

JPMorgan Investor Conference

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ABOUT JEA

- Municipal electric system since 1895 and independent agency of the City of Jacksonville, Florida since 1968
- Water & Sewer System transferred from the City of Jacksonville to JEA in 1997
- Separately secured liens for:
 - Electric enterprise
 - Electric System
 - St Johns River Power Park
 - Bulk Power Supply System
 - Water and Sewer System
 - District Energy System
- Independent agency of the City of Jacksonville

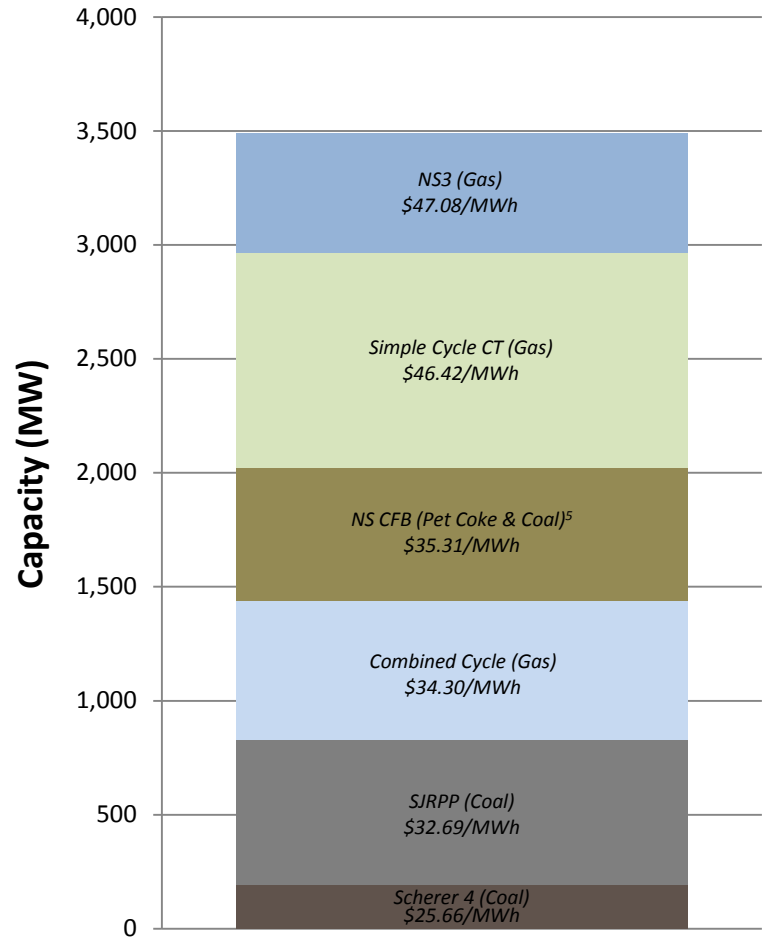


GENERATING FLEET

Existing Generation Capacity = 3,408¹ MWs

Facility	Primary Fuel Type	Generating Capacity (in MW)	Year in Service
Natural Gas: 1,790 MW (56%)			
Brandy Branch	Natural Gas	651	2001 – 2005 ³
Northside Gen Unit 3 ²	Natural Gas/Oil	524	1977
Kennedy	Natural Gas	300	2000 – 2009 ³
Greenland Energy Center	Natural Gas	300	2011
Trail Ridge	Landfill Gas	15	1997 – 2008 ³
Solid Fuel: 1,406 MW (44%)			
SJRPP	Coal	626	1987 – 1988 ³
Northside Gen Units 1 & 2	Pet Coke	586	2003
Scherer 4	Coal	194	1989
Peaking Reserve: 212 MW			
Northside CTs	Diesel Fuel Oil	212	1975
<u>Grand Total: 3,408 MW</u>			
Plant Vogtle (future)	Nuclear	206	2017/2018
Jacksonville Solar	Solar PV	12	2010

FY14 Dispatch Stack⁴



JEA also has the ability to purchase power via The Energy Authority (TEA)

¹ Based on summer net ratings and entitled capacity. Winter net ratings and entitled capacity is 3,747 MW
² Northside Unit 3 (NS3) will be placed into reserve storage by December 2015, approximately four years ahead of the unit's scheduled retirement
³ Multiple units and multiple in service dates
⁴ The average dispatch prices at maximum load for each unit from 10/1/2013 through 9/30/2014
⁵ NS CFB burned a blend of pet coke and coal during FY14

WATER & SEWER SYSTEM INFRASTRUCTURE

Water System

- 19 major and 18 small water treatment plants and two re-pump facilities.
- 134 active water supply wells, 4,352 miles of water distribution mains and total finished water storage capacity of over 70 million gallons.
- Two major and four small distribution grids.



Sewer System

- Approximately 3,817 miles of gravity sewers and force mains
- 1,320 pumping stations, about 786 low pressure sewer units, and 11 treatment plants currently ranging in rated average daily treatment capacity from approximately 0.2 to 52.5 MGD

STRONG FINANCIAL RESULTS IN FY2014

	ELECTRIC SYSTEM	WATER & SEWER SYSTEM
Combined Debt Service Coverage	2.4x	2.5x
Days of Cash On Hand	123 days	118 days
Days of Liquidity	228 days	224 days
Net Funded Debt Reduction	\$203M	\$116M
Total Revenues	\$1,310M	\$413M

JEA's strategic plan will allow us to continue to deliver strong results into the future:

**Earn Customer
Loyalty**

**Deliver Business
Excellence**

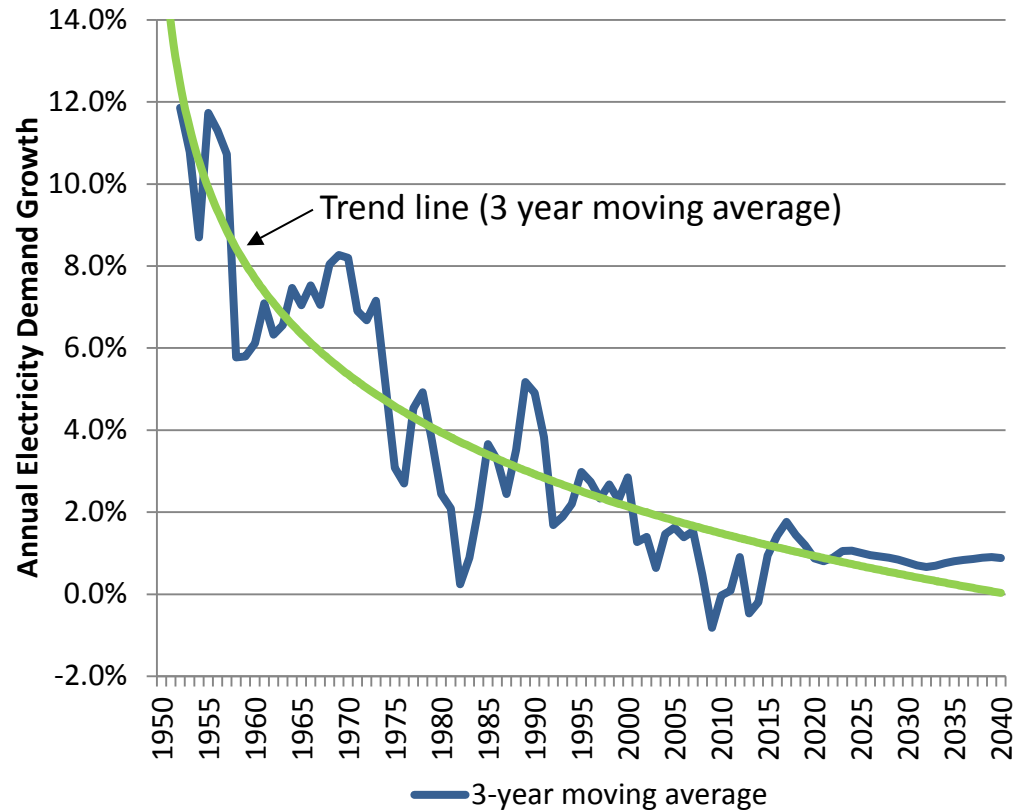
**Develop an
Unbeatable Team**

SLOWING SALES AND RISING COSTS ARE A NATIONAL TREND

- Slower and slower electric demand growth over last 60 years
 - Shift toward a services-based economy (less energy intensive)
 - Slowing population growth
 - Higher end-use efficiencies
 - Tougher competition from natural gas

- Meanwhile, rising cost pressures
 - Regulatory mandates
 - Security
 - Pensions
 - Health care

U.S. Electricity Demand Growth: 1950-2040



Source: AEO2014 Market Trends - Figure data - May 7, 2014

JEA LAUNCHED INITIATIVES TO PROVIDE REVENUE DIVERSITY

Natural Gas Sales

JEA is the largest natural gas importer/user in northeast Florida, and recently launched an initiative to leverage our fuel procurement expertise and transportation capacity to supply natural gas to commercial and industrial customers. This program is in partnership with Jacksonville's LDC, who provides gas transportation.

Timber Management

JEA owns conservation lands, and last year began an active forestry management program. Our first harvest will bring in revenues this year, and in the long term the program ensures conservation of forest resources through timber cutting, prompt reforestation, soil conservation, afforestation and water quality on JEA owned property.

Cell Tower and Dark Fiber Programs

Leasing space on communications towers, transmission and distribution poles generates additional revenue. JEA can also lease dark fiber on routes installed to meet its own business needs.

Electrification initiatives

JEA launched initiatives to encourage electrification and grow electric sales. Most recently, JEA partnered with the Transportation Planning Authority on a charging station network and associated community campaign.



UNCERTAINTY SURROUNDING ENVIRONMENTAL REGULATIONS

- JEA is working to mitigate the impact of new environmental rules on our customers through:
 - Active engagement in national and state advocacy efforts regarding rules design and implementation
 - Continuing evaluation of optimal fleet in service, balancing environmental impact with significant value of fuel diversity
 - Addition of 206 MW of carbon-free nuclear capacity and energy from Plant Vogtle through a 20-year purchase power agreement
 - Negotiation of the addition of additional solar capacity
 - JEA's existing renewable portfolio includes 15 MW landfill gas and 12 MW solar

ADDITION OF NUCLEAR PROVIDES ZERO-CARBON DIVERSITY

- JEA has ample generation capacity, so not dependent on the Vogtle power to meet current or expected near-term demand
- Nuclear continues to provide a valuable zero-carbon hedge for carbon regulations
- Even with delays and cost overruns, Plant Vogtle continues to be within the original cost estimates when the Board authorized addition of nuclear
- The 206 MW under the Vogtle PPA represents just 5% of our capacity fleet, providing valuable fuel and generation diversity



STATUS OF CITY CONTRIBUTION

- The current contribution agreement with the City of Jacksonville expires in 2018
- JEA is educating all stakeholders about the relative level of contribution compared to peers and the impact of the current contribution formula in a declining utility sales environment
- JEA cannot predict the outcome of future negotiations with the City
- Ultimately, JEA's board has independent rate-setting authority: if required, the Board can raise rates to customers and has demonstrated its willingness to do so to maintain healthy financial metrics

DUAL CHALLENGES: KNOWLEDGE TRANSFER & ATTRACTING & RETAINING TALENT

- Aging workforce issues consistently in top 4 of long term concerns for public power executives
- Increasingly complex industry issues (e.g., technologies, security, compliance) require new capabilities
- JEA is addressing attrition risk through
 - Proactive talent management
 - Succession planning for high-risk positions



- JEA Academy provides training tools and resources needed for succession planning and career development, helping keep employees engaged

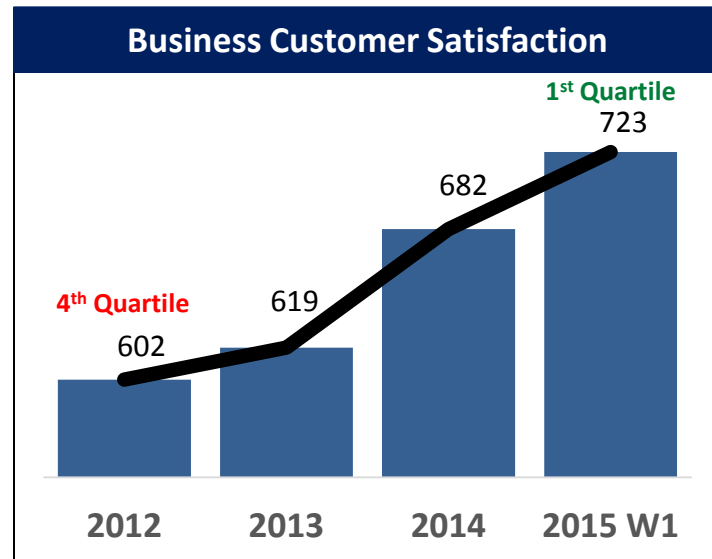
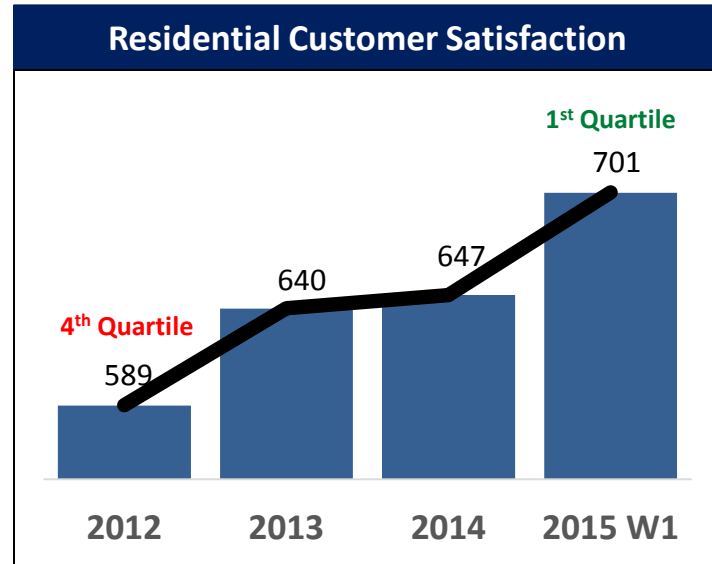
CUSTOMER EXPECTATIONS CONTINUE TO RISE

Initiatives

- Mobile apps
- Smart meters
- EVs
- Rate options
- Prepaid program
- Access to data
- All-employee engagement



J.D. Power Results



JEA CONSISTENTLY DELIVERS STRONG FINANCIAL PERFORMANCE

- JEA’s leadership team continues to work strategically to address industry challenges
- JEA’s Board and staff are committed to consistently strong financial results, as reflected in our AA credit ratings

	Fitch	S&P	Moody’s
Electric Senior Bonds	AA	AA-	Aa2
Electric Subordinated Bonds	AA	A+	Aa3
SJRPP Bonds	AA	AA-	Aa2
Water & Sewer Senior Bonds	AA	AA	Aa2
Water & Sewer Subordinated Bonds	AA	AA	Aa2
Bulk Power Supply System Bonds	AA	AA-	Aa2
District Energy System Bonds	AA	AA-	Aa3

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