

JEA
BOARD AGENDA

DATE: January 17, 2017

TIME: 12:00 PM

PLACE: JEA
21 West Church Street
19th Floor

I. WELCOME

- A. Call to Order
- B. Time of Reflection
- C. Pledge to Flag
- D. Adoption of the Agenda
- E. Safety Briefing
- F. Sunshine Law/Public Records Statement – Jody Brooks, Chief Legal Officer

II. PRESENTATIONS AND COMMENTS

- A. Comments from the Public (not related to public hearing business)
- B. Council Liaison's Comments – Greg Anderson
- C. Office of the Mayor Liaison's Comments – Dr. Johnny Gaffney
- D. Nassau County's Ex-Officio Representative's Comments – Mike Mullin
- E. J. D. Power Final Business Results – Richard Vento, Interim Chief Customer Officer

III. FOR BOARD CONSIDERATION

- A. Consent Agenda – The Consent Agenda consists of agenda items that require Board approval but are routine in nature, or have been discussed during previous public meetings of the Board. The Consent Agenda items require no explanation, discussion or presentation, and are approved by one motion and vote.
 - 1. Approval of Board Meeting Minutes December 13, 2016 – **action**

2. Duval Legislative Delegation – information
 3. Real Estate Acquisition Status Report – information
 4. Sole Source and Emergency Procurement/Procurement Appeals Board Report – information
 5. Monthly JEA Financial Statements – information
 6. Monthly JEA Operations Report – information
 7. Monthly Operational and Financial Presentation – information
 8. Monthly FY17 Communications & Engagement Calendar and Plan Update – information
- B. Strategic Discussions/Action
1. Quarterly Financial Report – Melissa Dykes, Chief Financial Officer – 10 minutes – discussion/information
 2. Electric System Generation Planning Discussion – Mike Brost, Vice President/General Manager, Electric Systems and Melissa Dykes, Chief Financial Officer – 10 minutes – discussion/information
 3. Recommendation to Call a Public Hearing to Modify the Electric Tariff Documentation and the Water and Sewer Rate Document – Melissa Dykes, Chief Financial Officer – 10 minutes – **discussion/action**
- C. Open Discussion
- D. Other New Business
- E. Old Business – none

IV. **REPORTS**

- A. Compensation Committee Report – Delores Kesler, Committee Chair
1. Approval of Minutes – November 8, 2016 – information
 2. Weighting of Fiscal Year 2017 CEO Goals – **action**
 3. Performance Management and Pay Practices – information
 4. Other New Business
 5. Announcements – information
 - a. Schedule Next Meeting as Appropriate
- B. Managing Director/CEO's Report
- C. Chair's Report

V. CLOSING CONSIDERATIONS

A. Announcements – Next Board Meeting – February 21, 2017

B. Adjournment

Board Calendar

Board Meeting: 12:00 PM – Third Tuesday of Every Month
(with the exception of December, which will be the 2nd Tuesday)

Committees

Nominating Committee	TBD
Finance & Audit Committee:	March 13, 2017
Compensation Committee:	TBD
Government Affairs Committee:	TBD

A. If you have a disability that requires reasonable accommodations to participate in the above meeting, please call **665-7550** by **8:30 AM** the day before the meeting and we will provide reasonable assistance for you.

B. If a person decides to appeal any decision made by the JEA Board with respect to any matter considered at this meeting, that person will need a record of the proceedings, and, for such purpose needs to ensure that verbatim record of the proceedings is made, which record includes the evidence and testimony upon which the appeal is to be based.

I. F.

Sunshine Law/Public Records Statement

Florida's Government in the Sunshine Law
Office of General Counsel

This meeting is being held in compliance with Florida's Government in the Sunshine Law, §286.011, Florida Statutes, and shall be open to the public at all times. Official acts of the JEA Board may be conducted at this meeting that will be considered binding on the JEA. Reasonable notice has been provided and minutes of this meeting shall be taken and promptly recorded.

II. E.

J. D. Power Final Business Results

II. E.

J. D. Power Final Business Results

The J. D. Power final results will be released to the public prior to the January 17, 2017 JEA Board Meeting.

A presentation will be provided to Board Members at the Board Meeting.

III. A. 1.

Approval of Board Meeting Minutes December 13, 2016

JEA
BOARD MINUTES
December 13, 2016

The JEA Board met in regular session on Tuesday, December 13, 2016, on the 19th Floor, 21 W. Church Street, Jacksonville, Florida. Present were Tom Petway, Kelly Flanagan, Ed Burr, Husein Cumber and Alan Howard. Delores Kesler was absent and excused.

Agenda Item I – Welcome

- A. The meeting was **called to order** at 12:01 PM by Chair Petway.
- B. A **Moment of Reflection** was observed by all.
- C. The **Pledge of Allegiance** was led by Chair Petway.
- D. **Adoption of Agenda** – The agenda was approved on **motion** by Mr. Howard and second by Mr. Cumber.
- E. The **Safety Briefing** was given by Paul McElroy, Managing Director/Chief Executive Officer.
- F. **Sunshine Law/Public Records Statement** – Jody Brooks, Chief Legal Officer, stated this Board Meeting is being held in compliance with Florida’s Government in the Sunshine Law, §286.011. The complete statement can be found in section I. F. of the Board package.

Agenda Item II – Presentations and Comments

- A. **Comments from the Public** – none
- B. **Council Liaison’s Comments** – Council Member Greg Anderson was not in attendance.
- C. **Office of the Mayor Liaison’s Comments** – Dr. Gaffney offered greetings from the Mayor and wished everyone Happy Holidays.
- D. **Nassau County’s Ex-Officio Representative’s Comments** – Mr. Mullin was not in attendance.
- E. **American Waterworks Association (AWWA) Operator Challenge – Florida Competition** – Brian Roche, Vice President/General Manager, Water/Wastewater Systems, presented the JEA winners (Charles Barr, James Haspel, Samuel Howard, Buddy Kennedy, Michael Mace, Philip Graham and Erick Ingram) who participated in the American Waterworks Association (AWWA) Operator Challenge held on November 27 – December 1, 2016 in Orlando, Florida. Mr. Roche advised the Board that some of the winners would move forward to the competition in Philadelphia in June 2017. Mr. Roche stated that these competitions allow JEA employees to strengthen teamwork, sharpen skills and network with other utilities.
Chair Petway introduced potential new Board Member, Reverend Frederick Newbill.
- F. **Stanton Robotics Club Presentation** – Todd Lovelace, Electric Systems Engineer, presented information on the Stanton Robotics program and JEA’s involvement. Mr. Lovelace advised the Board of the remarkable accomplishments of the team and the continued involvement of its past members. Board Members were invited to a demonstration after the Board Meeting.

Agenda Item III – For Board Consideration

A. Consent Agenda – used for items that require no explanation, discussion or presentation and are approved by one motion and vote. On **motion** by Mr. Cumber and second by Vice Chair Burr, items 1 and 2 on the Consent Agenda was unanimously approved and items 3 through 6 were received for information.

1. Approval of Board Meeting Minutes November 15, 2016 – approved
2. 2017 Board and Committee Meetings Schedule – approved
3. Customer Correspondence Summary – received for information
4. Monthly JEA Financial Review & Statements – received for information
5. Monthly JEA Operations Report – received for information
6. Monthly FY17 Communications & Engagement Calendar and Plan Update – received for information

B. Strategic Discussions/Action

1. Monthly Operational and Financial Presentation – Paul McElroy, Managing Director/Chief Executive Officer, presented the monthly review of JEA’s operational and financial metrics for electric and water/wastewater services. This item was received for information.

C. Open Discussion

1. Chair Petway advised of the successful meetings with the ratings agencies in New York. Chair Petway thanked Council President Lori Boyer and Mayor Curry for their support and also congratulated the JEA executive team on a job well done.
2. Mr. Cumber addressed communication issues during the recent water main break in the San Marco area. Mr. McElroy provided an overview of the root cause of the break and the repair. Mr. McElroy also advised the Board of the numerous methods used to communicate to customers in the area, both residential and business. Mr. McElroy stated the water/wastewater team will continue to work on ways to better improve communication to the community.
3. Mr. McElroy advised that individual Board Members recently received white papers regarding overhead and underground transmission lines. The Board was also advised of opportunities for broadband on JEA poles, which would create additional revenue streams.

D. Other New Business – none

E. Old Business – none

Agenda Item IV – Reports

A. Finance & Audit Committee Report – Kelly Flanagan, Committee Chair, advised the Board of the Finance & Audit Committee meeting on December 1, 2016. Committee Chair Flanagan thanked the JEA Management team and Ernst & Young for the timeliness of the financial reports for the meetings with the ratings agencies in New York. An overview of the meeting was provided.

1. Approval of Minutes – August 8, 2016 – received for information
 2. Approval of Minutes – October 18, 2016 – received for information
 3. Audit Services – Quarterly ERM/Audit Report – received for information
 4. Ethics Officer Quarterly Report – received for information
 5. Electric System and Water and Sewer System Reserve Fund Quarterly Report – received for information
 6. JEA Energy Market Risk Management Policy Report – received for information
 7. JEA Calendar Years 2017 and 2018 Fixed Rate Refunding Debt Parameter Resolutions for Electric, Water and Sewer and St. Johns River Power Park Systems – **On motion** by Committee Chair Flanagan and second by Board Vice Chair Burr, the Board approved Resolutions No. 2016-21, 2016-22, 2016-23, 2016-24 and 2016-25 establishing delated parameters and authorizing the Managing Director/CEO to price and execute future fixed rate refunding bond issues to be sold no later than December 31, 2018.
 8. Ernst & Young FY2016 External Audit Report – received for information
 9. Committee Discussion Sessions
 - a. Ernst & Young – received for information
 - b. Director, Audit Services – received for information
 - c. Council Auditor’s Office – received for information
- B. Compensation Committee Report** – Delores Kesler, Committee Chair – the Compensation Committee did not meet on November 8, 2016. The Board was advised that the Compensation Committee meeting would be rescheduled and a report would be provided to the Board.
- C. Government Affairs Committee Report** – Alan Howard, Committee Chair, provided a report to the Board of the various initiatives related to regulatory and legal affairs that are currently being monitored. Committee Chair Howard advised the Board that the amendment for the reduction of required Board meetings is before the City Council Rules Committee and has been worded as “every other month” versus “at least 6 times a year”. The Board was also advised that the appointment of Frederick Newbill to the JEA Board has been presented to the Rules Committee.
1. Approval of Minutes – May 6, 2016 – received information
 2. Review of Current Litigation – received for information
 3. JEA Government Relations Local, State and Federal Update – received for information
 4. Other New Business - none
 5. Announcements – received for information
 - a. Schedule Next Meeting as Appropriate
- D. Managing Director/CEO’s Report** –
1. Mr. McElroy advised that JEA is on top of the Equal Employment Opportunity (EEOC) Commission issues that have been reported in the media. JEA is being fully transparent as the EEOC reviews the cases. Mr. McElroy further advised that there

has been increased training and awareness of diversity and inclusion, especially in the in the last 3-5 years.

- 2. The bargaining unit negotiations are in progress and occur on a 3-year cycle.
- 3. Mr. McElroy discussed solar power and the limitations in policies for private usage. The management team will begin providing a monthly net metering subsidy report to the Board.
- 4. Mr. McElroy thanked the Mayor for his support and representation of the city during the meetings with the ratings agencies. Chair Petway thanked Melissa Dykes, Mike Brost and Brian Roche for their participation in the meetings.
- 5. Mr. McElroy wished everyone a Merry Christmas and a happy and healthy New Year and welcomed Frederick Newbill.

E. Chair’s Report –

- 1. Chair Petway introduced the newly assigned members of the Board Nominating Committee, consisting of the current Board Chair, Vice Chair Burr and Mr. Howard.
- 2. The Board was reminded that the Chair speaks for the Board in all media inquiries.

Agenda Item V – Closing Considerations

A. Announcements – Next Board Meeting – January 17, 2017

B. Adjournment

With no further business claiming the attention of the Board, Chair Petway adjourned the meeting at 1:04 PM.

APPROVED BY:

SECRETARY

DATE: _____

Board Meeting recorded by:

Cheryl W. Mock
Executive Assistant

III. A. 2.

Duval Legislative Delegation



Building Community

AGENDA ITEM SUMMARY

January 5, 2017

SUBJECT: DUVAL LEGISLATIVE DELEGATION

Purpose: Information Only Action Required Advice/Direction

Issue: The Duval Legislative Delegation has set a Local Bill public hearing in preparation for the 2017 Legislative Session. The meeting is scheduled for Tuesday, January 31, 2017, from 2:00 to 5:00 p.m. in the City Council Chambers.

Significance: The hearing will focus on local bills related to Duval County School Board voting procedures and alcohol licenses. These bills should not impact JEA business operations.

Effect: Public speaking on issues other than local bills will be as time permits and speakers will be limited to two minutes. JEA staff will attend the meeting for informational purposes.

Cost or Benefit: No known impacts.

Recommended Board action: Notice of the meeting is for information only.

For additional information, contact: Mike Hightower

Submitted by: PEM/MRH/NKV

MISSION 	VISION 	VALUES 
Energizing our community through high-value energy and water solutions.	JEA is a premier service provider, valued asset and vital partner in advancing our community.	<ul style="list-style-type: none"> • Safety • Service • Growth² • Accountability • Integrity

Commitments to Action

- 1** Earn Customer Loyalty
- 2** Deliver Business Excellence
- 3** Develop an Unbeatable Team



Duval County Legislative Delegation

CHAIR
REPRESENTATIVE JAY FANT

VICE CHAIR
SENATOR AARON BEAN

SENATORS
AARON BEAN
AUDREY GIBSON

REPRESENTATIVES
CORD BYRD
KIMBERLY DANIELS
TRACIE DAVIS
JAY FANT
JASON FISCHER
CLAY YARBOROUGH

FOR IMMEDIATE RELEASE

Contact: Lenae Voellmecke
(904) 630-1680

DUVAL LEGISLATIVE DELEGATION CHAIR, REPRESENTATIVE JAY FANT, ANNOUNCES LOCAL BILL MEETING AND DEADLINE

JACKSONVILLE, Fla., December 14, 2016 – State Representative Jay Fant, Chair of the Duval County Legislative Delegation, announces the Local Bill public hearing will be Tuesday, January 31, 2017 from 2:00 to 5:00 p.m. in the Jacksonville Council Chambers, City Hall - First Floor, located at 117 W. Duval Street.

Anyone wishing to speak regarding one of the local bills must complete the attached request form, which can also be found on the [delegation website](#) and submit to the delegation office prior to Tuesday, January 17 at noon. In addition, the deadline for being placed on the agenda and material submission is also Tuesday, January 17 at noon.

When mailing or delivering local bill material, individuals are asked to provide 10 sets of three-hole punched 8 ½ X 11 copies and use the "Speaker's Request Form" as a cover sheet to be included in members' meeting packets. The maximum time allotted for each speaker is two minutes.

Questions may be directed to Duval Legislative Delegation office staff at 904-630-1680.

In accordance with the Americans with Disabilities Act (ADA) and Chapter 286.26, Florida statutes, persons in need of special accommodations to participate in the meetings, including agendas, interpreters or assisted listening devices, should contact the delegation office at 630-1680 no later than January 17.

All Duval Legislative Delegation meetings are open to the public.

117 W. Duval Street
Suite 480
Jacksonville, Florida 32202
Phone (904) 630-1680
Fax (904) 630-2074

III. A. 3.

Real Estate Acquisition Status Report



Building Community

AGENDA ITEM SUMMARY

January 03, 2017

SUBJECT:	REAL ESTATE ACQUISITION STATUS REPORT
-----------------	--

Purpose:	<input checked="" type="checkbox"/> Information Only	<input type="checkbox"/> Action Required	<input type="checkbox"/> Advice/Direction
-----------------	--	--	---

Issue: Provide the Government and Legal Affairs Committee with an update of Real Estate activities where use of Condemnation Authority has previously been granted. There is no new condemnation activity at this time.

Significance: Timely acquisition of property rights provides for continued service reliability.

Effect: Property owners whose real property is impacted by specific JEA work.

Cost or Benefit: The cost to acquire property rights is a one-time fee supported by certified appraisals with appropriate legal and other fees and expenses.

Recommended Board action: No action required. The Real Estate Acquisition Status Report is for informational purposes only.

For additional information, contact: Hamid Zahir, 665-6068

Submitted by: PEM/MHD/HAZ/DLB

MISSION	VISION	VALUES
		
Energizing our community through high-value energy and water solutions.	JEA is a premier service provider, valued asset and vital partner in advancing our community.	<ul style="list-style-type: none"> • Safety • Service • Growth² • Accountability • Integrity

Commitments to Action

- 1** Earn Customer Loyalty
- 2** Deliver Business Excellence
- 3** Develop an Unbeatable Team



INTER-OFFICE MEMORANDUM

January 03, 2017

SUBJECT: REAL ESTATE ACQUISITION STATUS REPORT

FROM: Paul E. McElroy, Managing Director/CEO

TO: JEA Government and Legal Affairs Committee

BACKGROUND:

The JEA Board of Directors periodically grants the use of Condemnation Authority for specific work which is critical to JEA's operations. This authority provides for property rights to be acquired in a timely manner which ensures continued service reliability. Every effort is made to negotiate a settlement before proceeding with this action.

DISCUSSION:

The Real Estate Acquisition Status Report is submitted to the Government and Legal Affairs Committee on a quarterly basis, and is intended to provide the Committee with an overview of activities for which Condemnation Authority has been granted. There is no new condemnation activity at this time.

RECOMMENDATION:

No action is required. The Real Estate Acquisition Status Report is for informational purposes only.

Paul E. McElroy, Managing Director/CEO

PEM/MHD/HAZ/DLB

III. A. 4.

Sole Source and Emergency Procurement/ Procurement Appeals Board Report



Building Community

AGENDA ITEM SUMMARY

January 3, 2017

SUBJECT:	SOLE SOURCE & EMERGENCY PROCUREMENT/PROCUREMENT APPEALS BOARD REPORT
-----------------	---

Purpose:	<input checked="" type="checkbox"/> Information Only	<input type="checkbox"/> Action Required	<input type="checkbox"/> Advice/Direction
-----------------	--	--	---

Issue: Sections 1-113 and 1-114 of the JEA Purchasing Code require the Chief Purchasing Officer to submit a report on all Sole Source and Emergency procurements and all Procurement Appeals Board decisions to the JEA Board on a quarterly basis.

Significance: Full transparency of these procurement actions is necessary to maintain public confidence in JEA's bidding process and to ensure competition is achieved when in JEA's best interest.

Effect: JEA's Procurement Department is responsible for maintaining these records and reporting to the JEA Board.

Cost or Benefit: To maintain public confidence in JEA's bidding process and to ensure competition is achieved when in JEA's best interest.

Recommended Board action: Provided for information; no action required.

For additional information, contact: John McCarthy, Director Supply Chain Management, 665-5544

Submitted by: PEM/MHD/JPM/RMW

MISSION	VISION	VALUES
Energizing our community through high-value energy and water solutions.	JEA is a premier service provider, valued asset and vital partner in advancing our community.	<ul style="list-style-type: none"> • Safety • Service • Growth² • Accountability • Integrity

Commitments to Action

- 1** Earn Customer Loyalty
- 2** Deliver Business Excellence
- 3** Develop an Unbeatable Team

**INTER-OFFICE MEMORANDUM**

January 3, 2017

**SUBJECT: SOLE SOURCE & EMERGENCY PROCUREMENT/PROCUREMENT
APPEALS BOARD REPORT**

FROM: Paul E. McElroy, Managing Director/CEO

TO: JEA Board of Directors

BACKGROUND:

Sections 1-113 and 1-114 of the JEA Purchasing Code require the Chief Procurement Officer to submit a report on all Sole Source and Emergency procurements and all Procurement Appeals Board decisions to the JEA Board on a quarterly basis.

DISCUSSION:

This report is submitted for the quarter ending December 31, 2016. Summary information for all awards is provided below. A detailed listing for the Formal Sole Source and Emergency Awards is attached. Detailed back-up information for all other awards is retained by the Chief Procurement Officer and is available upon request. There was one (1) Procurement Appeals Board actions during this quarter.

Quarter Ending December 31, 2016

Formal Awards	Number	%	Dollar Amount	%
Total	52		\$ 73,362,984.67	
Sole Source Awards	0	0%	\$ 0	0%
Emergency Awards	0	0%	\$ 0	0%
Informal Awards	Number	%	Dollar Amount	%
Total	3,883		\$ 24,306,320.00	
Sole Source Awards	0	0%	\$ 0	0%
Emergency Awards	4	.10%	\$ 97,042.00	.40%

RECOMMENDATION:

This item is submitted for information. No action by the Board is required.

Paul E. McElroy, Managing Director/CEO

PEM/MHD/JPM/RMW

Total Sole Source & Emergency Procurement Actions

III. A. 4.
1/17/2017

	FY16 Q2	FY16 Q3	FY16 Q4	FY17 Q1
Total Awards	\$163.4M	\$190.38M	\$175.25M	\$97.67M
Sole Source (\$)	\$2.4M	\$0M	\$1.6M	\$0M
Sole Source (%)	1.5%	0%	0.91%	0%
Emergency (\$)	\$.40M	\$.04M	\$.07M	\$.10M
Emergency (%)	0.24%	0.02%	0.04%	0.10%

Formal Sole Source and Emergency Awards by Department - Summary

12 months ending December 31, 2016

Sole Source Awards (2 Items totaling \$3,943,537.00)

Requesting Dept	Number of Awards	Amount	Description
B. Roche (W/WW)	1	\$1,614,087.00	Wastewater Treatment "Package" Plant (WTPP)
P. Cosgrave (TS)	1	\$2,329,450.00	Customer Pre-Paid Account Management Software
Total	2	\$3,943,537.00	

Emergency Awards (0 Items totaling \$0.00)

Requesting Dept	Number of Awards	Amount	Description
Total	0	\$0.00	

Formal Sole Source Awards by Department -- Detail					
12 months ending December 31, 2016					
Sole Source Awards (2 Items totaling \$3,943,537.00)					
Award Date	Amount	Requesting Dept	Vendor	Description	Sourcing Basis
8/4/2016	\$1,614,087.00	B. Roche (W/WW)	Evoqua Water Technologies	Wastewater Treatment "Package" Plant	Sole Source - JEA had an opportunity to procure a used Water Treatment "Package" Plant to replace existing equipment in the Ponce De Leon wastewater service territory; the existing treatment plant is at the end of its useful life. The equipment cost of a used plant is approximately 25-30% of a new plant. The physical condition of the used plant had to be assessed prior to purchase, and with the limited number of these types of plants, there is no common ground for the bidding process.
1/14/2016	\$2,329,450.00	P. Cosgrave (TS)	Exceleron Software	Customer Pre-Paid Account Management Software	Sole Source - There continues to be a need for a customer pre-paid service for JEA's customers, and Exceleron's PAMS software, when integrated into JEA's metering, billing and payment systems, meets these needs. After market research was conducted through a RFI (Request for Information) process, it was determined that there wasn't enough advancements in this field to re-bid these services. It should be noted that it would cost JEA approximately \$2.7M to implement a new software system. It was determined that this was in JEA's best interest to pursue this sole source opportunity with Exceleron Software.
Total	\$3,943,537.00				

**Written Order from October 31, 2016 Hearing
Before the JEA Procurement Appeals Board (PAB)**

Protestor: Randstad North America, LP

Solicitation: JEA Solicitation No. 066-16: Residential Contract Center Supplemental Staffing Services ("Solicitation")

WHEREAS, on July 15, 2016, JEA issued an Intent to Award the Solicitation to Aerotek, Inc. (the "Intent to Award");

WHEREAS, on July 19, 2016, Randstad North America, LP ("Protestor") filed a formal protest with respect to the Intent to Award ("Protest");

WHEREAS, on July 25, 2016, JEA's Chief Procurement Officer denied the Protest;

WHEREAS, on August 2, 2016, Protestor filed an Appeal with respect to JEA's Chief Procurement Officer's decision to deny the Protest (the "Appeal");

WHEREAS, on October 31, 2016, the PAB (consisting of Ted Hobson, Chair, Brian Roche and Paul Cosgrave) conducted a public hearing on the appeal, beginning at approximately 9:15 am and ending at approximately 11:15 am;

WHEREAS, the PAB heard arguments and testimony from (i) the Protestor, through its attorney Lanny Russell; (ii) Aerotek, Inc. through its representative Robert McKimm; (iii) John McCarthy, JEA's Chief Procurement Officer; (iii) Julia Davis, the attorney representing JEA's Chief Procurement Officer, and (iv) JEA representative Sonja Lee; and

WHEREAS, a supplemental document from the Chief Procurement Officer and two bound volumes of supplemental materials from the Protestor was provided prior to the hearing to the PAB members;

NOW THEREFORE, at the conclusion of the PAB hearing, based on the information presented, the PAB decided as follows:

1. On a motion by Brian Roche, seconded by Ted Hobson, and approved by a vote of 2-1, the PAB held that the decision of JEA's Chief Procurement Officer to deny the Protest should be upheld.

Entered this 3rd day of November, 2016, in Jacksonville, Florida.



Ted Hobson, Chair



Sole Source & Emergency Procurement/Procurement Appeals Board Report

[Return to Agenda](#)

III. A. 4.
1/17/2017

Board of Directors Meeting January 17, 2017

John McCarthy, Director Supply Chain Management

Procurement Actions Over Last 4 Quarters

	FY16 Q2	FY16 Q3	FY16 Q4	FY17 Q1
Total Awards	\$163.4M	\$190.38M	\$175.25M	\$97.67M
Sole Source (\$)	\$2.4M	\$0M	\$1.6M	\$0M
Sole Source (%)	1.5%	0%	0.91%	0%
Emergency (\$)	\$.40M	\$.39M	\$.07M	\$.10M
Emergency (%)	0.24%	0.20%	0.04%	0.10%
Combined SS/E (%)	1.74%	0.02%	0.95%	0.10%

JEA's ~ 2% Sole Source and Emergency Procurement award percentage compares very favorably to other public utilities

Formal Sole Source/Emergency Procurements during the past year

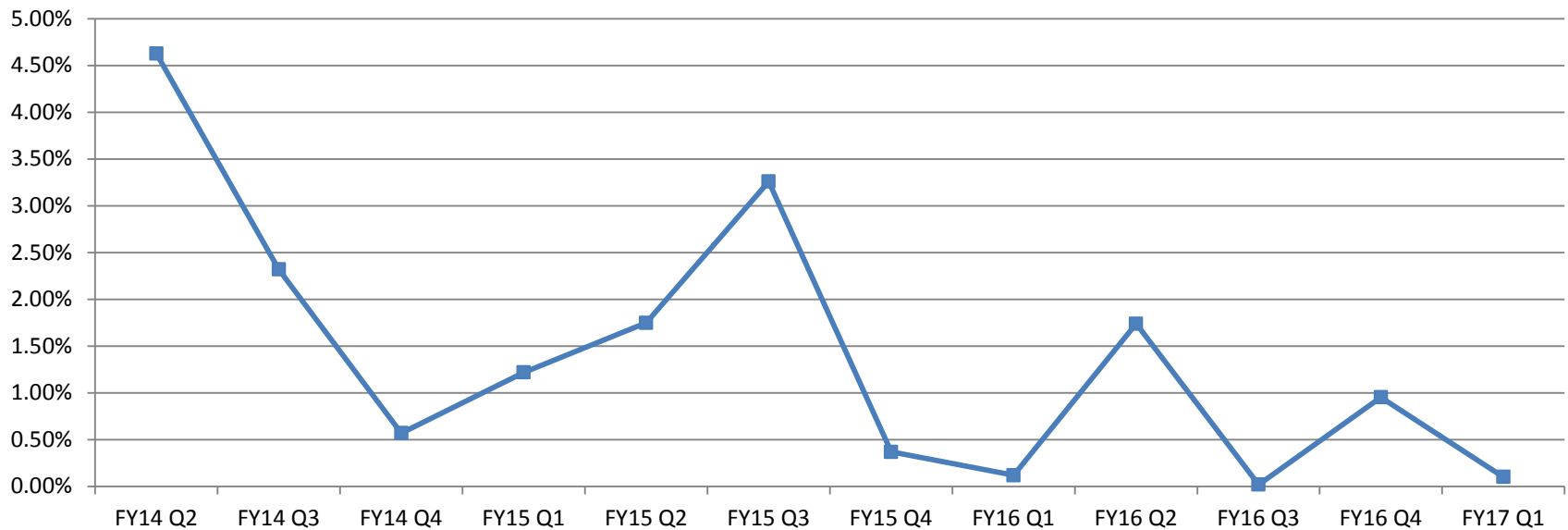
Current Quarter

- None

Previous Quarters

- \$1.6M Sole Source to Evoqua Water Technologies, for a used Water Treatment “Package” Plant at the Ponce de Leon Wastewater Facility (Equipment savings is 25-30% on a reconditioned plant, stated life expectancy is 25 years versus 30 years) (Q4 2016)
- \$2.3M Sole Source to Exceleron Software, for Customer Pre-Paid Account Management Software (Avoids significant implementation costs for a new software system) (Q2 2016)

Combined Sole Source & Emergency Awards *(prior three years)*



Background

- JEA's Procurement Code designates a Procurement Appeals Board (PAB) to review and make a final determination for any appeal by a protesting vendor, initiated from a written decision by JEA's Chief Procurement Officer.
- JEA's Procurement Code also requires a record of Procurement Appeals Board (PAB) decisions be submitted to the JEA Board on a quarterly basis.

Procurement Appeals Board Actions during the past year

Current Quarter

- Residential Contract Center Supplemental Staffing Services ITN
 - \$5.5M contract - 3 year term
 - Basis for award - best value with quality and pricing scoring criteria
 - Scoring was close - .81 point difference between 1st and 2nd
 - 2nd ranked bidder protested justification for scores
 - CPO decision did not find merit and denied protest
 - PAB upheld CPO decision

Previous Quarters

- None

III. A. 5.

Monthly JEA Financial Statements

Return to Agenda



Monthly Financial Statements

December 2016



Monthly Financial Statements

December 2016

Index

	Page
Statements of Net Position - Assets and Deferred Outflows of Resources	2
Statements of Net Position - Liabilities, Deferred Inflows of Resources, and Net Position	3
Combining Statement of Net Position - Assets and Deferred Outflows of Resources Current Year	4
Combining Statement of Net Position - Liabilities, Deferred Inflows of Resources and Net Position Current Year	5
Combining Statement of Net Position - Assets and Deferred Outflows of Resources Prior Year	6
Combining Statement of Net Position - Liabilities, Deferred Inflows of Resources and Net Position Prior Year	7
Schedules of Cash and Investments	8
Regulatory Accounting Balances	9
Statements of Revenues, Expenses and Changes in Net Position	10
Combining Statements of Revenues, Expenses and Changes in Net Position - Current Month	11
Combining Statements of Revenues, Expenses and Changes in Net Position - Prior Month	12
Combining Statements of Revenues, Expenses and Changes in Net Position - Current Year-to-Date	13
Combining Statements of Revenues, Expenses and Changes in Net Position - Prior Year-to-Date	14
Statement of Cash Flow	15
Combining Statements of Cash Flow - Current Year	16
Combining Statements of Cash Flow - Prior Year	17
Changes in Debt Service, R & R and Construction Funds - Electric System and Plant Scherer	18
Changes in Debt Service, R & R and Construction Funds - Water and Sewer System	19
Electric Revenues and Expenses for the Month - Budget versus Actual	20
Electric Revenues and Expenses Year to Date - Budget versus Actual	21
Water and Sewer Revenues and Expenses - Budget versus Actual	22
District Energy System - Budget versus Actual	23
Schedules of Debt Service Coverage - Electric System	24
Schedules of Debt Service Coverage - Bulk Power System Supply	25
Schedules of Debt Service Coverage - SJRPP	25
Schedules of Debt Service Coverage - Water and Sewer	26
Schedules of Debt Service Coverage - District Energy System	26
Schedule of Outstanding Indebtedness - Electric	27
Schedule of Outstanding Indebtedness - Water and Sewer	28
Schedule of Outstanding Indebtedness - District Energy System	28
Investment Portfolio - All Funds	29
Interest Rate Swap Position Report	30
Operating Statistics - Electric System	31
Operating Statistics - Water and Sewer	32
Production Statistics - Electric System	33
SJRPP Sales and Purchased Power	35

Statements of Net Position

(in thousands - unaudited) December 2016 and 2015

	2016	2015
Assets		
Current assets:		
Cash and cash equivalents	\$ 344,698	\$ 212,017
Investments	240,308	285,880
Customer accounts receivable, net of allowance (\$3,138 in 2016 and \$4,385 in 2015)	161,097	172,693
Miscellaneous accounts receivable	20,264	20,235
Interest receivable	2,009	2,194
Inventories:		
Fuel inventory - Electric System	52,960	67,157
Fuel inventory - Plant Scherer	3,954	6,497
Materials and supplies - Water and Sewer	48,062	43,546
Materials and supplies - Electric System	21,174	20,146
Materials and supplies - Plant Scherer	2,136	2,118
Total current assets	<u>896,662</u>	<u>832,483</u>
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	71,369	54,825
Investments	819,192	758,626
Accounts and interest receivable	2,874	4,401
Total restricted assets	<u>893,435</u>	<u>817,852</u>
Costs to be recovered from future revenues	461,165	458,799
Investment in The Energy Authority	6,365	6,713
Other assets	20,729	19,747
Total noncurrent assets	<u>1,381,694</u>	<u>1,303,111</u>
Capital assets:		
Land and easements	190,660	164,063
Plant in service	10,844,197	10,721,223
Less accumulated depreciation	(5,514,441)	(5,169,736)
Plant in service, net	<u>5,520,416</u>	<u>5,715,550</u>
Construction work in progress	310,072	185,058
Net capital assets	<u>5,830,488</u>	<u>5,900,608</u>
Total assets	<u>8,108,844</u>	<u>8,036,202</u>
Deferred outflows of resources		
Unamortized deferred losses on refundings	138,620	151,281
Accumulated decrease in fair value of interest hedging derivatives	125,149	141,958
Unrealized pension contributions and losses	137,010	83,970
Accumulated decrease in fair value of fuel hedging derivatives	2	5,021
Total deferred outflows of resources	<u>400,781</u>	<u>382,230</u>
Total assets and deferred outflows of resources	<u>\$ 8,509,625</u>	<u>\$ 8,418,432</u>

Statements of Net Position**(in thousands - unaudited) December 2016 and 2015**

	2016	2015
Liabilities		
Current liabilities:		
Accounts and accrued expenses payable	\$ 82,037	\$ 72,790
Customer deposits	55,894	55,680
City of Jacksonville payable	9,724	9,565
Compensated absences due within one year	3,527	4,534
State utility taxes payable	2,171	2,484
Total current liabilities	<u>153,353</u>	<u>145,053</u>
Current liabilities payable from restricted assets:		
Debt due within one year	189,150	181,525
Renewal and replacement reserve	81,711	81,738
Interest payable	42,615	44,177
Construction contracts and accounts payable	13,007	8,204
Total current liabilities payable from restricted assets	<u>326,483</u>	<u>315,644</u>
Noncurrent liabilities:		
Net pension liability	493,346	408,629
Compensated absences due after one year	24,823	23,051
Environmental liabilities	18,556	18,662
Other liabilities	1,023	8,972
Total noncurrent liabilities	<u>537,748</u>	<u>459,314</u>
Long-term debt:		
Bonds and commercial paper payable, less current portion	4,281,045	4,470,195
Unamortized premium, net	131,822	162,641
Fair value of debt management strategy instruments	125,149	141,958
Total long-term debt	<u>4,538,016</u>	<u>4,774,794</u>
Total liabilities	<u>5,555,600</u>	<u>5,694,805</u>
Deferred inflows of resources		
Revenues to be used for future costs	523,004	489,456
Unrealized pension gains	12,682	29,795
Total deferred inflows of resources	<u>535,686</u>	<u>519,251</u>
Net position		
Net investment in capital assets	1,600,137	1,464,651
Restricted	474,423	398,442
Unrestricted	343,779	341,283
Total net position	<u>2,418,339</u>	<u>2,204,376</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 8,509,625</u>	<u>\$ 8,418,432</u>

JEA
Combining Statement of Net Position
(in thousands - unaudited) December 2016

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Assets							
Current assets:							
Cash and cash equivalents	\$ 232,515	\$ 32,319	\$ -	\$ 264,834	75,390	\$ 4,474	\$ 344,698
Investments	230,125	10,183	-	240,308	-	-	240,308
Customer accounts receivable, net of allowance (\$3,138)	126,084	-	-	126,084	34,949	64	161,097
Miscellaneous accounts receivable	20,209	16,562	(17,847)	18,924	1,340	-	20,264
Interest receivable	1,041	28	-	1,069	940	-	2,009
Inventories:							
Fuel inventory - Electric System	31,562	21,398	-	52,960	-	-	52,960
Fuel inventory - Plant Scherer	3,954	-	-	3,954	-	-	3,954
Materials and supplies - Water and Sewer	-	-	-	-	48,062	-	48,062
Materials and supplies - Electric System	-	21,174	-	21,174	-	-	21,174
Materials and supplies - Plant Scherer	2,136	-	-	2,136	-	-	2,136
Total current assets	647,626	101,664	(17,847)	731,443	160,681	4,538	896,662
Noncurrent assets:							
Restricted assets:							
Cash and cash equivalents	-	37,773	-	37,773	31,117	2,479	71,369
Investments	313,473	212,194	-	525,667	293,525	-	819,192
Accounts and interest receivable	1,164	574	-	1,738	1,136	-	2,874
Total restricted assets	314,637	250,541	-	565,178	325,778	2,479	893,435
Costs to be recovered from future revenues	240,224	6,939	-	247,163	214,002	-	461,165
Investment in The Energy Authority	6,365	-	-	6,365	-	-	6,365
Other assets	13,239	-	-	13,239	7,480	10	20,729
Total noncurrent assets	574,465	257,480	-	831,945	547,260	2,489	1,381,694
Capital assets:							
Land and easements	121,235	6,660	-	127,895	59,714	3,051	190,660
Plant in service	5,162,457	1,343,592	-	6,506,049	4,282,820	55,328	10,844,197
Less accumulated depreciation	(2,732,695)	(850,138)	-	(3,582,833)	(1,909,211)	(22,397)	(5,514,441)
Plant in service, net	2,550,997	500,114	-	3,051,111	2,433,323	35,982	5,520,416
Construction work in progress	180,342	10,552	-	190,894	119,150	28	310,072
Net capital assets	2,731,339	510,666	-	3,242,005	2,552,473	36,010	5,830,488
Total assets	3,953,430	869,810	(17,847)	4,805,393	3,260,414	43,037	8,108,844
Deferred outflows of resources							
Unamortized deferred losses on refundings	78,437	14,221	-	92,658	45,753	209	138,620
Accumulated decrease in fair value of interest hedging derivatives	102,073	-	-	102,073	23,076	-	125,149
Unrealized pension contributions and losses	77,673	11,731	-	89,404	47,606	-	137,010
Accumulated decrease in fair value of fuel hedging derivatives	2	-	-	2	-	-	2
Total deferred outflows of resources	258,185	25,952	-	284,137	116,435	209	400,781
Total assets and deferred outflows of resources	\$ 4,211,615	\$ 895,762	\$ (17,847)	\$ 5,089,530	\$ 3,376,849	\$ 43,246	\$ 8,509,625

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Liabilities							
Current liabilities:							
Accounts and accrued expenses payable	\$ 57,039	\$ 16,743	\$ (3,274)	\$ 70,508	\$ 11,520	\$ 9	\$ 82,037
Customer deposits	41,983	-	-	41,983	13,911	-	55,894
City of Jacksonville payable	7,689	-	-	7,689	2,035	-	9,724
Compensated absences due within one year	2,025	660	-	2,685	811	31	3,527
State utility taxes payable	2,171	-	-	2,171	-	-	2,171
Total current liabilities	110,907	17,403	(3,274)	125,036	28,277	40	153,353
Current liabilities payable from restricted assets:							
Debt due within one year	95,160	41,330	-	136,490	51,020	1,640	189,150
Renewal and replacement reserve	-	81,711	-	81,711	-	-	81,711
Interest payable	21,502	4,786	-	26,288	15,981	346	42,615
Construction contracts and accounts payable	3,945	15,287	(14,573)	4,659	8,334	14	13,007
Total current liabilities payable from restricted assets	120,607	143,114	(14,573)	249,148	75,335	2,000	326,483
Noncurrent liabilities:							
Net pension liability	297,819	12,993	-	310,812	182,534	-	493,346
Compensated absences due after one year	16,588	1,723	-	18,311	6,493	19	24,823
Environmental liabilities	18,556	-	-	18,556	-	-	18,556
Other liabilities	2	-	-	2	1,021	-	1,023
Total noncurrent liabilities	332,965	14,716	-	347,681	190,048	19	537,748
Long-term debt:							
Bonds and commercial paper payable, less current portion	2,274,055	408,885	-	2,682,940	1,561,620	36,485	4,281,045
Unamortized premium (discount), net	64,697	15,427	-	80,124	51,740	(42)	131,822
Fair value of debt management strategy instruments	102,073	-	-	102,073	23,076	-	125,149
Total long-term debt	2,440,825	424,312	-	2,865,137	1,636,436	36,443	4,538,016
Total liabilities	3,005,304	599,545	(17,847)	3,587,002	1,930,096	38,502	5,555,600
Deferred inflows of resources							
Revenues to be used for future costs	343,105	156,637	-	499,742	23,262	-	523,004
Unrealized pension gains	6,545	2,126	-	8,671	4,011	-	12,682
Total deferred inflows of resources	349,650	158,763	-	508,413	27,273	-	535,686
Net position							
Net investment in capital assets	406,537	33,352	-	439,889	1,162,125	(1,877)	1,600,137
Restricted	227,703	21,564	14,573	263,840	208,450	2,133	474,423
Unrestricted	222,421	82,538	(14,573)	290,386	48,905	4,488	343,779
Total net position	856,661	137,454	-	994,115	1,419,480	4,744	2,418,339
Total liabilities, deferred inflows of resources, and net position	\$ 4,211,615	\$ 895,762	\$ (17,847)	\$ 5,089,530	\$ 3,376,849	\$ 43,246	\$ 8,509,625

Combining Statement of Net Position
(in thousands - unaudited) December 2015

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Assets							
Current assets:							
Cash and cash equivalents	\$ 137,622	\$ 24,945	\$ -	\$ 162,567	\$ 45,351	\$ 4,099	\$ 212,017
Investments	254,754	14,410	-	269,164	16,716	-	285,880
Customer accounts receivable, net of allowance (\$4,385)	138,588	-	-	138,588	33,623	482	172,693
Miscellaneous accounts receivable	16,754	14,629	(12,107)	19,276	959	-	20,235
Interest receivable	1,262	67	-	1,329	865	-	2,194
Inventories:							
Fuel inventory - Electric System	36,072	31,085	-	67,157	-	-	67,157
Fuel inventory - Plant Scherer	6,497	-	-	6,497	-	-	6,497
Materials and supplies - Water and Sewer	-	-	-	-	43,546	-	43,546
Materials and supplies - Electric System	-	20,146	-	20,146	-	-	20,146
Materials and supplies - Plant Scherer	2,118	-	-	2,118	-	-	2,118
Total current assets	593,667	105,282	(12,107)	686,842	141,060	4,581	832,483
Noncurrent assets:							
Restricted assets:							
Cash and cash equivalents	139	50,654	-	50,793	734	3,298	54,825
Investments	266,098	195,072	-	461,170	297,456	-	758,626
Accounts and interest receivable	1,214	736	-	1,950	2,451	-	4,401
Total restricted assets	267,451	246,462	-	513,913	300,641	3,298	817,852
Costs to be recovered from future revenues	229,118	7,015	-	236,133	222,666	-	458,799
Investment in The Energy Authority	6,713	-	-	6,713	-	-	6,713
Other assets	10,153	-	-	10,153	9,594	-	19,747
Total noncurrent assets	513,435	253,477	-	766,912	532,901	3,298	1,303,111
Capital assets:							
Land and easements	95,177	6,660	-	101,837	59,175	3,051	164,063
Plant in service	5,132,085	1,360,359	-	6,492,444	4,175,162	53,617	10,721,223
Less accumulated depreciation	(2,545,797)	(821,773)	-	(3,367,570)	(1,782,070)	(20,096)	(5,169,736)
Plant in service, net	2,681,465	545,246	-	3,226,711	2,452,267	36,572	5,715,550
Construction work in progress	79,156	14,635	-	93,791	91,267	-	185,058
Capital assets, net	2,760,621	559,881	-	3,320,502	2,543,534	36,572	5,900,608
Total assets	3,867,723	918,640	(12,107)	4,774,256	3,217,495	44,451	8,036,202
Deferred outflows of resources							
Unamortized deferred losses on refundings	83,930	18,798	-	102,728	48,336	217	151,281
Accumulated decrease in fair value of interest hedging derivatives	114,992	-	-	114,992	26,966	-	141,958
Unrealized pension contributions and losses	48,712	4,115	-	52,827	31,143	-	83,970
Accumulated decrease in fair value of fuel hedging derivatives	5,021	-	-	5,021	-	-	5,021
Total deferred outflows of resources	252,655	22,913	-	275,568	106,445	217	382,230
Total assets and deferred outflows of resources	\$ 4,120,378	\$ 941,553	\$ (12,107)	\$ 5,049,824	\$ 3,323,940	\$ 44,668	\$ 8,418,432

Combining Statement of Net Position
(in thousands - unaudited) December 2015

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Liabilities							
Current liabilities:							
Accounts and accrued expenses payable	\$ 52,888	\$ 11,074	\$ (260)	\$ 63,702	\$ 9,072	\$ 16	\$ 72,790
Customer deposits	41,887	-	-	41,887	13,793	-	55,680
City of Jacksonville payable	7,643	-	-	7,643	1,922	-	9,565
Compensated absences due within one year	1,824	1,486	-	3,310	1,217	7	4,534
State utility taxes payable	2,484	-	-	2,484	-	-	2,484
Total current liabilities	106,726	12,560	(260)	119,026	26,004	23	145,053
Current liabilities payable from restricted assets:							
Debt due within one year	102,240	43,785	-	146,025	33,875	1,625	181,525
Renewal and replacement reserve	-	81,738	-	81,738	-	-	81,738
Interest payable	22,363	5,329	-	27,692	16,136	349	44,177
Construction contracts and accounts payable	2,285	14,030	(11,847)	4,468	3,729	7	8,204
Total current liabilities payable from restricted assets	126,888	144,882	(11,847)	259,923	53,740	1,981	315,644
Noncurrent liabilities:							
Net pension liability	246,724	4,163	-	250,887	157,742	-	408,629
Compensated absences due after one year	15,986	1,038	-	17,024	5,974	53	23,051
Environmental liabilities	18,662	-	-	18,662	-	-	18,662
Other liabilities	5,021	-	-	5,021	3,951	-	8,972
Total noncurrent liabilities	286,393	5,201	-	291,594	167,667	53	459,314
Long-term debt:							
Bonds and commercial paper payable, less current portion	2,369,215	450,215	-	2,819,430	1,612,640	38,125	4,470,195
Unamortized premium (discount), net	80,177	22,426	-	102,603	60,085	(47)	162,641
Fair value of debt management strategy instruments	114,992	-	-	114,992	26,966	-	141,958
Total long-term debt	2,564,384	472,641	-	3,037,025	1,699,691	38,078	4,774,794
Total liabilities	3,084,391	635,284	(12,107)	3,707,568	1,947,102	40,135	5,694,805
Deferred inflows of resources							
Revenues to be used for future costs	295,742	168,486	-	464,228	25,228	-	489,456
Unrealized pension gains	16,446	2,835	-	19,281	10,514	-	29,795
Total deferred inflows of resources	312,188	171,321	-	483,509	35,742	-	519,251
Net position							
Net investment in capital assets	322,828	22,430	-	345,258	1,122,314	(2,921)	1,464,651
Restricted	179,655	20,833	11,847	212,335	183,158	2,949	398,442
Unrestricted	221,316	91,685	(11,847)	301,154	35,624	4,505	341,283
Total net position	723,799	134,948	-	858,747	1,341,096	4,533	2,204,376
Total liabilities, deferred inflows of resources, and net position	\$ 4,120,378	\$ 941,553	\$ (12,107)	\$ 5,049,824	\$ 3,323,940	\$ 44,668	\$ 8,418,432

	Electric System and Bulk Power Supply System		SJRPP System	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Unrestricted cash and investments							
Operations	\$ 93,462	\$ 12,283	\$ 105,745	\$ 38,217	\$ 1,737	\$ 145,699	
Rate stabilization:							
Fuel	177,322	-	177,322	-	-	177,322	
Debt management	42,126	-	42,126	20,290	2,737	65,153	
Environmental	31,647	-	31,647	2,972	-	34,619	
Purchased Power	32,860	-	32,860	-	-	32,860	
DSM/Conservation	3,733	-	3,733	-	-	3,733	
Total rate stabilization funds	287,688	-	287,688	23,262	2,737	313,687	
General reserve	-	30,219	30,219	-	-	30,219	
Customer deposits	41,863	-	41,863	13,911	-	55,774	
Self insurance reserve funds:							
Self funded health plan	11,071	-	11,071	-	-	11,071	
Property insurance reserve	10,000	-	10,000	-	-	10,000	
Total self insurance reserve funds	21,071	-	21,071	-	-	21,071	
Environmental liability reserve	18,556	-	18,556	-	-	18,556	
Total unrestricted cash and investments	\$ 462,640	\$ 42,502	\$ 505,142	\$ 75,390	\$ 4,474	\$ 585,006	
Restricted assets							
Renewal and replacement funds	\$ 204,074	\$ 81,565	\$ 285,639	\$ 183,753	\$ 1,723	\$ 471,115	
Debt service reserve account	65,433	138,751	204,184	108,086	-	312,270	
Debt service funds	44,158	10,860	55,018	28,314	756	84,088	
Environmental funds	-	-	-	1,456	-	1,456	
Construction funds	-	-	-	152	-	152	
Subtotal	313,665	231,176	544,841	321,761	2,479	869,081	
Unrealized holding gain (loss) on investments	(192)	(4,268)	(4,460)	2,881	-	(1,579)	
Other funds	-	23,059	23,059	-	-	23,059	
Total restricted cash and investments	\$ 313,473	\$ 249,967	\$ 563,440	\$ 324,642	\$ 2,479	\$ 890,561	

	Electric System and Bulk Power Supply System		SJRPP System	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Unrestricted cash and investments							
Operations	\$ 74,472	\$ 11,971	\$ 86,443	\$ 23,047	\$ 1,362	\$ 110,852	
Rate stabilization:							
Fuel	129,430	-	129,430	-	-	129,430	
Debt management	42,126	-	42,126	20,290	2,737	65,153	
Environmental	25,154	-	25,154	4,937	-	30,091	
Purchased Power	38,000	-	38,000	-	-	38,000	
DSM/Conservation	3,230	-	3,230	-	-	3,230	
Total rate stabilization funds	237,940	-	237,940	25,227	2,737	265,904	
General reserve	-	27,384	27,384	-	-	27,384	
Customer deposits	41,724	-	41,724	13,793	-	55,517	
Self insurance reserve funds:							
Self funded health plan	9,578	-	9,578	-	-	9,578	
Property insurance reserve	10,000	-	10,000	-	-	10,000	
Total self insurance reserve funds	19,578	-	19,578	-	-	19,578	
Environmental liability reserve	18,662	-	18,662	-	-	18,662	
Total unrestricted cash and investments	\$ 392,376	\$ 39,355	\$ 431,731	\$ 62,067	\$ 4,099	\$ 497,897	
Restricted assets							
Renewal and replacement funds	\$ 151,861	\$ 81,612	\$ 233,473	\$ 161,407	\$ 2,542	\$ 397,422	
Debt service reserve account	65,433	137,874	203,307	108,086	-	311,393	
Debt service funds	46,638	11,487	58,125	24,051	756	82,932	
Construction funds	(2)	77	75	664	-	739	
Environmental funds	-	-	-	103	-	103	
Subtotal	263,930	231,050	494,980	294,311	3,298	792,589	
Unrealized holding gain (loss) on investments	2,166	(2,152)	14	3,809	-	3,823	
Other funds	141	16,828	16,969	70	-	17,039	
Total restricted cash and investments	\$ 266,237	\$ 245,726	\$ 511,963	\$ 298,190	\$ 3,298	\$ 813,451	

Regulatory Accounting Balances
(in thousands - unaudited) December 2016

DESCRIPTION	Electric System	SJRPP System	Total Electric	Water and Sewer	Total JEA
	and Bulk Power Supply System		Enterprise Fund	Enterprise Fund	
Unfunded pension costs	226,691	3,389	230,080	138,940	369,020
Water environmental projects	-	-	-	74,823	74,823
Scherer	11,354	-	11,354	-	11,354
Debt issue costs	2,179	3,550	5,729	239	5,968
Costs to be recovered from future revenues	240,224	6,939	247,163	214,002	461,165
SJRPP and Scherer	44,346	156,637	200,983	-	200,983
Fuel stabilization	177,322	-	177,322	-	177,322
Debt management stabilization	42,126	-	42,126	20,290	62,416
Nonfuel purchased power	32,860	-	32,860	-	32,860
Environmental	31,647	-	31,647	2,972	34,619
Self-insurance medical reserve	11,071	-	11,071	-	11,071
Customer benefit stabilization	3,733	-	3,733	-	3,733
Revenues to be used for future costs	343,105	156,637	499,742	\$ 23,262	523,004

JEA

Regulatory Accounting Balances
(in thousands - unaudited) December 2015

DESCRIPTION	Electric System	SJRPP System	Total Electric	Water and Sewer	Total JEA
	and Bulk Power Supply System		Enterprise Fund	Enterprise Fund	
Unfunded pension costs	214,133	2,883	217,016	136,905	353,921
Water environmental projects	-	-	-	85,512	85,512
Scherer	12,680	-	12,680	-	12,680
Debt issue costs	2,305	4,132	6,437	249	6,686
Costs to be recovered from future revenues	229,118	7,015	236,133	222,666	458,799
SJRPP and Scherer	48,224	168,486	216,710	-	216,710
Fuel stabilization	129,430	-	129,430	-	129,430
Debt management stabilization	42,126	-	42,126	20,291	62,417
Nonfuel purchased power	38,000	-	38,000	-	38,000
Environmental	25,154	-	25,154	4,937	30,091
Self-insurance medical reserve	9,578	-	9,578	-	9,578
Customer benefit stabilization	3,230	-	3,230	-	3,230
Revenues to be used for future costs	295,742	168,486	464,228	\$ 25,228	489,456

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

	Month		Year-To-Date	
	December		December	
	2016	2015	2016	2015
Operating revenues				
Electric - base	\$ 62,243	\$ 59,006	\$ 181,754	\$ 175,474
Electric - fuel and purchased power	40,901	34,011	124,768	115,888
Water and sewer	33,801	32,310	104,818	95,184
District energy system	657	742	2,213	2,137
Other	2,781	2,732	8,452	8,494
Total operating revenues	140,383	128,801	422,005	397,177
Operating expenses				
Operations and maintenance:				
Fuel	32,714	27,735	102,103	95,637
Purchased power	6,087	3,158	14,751	10,112
Maintenance and other operating expenses	32,056	33,141	86,133	86,594
Depreciation	31,211	31,601	93,687	91,932
State utility and franchise taxes	5,263	5,983	16,616	14,985
Recognition of deferred costs and revenues, net	(828)	(1,111)	(1,487)	(3,632)
Total operating expenses	106,503	100,507	311,803	295,628
Operating income	33,880	28,294	110,202	101,549
Nonoperating revenues (expenses)				
Interest on debt	(14,196)	(14,277)	(41,057)	(40,896)
Debt management strategy	(1,428)	(1,654)	(4,296)	(4,975)
Investment income	1,279	1,207	3,325	3,204
Other revenue	650	976	1,911	2,688
Allowance for funds used during construction	963	588	2,937	2,138
Earnings from The Energy Authority	625	(74)	1,482	133
Net decrease in fair value of investments	(8,113)	(2,125)	(8,113)	(2,125)
Other expense	(47)	(30)	(427)	(72)
Other interest, net	(25)	(19)	(178)	(214)
Total nonoperating expenses, net	(20,292)	(15,408)	(44,416)	(40,119)
Income before contributions	13,588	12,886	65,786	61,430
Contributions (to) from				
General Fund, City of Jacksonville, Florida	(9,652)	(9,515)	(28,956)	(28,547)
Developers and other	4,643	6,111	15,589	13,054
Reduction of plant cost through contributions	(3,246)	(4,128)	(11,005)	(8,470)
Total contributions	(8,255)	(7,532)	(24,372)	(23,963)
Change in net position	5,333	5,354	41,414	37,467
Net position, beginning of period	2,413,006	2,199,022	2,376,925	2,166,909
Net position, end of period	\$ 2,418,339	\$ 2,204,376	\$ 2,418,339	\$ 2,204,376

Combining Statement of Revenues, Expenses and Changes in Net Position
(in thousands - unaudited) for the month ended December 2016

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating revenues								
Electric - base	\$ 62,518	\$ -	\$ -	\$ 62,518	\$ -	\$ -	\$ (275)	\$ 62,243
Electric - fuel and purchased power	33,628	16,311	(8,001)	41,938	-	-	(1,037)	40,901
Water and sewer	-	-	-	-	33,831	-	(30)	33,801
District energy system	-	-	-	-	-	657	-	657
Other	2,246	-	-	2,246	725	-	(190)	2,781
Total operating revenues	98,392	16,311	(8,001)	106,702	34,556	657	(1,532)	140,383
Operating expenses								
Operations and maintenance:								
Fuel	23,915	8,799	-	32,714	-	-	-	32,714
Purchased power	14,088	-	(8,001)	6,087	-	-	-	6,087
Maintenance and other operating expenses	19,234	2,794	-	22,028	11,258	302	(1,532)	32,056
Depreciation	15,807	3,563	-	19,370	11,644	197	-	31,211
State utility and franchise taxes	4,382	-	-	4,382	881	-	-	5,263
Recognition of deferred costs and revenues, net	(279)	(1,002)	-	(1,281)	453	-	-	(828)
Total operating expenses	77,147	14,154	(8,001)	83,300	24,236	499	(1,532)	106,503
Operating income	21,245	2,157	-	23,402	10,320	158	-	33,880
Nonoperating revenues (expenses)								
Interest on debt	(6,934)	(2,006)	-	(8,940)	(5,140)	(116)	-	(14,196)
Debt management strategy	(1,134)	-	-	(1,134)	(294)	-	-	(1,428)
Investment income	544	289	-	833	444	2	-	1,279
Other revenue	410	32	-	442	208	-	-	650
Allowance for funds used during construction	567	-	-	567	396	-	-	963
Earnings from The Energy Authority	625	-	-	625	-	-	-	625
Net decrease in fair value of investments	(3,135)	(2,765)	-	(5,900)	(2,213)	-	-	(8,113)
Other expense	(47)	-	-	(47)	-	-	-	(47)
Other interest, net	(24)	-	-	(24)	(1)	-	-	(25)
Total nonoperating expenses, net	(9,128)	(4,450)	-	(13,578)	(6,600)	(114)	-	(20,292)
Income before contributions	12,117	(2,293)	-	9,824	3,720	44	-	13,588
Contributions (to) from								
General Fund, City of Jacksonville, Florida	(7,689)	-	-	(7,689)	(1,963)	-	-	(9,652)
Developers and other	63	-	-	63	4,580	-	-	4,643
Reduction of plant cost through contributions	(63)	-	-	(63)	(3,183)	-	-	(3,246)
Total contributions	(7,689)	-	-	(7,689)	(566)	-	-	(8,255)
Change in net position	4,428	(2,293)	-	2,135	3,154	44	-	5,333
Net position, beginning of period	852,233	139,747	-	991,980	1,416,326	4,700	-	2,413,006
Net position, end of period	\$ 856,661	\$ 137,454	\$ -	\$ 994,115	\$ 1,419,480	\$ 4,744	\$ -	\$ 2,418,339

Combining Statement of Revenues, Expenses and Changes in Net Position
(in thousands - unaudited) for the month ended December 2015

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating revenues								
Electric - base	\$ 59,304	\$ -	\$ -	\$ 59,304	\$ -	\$ -	\$ (298)	\$ 59,006
Electric - fuel and purchased power	26,707	15,563	(7,135)	35,135	-	-	(1,124)	34,011
Water and sewer	-	-	-	-	32,344	-	(34)	32,310
District energy system	-	-	-	-	-	742	-	742
Other	1,997	-	-	1,997	643	-	92	2,732
Total operating revenues	88,008	15,563	(7,135)	96,436	32,987	742	(1,364)	128,801
Operating expenses								
Operations and maintenance:								
Fuel	19,961	7,774	-	27,735	-	-	-	27,735
Purchased power	10,293	-	(7,135)	3,158	-	-	-	3,158
Maintenance and other operating expenses	18,390	2,723	-	21,113	12,991	401	(1,364)	33,141
Depreciation	16,630	3,563	-	20,193	11,219	189	-	31,601
State utility and franchise taxes	5,103	-	-	5,103	880	-	-	5,983
Recognition of deferred costs and revenues, net	(218)	(970)	-	(1,188)	77	-	-	(1,111)
Total operating expenses	70,159	13,090	(7,135)	76,114	25,167	590	(1,364)	100,507
Operating income	17,849	2,473	-	20,322	7,820	152	-	28,294
Nonoperating revenues (expenses)								
Interest on debt	(6,897)	(2,211)	-	(9,108)	(5,051)	(118)	-	(14,277)
Debt management strategy	(1,285)	-	-	(1,285)	(369)	-	-	(1,654)
Investment income	563	324	-	887	314	6	-	1,207
Other revenue	379	34	-	413	563	-	-	976
Allowance for funds used during construction	305	-	-	305	282	1	-	588
Earnings from The Energy Authority	(74)	-	-	(74)	-	-	-	(74)
Net decrease in fair value of investments	(1,068)	(907)	-	(1,975)	(150)	-	-	(2,125)
Other expense	(29)	-	-	(29)	(1)	-	-	(30)
Other interest, net	(17)	-	-	(17)	(2)	-	-	(19)
Total nonoperating expenses, net	(8,123)	(2,760)	-	(10,883)	(4,414)	(111)	-	(15,408)
Income before contributions	9,726	(287)	-	9,439	3,406	41	-	12,886
Contributions (to) from								
General Fund, City of Jacksonville, Florida	(7,643)	-	-	(7,643)	(1,872)	-	-	(9,515)
Developers and other	-	-	-	-	6,111	-	-	6,111
Reduction of plant cost through contributions	-	-	-	-	(4,128)	-	-	(4,128)
Total contributions	(7,643)	-	-	(7,643)	111	-	-	(7,532)
Change in net position	2,083	(287)	-	1,796	3,517	41	-	5,354
Net position, beginning of period	721,716	135,235	-	856,951	1,337,579	4,492	-	2,199,022
Net position, end of period	\$ 723,799	\$ 134,948	\$ -	\$ 858,747	\$ 1,341,096	\$ 4,533	\$ -	\$ 2,204,376

Combining Statement of Revenues, Expenses and Changes in Net Position
(in thousands - unaudited) for the three months ended December 2016

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating revenues								
Electric - base	\$ 182,614	\$ -	\$ -	\$ 182,614	\$ -	\$ -	\$ (860)	\$ 181,754
Electric - fuel and purchased power	97,869	62,942	(32,805)	128,006	-	-	(3,238)	124,768
Water and sewer	-	-	-	-	104,929	-	(111)	104,818
District energy system	-	-	-	-	-	2,213	-	2,213
Other	6,730	-	-	6,730	2,293	-	(571)	8,452
Total operating revenues	287,213	62,942	(32,805)	317,350	107,222	2,213	(4,780)	422,005
Operating expenses								
Operations and maintenance:								
Fuel	63,199	38,904	-	102,103	-	-	-	102,103
Purchased power	47,556	-	(32,805)	14,751	-	-	-	14,751
Maintenance and other operating expenses	47,545	9,876	-	57,421	32,374	1,118	(4,780)	86,133
Depreciation	47,457	10,689	-	58,146	34,960	581	-	93,687
State utility and franchise taxes	14,058	-	-	14,058	2,558	-	-	16,616
Recognition of deferred costs and revenues, net	(836)	(3,012)	-	(3,848)	2,361	-	-	(1,487)
Total operating expenses	218,979	56,457	(32,805)	242,631	72,253	1,699	(4,780)	311,803
Operating income	68,234	6,485	-	74,719	34,969	514	-	110,202
Nonoperating revenues (expenses)								
Interest on debt	(19,846)	(6,024)	-	(25,870)	(14,838)	(349)	-	(41,057)
Debt management strategy	(3,416)	-	-	(3,416)	(880)	-	-	(4,296)
Investment income	1,335	859	-	2,194	1,125	6	-	3,325
Other revenue	1,189	97	-	1,286	625	-	-	1,911
Allowance for funds used during construction	1,675	-	-	1,675	1,257	5	-	2,937
Earnings from The Energy Authority	1,482	-	-	1,482	-	-	-	1,482
Net decrease in fair value of investments	(3,135)	(2,765)	-	(5,900)	(2,213)	-	-	(8,113)
Other expense	(145)	-	-	(145)	(282)	-	-	(427)
Other interest, net	(152)	-	-	(152)	(26)	-	-	(178)
Total nonoperating expenses, net	(21,013)	(7,833)	-	(28,846)	(15,232)	(338)	-	(44,416)
Income before contributions	47,221	(1,348)	-	45,873	19,737	176	-	65,786
Contributions (to) from								
General Fund, City of Jacksonville, Florida	(23,068)	-	-	(23,068)	(5,888)	-	-	(28,956)
Developers and other	410	-	-	410	15,179	-	-	15,589
Reduction of plant cost through contributions	(410)	-	-	(410)	(10,595)	-	-	(11,005)
Total contributions	(23,068)	-	-	(23,068)	(1,304)	-	-	(24,372)
Change in net position	24,153	(1,348)	-	22,805	18,433	176	-	41,414
Net position, beginning of year	832,508	138,802	-	971,310	1,401,047	4,568	-	2,376,925
Net position, end of period	\$ 856,661	\$ 137,454	\$ -	\$ 994,115	\$ 1,419,480	\$ 4,744	\$ -	\$ 2,418,339

Combining Statement of Revenues, Expenses and Changes in Net Position
(in thousands - unaudited) for the three months ended December 2015

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating revenues								
Electric - base	\$ 176,158	\$ -	\$ -	\$ 176,158	\$ -	\$ -	\$ (684)	\$ 175,474
Electric - fuel and purchased power	85,716	63,204	(30,461)	118,459	-	-	(2,571)	115,888
Water and sewer	-	-	-	-	95,326	-	(142)	95,184
District energy	-	-	-	-	-	2,137	-	2,137
Other	6,423	-	-	6,423	2,612	-	(541)	8,494
Total operating revenues	268,297	63,204	(30,461)	301,040	97,938	2,137	(3,938)	397,177
Operating expenses								
Operations and maintenance:								
Fuel	56,870	38,767	-	95,637	-	-	-	95,637
Purchased power	40,573	-	(30,461)	10,112	-	-	-	10,112
Maintenance and other operating expenses	49,038	9,240	-	58,278	31,245	1,009	(3,938)	86,594
Depreciation	47,736	10,689	-	58,425	32,935	572	-	91,932
State utility and franchise taxes	12,481	-	-	12,481	2,504	-	-	14,985
Recognition of deferred costs and revenues, net	(654)	(2,909)	-	(3,563)	(69)	-	-	(3,632)
Total operating expenses	206,044	55,787	(30,461)	231,370	66,615	1,581	(3,938)	295,628
Operating income	62,253	7,417	-	69,670	31,323	556	-	101,549
Nonoperating revenues (expenses)								
Interest on debt	(19,428)	(6,634)	-	(26,062)	(14,481)	(353)	-	(40,896)
Debt management strategy	(3,869)	-	-	(3,869)	(1,106)	-	-	(4,975)
Investment income	1,465	974	-	2,439	759	6	-	3,204
Other revenue	1,128	103	-	1,231	1,457	-	-	2,688
Allowance for funds used during construction	1,120	-	-	1,120	1,011	7	-	2,138
Earnings from The Energy Authority	133	-	-	133	-	-	-	133
Net decrease in fair value of investments	(1,068)	(907)	-	(1,975)	(150)	-	-	(2,125)
Other expense	(71)	-	-	(71)	(1)	-	-	(72)
Other interest, net	(169)	-	-	(169)	(45)	-	-	(214)
Total nonoperating expenses, net	(20,759)	(6,464)	-	(27,223)	(12,556)	(340)	-	(40,119)
Income before contributions	41,494	953	-	42,447	18,767	216	-	61,430
Contributions (to) from								
General Fund, City of Jacksonville, Florida	(22,930)	-	-	(22,930)	(5,617)	-	-	(28,547)
Developers and other	-	-	-	-	13,054	-	-	13,054
Reduction of plant cost through contributions	-	-	-	-	(8,470)	-	-	(8,470)
Total contributions	(22,930)	-	-	(22,930)	(1,033)	-	-	(23,963)
Change in net position	18,564	953	-	19,517	17,734	216	-	37,467
Net position, beginning of year	705,235	133,995	-	839,230	1,323,362	4,317	-	2,166,909
Net position, end of period	\$ 723,799	\$ 134,948	\$ -	\$ 858,747	\$ 1,341,096	\$ 4,533	\$ -	\$ 2,204,376

Statement of Cash Flows
(in thousands - unaudited)

	Year-To-Date	
	December	
	2016	2015
Operating activities		
Receipts from customers	\$ 480,146	\$ 436,580
Payments to suppliers	(192,836)	(197,832)
Payments to employees	(64,706)	(62,378)
Other receipts	8,768	10,816
Net cash provided by operating activities	<u>231,372</u>	<u>187,186</u>
Noncapital and related financing activities		
Contribution to General Fund, City of Jacksonville, Florida	(28,786)	(28,328)
Other nonoperating activities	(295)	(21)
Net cash used in noncapital financing activities	<u>(29,081)</u>	<u>(28,349)</u>
Capital and related financing activities		
Acquisition and construction of capital assets	(78,803)	(63,107)
Repayment of debt principal	(181,525)	(187,500)
Interest paid on debt	(91,815)	(93,787)
Developer and other contributions	4,584	4,583
Proceeds from issuance of debt, net	-	3,000
Proceeds from disposal of assets	42	157
Other financing activities	-	(17)
Net cash used in capital and related financing activities	<u>(347,517)</u>	<u>(336,671)</u>
Investing activities		
Purchase of investments	(436,627)	(557,330)
Proceeds from sale and maturities of investments	396,703	362,063
Investment income	3,035	2,957
Distributions from The Energy Authority	1,259	912
Net cash used in investing activities	<u>(35,630)</u>	<u>(191,398)</u>
Net change in cash and cash equivalents	(180,856)	(369,232)
Cash and cash equivalents, beginning of year	596,923	636,074
Cash and cash equivalents, end of period	<u>\$ 416,067</u>	<u>\$ 266,842</u>
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 110,202	\$ 101,549
Adjustments:		
Depreciation and amortization	94,034	92,296
Recognition of deferred costs and revenues, net	(1,487)	(3,632)
Gain on sale of noncore assets	-	830
Changes in noncash assets and noncash liabilities:		
Accounts receivable	57,489	56,501
Accounts receivable, restricted	316	1,493
Inventories	(10,480)	(9,889)
Other assets	(3,498)	(2,145)
Accounts and expenses payable	(12,283)	(28,758)
Liabilities payable, restricted	(5,480)	(6,976)
Other noncurrent liabilities and deferred inflows	2,559	(14,083)
Net cash provided by operating activities	<u>\$ 231,372</u>	<u>\$ 187,186</u>
Noncash activity		
Contribution of capital assets from developers	\$ 10,595	\$ 8,470
Unrealized gains (losses) on fair value of investments, net	\$ 1,843	\$ (11)

Combining Statement of Cash Flows

(in thousands - unaudited) for the three months ended December 2016

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating activities								
Receipts from customers	\$ 331,600	\$ 64,028	\$ (27,068)	\$ 368,560	\$ 113,505	\$ 2,290	\$ (4,209)	\$ 480,146
Payments to suppliers	(147,167)	(50,338)	27,068	(170,437)	(26,070)	(1,109)	4,780	(192,836)
Payments to employees	(40,420)	(8,069)	-	(48,489)	(16,061)	(156)	-	(64,706)
Other receipts	7,334	-	-	7,334	2,005	-	(571)	8,768
Net cash provided by operating activities	151,347	5,621	-	156,968	73,379	1,025	-	231,372
Noncapital and related financing activities								
Contribution to General Fund, City of Jacksonville, Florida	(23,022)	-	-	(23,022)	(5,764)	-	-	(28,786)
Other nonoperating activities	(13)	-	-	(13)	(282)	-	-	(295)
Net cash used in noncapital financing activities	(23,035)	-	-	(23,035)	(6,046)	-	-	(29,081)
Capital and related financing activities								
Acquisition and construction of capital assets	(35,308)	-	-	(35,308)	(43,200)	(295)	-	(78,803)
Repayment of debt principal	(102,240)	(43,785)	-	(146,025)	(33,875)	(1,625)	-	(181,525)
Interest paid on debt	(47,274)	(10,656)	-	(57,930)	(33,186)	(699)	-	(91,815)
Developer and other contributions	-	-	-	-	4,584	-	-	4,584
Proceeds from disposal of assets	41	-	-	41	1	-	-	42
Net cash used in capital and related financing activities	(184,781)	(54,441)	-	(239,222)	(105,676)	(2,619)	-	(347,517)
Investing activities								
Purchase of investments	(135,898)	(163,213)	-	(299,111)	(137,516)	-	-	(436,627)
Proceeds from sale and maturities of investments	127,232	151,112	-	278,344	118,359	-	-	396,703
Investment income	1,168	992	-	2,160	869	6	-	3,035
Distributions from The Energy Authority	1,259	-	-	1,259	-	-	-	1,259
Net cash provided by (used in) investing activities	(6,239)	(11,109)	-	(17,348)	(18,288)	6	-	(35,630)
Net change in cash and cash equivalents	(62,708)	(59,929)	-	(122,637)	(56,631)	(1,588)	-	(180,856)
Cash and cash equivalents, beginning of year	295,223	130,021	-	425,244	163,138	8,541	-	596,923
Cash and cash equivalents, end of period	\$ 232,515	\$ 70,092	\$ -	\$ 302,607	\$ 106,507	\$ 6,953	\$ -	\$ 416,067
Reconciliation of operating income to net cash provided by operating activities								
Operating income	\$ 68,234	\$ 6,485	\$ -	\$ 74,719	\$ 34,969	\$ 514	\$ -	\$ 110,202
Adjustments:								
Depreciation and amortization	47,457	10,689	-	58,146	35,307	581	-	94,034
Recognition of deferred costs and revenues, net	(836)	(3,012)	-	(3,848)	2,361	-	-	(1,487)
Changes in noncash assets and noncash liabilities:								
Accounts receivable	53,559	1,184	-	54,743	2,669	77	-	57,489
Accounts receivable, restricted	604	-	-	604	(288)	-	-	316
Inventories	950	(8,197)	-	(7,247)	(3,233)	-	-	(10,480)
Other assets	(3,094)	-	-	(3,094)	(394)	(10)	-	(3,498)
Accounts and expenses payable	(12,115)	3,350	-	(8,765)	(3,401)	(117)	-	(12,283)
Liabilities payable, restricted	-	(5,480)	-	(5,480)	-	-	-	(5,480)
Other noncurrent liabilities and deferred inflows	(3,412)	602	-	(2,810)	5,389	(20)	-	2,559
Net cash provided by operating activities	\$ 151,347	\$ 5,621	\$ -	\$ 156,968	\$ 73,379	\$ 1,025	\$ -	\$ 231,372
Noncash activity								
Contribution of capital assets from developers	\$ 410	\$ -	\$ -	\$ 410	\$ 10,595	\$ -	\$ -	\$ 11,005
Unrealized gains (losses) on fair value of investments, net	\$ (3,135)	\$ 2,765	\$ -	\$ (370)	\$ 2,213	\$ -	\$ -	\$ 1,843

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating activities								
Receipts from customers	\$ 291,566	\$ 69,096	\$ (25,206)	\$ 335,456	\$ 101,902	\$ 2,619	\$ (3,397)	\$ 436,580
Payments to suppliers	(143,347)	(62,140)	25,206	(180,281)	(20,603)	(886)	3,938	(197,832)
Payments to employees	(40,638)	(7,018)	-	(47,656)	(14,587)	(135)	-	(62,378)
Other receipts	7,955	-	-	7,955	3,402	-	(541)	10,816
Net cash provided by (used in) operating activities	115,536	(62)	-	115,474	70,114	1,598	-	187,186
Noncapital and related financing activities								
Contribution to General Fund, City of Jacksonville, Florida	(22,796)	-	-	(22,796)	(5,532)	-	-	(28,328)
Other nonoperating activities	(21)	-	-	(21)	-	-	-	(21)
Net cash used in noncapital financing activities	(22,817)	-	-	(22,817)	(5,532)	-	-	(28,349)
Capital and related financing activities								
Acquisition and construction of capital assets	(35,168)	-	-	(35,168)	(27,773)	(166)	-	(63,107)
Repayment of debt principal	(98,765)	(50,945)	-	(149,710)	(36,180)	(1,610)	-	(187,500)
Interest paid on debt	(48,309)	(11,438)	-	(59,747)	(33,335)	(705)	-	(93,787)
Developer and other contributions	-	-	-	-	4,583	-	-	4,583
Proceeds from issuance of debt, net	-	-	-	-	3,000	-	-	3,000
Proceeds from disposal of assets	109	-	-	109	48	-	-	157
Other financing activities	(17)	-	-	(17)	-	-	-	(17)
Net cash used in capital and related financing activities	(182,150)	(62,383)	-	(244,533)	(89,657)	(2,481)	-	(336,671)
Investing activities								
Purchase of investments	(311,273)	(103,529)	-	(414,802)	(142,528)	-	-	(557,330)
Proceeds from sale and maturities of investments	220,283	100,446	-	320,729	41,334	-	-	362,063
Investment income	1,191	1,209	-	2,400	551	6	-	2,957
Distributions from The Energy Authority	912	-	-	912	-	-	-	912
Net cash provided by (used in) investing activities	(88,887)	(1,874)	-	(90,761)	(100,643)	6	-	(191,398)
Net change in cash and cash equivalents	(178,318)	(64,319)	-	(242,637)	(125,718)	(877)	-	(369,232)
Cash and cash equivalents, beginning of year	316,079	139,918	-	455,997	171,803	8,274	-	636,074
Cash and cash equivalents, end of period	\$ 137,761	\$ 75,599	\$ -	\$ 213,360	\$ 46,085	\$ 7,397	\$ -	\$ 266,842
Reconciliation of operating income to net cash provided by (used in) operating activities								
Operating income	\$ 62,253	\$ 7,417	\$ -	\$ 69,670	\$ 31,323	\$ 556	\$ -	\$ 101,549
Adjustments:								
Depreciation and amortization	47,736	10,689	-	58,425	33,299	572	-	92,296
Recognition of deferred costs and revenues, net	(654)	(2,909)	-	(3,563)	(69)	-	-	(3,632)
Gain on sale of noncore assets	-	-	-	-	830	-	-	830
Changes in noncash assets and noncash liabilities:								
Accounts receivable	48,937	5,995	-	54,932	1,086	483	-	56,501
Accounts receivable, restricted	1,533	-	-	1,533	(40)	-	-	1,493
Inventories	(6,283)	(2,826)	-	(9,109)	(780)	-	-	(9,889)
Other assets	(1,760)	-	-	(1,760)	(385)	-	-	(2,145)
Accounts and expenses payable	(16,686)	(11,161)	-	(27,847)	(902)	(9)	-	(28,758)
Liabilities payable, restricted	-	(6,976)	-	(6,976)	-	-	-	(6,976)
Other noncurrent liabilities and deferred inflows	(19,540)	(291)	-	(19,831)	5,752	(4)	-	(14,083)
Net cash provided by (used in) operating activities	\$ 115,536	\$ (62)	\$ -	\$ 115,474	\$ 70,114	\$ 1,598	\$ -	\$ 187,186
Noncash activity								
Contribution of capital assets from developers	\$ -	\$ -	\$ -	\$ -	\$ 8,470	\$ -	\$ -	\$ 8,470
Unrealized gains (losses) on fair value of investments, net	\$ (1,068)	\$ 907	\$ -	\$ (161)	\$ 150	\$ -	\$ -	\$ (11)

Electric System

Changes in Debt Service, R & R and Construction Funds

(in thousands - unaudited) for the three months ended December 2016 and December 2015

	December 2016			December 2015		
	Debt service funds	Renewal and replacement funds	Construction funds	Debt service funds	Renewal and replacement funds	Construction funds
Beginning balance	\$ 210,066	\$ 193,947	\$ -	\$ 211,749	\$ 148,458	\$ 4
Transfer from:						
Revenue fund	44,993	46,550	-	46,806	36,650	-
Proceeds from property sales	-	41	-	-	109	-
Total additions	44,993	46,591	-	46,806	36,759	-
Deductions:						
Interest/principal payments from sinking funds	145,468	-	-	142,470	-	-
Increase in utility plant	-	29,330	-	-	17,947	2
Decrease in accounts payable	-	5,970	-	-	14,195	4
Transfer to:						
Revenue fund	-	-	-	4,014	-	-
Total deductions	145,468	35,300	-	146,484	32,142	6
Ending balance	\$ 109,591	\$ 205,238	\$ -	\$ 112,071	\$ 153,075	\$ (2)
Renewal and replacement fund:						
Cash & investments		\$ 204,074			\$ 151,861	
Accounts / notes receivable:						
Accounts receivable		1,115			1,112	
Street light & other customer loans		49			102	
		<u>\$ 205,238</u>			<u>\$ 153,075</u>	
Construction fund:						
Generation projects			\$ -			\$ -
T& D and other capital projects			-			(2)
			<u>\$ -</u>			<u>\$ (2)</u>

Water and Sewer System

Changes in Debt Service, R & R and Construction Funds

(in thousands - unaudited) for the three months ended December 2016 and December 2015

	December 2016				December 2015			
	Debt service funds	Renewal and replacement funds	Construction funds	Environmental funds	Debt service funds	Renewal and replacement funds	Construction funds	Environmental funds
Beginning balance	\$ 173,496	\$ 179,513	\$ 152	\$ 2,659	\$ 176,569	\$ 149,130	\$ 664	\$ -
Additions:								
Transfer from:								
Revenue fund	28,596	35,030	-	-	24,057	35,367	-	-
Proceeds from property sales	-	1	-	-	-	48	-	-
Contribution in aid of construction	-	4,584	-	-	-	4,584	-	-
Increase in accounts payable	-	-	-	-	-	-	-	103
Total additions	28,596	39,615	-	-	24,057	39,999	-	103
Deductions:								
Increase in utility plant	-	15,795	-	-	-	11,697	-	-
Interest/principal payments from sinking funds	65,692	-	-	-	67,725	-	-	-
Transfer to:								
Revenue fund	-	-	-	-	764	-	-	-
Decrease in accounts payable	-	19,208	-	1,203	-	14,347	-	-
Total deductions	65,692	35,003	-	1,203	68,489	26,044	-	-
Ending balance	\$ 136,400	\$ 184,125	\$ 152	\$ 1,456	\$ 132,137	\$ 163,085	\$ 664	\$ 103

Recap:

Renewal and replacement fund:

Cash & investments

\$ 183,753

\$ 161,407

Accounts / notes receivable:

Accounts receivable

356

1,658

Notes receivable

16

20

\$ 184,125

\$ 163,085

Construction fund:

Project funds

\$ 152

\$ 664

\$ 152

\$ 664

Environmental fund

Cash & investments

\$ 1,456

\$ 103

\$ 1,456

\$ 103

Electric System	Month				Prior Year Month	
	ANNUAL BUDGET 2016-17	BUDGET 2016-17	ACTUAL 2016-17	Variance %	ACTUAL 2015-16	Variance %
Budget vs. Actual						
December 2016 and 2015						
Fuel Related Revenues & Expenses						
Fuel Rate Revenues	\$ 472,264,680	\$ 37,707,820	\$ 27,605,268	-26.79%	\$ 39,822,768	-30.68%
Fuel Expense and Purchased Power:						
Fuel Expense - Electric System	274,434,887	25,612,532	20,905,384		18,057,009	
Fuel Expense - SJRPP	95,027,760	4,197,800	5,168,874		4,091,683	
Other Purchased Power	64,152,465	3,685,276	7,158,930		4,526,196	
Subtotal Energy Expense	433,615,112	33,495,608	33,233,188	0.78%	26,674,888	-24.59%
Transfer to (from) Rate Stabilization, Net	37,705,038	-	(5,637,379)		13,077,691	
Fuel Related Uncollectibles	944,530	78,711	9,459		70,189	
Total	472,264,680	33,574,319	27,605,268	17.78%	39,822,768	30.68%
Fuel Balance	-	4,133,501	-		-	
Nonfuel Related Revenues						
Base Rate Revenues	762,971,975	60,919,249	57,626,942		54,246,093	
Conservation Charge Revenue	1,000,000	79,841	20,152		24,030	
Environmental Charge Revenue	7,942,200	634,142	556,333		566,067	
Investment Income	4,631,588	385,966	541,317		558,867	
Natural Gas Revenue Pass Through	7,188,723	599,060	53,667		11,189	
Other Revenues	29,966,575	2,497,215	2,740,861		2,306,545	
Total	813,701,061	65,115,473	61,539,272	-5.49%	57,712,791	6.63%
Nonfuel Related Expenses						
Non-Fuel O&M	209,105,373	22,413,281	17,466,799		15,828,017	
DSM / Conservation O&M	8,081,200	665,614	473,482		583,587	
Environmental O&M	2,077,500	173,125	69,306		53,085	
Net Transfer to Rate Stabilization - DSM	(571,200)	(47,600)	(13,388)		(85,681)	
Transfer to Environmental Fund/RSF	5,864,700	488,725	487,027		512,982	
Natural Gas Expense Pass Through	6,880,298	572,520	47,119		27,889	
Debt Principal - Electric System	89,955,000	7,496,250	7,496,250		8,016,250	
Debt Interest - Electric System	100,943,917	8,411,993	8,353,830		8,637,794	
Bond Buy-Back Principal - Electric System	38,949,702	-	-		-	
R&R - Electric System	62,198,300	5,183,192	5,183,192		5,197,867	
Operating Capital Outlay	107,801,700	9,000,000	9,000,000		5,000,000	
City Contribution Expense	92,270,692	7,689,224	7,689,224		7,643,348	
Taxes & Uncollectibles	1,749,583	145,799	36,145		111,510	
Emergency Reserve	5,000,000	-	-		-	
<i>Nonfuel Purchased Power:</i>						
* SJRPP D/S Principal	26,496,875	2,208,073	2,208,073		2,331,563	
* SJRPP D/S Interest	16,193,308	1,349,442	1,317,009		1,430,297	
** Other Non-Fuel Purchased Power	40,704,113	3,392,010	1,838,607		1,903,743	
Total Nonfuel Expenses	813,701,061	69,141,648	61,652,675	10.83%	57,192,251	-7.80%
Non-Fuel Balance	-	(4,026,175)	(113,403)		520,540	
Total Balance	-	107,326	(113,403)		520,540	
Total Revenues	1,285,965,741	102,823,293	89,144,540	-13.30%	97,535,559	-8.60%
Total Expenses	1,285,965,741	102,715,967	89,257,943	13.10%	97,015,019	8.00%
KWH Sold - Territorial	13,020,000,000	1,039,577,629	905,219,000	-12.92%	922,956,000	-1.92%
KWH Sold - Off System	-	-	11,339,000		704,000	
	13,020,000,000	1,039,577,629	916,558,000	-11.83%	923,660,000	-0.77%

* Gross debt service

** Includes transmission capacity, SJRPP and Scherer R & R, O & M and Investment Income.

Electric System

Budget vs. Actual December 2016 and 2015	Year-To-Date				Prior Year-To-Date	
	ANNUAL BUDGET 2016-17	BUDGET 2016-17	ACTUAL 2016-17	Variance %	ACTUAL 2015-16	Variance %
Fuel Related Revenues & Expenses						
Fuel Rate Revenues	\$ 472,264,680	\$ 110,063,519	\$ 93,606,039	-14.95%	\$ 64,194,496	45.82%
Fuel Expense and Purchased Power:						
Fuel Expense - Electric System	274,434,887	63,503,481	53,732,997		49,808,571	
Fuel Expense - SJRPP	95,027,760	21,109,200	23,365,918		20,670,149	
Other Purchased Power	64,152,465	13,022,649	19,290,351		14,925,168	
Subtotal Energy Expense	433,615,112	97,635,330	96,389,266	1.28%	85,403,888	-12.86%
Transfer to (from) Rate Stabilization, Net	37,705,038	-	(2,792,686)		(21,312,687)	
Fuel Related Uncollectibles	944,530	236,132	9,459		103,295	
Total	472,264,680	97,871,462	93,606,039	4.36%	64,194,496	-45.82%
Fuel Balance	-	12,192,057	-		-	
Nonfuel Related Revenues						
Base Rate Revenues	762,971,975	177,814,230	167,369,674		164,501,646	
Conservation Charge Revenue	1,000,000	233,030	96,186		86,883	
Environmental Charge Revenue	7,942,200	1,850,967	1,668,531		1,713,935	
Investment Income	4,631,588	1,157,897	1,326,643		1,452,743	
Natural Gas Revenue Pass Through	7,188,723	1,797,181	117,940		28,751	
Other Revenues	29,966,575	7,491,644	8,609,565		7,347,053	
Total	813,701,061	190,344,949	179,188,539	-5.86%	175,131,011	2.32%
Nonfuel Related Expenses						
Non-Fuel O&M	209,105,373	57,379,546	42,112,707		42,397,303	
DSM / Conservation O&M	8,081,200	2,043,758	1,264,975		1,165,797	
Environmental O&M	2,077,500	519,375	(3,602)		(9,959)	
Net Transfer to Rate Stabilization - DSM	(571,200)	(142,800)	218,184		343,558	
Transfer to Environmental Fund/RSF	5,864,700	1,466,175	1,672,133		1,723,894	
Natural Gas Expense Pass Through	6,880,298	1,722,590	145,102		69,880	
Debt Principal - Electric System	89,955,000	22,488,750	22,488,750		24,048,750	
Debt Interest - Electric System	100,943,917	25,235,979	24,119,842		24,663,943	
Bond Buy-Back Principal - Electric System	38,949,702	-	-		-	
R&R - Electric System	62,198,300	15,549,575	15,549,575		15,593,600	
Operating Capital Outlay	107,801,700	31,000,000	31,000,000		21,056,280	
City Contribution Expense	92,270,692	23,067,673	23,067,673		22,930,045	
Taxes & Uncollectibles	1,749,583	437,396	68,945		342,638	
Emergency Reserve	5,000,000	-	-		-	
Nonfuel Purchased Power:						
* SJRPP D/S Principal	26,496,875	6,624,219	6,624,219		6,994,688	
* SJRPP D/S Interest	16,193,308	4,048,327	3,951,028		4,290,892	
** Other Non-Fuel Purchased Power	40,704,113	10,176,028	5,957,495		8,529,955	
Total Nonfuel Expenses	813,701,061	201,616,591	178,237,026	11.60%	174,141,264	-2.35%
Non-Fuel Balance	-	(11,271,642)	951,513		989,747	
Total Balance	-	920,415	951,513		989,747	
Total Revenues	1,285,965,741	300,408,468	272,794,578	-9.19%	239,325,507	13.98%
Total Expenses	1,285,965,741	299,488,053	271,843,065	9.23%	238,335,760	-14.06%
KWH Sold - Territorial	13,020,000,000	3,034,372,534	2,719,882,000	-10.36%	2,799,176,000	-2.83%
KWH Sold - Off System	-	-	45,222,000		11,934,000	
	13,020,000,000	3,034,372,534	2,765,104,000	-8.87%	2,811,110,000	-1.64%

* Gross debt service

** Includes transmission capacity, SJRPP and Scherer R & R, O & M and Investment Income.

Water and Sewer System

Budget vs. Actual December 2016 and 2015	Month				Prior Year Month	
	ANNUAL BUDGET 2016-17	BUDGET 2016-17	ACTUAL 2016-17	Variance %	ACTUAL 2015-16	Variance %
REVENUES						
Water & Sewer Revenues	\$ 405,586,412	\$ 33,245,144	\$ 33,767,010		\$ 33,448,739	
Capacity & Extension Fees	19,000,000	1,583,333	1,392,430		1,966,800	
Capital Contributions	-	-	4,960		15,883	
Investment Income	3,152,787	262,732	440,420		310,216	
Other Income	11,638,859	548,904	932,144		1,209,018	
Total	439,378,058	35,640,113	36,536,964	2.52%	36,950,656	-1.12%
EXPENSES						
O & M Expenses	144,148,527	11,974,307	11,042,042		12,319,493	
Debt Principal - Water & Sewer	51,020,000	4,251,667	4,251,667		2,822,916	
Debt Interest - Water & Sewer	71,552,849	5,962,737	5,888,908		5,907,327	
Rate Stabilization - Environmental	-	-	805,284		-	
R&R - Water & Sewer	22,766,900	1,897,242	1,897,242		1,735,450	
Operating Capital Outlay	92,634,428	8,712,602	8,712,602		8,130,944	
Operating Capital Outlay - Capacity/Extension	19,000,000	1,583,333	1,392,430		1,966,800	
Operating Capital Outlay - Contributions	-	-	4,960		15,883	
Operating Capital Outlay - Environmental	12,858,706	1,071,559	459,034		1,920,811	
City Contribution Expense	23,552,258	1,962,688	1,962,688		1,872,280	
Uncollectibles & Fees	844,390	70,366	1,088		57,000	
Emergency Reserve	1,000,000	-	-		-	
Total Expenses	439,378,058	37,486,501	36,417,945	2.85%	36,748,904	0.90%
Total Balance	\$ -	\$ (1,846,388)	\$ 119,019		\$ 201,752	
Sales kgals						
Water	36,750,000	2,848,302	2,922,909	2.62%	2,758,305	5.97%
Sewer	27,867,000	2,316,250	2,356,896	1.75%	2,397,957	-1.71%
Total	64,617,000	5,164,552	5,279,805	2.23%	5,156,262	2.40%

Budget vs. Actual December 2016 and 2015	Year-To-Date				Prior Year to Date	
	ANNUAL BUDGET 2016-17	BUDGET 2016-17	ACTUAL 2016-17	Variance %	ACTUAL 2015-16	Variance %
REVENUES						
Water & Sewer Revenues	\$ 405,586,412	\$ 99,724,561	\$ 103,649,289		\$ 98,478,879	
Capacity & Extension Fees	19,000,000	4,750,000	4,579,089		4,567,533	
Capital Contributions	-	-	4,960		15,883	
Investment Income	3,152,787	788,197	1,114,199		748,341	
Other Income	11,638,859	4,169,710	2,923,336		4,078,316	
Total	439,378,058	109,432,468	112,270,873	2.59%	107,888,952	4.06%
EXPENSES						
O & M Expenses	144,148,527	35,220,741	31,929,576		30,797,281	
Debt Principal - Water & Sewer	51,020,000	12,755,000	12,755,001		8,468,749	
Debt Interest - Water & Sewer	71,552,849	17,888,212	17,080,574		17,049,884	
Rate Stabilization - Environmental	-	-	1,199,385		-	
R&R - Water & Sewer	22,766,900	5,691,725	5,691,725		5,206,350	
Operating Capital Outlay	92,634,428	29,264,946	29,264,946		30,160,251	
Operating Capital Outlay - Capacity/Extension	19,000,000	4,750,000	4,579,089		4,567,533	
Operating Capital Outlay - Contributions	-	-	4,960		15,883	
Operating Capital Outlay - Environmental	12,858,706	3,214,677	2,434,903		5,420,512	
City Contribution Expense	23,552,258	5,888,065	5,888,065		5,616,839	
Uncollectibles & Fees	844,390	211,098	1,088		166,847	
Emergency Reserve	1,000,000	-	-		-	
Total Expenses	439,378,058	114,884,464	110,829,312	3.53%	107,470,129	-3.13%
Total Balance	\$ -	\$ (5,451,996)	\$ 1,441,561		\$ 418,823	
Sales kgals						
Water	36,750,000	8,906,181	9,119,592	2.40%	8,519,982	7.04%
Sewer	27,867,000	6,812,136	7,306,892	7.26%	6,729,799	8.58%
Total	64,617,000	15,718,317	16,426,484	4.51%	15,249,781	7.72%

District Energy System Budget vs. Actual December 2016 and 2015	Month				Prior Year Month	
	ANNUAL BUDGET 2016-17	BUDGET 2016-17	ACTUAL 2016-17	Variance %	ACTUAL 2015-16	Variance %
REVENUES						
Revenues	\$ 9,247,921	\$ 728,694	\$ 656,638		\$ 741,583	
Investment Income	-	-	1,797		5,592	
Total	9,247,921	728,694	658,435	-9.64%	747,175	-11.88%
EXPENSES						
O & M Expenses	5,252,918	369,256	298,109		403,135	
Debt Principal - DES	1,640,000	136,667	136,667		135,417	
Debt Interest - DES	1,382,454	115,205	115,204		116,582	
R&R - DES	437,650	36,471	36,471		36,596	
Operating Capital Outlay	534,899	-	-		-	
Total Expenses	9,247,921	657,599	586,451	10.82%	691,730	15.22%
Total Balance	\$ -	\$ 71,095	\$ 71,984		\$ 55,445	

Budget vs. Actual December 2016 and 2015	Year-To-Date				Prior-Year-To-Date	
	ANNUAL BUDGET 2016-17	BUDGET 2016-17	ACTUAL 2016-17	Variance %	ACTUAL 2015-16	Variance %
REVENUES						
Revenues	\$ 9,247,921	\$ 2,392,088	\$ 2,213,379		\$ 2,137,075	
Investment Income	-	-	5,564		6,430	
Total	9,247,921	2,392,088	2,218,943	-7.24%	2,143,505	3.52%
EXPENSES						
O & M Expenses	5,252,918	1,240,769	1,113,900		1,010,876	
Debt Principal - DES	1,640,000	410,000	410,000		406,250	
Debt Interest - DES	1,382,454	345,614	345,613		349,745	
R&R - DES	437,650	109,413	109,412		109,787	
Operating Capital Outlay	534,899	-	-		-	
Total Expenses	9,247,921	2,105,796	1,978,925	6.02%	1,876,658	-5.45%
Total Balance	\$ -	\$ 286,292	\$ 240,018		\$ 266,847	

Electric System

Schedules of Debt Service Coverage

(in thousands - unaudited)

	Month		Year-to-Date	
	December	December	December	December
	2016	2015	2016	2015
Revenues				
Electric	\$ 90,470	\$ 99,516	\$ 278,041	\$ 242,628
Investment income (1)	392	436	986	1,085
Earnings from The Energy Authority	625	(74)	1,482	133
Other, net (2)	2,252	1,985	6,703	6,395
Plus: amounts paid from the rate stabilization fund into the revenue fund	986	585	2,805	57,772
Less: amounts paid from the revenue fund into the rate stabilization fund	4,690	(14,090)	(363)	(38,526)
Total revenues	99,415	88,358	289,654	269,487
Operating expenses (3)				
Fuel	20,905	18,057	53,733	49,809
Purchased power (4)	19,018	14,225	62,705	55,882
Other operations and maintenance	18,151	17,279	44,286	43,540
State utility taxes and franchise fees	4,293	5,021	13,879	12,236
Total operating expenses	62,367	54,582	174,603	161,467
Net revenues	\$ 37,048	\$ 33,776	\$ 115,051	\$ 108,020
Debt service	\$ 5,956	\$ 6,528	\$ 17,884	\$ 19,584
Less: investment income on sinking fund	(152)	(127)	(349)	(380)
Less: Build America Bonds subsidy	(126)	(126)	(379)	(379)
Debt service requirement	\$ 5,678	\$ 6,275	\$ 17,156	\$ 18,825
Senior debt service coverage (5), (min 1.20x)	6.52 x	5.38 x	6.71 x	5.74 x
Net revenues (from above)	\$ 37,048	\$ 33,776	\$ 115,051	\$ 108,020
Debt service requirement (from above)	\$ 5,678	\$ 6,275	\$ 17,156	\$ 18,825
Plus: aggregate subordinated debt service on outstanding subordinated bonds	8,226	8,178	24,687	24,532
Less: Build America Bonds subsidy	(172)	(174)	(517)	(521)
Total debt service requirement and aggregate subordinated debt service	\$ 13,732	\$ 14,279	\$ 41,326	\$ 42,836
Senior and subordinated debt service coverage (6), (min 1.15x)	2.70 x	2.37 x	2.78 x	2.52 x
Fixed charge coverage (7)	1.87 x	1.63 x	1.94 x	1.75 x

(1) Excludes investment income on sinking funds.

(2) Excludes the Build America Bonds subsidy.

(3) Excludes depreciation and recognition of deferred costs and revenues, net.

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

(7) Net revenues plus JEA's share of SJRPP's and Bulk Power Supply System's debt service less city contribution divided by the sum of the adjusted debt service requirement and JEA's share of SJRPP's and Bulk Power Supply System's debt service.

	Month December		Year-to-Date December	
	2016	2015	2016	2015
Revenues				
JEA	\$ 4,931	\$ 3,932	\$ 15,149	\$ 15,310
Investment income	10	10	31	31
Total revenues	4,941	3,942	15,180	15,341
Operating expenses (1)				
Fuel	3,010	1,904	9,466	7,061
Other operations and maintenance	1,043	875	3,122	2,968
Total operating expenses	4,053	2,779	12,588	10,029
Net revenues	\$ 888	\$ 1,163	\$ 2,592	\$ 5,312
Aggregate debt service	\$ 807	\$ 897	\$ 2,420	\$ 2,690
Less: Build America Bonds subsidy	(58)	(61)	(175)	(184)
Aggregate debt service	\$ 749	\$ 836	\$ 2,245	\$ 2,506
Debt service coverage (2)	1.19 x	1.39 x	1.15 x	2.12 x

(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. Minimum annual coverage is 1.15x.

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

	Month December		Year-to-Date December	
	2016	2015	2016	2015
Revenues				
JEA	\$ 8,559	\$ 7,718	\$ 31,270	\$ 28,950
FPL	8,311	8,428	30,137	32,743
Investment income	274	310	814	930
Total revenues	17,144	16,456	62,221	62,623
Operating expenses (1)				
Fuel	8,799	7,774	38,904	38,767
Other operations and maintenance	2,299	2,179	8,391	7,611
Total operating expenses	11,098	9,953	47,295	46,378
Net revenues	\$ 6,046	\$ 6,503	\$ 14,926	\$ 16,245
Aggregate debt service	\$ 3,960	\$ 4,344	\$ 11,880	\$ 13,031
Debt service coverage (2)	1.53 x	1.50 x	1.26 x	1.25 x

(1) Excludes depreciation and recognition of deferred costs and revenue

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

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

	Month December		Year-to-Date December	
	2016	2015	2016	2015
Revenues				
JEA	\$ 1,549	\$ 1,534	\$ 3,642	\$ 3,628
Investment income	15	14	45	44
Total revenues	1,564	1,548	3,687	3,672
Operating expenses	-	-	-	-
Net revenues	\$ 1,564	\$ 1,548	\$ 3,687	\$ 3,672
Aggregate debt service	\$ 1,079	\$ 1,081	\$ 3,238	\$ 3,243
Less: Build America Bonds subsidy	(32)	(34)	(97)	(103)
Aggregate debt service	\$ 1,047	\$ 1,047	\$ 3,141	\$ 3,140
Debt service coverage (1)	1.49 x	1.48 x	1.17 x	1.17 x

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

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

	Month December		Year-to-Date December	
	2016	2015	2016	2015
Revenues				
Water	\$ 14,070	\$ 13,239	\$ 43,120	\$ 40,494
Water capacity fees (1)	527	690	1,606	1,650
Sewer	20,572	21,033	63,082	60,322
Sewer capacity fees (1)	865	1,277	2,973	2,918
Investment Income	444	314	1,125	759
Other (2)	725	997	2,293	3,443
Plus: amounts paid from the rate stabilization fund into the revenue fund	1,206	-	4,560	-
Less: amounts paid from the revenue fund into the rate stabilization fund	(2,017)	(1,928)	(5,833)	(5,490)
Total revenues	36,392	35,622	112,926	104,096
Operating expenses				
Operations and maintenance (3)	12,139	13,871	34,932	33,749
Total operating expenses	12,139	13,871	34,932	33,749
Net revenues	\$ 24,253	\$ 21,751	\$ 77,994	\$ 70,347
Aggregate debt service	\$ 8,129	\$ 7,083	\$ 24,396	\$ 21,249
Less: Build America Bonds subsidy	(208)	(209)	(625)	(626)
Aggregate debt service	\$ 7,921	\$ 6,874	\$ 23,771	\$ 20,623
Senior debt service coverage (4), (min 1.25x)	3.06 x	3.16 x	3.28 x	3.41 x
Net revenues (from above)	\$ 24,253	\$ 21,751	\$ 77,994	\$ 70,347
Aggregate debt service (from above)	\$ 7,921	\$ 6,874	\$ 23,771	\$ 20,623
Plus: aggregate subordinated debt service on outstanding subordinated debt	1,460	1,028	4,379	3,085
Total aggregate debt service and aggregate subordinated debt service	\$ 9,381	\$ 7,902	\$ 28,150	\$ 23,708
Senior and subordinated debt service coverage (5)	2.59 x	2.75 x	2.77 x	2.97 x
Fixed charge coverage	2.38 x	2.52 x	2.56 x	2.73 x

(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 December 2016 and 2015, then the debt service coverage would have been 2.61x and 2.77x.

(2) Excludes the Build America Bonds subsidy.

(3) Excludes depreciation and recognition of deferred costs and revenues, net.

(4) Net revenues divided by aggregate debt service. Minimum annual 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 2.61x and 2.77x. Based on the second requirement, net revenues must exceed 100% of aggregate debt service and 120% of aggregate subordinated debt service, or \$29,026 and \$24,325 for the year-to-date periods ending December 2016 and 2015.

**District Energy System
Schedule of Debt Service Coverage
(in thousands - unaudited)**

	Month December		Year-to-Date December	
	2016	2015	2016	2015
Revenues				
Service revenues	\$ 657	\$ 742	\$ 2,213	\$ 2,137
Investment income	2	6	6	6
Total revenues	659	748	2,219	2,143
Operating expenses (1)				
Operations and maintenance	302	401	1,118	1,009
Total operating expenses	302	401	1,118	1,009
Net revenues	\$ 357	\$ 347	\$ 1,101	\$ 1,134
Aggregate debt service (2)	\$ 252	\$ 252	\$ 756	\$ 756
Debt service coverage (3) (min 1.15x)	1.42 x	1.38 x	1.46 x	1.50 x

(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 an amount equal to the Aggregate DES Debt Service Deficiency that exists with respect to the 2013 Series A Bonds, 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 System, St. Johns River Power Park System and Scherer
Principal Amount of Debt Outstanding and Average Interest Rates
December 2016

Issue/Average Coupon Rate	Interest Rates	Principal Payment Dates	Par Amount Principal Outstanding	Current Portion of Long-Term Debt
Electric System - Fixed Rate Bonds				
Series Three 2004 A	5.000%	2039	\$ 5,000	\$ -
Series Three 2005 B	4.750%	2033	100,000	-
Series Three 2009 C	5.000%	2017	3,355,000	3,355,000
Series Three 2009 D	6.056%	2033-2044	45,955,000	-
Series Three 2010 A	4.000%	2017-2020	20,125,000	4,915,000
Series Three 2010 C	4.000 - 4.500%	2021-2031	11,420,000	-
Series Three 2010 D	4.000 - 5.000%	2017-2038	86,835,000	4,635,000
Series Three 2010 E	5.350 - 5.482%	2028-2040	34,255,000	-
Series Three 2012A	4.000 - 4.500%	2023-2033	60,750,000	-
Series Three 2012B	2.000 - 5.000%	2017-2039	132,770,000	615,000
Series Three 2013A	2.500 - 5.000%	2017-2026	103,270,000	8,625,000
Series Three 2013B	1.875 - 5.000%	2021-2038	7,600,000	-
Series Three 2013C	4.000 - 5.000%	2017-2030	28,685,000	2,460,000
Series Three 2014A	2.600 - 5.000%	2017-2034	45,710,000	2,050,000
Series Three 2015A	2.500 - 5.000%	2017-2041	81,675,000	140,000
Series Three 2015B	3.000 - 5.000%	2017-2031	36,005,000	6,480,000
Total Fixed Rate Senior Bonds			698,515,000	33,275,000
2009 Series A	5.625%	2029-2032	21,140,000	-
2009 Series D	5.000%	2017-2018	23,925,000	12,265,000
2009 Series E	4.000%	2017-2018	2,215,000	1,920,000
2009 Series F	4.625 - 6.406%	2017-2034	64,670,000	1,000,000
2009 Series G	4.000 - 5.000%	2018-2021	18,300,000	-
2010 Series A	3.000%	2017	710,000	710,000
2010 Series B	3.000 - 5.000%	2017-2024	34,525,000	900,000
2010 Series C	3.125 - 4.000%	2020-2027	15,925,000	-
2010 Series D	3.500 - 5.582%	2017-2027	45,575,000	1,450,000
2012 Series A	3.000 - 5.000%	2017-2033	108,065,000	4,590,000
2012 Series B	2.250 - 5.000%	2017-2037	103,445,000	3,970,000
2013 Series A	2.500 - 5.000%	2017-2030	59,330,000	295,000
2013 Series B	2.500 - 5.000%	2017-2026	31,130,000	2,625,000
2013 Series C	1.375 - 5.000%	2017-2038	88,015,000	2,060,000
2013 Series D	2.625 - 5.250%	2017-2035	135,695,000	10,390,000
2014 Series A	4.000 - 5.000%	2017-2039	214,440,000	11,210,000
Total Fixed Rate Subordinated Bonds			967,105,000	53,385,000
Total Fixed Rate Electric System Bonds/4.566%			1,665,620,000	86,660,000
Electric System - Variable Rate Bonds				
	Current Interest Rates (1)			
Series Three 2008 A	0.646%	2027-2036	51,680,000	-
Series Three 2008 B-1	1.039%	2017-2040	60,395,000	375,000
Series Three 2008 B-2	0.646%	2025-2040	41,900,000	-
Series Three 2008 B-3	0.646%	2024-2036	37,000,000	-
Series Three 2008 B-4	1.039%	2017-2036	49,810,000	400,000
Series Three 2008 C-1	0.644%	2024-2034	44,145,000	-
Series Three 2008 C-2	0.649%	2024-2034	43,900,000	-
Series Three 2008 C-3	0.769%	2030-2038	25,000,000	-
Series Three 2008 D-1	1.039%	2017-2036	111,420,000	2,520,000
Total Variable Rate Senior Bonds			465,250,000	3,295,000
Series 2000 A	0.684%	2021-2035	30,965,000	-
Series 2000 F-1	0.705%	2026-2030	37,200,000	-
Series 2000 F-2	0.690%	2026-2030	24,800,000	-
Series 2008 D	0.592%	2024-2038	39,455,000	-
Total Variable Rate Subordinated Bonds			132,420,000	-
Total Variable Rate Bonds			597,670,000	3,295,000
Total Electric System Bonds			2,263,290,000	89,955,000
St. Johns River Power Park - Fixed Rate Bonds				
Issue 2 Series 17	4.700%	2019	100,000	-
Issue 2 Series 18	4.500%	2018	50,000	-
Issue 2 Series 19	4.600%	2017	100,000	100,000
Issue 2 Series 20	4.500%	2021	100,000	-
Issue 2 Series 21	5.000%	2021	5,000	-
Issue 2 Series 22	4.000%	2019	5,000	-
Issue 2 Series 23	3.000 - 5.000%	2017-2021	64,910,000	23,205,000
Issue 2 Series 24	4.000%	2017-2021	29,625,000	16,350,000
Issue 2 Series 25	3.000%	2021	45,000	-
Issue 2 Series 26	2.000 - 5.000%	2019-2021	65,970,000	-
Issue 2 Series 27	1.888 - 2.505%	2019-2021	7,025,000	-
Issue 3 Series 1	4.500%	2037	100,000	-
Issue 3 Series 2	5.000%	2034-2037	29,370,000	-
Issue 3 Series 4	4.200 - 5.450%	2017-2028	24,085,000	1,675,000
Issue 3 Series 6	2.375 - 5.000%	2019-2037	91,330,000	-
Issue 3 Series 7	2.000 - 5.000%	2019-2033	79,500,000	-
Issue 3 Series 8	2.000 - 5.000%	2019-2039	57,895,000	-
Total Fixed Rate St. Johns River Power Park Bonds/4.094%			450,215,000	41,330,000
Bulk Power Supply System, Scherer 4 Project - Fixed Rate Bonds				
Series 2010A	4.250 - 5.920%	2017-2030	39,875,000	2,475,000
Series 2014A	2.000 - 5.000%	2017-2038	66,050,000	2,730,000
Total Fixed Rate Bulk Power Supply System Bonds/4.302%			105,925,000	5,205,000
Weighted Average Cost(2) / Total Outstanding Debt		3.384%	\$ 2,819,430,000	\$ 136,490,000

(1) Current month interest rate excluding variable debt fees.

(2) Weighted Average Cost of debt is net of BABs subsidy, original issue premiums/discounts and excludes variable debt liquidity/restructuring fees and interest rate swap payments.

	Electric System	Power Park	Issue Three
• Remaining New Money Authorization	\$ 465,160,992	\$ 103,865,000	
• Remaining Senior Refunding Authorization	\$ 1,239,602,381	\$ 250,810,000	
• Remaining Subordinated Refunding Authorization	\$ 892,378,000	n/a	

Water and Sewer System
Principal Amount of Debt Outstanding and Average Interest Rates
December 2016

Issue/Average Coupon Rate	Interest Rates	Principal Payment Dates	Par Amount Principal Outstanding	Current Portion of Long-Term Debt
Fixed Rate Bonds				
2009 Series B	3.750 - 5.000%	2017-2019	\$ 25,565,000	\$ 7,270,000
2010 Series A	6.210 - 6.310%	2026-2044	83,115,000	-
2010 Series B	4.500 - 5.700%	2017-2025	15,570,000	1,730,000
2010 Series C	5.000%	2020	9,545,000	-
2010 Series D	4.000 - 5.000%	2017-2039	101,850,000	4,125,000
2010 Series E	4.000 - 5.000%	2021-2039	60,990,000	-
2010 Series F	3.200 - 5.887%	2017-2040	45,520,000	1,245,000
2012 Series A	3.000 - 5.000%	2017-2041	317,935,000	1,535,000
2012 Series B	2.000 - 5.000%	2017-2041	130,085,000	1,725,000
2013 Series A	4.000 - 5.000%	2017-2027	89,740,000	10,950,000
2013 Series B	1.882%	2017	3,830,000	3,830,000
2014 Series A	2.000 - 5.000%	2017-2040	284,595,000	4,420,000
Total Fixed Rate Senior Bonds			1,168,340,000	36,830,000
2010 Series A	5.000%	2017-2022	13,150,000	2,525,000
2010 Series B	3.000 - 5.000%	2020-2025	12,770,000	-
2012 Series A	3.000 - 4.000%	2021-2033	20,320,000	-
2012 Series B	3.250 - 5.000%	2030-2043	41,640,000	-
2013 Series A	2.125 - 5.000%	2017-2029	72,250,000	5,410,000
Total Fixed Rate Subordinated Bonds			160,130,000	7,935,000
Total Fixed Rate Bonds/4.622%			1,328,470,000	44,765,000
Variable Rate Bonds		Current Interest Rates (1)		
2006 Series B - CPI Bonds	1.803% (2)	2017-2022	34,625,000	4,255,000
2008 Series A-2	0.615%	2028-2042	51,820,000	-
2008 Series B	0.656%	2023-2041	85,290,000	-
Total Variable Rate Senior Bonds			171,735,000	4,255,000
2008 Series A-1	0.592%	2017-2038	52,950,000	2,000,000
2008 Series A-2	0.658%	2030-2038	25,600,000	-
2008 Series B-1	0.664%	2030-2036	30,885,000	-
Total Variable Rate Subordinated Bonds			109,435,000	2,000,000
Total Variable Rate Bonds			281,170,000	6,255,000
Other Obligations				
Revolving Credit Agreement	1.663%	2018	3,000,000	-
Total Other Obligations			3,000,000	-
Weighted Average Cost(3) / Total Outstanding Debt		3.663%	\$ 1,612,640,000	\$ 51,020,000

(1) Current month interest rate excluding variable debt fees.

(2) Designated swap obligation. The rate shown is the weighted average of the variable CPI Index rates for the 6 month re-set period.

(3) Weighted Average Cost of debt is net of BABs subsidy, original issue premiums/discounts and excludes variable debt liquidity/restructuring fees and interest rate swap payments.

• Remaining New Money Authorization	\$	218,078,023
• Remaining Refunding Authorization	\$	1,231,973,942

JEA

District Energy System
Principal Amount of Debt Outstanding and Average Interest Rates
December 2016

Issue/Average Coupon	Interest Rates	Principal Payment Dates	Par Amount Principal Outstanding	Current Portion of Long-Term Debt
Fixed Rate Bonds				
2013 Series A/4.036%	1.425 - 4.538%	2017-2034	\$ 38,125,000	\$ 1,640,000
Weighted Average Cost(1) / Total Outstanding Debt			4.093%	\$ 38,125,000

(1) Weighted Average Cost of debt is net of original issue premiums/discounts.

• Remaining New Money Authorization	\$	54,321,245
• Remaining Refunding Authorization	\$	106,670,000

JEA
INVESTMENT PORTFOLIO REPORT
December 2016
All Funds

<u>INVESTMENT</u>	<u>BOOK VALUE</u>	<u>YIELD</u>	<u>% OF TOTAL</u>	<u>LAST MONTH</u>	<u>6 MONTH AVERAGE</u>
* Treasuries	\$ 15,298,031	0.71%	1.03%	1.06%	0.76%
<u>Agencies</u>					
Federal Farm Credit Bank	209,027,815	0.92%	14.12%	13.42%	16.74%
Federal Home Loan Bank	367,826,410	1.08%	24.85%	22.42%	23.22%
Total	576,854,225	1.02%	38.97%	35.84%	39.96%
Municipal Bonds	258,101,805	2.04%	17.44%	17.74%	18.11%
Commercial Paper	346,023,421	0.81%	23.38%	24.20%	22.64%
U.S. Treasury Money Market Funds (1)	43,557,145	0.39%	2.94%	2.93%	3.54%
Agency Money Market Funds (2)	95,625,000	0.44%	6.46%	5.09%	4.64%
PFM Money Market Fund	70,000,000	0.73%	4.73%	4.84%	1.60%
<u>Wells Fargo Bank Accounts (3)</u>					
Electric, Scherer	36,832,273	0.24%	2.49%	3.26%	4.98%
SJRPP	10,885,202	0.24%	0.74%	2.04%	1.71%
Water & Sewer, DES	27,070,881	0.24%	1.83%	2.99%	2.06%
Total Portfolio	\$ 1,480,247,983	1.06%	100.00%	100.00%	100.00%

* Backed by Full Faith and Credit of U. S. Government

Weighted Avg. Annual Yield for December 2016, Excluding Bank & Money Market Funds: 1.18%

Weighted Avg. Annual Yield for December 2016, Including Bank & Money Market Funds: 1.06%

Some investments listed above may be classified as Cash Equivalents on the Statements of Net Position in accordance with generally accepted accounting principles.

- (1) Morgan Stanley Treasury Fund; Fidelity Treasury Fund; Federated Treasury Fund
- (2) Morgan Stanley Government Fund, Wells Fargo Government Fund
- (3) Month-end bank balances

**JEA
Interest Rate Swap Position Report
December 2016**

JEA Debt Management Swaps Variable to Fixed

ID	Dealer	Effective Date	Termination Date	Electric System Allocation	Water/Sewer Allocation	Fixed Rate	Floating Rate (1)	Spread	Rate Cap	Index
1	Goldman Sachs	9/18/2003	9/18/2033	\$ 84,800,000	\$ -	3.717	0.419	3.298	n/a	68% 1 mth Libor
3	Morgan Stanley	1/27/2005	10/1/2039	82,575,000	-	4.351	0.639	3.712	n/a	SIFMA
4	JPMorgan	1/27/2005	10/1/2035	86,000,000	-	3.661	0.419	3.242	n/a	68% 1 mth Libor
6	JPMorgan	1/27/2005	10/1/2037	39,175,000	-	3.716	0.419	3.297	n/a	68% 1 mth Libor
7	Morgan Stanley	10/31/2006	10/1/2022	-	34,625,000	3.996	1.803	2.193	n/a	CPI
8	Morgan Stanley	1/31/2007	10/1/2031	62,980,000	-	3.907	0.639	3.268	n/a	SIFMA
9	Merrill Lynch	3/8/2007	10/1/2041	-	85,290,000	3.895	0.639	3.256	n/a	SIFMA
10	Goldman Sachs	1/31/2008	10/1/2036	51,680,000	-	3.836	0.639	3.197	n/a	SIFMA
Total				<u>\$ 407,210,000</u>	<u>\$ 119,915,000</u>	Wtd Avg Spread		3.261		

Notes: (1) The "Floating Rate" column is the average of the floating rate for each instrument for this month.

	Month December			Year-To-Date December		
	2016	2015	Variance	2016	2015	Variance
Electric revenue sales (000's omitted):						
Residential	\$ 42,390	\$ 43,839	-3.31%	\$ 127,093	\$ 108,689	16.93%
Commercial	30,625	34,077	-10.13%	94,409	84,207	12.12%
Industrial	14,708	18,392	-20.03%	46,678	41,603	12.20%
Public street lighting	1,092	1,219	-10.42%	3,308	3,168	4.42%
Sales for resale - territorial	1,269	2,137	-40.62%	5,083	5,019	1.28%
Electric revenues - territorial	90,084	99,664	-9.61%	276,571	242,686	13.96%
Sales for resale - off system	386	16	2312.50%	1,470	339	333.63%
Electric revenues	90,470	99,680	-9.24%	278,041	243,025	14.41%
Less: rate stabilization & recovery	5,676	(13,505)	-142.03%	2,442	19,245	-87.31%
Less: allowance for doubtful accounts	-	(164)	-100.00%	-	(396)	-100.00%
Net electric revenues	96,146	86,011	11.78%	280,483	261,874	7.11%
MWh sales						
Residential	364,188	354,580	2.71%	1,092,017	1,069,450	2.11%
Commercial	317,885	316,065	0.58%	946,391	968,829	-2.32%
Industrial	205,648	221,016	-6.95%	614,905	671,178	-8.38%
Public street lighting	5,746	7,226	-20.48%	17,114	20,094	-14.83%
Sales for resale - territorial	11,752	24,069	-51.17%	49,456	69,625	-28.97%
Total MWh sales - territorial	905,219	922,956	-1.92%	2,719,883	2,799,176	-2.83%
Sales for resale - off system	11,339	704	1510.65%	45,222	11,934	278.93%
Total MWH sales	916,558	923,660	-0.77%	2,765,105	2,811,110	-1.64%
Number of accounts (1)						
Residential	401,273	394,389	1.75%	400,691	393,799	1.75%
Commercial	51,702	51,044	1.29%	51,688	51,004	1.34%
Industrial	205	203	0.99%	204	204	0.00%
Public street lighting	3,712	3,625	2.40%	3,703	3,615	2.43%
Sales for resale	2	2	0.00%	2	2	0.00%
Total average accounts	456,894	449,263	1.70%	456,288	448,624	1.71%
Residential averages						
Revenue per account - \$	105.64	111.16	-4.97%	317.18	276.00	14.92%
kWh per account	908	899	1.00%	2,725	2,716	0.33%
Revenue per kWh - ¢	11.64	12.36	-5.83%	11.64	10.16	14.57%
Degree days						
Heating degree days	180	87	93	310	141	169
Cooling degree days	43	141	(98)	329	503	(174)
Total degree days	223	228	(5)	639	644	(5)
Degree days - 30 year average	344		775			

(1) The year-to-date column represents a fiscal year-to-date average.

	Month			Year-To-Date		
	December	2015	Variance	December	2015	Variance
	2016	2015		2016	2015	
Water						
<i>Revenues (000's omitted):</i>						
Residential	\$ 7,441	\$ 7,322	1.63%	\$ 22,517	\$ 21,432	5.06%
Commercial and industrial	3,734	3,705	0.78%	11,534	11,445	0.78%
Irrigation	2,895	2,234	29.59%	9,069	7,684	18.02%
Total water revenues	14,070	13,261	6.10%	43,120	40,561	6.31%
Less: rate stabilization environmental	(1,218)	(1,131)	7.69%	(3,535)	(3,245)	8.94%
Less: allowance for doubtful accounts	-	(23)	-100.00%	-	(67)	-100.00%
Net water revenues	\$ 12,852	\$ 12,107	6.15%	\$ 39,585	\$ 37,249	6.27%
<i>Kgal sales (000s omitted)</i>						
Residential	1,386,736	1,390,836	-0.29%	4,245,876	3,991,585	6.37%
Commercial and industrial	1,044,653	1,039,749	0.47%	3,303,012	3,291,059	0.36%
Irrigation	491,520	327,720	49.98%	1,570,704	1,237,338	26.94%
Total kgal sales	2,922,909	2,758,305	5.97%	9,119,592	8,519,982	7.04%
<i>Number of accounts (1):</i>						
Residential	276,732	269,923	2.52%	276,172	269,410	2.51%
Commercial and industrial	25,331	24,284	4.31%	25,327	24,240	4.48%
Irrigation	36,548	36,134	1.15%	36,556	36,164	1.08%
Total average accounts	338,611	330,341	2.50%	338,055	329,814	2.50%
<i>Residential averages:</i>						
Revenue per account - \$	26.89	27.13	-0.88%	81.53	79.55	2.49%
Kgals per account	5.01	5.15	-2.72%	15.37	14.82	3.71%
Revenue per kgals - \$	5.37	5.26	2.09%	5.30	5.37	-1.30%
Reuse						
<i>Revenues (000's omitted):</i>						
Reuse revenues	\$ 874	\$ 743	17.63%	\$ 2,990	\$ 2,050	45.85%
<i>Kgal sales (000s omitted)</i>						
Kgal sales (000s omitted)	249,483	188,991	32.01%	784,051	489,973	60.02%
<i>Number of accounts (1):</i>						
Reuse accounts	8,833	6,977	26.60%	8,675	6,822	27.16%
Sewer						
<i>Revenues (000's omitted):</i>						
Residential	\$ 11,240	\$ 11,327	-0.77%	\$ 34,061	\$ 32,395	5.14%
Commercial and industrial	8,458	8,997	-5.99%	26,031	25,977	0.21%
Total sewer revenues	19,698	20,324	-3.08%	60,092	58,372	2.95%
Less: rate stabilization environmental	407	(796)	-151.13%	2,262	(2,245)	-200.76%
Less: allowance for doubtful accounts	-	(34)	-100.00%	-	(100)	-100.00%
Net sewer revenues	20,105	19,494	3.13%	62,354	56,027	11.29%
<i>Kgal sales (000s omitted)</i>						
Residential	1,198,580	1,232,839	-2.78%	3,665,014	3,412,732	7.39%
Commercial and industrial	908,833	976,127	-6.89%	2,857,827	2,827,094	1.09%
Total kgal sales	2,107,413	2,208,966	-4.60%	6,522,841	6,239,826	4.54%
<i>Number of accounts (1):</i>						
Residential	244,156	237,597	2.76%	243,629	237,129	2.74%
Commercial and industrial	18,097	17,906	1.07%	18,100	17,888	1.19%
Total average accounts	262,253	255,503	2.64%	261,729	255,017	2.63%
<i>Residential averages:</i>						
Revenue per account - \$	46.04	47.67	-3.42%	139.81	136.61	2.34%
kgals per account	4.91	5.19	-5.39%	15.04	14.39	4.52%
Revenue per kgals - \$	9.38	9.19	2.07%	9.29	9.49	-2.11%
Rainfall						
	Diff in inches			Diff in inches		
Normal	2.80	2.80		8.84	8.84	
Actual	2.29	0.56	1.73	11.82	4.68	7.14
Rain Days	6	8		15	19	

(1) The year-to-date column represents a fiscal year-to-date average.

	Month December			Year-To-Date December		
	2016	2015	Variance	2016	2015	Variance
Generated power:						
Steam:						
<i>Fuel oil</i>						
Fuel expense	\$ 20,261	\$ 51,568	-60.71%	\$ 20,261	\$ 6,552	209.23%
Barrels #6 oil consumed	187	477	-60.80%	187	477	-60.80%
\$/ per barrel consumed	\$ 108.35	\$ 108.11	0.22%	\$ 108.35	\$ 13.74	688.57%
kWh oil generated (1)	-	-		-	-	
Cost per MWh - oil		\$ -				
<i>Natural gas units #1-3</i>						
Gas expense - variable	\$ 326,364	\$ 3,698,147	-91.17%	\$ 2,311,819	\$ 7,178,034	-67.79%
MMBTU's consumed	94,100	1,705,304	-94.48%	716,883	2,939,831	-75.61%
\$/ per MMBTU consumed	\$ 3.47	\$ 2.17	59.91%	\$ 3.22	\$ 2.44	31.97%
kWh - gas generated (1)	5,893,722	162,213,737	-96.37%	55,855,339	275,618,118	-79.73%
Cost per MWh - gas	\$ 55.37	\$ 22.80	142.85%	\$ 41.39	\$ 26.04	58.95%
Cost per MWh - gas & oil - steam	\$ 58.81	\$ 23.12	154.37%	\$ 41.75	\$ 26.07	60.15%
<i>Coal</i>						
Coal expense	\$ 1,806,493	\$ 1,294,477	39.55%	\$ 3,817,494	\$ 4,423,159	-13.69%
kWh generated	56,029,867	56,756,645	-1.28%	129,744,765	199,162,001	-34.85%
Cost per MWh - coal	\$ 32.24	\$ 22.81	41.34%	\$ 29.42	\$ 22.21	32.46%
<i>Pet coke and limestone</i>						
Expense	\$ 3,869,085	\$ 2,542,872	52.15%	\$ 7,698,068	\$ 7,907,621	-2.65%
kWh generated	107,212,072	104,608,281	2.49%	237,716,908	331,721,706	-28.34%
Cost per MWh - pet coke and limestone	\$ 36.09	\$ 24.31	48.46%	\$ 32.38	\$ 23.84	35.82%
Cost per MWh - coal & petcoke - steam	\$ 34.77	\$ 23.78	46.22%	\$ 31.34	\$ 23.23	34.91%
Combustion turbine:						
<i>Fuel oil</i>						
Fuel expense	\$ 101,812	\$ 62,834	62.03%	\$ 200,265	\$ 160,595	24.70%
Barrels #2 oil consumed	1,024	297	244.78%	1,492	748	99.47%
\$/ per barrel consumed	\$ 99.43	\$ 211.56	-53.00%	\$ 134.23	\$ 214.70	-37.48%
kWh - oil generated	314,356	10,958	2768.74%	379,922	152,027	149.90%
Cost per MWh - oil	\$ 323.87	\$ 5,734.08	-94.35%	\$ 527.12	\$ 1,056.36	-50.10%
<i>Natural gas (includes landfill)</i>						
Gas expense Kennedy & landfill - variable	\$ 36,758	\$ 82,258	-55.31%	\$ 225,699	\$ 200,725	12.44%
MMBTU's consumed	10,774	37,865	-71.55%	73,167	86,145	-15.07%
\$/ per MMBTU consumed	\$ 3.41	\$ 2.17	57.14%	\$ 3.08	\$ 2.33	32.19%
kWh - gas generated (1)	478,590	3,018,260	-84.14%	5,248,687	6,482,801	-19.04%
Cost per MWh - gas	\$ 76.80	\$ 27.25	181.83%	\$ 43.00	\$ 30.96	38.89%
Gas expense BB simple - variable	\$ 208,464	\$ 77,032	170.62%	\$ 601,057	\$ 413,076	45.51%
MMBTU's consumed	59,768	43,048	38.84%	193,774	206,692	-6.25%
\$/ per MMBTU consumed	\$ 3.49	\$ 1.79	94.97%	\$ 3.10	\$ 2.00	55.00%
kWh - gas generated (1)	5,036,985	3,772,667	33.51%	16,902,325	18,274,035	-7.51%
Cost per MWh - gas simple	\$ 41.39	\$ 20.42	102.69%	\$ 35.56	\$ 22.60	57.35%
Gas expense BB combined - variable	\$ 8,988,227	\$ 4,865,000	84.75%	\$ 23,205,979	\$ 14,860,891	56.15%
MMBTU's consumed	2,586,775	2,389,205	8.27%	7,482,357	6,670,188	12.18%
\$/ per MMBTU consumed	\$ 3.47	\$ 2.04	70.10%	\$ 3.10	\$ 2.23	39.01%
kWh - gas generated (1)	368,163,274	345,552,028	6.54%	1,070,082,587	953,475,220	12.23%
Cost per MWh - gas combined	\$ 24.41	\$ 14.08	73.37%	\$ 21.69	\$ 15.59	39.13%
Gas expense GEC simple - variable	\$ 136,303	\$ 159,129	-14.34%	\$ 708,344	\$ 801,815	-11.66%
MMBTU's consumed	54,072	82,455	-34.42%	276,147	359,048	-23.09%
\$/ per MMBTU consumed	\$ 2.52	\$ 1.93	30.57%	\$ 2.57	\$ 2.23	15.25%
kWh - gas generated	4,277,409	7,077,054	-39.56%	24,316,968	31,479,057	-22.75%
Cost per MWh - gas simple	\$ 31.87	\$ 22.49	41.71%	\$ 29.13	\$ 25.47	14.37%
Cost per MWh - gas & oil ct	\$ 25.04	\$ 14.60	71.51%	\$ 22.33	\$ 16.28	37.16%
Natural gas expense - fixed	\$ 3,748,827	\$ 3,218,145	16.49%	\$ 8,390,261	\$ 7,635,131	9.89%
Total generated power:						
Fuels expense	\$ 19,242,594	\$ 16,051,462	19.88%	\$ 47,179,247	\$ 43,587,599	8.24%
kWh generated	547,406,275	683,009,630	-19.85%	1,540,247,501	1,816,364,965	-15.20%
Cost per MWh	\$ 35.15	\$ 23.50	49.58%	\$ 30.63	\$ 24.00	27.64%

(1) Allocation of kWh generated is based upon a ratio of gas MBTU's (adjusted to oil equivalent - 95.5%) and oil MBTU's.

Cost of fuels

Fuel oil #6	\$ 20,261	\$ 51,568		\$ 20,261	\$ 6,552
Natural gas units #1-3 with landfill - variable	326,364	3,698,147		2,311,819	7,178,034
Coal	1,806,493	1,294,477		3,817,494	4,423,159
Petcoke	3,869,085	2,542,872		7,698,068	7,907,621
Fuel oil #2	101,812	62,834		200,265	160,595
Natural gas - simple cycle (BB & GEC) - variable	381,525	318,419		1,535,100	1,415,616
Natural gas - combined (BB) - variable	8,988,227	4,865,000		23,205,979	14,860,891
Natural gas - fixed	3,748,827	3,218,145		8,390,261	7,635,131
Total	\$ 19,242,594	\$ 16,051,462		\$ 47,179,247	\$ 43,587,599

	Month			Year-To-Date		
	December	2015	Variance	December	2015	Variance
	2016	2015		2016	2015	
Production Statistics (Con't.)						
Purchased power:						
<i>Plant Scherer</i>						
Purchases	\$ 4,182,640	\$ 3,096,925	35.06%	\$ 12,903,889	\$ 12,804,526	0.78%
kWh purchased	122,361,000	68,621,000	78.31%	349,930,000	265,946,000	31.58%
Cost per MWh	\$ 34.18	\$ 45.13	-24.26%	\$ 36.88	\$ 48.15	-23.41%
<i>TEA & other</i>						
Purchases	\$ 6,087,568	\$ 3,157,721	92.78%	\$ 14,750,087	\$ 10,111,277	45.88%
kWh purchased	121,860,781	97,886,180	24.49%	318,135,951	272,594,963	16.71%
Cost per MWh	\$ 49.96	\$ 32.26	54.86%	\$ 46.36	\$ 37.09	25.00%
<i>SJRPP</i>						
Purchases	\$ 8,000,745	\$ 7,134,811	12.14%	\$ 32,805,492	\$ 30,461,340	7.70%
kWh purchased	134,375,000	107,051,000	25.52%	608,317,000	550,305,000	10.54%
Cost per MWh	\$ 59.54	\$ 66.65	-10.67%	\$ 53.93	\$ 55.35	-2.57%
Total purchased power:						
Purchases	\$ 18,270,953	\$ 13,389,457	36.46%	\$ 60,459,468	\$ 53,377,143	13.27%
kWh purchased	378,596,781	273,558,180	38.40%	1,276,382,951	1,088,845,963	17.22%
Cost per MWh	\$ 48.26	\$ 48.95	-1.40%	\$ 47.37	\$ 49.02	-3.37%
Subtotal - generated and purchased power:	\$ 37,513,547	\$ 29,440,919	27.42%	\$ 107,638,715	\$ 96,964,742	11.01%
Fuel interchange sales	(385,699)	(15,803)	2340.67%	(1,470,414)	(339,165)	333.54%
Earnings of The Energy Authority	(430,354)	74,357	-678.77%	(505,602)	(133,393)	279.03%
EPA Allowance Purchases	-	-		233,775	-	
Realized and Unrealized (Gains) Losses:	-	357,000	-100.00%	116,400	917,400	-87.31%
Fuel procurement and handling	894,569	1,145,537	-21.91%	2,800,286	2,665,203	5.07%
By product reuse	768,222	503,011	52.72%	3,403,292	2,638,368	28.99%
Total generated and net purchased power:						
Cost, net	38,360,285	31,505,021	21.76%	112,216,452	102,713,155	9.25%
kWh generated and purchased	926,003,056	956,567,810	-3.20%	2,816,630,452	2,905,210,928	-3.05%
Cost per MWh	\$ 41.43	\$ 32.94	25.78%	\$ 39.84	\$ 35.35	12.69%
Reconciliation:						
Generated and purchased power per above	\$ 38,360,285	\$ 41.43		\$ 112,216,452	\$ 39.84	
<i>SJRPP operating expenses:</i>						
SJRPP O & M	(1,429,385)	(1.54)		(5,223,821)	(1.85)	
SJRPP debt service	(3,173,099)	(3.43)		(9,527,592)	(3.38)	
SJRPP R & R	1,770,613	1.91		5,311,840	1.89	
<i>SCHERER operating expenses:</i>						
Scherer power production	(496,955)	(0.54)		(1,683,280)	(0.60)	
Scherer R & R	(129,940)	(0.14)		(315,743)	(0.11)	
Scherer transmission	(456,383)	(0.49)		(1,259,973)	(0.45)	
Scherer taxes	(89,371)	(0.10)		(178,741)	(0.06)	
Florida and other capacity	(610,445)	(0.66)		(1,410,031)	(0.50)	
MEAG	(512,134)	(0.55)		(1,539,841)	(0.55)	
Rounding	2	0.00		(4)	(0.00)	
	\$ 33,233,188	\$ 35.89		\$ 96,389,266	\$ 34.22	

	Month December		Year-to-Date December	
	2016	2015	2016	2015
MWh sales				
JEA	134,375	107,051	608,317	550,305
FPL saleback	94,214	96,215	403,881	481,244
FPL direct portion	57,194	50,816	253,050	257,887
Total MWh sales	<u>285,783</u>	<u>254,082</u>	<u>1,265,248</u>	<u>1,289,436</u>
Fuel costs	\$ 5,171,746	\$ 4,093,739	\$ 23,380,847	\$ 20,679,467
(Includes fuel handling expenses)				
Less interest credits: inventory bank	(4,890)	(2,457)	(15,956)	(9,278)
Plus (less): true-up interest	2,019	401	1,027	(40)
Total	<u>5,168,875</u>	<u>4,091,683</u>	<u>23,365,918</u>	<u>20,670,149</u>
Cost per MWh	\$ 38.47	\$ 38.22	\$ 38.41	\$ 37.56
Operating and maintenance expenses	1,430,257	1,346,835	5,226,578	4,702,133
Less: operations bank interest	(872)	(496)	(2,756)	(1,205)
Less: annual variable o & m true-up	-	-	-	-
Total	<u>1,429,385</u>	<u>1,346,339</u>	<u>5,223,822</u>	<u>4,700,928</u>
Cost per MWh	\$ 10.64	\$ 12.58	\$ 8.59	\$ 8.54
Debt service contribution				
Principal	2,208,073	2,331,563	6,624,219	6,994,688
Interest	1,349,442	1,464,488	4,048,327	4,393,463
Less credits:				
Reserve Issue 2	(194,255)	(250,315)	(582,502)	(745,795)
Reserve Issue 3	(13,228)	(14,019)	(39,577)	(44,059)
Debt service Issue 2	(26)	(3)	(2,452)	(67)
Debt service Issue 3	-	-	-	-
Bond proceeds COB	(8,973)	-	(20,067)	-
General reserve Issue 2	(6,512)	(14,995)	(26,234)	(43,231)
General reserve Issue 3	(1,845)	-	(5,536)	-
Build America Bonds subsidy	(32,433)	(34,190)	(97,299)	(102,570)
Inventory carrying costs	(69,067)	(58,890)	(209,371)	(175,700)
Total	<u>3,231,176</u>	<u>3,423,639</u>	<u>9,689,508</u>	<u>10,276,729</u>
Cost per MWh	\$ 24.05	\$ 31.98	\$ 15.93	\$ 18.67
R & R contribution	309,387	339,343	928,160	1,018,029
Less: interest credit	(58,078)	(41,193)	(161,916)	(129,495)
Less: cumulative capital recovery amount	(2,080,000)	(2,025,000)	(6,240,000)	(6,075,000)
Total	<u>(1,828,691)</u>	<u>(1,726,850)</u>	<u>(5,473,756)</u>	<u>(5,186,466)</u>
Cost per MWh	\$ (13.61)	\$ (16.13)	\$ (9.00)	\$ (9.42)
Debt service coverage	2,107,000	2,117,000	2,107,000	2,117,000
Transfer to JEA	<u>(2,107,000)</u>	<u>(2,117,000)</u>	<u>(2,107,000)</u>	<u>(2,117,000)</u>
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cost per MWh	\$ -	\$ -	\$ -	\$ -
Total	<u>\$ 8,000,745</u>	<u>\$ 7,134,811</u>	<u>\$ 32,805,492</u>	<u>\$ 30,461,340</u>
kWh purchased	134,375,000	107,051,000	608,317,000	550,305,000
Cost per MWh	\$ 59.54	\$ 66.65	\$ 53.93	\$ 55.35

III. A. 6.

Monthly JEA Operations Report



JEA Operations Report

as of December 31, 2016

[Return to Agenda](#)

III. A. 6.
1/17/2017

Board of Directors Meeting

January 17, 2017

FY2016

- RIR = 1.82
- # of Recordables = 38
- December YTD Recordables = 2

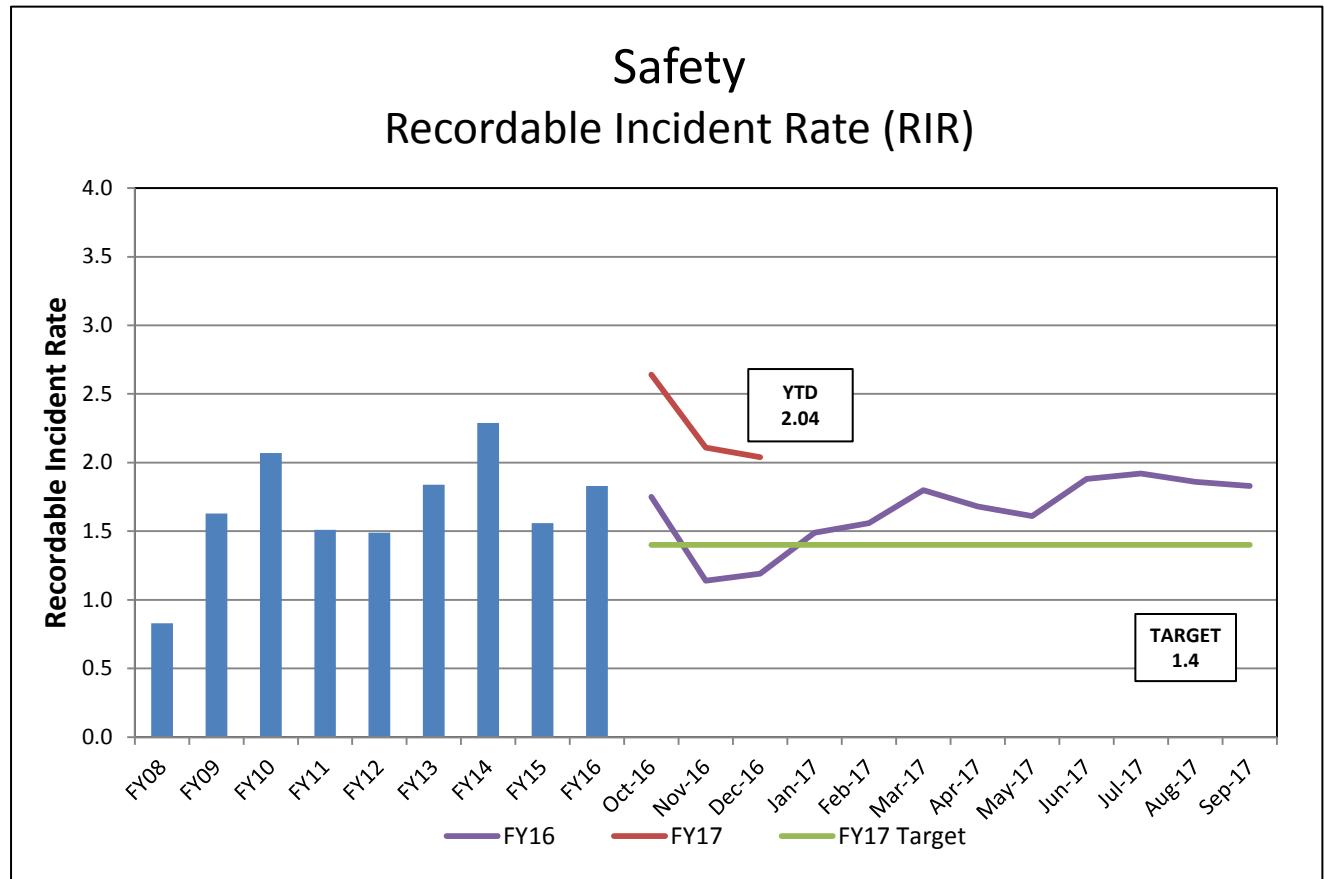
FY2017

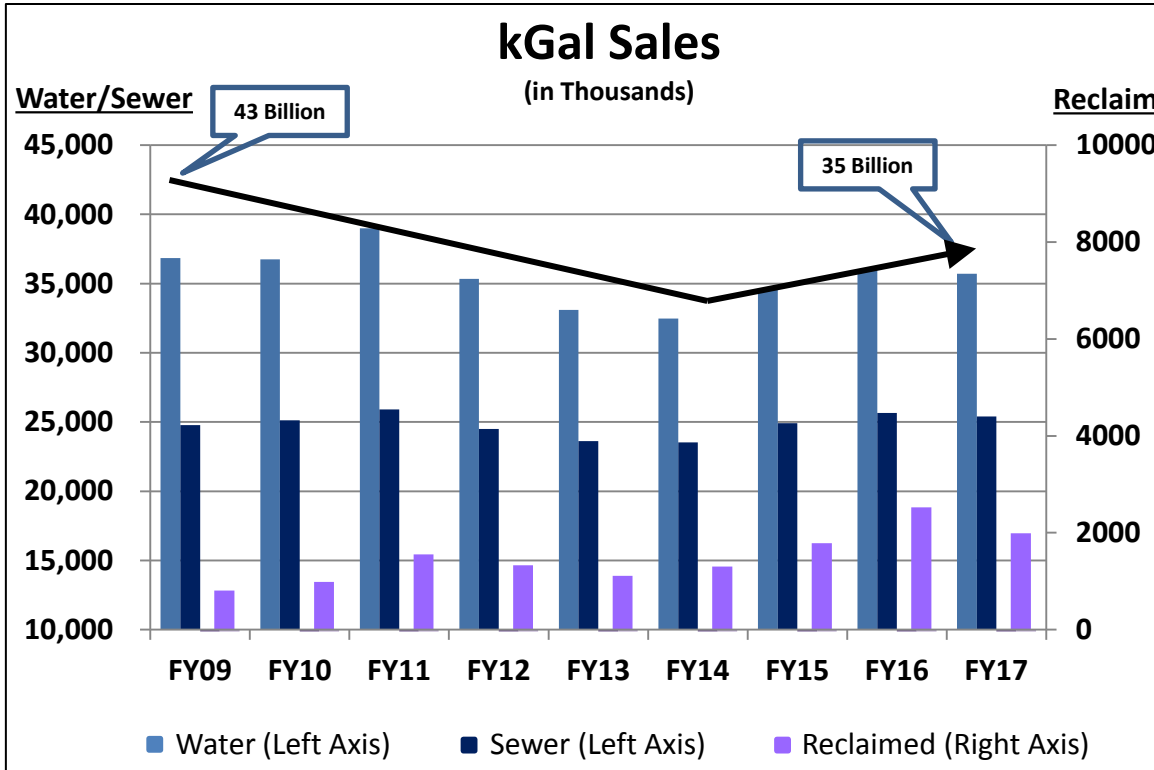
- December Recordables = 2
- Year to Date Recordables = 11
- 1 (12.5%) was lost time
 - Electric Systems = 5
 - Water/WW Systems = 6
- Continuing to “Plan for Zero”
- Increased focus on:
 - Complacency
 - Hand/Finger
 - 0-5 Year Employees
 - PPE Use
 - Strains, Sprains, Slip/Trip/Fall
 - Repeat Occurrences

Industry Benchmark*

Average Municipal Utility RIR is 6.3
Average LPPC RIR is 3.7

Units	FY2017 YTD	FY2017 Target	FY2016	FY2015
RIR	2.04	1.4	1.82	1.56





Month	FY16	FY17	%
Oct	3,120	3,129	0.3%
Nov	2,641	3,068	16.2%
Dec	2,758	2,923	6.0%
YTD	8,519	9,120	7.0%
Jan	2,527		
Feb	2,479		
Mar	2,825		
Apr	2,914		
May	3,523		
Jun	3,290		
Jul	3,736		
Aug	3,451		
Sep	3,094		
Total/Forecast	36,358	35,702	

Unit Sales Driver: YTD rainfall up 7 inches; rain days down 4.

YTD Rainfall			
	30-Yr. Avg.	FY16	FY17
Inches	9	5	12
Days	22	19	15

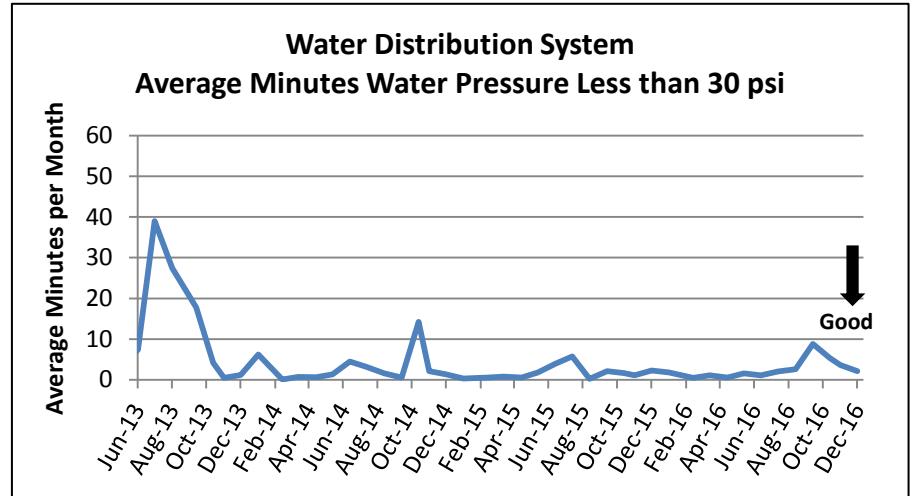
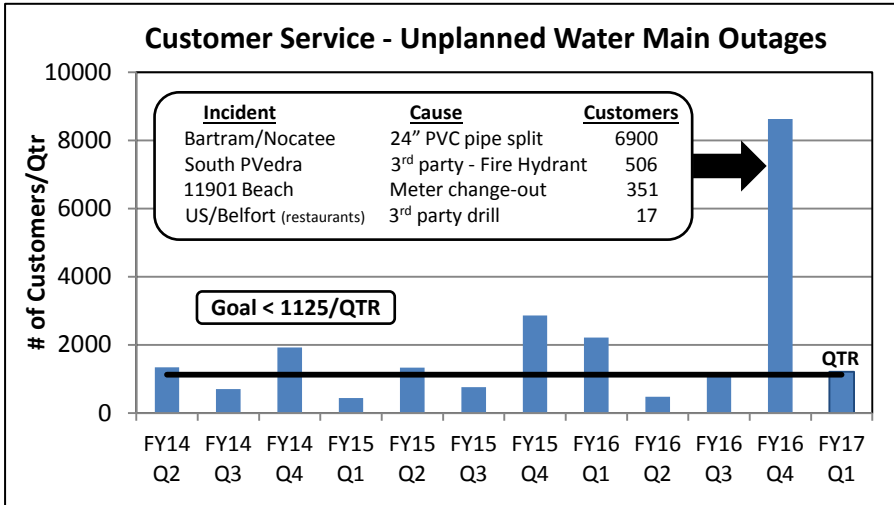
YTD Customer Accounts			
	FY16	FY17	%
Water	330,341	338,611	2.5%
Sewer	255,503	262,253	2.6%
Reclaimed	6,977	8,833	26.6%

Total System	7.0%
Residential	6.4%
Comm./Industrial	0.4%
Irrigation	26.9%

Customer Reliability Objectives

Water and Wastewater System

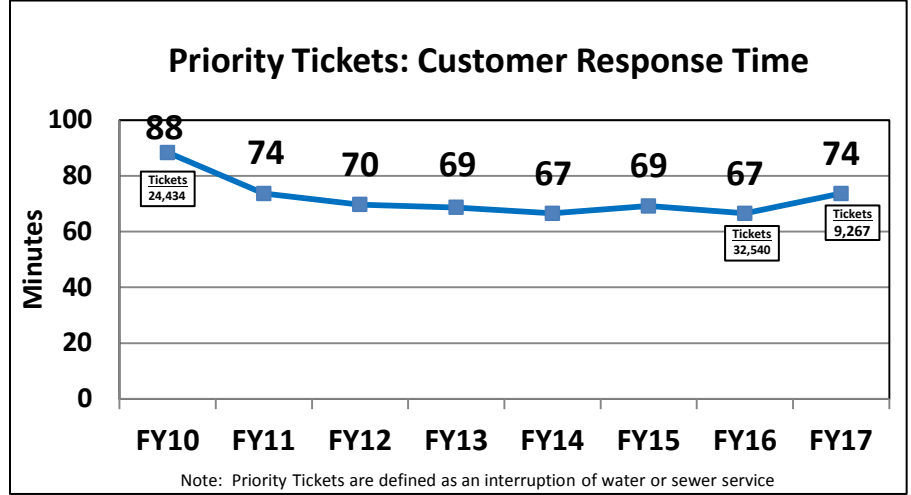
Water Grid Performance	Metric	FY2017 YTD	FY2017 Target	FY2016	FY2015
Water Main Outages	# of Customers per Year	1,209	9,000	12,735	5,629



Unplanned Water Outages
 # of Customers Affected by Unplanned Outages has increased due to 3rd Party Damages

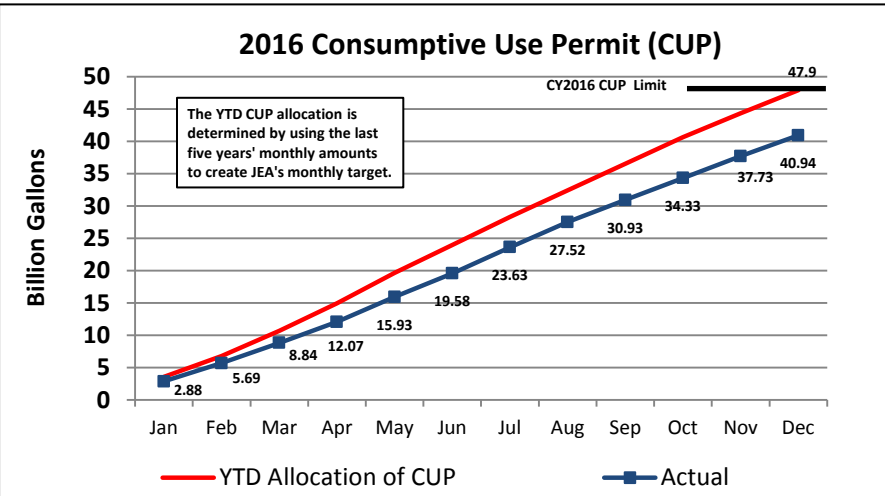
Water Pressure (minutes per month < 30 psi)
 Measured by 110 pressure monitoring stations in the distribution system. Pressure must be greater than 20 psi, and is expected to be greater than 50 psi.

Customer Response Time
 Average time from a customer call to the ticket completion or transfer to a field crew for a more extensive repair



*Aligned with the PSC Rule for Electric Reliability Reporting, the Operational Metrics will exclude the impact of all service interruptions associated with a storm named by the National Hurricane Center.

Compliance	Metric – CY Basis	FY2016	2016 Target	2015	2014
Water	CUP Limits (MGD)	112	131 limit	107 (131 limit)	104 (127 limit)
South Grid	Wellfield Allocation (MGD)	52.95	< 50.23 limit	47.50 (<50.23 limit)	46.61 (<61.23 limit)
Reclaim	Usage (MGD)	16	15	13	12



CUP Condition 44: South Grid Wellfield Allocation Limits

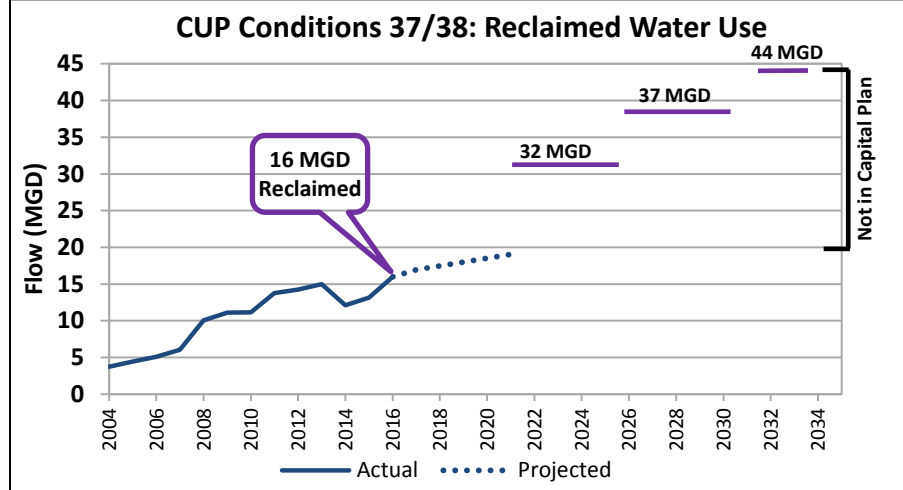
Critical Wellfields	Actuals				YTD	Post Sep - 14 Limit
	2013	2014	2015	2016		
Deerwood III	6.96	7.01	6.67	7.88	7.88	7.00
Ridenour	5.97	6.39	6.66	7.64	7.64	6.85
Oakridge	8.78	6.23	4.99	5.79	5.79	5.65
Greenland	---	1.53	4.27	4.16	4.16	4.53
Brierwood	5.58	4.53	2.84	3.36	3.36	3.02
Subtotal	27.29	25.69	25.43	28.83	28.83	27.05
Other Wellfields	22.21	20.92	22.07	24.12	24.12	23.18
Total South Grid	49.50	46.61	47.50	52.95	52.95	50.23
Total System MGD	100	104	107	112	112	131

St. Johns River Water Management District CUP

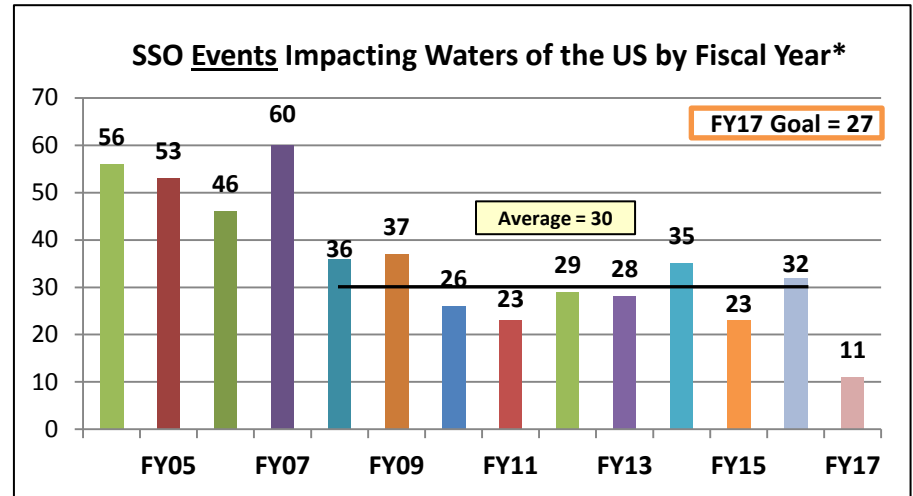
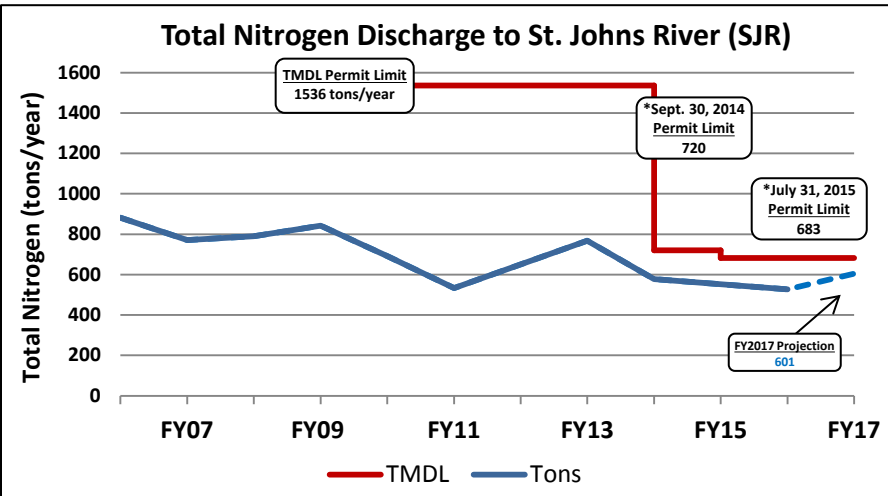
Condition 12: YTD average daily flow was 14% below CY limit of 131 MGD

Condition 44: South Grid Wellfields were 6% above base limit, yet have annual operational flexibility of 20% above the allocation limits

Conditions 37/38: Use of reclaimed water “to the maximum extent technologically, economically, and environmentally feasible”. The annual CUP limit continues to increase beginning in FY21 if 32 MGD is achieved.



Compliance	Metric	FY2017 YTD	FY2017 Target	FY2016	FY2015
Sewer	Nitrogen (N) Tons – FY basis	154	550	527 (TMDL of 683*)	553 (TMDL of 683*)

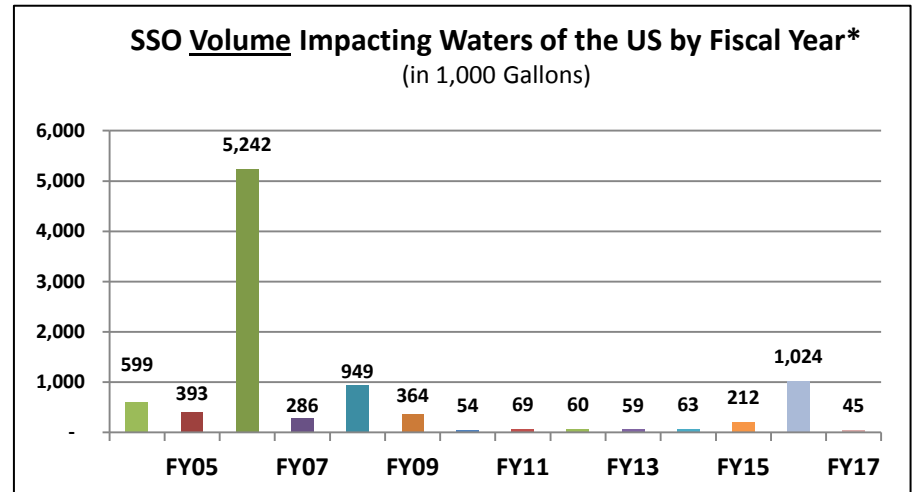


Nitrogen Discharge to St. Johns River

Florida Department of Environmental Protection (FDEP) has reduced the Total Maximum Daily Load (TMDL) to 683 tons with Water Quality Trading Credits allocated to the COJ

Sanitary Sewer Overflows (SSOs to US Waters)

FY08 - FY16 SSO's averaged 30 per year. Eleven (11) SSO's year-to-date impacting US Waters excluding events occurring during Hurricane Matthew.





JEA Water and Sewer System

Financial Results and Cost Metrics

(\$ in thousands)

Revenues	FY17 Forecast	FY16 Actual	FY17 Budget	FY17 vs FY16 (\$)	Variance (%)
Water & Sewer Revenues	\$ 401,550	\$ 409,889	\$ 394,430	\$ (8,339)	-2.0%
Other Revenue	33,973	40,070	33,792	(6,097)	-15.2%
Total Revenues	\$ 435,523 ①	\$ 449,959	\$ 428,222	\$ (14,436)	-3.2%
Select Expenses					
O & M Expense	\$ 140,780 ②	\$ 130,296	\$ 144,149	\$ (10,484)	-8.0%
Net Revenues	\$ 291,627	\$ 313,130	\$ 280,753	\$ (21,503)	-6.7%
Capital Expenditures	\$ 205,973 ③	\$ 147,363	\$ 205,000 ¹	\$ (58,610)	-39.8%
Debt Service	\$ 116,937	\$ 95,418	\$ 118,375	\$ (21,519)	-22.6%

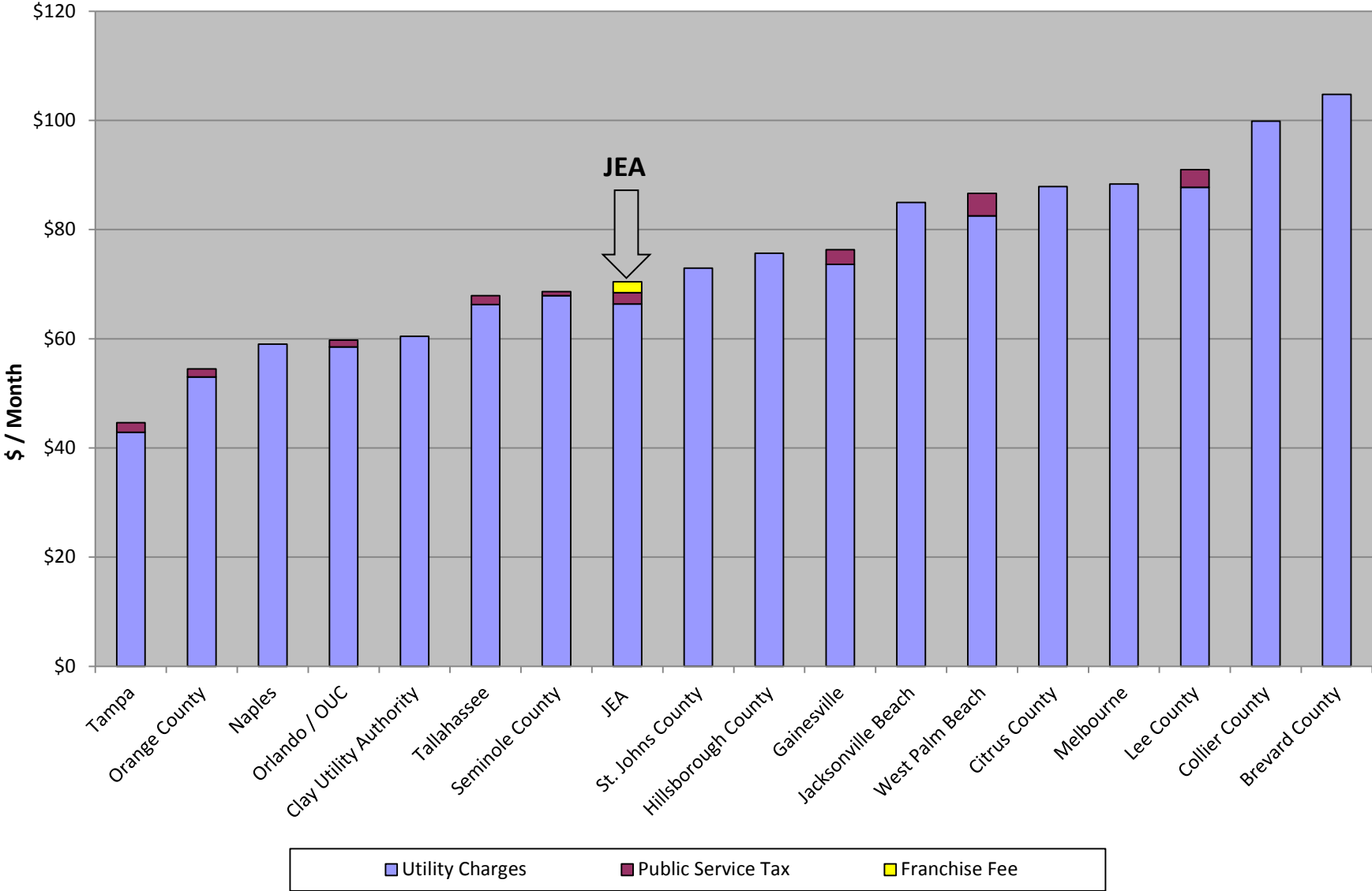
Metrics	FY17 Forecast
Coverage:	2.5x
Days Liquidity/Cash:	309 / 197
Debt/Asset:	50% (3% lower)
Total Debt:	\$1.6B (\$34M lower)

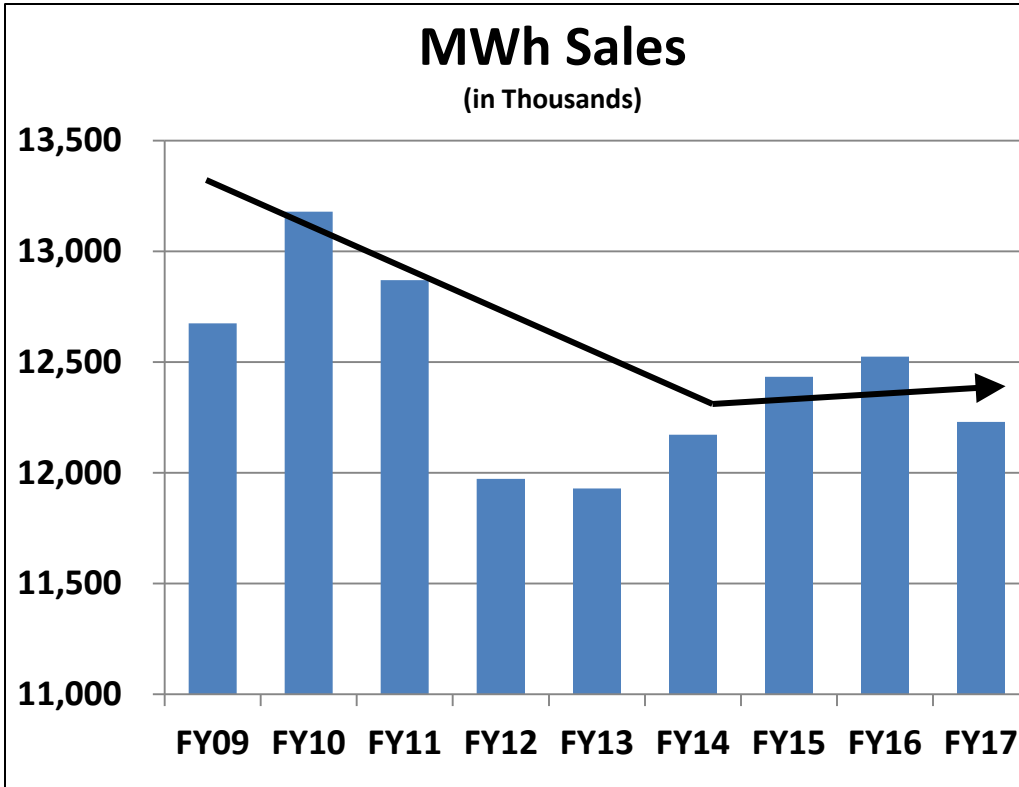
Cost / KGal	Water	Sewer
Target	\$ 4.75	\$ 10.27
Forecast	<u>5.00</u>	<u>10.62</u>
Difference	\$ (0.25)	\$ (0.35)

¹ Council approved limit for capital expenditures in FY17 is \$225.5 million

Water & Sewer Rates in Florida

Residential Service with a 5/8" meter and 6 kgals of Consumption
 Residential Rates as of January 2017





Month	FY16	FY17	%
Oct	952,515	951,425	(0.1%)
Nov	923,705	863,238	(6.5%)
Dec	922,956	905,219	(1.9%)
YTD	2,799,176	2,719,882	(2.8%)
Jan	1,049,897		
Feb	894,563		
Mar	893,954		
Apr	900,013		
May	1,089,555		
Jun	1,231,251		
Jul	1,336,836		
Aug	1,254,240		
Sep	1,111,769		
Total/Forecast	12,561,253	12,230,025	

Unit Sales Driver: YTD MWh reduction due to moderate weather and decrease in FPU demand.

YTD Degree Days		
<u>30-yr. Avg.</u>	<u>FY16</u>	<u>FY17</u>
775	644	639

YTD Customer Accounts		
<u>FY16</u>	<u>FY17</u>	<u>%</u>
449,263	456,894	1.7%

Total System	(2.8%)
Residential	2.1%
Comm./Industrial	(2.6%)
Interruptible	(11.0%)
Wholesale (FPU)	(55.3%)

T&D Grid Performance	Metric	FY2017 YTD	FY2017 Target	FY2016	FY2015
Customer Outage Frequency*	# of Outages per Year	1.32	1.5	1.4	1.8
Electric Outage Duration*	# of Minutes out per Year	70	85	71	99
Transmission Line Faults	# of Faults per 100 miles	0.8	1.2	0.7	2.8
CEMI ₅ *	% Customers > 5 outages per yr	1.8	1.5	1.4	2.1

Electric Service Reliability

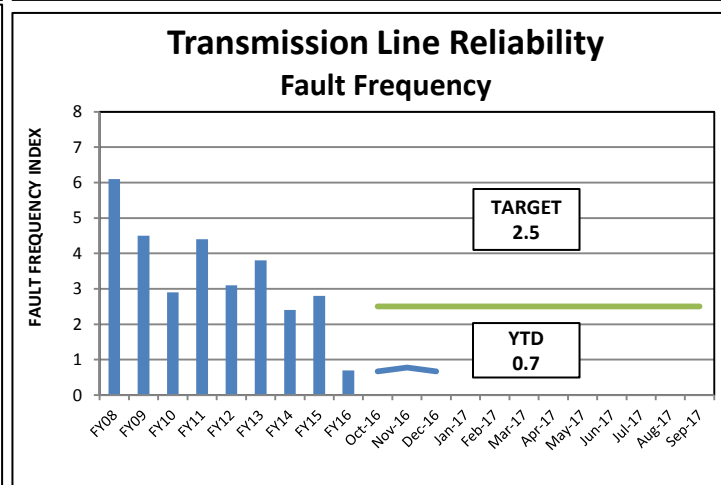
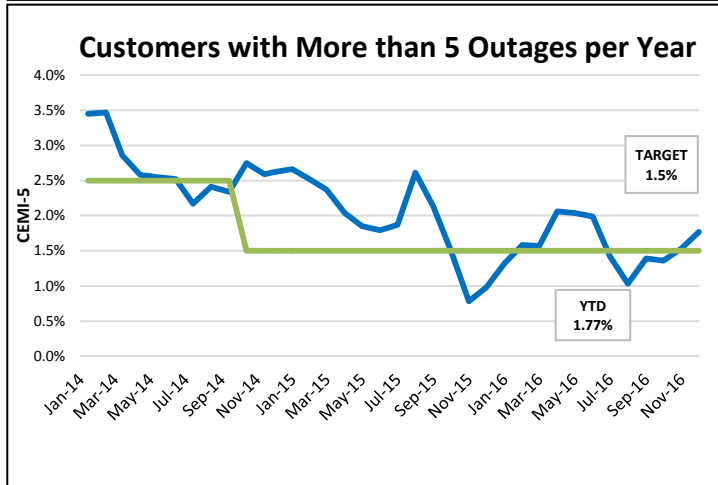
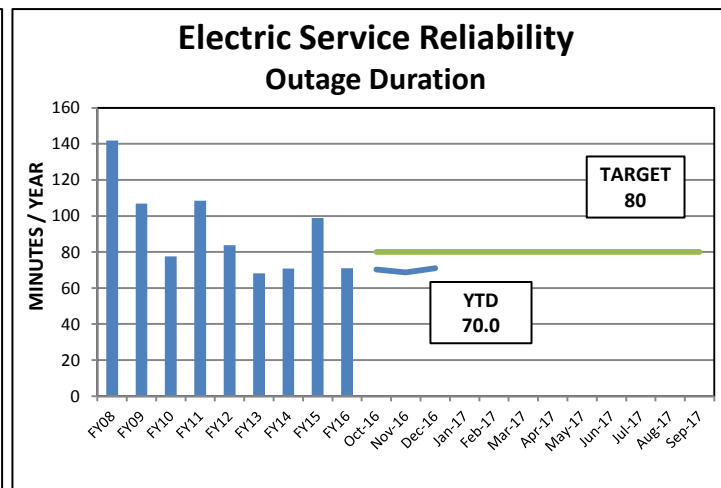
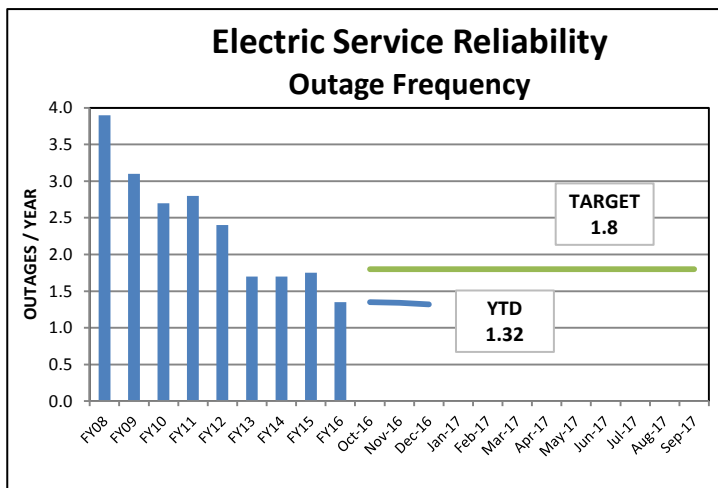
- Outage frequency and duration have been reduced significantly over the last 8 years; running flat this year and near the FY2017 targets.
- The typical JEA customer sees 1.32 outages per year and a total outage duration of 70 minutes
- CEMI₅: 8,316 (1.77%) of our customers have experienced more than 5 outages in the past 12 months

Transmission Line Reliability

- Overall downward trend over the last eight years
- YTD (0.7) running below the FY17 target

Other Operational Metrics

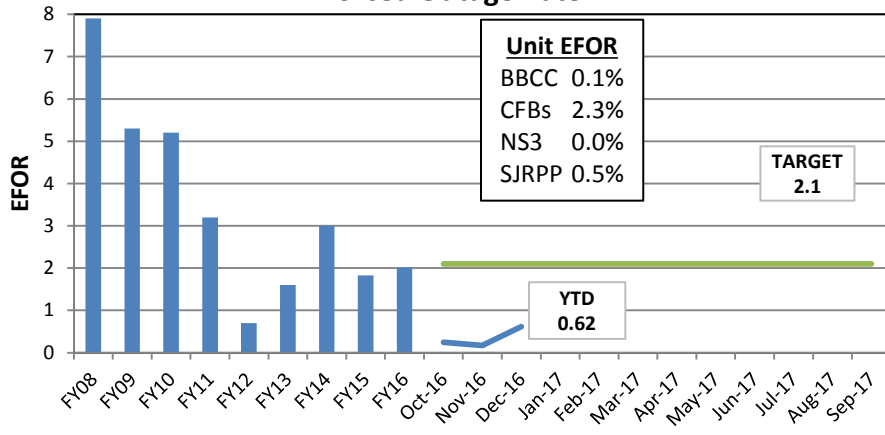
- Continue showing favorable trends over time



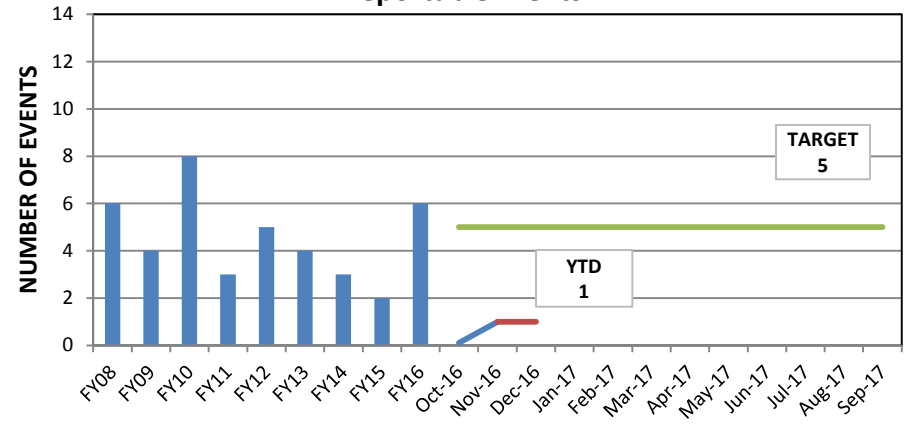
*Aligned with the PSC Rule for Electric Reliability Reporting, the Operational Metrics will exclude the impact of all service interruptions associated with a storm named by the National Hurricane Center.

Generating Plant Performance	Metric	FY2017 YTD	FY2017 Target	FY2016	FY2015
Generation Fleet Reliability	Forced Outages Rate	0.62	2.0	2.0	1.8
Environmental Compliance	Permit Exceedances	1	4	6	2

JEA Fleet Reliability Forced Outage Rate



Environmental Compliance Reportable Events



Generating Fleet Reliability

- The JEA fleet Forced Outage Rate is in line with prior 6-year performance and better than FY2017 target of 2.1
- Planned outage work completed this past fall on all 3 Northside steam units.
- High unit reliability contributes to lower fuel and non-fuel expenses

Environmental Compliance

- Excellent environmental performance in prior years. No air permit exceedances occurred in FY16.
- Electric System's have experienced 1 reportable event during FY2017.
- JEA remains actively engaged in and preparing for all new and emerging environmental regulations.

JEA Electric System

Financial Results and Cost Metrics

(\$ in thousands)

Revenues	FY17 Forecast	FY16 Actual	FY17 Budget	FY17 vs FY16 (\$)	Variance (%)
Fuel Revenue	\$ 398,677 ¹	\$ 426,653 ²	\$ 449,776	\$ (27,976)	-6.6%
Base Revenue	761,736 ¹	750,038	735,204	11,698	1.6%
Other Revenue	41,394	37,904	41,787	3,490	9.2%
Total Revenues	\$ 1,201,807	\$ 1,214,595	\$ 1,226,767	\$ (12,788)	-1.1%
		\$ (25M)			
Select Expenses					
Fuel Expense	\$ 458,396	\$ 397,280	\$ 411,903	\$ (61,116)	-15.4%
Fuel Fund Transfers	(59,719)	29,373	37,705	89,092	
O & M Expense	207,808	192,527	226,180	(15,281)	-7.9%
Non-fuel Purchased Power	79,078	87,426	83,394	8,348	9.5%
Net Revenues	\$ 503,396	\$ 496,092	\$ 454,939	\$ 7,304	1.5%
		\$48M			
Capital Expenditures	\$ 149,709	\$ 150,926	\$ 153,200 ³	\$ 1,217	0.8%
Debt Service	\$ 212,604 ⁴	\$ 171,506	\$ 179,654	\$ (41,098)	-24.0%

Electric Costs / MWh	Non-Fuel
Target	\$ 53.94
Forecast	<u>54.46</u>
Difference	\$ (0.52)

Financial Metrics	FY17 Forecast
Coverage:	2.4x
Days Liquidity/Cash:	265 / 153
Debt/Asset:	62% (3% lower)
Total Debt:	\$2.8B (\$146M lower)

Fuel Fund (\$ in millions)	
Beginning Balance	\$ 180
Surplus/(Deficit)	<u>(60)</u>
Ending Balance	\$ 120

¹ Includes rate changes implemented in December 2016

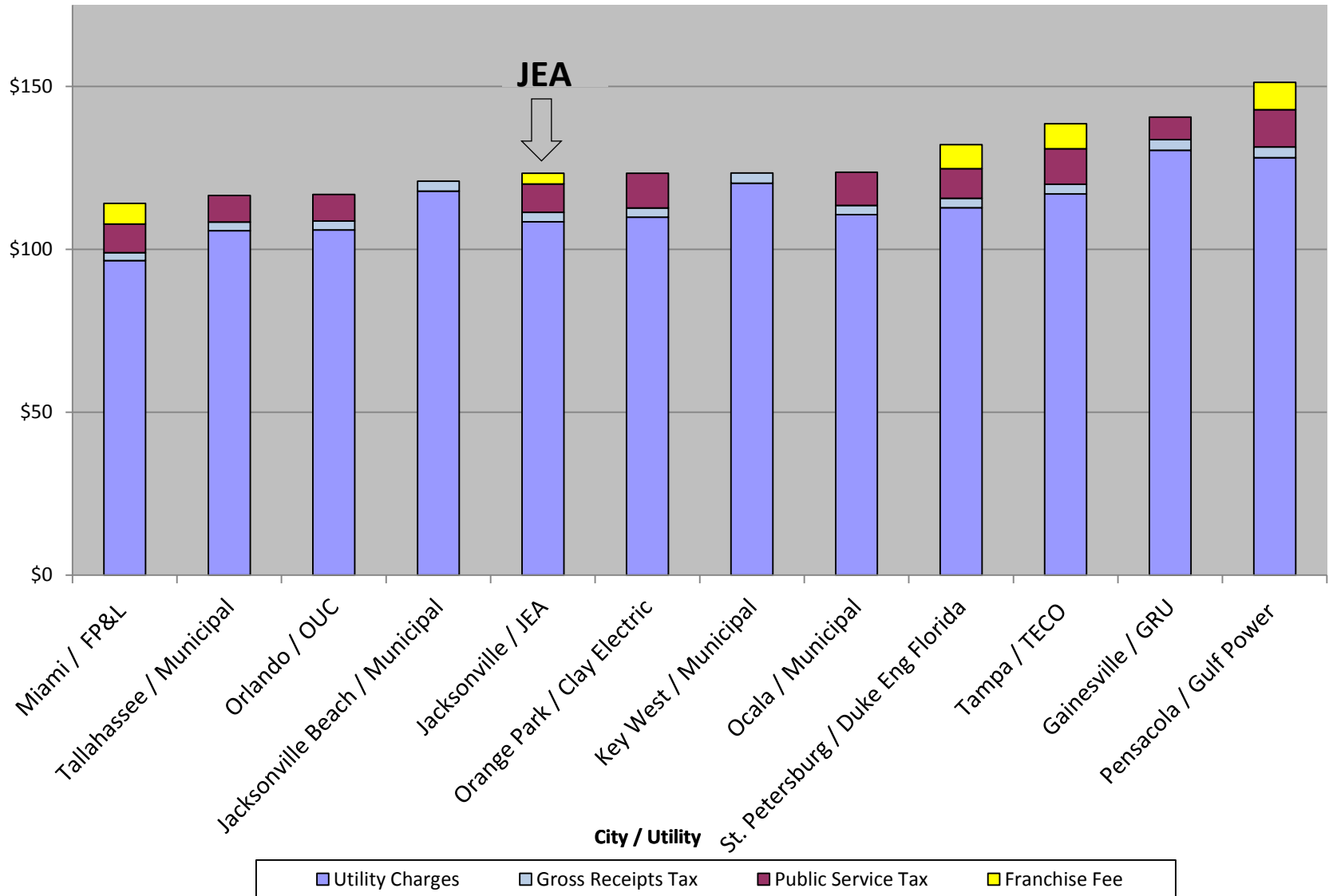
² Net of \$57 million fuel credit and fuel rate reduction

³ Council approved limit for capital expenditures in FY17 is \$170 million

⁴ Includes additional \$40 million related to advanced debt refunding approved by Board in November 2016

Florida Utilities Monthly Residential Electric Bill Comparison

(Consumption @ 1,000 kWh)
Residential Rates as of January 2017



Customer Experience

Presenter: Richard Vento

Date: January 2017

FY17 Customer Satisfaction Goal

Achieve 1st Quartile Ranking for JD Power Customer Satisfaction Index for both Residential and Business Studies

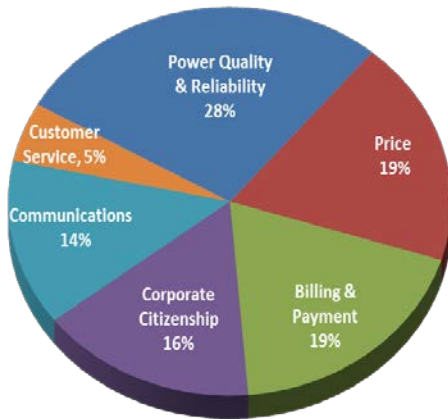
Residential (R)

FY15		FY16		Wave 1		Wave 2		Wave 3		Wave 4		FY17	
1Q	692	2Q	703	1Q	749							1Q	749

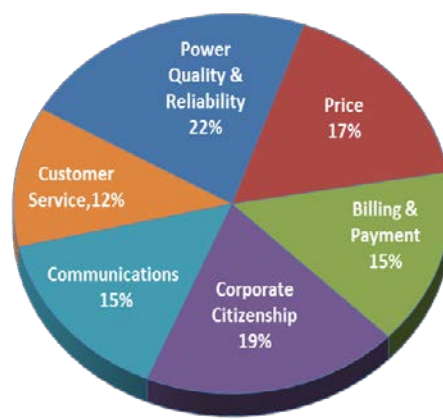
Business (B)

FY15		FY16		Wave 1		Wave 2		FY17	
1Q	705	1Q	754	1Q	788			1Q	788

Residential



Business



FY17 Residential # of companies ranked: 137
 FY17 Business # of companies ranked: 87

1Q= 1st quartile 2Q= 2nd quartile 3Q = 3rd quartile 4Q = 4th quartile

Achieve 1st Quartile Ranking on All Drivers

Be Easy to Do Business With

Customer Service

	FY16		Wave 1		Wave 2		Wave 3		Wave 4		FY17	
R	1Q	782	1Q	808							1Q	808
B	1Q	782	1Q	817							1Q	817

Power Quality & Reliability

	FY16		Wave 1		Wave 2		Wave 3		Wave 4		FY17	
R	2Q	749	2Q	791							2Q	791
B	1Q	794	1Q	826							1Q	826

Empower Customers to Make Informed Decisions

Billing & Payment

	FY16		Wave 1		Wave 2		Wave 3		Wave 4		FY17	
R	1Q	763	1Q	818							1Q	818
B	1Q	785	1Q	806							1Q	806

Communication

	FY16		Wave 1		Wave 2		Wave 3		Wave 4		FY17	
R	1Q	665	1Q	713							1Q	713
B	1Q	721	1Q	766							1Q	766

Price

	FY16		Wave 1		Wave 2		Wave 3		Wave 4		FY17	
R	2Q	630	2Q	671							2Q	671
B	1Q	701	1Q	744							1Q	744

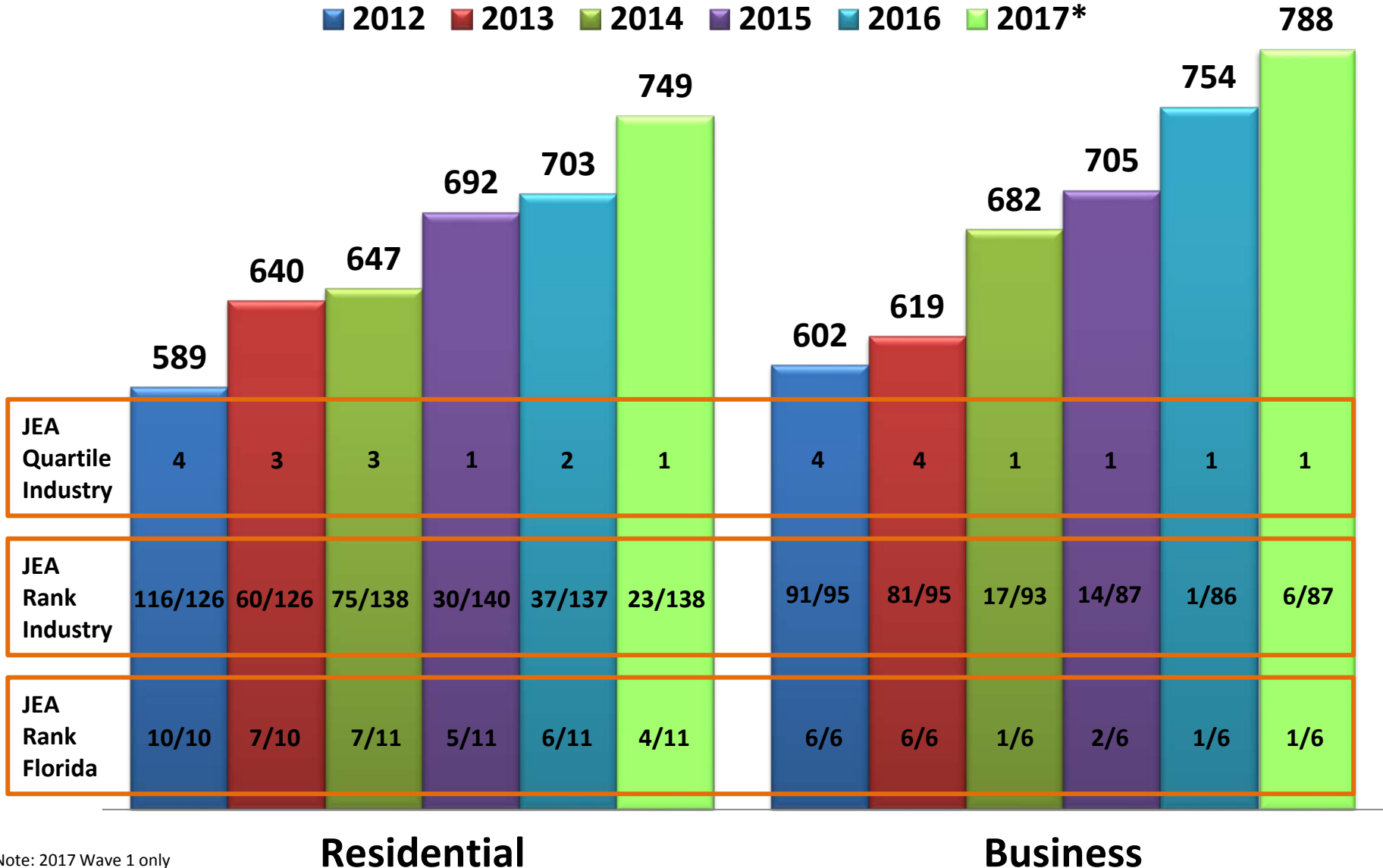
Demonstrate Community Responsibility

Corporate Citizenship

	FY16		Wave 1		Wave 2		Wave 3		Wave 4		FY17	
R	2Q	645	2Q	685							2Q	685
B	1Q	731	1Q	758							1Q	758

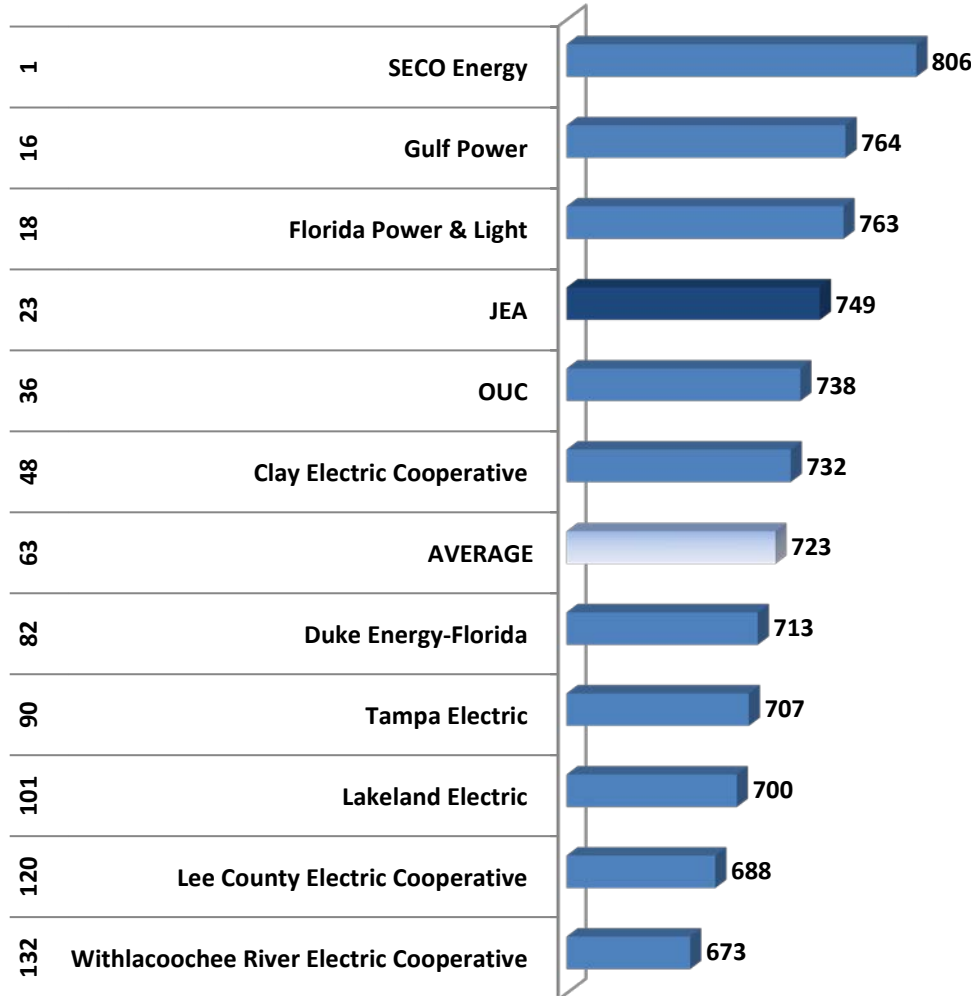
Customer Satisfaction Index Scores

■ 2012 ■ 2013 ■ 2014 ■ 2015 ■ 2016 ■ 2017*

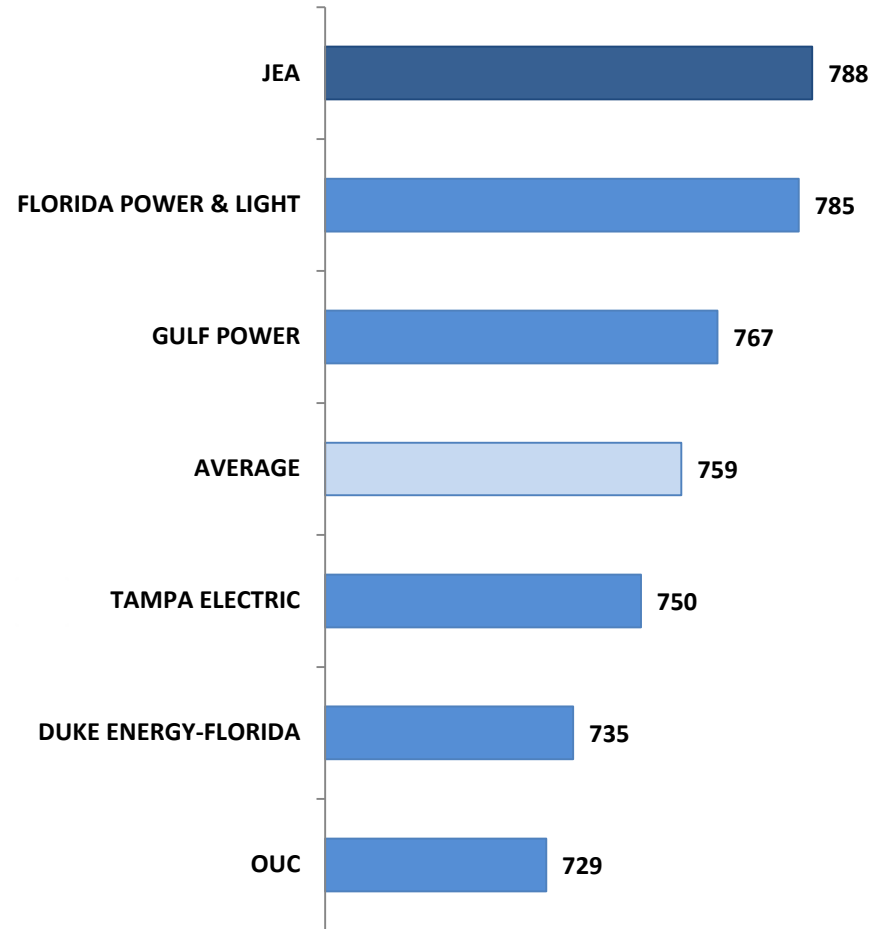


* Note: 2017 Wave 1 only

Residential FY17 YTD



Business FY17 YTD



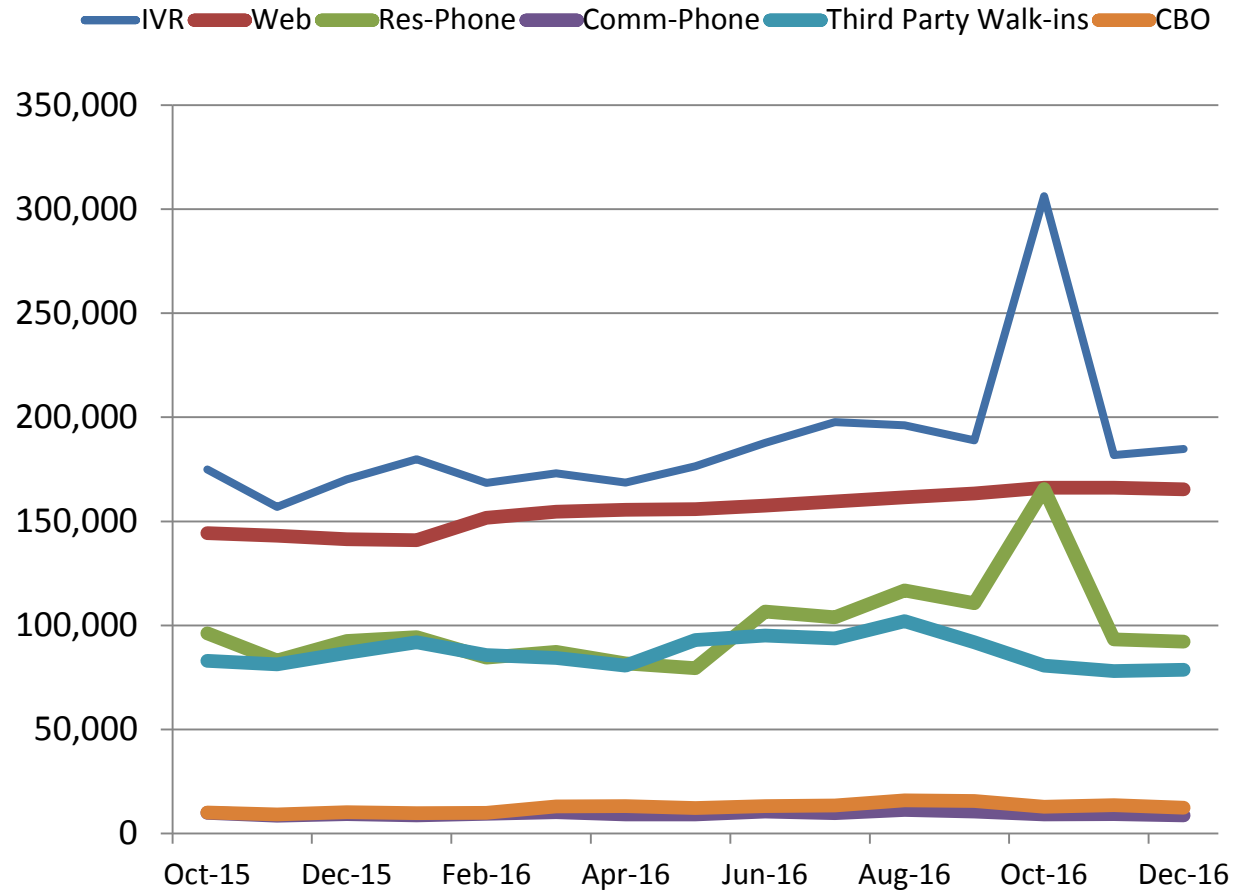
Providing multiple contact channels allows the customer to interact with JEA in a way that's easiest for them.

Customer Satisfaction
Rating: 8s-10s by Channel - JDP

	JEA FY16	JEA FY17	Industry FY17
Phone	72.5%	69.5%	71.3%
CCC	57.0%	63.1%	68.1%
IVR	79.6%	73.5%	72.6%
Web	64.6%	92.2%	69.6%

Note: FY17 Wave 1 only

Transactional Volume



Accurately addressing a customer's needs the first time produces a positive customer experience

FY2017 YTD Transactional Study

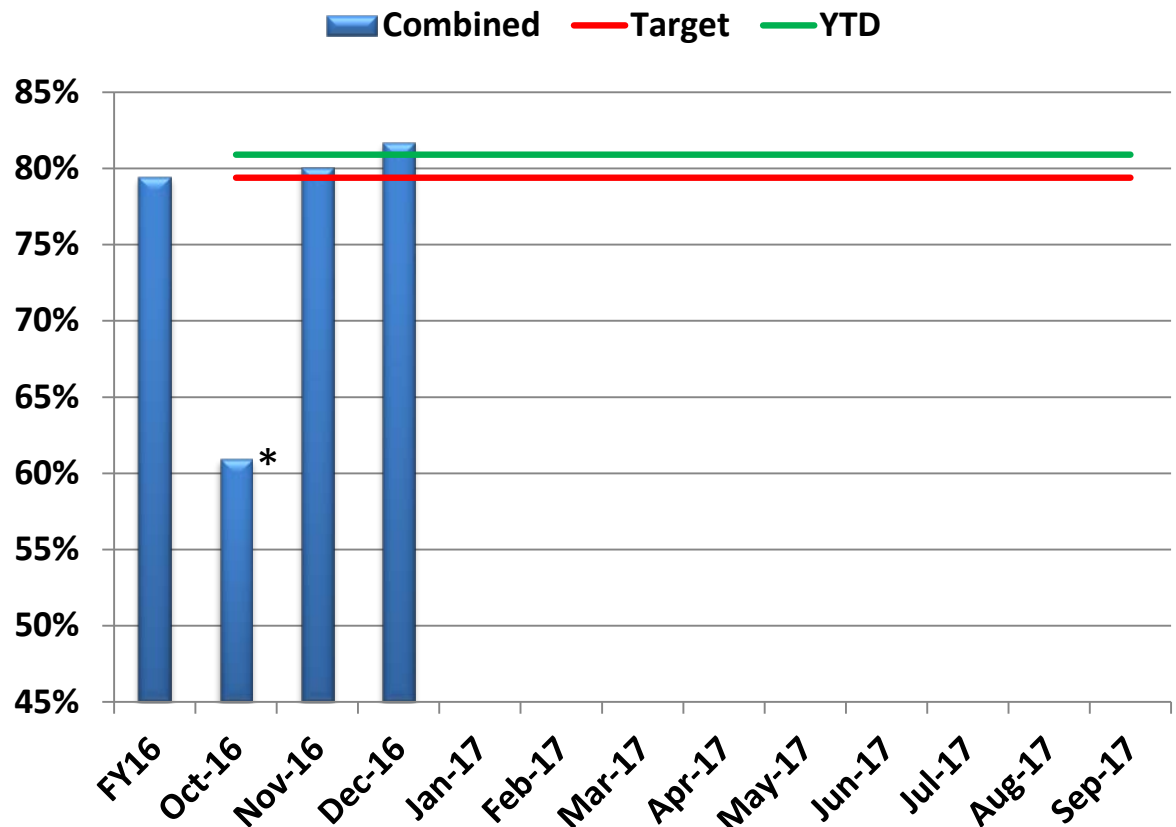
Residential CC	77.2%
Branches	84.8%
Commercial CC	85.5%
IVR	79.5%
<u>jea.com</u>	<u>84.0%</u>
Overall	80.9%

JD Power FCR

	JEA FY16	JEA FY17	Industry FY17
Res CC/IVR	74.8%	73.1%	72.0%
Jea.com	77.7%	74.1%	71.6%
Bus CC/IVR	71.4%	87.3%	73.2%

Note: FY17 Wave 1 only

First Contact Resolution Branches, Call Centers, and jea.com



* October decline result of Hurricane Mathew

Customers are more satisfied when receiving additional information when reporting an outage and when given updates when power is restored

JD Power
“Keeping you informed about outage”

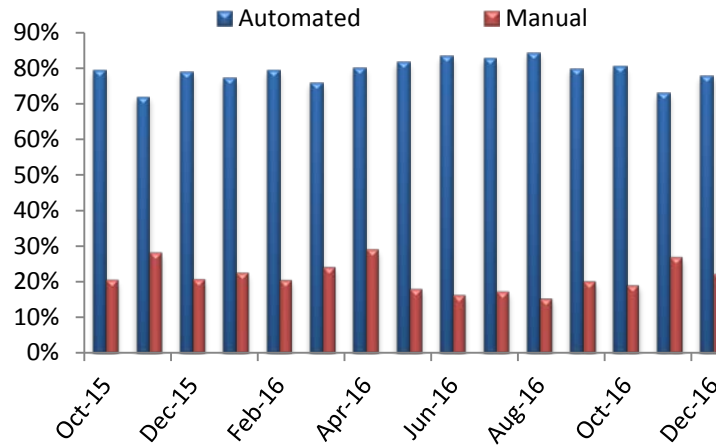
Score	JEA FY16	JEA FY17	Ind FY17
8 – 10	37.9%	50.9%	46.0%
< 5	20.0%	16.0%	16.9%

Outage Information Points

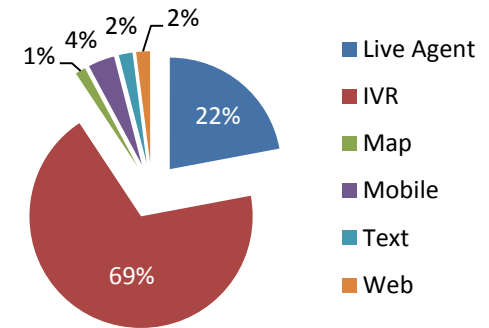
	FY16	FY17
JEA	2.3	2.6
Industry	2.1	2.3

Note: FY17 Wave 1 only

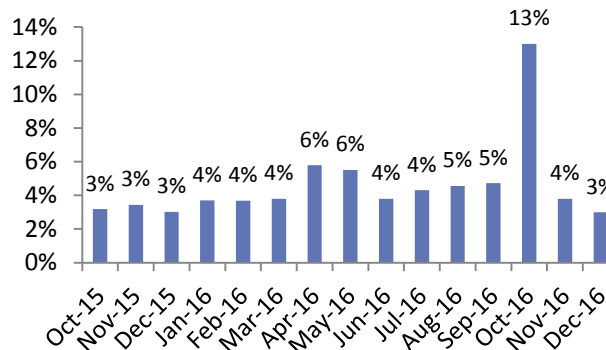
Outage Reporting



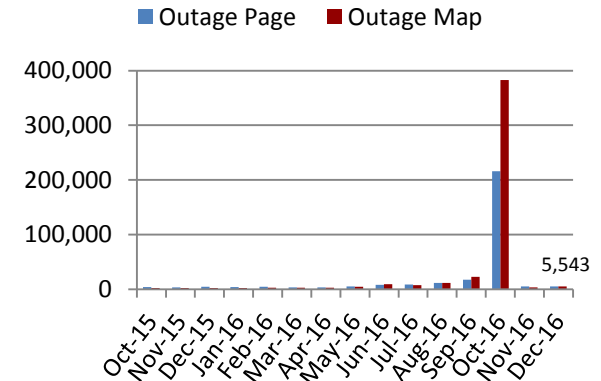
Outage Reporting by Channel



% Customers Receiving Outage Updates



jea.com Outage Page Volume



Customer Solution Participation	FY17 Goal	FY17 YTD
e-Billing Participation	97,982	82,314
Levelized Bill Participation	25,592	20,426
AutoPay Participation	41,800	35,946
JEA MyWay Participation	19,418	14,685



We start 2017 off with a bang with our MyBudget MyChoice Giveaway in January and February! Levelized Billing is a great option for our Customers to deal with the high heating bills of Winter.

	FY17 YTD	Industry Benchmark*
e-Bill	20.1%	18.5%
Budget Bill	5.0%	9.0%
Auto Pay	8.8%	13.0%
*2015 IOU Benchmark Average		

Communicating with customers is a key driver of satisfaction and impacts all drivers.

JDP Frequency of Received Communication

FY17 YTD

Not enough	5%
Just right	87%
Too much	8%

JDP Comm Awareness

Residential

FY13	48.8%
FY14	51.9%
FY15	54.6%
FY16	54.4%
FY17 YTD	58.4%

Commercial

FY13	53.4%
FY14	55.7%
FY15	68.7%
FY16	55.4%
FY17 YTD	64.1%

Follow us on Twitter @NewsFromJEA
"Like" us on Facebook Facebook.com/NewsFromJEA

Life takes energy. Life takes water.

Report to Customers

JEA Expenses: Electric & Water/Wastewater

JEA's budget is divided into two distinct areas: the electric business and the water/wastewater business. The charts below show how revenue was used to generate each business during fiscal year 2016. Besides the graphs is a general explanation of how the money was spent.

Electric System Revenue Uses \$1,418,174,000

- Electricity Production 7%
- Electricity Distribution 7%
- Electricity Sales 86%
- Electricity Administration 0%
- Electricity Maintenance 0%
- Electricity Other 0%
- Electricity Other 0%
- Electricity Other 0%

Water and Sewer System Revenue Uses \$263,149,000

- Water 50%
- Water Construction 0%
- Water Distribution 0%
- Water Maintenance 0%
- Water Other 0%
- Water Other 0%
- Water Other 0%
- Water Other 0%

Food and Purchased Power - pays for the cost of fuel to generate electricity and the cost of operation and maintenance of power plants. This pays for the cost of power for plants jointly owned with other utilities. (St. John Power Park is jointly owned with PSE). Plant Schemer is jointly owned with several other power companies.

Debt Service - repays loans for very large capital investments such as electric generation and substations or water and sewer plants. This is similar to very large capital investments, most notably your home. A home purchase usually requires a mortgage that's repaid in monthly installments over decades.

Operations and Maintenance - includes materials and supplies to operate and maintain JEA's systems and staff.

Salaries and Benefits - includes salaries and benefits for 2,100 employees.

City Contribution - the portion of JEA's budget that is collected by JEA for the City of Indianapolis to support general government activities.

Capital Investment - money set aside to pay for additions to our systems. Having this fund allows us to pay for these items directly instead of borrowing money. This is the same idea as if you saved up to buy a new car each year rather than borrowing the money and paying interest.

Taxes - money paid to the state and other entities in order to be a municipal service provider.

Contact with JEA on

We Are JEA

JEA is a community owned, not-for-profit, public power utility. Chances are our employees are your neighbors. We are here to serve you. We are JEA.

Chap, JEA Line Maintainer: "If you have energy in your home or business, it's my job to get it back on."

William, JEA W/WWW Site Restoration: "It's been to dig up your yard to fix your pipes, I make sure we make it all look great again."

Nicole, JEA W/WWW Engineer: "I review the design of new developments to ensure that our existing and future customers are receiving reliable water, wastewater and reclaimed systems."

Dorekia, JEA Customer Care Consultant: "When you call JEA, it's my job to give you friendly, fast and efficient service."

Jeep, JEA Meter Specialist: "It's my job to turn your water and/or electric service meter on when you start service."

Kael, JEA Manager Safety & Health: "It's my job to make sure JEA employees go home the same way they came to work: safe and healthy."

The Power of Reliability

In 2016, JEA customers consumed more than 13 million MWh of energy. It takes a well-maintained electric system to support the reliable delivery of all that power. That's why we continuously inspect, maintain, and upgrade our existing infrastructure in order to meet an ever-increasing demand for energy. More at jea.com/reliability.

- 18,000 Distribution Poles Inspected
- 3,500 Distribution Poles Replaced
- 1,800 Transformers Replaced
- \$5.8 Million Preventive Vegetation Management

How JEA Invests Your Money in Infrastructure

- \$113 Million: W/WWW 2016 system improvements included new pumping stations, water treatment plants and an expanded water reclamation facility, all either built or under construction.
- \$114 Million: Electric 2016 system improvements included new substations built or under construction to help improve overall power quality and reliability for customers.

30,700 Feet new water pipe installed in 2016 to replace aging infrastructure.

Reclaimed Water 48 percent Growth

14 Million Gallons a day Produced in 2016 to benefit the community.

1 Million Gallons a day Produced in 1999 to benefit the community. jea.com/wastewater

JEA has invested \$3 Billion

In water and sewer infrastructure since 2004. More at jea.com/about/water-supply.

Working to Keep Bills Low

- Rate Restructuring**: Will save customers \$100 million over next eight years. jea.com/newrates
- Keeping Your Rates Low**: Electric and Water rates are less than rates six years ago. jea.com/rates
- Savings from Surplus Sales**: JEA netted \$3.5 million in surplus sales in 2016. jea.com/surplus

>7,400 Hours Spent by JEA employees participating in the community (speaking to groups about energy and water conservation, teaching classes in schools and serving the community.)

71 percent of our customers have a free online account at jea.com where you can:

- Pay your bill
- Report an outage
- Track your usage

Easy to do Business With

- 64 Hours/week** JEA customer care consultants available to help you on the phone
- 50 hours/week** JEA customer care consultants available for face-to-face service

Based by employees for United Way of Northwest Florida and Community Health Charities. More at jea.com/employingjea.

Communication Channels
FY17
Volume: 62,556,928

- e-Com (jea.com, email, social) 20,847,425
- Paid Media (Radio, TV, Print) 38,310,468
- Community Engagement (Events, Workshops) 151,010
- Other Communication (Bill Inserts, Brochures, 3,248,025)

Tape electric cords down, so they don't become trip hazards. More electric safety tips:

Electric Safety Tips You Should Know

We take electric safety seriously, and you should too! Check out our list of tips you can follow at home and in the office.

JEA.COM

Giving back to our community through volunteering is foundational as a community-owned utility

FY17 Total Volunteers—225

December— 139 Volunteers

- Salvation Army Toy Shop –
- NE Florida Food Bank
- City Rescue Mission Holiday Celebration

January—Vol. Events

- Anne Frank Exhibition at MOSH – January 13, 20, 27, February 3, 10
- Dignity U Wear – January 26
- Feeding NE Florida Food Bank – January 26

JEA Employee Volunteer Participation



Robert (Robb) Mack
Manager of
Organizational
Effectiveness
Human Resources

JEA Ambassadors are engaging customers throughout our community in a greatly expanded way.

FY17 Activities:

- Speakers Bureau—24
- Facility Tours—17
- Community Events—38
- Educational Partnership Activities—8



JEA Employee Ambassadors participated in the 2016 Black Expo and were a huge hit.

JEA Employee Ambassador GiGi Carroll made a presentation to the UNF ARC Transition students, she provided them with tips on conservation and how to lower their monthly utility bills.

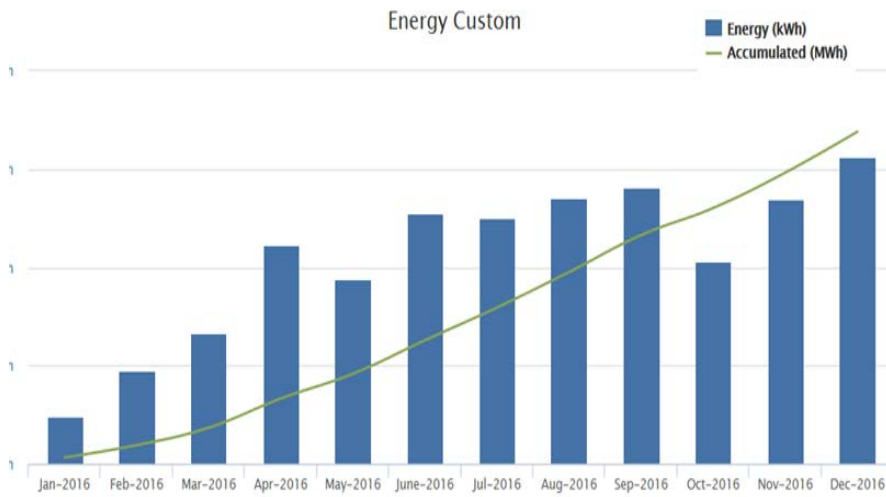


JEA Ambassador Program



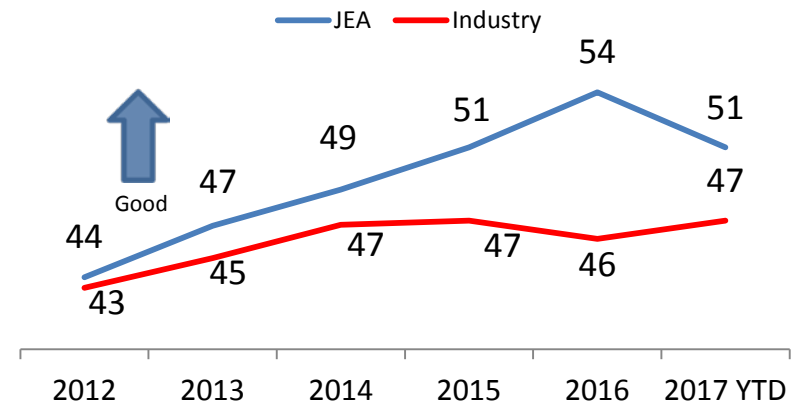
DSM Programs & Participation	FY17 Goal	FY17 YTD
Tracker Participation (Entering Site)	110,000	25,572
Invest Smart	395	159
Shop Smart	77,678	49,914
Neighborhood Energy Efficiency	1,262	289
Electric Vehicle Rebates	75	19

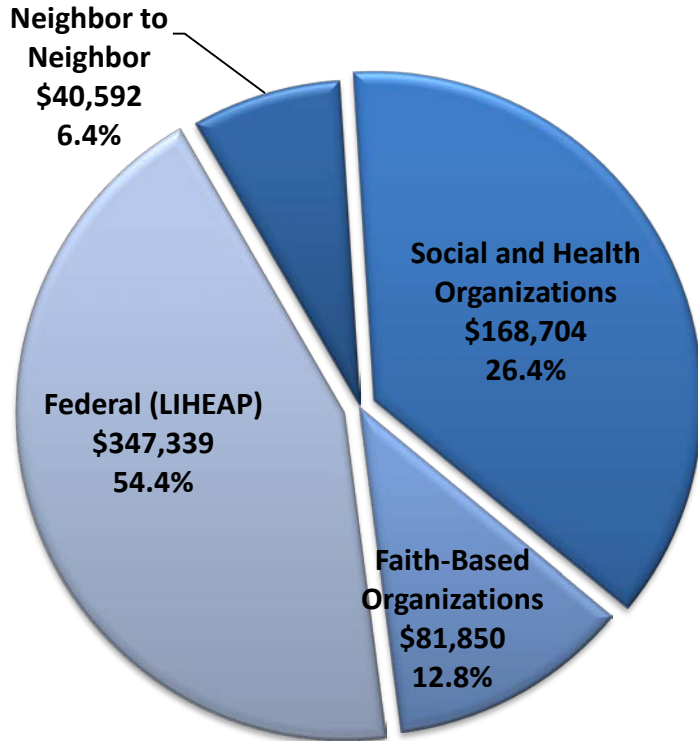
Public Charging Stations for Electric Vehicles



In first year of installations for Chargewell public charging network total energy dispensed into electric vehicles is 25 MWH

Familiarity with Utility Energy Efficiency or Conservation Programs (%)

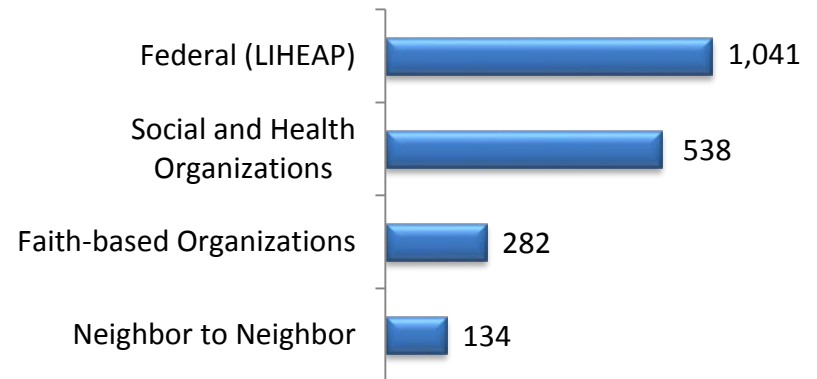




Agency & Federal
Customer Assistance
FY 17 YTD
\$638,485

24 agencies provided **662** utility payments on behalf of JEA customers in December 2016 totaling **\$208,931**

Customers Receiving Agency Assistance YTD

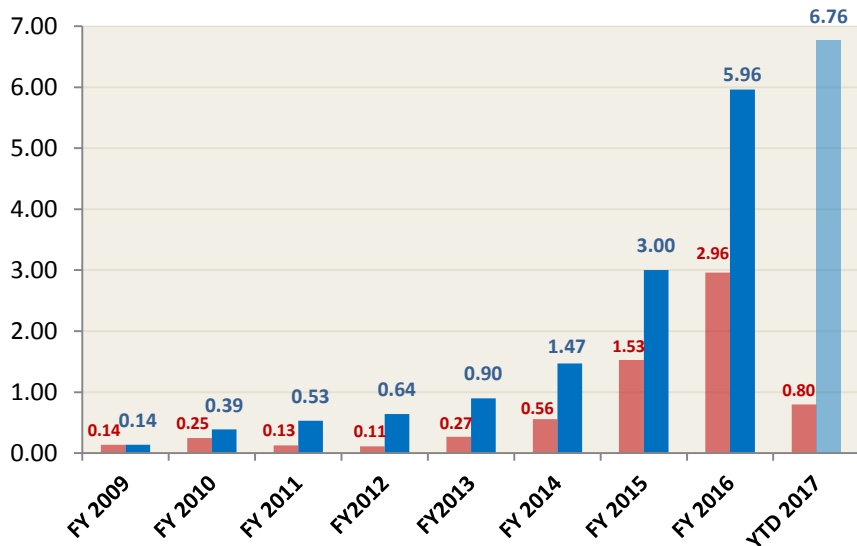


Number of Customers Receiving
Agency & Federal Utility Assistance
FY 17 YTD
1,995

10MW Policy Limit for Private Solar To Be Reached Within Next Six Months

- The installation rate of private solar on the JEA system is growing
- As of December/16, only 3.2 MW remains available for new installations
- Staff estimates that the 10 MW policy limit could be reached as soon as July 2017
- The annualized subsidy for the current 6.8 MWs of installed private city is \$628,000 annually
- The table below reflects the current and future subsidy levels associated with private Solar:

Customer-Owned PV Solar Capacity - MW



	Current 6.8 MW	10 MW Policy Limit	Each Future MW
Energy Subsidy	\$330,000	\$500,000	\$50,000
Capacity Subsidy	\$230,000	\$330,000	\$33,000
Taxes & Fees Subsidy	\$68,000	\$98,000	\$9,800
Subsidy Total	\$628,000	\$928,000	\$92,800
Subsidy 20-yr NPV	\$8,200,000	\$12,100,000	\$1,210,000

III. A. 7.

Monthly Operational and Financial Presentation









Monthly Operating and Financial Reporting Summary

[Return to Agenda](#)

III. A. 7.
1/17/2017

Board of Directors January 17, 2017









Water & Wastewater Monthly Operations Scorecard

Water & Wastewater	FY2016	FY2017 Goal	FY2017 YTD	Status
JEA Safety RIR	1.82	1.40	2.04	
Sales Forecast (kGals in 1000's)	36,358	34,558	35,702	
Water Unplanned Outages (# cust.)	12,735	9,000	1,209	
CUP Compliance	Yes	Yes	Yes	
Nitrogen to the River (tons)	524	550	154	
Sanitary Sewer Overflows (SSO's)	32	27	11	

Significant Occurrences or Concerns This Month






- Two (2) OSHA recordable safety incidents in December, 11 YTD
- Unplanned Water Main Outages: 142 customers in December, event communication enhancements ongoing
- CUP: Average daily flow of 112 MGD was 14% below CY limit of 131 MGD; reclaim usage reached 16 MGD
- Nitrogen to River: 154 tons YTD with storm impacts, current forecast is 601 tons trending towards 550 tons
- SSO's Impacting Waters of the US: Eleven(11) year-to-date, excluding the Hurricane events

Electric Monthly Operations Scorecard

Electric System	FY2016	FY2017 Goal	FY2017 YTD	Status
JEA Safety RIR	1.82	1.40	2.04	
Sales Forecast (million MWh)	12.6	12.4	12.2	
T&D Grid Performance Customer Outage				
<i>Frequency (outages/year)</i>	<i>1.4</i>	<i>1.5</i>	<i>1.32</i>	
<i>Electric Outage Duration (minutes/year)</i>	<i>71</i>	<i>85</i>	<i>70</i>	
<i>Transmission Line Faults (# per 100 miles)</i>	<i>0.7</i>	<i>1.2</i>	<i>0.7</i>	
<i>CEMI₅ (% cust. > 5 outages/year)</i>	<i>1.4</i>	<i>1.5</i>	<i>1.77</i>	
Generating Plant Performance				
<i>Generation Fleet Reliability (forced outages rate)</i>	<i>2.0</i>	<i>2.0</i>	<i>0.62</i>	
<i>Environmental Compliance (permit exceedances)</i>	<i>4</i>	<i>4</i>	<i>1</i>	

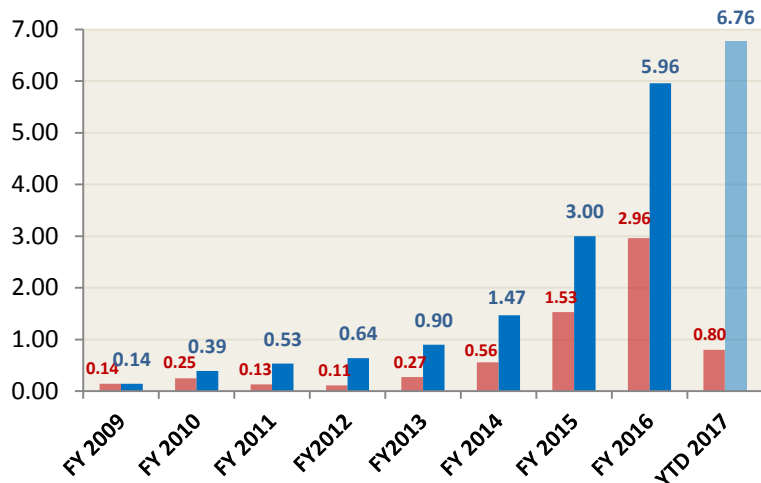
Significant Occurrences or Concerns This Month

- Generation Fleet performing well this winter. All 3 Northside successfully completed planned outages last fall. Fleet reliability high (at 0.62) through 1st quarter of FY17.
- Despite a tough weather year, T&D grid performance metrics all better than targets with the exception of CEMI-5. Excellent recovery work by JEA field crews.

Customer Experience	FY2016	FY2017 Goal	FY2017 YTD	Status
JDP Customer Satisfaction Index - Residential	2 nd Q	1 st Q	1 st Q	
JDP Customer Satisfaction Index - Business	1 st Q	1 st Q	1 st Q	
Overall First Contact Resolution Index	79.0%	≥79.4%	80.9%	
Self Service Utilization	77.2%	≥78.5%	82.9%	
Net Write-Offs	0.14%	≤0.20%	0.13%	










Significant Occurrences or Concerns This Month

10MW Policy Limit for Private Solar To Be Reached Within Next Six Months













- The installation rate of net-metered private solar on the JEA system is growing
- As of December/16, only 3.2 MW remains available for new installations
- Staff estimates that the 10 MW policy limit could be reached as soon as July 2017
- The annualized subsidy for the current 6.8 MWs of installed private capacity is \$628,000 – this will climb to \$928K per year once 10 MW limit reached

Electric Systems Metrics Forecast

	Rating Agency/ Perform. Goal	Forecast	Score
System Sales (GWh)	12,000	12,230	
Base Revenue Growth	(.10%)	1.6%	
Debt Svc. Coverage	2.3x	2.4x	
Days Liquidity (Cash)	282 (163)	265 (153)	
Debt/Asset %	62%	62%	
Non-Fuel/MWh	\$53.94	\$54.46	
Net Funded Debt Reduction	\$216m	\$216m	
Capital Expenditures	\$166m	\$149m	
Moody's/S&P/Fitch Ratings	Aa2/AA-/AA	Aa2/AA-/AA	

Water and Sewer Systems Metrics Forecast

	Rating Agency/ Perform. Goal	Forecast	Score
Water System Sales (mGals)	35,000	35,702	
Base Revenue Growth	(1.3%)	(2.0%)	
Debt Svc. Coverage	2.5x	2.5x	
Days Liquidity (Cash)	227 (109)	309 (197)	
Debt/Asset %	50%	50%	
Water Cost/kgal	\$4.75	\$5.00	
Sewer Cost/kgal	\$10.27	\$10.62	
Net Funded Debt Reduction	\$77m	\$77m	
Capital Expenditures	\$205m	\$206m	
Moody's/S&P/Fitch Ratings	Aa2/AA/AA	Aa2/AAA/AA	

Significant Occurrences or Concerns This Month

- Have incurred \$13MM of actual expenses YTD from Hurricane Mathew but only includes a portion of the mutual aid costs

III. A. 8.

Monthly FY17 Communications & Engagement Calendar and Plan Update

JEA Community Engagement Calendar - December - February 2017

(Events highlighted in blue are either JEA corporate or partner events)

	A	B	C	D	E	F
1	Date	Event/Activity	Location	Time	Type	Opportunity for Public to Attend or Participate
2	Dec-16					
3	12/1/2016	United Way Vendor Fair	JEA Lobby	9am	Ambassador Event	Yes
4	12/3/2016	NAS Jax Squadron Stand Down	NAS Jax	8am	Ambassador Speaker	No
5	12/3/2016	Oakley St Tree Planing	Oakley St	9am	Ambassador Event	Yes
6	12/5/2016	JU Conservation Ecology Class	Arlington East Wastewater Plant Tour	10am	Ambassador Facility Tour	No
7	12/6/2016	JEA Power Pals Program	SP Livingston Elem	1:45pm	Ambassador Instructor	No
8	12/7/2016	FL Urban Forestry Council	Sumpterville	8am	Ambassador Speaker	No
9	12/9/2016	Ambassador Speaker Training Evaluator	JEA Training Center	2pm	Ambassador Instructor	No
10	12/10/2016	Q&A With JEA	WOKV	11am	Ambassador Speaker	Yes
11	12/11/2016	Native Sun Lunch & Learn	Baymeadows Rd	12pm	Ambassador Speaker	Yes
12	12/12/2016	Cub Scout Troop 522	Ortega UMC	7pm	Ambassador Speaker	No
13	12/13/2016	The ARC UNF Transition Students	Campus	9am	Ambassador Speaker	Yes
14	12/13/2016	JEA Power Pals Program	SP Livingston Elem	1:45pm	Ambassador Instructor	No
15	12/13/2016	CSX Employees	NGS Tour	2pm	Ambassador Facility Tour	No
16	12/15/2016	Nassau County High	Main St Lab Tour	10:30am	Ambassador Facility Tour	No
17	12/15/2016	Rufus E Payne Science Fair	6725 Hema Rd	5:30pm	Ambassador Event	Yes
18	12/16/2016	Black Expo Set Up	Prime Osborn	1pm	Ambassador Event	No
19	12/17/2016	2016 Black Expo	Prime Osborn	10am	Ambassador Event	Yes
20	12/17/2016	Cub Scout Troop 35	Main St Lab Tour	12noon	Ambassador Facility Tour	No
21	12/18/2016	Native Sun Ride & Drive	Baymeadows Rd	12noon	Ambassador Event	No
22	12/19/2016	SP Livingston Science Fair	SP Livingston Elem	5:30pm	Ambassador Event	Yes
23	12/20/2016	JEA Power Pals Program	SP Livingston Elem	1:45pm	Ambassador Instructor	No
24	12/21/2016	West Riverside Career Fair	2792 Herschel St	9am	Ambassador Event	No
25	12/21/2016	Osher Life Institute Pre-Tour	Brandy Branch	10:30am	Ambassador Facility Tour	No

JEA Community Engagement Calendar - December - February 2017

(Events highlighted in blue are either JEA corporate or partner events)

III. A. 8.
1/17/2017

	A	B	C	D	E	F
26	12/21/2016	JHA FOG Program Presentation	1300 N Broad St	10am	Ambassador Event	Yes
27	12/21/2016	JHA FOG Program Presentation	1320 N Broad St	11am	Ambassador Event	Yes
28	12/21/2016	JHA FOG Program Presentation	617 W 44th St	12noon	Ambassador Event	Yes
29	12/22/2016	JHA FOG Program Presentation	230 E 1st St	10am	Ambassador Event	Yes
30	12/22/2016	JHA FOG Program Presentation	8711 Newton Rd	11am	Ambassador Event	Yes
31	Jan-17					
32	1/6/2017	Ridgeview High School	NGS Tour	8am	Ambassador Facility Tour	No
33	1/9/2017	Men's Newcomers Club of Amelia Island	NGS Tour	10am	Ambassador Facility Tour	No
34	1/17/2017	Job Corp Career Fair	4811 Payne Stewert Dr	10am	Ambassador Event	No
35	1/31/2017	Orange Park High	NGS Tour	9am	Ambassador Facility Tour	No
36						
37						
38						
39						
40	Feb-17					
41	2/7/2017	ARC Jacksonville	Greenland Energy Ct Tour	1:30pm	Ambassador Facility Tour	No
42	2/8/2017	UNF Environmental Center	Buckman Wastewater Tour	1:30pm	Ambassador Facility Tour	No
43						
44						
45						
46						
47						
48						
49						



FY17 Communications & Community Engagement Overview and December/January Update

Overview: Each month we update the board on communications and community engagement activities for the previous and current months. The purpose is to keep you informed about these activities so that you are knowledgeable about JEA's efforts to keep our customers informed, to assist them in the management of their utility services and to be a good corporate citizen.

Communications: In December, we completed our ebill promotion. Our general communications for the month were focused on electric and holiday safety. December is a bit slower on communications as customers are focused on the holidays. In January, we kicked off our MyBudget campaign that offers customers a chance to be part of a drawing for one of two types of gift cards. Otherwise we continued all key messages that were identified by J.D. Power as critical to customers. All paid and owned messaging is supported by social media, using Twitter, Facebook, LinkedIn, Google+ and YouTube to provide additional timely, relevant information.

Community Engagement: JEA employees are actively involved in our community engagement efforts. JEA Ambassadors participate in activities where we have an opportunity to help customers manage their utility services and/or to educate customers about how JEA provides critical utility services to our community. These employees are trained and certified ahead of time to help JEA deliver on our mission. On the other hand, JEA Volunteers go out into the community to assist nonprofits accomplish their goals by offering their time and talents to help the nonprofit deliver their mission. Volunteers do not have to have any special training or talent; they just have a caring heart.

In December, Ambassador activities included participation in seven speaking engagements and fourteen community events/activities. Ambassadors were requested to speak to the NAS Jax Squadron Stand-Down Meeting, FL Forestry Urban Council and the UNF ARC Transition student group. Ambassadors conducted facility tours for the JU Conservation Ecology Class and Cub Scout Troop #32 and participated in several community events including the 2016 Black Expo, Rufus E Payne and SP Livingston Science Fairs. Ambassadors concluded the JEA Power Pals Program at SP Livingston Elementary School.

Below, JEA Employee Ambassadors participated in the 2016 Black Expo and were a huge hit.



In December, JEA volunteers came out in support of the Holiday Toy Collection Drive for Hubbard House and contributed 418 toy items; for Adopt A Family for the Holidays where JEA employees or employee groups adopted 12 families through Hubbard House, Department of Children and Families, Family Support Services and The Salvation Army; and for the Blanket Drive, JEA employees knitted and donated baby blankets and hats to Wolfson Children’s Hospital



Adopt-a-Family for the Holidays



Blankets Donated to Wolfson Children’s Hospital



Salvation Army Toy Shop Give-away

As a community-owned utility, JEA employees take a great pride in the Ambassador and Volunteer programs and these programs go a long way to tangibly demonstrate to customers and the community the incredible “Heart of JEA.”

Communications Contacts* Generated Year to Date	62,556,928
• Number of Paid Communications Contacts (Radio, Television, Out of Home, Online, Print)	38,310,468
• Number of Other Communications Contacts (Bill Insert, Bill Envelop, Brochure, etc.)	3,248,025
• Number of E-communications Contacts (jea.com Visitors, Email, Social Media, Videos)	38,310,468
• Number of Community Engagement Communications Contacts (Events, Public Speaking, Presentations, Training, Workshops, etc.)	151,010

*Communications Contacts are the opportunities we have to communication information to our customers.

III. B. 1.

Quarterly Financial Report



JEA Monthly Financial Summary

as of December 31, 2016

[Return to Agenda](#)

III. B. 1.
1/17/2017

Board of Directors January 22, 2017

Key Financial Metrics

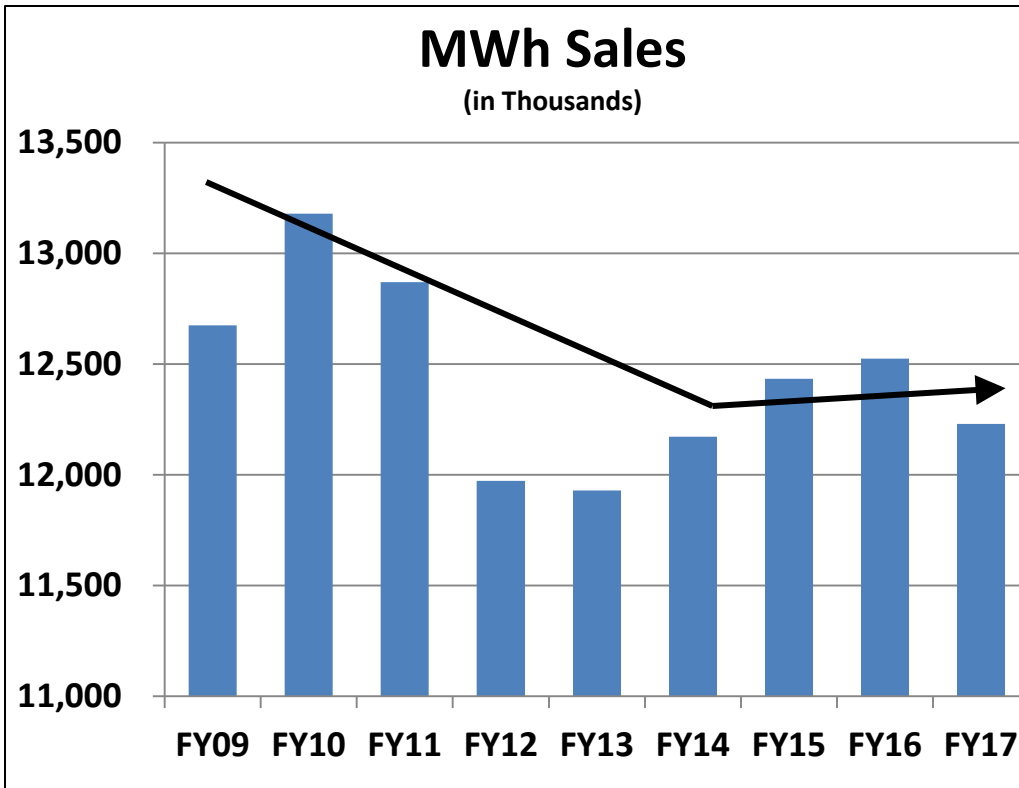
Electric System	Year-to-Date		FY2017 Full Year		Result
	FY2017	FY2016	Forecast	Target	
Debt Service Coverage	2.8x	2.5x	2.4x	≥ 2.2x	✓
Days Liquidity	345	319	265	150 to 250 days ¹	✓
<i>Days Cash on Hand</i>	226	195	153		✓
Debt to Asset %	65%	68%	62%	60% ²	✓

Water and Sewer System	Year-to-Date		FY2017 Full Year		Result
	FY2017	FY2016	Forecast	Target	
Debt Service Coverage	2.8x	3.0x	2.5x	≥ 1.8x	✓
Days Liquidity	293	286	309	≥ 100 days	✓
<i>Days Cash on Hand</i>	173	162	197		✓
Debt to Asset %	52%	54%	50%	50% ³	✓

¹ Moody's Aa benchmark: 150 to 250 days

² Long-term target is 52%: per Moody's Sector In-Depth Report "Top 30 City Owned Utilities (by debt outstanding)", Sept. 2015

³ Long-term target is 50%: calculated peer group from Moody's 214 Aa rated public water-sewer utilities, Dec. 2015



Month	FY16	FY17	%
Oct	952,515	951,425	(0.1%)
Nov	923,705	863,238	(6.5%)
Dec	922,956	905,219	(1.9%)
YTD	2,799,176	2,719,882	(2.8%)
Jan	1,049,897		
Feb	894,563		
Mar	893,954		
Apr	900,013		
May	1,089,555		
Jun	1,231,251		
Jul	1,336,836		
Aug	1,254,240		
Sep	1,111,769		
Total/Forecast	12,561,253	12,230,025	

Unit Sales Driver: YTD MWh reduction due to moderate weather and decrease in FPU demand.

YTD Degree Days		
<u>30-yr. Avg.</u>	<u>FY16</u>	<u>FY17</u>
775	644	639

YTD Customer Accounts		
<u>FY16</u>	<u>FY17</u>	<u>%</u>
449,263	456,894	1.7%

Total System	(2.8%)
Residential	2.1%
Comm./Industrial	(2.6%)
Interruptible	(11.0%)
Wholesale (FPU)	(55.3%)

JEA Electric System

Financial Results and Cost Metrics

(\$ in thousands)

Revenues	FY17 Forecast	FY16 Actual	FY17 Budget	FY17 vs FY16 (\$)	Variance (%)
Fuel Revenue	\$ 398,677 ¹	\$ 426,653 ²	\$ 449,776	\$ (27,976)	-6.6%
Base Revenue	761,736 ¹	750,038	735,204	11,698	1.6%
Other Revenue	41,394	37,904	41,787	3,490	9.2%
Total Revenues	\$ 1,201,807	\$ 1,214,595	\$ 1,226,767	\$ (12,788)	-1.1%
		\$ (25M)			
Select Expenses					
Fuel Expense	\$ 458,396	\$ 397,280	\$ 411,903	\$ (61,116)	-15.4%
Fuel Fund Transfers	(59,719)	29,373	37,705	89,092	
O & M Expense	207,808	192,527	226,180	(15,281)	-7.9%
Non-fuel Purchased Power	79,078	87,426	83,394	8,348	9.5%
Net Revenues	\$ 503,396	\$ 496,092	\$ 454,939	\$ 7,304	1.5%
		\$48M			
Capital Expenditures	\$ 149,709	\$ 150,926	\$ 153,200 ³	\$ 1,217	0.8%
Debt Service	\$ 212,604 ⁴	\$ 171,506	\$ 179,654	\$ (41,098)	-24.0%

Electric Costs / MWh	Non-Fuel
Target	\$ 53.94
Forecast	54.46
Difference	\$ (0.52)

Fuel Fund (\$ in millions)	
Beginning Balance	\$ 180
Surplus/(Deficit)	(60)
Ending Balance	\$ 120

¹ Includes rate changes implemented in December 2016

² Net of \$57 million fuel credit and fuel rate reduction

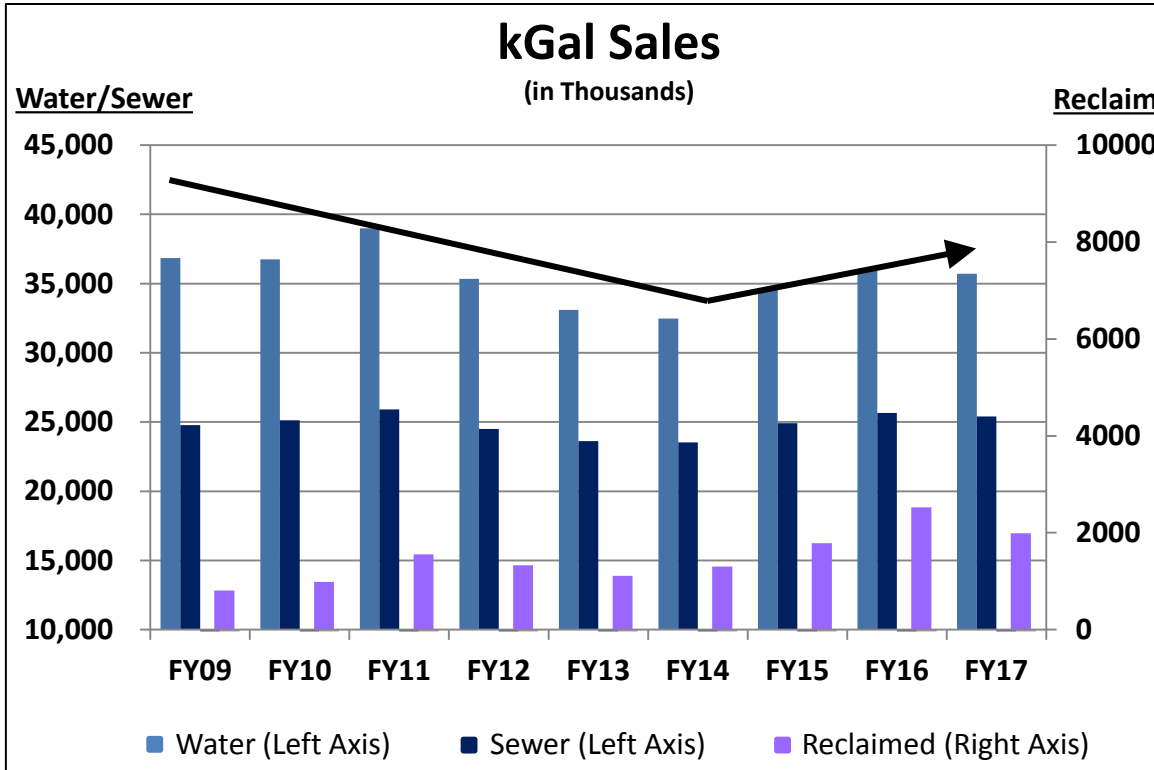
³ Council approved limit for capital expenditures in FY17 is \$170 million

⁴ Includes additional \$40 million related to advanced debt refunding approved by Board in November 2016

JEA Water and Sewer System

kGal Sales

(in Thousands)



Month	FY16	FY17	%
Oct	3,120	3,129	0.3%
Nov	2,641	3,068	16.2%
Dec	2,758	2,923	6.0%
YTD	8,519	9,120	7.0%
Jan	2,527		
Feb	2,479		
Mar	2,825		
Apr	2,914		
May	3,523		
Jun	3,290		
Jul	3,736		
Aug	3,451		
Sep	3,094		
Total/Forecast	36,358	35,702	

Unit Sales Driver: YTD rainfall up 7 inches; rain days down 4.

YTD Rainfall			
	30-Yr. Avg.	FY16	FY17
Inches	9	5	12
Days	22	19	15

YTD Customer Accounts			
	FY16	FY17	%
Water	330,341	338,611	2.5%
Sewer	255,503	262,253	2.6%
Reclaimed	6,977	8,833	26.6%

Total System	7.0%
Residential	6.4%
Comm./Industrial	0.4%
Irrigation	26.9%



JEA Water and Sewer System

Financial Results and Cost Metrics

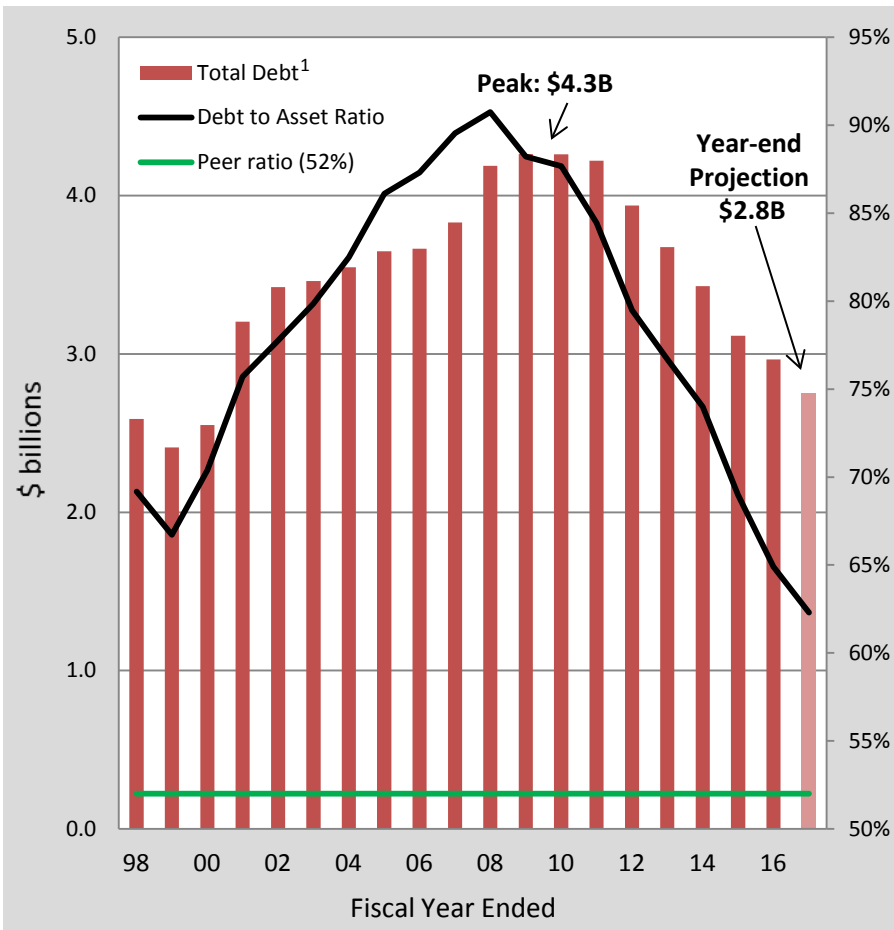
(\$ in thousands)

Revenues	FY17 Forecast	FY16 Actual	FY17 Budget	FY17 vs FY16 (\$)	Variance (%)
Water & Sewer Revenues	\$ 401,550	\$ 409,889	\$ 394,430	\$ (8,339)	-2.0%
Other Revenue	33,973	40,070	33,792	(6,097)	-15.2%
Total Revenues	\$ 435,523	\$ 449,959	\$ 428,222	\$ (14,436)	-3.2%
Select Expenses					
O & M Expense	\$ 140,780	\$ 130,296	\$ 144,149	\$ (10,484)	-8.0%
Net Revenues	\$ 291,627	\$ 313,130	\$ 280,753	\$ (21,503)	-6.7%
Capital Expenditures	\$ 205,973	\$ 147,363	\$ 205,000 ¹	\$ (58,610)	-39.8%
Debt Service	\$ 116,937	\$ 95,418	\$ 118,375	\$ (21,519)	-22.6%

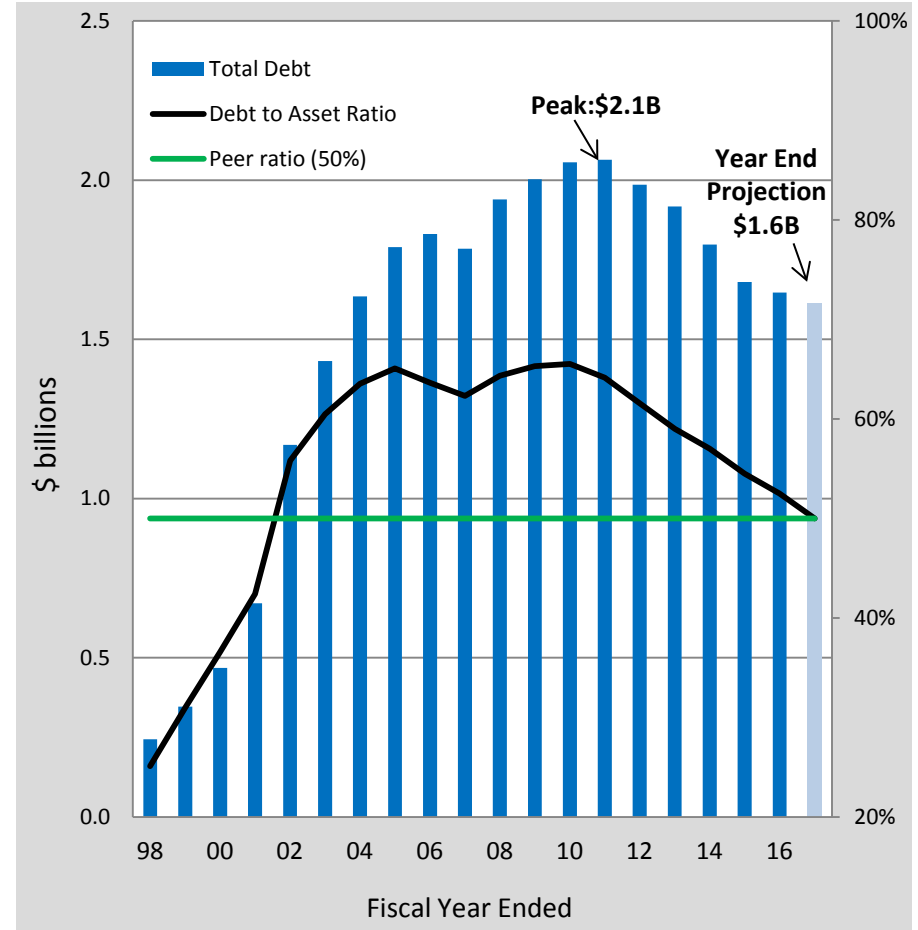
Cost / KGal	Water	Sewer
Target	\$ 4.75	\$ 10.27
Forecast	<u>5.00</u>	<u>10.62</u>
Difference	\$ (0.25)	\$ (0.35)

¹ Council approved limit for capital expenditures in FY17 is \$225.5 million

Electric System



Water and Sewer System

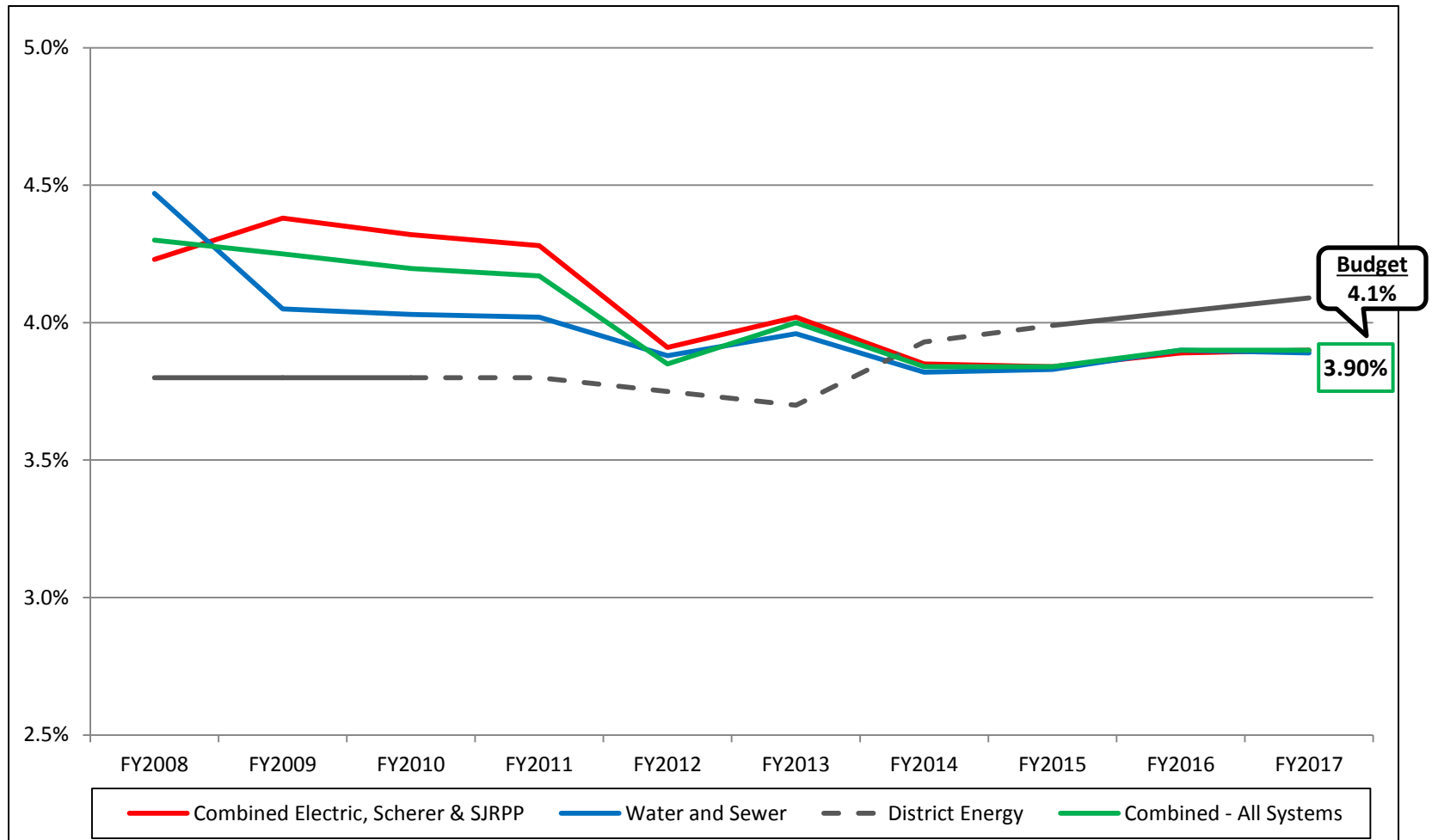


¹ Includes JEA, Scherer and SJRPP

² Per Moody's Special Comment, June 2014

³ As calculated from Moody's data for large Aa rated public water-sewer utilities

Combined Debt Outstanding Weighted Average Interest Rates*



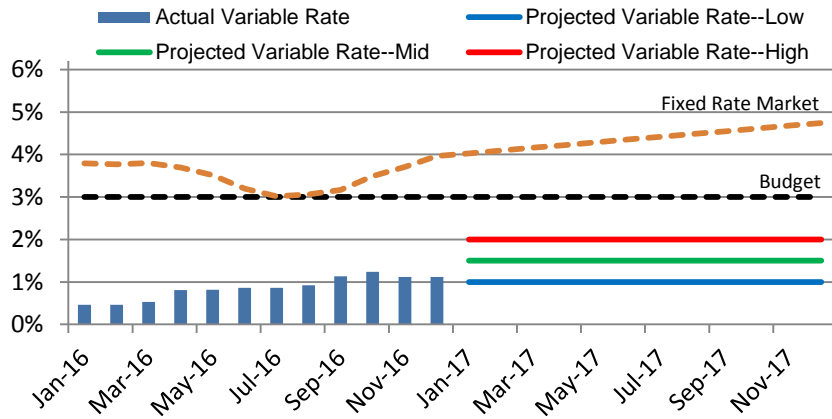
- Fiscal year end interest rates are net of BABs subsidy, original issue premiums / discounts and includes variable debt liquidity / remarketing fees and interest rate swap payments.
- - - - During FY2008 – FY2013 DES was funded with variable rate debt at an average of 1 percent.

Variable Rate Debt Risk Analysis

(\$ in millions)

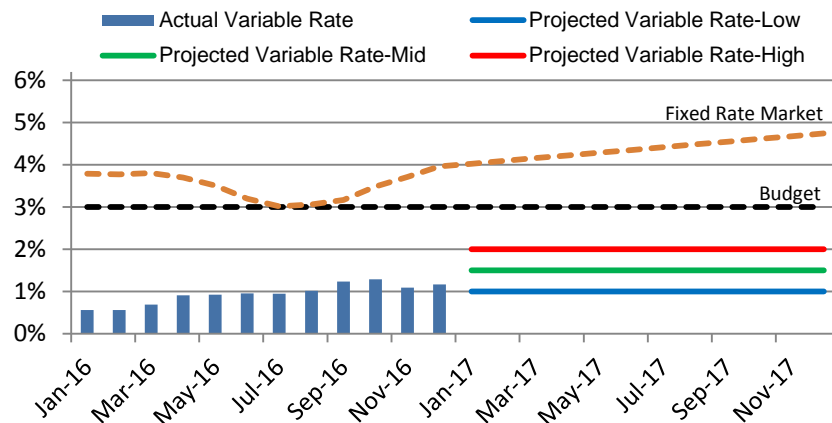
Electric System

Variable Interest Rates (including fees)



Water and Sewer

Variable Interest Rates (including fees)



Liquidity Facilities and Direct Purchase Bonds (DPBs)

Bank	Long-Term Ratings Moody's/S&P/Fitch	\$ (in millions)	%
Wells Fargo Bank N.A. (100% DPBs)	Aa2/AA-/AA	\$221	25
JP Morgan Chase Bank N.A.	Aa3/A+/AA-	199	24
Royal Bank of Canada	Aa3/AA-/AA	193	23
US Bank, N.A.	A1/AA-/AA	148	18
Sumitomo	A1/A/A	52	6
State Street Bank	Aa3/AA-/AA	31	4
Total		\$844	

Swap Providers

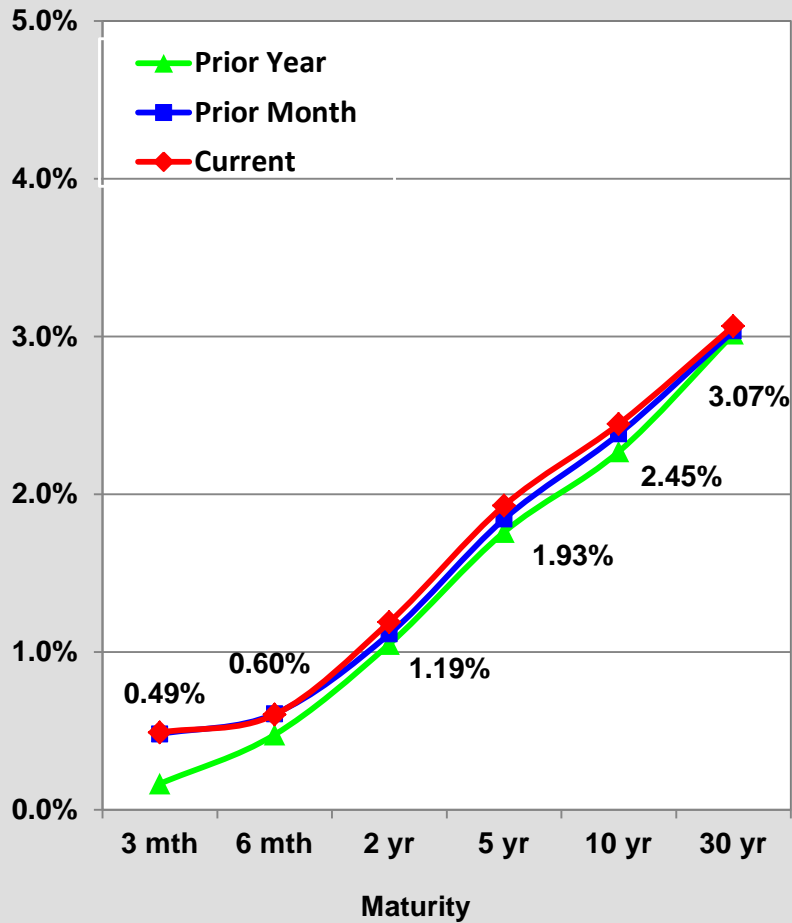
Bank	Long-Term Ratings Moody's/S&P/Fitch	\$ (in millions)	%
Morgan Stanley Capital Services	A3/BBB+/A	\$180	34
Goldman Sachs Mitsui Marine Derivative Products	Aa2/AA-/NR	137	26
JP Morgan Chase Bank N.A.	Aa3/A+/AA-	125	24
Merrill Lynch	Baa1/BBB+/A	85	16
Total		\$527	

Items of Interest

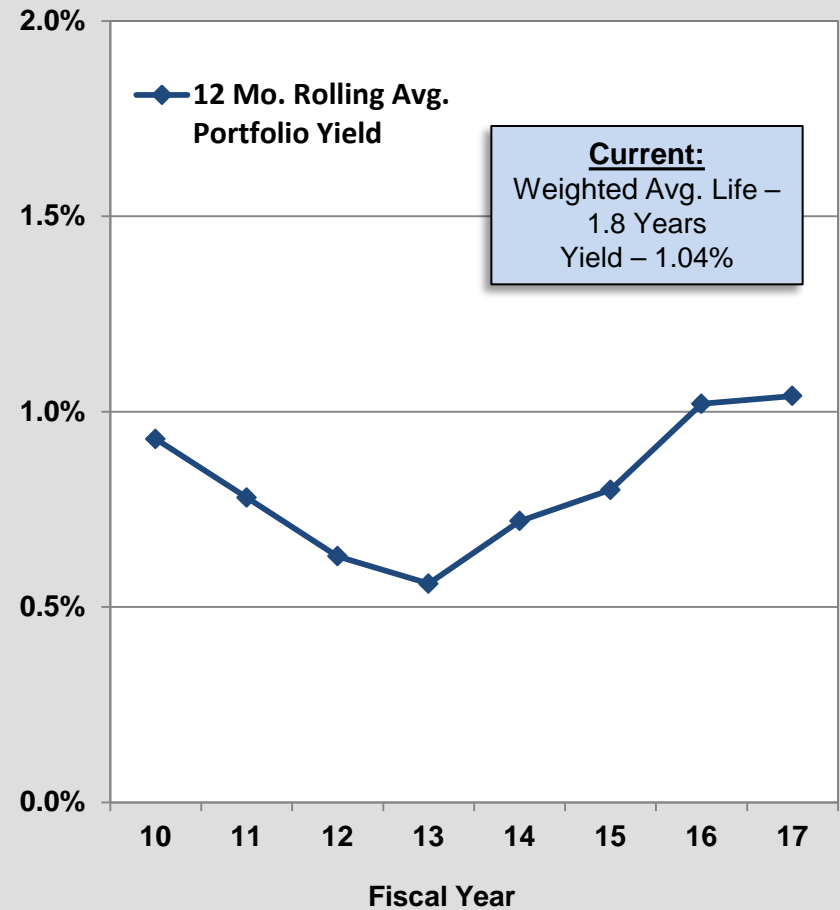
- Variable debt as a percentage of total debt:
 - Unhedged variable at 7% for Electric and 10% for Water and Sewer.
 - Hedged variable at 14% for Electric and 7% for Water and Sewer.
- Liquidity facilities / direct purchase bonds are with highly rated providers.
- No change in swap counterparty credit quality.
- Wells Fargo direct purchase bonds - three year renewal in Sep 2015.
- State Street liquidity facility renewed in Feb 2015 through March 2018.
- Variable rate reserve to mitigate risk of higher rates – \$62 million.

Total variable rate debt of \$882 with \$527 swapped to fixed rate

U. S. Treasury Yield Curve



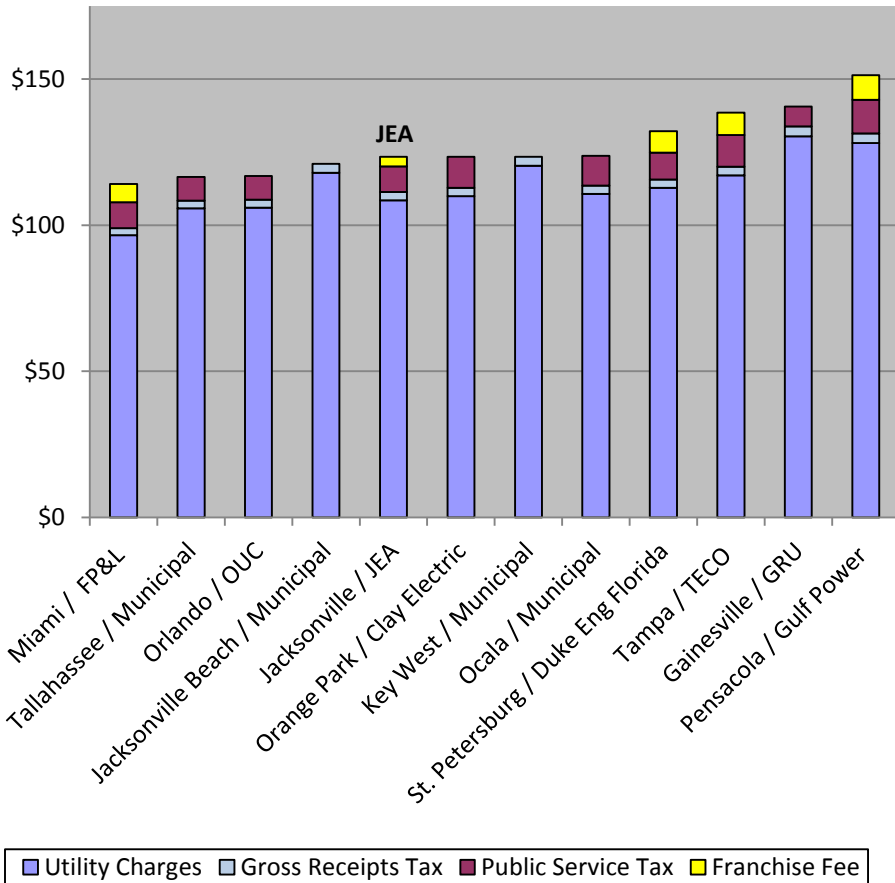
Investment Portfolio Yield



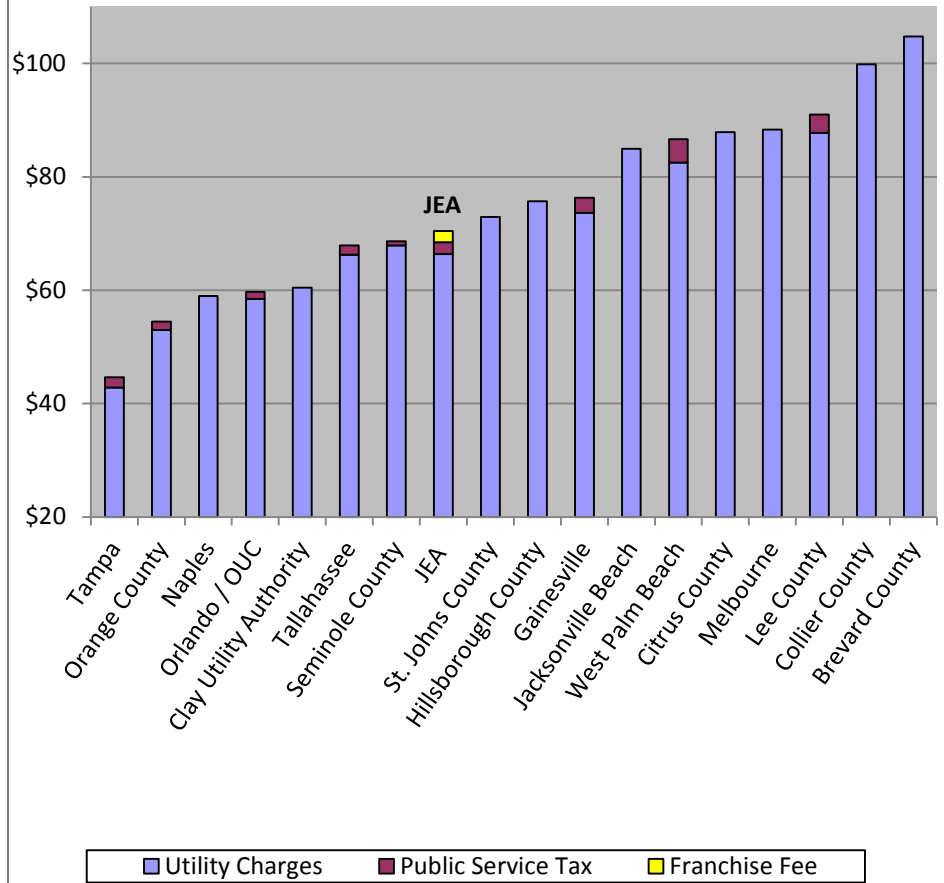


Florida Utilities Monthly Bill Comparison

Monthly Residential Electric Bills
Consumption @ 1,000 kWh



Monthly Residential Water Bills
5/8" meter and 6 kgals of Consumption



III. B. 2.

Electric System Generation Planning Discussion

III. B. 2.

Electric System Generation Planning Discussion

There are no materials for this agenda item. A presentation will be provided and Board Members will hold discussions at the January 17, 2017 Board Meeting.

III. B. 3.

Recommendation to Call a Public Hearing to Modify the
Electric Tariff Documentation and the Water and Sewer
Rate Document



Building Community

AGENDA ITEM SUMMARY

January 3, 2017

SUBJECT: RECOMMENDATION TO CALL A PUBLIC HEARING TO MODIFY THE ELECTRIC TARIFF DOCUMENTATION AND THE WATER AND SEWER RATE DOCUMENT

Purpose: Information Only Action Required Advice/Direction

Issue: JEA has an ongoing plan to review, update, and where possible, expand its rate options, to provide customers more rate choices for their utility services.

Significance:

SEE ATTACHED

Effect:

MEMORANDUM FOR

Cost or Benefit:

DETAILS

Recommended Board action: Staff recommends that the Board take action and call a public hearing to occur during the regularly scheduled Board meeting on February 21, 2017.

For additional information, contact: Melissa Dykes

Submitted by: PEM/ MHD/ RFW

MISSION	VISION	VALUES
		
Energizing our community through high-value energy and water solutions.	JEA is a premier service provider, valued asset and vital partner in advancing our community.	<ul style="list-style-type: none"> • Safety • Service • Growth² • Accountability • Integrity

Commitments to Action

- 1** Earn Customer Loyalty
- 2** Deliver Business Excellence
- 3** Develop an Unbeatable Team



INTER-OFFICE MEMORANDUM

January 3, 2017

SUBJECT: RECOMMENDATION TO CALL A PUBLIC HEARING TO MODIFY THE ELECTRIC TARIFF DOCUMENTATION AND THE WATER AND SEWER RATE DOCUMENT

FROM: Paul E. McElroy, Managing Director/CEO

TO: JEA Board of Directors

BACKGROUND:

JEA continues to review, update, and where possible, expand its rate options to provide customers more choices for their utility services. Like electric utilities across the industry, JEA's revenue is largely variable while its costs of establishing and maintaining the electric grid are largely fixed. While some utilities have remedied a portion of the mismatch by increasing the fixed portion of customer rates, this rate structure does not differentiate between the impacts of individual customer behavior on JEA's fixed costs and does not provide an incentive for customers to use the grid more efficiently.

As an alternative to a general increase in the fixed portion of customer bills, JEA staff has been developing a residential demand rate for the past 18 months called JEA SmartSavings, and is now proposing to begin piloting the new rate. A demand rate is a more appropriate way to charge for electricity by charging customers for the portion of the fixed grid infrastructure they are responsible for using. A demand rate can provide residential customers more control over their bill by managing what appliances they use and when they use them, thereby reducing their use of the grid itself. This rate structure also closely aligns with our cost of service.

The current residential rate structure has been widely used for the past 100 years. Although a demand rate has been used for commercial and industrial customers for decades, it is a new application for residential customers and necessitates testing. Phase one of the pilot, limited to 150 customers, will focus on customer experience, communication of the new rate concept, and customer acceptance. Phase two of the pilot, targeting 2,000 customers, will focus on the collection of statistically significant data on customer behavior and load changes that can ultimately be used for rate setting for a full roll-out to all customers.

DISCUSSION:

Subject to Board direction, staff will prepare for a February 21, 2017 Public Hearing to include:

A. JEA SmartSavings Residential Pilot Program

Staff is proposing to implement a residential demand rate pilot program. Customers on the proposed JEA SmartSavings Residential Pilot Program will see two demand rates on their monthly bill in lieu of an Energy Charge: (1) The highest demand (kW) for the month calculated at \$3.75 per kW, (2) The highest demand (kW) during peak hours for the month calculated at \$4.90 per kW. The Basic Monthly Charge, Environmental Charge, and the Fuel Charge will remain the same as the current residential electric rate.

This tariff change will allow JEA to launch the pilot during FY2017.

In addition to the pilot tariff, Staff also proposes the following additional tariff changes:

- B. Electric Service Charges** – Staff proposes service charge modifications regarding fraud, non-payment and meter testing
- C. Street Lighting** – Staff recommends two additional standard decorative LED lighting options
- D. Water and Sewer Service Charges** – Staff proposes service charge modifications regarding fraud, non-payment, meter testing, and backflow prevention testing
- E. Administrative Changes** – Staff recommends making administrative changes to the fire protection section to clarify and bring it into alignment with the Rules and Regulations for Water and Sewer Service

Staff will submit all Electric Tariff Documentation changes to the Florida Public Service Commission.

RECOMMENDATION:

Staff recommends that the Board take action and call a public hearing to occur during the regularly scheduled Board meeting, on February 21, 2017.

Paul E. McElroy, Managing Director/CEO

PEM/MHD/RFW



Building Communitysm

Call for Rate Hearing
JEA SmartSavings Residential Pilot Program

JEA Board of Directors Meeting
January 17, 2017

JEA SMARTSAVINGS RESIDENTIAL PILOT PROGRAM

Customer Benefit →

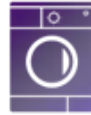
Offers customers a new way to be more in control of their energy use and their savings based on when and how they use energy—**timing and how many appliances you run at the same time**



Washing Machine



Electric Oven



Clothes Dryer

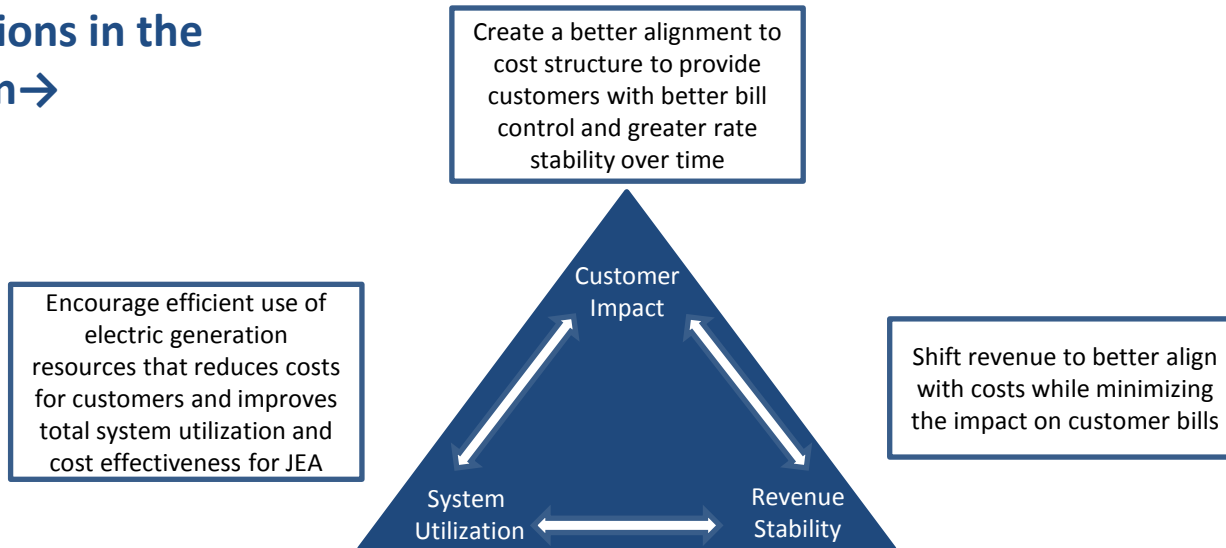


Water Heater



Air Conditioner

Considerations in the Rate Design →



WHY A PILOT?

The proposed pilot will initially be conducted in two phases:

Phase One:

This phase will include volunteer employee participants and any other residential electric customer that wants to participate in the program

During this phase we will focus on customer experience, communication of the new rate concept, and customer acceptance

Phase one will be limited to 150 participants

Phase Two:

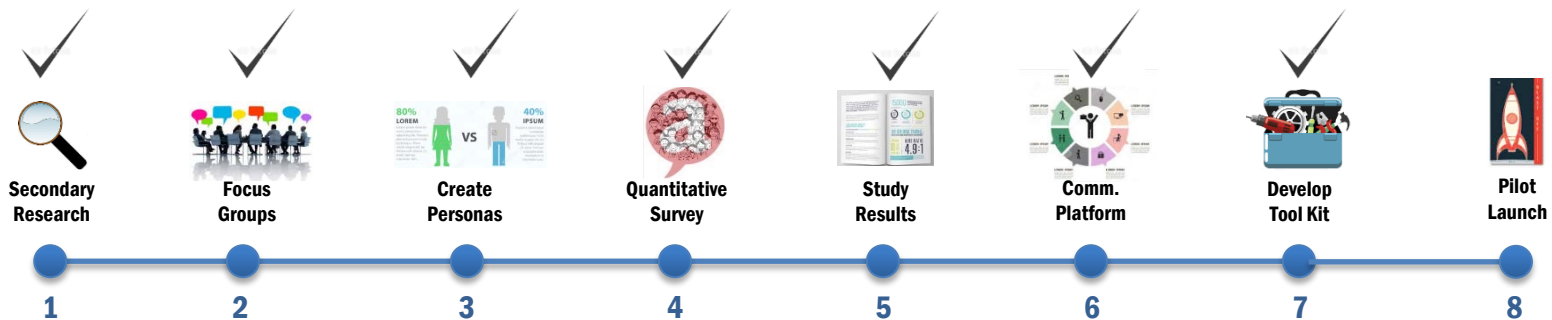
This phase will include residential electric customers chosen to statistically represent the population of the entire residential electric customer base

During this phase we will focus on the collection of statistically significant data on customer behavior and load changes that can ultimately be used for rate setting for a full roll-out to all customers

Phase two will be limited to 2,000 participants

CUSTOMER RESEARCH

- Customer Experience set up **focus groups** to test demand rate concepts and 4 different rate designs – *provided **directional** information*
- Followed up focus groups with a **quantitative survey** of over 2,000 customers to solicit additional learnings – *provided **actionable** results and validated the learnings from the focus groups providing greater granularity by segment*
- Feedback was used to determine the most preferred **rate** and customer **communication channels**
- Provided additional action steps to craft customer specific messages



CUSTOMER JOURNEY VALIDATED



2 Educate me how to do this



1 What's in it for me?

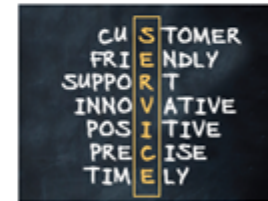


3 Provide me with the tools to be successful



Listen to me **4**

Demand Rate Customer Experience



Give me feedback **5**



JEA SMARTSAVINGS

JEA SmartSavings Details:

- Customers on the proposed JEA SmartSavings Residential Pilot Program will see two demand rates on their monthly bill
- The **highest demand (kW) for the month** is calculated at \$3.75 per kW
- This **highest demand (kW) during peak hours** for the month is calculated at \$4.90 per kW
- By managing how and when you use energy, and by avoiding the peak hours, you can keep your energy demand down – which means a lower utility bill

Peak Hours to Avoid on JEA SmartSavings*

April – October (SUMMER): Monday – Friday; 12 p.m. – 7 p.m.

November – March (WINTER): Monday – Friday; 6 a.m. – 9 a.m.

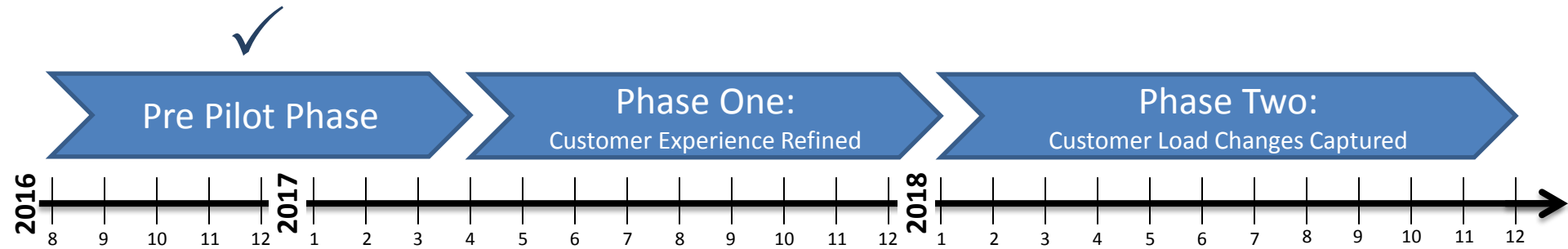
**Weekends and holidays are excluded from peak hours*

Billing Rate: Residential Electric Service
Service Address: 2794 RIVERWOOD LN
Service Period: 09/12/16-10/11/16 **Reading Date:** 10/11/16
Service Point: Residential - Electric

Meter Number	Days Billed	Current Reading	Reading Type	Meter Constant	Consumption
19512996	29	7907	Regular	1	1232 kwh
19512996	29	7907	Regular	1	8 kW
19512996	29	7907	Regular	1	7 kW/PH
Basic Monthly Charge					\$ 5.50
Highest kW for month (\$3.75/kW)					30.00
Highest kW Peak Hours (\$4.90/kW PH)					34.50
Fuel Cost					40.04
Environmental Charge					0.76
City of Jacksonville Franchise Fee					3.32
Gross Receipts Tax					2.92
Public Service Tax					8.31
TOTAL CURRENT ELECTRIC CHARGES					\$ 125.15

\$33.74 of Fuel Cost Is Tax Exempt

JEA SMARTSAVINGS PILOT TIMELINE



Next Steps:

- Finalize design for initial Customer Experience Components and begin construction (pilot marketing, jea.com account page, appliance calculator, educational materials, etc.)
- Continuous improvement of customer experience

RECOMMENDATION

Staff recommends that the Board take action and call a public hearing to occur during the regularly scheduled Board meeting, on February 21, 2017 to include:

1. JEA SmartSavings Residential Pilot Program
2. Electric Service Charge modifications regarding fraud, non-payment and meter testing
3. Additional Streetlight offerings
4. Water and Sewer Service Charge modifications regarding fraud, non-payment, meter testing, and backflow prevention testing
5. Administrative changes regarding Fire Protection Charge clarifications to align with rules and regulations

All changes proposed to be effective April 1st 2017



IV. A.

Compensation Committee Report



COMPENSATION COMMITTEE AGENDA

DATE: January 6, 2017
TIME: 1:00 – 2:00 PM
PLACE: 21 W. Church Street
 8th Floor

	Responsible Person	Action (A) Info (I)	Total Time
I. OPENING CONSIDERATIONS	Delores Kesler		
A. Call to Order			
B. Adoption of Agenda		A	
C. Approval of Minutes – November 8, 2016	Cheryl Mock	A	
II. NEW BUSINESS			
A. Weighting of Fiscal Year 2017 CEO Goals	Jody Brooks/ Angie Hiers	A	15 mins.
B. Performance Management and Pay Practices	Paul McElroy	I	15 mins.
C. Other New Business			15 mins.
D. Announcements			
1. Schedule Next Meeting as Appropriate			
E. Adjournment			

IV. A. 1.

Approval of Minutes – November 8, 2016

JEA COMPENSATION COMMITTEE MINUTES
November 8, 2016

The Compensation Committee of JEA met on Tuesday, November 8, 2016, in the 8th Floor Conference Room, JEA Plaza Tower, 21 W. Church Street, Jacksonville, Florida.

Agenda Item I – Opening Considerations

- A. Call to Order – Committee Chair Kesler called the meeting to order at 11:01 AM with Members Tom Petway and Kelly Flanagan in attendance. Also present were Paul McElroy, Angie Hiers, Melissa Dykes, Gerri Boyce and Jody Brooks.
- B. Adoption of Agenda – The Agenda was adopted on **motion** by Mr. Petway and second by Ms. Flanagan.
- C. Approval of Minutes – The February 10, 2016 minutes were approved on **motion** by Mr. Petway and second by Ms. Flanagan.

Agenda Item II – New Business

- A. Fiscal Year 2016 Pay for Performance Program – Angie Hiers, Chief Human Resources Officer – Ms. Hiers reminded the Board that in January 2016, the Board approved the Pay for Performance Program for FY2016. Ms. Hiers stated programs such as this assist in attracting, motivating, and retaining high caliber employees. In FY2016, JEA set aggressive goals with the understanding that each employee would collectively work toward achieving the important metrics of Customer Satisfaction, Safety, and Cost Control. The organization understood unless there were savings in the budget, an incentive would not be paid. Ms. Hiers presented that JEA met the exceptional cost control goals established in FY2016 for the Electric and Wastewater, but fell slightly short in the Water system. JEA had phenomenal results in the J. D. Power Business Survey, but this year's goal was focused on Residential and while JEA improved in all drivers, the aggressive goals were not met. JEA fell short of the safety goal, with a Recordable Incident Rate (RIR) of 1.82. The goal of 1.2 Recordable Incident Rate (RIR) is an aggressive goal, which is well above the industry performance. Ms. Hiers stated that the FY2016 expense savings was \$22.5 million. The estimated payout given performance is \$3.1 million, which is 2.2% of salaries. Upon **motion** by Ms. Flanagan and second by Mr. Petway, the Committee recognized the excellent performance by the JEA team and approved the payout amounts for the FY2016 Pay for Performance Program. This item will be presented to the full Board for approval at the November 15, 2016 Board Meeting.
- B. Fiscal Year 2017 Pay for Performance Plan – Angie Hiers, Chief Human Resources Officer – Ms. Hiers provided the Board with an overview of the FY2017 Pay for Performance Plan. This plan recommends JEA continue to focus on five key metrics including: Customer Satisfaction, Safety, and Cost per unit of Electricity, Water, and Wastewater delivered, in addition to keeping employees safe and providing exceptional utility services to our customers. The FY2017 Performance plan has two performance components; 50% individual performance and 50% company performance. Certain levels of both components must be met in order to receive a payout. This type of plan is commensurate with the market and the organization's ability to remain competitive with the local market to attract, motivate, and retain talent. Upon **motion** by Ms. Flanagan and second by Mr. Petway, the Committee approved the Pay for Performance Program for FY2017 using the metrics of Customer Satisfaction, Safety, Cost Control, with recommendations for Safety and Cost Metrics goal presentations. This item will be presented to the full Board for approval at the November 15, 2016 Board Meeting.

- C. Fiscal Year 2016 CEO Performance – Paul McElroy, Managing Director/CEO, provided a self-evaluation (9.63%) and reviewed the factors that were included. Jody Brooks, Legal Affairs Officer, advised the Committee that the Board has latitude with the amount of incentive up to the cap of 15%. Upon **motion** by Mr. Petway and second by Ms. Flanagan, the Committee held discussions and approved a 12.63% incentive pay for the CEO. This item will be presented to the full Board at the November 15, 2016 for approval.
- D. Fiscal Year 2017 CEO Goals – Paul McElroy, Managing Director/CEO presented the CEO goals for FY17. A Sewer Resiliency Plan will replace the Electric System revenue stabilization plan for this fiscal year. Upon **motion** by Mr. Petway and second by Ms. Flanagan, the Committee approved the CEO goals for FY2017, without the weighted values. It is their recommendation that these be reviewed and added at a later date. This item will be presented to the full Board at the November 15, 2016 Board Meeting for approval.
- E. Pension Discussion – Paul McElroy, Managing Director/CEO, indicated to the Committee that JEA management has meetings scheduled with most, if not all, of the bargaining units over the next 7-10 business days. JEA will use the same framework as the city. Current employees will retain all benefits, with a 2% additional self contribution. In addition, there will be a proposal that all new employees be enrolled in a direct contribution plan, with an 8% contribution from the employees and a 10% contribution from JEA. In the new plan, employees would be vested after 5 years and the plan will be mobile.
- F. Announcements – The next meeting will be scheduled to work on weighting for the CEO FY17 goals.
- G. Adjournment – With no further business claiming the attention of this Committee, the meeting was adjourned at 12:47 PM.

APPROVED BY:

Delores Kesler, Committee Chair

Date: _____

Submitted by:

Cheryl Mock
Executive Assistant

IV. A. 2.

Weighting of Fiscal Year 2017 CEO Goals



FY2017 CEO Goals as of September 30, 2017

Revised by the Compensation Committee on January 6, 2017 *Changes notated in red

GOAL	WEIGHT	NEEDS IMPROVEMENT	MEETS REQUIREMENTS	MEETS REQUIREMENTS	EXCEEDS REQUIREMENTS	FY16 RESULTS	FY17 GOAL	FY17 RESULTS
Scale	%	0	50	75	100			
Improve utility reliability and environmental metrics, per the attached schedule and reported to the Board monthly	3.50%	X < 6	X = 7	X = 8/9	X = 10 or more	7	7	
Exceed budgeted combined ¹ annual net revenues (excluding weather contingency), per the "Schedules of Debt Service Coverage", this is a proxy for EBITDA (schedule and source documents attached)	2.50%	X < \$739	X > \$739	X > \$747	X > \$754	\$813	\$739	
Effectively execute the Capital Investment Plan or Capital Budget (schedule attached)	1.00%	X > \$373	X < \$373	X < \$354	X < \$336	\$300	\$373	
Implement Sewer Systems Framework to Resiliency	3.00%					N/A	Scheduled Performance	
Maintain positive and constructive relationships with all key stakeholders	1.50%					Exceeds		
Achieve first quartile rankings for Residential and Commercial J.D. Power Customer Satisfaction Ratings								
Residential	1.00%	X < 2016	X = 2016 + 1	X = 2016 + 10	X = top half first quartile	2Q FY15 = 30/140 FY16 = 37/137	1Q	
Commercial	1.00%	X < 2016 - 10	X = 2016 - 10	X = 2016 - 5	X = 2016	1Q FY15 = 14/87 FY16 = 1/86	Top Ten	
Improve employee satisfaction and engagement, as measured by an independent employee survey	1.50%	X < 72.0%	X > 72.0%	X > 73.0%	X > 74.0%	71.7%	72.0%	
Total	15%							

¹ Combined = Electric System plus Water and Sewer System plus District Energy

FY2017 JEA Net Revenues Goal - Excluding Weather Contingency as of October 2016

\$ in Millions	FY17	FY17	FY17	FY2016	FY2015	FY2014	FY2013
	<u>Actual</u>	<u>Goal</u>	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>
Electric System		\$460.0	\$454.9	\$496.1	\$461.6	\$389.6	\$397.0
Water and Sewer System		\$290.0	\$280.7	\$313.1	\$278.5	\$281.7	\$276.8
District Energy System		\$4.0	\$3.7	\$3.9	\$3.9	\$3.9	\$3.4
Total		\$754.0	\$739.4	\$813.2	\$744.0	\$675.2	\$677.2

FY2017 JEA Capital Investment Plan/Budget Execution as of October 2016

\$ in Millions	FY17	FY17	FY17	FY2016	FY2015	FY2014
	<u>Actual</u>	<u>Goal</u>	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>
Electric System		\$160.0	\$170.0	\$150.9	\$116.7	\$86.2
Water and Sewer System		\$210.0	\$225.5	\$147.4	\$100.8	\$76.9
District Energy System		\$3.0	\$3.1	\$1.8	\$0.9	\$0.5
Total		\$373.0	\$398.6	\$300.1	\$218.4	\$163.6

FY2017 JEA Reliability and Environmental Metrics Goal as of September 30, 2017											
Electric System	Actual		Goal	Improvement		Water and Sewer System	Actual		Goal	Improvement	
	FY15	FY16	FY17				FY15	FY16	FY17		
			Yes	No			Yes	No			
Customer Outage Frequency*	1.7	1.4	1.5			Unplanned Water Main Outages*	5,629	12,735	9,000		
Experiencing More than 5 Outages in the Previous Year (CEMIS)*	2.1	1.4	1.5			Water Distribution System Pressure*	2.83	2.11	2.47		
Customer Outage Duration*	99	71	85			Customer Response Time*	69	67	67		
Transmission Fault Frequency Index	1.7	0.7	1.2			Consumptive Use Permits	107	113	110		
Fleet Forced Outage Rate	1.8	2.0	2.0			Total Nitrogen Discharge	553	524	550		
Reportable Environmental Events	2	4	4			Sanitary Sewer Overflows*	23	32	27		

Note: Assuming general reliability performance will remain consistent with the previous three years, CEMIS is perhaps the reliability index with the greatest impact on customer satisfaction.

* Aligned with the PSC Rule for Electric Reliability Reporting, the Operational Metrics* will exclude the impact of all service interruptions associated with a storm named by the National Hurricane Center.

Electric Systems Reliability
Customer Outage Frequency – The number of extended outages (one minute or longer) experienced by the average JEA customer per year.
Service Reliability – The cumulative number of outage minutes experienced by the average JEA customer per year.
CEMIS – The percentage of JEA’s customers experiencing more than 5 extended outages (one minute or longer) in the last 12 months.
Transmission Fault Frequency Index – The number of transmission line faults experienced per 100 line miles in the last 12 months.
Fleet Forced Outage Rate - The amount of hours as a percentage of total hours, fiscal year-to-date, that JEA generators are not available and running when needed.
Reportable Environmental Events REEs - The number of environmental events that have occurred at power plants, fiscal year-to-date, that are reportable permit violations to FDEP and the EPA.

Water and Sewer Systems Reliability
Unplanned Water Main Outages - # of Customers affected by unplanned water outages per year
Water Distribution System Pressure - Average minutes per month less than 30 psi across a total of 110 monitoring stations across the service area
Customer Response Time - Average annual minutes from a customer call to the ticket completion or transfer to a field crew for a more extensive repair
Consumptive Use Permit (CUP) - Meeting annual CY basis CUP requirements including Total System Limit and South Grid Wellfield Allocation Limits
Total Nitrogen Discharge - Amount of tons of Nitrogen discharged annually to the St. Johns River
Sanitary Sewer Overflow - # of annual sanitary sewer overflow events

JEA Framework to Resiliency

Nov
2016

Hurricane Matthew Assessment Report

- Detail sanitary sewer failures during Hurricane Matthew
- Include sanitary sewer overflow history and benchmarks

Nov
2016

Report Major Capital Improvements and Significant O&M Activities

- Include activities for the last twelve months
- Include activities for the next twenty four months

Apr
2017

Analyze, Plan and Implement Improvement Activities

- Review and improve all Functional Response Procedures (Emergency Plans)
- Fortify Sanitary Sewer System power supply systems
- Fortify Sanitary Sewer System communication systems
- Identify other actions to be implemented

May
2017

System Capacity, Management, Operation and Maintenance Assessment (CMOM)

- Comprehensive review by an independent source, identified in partnership with FDEP
- Review will be conducted in three phases: analyze, assess and improve
- Improvements will commence when identified

JEA Framework to Resiliency

Dec
2017

System Resiliency Assessment

- Will seek strong partnership with FDEP, potential for state leadership on this issue
- To be conducted in three phases:
 - Immediate opportunities
 - Mid-range defensive actions
 - Longer-term by replacing when needed and building to new resiliency standards

Ongoing

Communication Improvements

- Identify, design and implement more effective communication plans
- Plans will be tailored to various constituents

Ongoing

Regulatory Opportunities – FDEP Partnerships

- Engage in the FDEP rule making process as it transitions from the September 26, 2016 Governor's 90-day Emergency Rule: Public Notice of Pollution, to a final rule governing reporting for all statewide pollutant spills
- Returning the system to normal operations **Oct 2016**
- Monitoring and sampling water bodies impacted by Hurricane Matthew related SSO's **Oct 2016**
- CMOM review
- Resiliency standards design

IV. A. 3.

Performance Management and Pay Practices

IV. A. 3.

Performance Management and Pay Practices

This agenda item does not contain materials. Committee Chair Kesler will provide a report on this agenda item at the January 17, 2017 Board Meeting.