



Building Community®

## **Management's Discussion and Analysis of Financial Performance for the Quarter Ended March 31, 2013**

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 March 2013 decreased 1.2 percent over operating revenues for the quarter ended March 2012. The decrease was primarily caused by a decrease in the variable fuel rate, offset in part by an increase in sales. Effective July 1, 2012, The Board of Directors of JEA (the Board) voted to reduce the variable fuel rate from \$47.74 to \$43.60 per 1000 kWh, which represents an 8.7 percent decrease over the previous charge. Territorial MWh sales increased 2.1 percent and total sales increased 4.4 percent when off-system sales are included. Total sales for the quarter increased from 2,952,453 MWh to 3,082,448 MWh.

Operating revenues for the six month period ended March 2013 decreased 1.6 percent over operating revenues for the six month period ended March 2012. The factors contributing to the decrease in operating revenues for the six month period ended March 2013 were the same as discussed above. Territorial MWh sales increased 2.2 percent and total sales increased 3.9 percent when off-system sales are included. Total sales increased from 6,090,501 MWh to 6,327,651 MWh.

Water and Sewer Enterprise Fund operating revenues decreased 3.2 percent for the quarter ended March 2013 compared to the quarter ended March 2012. The decrease in operating revenues was primarily due to a decrease in volumes for water and sewer sales, offset in part by volumetric rate increases for residential and commercial customers in excess of 6,000 gallons per month, effective October 1, 2012. There was an 8.3 percent decrease in consumption related to water services. Consumption, measured in thousands of gallons (kgals), decreased 687.0 kgals from 8,292.9 kgals to 7,605.9 kgals. Sewer sales volume decreased 5.4 percent when compared to the quarter ended March 2012. The decrease was 325.7 kgals from 5,987.9 kgals to 5,662.2 kgals.

Water & Sewer Enterprise Fund operating revenues decreased 1.8 percent for the six month period ended March 2013 compared to the six month period ended March 2012. The factors contributing to the decrease in operating revenues for the six month period ended March 2013 were the same as discussed above. Water consumption decreased 1,135.8 kgals from 16,852.1 kgals to 15,716.3 kgals. Sewer sales volume decreased 505.0 kgals from 11,952.1 kgals to 11,447.1 kgals.

Operating revenues for DES decreased 7.2 percent for the quarter ended March 2013 over operating revenues for the similar period last year. The decrease was primarily related to refunds given for the Chilled Water Equivalent Full Load Hour Discount. For the six month period ended March 2013 operating revenues decreased 2.3 percent, for the same reason as discussed above.

## Operating Expenses

Total operating expenses for the Electric Enterprise Fund increased 5.3 percent for the quarter ended March 2013 as compared to the quarter ended March 2012. The major factors impacting the change in operating expenses are: fuel and purchased power expense increased \$4.7 million, as discussed below; operating and maintenance expenses increased \$4.2 million mainly due to increased renewal and replacement expenses at SJRPP and increased maintenance expenses from planned outages at SJRPP; recognition of deferred costs related to SJRPP increased \$4.0 million; and depreciation expense increased \$1.2 million due to increased depreciation rates and assets placed in service.

Total operating expenses for the Electric Enterprise Fund increased 2.6 percent for the six months ended March 2013 as compared to the similar period in the prior year. The major factors impacting the change in operating expenses are: fuel and purchased power expense decreased \$4.7 million, as discussed below; operating and maintenance expenses increased \$6.1 million mainly due to increased maintenance expenses from planned outages at SJRPP and Northside generating station and increased renewal and replacement expenses at SJRPP; recognition of deferred costs in the amount of \$8.3 million primarily related to SJRPP; and depreciation expense increased \$5.0 million due to increased depreciation rates and assets placed in service.

Total fuel and purchased power for the quarter ended March 2013 increased \$4.7 million (4.1 percent) over the similar period in the prior year. The increase in fuel and purchased power expense was primarily driven by an increased cost per megawatt due to a change in product mix and an increase in megawatts generated 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 six months ended March 2013 decreased \$4.7 million (1.9 percent) over the prior year. The drivers for the decrease were a driven by a decreased cost per megawatt change in product mix offset in part by an increase in megawatts generated and produced.

Total production of megawatts generated and purchased for the quarter ended March 2013 increased 1.3 percent from 2,782,231 MWh to 2,818,599 MWh. Generated megawatts decreased 26.5 percent and purchased power increased 51.3 percent. JEA's power supply mix for the current quarter was 46.1 percent coal, 37.0 percent natural gas, 12.5 percent other purchases, and 4.4 percent petroleum coke. JEA's power supply mix for the quarter ended March 2012 was 46.4 percent natural gas, 31.2 percent coal, 11.3 percent petroleum coke, 11.0 percent other purchases and .1 percent oil.

Total production of megawatts generated and purchased for the six months ended March 2013 increased 1.7 percent from 5,585,820 MWh to 5,678,983 MWh. Generated megawatts decreased 19.2 percent and purchased power increased 30.8 percent. JEA's power supply mix for the six months ended March 2013 was 49.5 percent coal, 38.0 percent natural gas, 10.1 percent other purchases, and 2.4 percent petroleum coke. JEA's power supply mix for the six months ended March 2012 was 40.4 percent natural gas, 39.3 percent coal, 10.8 petroleum coke, and 9.5 percent other purchases.

Northside's availability factors for the quarter ended March 2013 were 100.0 percent for Unit 1, 70.9 percent for Unit 2 and 85.5 percent combined. The availability factor for Unit 2 were impacted by a planned outage during the quarter. Northside's availability factors for the six months ended March 2013 were 73.3 percent for Unit 1, 51.1 percent for Unit 2 and 62.2 percent combined. The availability factors were impacted by planned outages.

SJRPP's availability factors for the quarter ended March 2013 were 70.4 percent for Unit 1, 88.73 percent for Unit 2 and 79.6 percent combined. SJRPP's availability factors for the six months

ended March 2013 were 84.7 percent for Unit 1, 94.2 percent for Unit 2 and 89.4 percent combined. The availability factors were affected by planned outages.

Plant Scherer Unit 4 availability factor for the quarter ended March 2013 was 100.0 percent. Plant Scherer Unit 4 availability factor for the six months ended March 2013 was 98.0 percent.

Water and Sewer System total operating expenses for the quarter ended March 2013 decreased slightly \$0.2 million (0.3 percent) when compared to the prior year. The factors impacting the change were a decrease in depreciation expense and an increase in other operating expenses mainly due to increased salaries and related benefits, industrial services and chemical and gas expenses.

Water and Sewer System total operating expenses for the six months ended March 2013 increased 2.8 percent when compared to the prior year. The increase was primarily due to increased depreciation and increased other operating expenses, mainly due to increased salaries and related benefits, industrial services and chemical and gas expenses.

DES operating expenses increased 6.7 percent for the quarter ended March 2013 over the similar period in the prior year. The increase was mainly due to increased depreciation expenses, increased maintenance expenses on the chiller and increased labor costs. DES operating expenses for the six months ended March 2013 increased 5.5 percent. The increase was caused by the items discussed above.

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

There was a net decrease of \$13.7 million (28.3 percent) in total nonoperating expenses for the quarter ended March 2013. Earnings from The Energy Authority (TEA), a municipal power marketing joint venture in which JEA is a member, increased \$1.8 million due to higher margins on purchases and sales transactions by TEA and increased megawatt purchases by JEA during the current period. Investment income decreased \$10.9 million due primarily to an \$8.7 million loss on a swap termination payment recognized during the quarter and a \$1.2 million unfavorable adjustment in the fair market value on investments. Other nonoperating income decreased \$8.5 million primarily due to a payment from the City of Jacksonville for the termination of a radio maintenance agreement recognized in the quarter ended March 2012. Interest expense decreased \$4 million due to lower debt balances as a result of increased debt repayments.

There was a net decrease of \$9.0 million in total non-operating expenses for the six months ended March 2013. The major factors contributing to the change were the same as discussed above. Specifically, TEA earnings increased \$1.9 million; investment income decreased \$10.6 million; other nonoperating income decreased \$8.5 million; and interest expense decreased \$8.1 million.

#### **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 System bonds.

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 5.15x and 5.73x for the quarters ended March 2013 and March 2012. The debt service coverage ratio for the Electric System's combined senior and subordinated debt was 2.45x and 2.77x for the quarters ended March 2013 and March 2012. The decrease in senior debt service coverage ratio for the quarter was caused by decreased net revenues resulting from the decreased operating revenues and increased fuel and purchased power expenses, discussed above; and a decrease in the debt service requirements primarily related to lower interest expense on fixed rate bonds due to reduced outstanding balances on fixed rate debt and the subtraction of the interest subsidy related to senior Build America Bonds from the debt service requirement calculation for the quarter ended March 31, 2013. The decrease in combined senior and subordinated debt service coverage ratio for the quarter was due to decreased net revenues and a decrease in the debt service requirement, as discussed above.

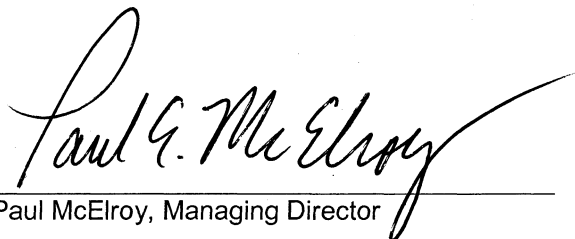
The debt service coverage ratio for the Electric System's senior debt was 5.21x and 5.27x for the six months ended March 2013 and March 2012. The debt service coverage ratio for the Electric System's combined senior and subordinated debt was 2.48x and 2.56x for the six months ended March 2013 and March 2012. The factors contributing to the changes in debt service coverage ratios were decreased net revenues and reduced debt service requirements.

The Water and Sewer debt service coverage ratio was 2.47x and 2.41x for the quarters ended March 2013 and 2012. The Water and Sewer combined senior and subordinated debt service coverage ratio was 2.23x and 2.20x for the quarters ended March 2013 and 2012. The increase was primarily related to lower debt service principal amortization, less interest expense from lower outstanding debt balances, and the subtraction of the interest subsidy related to senior Build America Bonds from the debt service requirement calculation for the quarter ended March 31, 2013.

The Water and Sewer senior debt service coverage ratio was 2.55x and 2.41x for the six months ended March 2013 and 2012. The Water and Sewer combined senior and subordinated debt service coverage ratio was 2.30x and 2.20x for the six months ended March 2013 and 2012. The increase was mainly due to lower debt service as a result of lower principal amortization, lower interest on fixed rate bonds due to lower outstanding debt balances economic savings on refundings and the inclusion of the interest subsidy related to senior Build America Bonds from the debt service requirements calculation for the year ended March 31, 2013.

### **Capital Assets**

JEA's investment in capital assets at March 2013 was \$6.46 billion (net of accumulated depreciation). This included \$3.69 billion in the Electric Enterprise Fund, \$2.72 billion in the Water & Sewer Fund and \$40.5 million in DES. For the six months ended March 2013, capital expenditures were \$94.37 million consisting of \$49.89 million for the Electric Enterprise Fund and \$44.37 million for the Water & Sewer Fund and \$.1 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**

**Balance Sheets**  
**(in thousands - unaudited)**

	March	
<b>ASSETS AND DEFERRED OUTFLOWS</b>	<b>2013</b>	<b>2012</b>
Current assets:		
Cash and cash equivalents	\$ 240,698	\$ 268,665
Investments	174,712	89,445
Customer accounts receivable, less allowance for doubtful accounts - \$4,355 in 2013 and \$4,258 in 2012	220,138	227,976
Inventories, less reserve of \$2,965 in 2013 and \$1,189 in 2012		
Fuel inventory	50,986	99,527
Materials and supplies	70,792	70,347
<b>Total current assets</b>	<b>757,326</b>	<b>755,960</b>
Restricted assets:		
Cash and cash equivalents	147,880	223,663
Investments	814,306	686,622
Accounts and interest receivable	4,505	5,512
<b>Total restricted assets</b>	<b>966,691</b>	<b>915,797</b>
Noncurrent assets:		
Unamortized debt issue costs and other	54,067	66,934
Investment in The Energy Authority	6,446	8,812
Costs to be recovered from future revenues	11,774	11,871
<b>Total noncurrent assets</b>	<b>72,287</b>	<b>87,617</b>
Capital assets:		
Land and easements	128,330	119,441
Plant in service	10,357,726	10,152,457
Less accumulated depreciation	(4,177,764)	(3,866,700)
Plant in service, net	6,308,292	6,405,198
Construction work in progress	149,140	197,507
<b>Capital assets, net</b>	<b>6,457,432</b>	<b>6,602,705</b>
<b>Total assets</b>	<b>8,253,736</b>	<b>8,362,079</b>
Deferred outflows of resources:		
Accumulated decrease in fair value of interest swaps derivatives	130,938	159,179
<b>Total deferred outflows of resources</b>	<b>130,938</b>	<b>159,179</b>
<b>Total assets and deferred outflows of resources</b>	<b>\$ 8,384,674</b>	<b>\$ 8,521,258</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>		
Current liabilities:		
Accounts and accrued expenses payable	\$ 107,080	\$ 110,830
Customer deposits	58,590	55,289
<b>Total current liabilities</b>	<b>165,670</b>	<b>166,119</b>
Liabilities payable from restricted assets:		
Revenue bonds and line of credit due within one year	251,040	293,671
Interest payable	99,786	96,612
Construction contracts and accounts payable	15,894	19,581
Renewal and replacement reserve	85,558	90,000
<b>Total liabilities payable from restricted assets</b>	<b>452,278</b>	<b>499,864</b>
Other noncurrent liabilities:		
OPEB liability	4,125	4,125
Deferred credits and other	40,653	42,119
Revenues to be used for future costs	143,419	62,766
<b>Total other noncurrent liabilities</b>	<b>188,197</b>	<b>109,010</b>
Long-term debt:		
Bonds and commercial paper	5,444,079	5,749,898
Unamortized original issue premium (discount)	160,386	104,582
Unamortized deferred losses on refundings	(175,540)	(149,151)
Fair value of debt management strategy instruments	130,938	159,179
<b>Total long-term debt</b>	<b>5,559,863</b>	<b>5,864,508</b>
<b>Total liabilities</b>	<b>6,366,008</b>	<b>6,639,501</b>
Deferred inflows of resources:		
Accumulated increase in fair value of fuel derivatives	5	6,769
<b>Total deferred inflows of resources</b>	<b>5</b>	<b>6,769</b>
Net position:		
Net investment in capital assets	1,014,837	959,287
Restricted	434,581	342,243
Unrestricted	569,243	573,458
<b>Total net position</b>	<b>2,018,661</b>	<b>1,874,988</b>
<b>Total liabilities, deferred inflows of resources and net position</b>	<b>\$ 8,384,674</b>	<b>\$ 8,521,258</b>

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

	Quarter		Year-To-Date	
	March		March	
	2013	2012	2013	2012
Operating revenues (net of allowances and discounts):				
Electric	\$ 327,577	\$ 331,358	\$ 659,813	\$ 669,912
Water and sewer	91,266	93,626	185,509	188,354
District Energy	1,670	1,799	3,923	4,017
Other, net	9,885	10,449	19,065	20,149
Total operating revenues	430,398	437,232	868,310	882,432
Operating expenses:				
Operations:				
Fuel	102,608	101,254	218,760	224,993
Purchased power	17,135	13,752	29,215	27,719
Other	64,336	59,895	122,609	116,762
Maintenance	27,723	26,532	53,011	48,850
Depreciation	94,468	94,219	191,754	185,922
State utility taxes and franchise fees	16,661	17,111	34,286	34,628
Recognition of deferred costs and revenues, net	15,078	11,036	33,862	25,561
Total operating expenses	338,009	323,799	683,497	664,435
Operating income	92,389	113,433	184,813	217,997
Nonoperating revenues (expenses):				
Earnings from The Energy Authority	3,087	1,276	3,793	1,910
Investment income, fair market value adjustments	(8,189)	2,742	(6,609)	3,958
Other nonoperating income	1,968	10,515	3,936	12,483
Interest on debt	(59,767)	(63,768)	(118,824)	(126,939)
Other interest, net	(22)	(11)	(88)	9
Allowance for funds used during construction	738	786	1,545	1,343
Total nonoperating revenues (expenses), net	(62,185)	(48,460)	(116,247)	(107,236)
Income before contributions	30,204	64,973	68,566	110,761
Contributions (to) from:				
General Fund, City of Jacksonville	(26,674)	(26,047)	(53,344)	(52,094)
Developers and others	5,950	5,872	12,128	7,762
Total contributions	(20,724)	(20,175)	(41,216)	(44,332)
Change in net position	9,480	44,798	27,350	66,429
Net position, beginning of period	2,009,181	1,830,190	1,991,311	1,808,559
Net position, end of period	\$2,018,661	\$1,874,988	\$2,018,661	\$1,874,988

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

	2013	Quarter March	2012
<b>Operations:</b>			
Receipts from customers	\$ 393,424		\$ 416,909
Other receipts	9,844		11,745
Payments to suppliers	(137,981)		(186,359)
Payments to employees	(58,407)		(54,062)
Net cash provided by (used in) operating activities	206,880		188,232
<b>Noncapital and related financing activities:</b>			
Contribution to General Fund, City of Jacksonville, FL.	(17,749)		(34,639)
Payment from City of Jacksonville - FCRS	-		8,547
Build America Bonds subsidies	3,936		3,936
Net cash provided by (used in) noncapital financing activities	(13,813)		(22,156)
<b>Capital and related financing activities:</b>			
Acquisition and construction of capital assets	(44,062)		(66,279)
Proceeds from issuance of debt	262,585		546,532
Debt issue costs and discounts	39,200		28,231
Defeasance of debt	(301,670)		(558,752)
Repayment of debt principal	(8,265)		-
Interest paid on debt	(9,427)		(21,039)
Contribution from developers and others	4,077		2,985
Proceeds from sales of property	454		651
Net cash provided by (used in) capital and related financing activities	(57,108)		(67,671)
<b>Investing activities:</b>			
Purchase of investments	(514,170)		(959,177)
Proceeds from sale and maturities of investments	456,914		645,190
Investment income	(7,137)		1,100
Distributions from The Energy Authority	4,557		1,337
Net cash provided by (used in) investing activities	(59,836)		(311,550)
Net increase (decrease) in cash and cash equivalents	76,123		(213,145)
Cash and cash equivalents at beginning of the period	312,455		705,473
Cash and cash equivalents at end of the period	\$ 388,578		\$ 492,328
<b>Reconciliation of operating income to net cash provided by operating activities:</b>			
Operating Income:	\$ 92,389		\$ 113,433
<b>Adjustments to reconcile operating income to net cash provided by operating activities:</b>			
Depreciation and amortization	94,925		80,041
Recognition of deferred costs and revenues, net	15,078		11,036
<b>Changes in noncash assets and noncash liabilities:</b>			
Decrease (increase) accounts receivable	(19,332)		(22,322)
Decrease (increase) accounts receivable, restricted	(41)		1,296
Decrease (increase) in inventories	23,753		(4,114)
Increase (decrease) in other	885		2,239
Increase (decrease) in accounts payable	(3,911)		1,017
Increase (decrease) in accounts payable, restricted	2,851		7,120
Increase (decrease) in other liabilities and deferred credits	283		(1,514)
Net cash provided by (used in ) operating activities	\$ 206,880		\$ 188,232
<b>Non-cash activity:</b>			
Contribution of capital assets from developers	\$ 1,873		\$ 2,886



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

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	Year-To-Date	
	2013	2012
<b>March</b>		
Operations:		
Receipts from customers	\$ 897,733	\$ 911,366
Other receipts	19,416	25,902
Payments to suppliers	(383,711)	(441,288)
Payments to employees	(112,728)	(100,991)
Net cash provided by (used in) operating activities	420,710	394,989
Noncapital and related financing activities:		
Contribution to General Fund, City of Jacksonville, FL.	(44,370)	(51,795)
Payment from City of Jacksonville - FCRS	-	8,547
Build America Bonds subsidies	3,936	3,936
Net cash provided by (used in) noncapital financing activities	(40,434)	(39,312)
Capital and related financing activities:		
Acquisition and construction of capital assets	(100,181)	(143,349)
Proceeds from issuance of debt	262,585	911,942
Debt issue costs and discounts	38,938	66,815
Defeasance of debt	(304,361)	(974,091)
Repayment of debt principal	(257,898)	(230,423)
Interest paid on debt	(110,852)	(158,228)
Contribution from developers and others	7,648	4,800
Proceeds from sales of property	654	832
Net cash provided by (used in) capital and related financing activities	(463,467)	(521,702)
Investing activities:		
Purchase of investments	(1,182,368)	(1,363,933)
Proceeds from sale and maturities of investments	939,341	993,293
Investment income	(5,396)	4,678
Distributions from The Energy Authority	6,858	2,107
Net cash provided by (used in) investing activities	(241,565)	(363,855)
Net increase (decrease) in cash and cash equivalents	(324,756)	(529,880)
Cash and cash equivalents at beginning of the period	713,334	1,022,208
Cash and cash equivalents at end of the period	\$ 388,578	\$ 492,328
Reconciliation of operating income to net cash provided by operating activities:		
Operating Income:	\$ 184,813	\$ 217,997
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	192,655	171,948
Recognition of deferred costs and revenues, net	33,862	25,561
Changes in noncash assets and noncash liabilities:		
Decrease (increase) accounts receivable	23,248	22,050
Decrease (increase) accounts receivable, restricted	351	5,753
Decrease (increase) in inventories	35,164	(23,554)
Increase (decrease) in other	(1,225)	1,149
Increase (decrease) in accounts payable	(46,624)	(26,643)
Increase (decrease) in accounts payable, restricted	(167)	5,821
Increase (decrease) in other liabilities and deferred credits	(1,367)	(5,093)
Net cash provided by (used in ) operating activities	\$ 420,710	\$ 394,989
Non-cash activity:		
Contribution of capital assets from developers	\$ 4,480	2,962

**Combining Balance Sheet**  
**(in thousands - unaudited) March 31, 2013**

	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	\$ 139,784	\$ 52,416	\$ -	\$ 192,200	\$ 44,289	\$ 4,209	\$ -	\$ 240,698
Investments	171,668	2,999	-	174,667	-	45	-	174,712
Customer accounts receivable, less allowance for doubtful accounts of \$4,355	167,837	37,923	(21,719)	184,041	35,831	266	-	220,138
Inventories, less reserve of \$2,965	38,937	12,049	-	50,986	-	-	-	50,986
Fuel inventory	2,087	20,862	-	22,949	47,843	-	-	70,792
Materials and supplies	520,313	126,249	(21,719)	624,843	127,963	4,520	-	757,326
Total current assets								
Restricted assets:								
Cash and cash equivalents	21,901	85,065	-	106,966	38,175	2,739	-	147,880
Investments	300,173	253,815	-	553,988	260,318	-	-	814,306
Accounts and interest receivable	1,389	952	-	2,341	2,164	-	-	4,505
Total restricted assets	323,463	339,832	-	663,295	300,657	2,739	-	966,691
Noncurrent assets:								
Unamortized debt issue costs and other	20,491	5,990	-	26,481	27,347	239	-	54,067
Investment in The Energy Authority	6,446	-	-	6,446	-	-	-	6,446
Costs to be recovered from future revenues	11,774	-	-	11,774	-	-	-	11,774
Total noncurrent assets	38,711	5,990	-	44,701	27,347	239	-	72,287
Capital assets:								
Land and easements	69,095	6,660	-	75,755	49,524	3,051	-	128,330
Plant in service	4,985,270	1,375,932	-	6,361,202	3,945,152	51,372	-	10,357,726
Less accumulated depreciation	(2,100,088)	(734,545)	-	(2,834,633)	(1,328,934)	(14,197)	-	(4,177,764)
Plant in service, net	2,954,277	648,047	-	3,602,324	2,665,742	40,226	-	6,308,292
Construction work in progress	42,038	50,364	-	92,402	56,586	152	-	149,140
Capital assets, net	2,996,315	698,411	-	3,694,726	2,722,328	40,378	-	6,457,432
Total assets	3,878,802	1,170,482	(21,719)	5,027,565	3,178,295	47,876	-	8,253,736
Deferred outflows of resources:								
Accumulated decrease in fair value of interest swaps derivatives	109,940	-	-	109,940	20,998	-	-	130,938
Total deferred outflows of resources	109,940	-	-	109,940	20,998	-	-	130,938
Total assets and deferred outflows of resources	\$ 3,988,742	\$ 1,170,482	\$ (21,719)	\$ 5,137,505	\$ 3,199,293	\$ 47,876	\$ -	\$ 8,384,674
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>								
Current liabilities:								
Accounts and accrued expenses payable	\$ 90,447	\$ 5,494	\$ (2,790)	\$ 93,151	\$ 13,769	\$ 160	\$ -	\$ 107,080
Customer deposits	45,341	-	-	45,341	13,249	-	-	58,590
Total current liabilities	135,788	5,494	(2,790)	138,492	27,018	160	-	165,670
Liabilities payable from restricted assets:								
Revenue bonds and line of credit due within one year	75,255	127,390	-	202,645	46,960	1,435	-	251,040
Interest payable	43,654	19,699	-	63,353	36,429	4	-	99,786
Construction contracts and accounts payable	4,505	23,992	(18,929)	9,568	6,264	62	-	15,894
Renewal and replacement reserve	-	85,558	-	85,558	-	-	-	85,558
Total liabilities payable from restricted assets	123,414	256,639	(18,929)	361,124	89,653	1,501	-	452,278
Other noncurrent liabilities:								
OPEB liability	2,600	-	-	2,600	1,525	-	-	4,125
Deferred credits and other	31,748	2,803	-	34,551	6,064	38	-	40,653
Revenues to be used for future costs	58,888	84,531	-	143,419	-	-	-	143,419
Total other noncurrent liabilities	93,236	87,334	-	180,570	7,589	38	-	188,197
Long-term debt:								
Bonds and commercial paper	2,800,920	709,955	-	3,510,875	1,890,889	42,315	-	5,444,079
Unamortized original issue premium (discount)	75,599	43,205	-	118,804	41,582	-	-	160,386
Unamortized deferred losses on refundings	(90,542)	(33,320)	-	(123,862)	(51,678)	-	-	(175,540)
Fair value of debt management strategy instruments	109,940	-	-	109,940	20,998	-	-	130,938
Total long-term debt	2,895,917	719,840	-	3,615,757	1,901,791	42,315	-	5,559,863
Total liabilities	3,248,355	1,069,307	(21,719)	4,295,943	2,026,051	44,014	-	6,366,008
Deferred inflows of resources:								
Accumulated increase in fair value of fuel derivatives	5	-	-	5	-	-	-	5
Total deferred inflows of resources	5	-	-	5	-	-	-	5
Net position:								
Net investment in capital assets	211,971	(101,410)	-	110,561	907,471	(3,195)	-	1,014,837
Restricted	169,266	84,633	18,929	272,828	159,018	2,735	-	434,581
Unrestricted	359,145	117,952	(18,929)	458,168	106,753	4,322	-	569,243
Total net position	740,382	101,175	-	841,557	1,173,242	3,862	-	2,018,661
Total liabilities, deferred inflows of resources and net position	\$ 3,988,742	\$ 1,170,482	\$ (21,719)	\$ 5,137,505	\$ 3,199,293	\$ 47,876	\$ -	\$ 8,384,674

**Combining Balance Sheet**  
(in thousands - unaudited) March 31, 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
<b>ASSETS AND DEFERRED OUTFLOWS</b>								
Current assets:								
Cash and cash equivalents	\$ 180,748	\$ 36,066	\$ -	\$ 216,814	\$ 45,522	\$ 6,329	\$ -	\$ 268,665
Investments	74,010	15,392	-	89,402	-	43	-	89,445
Customer accounts receivable, less allowance for doubtful accounts of \$4,258	169,240	38,593	(19,431)	188,402	39,175	399	-	227,976
Inventories, less reserve of \$1,189								
Fuel inventory	46,023	53,504	-	99,527	-	-	-	99,527
Materials and supplies	2,067	21,907	-	23,974	46,373	-	-	70,347
Total current assets	472,088	165,462	(19,431)	618,119	131,070	6,771	-	755,960
Restricted assets:								
Cash and cash equivalents	25,165	133,472	-	158,637	61,649	3,377	-	223,663
Investments	263,478	198,581	-	462,059	224,563	-	-	686,622
Accounts and interest receivable	2,034	1,085	-	3,119	2,393	-	-	5,512
Total restricted assets	290,677	333,138	-	623,815	288,605	3,377	-	915,797
Noncurrent assets:								
Unamortized debt issue costs and other	30,148	6,271	-	36,419	30,265	250	-	66,934
Investment in The Energy Authority	8,812	-	-	8,812	-	-	-	8,812
Costs to be recovered from future revenues	11,529	342	-	11,871	-	-	-	11,871
Total noncurrent assets	50,489	6,613	-	57,102	30,265	250	-	87,617
Capital assets:								
Land and easements	64,717	6,660	-	71,377	45,013	3,051	-	119,441
Plant in service	4,844,471	1,395,260	-	6,239,731	3,862,606	50,120	-	10,152,457
Less accumulated depreciation	(1,935,652)	(708,149)	-	(2,643,801)	(1,210,787)	(12,112)	-	(3,866,700)
Plant in service, net	2,973,536	693,771	-	3,667,307	2,696,832	41,059	-	6,405,198
Construction work in progress	126,285	35,368	-	161,653	35,761	93	-	197,507
Capital assets, net	3,099,821	729,139	-	3,828,960	2,732,593	41,152	-	6,602,705
Total assets	3,913,075	1,234,352	(19,431)	5,127,996	3,182,533	51,550	-	8,362,079
Deferred outflows of resources:								
Accumulated decrease in fair value of interest swaps derivatives	139,184	-	-	139,184	19,995	-	-	159,179
Total deferred outflows of resources	139,184	-	-	139,184	19,995	-	-	159,179
Total assets and deferred outflows of resources	\$ 4,052,259	\$ 1,234,352	\$ (19,431)	\$ 5,267,180	\$ 3,202,528	\$ 51,550	\$ -	\$ 8,521,258
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>								
Current liabilities:								
Accounts and accrued expenses payable	\$ 85,588	\$ 11,575	\$ (110)	\$ 97,053	\$ 13,758	\$ 19	\$ -	\$ 110,830
Customer deposits	43,514	-	-	43,514	11,775	-	-	55,289
Total current liabilities	129,102	11,575	(110)	140,567	25,533	19	-	166,119
Liabilities payable from restricted assets:								
Revenue bonds and line of credit due within one year	105,840	135,849	-	241,689	47,107	4,875	-	293,671
Interest payable	42,549	21,910	-	64,459	32,133	20	-	96,612
Construction contracts and accounts payable	5,990	25,299	(19,321)	11,968	7,596	17	-	19,581
Renewal and replacement reserve	-	90,000	-	90,000	-	-	-	90,000
Total liabilities payable from restricted assets	154,379	273,058	(19,321)	408,116	86,836	4,912	-	499,864
Other noncurrent liabilities:								
OPEB liability	2,600	-	-	2,600	1,525	-	-	4,125
Deferred credits and other	33,673	2,973	-	36,646	5,455	18	-	42,119
Revenues to be used for future costs	62,766	-	-	62,766	-	-	-	62,766
Total other noncurrent liabilities	99,039	2,973	-	102,012	6,980	18	-	109,010
Long-term debt:								
Bonds and commercial paper	2,906,700	857,105	-	3,763,805	1,942,343	43,750	-	5,749,898
Unamortized original issue premium (discount)	28,816	35,013	-	63,829	40,753	-	-	104,582
Unamortized deferred losses on refundings	(62,313)	(37,442)	-	(99,755)	(49,396)	-	-	(149,151)
Fair value of debt management strategy instruments	139,184	-	-	139,184	19,995	-	-	159,179
Total long-term debt	3,012,387	854,676	-	3,867,063	1,953,695	43,750	-	5,864,508
Total liabilities	3,394,907	1,142,282	(19,431)	4,517,758	2,073,044	48,699	-	6,639,501
Deferred inflows of resources:								
Accumulated increase in fair value of fuel derivatives	6,769	-	-	6,769	-	-	-	6,769
Total deferred inflows of resources	6,769	-	-	6,769	-	-	-	6,769
Net position:								
Net investment in capital assets	208,867	(120,088)	-	88,779	877,748	(7,240)	-	959,287
Restricted	120,311	61,244	19,321	200,876	138,010	3,357	-	342,243
Unrestricted	321,405	150,914	(19,321)	452,998	113,726	6,734	-	573,458
Total net position	650,583	92,070	-	742,653	1,129,484	2,851	-	1,874,988
Total liabilities, deferred inflows of resources and net position	\$ 4,052,259	\$ 1,234,352	\$ (19,431)	\$ 5,267,180	\$ 3,202,528	\$ 51,550	\$ -	\$ 8,521,258

**Combining Statement of Revenue, Expenses and Changes in Net Assets  
(in thousands - unaudited) for the quarter ended March 31, 2013**

	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	\$ 293,521	\$ 99,956	\$ (62,090)	\$ 331,387	\$ -	\$ -	\$ (3,810)	\$ 327,577
Water and sewer	-	-	-	-	91,316	-	(50)	91,266
District Energy	-	-	-	-	-	1,670	-	1,670
Other, net	8,451	-	-	8,451	2,122	-	(688)	9,885
<b>Total operating revenues</b>	<b>301,972</b>	<b>99,956</b>	<b>(62,090)</b>	<b>339,838</b>	<b>93,438</b>	<b>1,670</b>	<b>(4,548)</b>	<b>430,398</b>
Operating expenses:								
Operations:								
Fuel	59,823	42,785	-	102,608	-	-	-	102,608
Purchased power	79,225	-	(62,090)	17,135	-	-	-	17,135
Other	32,346	9,092	-	41,438	26,731	715	(4,548)	64,336
Maintenance	15,832	7,369	-	23,201	4,292	230	-	27,723
Depreciation	50,660	10,183	-	60,843	33,095	530	-	94,468
State utility taxes and franchise fees	14,323	-	-	14,323	2,338	-	-	16,661
Recognition of deferred costs and revenues, net	(1,171)	16,249	-	15,078	-	-	-	15,078
<b>Total operating expenses</b>	<b>251,038</b>	<b>85,678</b>	<b>(62,090)</b>	<b>274,626</b>	<b>66,456</b>	<b>1,475</b>	<b>(4,548)</b>	<b>338,009</b>
<b>Operating income</b>	<b>50,934</b>	<b>14,278</b>	<b>-</b>	<b>65,212</b>	<b>26,982</b>	<b>195</b>	<b>-</b>	<b>92,389</b>
Nonoperating revenues (expenses):								
Earnings from The Energy Authority	3,087	-	-	3,087	-	-	-	3,087
Investment income, fair market value adjustments	(8,328)	(786)	-	(9,114)	921	4	-	(8,189)
Other nonoperating income	1,187	110	-	1,297	671	-	-	1,968
Interest on debt	(28,847)	(11,388)	-	(40,235)	(19,287)	(245)	-	(59,767)
Other interest, net	(21)	-	-	(21)	(1)	-	-	(22)
Allowance for funds used during construction	222	-	-	222	516	-	-	738
<b>Total nonoperating revenues (expenses), net</b>	<b>(32,700)</b>	<b>(12,064)</b>	<b>-</b>	<b>(44,764)</b>	<b>(17,180)</b>	<b>(241)</b>	<b>-</b>	<b>(62,185)</b>
<b>Income before contributions</b>	<b>18,234</b>	<b>2,214</b>	<b>-</b>	<b>20,448</b>	<b>9,802</b>	<b>(46)</b>	<b>-</b>	<b>30,204</b>
Contributions (to) from:								
General Fund, City of Jacksonville	(20,993)	-	-	(20,993)	(5,681)	-	-	(26,674)
Developers and others	-	-	-	-	5,950	-	-	5,950
<b>Total contributions</b>	<b>(20,993)</b>	<b>-</b>	<b>-</b>	<b>(20,993)</b>	<b>269</b>	<b>-</b>	<b>-</b>	<b>(20,724)</b>
<b>Change in net position</b>	<b>(2,759)</b>	<b>2,214</b>	<b>-</b>	<b>(545)</b>	<b>10,071</b>	<b>(46)</b>	<b>-</b>	<b>9,480</b>
<b>Net position, beginning of period</b>	<b>743,141</b>	<b>98,961</b>	<b>-</b>	<b>842,102</b>	<b>1,163,171</b>	<b>3,908</b>	<b>-</b>	<b>2,009,181</b>
<b>Net position, end of period</b>	<b>\$ 740,382</b>	<b>\$ 101,175</b>	<b>\$ -</b>	<b>\$ 841,557</b>	<b>\$ 1,173,242</b>	<b>\$ 3,862</b>	<b>\$ -</b>	<b>\$ 2,018,661</b>

**Combining Statement of Revenue, Expenses and Changes in Net Assets  
(in thousands - unaudited) for the quarter ended March 31, 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	\$ 301,102	\$ 81,798	\$ (47,409)	\$ 335,491	\$ -	\$ -	\$ (4,133)	\$ 331,358
Water and sewer	-	-	-	-	93,662	-	(36)	93,626
District Energy	-	-	-	-	-	1,799	-	1,799
Other, net	8,476	-	-	8,476	2,872	-	(899)	10,449
<b>Total operating revenues</b>	<b>309,578</b>	<b>81,798</b>	<b>(47,409)</b>	<b>343,967</b>	<b>96,534</b>	<b>1,799</b>	<b>(5,068)</b>	<b>437,232</b>
Operating expenses:								
Operations:								
Fuel	71,547	29,707	-	101,254	-	-	-	101,254
Purchased power	61,161	-	(47,409)	13,752	-	-	-	13,752
Other	34,432	4,549	-	38,981	25,270	712	(5,068)	59,895
Maintenance	15,267	6,206	-	21,473	4,898	161	-	26,532
Depreciation	49,485	10,132	-	59,617	34,092	510	-	94,219
State utility taxes and franchise fees	14,708	-	-	14,708	2,403	-	-	17,111
Recognition of deferred costs and revenues, net	(1,268)	12,304	-	11,036	-	-	-	11,036
<b>Total operating expenses</b>	<b>245,332</b>	<b>62,898</b>	<b>(47,409)</b>	<b>260,821</b>	<b>66,663</b>	<b>1,383</b>	<b>(5,068)</b>	<b>323,799</b>
<b>Operating income</b>	<b>64,246</b>	<b>18,900</b>	<b>-</b>	<b>83,146</b>	<b>29,871</b>	<b>416</b>	<b>-</b>	<b>113,433</b>
Nonoperating revenues (expenses):								
Earnings from The Energy Authority	1,276	-	-	1,276	-	-	-	1,276
Investment income, fair market value adjustments	807	885	-	1,692	1,045	5	-	2,742
Other nonoperating income	5,460	110	-	5,570	4,945	-	-	10,515
Interest on debt	(30,082)	(12,891)	-	(42,973)	(20,650)	(145)	-	(63,768)
Other interest, net	(10)	-	-	(10)	(1)	-	-	(11)
Allowance for funds used during construction	430	-	-	430	355	1	-	786
<b>Total nonoperating revenues (expenses), net</b>	<b>(22,119)</b>	<b>(11,896)</b>	<b>-</b>	<b>(34,015)</b>	<b>(14,306)</b>	<b>(139)</b>	<b>-</b>	<b>(48,460)</b>
<b>Income before contributions</b>	<b>42,127</b>	<b>7,004</b>	<b>-</b>	<b>49,131</b>	<b>15,565</b>	<b>277</b>	<b>-</b>	<b>64,973</b>
Contributions (to) from:								
General Fund, City of Jacksonville	(20,760)	-	-	(20,760)	(5,287)	-	-	(26,047)
Developers and others	-	-	-	-	5,872	-	-	5,872
<b>Total contributions</b>	<b>(20,760)</b>	<b>-</b>	<b>-</b>	<b>(20,760)</b>	<b>585</b>	<b>-</b>	<b>-</b>	<b>(20,175)</b>
<b>Change in net position</b>	<b>21,367</b>	<b>7,004</b>	<b>-</b>	<b>28,371</b>	<b>16,150</b>	<b>277</b>	<b>-</b>	<b>44,798</b>
<b>Net position, beginning of period</b>	<b>629,216</b>	<b>85,066</b>	<b>-</b>	<b>714,282</b>	<b>1,113,334</b>	<b>2,574</b>	<b>-</b>	<b>1,830,190</b>
<b>Net position, end of period</b>	<b>\$ 650,583</b>	<b>\$ 92,070</b>	<b>\$ -</b>	<b>\$ 742,653</b>	<b>\$ 1,129,484</b>	<b>\$ 2,851</b>	<b>\$ -</b>	<b>\$ 1,874,988</b>

**Combining Statement of Revenue, Expenses and Changes in Net Assets  
(in thousands - unaudited) for the year-to-date ended March 31, 2013**

	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	\$ 590,658	\$ 203,804	\$ (126,773)	\$ 667,689	\$ -	\$ -	\$ (7,876)	\$ 659,813
Water and sewer	-	-	-	-	185,613	-	(104)	185,509
District Energy	-	-	-	-	-	3,923	-	3,923
Other, net	16,233	-	-	16,233	4,213	-	(1,381)	19,065
<b>Total operating revenues</b>	<b>606,891</b>	<b>203,804</b>	<b>(126,773)</b>	<b>683,922</b>	<b>189,826</b>	<b>3,923</b>	<b>(9,361)</b>	<b>868,310</b>
Operating expenses:								
Operations:								
Fuel	122,937	95,823	-	218,760	-	-	-	218,760
Purchased power	155,988	-	(126,773)	29,215	-	-	-	29,215
Other	62,988	15,862	-	78,850	51,484	1,636	(9,361)	122,609
Maintenance	31,619	11,951	-	43,570	9,031	410	-	53,011
Depreciation	101,754	20,366	-	122,120	68,579	1,055	-	191,754
State utility taxes and franchise fees	29,507	-	-	29,507	4,779	-	-	34,286
Recognition of deferred costs and revenues, net	(1,962)	35,824	-	33,862	-	-	-	33,862
<b>Total operating expenses</b>	<b>502,831</b>	<b>179,826</b>	<b>(126,773)</b>	<b>555,884</b>	<b>133,873</b>	<b>3,101</b>	<b>(9,361)</b>	<b>683,497</b>
<b>Operating income</b>	<b>104,060</b>	<b>23,978</b>	<b>-</b>	<b>128,038</b>	<b>55,953</b>	<b>822</b>	<b>-</b>	<b>184,813</b>
Nonoperating revenues (expenses):								
Earnings from The Energy Authority	3,793	-	-	3,793	-	-	-	3,793
Investment income, fair market value adjustments	(7,909)	(33)	-	(7,942)	1,325	8	-	(6,609)
Other nonoperating income	2,374	220	-	2,594	1,342	-	-	3,936
Interest on debt	(57,359)	(22,774)	-	(80,133)	(38,407)	(284)	-	(118,824)
Other interest, net	(77)	-	-	(77)	(11)	-	-	(88)
Allowance for funds used during construction	426	-	-	426	1,119	-	-	1,545
<b>Total nonoperating revenues (expenses), net</b>	<b>(58,752)</b>	<b>(22,587)</b>	<b>-</b>	<b>(81,339)</b>	<b>(34,632)</b>	<b>(276)</b>	<b>-</b>	<b>(116,247)</b>
<b>Income before contributions</b>	<b>45,308</b>	<b>1,391</b>	<b>-</b>	<b>46,699</b>	<b>21,321</b>	<b>546</b>	<b>-</b>	<b>68,566</b>
Contributions (to) from:								
General Fund, City of Jacksonville	(41,985)	-	-	(41,985)	(11,359)	-	-	(53,344)
Developers and others	-	-	-	-	12,128	-	-	12,128
<b>Total contributions</b>	<b>(41,985)</b>	<b>-</b>	<b>-</b>	<b>(41,985)</b>	<b>769</b>	<b>-</b>	<b>-</b>	<b>(41,216)</b>
<b>Change in net position</b>	<b>3,323</b>	<b>1,391</b>	<b>-</b>	<b>4,714</b>	<b>22,090</b>	<b>546</b>	<b>-</b>	<b>27,350</b>
<b>Net position, beginning of period</b>	<b>737,059</b>	<b>99,784</b>	<b>-</b>	<b>836,843</b>	<b>1,151,152</b>	<b>3,316</b>	<b>-</b>	<b>1,991,311</b>
<b>Net position, end of period</b>	<b>\$ 740,382</b>	<b>\$ 101,175</b>	<b>\$ -</b>	<b>\$ 841,557</b>	<b>\$ 1,173,242</b>	<b>\$ 3,862</b>	<b>\$ -</b>	<b>\$ 2,018,661</b>

**Combining Statement of Revenue, Expenses and Changes in Net Assets  
(in thousands - unaudited) for the year-to-date ended March 31, 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	\$ 604,059	\$ 185,882	\$ (111,592)	\$ 678,349	\$ -	\$ -	\$ (8,437)	\$ 669,912
Water and sewer	-	-	-	-	188,439	-	(85)	188,354
District Energy	-	-	-	-	-	4,017	-	4,017
Other, net	17,052	-	-	17,052	4,901	-	(1,804)	20,149
<b>Total operating revenues</b>	<b>621,111</b>	<b>185,882</b>	<b>(111,592)</b>	<b>695,401</b>	<b>193,340</b>	<b>4,017</b>	<b>(10,326)</b>	<b>882,432</b>
Operating expenses:								
Operations:								
Fuel	145,334	79,659	-	224,993	-	-	-	224,993
Purchased power	139,311	-	(111,592)	27,719	-	-	-	27,719
Other	66,859	10,274	-	77,133	48,308	1,647	(10,326)	116,762
Maintenance	28,194	10,944	-	39,138	9,436	276	-	48,850
Depreciation	96,877	20,265	-	117,142	67,763	1,017	-	185,922
State utility taxes and franchise fees	29,868	-	-	29,868	4,760	-	-	34,628
Recognition of deferred costs and revenues, net	(2,533)	28,094	-	25,561	-	-	-	25,561
<b>Total operating expenses</b>	<b>503,910</b>	<b>149,236</b>	<b>(111,592)</b>	<b>541,554</b>	<b>130,267</b>	<b>2,940</b>	<b>(10,326)</b>	<b>664,435</b>
<b>Operating income</b>	<b>117,201</b>	<b>36,646</b>	<b>-</b>	<b>153,847</b>	<b>63,073</b>	<b>1,077</b>	<b>-</b>	<b>217,997</b>
Nonoperating revenues (expenses):								
Earnings from The Energy Authority	1,910	-	-	1,910	-	-	-	1,910
Investment income, fair market value adjustments	817	1,793	-	2,610	1,344	4	-	3,958
Other nonoperating income	6,647	220	-	6,867	5,616	-	-	12,483
Interest on debt	(59,095)	(25,737)	-	(84,832)	(41,923)	(184)	-	(126,939)
Other interest, net	5	-	-	5	4	-	-	9
Allowance for funds used during construction	725	-	-	725	617	1	-	1,343
<b>Total nonoperating revenues (expenses), net</b>	<b>(48,991)</b>	<b>(23,724)</b>	<b>-</b>	<b>(72,715)</b>	<b>(34,342)</b>	<b>(179)</b>	<b>-</b>	<b>(107,236)</b>
<b>Income before contributions</b>	<b>68,210</b>	<b>12,922</b>	<b>-</b>	<b>81,132</b>	<b>28,731</b>	<b>898</b>	<b>-</b>	<b>110,761</b>
Contributions (to) from:								
General Fund, City of Jacksonville	(41,519)	-	-	(41,519)	(10,575)	-	-	(52,094)
Developers and others	-	-	-	-	7,762	-	-	7,762
<b>Total contributions</b>	<b>(41,519)</b>	<b>-</b>	<b>-</b>	<b>(41,519)</b>	<b>(2,813)</b>	<b>-</b>	<b>-</b>	<b>(44,332)</b>
<b>Change in net position</b>	<b>26,691</b>	<b>12,922</b>	<b>-</b>	<b>39,613</b>	<b>25,918</b>	<b>898</b>	<b>-</b>	<b>66,429</b>
<b>Net position, beginning of period</b>	<b>623,892</b>	<b>79,148</b>	<b>-</b>	<b>703,040</b>	<b>1,103,566</b>	<b>1,953</b>	<b>-</b>	<b>1,808,559</b>
<b>Net position, end of period</b>	<b>\$ 650,583</b>	<b>\$ 92,070</b>	<b>\$ -</b>	<b>\$ 742,653</b>	<b>\$ 1,129,484</b>	<b>\$ 2,851</b>	<b>\$ -</b>	<b>\$ 1,874,988</b>

**Combining Statement of Cash Flows**  
**(in thousands - unaudited) for the quarter ended March 31, 2013**

	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	\$ 288,406	\$ 99,956	\$ (85,288)	\$ 303,074	\$ 92,492	\$ 1,718	\$ (3,860)	\$ 393,424
Other receipts	8,115	-	-	8,115	2,417	-	(688)	9,844
Payments to suppliers	(163,937)	(42,671)	85,288	(121,320)	(20,420)	(789)	4,548	(137,981)
Payments to employees	(36,998)	(8,929)	-	(45,927)	(12,359)	(121)	-	(58,407)
Net cash provided by (used in) operating activities	95,586	48,356	-	143,942	62,130	808	-	206,880
<b>Noncapital and related financing activities:</b>								
Contribution to General Fund, City of Jacksonville, FL.	(13,995)	-	-	(13,995)	(3,754)	-	-	(17,749)
Payment from City of Jacksonville - FCRS	-	-	-	-	-	-	-	-
Build America Bonds subsidies	2,374	220	-	2,594	1,342	-	-	3,936
Net cash provided by (used in) noncapital financing activities	(11,621)	220	-	(11,401)	(2,412)	-	-	(13,813)
<b>Capital and related financing activities:</b>								
Acquisition and construction of capital assets	(21,025)	1,119	-	(19,906)	(24,081)	(75)	-	(44,062)
Proceeds from issuance of debt	262,585	-	-	262,585	-	-	-	262,585
Debt issue costs and discounts	39,582	(378)	-	39,204	(4)	-	-	39,200
Defeasance of debt	(301,670)	-	-	(301,670)	-	-	-	(301,670)
Repayment of debt principal	(8,265)	-	-	(8,265)	-	-	-	(8,265)
Interest paid on debt	(7,922)	-	-	(7,922)	(1,371)	(134)	-	(9,427)
Contribution from developers and others	-	-	-	-	4,077	-	-	4,077
Proceeds from sales of property	310	-	-	310	144	-	-	454
Net cash provided by (used in) capital and related financing activities	(36,405)	741	-	(35,664)	(21,235)	(209)	-	(57,108)
<b>Investing activities:</b>								
Purchase of investments	(148,364)	(195,195)	-	(343,559)	(170,611)	-	-	(514,170)
Proceeds from sale and maturities of investments	139,168	162,059	-	301,227	155,684	3	-	456,914
Investment income	(8,222)	584	-	(7,638)	500	1	-	(7,137)
Distributions from The Energy Authority	4,557	-	-	4,557	-	-	-	4,557
Net cash provided by (used in) investing activities	(12,861)	(32,552)	-	(45,413)	(14,427)	4	-	(59,836)
Net increase (decrease) in cash and cash equivalents	34,699	16,765	-	51,464	24,056	603	-	76,123
Cash and cash equivalents at beginning of the period	126,986	120,716	-	247,702	58,408	6,345	-	312,455
Cash and cash equivalents at end of the period	\$ 161,685	\$ 137,481	\$ -	\$ 299,166	\$ 82,464	\$ 6,948	\$ -	\$ 388,578

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

Operating Income:	\$ 50,934	\$ 14,278	-	65,212	\$ 26,982	\$ 195	\$ -	\$ 92,389
<b>Adjustments to reconcile operating income to net cash provided by operating activities:</b>								
Depreciation and amortization	50,660	10,183	-	60,843	33,552	530	-	94,925
Recognition of deferred costs and revenues, net	(1,171)	16,249	-	15,078	-	-	-	15,078
<b>Changes in noncash assets and noncash liabilities:</b>								
Decrease (increase) accounts receivable	(5,115)	(15,439)	-	(20,554)	1,176	46	-	(19,332)
Decrease (increase) accounts receivable, restricted	(336)	-	-	(336)	295	-	-	(41)
Decrease (increase) in inventories	2,148	21,006	-	23,154	599	-	-	23,753
Increase (decrease) in other	720	-	-	720	165	-	-	885
Increase (decrease) in accounts payable	(1,825)	(887)	-	(2,712)	(1,233)	34	-	(3,911)
Increase (decrease) in accounts payable, restricted	-	2,851	-	2,851	-	-	-	2,851
Increase (decrease) in other liabilities and deferred credits	(429)	115	-	(314)	594	3	-	283
Net cash provided by (used in) operating activities	\$ 95,586	\$ 48,356	\$ -	\$ 143,942	\$ 62,130	\$ 808	\$ -	\$ 206,880

Non-cash activity:

Contribution of capital assets from developers	\$ 1,873
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**Combining Statement of Cash Flows**  
**(in thousands - unaudited) for the quarter ended March 31, 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
<b>Operations:</b>								
Receipts from customers	\$ 297,924	\$ 81,798	\$ (54,176)	\$ 325,546	\$ 93,513	\$ 2,019	\$ (4,169)	\$ 416,909
Other receipts	9,831	-	-	9,831	2,813	-	899	11,745
Payments to suppliers	(146,105)	(64,254)	54,176	(156,183)	(34,468)	(777)	5,068	(186,359)
Payments to employees	(34,765)	(8,479)	-	(43,244)	(10,700)	(118)	-	(54,062)
Net cash provided by (used in) operating activities	126,885	9,065	-	135,950	51,158	1,124	-	188,232
<b>Noncapital and related financing activities:</b>								
Contribution to General Fund, City of Jacksonville, FL.	(27,680)	-	-	(27,680)	(6,959)	-	-	(34,639)
Payment from City of Jacksonville - FCRS	4,273	-	-	4,273	4,274	-	-	8,547
Build America Bonds subsidies	2,374	220	-	2,594	1,342	-	-	3,936
Net cash provided by (used in) noncapital financing activities	(21,033)	220	-	(20,813)	(1,343)	-	-	(22,156)
<b>Capital and related financing activities:</b>								
Acquisition and construction of capital assets	(38,563)	(5,534)	-	(44,097)	(22,120)	(62)	-	(66,279)
Proceeds from issuance of debt	174,880	12,594	-	187,474	359,058	-	-	546,532
Debt issue costs and discounts	7,901	(168)	-	7,733	20,498	-	-	28,231
Defeasance of debt	(183,512)	-	-	(183,512)	(375,240)	-	-	(558,752)
Repayment of debt principal	-	-	-	-	-	-	-	-
Interest paid on debt	(11,952)	-	-	(11,952)	(8,947)	(140)	-	(21,039)
Contribution from developers and others	-	-	-	-	2,985	-	-	2,985
Proceeds from sales of property	641	-	-	641	10	-	-	651
Net cash provided by (used in) capital and related financing activities	(50,605)	6,892	-	(43,713)	(23,756)	(202)	-	(67,671)
<b>Investing activities:</b>								
Purchase of investments	(423,156)	(323,227)	-	(746,383)	(212,794)	-	-	(959,177)
Proceeds from sale and maturities of investments	186,965	321,232	-	508,197	136,992	1	-	645,190
Investment income	258	528	-	786	313	1	-	1,100
Distributions from The Energy Authority	1,337	-	-	1,337	-	-	-	1,337
Net cash provided by (used in) investing activities	(234,596)	(1,467)	-	(236,063)	(75,489)	2	-	(311,550)
Net increase (decrease) in cash and cash equivalents	(179,349)	14,710	-	(164,639)	(49,430)	924	-	(213,145)
Cash and cash equivalents at beginning of the period	385,262	154,828	-	540,090	156,601	8,782	-	705,473
Cash and cash equivalents at end of the period	\$ 205,913	\$ 169,538	\$ -	\$ 375,451	\$ 107,171	\$ 9,706	\$ -	\$ 492,328

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

Operating Income: \$ 64,246 \$ 18,900 \$ - \$ 83,146 \$ 29,871 \$ 416 \$ - \$ 113,433

**Adjustments to reconcile operating income**
**to net cash provided by operating activities:**

Depreciation and amortization	49,485	10,132	-	59,617	19,914	510	-	80,041
Recognition of deferred costs and revenues, net	(1,268)	12,304	-	11,036	-	-	-	11,036
<b>Changes in noncash assets and noncash liabilities:</b>								
Decrease (increase) accounts receivable	(3,178)	(19,214)	-	(22,392)	(149)	219	-	(22,322)
Decrease (increase) accounts receivable, restricted	1,355	-	-	1,355	(59)	-	-	1,296
Decrease (increase) in inventories	3,490	(7,334)	-	(3,844)	(270)	-	-	(4,114)
Increase (decrease) in other	2,071	-	-	2,071	168	-	-	2,239
Increase (decrease) in accounts payable	12,744	(13,162)	-	(418)	1,458	(23)	-	1,017
Increase (decrease) in accounts payable, restricted	(235)	7,355	-	7,120	-	-	-	7,120
Increase (decrease) in other liabilities and deferred credits	(1,825)	84	-	(1,741)	225	2	-	(1,514)
Net cash provided by (used in) operating activities	\$ 126,885	\$ 9,065	\$ -	\$ 135,950	\$ 51,158	\$ 1,124	\$ -	\$ 188,232

**Non-cash activity:**

Contribution of capital assets from developers \$ 2,886

## Combining Statement of Cash Flows

(in thousands - unaudited) for the year-to-date ended March 31, 2013

	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	\$ 635,130	\$ 203,804	\$ (128,412)	\$ 710,522	\$ 190,868	\$ 4,323	\$ (7,980)	\$ 897,733
Other receipts	16,278	-	-	16,278	4,519	-	(1,381)	19,416
Payments to suppliers	(363,960)	(108,180)	128,412	(343,728)	(47,463)	(1,881)	9,361	(383,711)
Payments to employees	(72,464)	(16,306)	-	(88,770)	(23,729)	(229)	-	(112,728)
Net cash provided by (used in) operating activities	214,984	79,318	-	294,302	124,195	2,213	-	420,710
<b>Noncapital and related financing activities:</b>								
Contribution to General Fund, City of Jacksonville, FL.	(34,910)	-	-	(34,910)	(9,460)	-	-	(44,370)
Payment from City of Jacksonville - FCRS	-	-	-	-	-	-	-	-
Build America Bonds subsidies	2,374	220	-	2,594	1,342	-	-	3,936
Net cash provided by (used in) noncapital financing activities	(32,536)	220	-	(32,316)	(8,118)	-	-	(40,434)
<b>Capital and related financing activities:</b>								
Acquisition and construction of capital assets	(44,968)	(2,298)	-	(47,266)	(52,835)	(80)	-	(100,181)
Proceeds from issuance of debt	262,585	-	-	262,585	-	-	-	262,585
Debt issue costs and discounts	39,477	(464)	-	39,013	(75)	-	-	38,938
Defeasance of debt	(301,670)	(2,691)	-	(304,361)	-	-	-	(304,361)
Repayment of debt principal	(84,360)	(124,655)	-	(209,015)	(47,493)	(1,390)	-	(257,898)
Interest paid on debt	(54,594)	(18,491)	-	(73,085)	(37,597)	(170)	-	(110,852)
Contribution from developers and others	-	-	-	-	7,648	-	-	7,648
Proceeds from sales of property	510	-	-	510	144	-	-	654
Net cash provided by (used in) capital and related financing activities	(183,020)	(148,599)	-	(331,619)	(130,208)	(1,640)	-	(463,467)
<b>Investing activities:</b>								
Purchase of investments	(380,813)	(449,803)	-	(830,616)	(351,752)	-	-	(1,182,368)
Proceeds from sale and maturities of investments	263,940	414,824	-	678,764	260,574	3	-	939,341
Investment income	(7,841)	1,656	-	(6,185)	787	2	-	(5,396)
Distributions from The Energy Authority	6,858	-	-	6,858	-	-	-	6,858
Net cash provided by (used in) investing activities	(117,856)	(33,323)	-	(151,179)	(90,391)	5	-	(241,565)
Net increase (decrease) in cash and cash equivalents	(118,428)	(102,384)	-	(220,812)	(104,522)	578	-	(324,756)
Cash and cash equivalents at beginning of the period	280,113	239,865	-	519,978	186,986	6,370	-	713,334
Cash and cash equivalents at end of the period	\$ 161,685	\$ 137,481	\$ -	\$ 299,166	\$ 82,464	\$ 6,948	\$ -	\$ 388,578

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

Operating Income:	\$ 104,060	\$ 23,978	-	\$ 128,038	\$ 55,953	\$ 822	\$ -	\$ 184,813
<b>Adjustments to reconcile operating income to net cash provided by operating activities:</b>								
Depreciation and amortization	101,754	20,366	-	122,120	69,480	1,055	-	192,655
Recognition of deferred costs and revenues, net	(1,962)	35,824	-	33,862	-	-	-	33,862
<b>Changes in noncash assets and noncash liabilities:</b>								
Decrease (increase) accounts receivable	44,472	(26,878)	-	17,594	5,255	399	-	23,248
Decrease (increase) accounts receivable, restricted	45	-	-	45	306	-	-	351
Decrease (increase) in inventories	1,348	33,959	-	35,307	(143)	-	-	35,164
Increase (decrease) in other	(875)	-	-	(875)	(350)	-	-	(1,225)
Increase (decrease) in accounts payable	(32,584)	(7,457)	-	(40,041)	(6,505)	(78)	-	(46,624)
Increase (decrease) in accounts payable, restricted	-	(167)	-	(167)	-	-	-	(167)
Increase (decrease) in other liabilities and deferred credits	(1,274)	(307)	-	(1,581)	199	15	-	(1,367)
Net cash provided by (used in) operating activities	\$ 214,984	\$ 79,318	\$ -	\$ 294,302	\$ 124,195	\$ 2,213	\$ -	\$ 420,710

Non-cash activity:

Contribution of capital assets from developers \$ 4,480

**Combining Statement of Cash Flows**  
**(in thousands - unaudited) for the year-to-date ended March 31, 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
<b>Operations:</b>								
Receipts from customers	\$ 653,515	\$ 185,882	\$ (113,674)	\$ 725,723	\$ 189,670	\$ 4,495	\$ (8,522)	\$ 911,366
Other receipts	22,854	-	-	22,854	4,852	-	(1,804)	25,902
Payments to suppliers	(365,497)	(143,756)	113,674	(395,579)	(54,290)	(1,745)	10,326	(441,288)
Payments to employees	(64,508)	(16,306)	-	(80,814)	(19,964)	(213)	-	(100,991)
<b>Net cash provided by (used in) operating activities</b>	<b>246,364</b>	<b>25,820</b>	<b>-</b>	<b>272,184</b>	<b>120,268</b>	<b>2,537</b>	<b>-</b>	<b>394,989</b>
<b>Noncapital and related financing activities:</b>								
Contribution to General Fund, City of Jacksonville, FL.	(41,426)	-	-	(41,426)	(10,369)	-	-	(51,795)
Payment from City of Jacksonville - FCRS	4,273	-	-	4,273	4,274	-	-	8,547
Build America Bonds subsidies	2,374	220	-	2,594	1,342	-	-	3,936
<b>Net cash provided by (used in) noncapital financing activities</b>	<b>(34,779)</b>	<b>220</b>	<b>-</b>	<b>(34,559)</b>	<b>(4,753)</b>	<b>-</b>	<b>-</b>	<b>(39,312)</b>
<b>Capital and related financing activities:</b>								
Acquisition and construction of capital assets	(84,950)	(11,367)	-	(96,317)	(46,923)	(109)	-	(143,349)
Proceeds from issuance of debt	174,880	378,004	-	552,884	359,058	-	-	911,942
Debt issue costs and discounts	7,901	38,416	-	46,317	20,498	-	-	66,815
Defeasance of debt	(183,512)	(398,889)	-	(582,401)	(391,690)	-	-	(974,091)
Repayment of debt principal	(86,115)	(101,121)	-	(187,236)	(41,837)	(1,350)	-	(230,423)
Interest paid on debt	(64,161)	(43,541)	-	(107,702)	(50,358)	(168)	-	(158,228)
Contribution from developers and others	-	-	-	-	4,800	-	-	4,800
Proceeds from sales of property	800	-	-	800	32	-	-	832
<b>Net cash provided by (used in) capital and related financing activities</b>	<b>(235,157)</b>	<b>(138,498)</b>	<b>-</b>	<b>(373,655)</b>	<b>(146,420)</b>	<b>(1,627)</b>	<b>-</b>	<b>(521,702)</b>
<b>Investing activities:</b>								
Purchase of investments	(515,235)	(589,896)	-	(1,105,131)	(258,802)	-	-	(1,363,933)
Proceeds from sale and maturities of investments	274,527	562,675	-	837,202	156,087	4	-	993,293
Investment income	987	2,258	-	3,245	1,432	1	-	4,678
Distributions from The Energy Authority	2,107	-	-	2,107	-	-	-	2,107
<b>Net cash provided by (used in) investing activities</b>	<b>(237,614)</b>	<b>(24,963)</b>	<b>-</b>	<b>(262,577)</b>	<b>(101,283)</b>	<b>5</b>	<b>-</b>	<b>(363,855)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(261,186)</b>	<b>(137,421)</b>	<b>-</b>	<b>(398,607)</b>	<b>(132,188)</b>	<b>915</b>	<b>-</b>	<b>(529,880)</b>
Cash and cash equivalents at beginning of the period	467,099	306,959	-	774,058	239,359	8,791	-	1,022,208
<b>Cash and cash equivalents at end of the period</b>	<b>\$ 205,913</b>	<b>\$ 169,538</b>	<b>\$ -</b>	<b>\$ 375,451</b>	<b>\$ 107,171</b>	<b>\$ 9,706</b>	<b>\$ -</b>	<b>\$ 492,328</b>

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

Operating Income:	\$ 117,201	\$ 36,646	\$ -	\$ 153,847	\$ 63,073	\$ 1,077	\$ -	\$ 217,997
<b>Adjustments to reconcile operating income to net cash provided by operating activities:</b>								
Depreciation and amortization	96,877	20,265	-	117,142	53,789	1,017	-	171,948
Recognition of deferred costs and revenues, net	(2,533)	28,094	-	25,561	-	-	-	25,561
<b>Changes in noncash assets and noncash liabilities:</b>								
Decrease (increase) accounts receivable	49,456	(29,115)	-	20,341	1,231	478	-	22,050
Decrease (increase) accounts receivable, restricted	5,802	-	-	5,802	(49)	-	-	5,753
Decrease (increase) in inventories	(1,070)	(22,263)	-	(23,333)	(221)	-	-	(23,554)
Increase (decrease) in other	1,470	-	-	1,470	(321)	-	-	1,149
Increase (decrease) in accounts payable	(16,089)	(13,379)	-	(29,468)	2,858	(33)	-	(26,643)
Increase (decrease) in accounts payable, restricted	-	5,821	-	5,821	-	-	-	5,821
Increase (decrease) in other liabilities and deferred credits	(4,750)	(249)	-	(4,999)	(92)	(2)	-	(5,093)
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 246,364</b>	<b>\$ 25,820</b>	<b>\$ -</b>	<b>\$ 272,184</b>	<b>\$ 120,268</b>	<b>\$ 2,537</b>	<b>\$ -</b>	<b>\$ 394,989</b>

Non-cash activity:

Contribution of capital assets from developers	\$ 2,962
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**Electric System**  
**Schedules of Debt Service Coverage**  
(in thousands - unaudited)

	Quarter		Year-To-Date	
	2013	2012	2013	2012
<b>Revenues:</b>				
Electric	\$ 293,521	\$ 301,102	\$ 590,658	\$ 604,059
Investment income (1)	128	112	476	223
Earnings from The Energy Authority	3,087	1,276	3,793	1,910
Other, net (2)	8,451	9,663	16,233	19,426
Plus: amount paid from the rate stabilization fund into the revenue fund	2,427	4,588	3,467	13,520
Less: amount paid from the revenue fund into the rate stabilization fund	(5,933)	(8,839)	(11,985)	(25,068)
<b>Total revenues</b>	<b>301,681</b>	<b>307,902</b>	<b>602,642</b>	<b>614,070</b>
<b>Operating expenses (3):</b>				
Fuel	50,346	65,271	103,326	129,639
Purchased power (4)	95,471	76,559	189,610	171,788
Other operation and maintenance	43,801	42,350	85,384	81,818
State utility taxes and franchise fees	14,095	14,486	29,048	29,429
<b>Total expenses</b>	<b>203,713</b>	<b>198,666</b>	<b>407,368</b>	<b>412,674</b>
<b>Net revenues</b>	<b>\$ 97,968</b>	<b>\$ 109,236</b>	<b>\$ 195,274</b>	<b>\$ 201,396</b>
<b>Debt service:</b>	<b>\$ 19,672</b>	<b>\$ 19,415</b>	<b>\$ 38,828</b>	<b>\$ 38,919</b>
Less: investment income on sinking fund	(257)	(361)	(508)	(716)
Less: Build America Bonds subsidy	(407)	-	(814)	-
<b>Debt service requirement</b>	<b>\$ 19,008</b>	<b>\$ 19,054</b>	<b>\$ 37,506</b>	<b>\$ 38,203</b>
<b>Senior debt service coverage (5), (6)</b>	<b>5.15x</b>	<b>5.73x</b>	<b>5.21x</b>	<b>5.27x</b>
<b>Net revenues (from above):</b>	<b>\$ 97,968</b>	<b>\$ 109,236</b>	<b>\$ 195,274</b>	<b>\$ 201,396</b>
<b>Debt service requirement (from above):</b>	<b>\$ 19,008</b>	<b>\$ 19,054</b>	<b>\$ 37,506</b>	<b>\$ 38,203</b>
Plus: aggregate subordinated debt service on outstanding subordinated bonds	21,493	20,321	42,382	40,489
Less: Build America Bonds subsidy	(568)	-	(1,136)	-
<b>Total debt service requirement and aggregate subordinated debt service</b>	<b>\$ 39,933</b>	<b>\$ 39,375</b>	<b>\$ 78,752</b>	<b>\$ 78,692</b>
<b>Senior and subordinated debt service coverage (7), (8)</b>	<b>2.45x</b>	<b>2.77x</b>	<b>2.48x</b>	<b>2.56x</b>

(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. Effective November 6, 2012, the Electric System Resolution was amended to exclude from Revenues the subsidy received related to the subordinated 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 5.15x.

(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. Effective November 6, 2012, the Electric System Resolution was amended to exclude from interest the amount of cash subsidy received related to subordinated Build America Bonds in the debt service requirement calculation. Had such Build America Bonds subsidies not been included in the current year-to-date calculation, senior and subordinated debt service coverage would have been 2.44x.

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

	Quarter		Year-To-Date	
	March		March	
	2013	2012	2013	2012
<b>Revenues:</b>				
JEA	\$ 16,248	\$ 15,398	\$ 33,623	\$ 32,477
Investment income	-	11	4	33
Other, net	211	211	423	423
<b>Total revenues</b>	<b>16,459</b>	<b>15,620</b>	<b>34,050</b>	<b>32,933</b>
<b>Operating expenses (1):</b>				
Fuel	9,477	6,276	19,611	15,695
Other operations and maintenance	3,254	4,956	6,072	7,503
<b>Total operating expenses</b>	<b>12,731</b>	<b>11,232</b>	<b>25,683</b>	<b>23,198</b>
<b>Net revenues</b>	<b>\$ 3,728</b>	<b>\$ 4,388</b>	<b>\$ 8,367</b>	<b>\$ 9,735</b>
<b>Aggregate debt service</b>	<b>\$ 2,376</b>	<b>\$ 1,764</b>	<b>\$ 4,752</b>	<b>\$ 3,531</b>
<b>Debt service coverage (2), (3)</b>	<b>1.57x</b>	<b>2.49x</b>	<b>1.76x</b>	<b>2.76x</b>

(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 March		Year-To-Date March	
	2013	2012	2013	2012
<b>Revenues:</b>				
JEA	\$ 63,779	\$ 50,914	\$ 126,814	\$ 113,737
FPL	37,866	32,860	77,032	72,762
Investment income	877	990	1,760	2,085
Total revenues	102,522	84,764	205,606	188,584
<b>Operating expenses (1):</b>				
Fuel	42,785	29,707	95,823	79,659
Other operations and maintenance	12,023	10,291	21,027	19,391
Total operating expenses	54,808	39,998	116,850	99,050
<b>Net revenues</b>	<b>\$ 47,714</b>	<b>\$ 44,766</b>	<b>\$ 88,756</b>	<b>\$ 89,534</b>
<b>Aggregate debt service</b>	<b>\$ 35,500</b>	<b>\$ 35,814</b>	<b>71,001</b>	<b>71,628</b>
<b>Debt service coverage (2)</b>	<b>1.34x</b>	<b>1.25x</b>	<b>1.25x</b>	<b>1.25x</b>

(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 March		Year-To-Date March	
	2013	2012	2013	2012
<b>Revenues:</b>				
JEA	\$ 7,016	\$ 6,727	\$ 14,031	\$ 13,454
Investment income	-	-	-	-
Other, net	110	110	220	220
Total revenues	7,126	6,837	14,251	13,674
<b>Operating expenses (1):</b>				
Fuel	-	-	-	-
Other operations and maintenance	-	-	-	-
Total operating expenses	-	-	-	-
<b>Net revenues</b>	<b>\$ 7,126</b>	<b>\$ 6,837</b>	<b>\$ 14,251</b>	<b>\$ 13,674</b>
<b>Aggregate debt service</b>	<b>\$ 6,196</b>	<b>\$ 5,945</b>	<b>\$ 12,391</b>	<b>\$ 11,889</b>
<b>Debt service coverage (2), (3)</b>	<b>1.15x</b>	<b>1.15x</b>	<b>1.15x</b>	<b>1.15x</b>

(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		Year-To-Date	
	March		March	
	2013	2012	2013	2012
<b>Revenues:</b>				
Water, net of allowances and discounts	\$ 36,889	\$ 38,216	\$ 75,851	\$ 78,263
Water capacity fees (1)	1,441	1,150	2,802	1,901
Sewer, net of allowances and discounts	54,427	55,446	109,762	110,176
Sewer capacity fees (1)	2,627	1,830	4,830	2,894
Investment income	375	684	820	1,377
Other (2)	2,122	3,543	4,213	6,243
Plus: amount paid from the rate stabilization fund into the revenue fund	4,901	5,199	10,192	10,201
Less: amounts paid from the revenue fund into the rate stabilization fund	(4,901)	(5,889)	(10,192)	(12,931)
<b>Total revenues</b>	<b>97,881</b>	<b>100,179</b>	<b>198,278</b>	<b>198,124</b>
<b>Operating &amp; maintenance expenses:</b>				
Operations and maintenance (3)	33,361	32,571	65,294	62,504
<b>Total operating expenses</b>	<b>33,361</b>	<b>32,571</b>	<b>65,294</b>	<b>62,504</b>
<b>Net revenues</b>	<b>\$ 64,520</b>	<b>\$ 67,608</b>	<b>\$ 132,984</b>	<b>\$ 135,620</b>
<b>Aggregate debt service:</b>				
Aggregate debt service:	\$ 26,781	\$ 28,075	\$ 53,592	\$ 56,286
Less: Build America Bonds subsidy (5)	(671)	-	(1,342)	-
<b>Aggregate debt service:</b>	<b>\$ 26,110</b>	<b>\$ 28,075</b>	<b>\$ 52,250</b>	<b>\$ 56,286</b>
<b>Senior debt service coverage (4)</b>	<b>2.47x</b>	<b>2.41x</b>	<b>2.55x</b>	<b>2.41x</b>
<b>Net revenues (from above)</b>	<b>\$ 64,520</b>	<b>\$ 67,608</b>	<b>\$ 132,984</b>	<b>\$ 135,620</b>
<b>Debt service requirement (from above):</b>				
Debt service requirement (from above):	\$ 26,110	\$ 28,075	\$ 52,250	\$ 56,286
Plus: aggregate subordinated debt service on outstanding subordinated debt	2,763	2,618	5,558	5,351
<b>Total aggregate debt service and aggregate subordinated debt service</b>	<b>\$ 28,873</b>	<b>\$ 30,693</b>	<b>\$ 57,808</b>	<b>\$ 61,637</b>
<b>Senior and subordinated debt service coverage (6), (7)</b>	<b>2.23x</b>	<b>2.20x</b>	<b>2.30x</b>	<b>2.20x</b>

- (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 March 2013 and 2012, then the debt service coverage would have been 2.17x and 2.12x.
- (2) Effective September, 2012, the Water and Sewer System Resolution was amended to exclude from revenues the subsidy received related to senior Build America Bonds.
- (3) Excludes depreciation.
- (4) Net revenues divided by aggregate debt service. Annual minimum coverage is 1.25X.
- (5) Effective September, 2012, the Water and Sewer 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 2.51x.
- (6) 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 March 2013 and 2012 was \$58,920 and \$62,707.
- (7) Effective September, 2012, the Water and Sewer 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 2.27x.

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

	Quarter		Year-To-Date	
	March		March	
	2013	2012	2013	2012
Electric revenue sales (000's omitted):				
Residential	\$ 136,486	\$ 135,974	\$ 267,630	\$ 262,809
Commercial and industrial	146,035	153,270	301,651	317,359
Public street lighting	3,925	3,903	7,661	7,717
Sales for resale - territorial	7,195	7,846	13,922	15,262
Electric revenues - territorial	293,641	300,993	590,864	603,147
Saleback to Florida Power & Light	37,866	34,387	77,032	74,289
Sales for resale - off system	325	568	696	1,831
Electric revenues	331,832	335,948	668,592	679,267
Less: allowance for doubtful accounts	(445)	(459)	(902)	(919)
Net electric revenues	331,387	335,489	667,690	678,348
kWh sales (000's omitted):				
Residential	1,114,754	1,068,447	2,179,691	2,059,951
Commercial and industrial	1,498,133	1,483,896	3,085,845	3,080,893
Public street lighting	32,063	30,935	62,632	61,241
Sales for resale - territorial	74,535	81,053	150,493	157,348
Total kWh sales - territorial	2,719,485	2,664,331	5,478,661	5,359,433
Saleback to Florida Power & Light	352,287	272,248	828,129	679,160
Sales for resale - off system	10,676	15,874	20,861	51,908
Total kWh sales	3,082,448	2,952,453	6,327,651	6,090,501
Average number of accounts:				
Residential	374,604	371,242	373,767	370,543
Commercial and industrial	47,542	47,164	47,491	47,072
Public street lighting	3,452	3,422	3,445	3,412
Sales for resale	3	3	3	3
Total average accounts	425,602	421,831	424,706	421,029
Residential averages:				
Revenue per account - \$	364.35	366.27	716.03	709.25
kWh per account	2,976	2,878	5,832	5,559
Revenue per kWh - ¢	12.24	12.73	12.28	12.76
Degree days:				
	March		March	
	2013	2012	2013	2012
Heating degree days	721	510	1,197	891
Cooling degree days	92	169	340	354
Total degree days	813	679	1,537	1,245
Degree days - 30 year average	876		1,651	



**Water and Sewer Enterprise Fund  
Operating Statistics**

	Quarter March		Year-To-Date March	
	2013	2012	2013	2012
<b>Water</b>				
Revenues (000's omitted):				
Residential	\$ 19,576	\$ 20,176	\$ 39,768	\$ 40,783
Commercial and industrial	10,534	10,687	21,007	21,661
Irrigation	6,863	7,446	15,248	16,004
Total water revenues	36,973	38,309	76,023	78,448
Less: allowance for doubtful accounts	(84)	(93)	(172)	(185)
Net water revenues	\$ 36,889	\$ 38,216	\$ 75,851	\$ 78,263
Water Sales (kgals*):				
Residential	3,696,370	4,011,494	7,540,485	7,976,821
Commercial and industrial	2,841,186	2,928,917	5,660,029	5,950,987
Irrigation	1,068,309	1,352,494	2,515,771	2,924,311
Total kgals sales	7,605,865	8,292,905	15,716,285	16,852,119
Number of accounts (1):				
Residential	252,898	249,896	252,204	249,439
Commercial and industrial	23,455	23,336	23,428	23,327
Irrigation	35,689	35,543	35,694	35,553
Total average accounts	312,042	308,775	311,326	308,319
Residential averages:				
Revenue per account - \$	77.41	80.74	157.68	163.50
kgals per account	14.62	16.05	29.90	31.98
Revenue per kgals - \$	5.30	5.03	5.27	5.11
<b>Reuse</b>				
Revenues (000's omitted):				
Reuse revenues	\$ 852	\$ 759	\$ 1,938	\$ 1,639
Reuse Sales (kgals*):				
Reuse sales (kgals*)	196,689	271,738	492,304	597,164
Number of accounts:				
Reuse accounts	3,009	2,131	2,885	2,061
<b>Sewer</b>				
Revenues (000's omitted):				
Residential	\$ 30,088	\$ 31,395	\$ 60,759	\$ 62,073
Commercial and industrial	23,613	23,432	47,324	46,742
Total sewer revenues	53,701	54,827	108,083	108,815
Less: allowance for doubtful accounts	(126)	(140)	(259)	(278)
Net sewer revenues	\$ 53,575	\$ 54,687	\$ 107,824	\$ 108,537
Sewer Sales (kgals*):				
Residential	3,165,477	3,419,915	6,455,619	6,811,299
Commercial and industrial	2,496,741	2,568,015	4,991,438	5,140,797
Total kgals sales	5,662,218	5,987,930	11,447,057	11,952,096
Number of accounts (1):				
Residential	221,020	217,948	220,359	217,496
Commercial and industrial	17,431	17,338	17,406	17,332
Total average accounts	238,451	235,286	237,765	234,828
Residential averages:				
Revenue per account - \$	136.12	144.05	275.73	285.40
kgals per account	14.32	15.69	29.30	31.32
Revenue per kgals - \$	9.51	9.18	9.41	9.11
*kgals = 1000 gallons				
<b>Rainfall</b>				
Normal	10.44	10.44	19.28	19.28
Actual	8.80	3.40	14.39	10.82