the retirement of assets becoming fully depreciated.

Total fuel and purchased power expense for the nine months ended June 2015 decreased \$41.1 million over the similar period in the prior year. The decrease in fuel and purchased power expense was driven by decreased generation and purchased power costs offset in part by

increases in megawatts generated and purchased. Generation costs decreased 13.8 percent primarily related to the price of natural gas, and purchased power decreased costs of 22.8 percent. Total cost per MWh decreased from \$51.94 to \$41.14 (20.8 percent).

Total production of megawatt hours generated and purchased for the nine months ended June 2015 increased 2.5 percent from 9,041,421,834 MWh to 9,267,321,410 MWh when compared to the similar period in the prior year. Generated megawatt hours increased 4.8 percent and purchased power decreased 0.6 percent. JEA's power supply mix for the nine months was 50.9 percent coal, 33.1 percent natural gas, 8.5 percent petroleum coke, and 7.5 percent other purchases. JEA's power supply mix for the nine months ended June 2014 was 45.5 percent coal, 31.7 percent natural gas, 17.0 percent petroleum coke, 5.7 percent other purchases and 0.1 percent oil.

Northside's availability factors for the quarter ended June 2015 were 96.6 percent for Unit 1, 99.6 percent for Unit 2 and 98.1 percent combined. Northside's availability factors for the nine months ended June 2015 were 76.8 percent for Unit 1, 85.9 percent for Unit 2 and 81.4 percent combined. Northside's availability factors for the nine months ended June 2015 were affected by planned and unplanned outages.

SJRPP's availability factors for the quarter ended June 2015 were 52.9 percent for Unit 1, 96.8 percent for Unit 2 and 74.8 percent combined. SJRPP's availability factors for the nine months ended June 2015 were 72.1 percent for Unit 1, 95.7 percent for Unit 2 and 83.9 percent combined. SJRPP's availability factor for Unit 1 was affected by a planned outage during the third quarter of the fiscal year.

Plant Scherer Unit 4 availability factor for the quarter ended June 2015 was 95.9 percent. Plant Scherer Unit 4 availability factor for the nine months ended June 2015 was 96.8 percent.

Brandy Branch Combined Cycle Units 2, 3 and 4 availability factor for the quarter ended June 2015 was 99.0 percent. Brandy Branch Combined Cycle Units 2, 3 and 4 factor for the nine months ended June 2015 was 93.2 percent. Brandy Branch Combined Cycle Units 2, 3 and 4 availability factor for the nine months ended June 2015 was affected by a planned outage during the first quarter of the fiscal year.

Water and Sewer System total operating expenses for the quarter ended June 2015 increased \$1.7 million (2.6 percent) when compared to the prior year. The principal driver of the increase was an increase in salaries and salary related benefits and an increase in industrial services. There was an increase in depreciation expense of \$0.2 million due to assets being placed in service.

Water and Sewer System total operating expenses for the nine months ended June 2015 decreased \$0.2 million (0.1 percent) when compared to the prior year. The reason for the decrease was the recording of a workers' compensation refund in the second quarter offset by increased salaries and salary related benefits. There was an increase in depreciation expense of \$0.2 million due to assets being placed in service.

Total DES operating expenses decreased 4.1 percent for the quarter ended June 2015 over the similar period in the prior year mainly due to fuel credit discussed above. Total DES operating expenses increased 3.0 percent for the nine months ended June 2015 over the similar period in the prior year due to planned maintenance at the chilled water plants in the second quarter.

#### **Nonoperating Revenues (Expenses)**

There was a net decrease of \$0.5 million (1.2 percent) in total nonoperating expenses for the quarter ended June 2015. The primary reason for the change was a decrease in investment income. Investment income decreased \$7.5 million due primarily to unfavorable fair market value adjustments in investments. Interest expense decreased \$4.9 million primarily due to a lower

debt balances as a result of increased debt repayments. Other revenues increased \$2.7 million due to new revenue sources, primarily timber sales. Earnings from the Energy Authority (TEA), a municipal power marketing joint venture in which JEA is a member, decreased \$0.2 million due to lower margins on purchases and sales by TEA. Allowance for funds used during construction increased \$0.6 million due to increased capital spending.

There was a net decrease of \$8.6 million (6.3 percent) in total nonoperating expenses for the nine months ended June 2015. The primary reason for the change is a decrease in interest expense. Interest expense decreased \$16.8 million primarily due to a lower debt balances as a result of increased debt repayments. Investment income decreased \$9.9 million primarily due to unfavorable fair market value adjustments in investments. Earnings from TEA decreased \$2.1 million due to lower margins on purchases and sales by TEA. Other revenues increased \$2.8 million due to new revenue sources, primarily timber sales.

### **Debt Administration**

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

During the quarter, the ratings for the District Energy System remained the same. The District Energy System bond ratings by Fitch, Moody's and Standard & Poor's ratings were AA, Aa3 and AA-.

At the end of the quarter, there were no outstanding bank draws under the revolving lines of The Electric System senior debt service coverage ratio was 6.46x and 5.72x for the quarters ended June 2015 and June 2014. The debt service coverage ratio for the Electric System's combined senior and subordinated debt was 2.92x and 2.50x for the quarters ended June 2015 and June 2014. The increase in the coverage amounts were due to decreased operating expenses which resulted in increased net revenues, offset in part, by increased debt service requirements.

The Water and Sewer System senior debt service coverage ratio was 3.78x and 2.87x for the quarters ended June 2015 and June 2014. The debt service coverage ratio for the Water and Sewer System's combined senior and subordinated debt was 3.32x and 2.61x for the quarters ended June 2015 and June 2014. The increases were due to increased net revenues and decreased debt service requirements.

### **Capital Assets**

JEA's investment in capital assets at June 2015 was \$6.09 billion (net of accumulated depreciation). This included \$3.37 billion in the Electric Enterprise assets, \$2.68 billion in the Water & Sewer assets and \$37.05 million in DES assets. For the nine months ended June 2015, capital expenditures were \$132.81 million consisting of \$74.4 million for the Electric Enterprise Fund and \$58.06 million for the Water & Sewer Fund and \$ 0.35 million for DES. JEA has ongoing capital improvement programs for the Electric Enterprise Fund and the Water and Sewer Fund. The cost of the capital improvement program is planned to be provided from revenues generated from operations and existing fund balances.



Paul G. McElroy

Paul McElroy, Managing Director

## **FINANCIAL STATEMENTS**

**STATEMENTS OF NET POSITION**  
**(in thousands - unaudited)**

	June	
	2015	2014
<b>ASSETS AND DEFERRED OUTFLOWS</b>		
Current assets:		
Cash and cash equivalents	\$ 180,080	\$ 135,871
Investments	262,370	256,702
Customer accounts receivable, less allowance for doubtful accounts - \$4,228 in 2015 and \$4,658 in 2014	254,389	270,854
Inventories, less reserve of \$471 in 2015 and \$1,874 in 2014		
Fuel inventory	62,861	59,278
Materials and supplies	64,661	69,655
Total current assets	824,361	792,360
Restricted assets:		
Cash and cash equivalents	29,177	115,412
Investments	988,115	911,128
Accounts and interest receivable	4,192	4,107
Total restricted assets	1,021,484	1,030,647
Noncurrent assets:		
Other	18,940	21,076
Investment in The Energy Authority	7,470	8,239
Total noncurrent assets	26,410	29,315
Capital assets:		
Land and easements	167,395	136,796
Plant in service	10,598,242	10,461,843
Less accumulated depreciation	(4,855,668)	(4,536,503)
Plant in service, net	5,909,969	6,062,136
Construction work in progress	178,638	195,487
Capital assets, net	6,088,607	6,257,623
Total assets	7,960,862	8,109,945
Deferred outflows of resources:		
Costs to be recovered from future revenues	18,731	19,389
Unamortized losses on refundings	157,538	166,013
Accumulated decrease in fair value of fuel hedging derivatives	1,365	-
Accumulated decrease in fair value of interest swaps derivatives	124,665	100,391
Total deferred outflows of resources	302,299	285,793
Total assets and deferred outflows of resources	\$ 8,263,161	\$ 8,395,738
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>		
Current liabilities:		
Accounts and accrued expenses payable	\$ 102,816	\$ 121,598
Customer deposits	55,853	55,965
Total current liabilities	158,669	177,563
Liabilities payable from restricted assets:		
Revenue bonds and line of credit due within one year	187,500	257,276
Interest payable	47,346	51,395
Construction contracts and accounts payable	7,027	13,515
Renewal and replacement reserve	82,779	84,071
Total liabilities payable from restricted assets	324,652	406,257
Other noncurrent liabilities:		
OPEB liability	1,725	4,125
Other	43,671	39,497
Total other noncurrent liabilities	45,396	43,622
Long-term debt:		
Bonds and commercial paper	4,820,320	5,119,671
Unamortized original issue premium (discount)	178,070	177,229
Fair value of debt management strategy instruments	124,665	100,391
Total long-term debt	5,123,055	5,397,291
Total liabilities	5,651,772	6,024,733
Deferred inflows of resources:		
Revenues to be used for future costs	223,521	226,548
Total deferred inflows of resources	223,521	226,548
Net position:		
Net investment in capital assets	1,146,334	944,703
Restricted	593,464	599,265
Unrestricted	648,070	600,489
Total net position	2,387,868	2,144,457
Total liabilities, deferred inflows of resources and net position	\$ 8,263,161	\$ 8,395,738

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

	Quarter June		Year-To-Date June	
	2015	2014	2015	2014
<b>Operating revenues (net of allowances and discounts):</b>				
Electric	\$ 320,427	\$ 364,023	\$ 990,671	\$ 1,041,192
Water and sewer	106,420	98,841	298,453	283,102
District Energy	2,050	2,054	6,093	6,102
Other, net	8,150	9,156	26,873	28,376
<b>Total operating revenues</b>	<b>437,047</b>	<b>474,074</b>	<b>1,322,090</b>	<b>1,358,772</b>
<b>Operating expenses:</b>				
Operations:				
Fuel	115,000	134,691	339,540	384,153
Purchased power	11,981	13,593	37,018	33,527
Other	63,429	66,901	183,018	199,068
Maintenance	26,067	25,429	80,888	70,369
Depreciation	91,165	93,601	275,320	281,888
State utility taxes and franchise fees	15,644	17,154	51,179	52,394
Recognition of deferred costs and revenues, net	(2,842)	16,416	(8,152)	40,936
<b>Total operating expenses</b>	<b>320,444</b>	<b>367,785</b>	<b>958,811</b>	<b>1,062,335</b>
<b>Operating income</b>	<b>116,603</b>	<b>106,289</b>	<b>363,279</b>	<b>296,437</b>
<b>Nonoperating revenues (expenses):</b>				
Earnings from The Energy Authority	812	968	1,351	3,437
Investment income, fair market value adjustments	(1,281)	6,212	7,617	17,535
Other revenue, net	4,524	1,819	8,217	5,458
Interest on debt	(49,201)	(54,142)	(149,143)	(165,916)
Other interest, net	(19)	(15)	(52)	(23)
Allowance for funds used during construction	1,479	928	3,733	2,518
Loss on sale of asset	-	-	(78)	-
<b>Total nonoperating revenues (expenses), net</b>	<b>(43,686)</b>	<b>(44,230)</b>	<b>(128,355)</b>	<b>(136,991)</b>
<b>Income before contributions</b>	<b>72,917</b>	<b>62,059</b>	<b>234,924</b>	<b>159,446</b>
<b>Contributions (to) from:</b>				
General Fund, City of Jacksonville	(27,922)	(27,297)	(83,765)	(81,891)
Developers and others	15,832	9,646	40,703	27,165
<b>Total contributions</b>	<b>(12,090)</b>	<b>(17,651)</b>	<b>(43,062)</b>	<b>(54,726)</b>
<b>Change in net position</b>	<b>60,827</b>	<b>44,408</b>	<b>191,862</b>	<b>104,720</b>
<b>Net position, beginning of period</b>	<b>2,327,041</b>	<b>2,100,049</b>	<b>2,196,006</b>	<b>2,039,737</b>
<b>Net position, end of period</b>	<b>\$ 2,387,868</b>	<b>\$ 2,144,457</b>	<b>\$ 2,387,868</b>	<b>\$ 2,144,457</b>

**JEA**  
**Statements of Cash Flows**  
**(in thousands - unaudited)**

	Quarter June	
	2015	2014
<b>Operations:</b>		
Receipts from customers	\$ 394,249	\$ 433,213
Other receipts	13,464	9,359
Payments to suppliers	(191,797)	(222,636)
Payments to employees	(51,021)	(48,808)
<b>Net cash provided by (used in) operating activities</b>	<b>164,895</b>	<b>171,128</b>
<b>Noncapital and related financing activities:</b>		
Contribution to General Fund, City of Jacksonville, FL.	(27,898)	(27,451)
Other revenues, net	2,708	-
Build America Bonds subsidies	-	-
<b>Net cash provided by (used in) noncapital financing activities</b>	<b>(25,190)</b>	<b>(27,451)</b>
<b>Capital and related financing activities:</b>		
Acquisition and construction of capital assets	(50,948)	(35,903)
Proceeds from sales of property	60	(98)
Loss on disposal of fixed assets	(284)	-
Proceeds from issuance of debt	73,125	88,790
Debt issue costs and discounts	10,448	843
Defeasance of debt	(77,802)	(88,826)
Repayment of debt principal	-	(346)
Interest paid on debt	(96,476)	(102,887)
Contribution from developers and others	5,413	5,034
<b>Net cash provided by (used in) capital and related financing activities</b>	<b>(136,464)</b>	<b>(133,393)</b>
<b>Investing activities:</b>		
Purchase of investments	(433,233)	(466,585)
Proceeds from sale and maturities of investments	357,043	432,172
Investment income	2,281	2,344
Distributions from The Energy Authority	629	515
<b>Net cash provided by (used in) investing activities</b>	<b>(73,280)</b>	<b>(31,554)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(70,039)</b>	<b>(21,270)</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>279,296</b>	<b>272,553</b>
<b>Cash and cash equivalents at end of the period</b>	<b>\$ 209,257</b>	<b>\$ 251,283</b>

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

<b>Operating Income:</b>	<b>\$ 116,603</b>	<b>\$ 106,289</b>
<b>Adjustments to reconcile operating income to net cash provided by operating activities:</b>		
Depreciation and amortization	91,529	93,982
Recognition of deferred costs and revenues, net	(2,842)	16,416
<b>Changes in noncash assets and noncash liabilities:</b>		
Decrease (increase) accounts receivable	(47,535)	(39,159)
Decrease (increase) accounts receivable, restricted	654	202
Decrease (increase) in inventories	1,451	(5,867)
Increase (decrease) in other assets	824	558
Increase (decrease) in accounts payable	14,531	4,457
Increase (decrease) in accounts payable, restricted	(11,045)	(6,631)
Increase (decrease) in other liabilities	725	881
<b>Net cash provided by (used in ) operating activities</b>	<b>\$ 164,895</b>	<b>\$ 171,128</b>

**Non-cash activity:**

<b>Contribution of capital assets from developers</b>	<b>\$ 10,419</b>	<b>\$ 4,612</b>
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**JEA**  
**Statements of Cash Flows**  
**(in thousands - unaudited)**

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	Year-To-Date	
	June	
	2015	2014
<b>Operations:</b>		
Receipts from customers	\$ 1,300,888	\$ 1,342,441
Other receipts	27,093	30,608
Payments to suppliers	(577,999)	(650,232)
Payments to employees	(161,595)	(158,743)
<b>Net cash provided by (used in) operating activities</b>	<b>588,387</b>	<b>564,074</b>
<b>Noncapital and related financing activities:</b>		
Contribution to General Fund, City of Jacksonville, FL.	(83,545)	(81,650)
Other revenues, net	2,775	-
Build America Bonds subsidies	3,628	3,639
<b>Net cash provided by (used in) noncapital financing activities</b>	<b>(77,142)</b>	<b>(78,011)</b>
<b>Capital and related financing activities:</b>		
Acquisition and construction of capital assets	(138,441)	(116,693)
Proceeds from sales of property	190	939
Loss on disposal of fixed assets	(511)	-
Proceeds from issuance of debt	156,450	449,170
Debt issue costs and discounts	10,243	21,357
Defeasance of debt	(160,968)	(471,073)
Repayment of debt principal	(257,869)	(239,697)
Interest paid on debt	(203,513)	(220,444)
Contribution from developers and others	14,482	13,422
<b>Net cash provided by (used in) capital and related financing activities</b>	<b>(579,937)</b>	<b>(563,019)</b>
<b>Investing activities:</b>		
Purchase of investments	(1,389,383)	(1,379,860)
Proceeds from sale and maturities of investments	1,068,309	1,113,512
Investment income	7,449	7,212
Distributions from The Energy Authority	1,952	1,487
<b>Net cash provided by (used in) investing activities</b>	<b>(311,673)</b>	<b>(257,649)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(380,365)</b>	<b>(334,605)</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>589,622</b>	<b>585,888</b>
<b>Cash and cash equivalents at end of the period</b>	<b>\$ 209,257</b>	<b>\$ 251,283</b>

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

Operating Income:	\$ 363,279	\$ 296,437
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	276,429	283,117
Recognition of deferred costs and revenues, net	(8,152)	40,936
Changes in noncash assets and noncash liabilities:		
Decrease (increase) accounts receivable	(16,270)	(29,770)
Decrease (increase) accounts receivable, restricted	153	2,232
Decrease (increase) in inventories	9,367	13,089
Increase (decrease) in other assets	(236)	(8,867)
Increase (decrease) in accounts payable	(26,921)	(24,809)
Increase (decrease) in accounts payable, restricted	(8,837)	(5,319)
Increase (decrease) in other liabilities	(425)	(2,972)
<b>Net cash provided by (used in ) operating activities</b>	<b>\$ 588,387</b>	<b>\$ 564,074</b>

Non-cash activity:

Contribution of capital assets from developers	\$ 26,221	13,743
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**Combining Statement of Net Position  
(in thousands - unaudited) June 30, 2015**

	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
<b>ASSETS AND DEFERRED OUTFLOWS</b>								
Current assets:								
Cash and cash equivalents	\$ 97,230	\$ 33,418	\$ -	\$ 130,648	\$ 45,089	\$ 4,343	\$ -	\$ 180,080
Investments	229,953	32,417	-	262,370	-	-	-	262,370
Customer accounts receivable, less allowance for doubtful accounts of \$4,228	194,461	29,299	(13,990)	209,770	44,492	127	-	254,389
Inventories, less reserve of \$471								
Fuel inventory	37,416	25,445	-	62,861	-	-	-	62,861
Materials and supplies	2,104	19,352	-	21,456	43,205	-	-	64,661
Total current assets	561,164	139,931	(13,990)	687,105	132,786	4,470	-	824,361
Restricted assets:								
Cash and cash equivalents	301	19,793	-	20,094	4,945	4,138	-	29,177
Investments	375,429	252,576	-	628,005	360,110	-	-	988,115
Accounts and interest receivable	1,740	787	-	2,527	1,665	-	-	4,192
Total restricted assets	377,470	273,156	-	650,626	366,720	4,138	-	1,021,484
Noncurrent assets:								
Other	8,759	-	-	8,759	10,181	-	-	18,940
Investment in The Energy Authority	7,470	-	-	7,470	-	-	-	7,470
Total noncurrent assets	16,229	-	-	16,229	10,181	-	-	26,410
Capital assets:								
Land and easements	95,412	6,660	-	102,072	62,272	3,051	-	167,395
Plant in service	5,055,145	1,369,326	-	6,424,471	4,121,180	52,591	-	10,598,242
Less accumulated depreciation	(2,452,713)	(802,298)	-	(3,255,011)	(1,581,707)	(18,950)	-	(4,855,668)
Plant in service, net	2,697,844	573,688	-	3,271,532	2,601,745	36,692	-	5,909,969
Construction work in progress	84,850	11,569	-	96,419	81,859	360	-	178,638
Capital assets, net	2,782,694	585,257	-	3,367,951	2,683,604	37,052	-	6,088,607
Total assets	3,737,557	998,344	(13,990)	4,721,911	3,193,291	45,660	-	7,960,862
Deferred outflows of resources:								
Costs to be recovered from future revenues	14,167	4,564	-	18,731	-	-	-	18,731
Unamortized losses on refundings	86,231	21,459	-	107,690	49,627	221	-	157,538
Accumulated decrease in fair value of fuel hedging derivatives	1,365	-	-	1,365	-	-	-	1,365
Accumulated decrease in fair value of interest swaps derivatives	101,725	-	-	101,725	22,940	-	-	124,665
Total deferred outflows of resources	203,488	26,023	-	229,511	72,567	221	-	302,299
Total assets and deferred outflows of resources	\$ 3,941,045	\$ 1,024,367	\$ (13,990)	\$ 4,951,422	\$ 3,265,858	\$ 45,881	\$ -	\$ 8,263,161
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>								
Current liabilities:								
Accounts and accrued expenses payable	\$ 89,417	\$ 5,956	\$ (3,898)	\$ 91,475	\$ 11,321	\$ 20	\$ -	\$ 102,816
Customer deposits	42,419	-	-	42,419	13,434	-	-	55,853
Total current liabilities	131,836	5,956	(3,898)	133,894	24,755	20	-	158,669
Liabilities payable from restricted assets:								
Revenue bonds and line of credit due within one year	98,765	50,945	-	149,710	36,180	1,610	-	187,500
Interest payable	23,677	6,123	-	29,800	17,194	352	-	47,346
Construction contracts and accounts payable	1,442	12,053	(10,092)	3,403	3,611	13	-	7,027
Renewal and replacement reserve	-	82,779	-	82,779	-	-	-	82,779
Total liabilities payable from restricted assets	123,884	151,900	(10,092)	265,692	56,985	1,975	-	324,652
Other noncurrent liabilities:								
OPEB liability	1,088	-	-	1,088	637	-	-	1,725
Other	33,544	1,279	-	34,823	8,792	56	-	43,671
Total other noncurrent liabilities	34,632	1,279	-	35,911	9,429	56	-	45,396
Long-term debt:								
Bonds and commercial paper	2,539,485	524,205	-	3,063,690	1,716,880	39,750	-	4,820,320
Unamortized original issue premium (discount)	85,480	28,908	-	114,388	63,731	(49)	-	178,070
Fair value of debt management strategy instruments	101,725	-	-	101,725	22,940	-	-	124,665
Total long-term debt	2,726,690	553,113	-	3,279,803	1,803,551	39,701	-	5,123,055
Total liabilities	3,017,042	712,248	(13,990)	3,715,300	1,894,720	41,752	-	5,651,772
Deferred inflows of resources:								
Revenues to be used for future costs	50,163	173,358	-	223,521	-	-	-	223,521
Total deferred inflows of resources	50,163	173,358	-	223,521	-	-	-	223,521
Net position:								
Net investment in capital assets	177,166	(40,958)	-	136,208	1,014,177	(4,051)	-	1,146,334
Restricted	284,384	47,023	10,092	341,499	248,179	3,786	-	593,464
Unrestricted	412,290	132,696	(10,092)	534,894	108,782	4,394	-	648,070
Total net position	873,840	138,761	-	1,012,601	1,371,138	4,129	-	2,387,868
Total liabilities, deferred inflows of resources and net position	\$ 3,941,045	\$ 1,024,367	\$ (13,990)	\$ 4,951,422	\$ 3,265,858	\$ 45,881	\$ -	\$ 8,263,161

**Combining Statement of Net Position  
(in thousands - unaudited) June 30, 2014**

	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
<b>ASSETS AND DEFERRED OUTFLOWS</b>								
<b>Current assets:</b>								
Cash and cash equivalents	\$ 54,420	\$ 42,156	\$ -	\$ 96,576	\$ 35,261	\$ 4,034	\$ -	\$ 135,871
Investments	256,692	-	-	256,692	-	10	-	256,702
Customer accounts receivable, less allowance for doubtful accounts of \$4,658	195,345	51,838	(16,926)	230,257	40,067	530	-	270,854
Inventories, less reserve of \$1,874								
Fuel inventory	40,284	18,994	-	59,278	-	-	-	59,278
Materials and supplies	2,143	20,019	-	22,162	47,493	-	-	69,655
<b>Total current assets</b>	<b>548,884</b>	<b>133,007</b>	<b>(16,926)</b>	<b>664,965</b>	<b>122,821</b>	<b>4,574</b>	<b>-</b>	<b>792,360</b>
<b>Restricted assets:</b>								
Cash and cash equivalents	983	62,937	-	63,920	47,531	3,961	-	115,412
Investments	329,773	280,741	-	610,514	300,614	-	-	911,128
Accounts and interest receivable	1,411	726	-	2,137	1,970	-	-	4,107
<b>Total restricted assets</b>	<b>332,167</b>	<b>344,404</b>	<b>-</b>	<b>676,571</b>	<b>350,115</b>	<b>3,961</b>	<b>-</b>	<b>1,030,647</b>
<b>Noncurrent assets:</b>								
Other	9,261	-	-	9,261	11,815	-	-	21,076
Investment in The Energy Authority	8,239	-	-	8,239	-	-	-	8,239
<b>Total noncurrent assets</b>	<b>17,500</b>	<b>-</b>	<b>-</b>	<b>17,500</b>	<b>11,815</b>	<b>-</b>	<b>-</b>	<b>29,315</b>
<b>Capital assets:</b>								
Land and easements	73,603	6,660	-	80,263	53,482	3,051	-	136,796
Plant in service	5,036,645	1,346,718	-	6,383,363	4,026,564	51,916	-	10,461,843
Less accumulated depreciation	(2,282,236)	(781,420)	-	(3,063,656)	(1,456,175)	(16,672)	-	(4,536,503)
Plant in service, net	2,828,012	571,958	-	3,399,970	2,623,871	38,295	-	6,062,136
Construction work in progress	50,380	71,437	-	121,817	73,241	429	-	195,487
Capital assets, net	2,878,392	643,395	-	3,521,787	2,697,112	38,724	-	6,257,623
<b>Total assets</b>	<b>3,776,943</b>	<b>1,120,806</b>	<b>(16,926)</b>	<b>4,880,823</b>	<b>3,181,863</b>	<b>47,259</b>	<b>-</b>	<b>8,109,945</b>
<b>Deferred outflows of resources:</b>								
Costs to be recovered from future revenues	14,227	5,162	-	19,389	-	-	-	19,389
Unamortized losses on refundings	92,193	25,604	-	117,797	47,987	229	-	166,013
Accumulated decrease in fair value of fuel hedging derivatives	-	-	-	-	-	-	-	-
Accumulated decrease in fair value of interest swaps derivatives	84,648	-	-	84,648	15,743	-	-	100,391
<b>Total deferred outflows of resources</b>	<b>191,068</b>	<b>30,766</b>	<b>-</b>	<b>221,834</b>	<b>63,730</b>	<b>229</b>	<b>-</b>	<b>285,793</b>
<b>Total assets and deferred outflows of resources</b>	<b>\$ 3,968,011</b>	<b>\$ 1,151,572</b>	<b>\$ (16,926)</b>	<b>\$ 5,102,657</b>	<b>\$ 3,245,593</b>	<b>\$ 47,488</b>	<b>\$ -</b>	<b>\$ 8,395,738</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>								
<b>Current liabilities:</b>								
Accounts and accrued expenses payable	\$ 89,822	\$ 18,072	\$ (225)	\$ 107,669	\$ 13,905	\$ 24	\$ -	\$ 121,598
Customer deposits	43,305	-	-	43,305	12,660	-	-	55,965
<b>Total current liabilities</b>	<b>133,127</b>	<b>18,072</b>	<b>(225)</b>	<b>150,974</b>	<b>26,565</b>	<b>24</b>	<b>-</b>	<b>177,563</b>
<b>Liabilities payable from restricted assets:</b>								
Revenue bonds and line of credit due within one year	78,615	132,025	-	210,640	45,031	1,605	-	257,276
Interest payable	24,885	7,600	-	32,485	18,556	354	-	51,395
Construction contracts and accounts payable	2,671	22,954	(16,701)	8,924	4,441	150	-	13,515
Renewal and replacement reserve	-	84,071	-	84,071	-	-	-	84,071
<b>Total liabilities payable from restricted assets</b>	<b>106,171</b>	<b>246,650</b>	<b>(16,701)</b>	<b>336,120</b>	<b>68,028</b>	<b>2,109</b>	<b>-</b>	<b>406,257</b>
<b>Other noncurrent liabilities:</b>								
OPEB liability	2,600	-	-	2,600	1,525	-	-	4,125
Other	31,527	1,417	-	32,944	6,512	41	-	39,497
<b>Total other noncurrent liabilities</b>	<b>34,127</b>	<b>1,417</b>	<b>-</b>	<b>35,544</b>	<b>8,037</b>	<b>41</b>	<b>-</b>	<b>43,622</b>
<b>Long-term debt:</b>								
Bonds and commercial paper	2,674,250	578,085	-	3,252,335	1,825,976	41,360	-	5,119,671
Unamortized original issue premium (discount)	103,038	27,825	-	130,863	46,420	(54)	-	177,229
Fair value of debt management strategy instruments	84,648	-	-	84,648	15,743	-	-	100,391
<b>Total long-term debt</b>	<b>2,861,936</b>	<b>605,910</b>	<b>-</b>	<b>3,467,846</b>	<b>1,888,139</b>	<b>41,306</b>	<b>-</b>	<b>5,397,291</b>
<b>Total liabilities</b>	<b>3,135,361</b>	<b>872,049</b>	<b>(16,926)</b>	<b>3,990,484</b>	<b>1,990,769</b>	<b>43,480</b>	<b>-</b>	<b>6,024,733</b>
<b>Deferred inflows of resources:</b>								
Revenues to be used for future costs	54,041	172,507	-	226,548	-	-	-	226,548
<b>Total deferred inflows of resources</b>	<b>54,041</b>	<b>172,507</b>	<b>-</b>	<b>226,548</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>226,548</b>
<b>Net position:</b>								
Net investment in capital assets	142,492	(118,260)	-	24,232	924,579	(4,108)	-	944,703
Restricted	236,987	111,759	16,701	365,447	230,211	3,607	-	599,265
Unrestricted	399,130	113,517	(16,701)	495,946	100,034	4,509	-	600,489
<b>Total net position</b>	<b>778,609</b>	<b>107,016</b>	<b>-</b>	<b>885,625</b>	<b>1,254,824</b>	<b>4,008</b>	<b>-</b>	<b>2,144,457</b>
<b>Total liabilities, deferred inflows of resources and net position</b>	<b>\$ 3,968,011</b>	<b>\$ 1,151,572</b>	<b>\$ (16,926)</b>	<b>\$ 5,102,657</b>	<b>\$ 3,245,593</b>	<b>\$ 47,488</b>	<b>\$ -</b>	<b>\$ 8,395,738</b>

**Combining Statement of Revenue, Expenses and Changes in Net Assets  
(in thousands - unaudited) for the quarter ended June 30, 2015**

	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
<b>Operating revenues (net of allowances and discounts):</b>								
Electric	\$ 291,578	\$ 71,779	\$ (39,636)	\$ 323,721	\$ -	\$ -	\$ (3,294)	\$ 320,427
Water and sewer	-	-	-	-	106,545	-	(125)	106,420
District Energy	-	-	-	-	-	2,050	-	2,050
Other, net	6,351	-	-	6,351	2,420	-	(621)	8,150
<b>Total operating revenues</b>	<b>297,929</b>	<b>71,779</b>	<b>(39,636)</b>	<b>330,072</b>	<b>108,965</b>	<b>2,050</b>	<b>(4,040)</b>	<b>437,047</b>
<b>Operating expenses:</b>								
<b>Operations:</b>								
Fuel	75,293	39,707	-	115,000	-	-	-	115,000
Purchased power	51,617	-	(39,636)	11,981	-	-	-	11,981
Other	34,200	5,051	-	39,251	27,356	862	(4,040)	63,429
Maintenance	13,207	9,228	-	22,435	3,457	175	-	26,067
Depreciation	46,855	10,640	-	57,495	33,099	571	-	91,165
State utility taxes and franchise fees	13,002	-	-	13,002	2,642	-	-	15,644
Recognition of deferred costs and revenues, net	(938)	(1,904)	-	(2,842)	-	-	-	(2,842)
<b>Total operating expenses</b>	<b>233,236</b>	<b>62,722</b>	<b>(39,636)</b>	<b>256,322</b>	<b>66,554</b>	<b>1,608</b>	<b>(4,040)</b>	<b>320,444</b>
<b>Operating income</b>	<b>64,693</b>	<b>9,057</b>	<b>-</b>	<b>73,750</b>	<b>42,411</b>	<b>442</b>	<b>-</b>	<b>116,603</b>
<b>Nonoperating revenues (expenses):</b>								
Earnings from The Energy Authority	812	-	-	812	-	-	-	812
Investment income, fair market value adjustments	(231)	(68)	-	(299)	(983)	1	-	(1,281)
Other revenue, net	1,078	102	-	1,180	3,344	-	-	4,524
Interest on debt	(24,325)	(7,793)	-	(32,118)	(16,727)	(356)	-	(49,201)
Other interest, net	(18)	-	-	(18)	(1)	-	-	(19)
Allowance for funds used during construction	712	-	-	712	764	3	-	1,479
Loss on sale of asset	-	-	-	-	-	-	-	-
<b>Total nonoperating revenues (expenses), net</b>	<b>(21,972)</b>	<b>(7,759)</b>	<b>-</b>	<b>(29,731)</b>	<b>(13,603)</b>	<b>(352)</b>	<b>-</b>	<b>(43,686)</b>
<b>Income before contributions</b>	<b>42,721</b>	<b>1,298</b>	<b>-</b>	<b>44,019</b>	<b>28,808</b>	<b>90</b>	<b>-</b>	<b>72,917</b>
<b>Contributions (to) from:</b>								
General Fund, City of Jacksonville	(22,527)	-	-	(22,527)	(5,395)	-	-	(27,922)
Developers and others	-	-	-	-	15,832	-	-	15,832
<b>Total contributions</b>	<b>(22,527)</b>	<b>-</b>	<b>-</b>	<b>(22,527)</b>	<b>10,437</b>	<b>-</b>	<b>-</b>	<b>(12,090)</b>
<b>Change in net position</b>	<b>20,194</b>	<b>1,298</b>	<b>-</b>	<b>21,492</b>	<b>39,245</b>	<b>90</b>	<b>-</b>	<b>60,827</b>
<b>Net position, beginning of period</b>	<b>853,646</b>	<b>137,463</b>	<b>-</b>	<b>991,109</b>	<b>1,331,893</b>	<b>4,039</b>	<b>-</b>	<b>2,327,041</b>
<b>Net position, end of period</b>	<b>\$ 873,840</b>	<b>\$ 138,761</b>	<b>\$ -</b>	<b>\$ 1,012,601</b>	<b>\$ 1,371,138</b>	<b>\$ 4,129</b>	<b>\$ -</b>	<b>\$ 2,387,868</b>

**JEA**  
**Combining Statement of Revenue, Expenses and Changes in Net Assets**  
**(in thousands - unaudited) for the quarter ended June 30, 2014**

	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	\$ 326,845	\$ 97,400	\$ (55,992)	\$ 368,253	\$ -	\$ -	\$ (4,230)	\$ 364,023
Water and sewer	-	-	-	-	99,035	-	(194)	98,841
District Energy	-	-	-	-	-	2,054	-	2,054
Other, net	7,284	-	-	7,284	2,496	-	(624)	9,156
<b>Total operating revenues</b>	<b>334,129</b>	<b>97,400</b>	<b>(55,992)</b>	<b>375,537</b>	<b>101,531</b>	<b>2,054</b>	<b>(5,048)</b>	<b>474,074</b>
Operating expenses:								
Operations:								
Fuel	94,396	40,295	-	134,691	-	-	-	134,691
Purchased power	69,585	-	(55,992)	13,593	-	-	-	13,593
Other	36,717	7,736	-	44,453	26,565	931	(5,048)	66,901
Maintenance	13,695	8,576	-	22,271	2,967	191	-	25,429
Depreciation	49,320	10,874	-	60,194	32,853	554	-	93,601
State utility taxes and franchise fees	14,645	-	-	14,645	2,509	-	-	17,154
Recognition of deferred costs and revenues, net	(1,354)	17,770	-	16,416	-	-	-	16,416
<b>Total operating expenses</b>	<b>277,004</b>	<b>85,251</b>	<b>(55,992)</b>	<b>306,263</b>	<b>64,894</b>	<b>1,676</b>	<b>(5,048)</b>	<b>367,785</b>
<b>Operating income</b>	<b>57,125</b>	<b>12,149</b>	<b>-</b>	<b>69,274</b>	<b>36,637</b>	<b>378</b>	<b>-</b>	<b>106,289</b>
Nonoperating revenues (expenses):								
Earnings from The Energy Authority	968	-	-	968	-	-	-	968
Investment income, fair market value adjustments	2,562	1,903	-	4,465	1,745	2	-	6,212
Other revenue, net	1,094	102	-	1,196	623	-	-	1,819
Interest on debt	(25,317)	(10,150)	-	(35,467)	(18,318)	(357)	-	(54,142)
Other interest, net	(15)	-	-	(15)	-	-	-	(15)
Allowance for funds used during construction	329	-	-	329	597	2	-	928
Loss on sale of asset	-	-	-	-	-	-	-	-
<b>Total nonoperating revenues (expenses), net</b>	<b>(20,379)</b>	<b>(8,145)</b>	<b>-</b>	<b>(28,524)</b>	<b>(15,353)</b>	<b>(353)</b>	<b>-</b>	<b>(44,230)</b>
<b>Income before contributions</b>	<b>36,746</b>	<b>4,004</b>	<b>-</b>	<b>40,750</b>	<b>21,284</b>	<b>25</b>	<b>-</b>	<b>62,059</b>
Contributions (to) from:								
General Fund, City of Jacksonville	(21,830)	-	-	(21,830)	(5,467)	-	-	(27,297)
Developers and others	-	-	-	-	9,646	-	-	9,646
<b>Total contributions</b>	<b>(21,830)</b>	<b>-</b>	<b>-</b>	<b>(21,830)</b>	<b>4,179</b>	<b>-</b>	<b>-</b>	<b>(17,651)</b>
<b>Change in net position</b>	<b>14,916</b>	<b>4,004</b>	<b>-</b>	<b>18,920</b>	<b>25,463</b>	<b>25</b>	<b>-</b>	<b>44,408</b>
<b>Net position, beginning of period</b>	<b>763,693</b>	<b>103,012</b>	<b>-</b>	<b>866,705</b>	<b>1,229,361</b>	<b>3,983</b>	<b>-</b>	<b>2,100,049</b>
<b>Net position, end of period</b>	<b>\$ 778,609</b>	<b>\$ 107,016</b>	<b>\$ -</b>	<b>\$ 885,625</b>	<b>\$ 1,254,824</b>	<b>\$ 4,008</b>	<b>\$ -</b>	<b>\$ 2,144,457</b>

**Combining Statement of Revenue, Expenses and Changes in Net Assets  
(in thousands - unaudited) for the year-to-date ended June 30, 2015**

	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	\$ 909,119	\$ 210,498	\$ (117,470)	\$ 1,002,147	\$ -	\$ -	\$ (11,476)	\$ 990,671
Water and sewer	-	-	-	-	298,836	-	(383)	298,453
District Energy	-	-	-	-	-	6,093	-	6,093
Other, net	22,067	-	-	22,067	6,684	-	(1,878)	26,873
<b>Total operating revenues</b>	<b>931,186</b>	<b>210,498</b>	<b>(117,470)</b>	<b>1,024,214</b>	<b>305,520</b>	<b>6,093</b>	<b>(13,737)</b>	<b>1,322,090</b>
Operating expenses:								
Operations:								
Fuel	218,925	120,615	-	339,540	-	-	-	339,540
Purchased power	154,488	-	(117,470)	37,018	-	-	-	37,018
Other	97,167	16,882	-	114,049	80,139	2,567	(13,737)	183,018
Maintenance	50,924	19,161	-	70,085	10,017	786	-	80,888
Depreciation	142,773	32,017	-	174,790	98,818	1,712	-	275,320
State utility taxes and franchise fees	43,736	-	-	43,736	7,443	-	-	51,179
Recognition of deferred costs and revenues, net	(2,812)	(5,340)	-	(8,152)	-	-	-	(8,152)
<b>Total operating expenses</b>	<b>705,201</b>	<b>183,335</b>	<b>(117,470)</b>	<b>771,066</b>	<b>196,417</b>	<b>5,065</b>	<b>(13,737)</b>	<b>958,811</b>
<b>Operating income</b>	<b>225,985</b>	<b>27,163</b>	<b>-</b>	<b>253,148</b>	<b>109,103</b>	<b>1,028</b>	<b>-</b>	<b>363,279</b>
Nonoperating revenues (expenses):								
Earnings from The Energy Authority	1,351	-	-	1,351	-	-	-	1,351
Investment income, fair market value adjustments	3,487	2,386	-	5,873	1,740	4	-	7,617
Other revenue, net	3,272	306	-	3,578	4,639	-	-	8,217
Interest on debt	(74,253)	(23,812)	-	(98,065)	(50,011)	(1,067)	-	(149,143)
Other interest, net	(51)	-	-	(51)	(1)	-	-	(52)
Allowance for funds used during construction	1,727	-	-	1,727	1,998	8	-	3,733
Loss on sale of asset	(78)	-	-	(78)	-	-	-	(78)
<b>Total nonoperating revenues (expenses), net</b>	<b>(64,545)</b>	<b>(21,120)</b>	<b>-</b>	<b>(85,665)</b>	<b>(41,635)</b>	<b>(1,055)</b>	<b>-</b>	<b>(128,355)</b>
<b>Income before contributions</b>	<b>161,440</b>	<b>6,043</b>	<b>-</b>	<b>167,483</b>	<b>67,468</b>	<b>(27)</b>	<b>-</b>	<b>234,924</b>
Contributions (to) from:								
General Fund, City of Jacksonville	(67,581)	-	-	(67,581)	(16,184)	-	-	(83,765)
Developers and others	-	-	-	-	40,703	-	-	40,703
<b>Total contributions</b>	<b>(67,581)</b>	<b>-</b>	<b>-</b>	<b>(67,581)</b>	<b>24,519</b>	<b>-</b>	<b>-</b>	<b>(43,062)</b>
<b>Change in net position</b>	<b>93,859</b>	<b>6,043</b>	<b>-</b>	<b>99,902</b>	<b>91,987</b>	<b>(27)</b>	<b>-</b>	<b>191,862</b>
<b>Net position, beginning of period</b>	<b>779,981</b>	<b>132,718</b>	<b>-</b>	<b>912,699</b>	<b>1,279,151</b>	<b>4,156</b>	<b>-</b>	<b>2,196,006</b>
<b>Net position, end of period</b>	<b>\$ 873,840</b>	<b>\$ 138,761</b>	<b>\$ -</b>	<b>\$ 1,012,601</b>	<b>\$ 1,371,138</b>	<b>\$ 4,129</b>	<b>\$ -</b>	<b>\$ 2,387,868</b>

**Combining Statement of Revenue, Expenses and Changes in Net Assets  
(in thousands - unaudited) for the year-to-date ended June 30, 2014**

	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	\$ 935,483	\$ 294,885	\$ (176,941)	\$ 1,053,427	\$ -	\$ -	\$ (12,235)	\$ 1,041,192
Water and sewer	-	-	-	-	283,594	-	(492)	283,102
District Energy	-	-	-	-	-	6,102	-	6,102
Other, net	23,523	-	-	23,523	6,718	7	(1,872)	28,376
<b>Total operating revenues</b>	<b>959,006</b>	<b>294,885</b>	<b>(176,941)</b>	<b>1,076,950</b>	<b>290,312</b>	<b>6,109</b>	<b>(14,599)</b>	<b>1,358,772</b>
Operating expenses:								
Operations:								
Fuel	245,500	138,653	-	384,153	-	-	-	384,153
Purchased power	210,468	-	(176,941)	33,527	-	-	-	33,527
Other	104,562	25,019	-	129,581	81,443	2,643	(14,599)	199,068
Maintenance	41,644	18,884	-	60,528	9,189	652	-	70,369
Depreciation	150,196	31,270	-	181,466	98,801	1,621	-	281,888
State utility taxes and franchise fees	45,200	-	-	45,200	7,194	-	-	52,394
Recognition of deferred costs and revenues, net	(4,310)	45,246	-	40,936	-	-	-	40,936
<b>Total operating expenses</b>	<b>793,260</b>	<b>259,072</b>	<b>(176,941)</b>	<b>875,391</b>	<b>196,627</b>	<b>4,916</b>	<b>(14,599)</b>	<b>1,062,335</b>
<b>Operating income</b>	<b>165,746</b>	<b>35,813</b>	<b>-</b>	<b>201,559</b>	<b>93,685</b>	<b>1,193</b>	<b>-</b>	<b>296,437</b>
Nonoperating revenues (expenses):								
Earnings from The Energy Authority	3,437	-	-	3,437	-	-	-	3,437
Investment income, fair market value adjustments	7,186	5,485	-	12,671	4,859	5	-	17,535
Other revenue, net	3,284	306	-	3,590	1,868	-	-	5,458
Interest on debt	(79,373)	(30,248)	-	(109,621)	(55,223)	(1,072)	-	(165,916)
Other interest, net	(32)	-	-	(32)	9	-	-	(23)
Allowance for funds used during construction	850	-	-	850	1,656	12	-	2,518
Loss on sale of asset	-	-	-	-	-	-	-	-
<b>Total nonoperating revenues (expenses), net</b>	<b>(64,648)</b>	<b>(24,457)</b>	<b>-</b>	<b>(89,105)</b>	<b>(46,831)</b>	<b>(1,055)</b>	<b>-</b>	<b>(136,991)</b>
<b>Income before contributions</b>	<b>101,098</b>	<b>11,356</b>	<b>-</b>	<b>112,454</b>	<b>46,854</b>	<b>138</b>	<b>-</b>	<b>159,446</b>
Contributions (to) from:								
General Fund, City of Jacksonville	(65,489)	-	-	(65,489)	(16,402)	-	-	(81,891)
Developers and others	-	-	-	-	27,165	-	-	27,165
<b>Total contributions</b>	<b>(65,489)</b>	<b>-</b>	<b>-</b>	<b>(65,489)</b>	<b>10,763</b>	<b>-</b>	<b>-</b>	<b>(54,726)</b>
<b>Change in net position</b>	<b>35,609</b>	<b>11,356</b>	<b>-</b>	<b>46,965</b>	<b>57,617</b>	<b>138</b>	<b>-</b>	<b>104,720</b>
<b>Net position, beginning of period</b>	<b>743,000</b>	<b>95,660</b>	<b>-</b>	<b>838,660</b>	<b>1,197,207</b>	<b>3,870</b>	<b>-</b>	<b>2,039,737</b>
<b>Net position, end of period</b>	<b>\$ 778,609</b>	<b>\$ 107,016</b>	<b>\$ -</b>	<b>\$ 885,625</b>	<b>\$ 1,254,824</b>	<b>\$ 4,008</b>	<b>\$ -</b>	<b>\$ 2,144,457</b>

**Combining Statement of Cash Flows**  
**(in thousands - unaudited) for the quarter ended June 30, 2015**

	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
<b>Operations:</b>								
Receipts from customers	\$ 257,472	\$ 71,779	\$ (33,158)	\$ 296,093	\$ 99,339	\$ 2,236	\$ (3,419)	\$ 394,249
Other receipts	6,737	-	-	6,737	2,687	-	4,040	13,464
Payments to suppliers	(139,401)	(66,659)	33,158	(172,902)	(17,357)	(917)	(621)	(191,797)
Payments to employees	(33,030)	(5,949)	-	(38,979)	(11,921)	(121)	-	(51,021)
Net cash provided by (used in) operating activities	91,778	(829)	-	90,949	72,748	1,198	-	164,895
<b>Noncapital and related financing activities:</b>								
Contribution to General Fund, City of Jacksonville, FL.	(22,527)	-	-	(22,527)	(5,371)	-	-	(27,898)
Other revenues, net	(12)	-	-	(12)	2,720	-	-	2,708
Build America Bonds subsidies	-	-	-	-	-	-	-	-
Net cash provided by (used in) noncapital financing activities	(22,539)	-	-	(22,539)	(2,651)	-	-	(25,190)
<b>Capital and related financing activities:</b>								
Acquisition and construction of capital assets	(25,587)	-	-	(25,587)	(25,150)	(211)	-	(50,948)
Proceeds from sales of property	-	-	-	-	60	-	-	60
Loss on disposal of fixed assets	(284)	-	-	(284)	-	-	-	(284)
Proceeds from issuance of debt	-	73,125	-	73,125	-	-	-	73,125
Debt issue costs and discounts	(45)	10,603	-	10,558	(110)	-	-	10,448
Defeasance of debt	-	(77,802)	-	(77,802)	-	-	-	(77,802)
Repayment of debt principal	-	-	-	-	-	-	-	-
Interest paid on debt	(48,030)	(12,661)	-	(60,691)	(35,080)	(705)	-	(96,476)
Contribution from developers and others	-	-	-	-	5,413	-	-	5,413
Net cash provided by (used in) capital and related financing activities	(73,946)	(6,735)	-	(80,681)	(54,867)	(916)	-	(136,464)
<b>Investing activities:</b>								
Purchase of investments	(157,840)	(160,721)	-	(318,561)	(114,672)	-	-	(433,233)
Proceeds from sale and maturities of investments	158,729	131,926	-	290,655	66,388	-	-	357,043
Investment income	678	1,112	-	1,790	490	1	-	2,281
Distributions from The Energy Authority	629	-	-	629	-	-	-	629
Net cash provided by (used in) investing activities	2,196	(27,683)	-	(25,487)	(47,794)	1	-	(73,280)
Net increase (decrease) in cash and cash equivalents	(2,511)	(35,247)	-	(37,758)	(32,564)	283	-	(70,039)
Cash and cash equivalents at beginning of the period	100,042	88,458	-	188,500	82,598	8,198	-	279,296
Cash and cash equivalents at end of the period	\$ 97,531	\$ 53,211	\$ -	\$ 150,742	\$ 50,034	\$ 8,481	\$ -	\$ 209,257

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

Operating Income:	\$ 64,693	\$ 9,057	-	73,750	\$ 42,411	\$ 442	\$ -	\$ 116,603
<b>Adjustments to reconcile operating income to net cash provided by operating activities:</b>								
Depreciation and amortization	46,855	10,640	-	57,495	33,463	571	-	91,529
Recognition of deferred costs and revenues, net	(938)	(1,904)	-	(2,842)	-	-	-	(2,842)
<b>Changes in noncash assets and noncash liabilities:</b>								
Decrease (increase) accounts receivable	(34,106)	(6,409)	-	(40,515)	(7,206)	186	-	(47,535)
Decrease (increase) accounts receivable, restricted	386	-	-	386	268	-	-	654
Decrease (increase) in inventories	(1,066)	943	-	(123)	1,574	-	-	1,451
Increase (decrease) in other assets	583	-	-	583	241	-	-	824
Increase (decrease) in accounts payable	14,643	(2,131)	-	12,512	2,022	(3)	-	14,531
Increase (decrease) in accounts payable, restricted	-	(11,045)	-	(11,045)	-	-	-	(11,045)
Increase (decrease) in other liabilities	728	20	-	748	(25)	2	-	725
Net cash provided by (used in ) operating activities	\$ 91,778	\$ (829)	\$ -	\$ 90,949	\$ 72,748	\$ 1,198	\$ -	\$ 164,895

Non-cash activity:

Contribution of capital assets from developers \$ 10,419



## Combining Statement of Cash Flows

(in thousands - unaudited) for the quarter ended June 30, 2014

	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
<b>Operations:</b>								
Receipts from customers	\$ 297,223	\$ 97,400	\$ (53,265)	\$ 341,358	\$ 94,231	\$ 2,048	(4,424)	\$ 433,213
Other receipts	7,372	-	-	7,372	2,611	-	(624)	9,359
Payments to suppliers	(203,266)	(58,111)	53,265	(208,112)	(18,572)	(1,000)	5,048	(222,636)
Payments to employees	(31,214)	(6,331)	-	(37,545)	(11,147)	(116)	-	(48,808)
Net cash provided by (used in) operating activities	70,115	32,958	-	103,073	67,123	932	-	171,128
<b>Noncapital and related financing activities:</b>								
Contribution to General Fund, City of Jacksonville, FL.	(21,830)	-	-	(21,830)	(5,621)	-	-	(27,451)
Other revenues, net	-	-	-	-	-	-	-	-
Build America Bonds subsidies	-	-	-	-	-	-	-	-
Net cash provided by (used in) noncapital financing activities	(21,830)	-	-	(21,830)	(5,621)	-	-	(27,451)
<b>Capital and related financing activities:</b>								
Acquisition and construction of capital assets	(19,911)	-	-	(19,911)	(15,883)	(109)	-	(35,903)
Proceeds from sales of property	(357)	-	-	(357)	259	-	-	(98)
Loss on disposal of fixed assets	-	-	-	-	-	-	-	-
Proceeds from issuance of debt	-	88,790	-	88,790	-	-	-	88,790
Debt issue costs and discounts	(78)	921	-	843	-	-	-	843
Defeasance of debt	-	(88,826)	-	(88,826)	-	-	-	(88,826)
Repayment of debt principal	-	-	-	-	(346)	-	-	(346)
Interest paid on debt	(46,357)	(17,916)	-	(64,273)	(37,906)	(708)	-	(102,887)
Contribution from developers and others	515	-	-	515	5,034	-	-	5,034
Net cash provided by (used in) capital and related financing activities	(66,703)	(17,031)	-	(83,734)	(48,842)	(817)	-	(133,393)
<b>Investing activities:</b>								
Purchase of investments	(150,019)	(169,303)	-	(319,322)	(147,263)	-	-	(466,585)
Proceeds from sale and maturities of investments	153,407	154,026	-	307,433	124,729	10	-	432,172
Investment income	889	1,083	-	1,972	371	1	-	2,344
Distributions from The Energy Authority	515	-	-	515	-	-	-	515
Net cash provided by (used in) investing activities	4,792	(14,194)	-	(9,402)	(22,163)	11	-	(31,554)
Net increase (decrease) in cash and cash equivalents	(13,626)	1,733	-	(11,893)	(9,503)	126	-	(21,270)
Cash and cash equivalents at beginning of the period	69,029	103,360	-	172,389	92,295	7,869	-	272,553
Cash and cash equivalents at end of the period	\$ 55,403	\$ 105,093	\$ -	\$ 160,496	\$ 82,792	\$ 7,995	\$ -	\$ 251,283

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

Operating Income:	\$ 57,125	\$ 12,149	\$ -	\$ 69,274	\$ 36,637	\$ 378	\$ -	\$ 106,289
<b>Adjustments to reconcile operating income to net cash provided by operating activities:</b>								
Depreciation and amortization	49,320	10,873	-	60,193	33,235	554	-	93,982
Recognition of deferred costs and revenues, net	(1,354)	17,770	-	16,416	-	-	-	16,416
<b>Changes in noncash assets and noncash liabilities:</b>								
Decrease (increase) accounts receivable	(29,621)	(4,729)	-	(34,350)	(4,803)	(6)	-	(39,159)
Decrease (increase) accounts receivable, restricted	88	-	-	88	114	-	-	202
Decrease (increase) in inventories	(1,777)	(3,745)	-	(5,522)	(345)	-	-	(5,867)
Increase (decrease) in other assets	370	-	-	370	188	-	-	558
Increase (decrease) in accounts payable	(4,655)	7,234	-	2,579	1,868	10	-	4,457
Increase (decrease) in accounts payable, restricted	-	(6,631)	-	(6,631)	-	-	-	(6,631)
Increase (decrease) in other liabilities	619	37	-	656	229	(4)	-	881
Net cash provided by (used in) operating activities	\$ 70,115	\$ 32,958	\$ -	\$ 103,073	\$ 67,123	\$ 932	\$ -	\$ 171,128

## Non-cash activity:

Contribution of capital assets from developers	\$ 4,612
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**Combining Statement of Cash Flows**  
**(in thousands - unaudited) for the year-to-date ended June 30, 2015**

	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
<b>Operations:</b>								
Receipts from customers	\$ 915,403	\$ 210,498	\$ (112,874)	\$ 1,013,027	\$ 292,855	\$ 6,865	\$ (11,859)	\$ 1,300,888
Other receipts	21,537	-	-	21,537	7,434	-	(1,878)	27,093
Payments to suppliers	(461,871)	(183,421)	112,874	(532,418)	(56,355)	(2,963)	13,737	(577,999)
Payments to employees	(104,263)	(18,799)	-	(123,062)	(38,144)	(389)	-	(161,595)
Net cash provided by (used in) operating activities	370,806	8,278	-	379,084	205,790	3,513	-	588,387
<b>Noncapital and related financing activities:</b>								
Contribution to General Fund, City of Jacksonville, FL.	(67,349)	-	-	(67,349)	(16,196)	-	-	(83,545)
Other revenues, net	2	-	-	2	2,773	-	-	2,775
Build America Bonds subsidies	2,180	204	-	2,384	1,244	-	-	3,628
Net cash provided by (used in) noncapital financing activities	(65,167)	204	-	(64,963)	(12,179)	-	-	(77,142)
<b>Capital and related financing activities:</b>								
Acquisition and construction of capital assets	(71,573)	-	-	(71,573)	(66,520)	(348)	-	(138,441)
Proceeds from sales of property	-	-	-	-	190	-	-	190
Loss on disposal of fixed assets	(511)	-	-	(511)	-	-	-	(511)
Proceeds from issuance of debt	83,325	73,125	-	156,450	-	-	-	156,450
Debt issue costs and discounts	4	10,497	-	10,501	(258)	-	-	10,243
Defeasance of debt	(83,169)	(77,801)	-	(160,970)	2	-	-	(160,968)
Repayment of debt principal	(79,854)	(132,085)	-	(211,939)	(44,325)	(1,605)	-	(257,869)
Interest paid on debt	(106,265)	(27,246)	-	(133,511)	(68,589)	(1,413)	-	(203,513)
Contribution from developers and others	-	-	-	-	14,482	-	-	14,482
Net cash provided by (used in) capital and related financing activities	(258,043)	(153,510)	-	(411,553)	(165,018)	(3,366)	-	(579,937)
<b>Investing activities:</b>								
Purchase of investments	(512,990)	(506,459)	-	(1,019,449)	(369,934)	-	-	(1,389,383)
Proceeds from sale and maturities of investments	380,899	433,886	-	814,785	253,524	-	-	1,068,309
Investment income	2,642	2,872	-	5,514	1,931	4	-	7,449
Distributions from The Energy Authority	1,952	-	-	1,952	-	-	-	1,952
Net cash provided by (used in) investing activities	(127,497)	(69,701)	-	(197,198)	(114,479)	4	-	(311,673)
Net increase (decrease) in cash and cash equivalents	(79,901)	(214,729)	-	(294,630)	(85,886)	151	-	(380,365)
Cash and cash equivalents at beginning of the period	177,432	267,940	-	445,372	135,920	8,330	-	589,622
Cash and cash equivalents at end of the period	\$ 97,531	\$ 53,211	\$ -	\$ 150,742	\$ 50,034	\$ 8,481	\$ -	\$ 209,257

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

Operating Income:	\$ 225,985	\$ 27,163	-	\$ 253,148	\$ 109,103	\$ 1,028	\$ -	\$ 363,279
<b>Adjustments to reconcile operating income to net cash provided by operating activities:</b>								
Depreciation and amortization	142,773	32,017	-	174,790	99,927	1,712	-	276,429
Recognition of deferred costs and revenues, net	(2,812)	(5,340)	-	(8,152)	-	-	-	(8,152)
<b>Changes in noncash assets and noncash liabilities:</b>								
Decrease (increase) accounts receivable	6,284	(17,345)	-	(11,061)	(5,981)	772	-	(16,270)
Decrease (increase) accounts receivable, restricted	(539)	-	-	(539)	692	-	-	153
Decrease (increase) in inventories	1,655	5,145	-	6,800	2,567	-	-	9,367
Increase (decrease) in other assets	(181)	-	-	(181)	(55)	-	-	(236)
Increase (decrease) in accounts payable	(1,336)	(24,478)	-	(25,814)	(1,099)	(8)	-	(26,921)
Increase (decrease) in accounts payable, restricted	-	(8,837)	-	(8,837)	-	-	-	(8,837)
Increase (decrease) in other liabilities	(1,023)	(47)	-	(1,070)	636	9	-	(425)
Net cash provided by (used in ) operating activities	\$ 370,806	\$ 8,278	\$ -	\$ 379,084	\$ 205,790	\$ 3,513	\$ -	\$ 588,387

Non-cash activity:

Contribution of capital assets from developers	\$ 26,221
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**Combining Statement of Cash Flows**  
**(in thousands - unaudited) for the year-to-date ended June 30, 2014**

	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
<b>Operations:</b>								
Receipts from customers	\$ 946,250	\$ 294,885	\$ (176,085)	\$1,065,050	\$ 283,724	\$ 6,394	\$ (12,727)	\$ 1,342,441
Other receipts	24,493	-	-	24,493	7,980	7	(1,872)	30,608
Payments to suppliers	(568,653)	(204,608)	176,085	(597,176)	(64,714)	(2,941)	14,599	(650,232)
Payments to employees	(102,368)	(20,330)	-	(122,698)	(35,675)	(370)	-	(158,743)
<b>Net cash provided by (used in) operating activities</b>	<b>299,722</b>	<b>69,947</b>	<b>-</b>	<b>369,669</b>	<b>191,315</b>	<b>3,090</b>	<b>-</b>	<b>564,074</b>
<b>Noncapital and related financing activities:</b>								
Contribution to General Fund, City of Jacksonville, FL.	(65,209)	-	-	(65,209)	(16,441)	-	-	(81,650)
Other revenues, net	-	-	-	-	-	-	-	-
Build America Bonds subsidies	2,189	204	-	2,393	1,246	-	-	3,639
<b>Net cash provided by (used in) noncapital financing activities</b>	<b>(63,020)</b>	<b>204</b>	<b>-</b>	<b>(62,816)</b>	<b>(15,195)</b>	<b>-</b>	<b>-</b>	<b>(78,011)</b>
<b>Capital and related financing activities:</b>								
Acquisition and construction of capital assets	(54,463)	-	-	(54,463)	(61,527)	(703)	-	(116,693)
Proceeds from sales of property	638	-	-	638	301	-	-	939
Loss on disposal of fixed assets	-	-	-	-	-	-	-	-
Proceeds from issuance of debt	360,380	88,790	-	449,170	-	-	-	449,170
Debt issue costs and discounts	20,436	921	-	21,357	-	-	-	21,357
Defeasance of debt	(382,247)	(88,826)	-	(471,073)	-	-	-	(471,073)
Repayment of debt principal	(65,450)	(127,390)	-	(192,840)	(46,492)	(365)	-	(239,697)
Interest paid on debt	(106,441)	(37,613)	-	(144,054)	(75,280)	(1,110)	-	(220,444)
	-	-	-	-	13,422	-	-	13,422
<b>Net cash provided by (used in) capital and related financing activities</b>	<b>(227,147)</b>	<b>(164,118)</b>	<b>-</b>	<b>(391,265)</b>	<b>(169,576)</b>	<b>(2,178)</b>	<b>-</b>	<b>(563,019)</b>
<b>Investing activities:</b>								
Purchase of investments	(504,189)	(472,227)	-	(976,416)	(403,444)	-	-	(1,379,860)
Proceeds from sale and maturities of investments	384,455	409,595	-	794,050	319,445	17	-	1,113,512
Investment income	2,589	3,112	-	5,701	1,508	3	-	7,212
Distributions from The Energy Authority	1,487	-	-	1,487	-	-	-	1,487
<b>Net cash provided by (used in) investing activities</b>	<b>(115,658)</b>	<b>(59,520)</b>	<b>-</b>	<b>(175,178)</b>	<b>(82,491)</b>	<b>20</b>	<b>-</b>	<b>(257,649)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(106,103)</b>	<b>(153,487)</b>	<b>-</b>	<b>(259,590)</b>	<b>(75,947)</b>	<b>932</b>	<b>-</b>	<b>(334,605)</b>
Cash and cash equivalents at beginning of the period	161,506	258,580	-	420,086	158,739	7,063	-	585,888
<b>Cash and cash equivalents at end of the period</b>	<b>\$ 55,403</b>	<b>\$ 105,093</b>	<b>\$ -</b>	<b>\$ 160,496</b>	<b>\$ 82,792</b>	<b>\$ 7,995</b>	<b>\$ -</b>	<b>\$ 251,283</b>

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

<b>Operating Income:</b>	<b>\$ 165,746</b>	<b>\$ 35,813</b>	<b>\$ -</b>	<b>\$ 201,559</b>	<b>\$ 93,685</b>	<b>\$ 1,193</b>	<b>\$ -</b>	<b>\$ 296,437</b>
<b>Adjustments to reconcile operating income to net cash provided by operating activities:</b>								
Depreciation and amortization	150,196	31,270	-	181,466	100,030	1,621	-	283,117
Recognition of deferred costs and revenues, net	(4,310)	45,246	-	40,936	-	-	-	40,936
<b>Changes in noncash assets and noncash liabilities:</b>								
Decrease (increase) accounts receivable	10,767	(40,959)	-	(30,192)	130	292	-	(29,770)
Decrease (increase) accounts receivable, restricted	970	-	-	970	1,262	-	-	2,232
Decrease (increase) in inventories	(183)	13,887	-	13,704	(615)	-	-	13,089
Increase (decrease) in other assets	(8,669)	-	-	(8,669)	(198)	-	-	(8,867)
Increase (decrease) in accounts payable	(12,990)	(8,532)	-	(21,522)	(3,268)	(19)	-	(24,809)
Increase (decrease) in accounts payable, restricted	-	(5,319)	-	(5,319)	-	-	-	(5,319)
Increase (decrease) in other liabilities	(1,805)	(1,459)	-	(3,264)	289	3	-	(2,972)
<b>Net cash provided by (used in ) operating activities</b>	<b>\$ 299,722</b>	<b>\$ 69,947</b>	<b>\$ -</b>	<b>\$ 369,669</b>	<b>\$ 191,315</b>	<b>\$ 3,090</b>	<b>\$ -</b>	<b>\$ 564,074</b>

**Non-cash activity:**

<b>Contribution of capital assets from developers</b>	<b>\$ 13,743</b>
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**Electric System  
Schedules of Debt Service Coverage  
(in thousands - unaudited)**

	Quarter		Year-To-Date	
	2015	2014	2015	2014
<b>Revenues:</b>				
Electric	\$ 291,578	\$ 326,845	\$ 909,119	\$ 935,483
Investment income (1)	695	805	1,899	1,935
Earnings from The Energy Authority	812	968	1,351	3,437
Other, net (2)	6,339	7,284	22,069	23,523
Plus: amount paid from the rate stabilization fund into the revenue fund	51,826	1,868	55,092	5,014
Less: amount paid from the revenue fund into the rate stabilization fund	(33,105)	(3,279)	(70,715)	(21,632)
<b>Total revenues</b>	<b>318,145</b>	<b>334,491</b>	<b>918,815</b>	<b>947,760</b>
<b>Operating expenses (3):</b>				
Fuel	66,676	87,561	192,013	222,270
Purchased power (4)	66,427	86,151	199,793	259,857
Other operation and maintenance	43,718	42,788	137,184	126,718
State utility taxes and franchise fees	12,757	14,391	43,027	44,358
<b>Total expenses</b>	<b>189,578</b>	<b>230,891</b>	<b>572,017</b>	<b>653,203</b>
<b>Net revenues</b>	<b>\$ 128,567</b>	<b>\$ 103,600</b>	<b>\$ 346,798</b>	<b>\$ 294,557</b>
<b>Debt service:</b>	<b>\$ 20,689</b>	<b>\$ 18,882</b>	<b>\$ 62,323</b>	<b>\$ 56,413</b>
Less: investment income on sinking fund	(418)	(392)	(1,202)	(1,197)
Less: Build America Bonds subsidy	(377)	(378)	(1,132)	(1,133)
<b>Debt service requirement</b>	<b>\$ 19,894</b>	<b>\$ 18,112</b>	<b>\$ 59,989</b>	<b>\$ 54,083</b>
<b>Senior debt service coverage (5) (min 1.20x)</b>	<b>6.46 x</b>	<b>5.72 x</b>	<b>5.78 x</b>	<b>5.45 x</b>
<b>Net revenues (from above):</b>	<b>\$ 128,567</b>	<b>\$ 103,600</b>	<b>\$ 346,798</b>	<b>\$ 294,557</b>
<b>Debt service requirement (from above):</b>	<b>19,894</b>	<b>18,112</b>	<b>59,989</b>	<b>54,083</b>
Plus: aggregate subordinated debt service on outstanding subordinated	24,582	23,790	73,731	67,748
Less: Build America Bonds subsidy	(521)	(523)	(1,564)	(1,570)
<b>Total debt service requirement and aggregate subordinated debt serv</b>	<b>43,955</b>	<b>41,379</b>	<b>132,156</b>	<b>120,261</b>
<b>Senior and subordinated debt service coverage (6) (min 1.15x)</b>	<b>2.92 x</b>	<b>2.50 x</b>	<b>2.62 x</b>	<b>2.45 x</b>

(1) Excludes investment income on sinking funds.

(2) Excludes the Build America Bonds subsidy.

(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) Net revenues divided by total debt service requirement and aggregate subordinated debt service. Minimum annual coverage is 1.15x.

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

	Quarter		Year-To-Date					
	2015	June	2014	June				
<b>Revenues:</b>								
JEA	\$	14,810	\$	16,567	\$	45,306	\$	49,390
Investment income		28		23		82		60
Other, net (1)		-		-		-		-
<b>Total revenues</b>		<b>14,838</b>		<b>16,590</b>		<b>45,388</b>		<b>49,450</b>
<b>Operating expenses (2):</b>								
Fuel		8,617		6,835		26,912		23,230
Other operations and maintenance		3,600		3,524		10,422		12,445
<b>Total operating expenses</b>		<b>12,217</b>		<b>10,359</b>		<b>37,334</b>		<b>35,675</b>
<b>Net revenues</b>	\$	<b>2,621</b>	\$	<b>6,231</b>	\$	<b>8,054</b>	\$	<b>13,775</b>
<b>Aggregate debt service</b>	\$	<b>2,451</b>	\$	<b>2,047</b>	\$	<b>7,351</b>	\$	<b>6,410</b>
Less: Build America Bonds subsidy		(191)		(194)		(573)		(581)
<b>Aggregate debt service</b>	\$	<b>2,260</b>	\$	<b>1,853</b>	\$	<b>6,778</b>	\$	<b>5,829</b>
<b>Debt service coverage (3)</b>		<b>1.16 x</b>		<b>3.36 x</b>		<b>1.19 x</b>		<b>2.36 x</b>

(1) Excludes the Build America Bonds subsidy.

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

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

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

	Quarter June		Year-To-Date June	
	2015	2014	2015	2014
<b>Revenues:</b>				
JEA	\$ 35,589	\$ 54,374	\$ 105,382	\$ 180,888
FPL	32,144	41,408	93,029	117,944
Investment income	980	363	2,797	2,333
Total revenues	68,713	96,145	201,208	301,165
<b>Operating expenses (1):</b>				
Fuel	39,707	40,295	120,615	138,653
Other operations and maintenance	12,641	11,918	31,091	30,723
Total operating expenses	52,348	52,213	151,706	169,376
<b>Net revenues</b>	\$ 16,365	\$ 43,932	\$ 49,502	\$ 131,789
<b>Aggregate debt service</b>	\$ 13,098	\$ 35,144	39,611	105,432
<b>Debt service coverage (2)</b>	1.25 x	1.25 x	1.25 x	1.25 x

(1) Excludes depreciation.

(2) Net revenues divided by aggregate debt service. Semiannual minimum coverage is 1.25x.

## JEA

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

	Quarter June		Year-To-Date June	
	2015	2014	2015	2014
<b>Revenues:</b>				
JEA	\$ 6,543	\$ 6,930	\$ 19,627	\$ 20,949
Investment income	-	-	-	-
Other, net (1)	-	102	-	306
Total revenues	6,543	7,032	19,627	21,255
<b>Operating expenses (2):</b>				
Fuel	-	-	-	-
Other operations and maintenance	-	-	-	-
Total operating expenses	-	-	-	-
<b>Net revenues</b>	\$ 6,543	\$ 7,032	\$ 19,627	\$ 21,255
<b>Aggregate debt service</b>	\$ 5,777	\$ 6,115	\$ 17,332	\$ 18,483
Less: Build America Bonds subsidy	(102)	-	(306)	-
Aggregate debt service (3)	\$ 5,675	\$ 6,115	\$ 17,026	\$ 18,483
<b>Debt service coverage (4), (5)</b>	1.13 x	1.15 x	1.15 x	1.15 x

(1) Effective July 14, 2014, the St. Johns River Power Park System Second Revenue Bond Resolution was amended to exclude from revenues the subsidy related to Build America Bonds.

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

(3) Effective July 14, 2014, the St. Johns River Power Park System Second Revenue Bond Resolution was amended to exclude from interest in aggregate debt service the subsidy related to Build America Bonds.

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

(5) Had the Build America Bonds subsidy not been excluded from revenues and not been excluded from interest in aggregate debt service, current year-to-date debt service coverage would have been 1.15x.

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

	Quarter		Year-To-Date	
	2015	2014	2015	2014
<b>Revenues:</b>				
Water, net of allowances and discounts	\$ 44,509	\$ 40,842	\$ 121,190	\$ 114,279
Water capacity fees (1)	1,975	1,760	5,142	4,559
Sewer, net of allowances and discounts	62,036	58,193	177,646	169,315
Sewer capacity fees (1)	3,341	2,981	9,057	7,893
Investment income	774	717	2,293	2,032
Other (2)	5,140	2,496	9,456	6,718
Plus: amount paid from the rate stabilization fund into the revenue fund	5,919	5,474	16,057	15,205
Less: amounts paid from the revenue fund into the rate stabilization fund	(5,919)	(5,474)	(16,057)	(15,205)
<b>Total revenues</b>	<b>117,775</b>	<b>106,989</b>	<b>324,784</b>	<b>304,796</b>
<b>Operating &amp; maintenance expenses:</b>				
Operations and maintenance (3)	33,455	32,041	97,598	97,826
<b>Total operating expenses</b>	<b>33,455</b>	<b>32,041</b>	<b>97,598</b>	<b>97,826</b>
<b>Net revenues</b>	<b>\$ 84,320</b>	<b>\$ 74,948</b>	<b>\$ 227,186</b>	<b>\$ 206,970</b>
<b>Aggregate debt service:</b>	<b>\$ 22,941</b>	<b>\$ 26,726</b>	<b>\$ 68,788</b>	<b>\$ 80,162</b>
Less: Build America Bonds subsidy	(622)	(623)	(1,867)	(1,869)
<b>Aggregate debt service:</b>	<b>\$ 22,319</b>	<b>\$ 26,103</b>	<b>\$ 66,921</b>	<b>\$ 78,293</b>
<b>Senior debt service coverage (4), (min 1.25x)</b>	<b>3.78 x</b>	<b>2.87 x</b>	<b>3.39 x</b>	<b>2.64 x</b>
<b>Net revenues (from above)</b>	<b>\$ 84,320</b>	<b>\$ 74,948</b>	<b>\$ 227,186</b>	<b>\$ 206,970</b>
<b>Aggregate debt service (from above):</b>	<b>\$ 22,319</b>	<b>\$ 26,103</b>	<b>\$ 66,921</b>	<b>\$ 78,293</b>
Plus: aggregate subordinated debt service on outstanding subordinated debt	3,062	2,625	9,160	7,860
<b>Total aggregate and aggregate subordinated debt service</b>	<b>\$ 25,381</b>	<b>\$ 28,728</b>	<b>\$ 76,081</b>	<b>\$ 86,153</b>
<b>Senior and subordinated debt service coverage (5)</b>	<b>3.32 x</b>	<b>2.61 x</b>	<b>2.99 x</b>	<b>2.40 x</b>

- (1) Effective October 1, 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 2015 and 2014, then the debt service
- (2) Excludes the Build America Bonds subsidy.
- (3) Excludes depreciation.
- (4) Net revenues divided by aggregate debt service. Annual minimum coverage is 1.25x.
- (5) 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 charges). Based on the first requirement, minimum annual coverage is 2.80x and 2.26x. Based on the second requirement, net revenues must exceed 100% of aggregate debt service and 120% of aggregate subordinated debt service, or \$77,913 and \$87,725 for the year-to-date period ending June 2015 and 2014.

	Quarter		Year-To-Date	
	2015	June 2014	2015	June 2014
<b>Revenues:</b>				
Service revenues	\$ 2,050	\$ 2,054	\$ 6,093	\$ 6,102
Investment income	1	1	4	3
Other	-	-	-	7
Plus: amount paid from the rate stabilization fund into the revenue fund	-	-	-	-
Less: amounts paid from the revenue fund into the rate stabilization fund	-	-	-	-
<b>Total revenues</b>	<b>2,051</b>	<b>2,055</b>	<b>6,097</b>	<b>6,112</b>
Operating expenses: (1)				
Operations and maintenance	1,036	1,122	3,353	3,295
<b>Total operating expenses</b>	<b>1,036</b>	<b>1,122</b>	<b>3,353</b>	<b>3,295</b>
<b>Net revenues</b>	<b>1,015</b>	<b>933</b>	<b>2,744</b>	<b>2,817</b>
<b>Aggregate debt service (2)</b>	<b>755</b>	<b>755</b>	<b>2,264</b>	<b>2,266</b>
<b>Debt service coverage (3) (min 1.15x)</b>	<b>1.34 x</b>	<b>1.24 x</b>	<b>1.21 x</b>	<b>1.24 x</b>

(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 and amount equal to the Aggregate DES Debt Service Deficiency that exists with respect to the 2013A Series Bond, 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.



**Electric Enterprise Fund**  
**Operating Statistics**

	Quarter June		Year-To-Date June	
	2015	2014	2015	2014
Electric revenue sales (000's omitted):				
Residential	\$ 140,583	\$ 148,954	\$ 430,023	\$ 432,239
Commercial and industrial	142,232	166,310	448,137	468,345
Public street lighting	2,610	3,407	8,880	10,841
Sales for resale - territorial	6,242	7,584	20,938	22,218
Electric revenues - territorial	291,667	326,255	907,978	933,643
Saleback to Florida Power & Light	32,142	41,407	93,028	117,944
Sales for resale - off system	287	1,053	2,395	3,232
Electric revenues	324,096	368,715	1,003,401	1,054,819
Less: allowance for doubtful accounts	(376)	(463)	(1,254)	(1,392)
Net electric revenues	323,720	368,252	1,002,147	1,053,427
kWh sales (000's omitted):				
Residential	1,313,598	1,218,612	3,676,629	3,529,399
Commercial and industrial	1,787,327	1,725,781	4,903,845	4,791,355
Public street lighting	21,544	26,563	67,316	86,630
Sales for resale - territorial	82,534	83,581	236,425	238,156
Total kWh sales - territorial	3,205,003	3,054,537	8,884,215	8,645,540
Saleback to Florida Power & Light	428,202	453,579	1,301,409	1,419,564
Sales for resale - off system	8,489	30,347	70,873	98,719
Total kWh sales	3,641,694	3,538,463	10,256,497	10,163,823
Average number of accounts:				
Residential	390,560	383,408	388,309	381,606
Commercial and industrial	51,006	49,259	50,793	48,646
Public street lighting	3,561	3,472	3,537	3,473
Sales for resale	3	3	3	3
Total average accounts	445,129	436,142	442,641	433,727
Residential averages:				
Revenue per account - \$	359.95	388.50	1,107.42	1,132.68
kWh per account	3,363	3,178	9,468	9,249
Revenue per kWh - ¢	10.70	12.22	11.70	12.25
Degree days:				
	June		June	
	2015	2014	2015	2014
Heating degree days	2	33	1,337	1,309
Cooling degree days	1,008	871	1,348	1,239
Total degree days	1,010	904	2,685	2,548
Degree days - 30 year average	910		2,561	

**Water and Sewer Enterprise Fund  
Operating Statistics**

	Quarter June		Year-To-Date June	
	2015	2014	2015	2014
<b>Water</b>				
Revenues (000's omitted):				
Residential	\$ 23,216	\$ 21,597	\$ 64,257	\$ 61,276
Commercial and industrial	11,097	10,764	33,249	32,348
Irrigation	10,266	8,616	23,885	20,933
Total water revenues	44,579	40,977	121,391	114,557
Less: allowance for doubtful accounts	(70)	(135)	(201)	(278)
Net water revenues	\$ 44,509	\$ 40,842	\$ 121,190	\$ 114,279
Water Sales (kgals*):				
Residential	4,642,551	4,162,208	12,213,620	11,379,081
Commercial and industrial	3,141,948	3,024,890	9,325,395	8,892,102
Irrigation	1,871,781	1,488,673	3,945,501	3,233,835
Total kgals sales	9,656,280	8,675,771	25,484,516	23,505,018
Number of accounts (1):				
Residential	266,326	259,911	264,524	258,371
Commercial and industrial	23,975	23,747	23,910	23,691
Irrigation	36,088	35,853	35,954	35,798
Total average accounts	326,389	319,511	324,388	317,860
Residential averages:				
Revenue per account - \$	87.17	83.09	242.92	237.16
kgals per account	17.43	16.01	46.17	44.04
Revenue per kgals - \$	5.00	5.19	5.26	5.38
<b>Reuse</b>				
Revenues (000's omitted):				
Reuse revenues	\$ 2,240	\$ 1,724	\$ 5,070	\$ 3,769
Reuse Sales (kgals*):				
Reuse sales (kgals*)	558,927	388,757	1,209,970	798,257
Number of accounts:				
Reuse accounts	6,033	4,712	5,715	4,314
<b>Sewer</b>				
Revenues (000's omitted):				
Residential	\$ 35,036	\$ 32,809	\$ 97,672	\$ 93,171
Commercial and industrial	24,865	23,863	75,205	72,792
Total sewer revenues	59,901	56,672	172,877	165,963
Less: allowance for doubtful accounts	(105)	(203)	(301)	(417)
Net sewer revenues	\$ 59,796	\$ 56,469	\$ 172,576	\$ 165,546
Sewer Sales (kgals*):				
Residential	3,956,500	3,557,822	10,473,017	9,759,917
Commercial and industrial	2,654,463	2,516,650	8,043,469	7,650,797
Total kgals sales	6,610,963	6,074,472	18,516,486	17,410,714
Number of accounts (1):				
Residential	234,146	227,939	232,375	226,469
Commercial and industrial	17,803	17,629	17,747	17,603
Total average accounts	251,949	245,568	250,122	244,072
Residential averages:				
Revenue per account - \$	149.63	143.94	420.32	411.41
kgals per account	16.90	15.61	45.07	43.10
Revenue per kgals - \$	8.86	9.22	9.33	9.55
*kgals = 1000 gallons				
<b>Rainfall</b>				
Normal	11.57	11.57	30.85	30.85
Actual	10.07	15.95	28.33	35.59
Rain Days	26	29	66	81