

**JEA**  
**BOARD AGENDA**

**DATE:** February 21, 2017

**TIME:** 12:00 PM

**PLACE:** JEA  
21 West Church Street  
19<sup>th</sup> 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
- G. Recent Mutual Aid Work by JEA Line Crews – Andy Yeager, Manager, Distribution Maintenance

**II. PUBLIC HEARING**

To consider: the implementation of JEA’s SmartSavings Residential Pilot Program; tariff changes including modifications to Electric Service Charges regarding fraud, non-payment and meter testing; the addition of two additional standard decorative LED lighting options; modifications to the Water and Sewer Service Charges regarding fraud, non-payment, meter testing, and backflow prevention testing; and administrative changes to the fire protection section to clarify and bring it into alignment with the Rules and Regulations for Water and Sewer Service.

- A. Call to Order and Comments from the Chair
- B. Staff Presentation and Board Discussion – Melissa Dykes, Chief Financial Officer
- C. Comments from the Public  
*Comments from the public at this time should only be related to the Public Hearing.*
- D. Adjourn Public Hearing

**III. ACTION ON PUBLIC HEARING**

- A. Public Hearing to Modify the Electric Tariff Documentation and the Water and Sewer Rate Document – action

**IV. PRESENTATIONS AND COMMENTS**

- A. Comments from the Public
- 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

**V. 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 January 17, 2016 – action
  - 2. Monthly JEA Financial Review & Statements – information
  - 3. Monthly JEA Operations Report – information
  - 4. Monthly FY17 Communications & Engagement Calendar and Plan Update – information
- B. Strategic Discussions/Action
  - 1. Monthly Operational and Financial Review – Melissa Dykes, Chief Financial Officer – 10 minutes – presentation/information
  - 2. Human Resources: Recruiting, Retention and Engagement – Bruce Dugan, Director, Organizational Performance Improvement – 10 minutes – information/discussion
  - 3. Enterprise Asset Management Request for Proposals – Melissa Dykes, Chief Financial Officer – 10 minutes – presentation/information
  - 4. JEA Sewer System: Framework to Resiliency Update – Brian Roche, Vice President/General Manager, Water/Wastewater Systems – 5 minutes – presentation/information
  - 5. Electric System Generation Planning – Mike Brost, Vice President/General Manager, Electric Systems and Melissa Dykes, Chief Financial Officer – 10 minutes – presentation/information

- A. Open Discussion
- B. Other New Business
- C. Old Business – none

**VI. REPORTS**

- A. Nominating Committee Report – Tom Petway, Committee Chair
  - 1. New Slate of Officers – information
- B. Managing Director/CEO’s Report
- C. Chair’s Report

**VII. CLOSING CONSIDERATIONS**

- A. Announcements – Next Board Meeting – March 21, 2017
- B. Adjournment

<b>Board Calendar</b>	
<b>Board Meetings:</b>	12:00 PM – Third Tuesday of Every Month
<b><u>Committees</u></b>	
Finance & Audit Committee:	March 13, 2017 – 8:00 AM
Compensation Committee:	TBD
Government Affairs Committee:	TBD

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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.



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**INTER-OFFICE CORRESPONDENCE**

February 15, 2017

**SUBJECT: BOARD MEETING AGENDA**

**FROM:** Melissa Charleroy and Cheryl Mock, JEA Executive Assistants

**TO:** All Members, JEA Board of Directors

Scheduled times and locations for JEA meetings to be held **Tuesday, February 21, 2017**, are as follows:

**12:00 PM**  
**Board Meeting and Public Hearing to Modify the Electric Tariff Documentation and the Water and Sewer Rate Document**  
**19<sup>th</sup> Floor, JEA Tower**

We are looking forward to seeing you on the 21<sup>st</sup>. Please call Melissa Charleroy at 665-7313 or Cheryl Mock at 665-4202 if you require additional information.

/mmc

cc:

- |             |              |               |             |                 |
|-------------|--------------|---------------|-------------|-----------------|
| P. McElroy  | M. Hightower | S. Tuten      | W. Stanford | J. Gutos        |
| J. Brooks   | T. Hobson    | M. Charleroy  | M. Evans    | J. Gabriel, OGC |
| M. Brost    | B. Roche     | C. Mock       | V. Wright   |                 |
| P. Cosgrave | R. Vento     | B. Taylor     | L. Bartley  |                 |
| M. Dykes    | J. Upton     | M. Ruiz-Adams | S. Datz     |                 |
| A. Hiers    | G. Boyce     | D. Swain      | J. Bryant   |                 |

e-copy:

- Patrick Maginnis
- Brandon Edwards
- Security Desk
- Security Office
- Brandi Sneed
- Russell Park
- Ted Delay
- Timothy Chrisp

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.

I. G.

Recent Mutual Aid Work by JEA Line Crews



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# JEA Board of Directors

[Return to Agenda](#)

I. G.  
2/21/2017

## JEA Mutual Aid Crews

February 21, 2017





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# Mutual Aid – Albany, Georgia

**Albany, Georgia**  
**January 2, 2017**

# 2017 Mutual Aid – Albany, Georgia



- 38,000 Customers without power
- 52 Circuits, 12 Substations

# 2017 Mutual Aid –Albany, Georgia

- At approximately 10:30 pm on January 2, 2017, the National Weather Service reported straight line winds of 85 plus MPH, and an EF1 Tornado
- JEA received a phone call late Thursday requesting help
- Crews were deployed first thing Friday morning

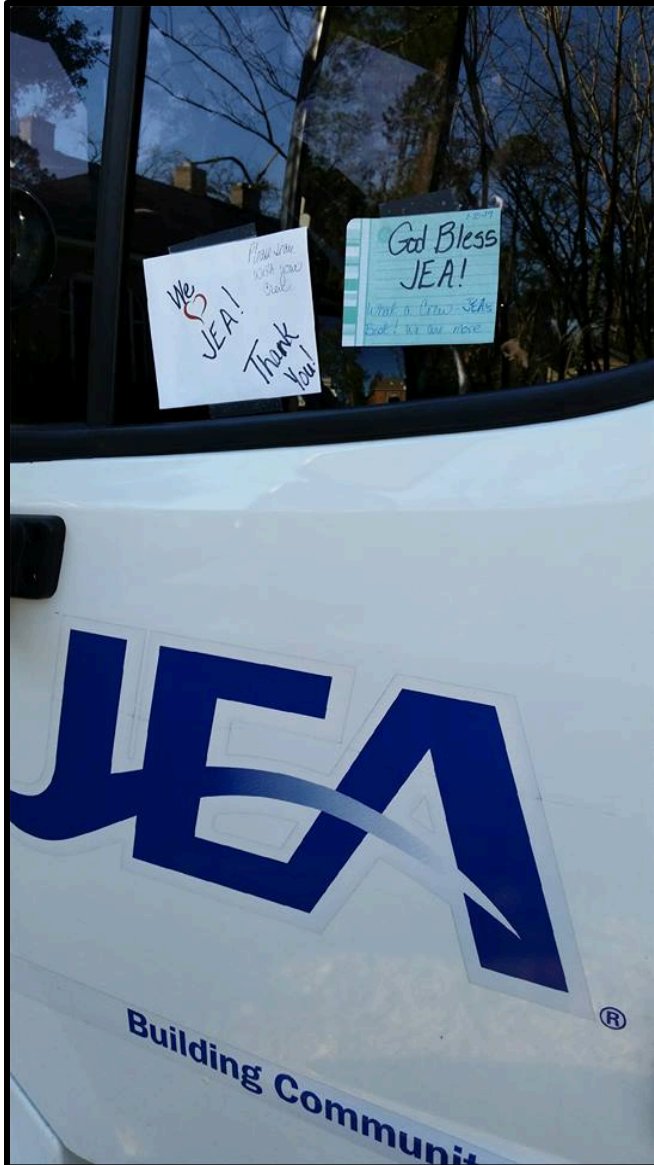


# 2017 Mutual Aid –Albany, Georgia Damage to System

## Damage to System

- 3 Main Feeders destroyed
- 276 Broken Poles
- 173 Damaged Transformers
- 7 Substations
- 24 circuits locked out
- 20,000 customers without power
- Transmission lines down to 2 Substations





## JEA Mutual Aid Crews

- 2 Electric Distribution Coordinators
- 8 Distribution Crews
- 1 Troubleshooter Crew
- Total of 39 JEA Employees



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# Mutual Aid –Albany, Georgia

**Albany, Georgia**  
**January 22, 2017**

# 2017 Mutual Aid –Albany, Georgia



- At approximately 3:30 pm on January 22, 2017, the National Weather Service reported an EF3 Tornado
- JEA received a phone call later that night
- Crews were deployed first thing Monday morning

# 2017 Mutual Aid –Albany, Georgia Damage to System



## Damage to System

- 4 Substations affected
- 10 Circuits locked out
- 10,000 Customers out
- Transmission Lines completely down to one Substation
- 89 Broken Poles
- 48 Damaged Transformers



# 2017 Mutual Aid – Albany, Georgia

## Mutual Aid Crews

### Mutual Aid Crews

- 2 Electric Distribution Coordinators
- 8 Distribution Crews
- Total of 34 JEA Employees





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# Mutual Aid –Tallahassee, Florida

**Tallahassee, Florida**  
**January 22, 2017**

# 2017 Mutual Aid – Tallahassee, Florida

- On January 22, 2017, the National Weather Service reported a total of 7 tornadoes, ranging from EF-1 to EF-3 across Tallahassee
- Over 30,000 customers out of power
- JEA received a phone call that evening requesting help
- Crews were deployed first thing Monday morning



# 2017 Mutual Aid – Tallahassee, Florida Mutual Aid Crews



## Mutual Aid Crews

- 1 Emergency Dispatcher
- 1 Electric Troubleshooter Crew



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# JEA Mutual Aid Crews



### III. A.

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



Building Community

**AGENDA ITEM SUMMARY**

February 3, 2017

**SUBJECT:** 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, pending the outcome of the public rate hearing, that the Board adopt the attached Resolution 2016-28 and its attachments (see Exhibits I through VI) prepared by staff and approved by the Chief Legal Officer, to document the action taken.

**For additional information, contact:** Melissa Dykes

Submitted by: PEM/ MHD/ RFW

<b>MISSION</b>	<b>VISION</b>	<b>VALUES</b>
		
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"> <li>• Safety</li> <li>• Service</li> <li>• Growth<sup>2</sup></li> <li>• Accountability</li> <li>• Integrity</li> </ul>

**Commitments to Action**

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



**INTER-OFFICE MEMORANDUM**

February 3, 2017

**SUBJECT: PUBLIC HEARING TO MODIFY THE ELECTRIC TARIFF  
DOCUMENTATION AND THE WATER AND SEWER RATE  
DOCUMENT**

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**FROM:** Paul E. McElroy, Managing Director/CEO

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**TO:** JEA Board of Directors

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**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:**

**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 has submitted all Electric Tariff Documentation changes to the Florida Public Service Commission.

**RECOMMENDATION:**

Staff recommends, pending the outcome of the public rate hearing, that the Board adopt the attached Resolution 2016-28 and its attachments (see Exhibits I through VI) prepared by staff and approved by the Chief Legal Officer, to document the action taken.

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Paul E. McElroy, Managing Director/CEO

PEM/MHD/RFW

Return to Agenda

III. A.  
2/21/2017



Building Community<sub>sm</sub>

**Rate Hearing**  
**JEA SmartSavings Residential Pilot Program**

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**JEA Board of Directors Meeting**  
**February 21, 2017**

# JEA SMARTSAVINGS RESIDENTIAL PILOT PROGRAM

## Customer Benefit →

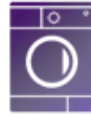
Offers customers a new way to be more in control of their energy use and their savings based on when and how they use energy—**timing and how many appliances you run at the same time**



Washing Machine



Electric Oven



Clothes Dryer

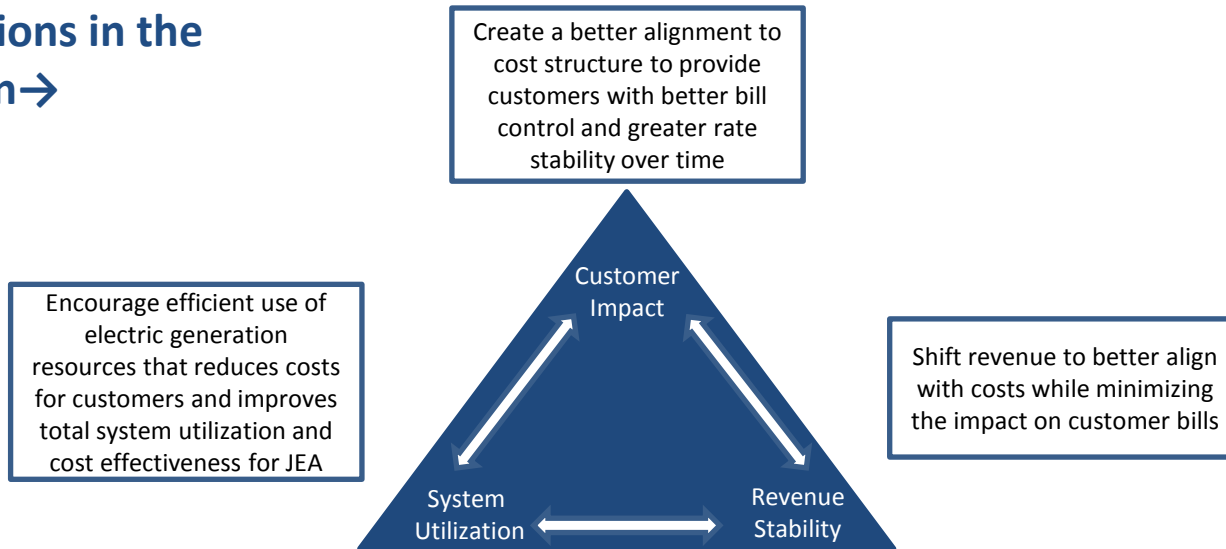


Water Heater



Air Conditioner

## Considerations in the Rate Design →



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## WHY A PILOT?

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**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

# 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)		34.30
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

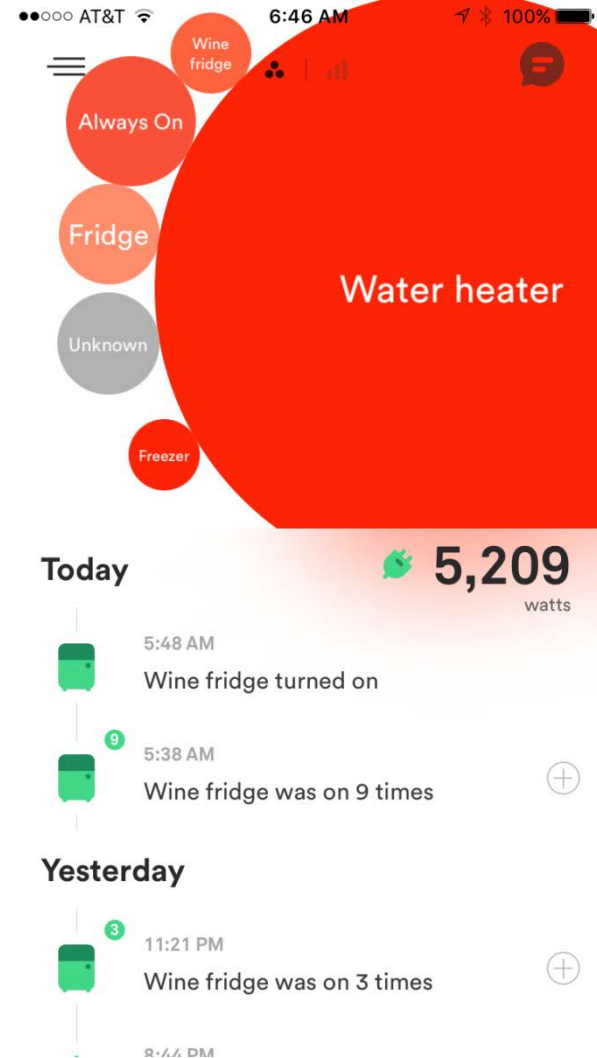
# ENABLING TECHNOLOGIES



**Appliances**

+ Add a new appliance

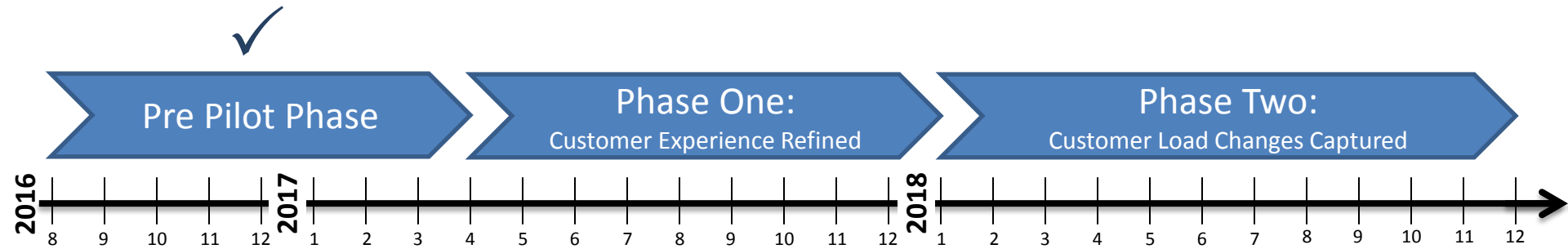
Water heater	6872 kWh
HVAC	6030 kWh
Clothes Dryer	1571 kWh
Coffee Maker/Hot tub	1047 kWh
Kitchen Fridge	496 kWh
Mini Fridge	296 kWh
Boy's TV	167 kWh
Powder bath light	62 kWh
Hair Dryer	61 kWh
Screened porch lights	43 kWh
Bathroom lights	35 kWh
Toaster	24 kWh



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## JEA SMARTSAVINGS PILOT TIMELINE

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### 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

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## RECOMMENDATION

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Staff recommends, pending the outcome of the public rate hearing, that the Board adopt the attached Resolution 2016-28 and its attachments (see Exhibits I through VI) prepared by staff and approved by the Chief Legal Officer, to document the action taken.

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 1<sup>st</sup> 2017*





**RESOLUTION 2016-28**

**A RESOLUTION REGARDING RATE SCHEDULE CHANGES AND ADDITIONS TO THE EXISTING ELECTRIC TARIFF DOCUMENTATION AND WATER AND SEWER RATE DOCUMENT; CONDUCTING A PUBLIC HEARING AND FINDING THE MODIFICATIONS OF THE TARIFF DOCUMENTATION AND RATE DOCUMENT TO BE REASONABLE; IMPOSING THESE MODIFICATIONS FOLLOWING THE PUBLIC HEARING; PROVIDING FOR THE IMPLEMENTATION OF THESE MODIFICATIONS, AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, JEA, pursuant to duly published notice, a copy of which is attached hereto as **Exhibit I**, held a public hearing to consider changes to the existing Electric Tariff Documentation to implement the JEA SmartSavings residential pilot, introduce two new street lighting options, create new and modify existing electric service charges and to consider changes to the Water and Sewer Rate Document to create new and modify existing water and sewer service charges and to modify language in the fire protection section; and

**WHEREAS**, at that public hearing JEA presented statements and documentation which demonstrated the requested modifications of the existing Electric Tariff Documentation and the Water and Sewer Rate Document; and

**WHEREAS**, rate matters addressed at the public hearing were: implementation of the JEA SmartSavings rate pilot, introduction of two new street lighting options, creating new and modifying existing electric service charges, creating new and modifying existing water and sewer service charges, and modifying language in the fire protection section; and

**WHEREAS**, any public testimony which was presented at the Public Hearing was considered; and

**WHEREAS**, JEA has heard all presentations, reviewed all documentation and is fully advised of the premises; now therefore:

**BE IT RESOLVED by JEA:**

1. Modifications of the JEA Electric Tariff Documentation implementing the JEA SmartSavings rate, a copy of which is attached hereto as **Exhibit II**, and incorporated herein by reference, are hereby found to be reasonable, and accordingly are adopted effective April 1, 2017.

2. Modifications of the JEA Electric Tariff Documentation creating two new street lighting options, copies of which are attached hereto as **Exhibit III**, and incorporated herein by reference, are hereby found to be reasonable, and accordingly are adopted effective April 1, 2017.

3. Modifications of the JEA Electric Tariff Documentation creating new and modifying existing electric service charges, copies of which are attached hereto as **Exhibit IV**, and incorporated herein by reference, are hereby found to be reasonable, and accordingly are adopted effective April 1, 2017.

4. Modifications of the JEA Water and Sewer Rate Document creating new and modifying existing water and sewer service charges, copies of which are attached hereto as **Exhibit V**, and incorporated herein by reference, are hereby found to be reasonable, and accordingly are adopted effective April 1, 2017.

5. Modifications of the JEA Water and Sewer Document modifying the language in the fire protection section, copies of which are attached hereto as **Exhibit VI**, and incorporated herein by reference, are hereby found to be reasonable, and accordingly are adopted effective April 1, 2017.

6. Staff is authorized to take any necessary administrative actions to implement the approved JEA Electric Tariff Documentation and Water and Sewer Rate Document modifications.

7. This Resolution shall be effective immediately upon passage by the Board.

Dated this 21<sup>st</sup> day of February, 2017.

**JEA**

By: \_\_\_\_\_  
Tom Petway, Chair

Form Approved:

By: \_\_\_\_\_  
Jody Brooks, JEA Chief Legal Officer

# Notice of Public Hearing



JEA will conduct a public hearing at 12:00 p.m., or as soon thereafter as the matter may be heard, on Tuesday, February 21, 2017 at the JEA Tower, 21 West Church St., Jacksonville, Florida 32202, to consider the following:

- A. Modification of the Electric Tariff Documentation implementing the JEA SmartSavings Residential Pilot Program; and
- B. Modification of the Electric Tariff Documentation introducing two new street lighting options; and
- C. Modification of the Electric Tariff Documentation introducing new service charges and modifying existing service charges; and
- D. Modification of the Water and Sewer Rate Document introducing new service charges and modifying existing service charges; and
- E. Modification of the Water and Sewer Rate Document modifying the language in the fire protection section.

The public is invited to be present and heard. If any person with a disability requires reasonable accommodations to participate in the above hearing, please call (904) 665-7550 no later than three (3) days before the meeting.

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

**Tom Petway**  
**Chair**

Form Approved:

A handwritten signature in blue ink, appearing to read 'Jody Brooks', is written over a horizontal line.

Jody Brooks, JEA Chief Legal Officer

**EXHIBIT I**

JEA

Twenty-~~Second~~ Revised Sheet No. 6.1  
Canceling ~~Twenty-First~~ Revised Sheet No. 6.1

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RSD

Revenue Code ~~RES10DMD~~ RATE SCHEDULE ~~RSD~~

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~~Deleted: CLOSED TO NEW CUSTOMERS¶~~

JEA SMARTSAVINGS (OPTIONAL-~~EXPERIMENTAL~~)

Available

In all territory served by JEA. Initial participation in this rate schedule is limited to 2,000 residential customers. Customers must be in good financial standing with JEA and maintain that standing while on this rate.

Applicable

To any residential customer in single family individual house, apartment or mobile home for domestic and non-commercial purposes, who choose to participate in this optional and experimental rate. All service hereunder will be rendered through a single metering installation. Resale of energy purchased under this rate schedule is not permitted.

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Character of Service

JEA's standard voltage levels.

Rate Per Month

~~\$5.50~~ Basic Monthly Charge, plus  
~~\$4.90~~ per kW of On-Peak Demand  
~~\$3.75~~ per kW of Non-Coincident Peak (NCP) Demand  
plus applicable Fuel, Environmental, and Conservation Charges

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Definition of Billing Periods

On-Peak periods shall be defined as follows:  
6 a.m. - ~~9~~ a.m. - November through March,  
~~12 Noon - 7~~ p.m. - April through October.

On-Peak periods exclude weekends, New Year's Day, Memorial Day, July 4th, Labor Day, Thanksgiving Day and Christmas Day.

~~Deleted: Off-Peak~~  
~~Deleted: hours~~  
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~~Deleted: , weekdays only~~

Definition of On-Peak Demand

The maximum 15-minute metered kW demand during the On-Peak period in the billing period.

Definition of NCP Demand

The maximum 15-minute metered kW demand in the billing period.

~~Deleted: 6 p.m.-10 p.m. - November through March, weekdays only¶~~

Fuel Charge

As stated in the Fuel and Purchased Power Cost Recovery Charge Policy (Sheet No. 5.0)

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~~Deleted: ; weekdays only~~

Environmental Charge

As stated in the Environmental Charge (Sheet No. 5.1)

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~~Deleted: periods shall be defined as Off-Peak, including~~

(Continued to Sheet No. 6.2)

RYAN WANNEMACHER, DIRECTOR  
FINANCIAL PLANNING, BUDGETS, AND RATES

Effective April 1, 2017

~~Deleted: October 1, 2015~~

JEA

Seventeenth Revised Sheet No. 6.2  
Canceling Sixteenth Revised Sheet No. 6.2

Deleted: Sixteenth

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(Continued from Sheet No. 6.1)

Minimum Bill

\$5.50 Basic Monthly Charge.

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Terms and Conditions

(a) Service under this rate will be made available at the option of the Residential Service customer, subject to the availability of advanced metering equipment and program constraints.

Deleted: TOD

(b) Customer has the option of terminating service under this rate schedule at any time.

Deleted: Customers making a one-time contribution in aid-of-construction to defray TOD metering costs shall receive a credit of \$4.50 per month. This contribution in aid-of-construction will be subject to a partial refund if the customer terminates service on this optional TOD rate.¶  
¶ . . . (c) .

(c) Service hereunder is subject to the Rules and Regulations of JEA.

Deleted: without assessment of disconnection charges

(d) Conservation charge is a charge of 1.0 cent per kWh for all consumption above 2,750 kWh.

Deleted: Any customer requesting optional TOD rate for the second time on the same premises shall remain on the TOD rate for a period of not less than twelve (12) consecutive months.

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¶ . . .

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RYAN WANNEMACHER, DIRECTOR  
FINANCIAL PLANNING, BUDGETS, AND RATES

Effective April 1, 2017

Deleted: October 1, 2015

JEA

Twenty-~~Sixth~~ Revised Sheet No. 13.0  
Canceling Twenty-~~Sixth~~ Revised Sheet No. 13.0

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SL

Revenue Codes See Rate Code

RATE SCHEDULE SL  
STREET LIGHTING

Available

In all territory served by the retail distribution system of JEA.

Applicable

To any Public Agency (State, County or Municipal governments) and to Owner's Associations for automatically-controlled lighting of public thoroughfares and to JEA's private residential customers who are owners of the property in question for automatically-controlled area lighting.

Character of Service

Dusk-to-dawn automatically-controlled lighting owned, operated and maintained by JEA, and governed by JEA's Management Directive for Street Lighting, MD909.

Schedule of Rates

<u>Rate Code</u>	<u>Service Type</u>	<u>Wattage &amp; Type</u>	<u>Fixture Types</u>	<u>Monthly kWh</u>	<u>Monthly Non-Fuel Charge \$/Fixture*</u>
SLHPS1	Standard	70W HPS	CH, PT	29	\$6.36
SLHPS2	Standard	200W HPS	CH, FL	88	\$7.43
SLHPS3	Standard	250W HPS	CH	108	\$7.58
SLHPS4	Standard	400W HPS	CH, FL	169	\$8.42
SLMHS1	Standard	100W MH	DA	47	\$10.61
SLMHS2	Standard	150W MH	PT	67	\$7.57
SLMHS3	Standard	175W MH	PT	76	\$7.65
SLMHS4	Standard	320W MH	CH, FL	130	\$8.10
SLMHS5	Standard	150W MH	DA	67	\$13.36
SLMHS6	Standard	400W MH	CH, FL	164	\$8.42
SLMHS7	Standard	175W MH	DA	76	\$13.45
SLMHE1	Historic Energy & O&M	150W MH	DA	67	\$1.92
SLMHE2	Historic Energy & O&M	175W MH	DA	76	\$2.01
SLMHE3	Energy & O&M	320W MH	CH, FL, SB	130	\$2.51
SLMHE4	Energy & O&M	400W MH	CH, FL, SB	164	\$2.82
SLLED1	Standard	40W LED	CH	15	\$6.32
SLLED2	Standard	40W LED	PT	16	\$7.07
SLLED3	Standard	115W LED	CH	41	\$7.20
SLLED4	Standard	162W LED	SB	59	\$11.02
SLLED5	Standard	275W LED	CH	99	\$8.90
SLLED6	Standard	72W LED	PT	26	\$7.48
SLLED7	Standard	100W LED	DA	36	\$9.24
<u>SLLED8</u>	<u>Standard</u>	<u>60W LED</u>	<u>AC</u>	<u>22</u>	<u>\$7.77</u>
<u>SLLED9</u>	<u>Standard</u>	<u>150W LED</u>	<u>TD</u>	<u>54</u>	<u>\$10.55</u>

HPS = High Pressure Sodium LED = Light Emitting Diode MH = Metal Halide

AC = Acorn CH = Cobra Head DA = Decorative Acorn FL = Floodlight  
PT = Post Top SB = Shoebox TD = Tear Drop

\*Monthly Fixture charge is valid for bills of 30 days only.  
The charge will vary depending on the actual number of days billed.

(Continued to Sheet No. 13.1)

RYAN WANNEMACHER, DIRECTOR  
FINANCIAL PLANNING, BUDGETS, AND RATES

Effective April 1, 2017

Deleted: June 1, 2016

JEA

Canceling ~~Nineteenth~~ Revised Sheet No. 13.1  
~~Eighteenth~~ Revised Sheet No. 13.1

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(Continued from Sheet No. 13.0)

Energy Only (Rate Code ENERGY97) The monthly charge shall be computed as follows:

Total Wattage (including Ballast) x 360 Hours x \$0.03325

Types of Service

The types of service are defined as follows:

- (a) **STANDARD SERVICE:** (Applicable Rate Codes SLHPS1-4, SLMHS1-7, SLED1-9). In addition to Energy and O&M service, as described below, this service also includes an ownership cost for the initial installation of the fixture assembly including bracket, accessories, and labor. The applicable rates are for both overhead and underground fed lighting systems. Underground systems and fixture types not listed above require a contribution-in-aid-of construction to cover the differential cost between overhead versus underground systems and standard versus non-standard fixture types.
- (b) **HISTORIC (PED LIGHT) ENERGY & O&M SERVICE:** (Applicable Rate Codes SLMHE1-2). This service shall apply to those Historic Pedestrian Lights that are usually installed within predefined "whitelight areas" (see Rules & Regulations, Downtown Service Area Boundary Maps). JEA is responsible for maintenance of these lights which include replacement of failed electrical components, bulbs, glassware, and the cleaning of glassware at such intervals as necessary to keep the system presentable and efficient. JEA is not responsible for the installation/removal/maintenance of the street banners and associated banner rod equipment. The capital cost is the responsibility of the City or the using Agency.
- (c) **ENERGY AND O&M SERVICE:** (Applicable Rate Codes SLMHE 3-4). This service includes dusk-to-dawn powering, maintenance and replacement of the standard, replacement of failed electrical components, bulbs, glassware, and the cleaning of glassware at such intervals as necessary to keep the system presentable and efficient. The capital cost is the responsibility of the City or the using Agency. This service is not available for new installations after the effective date of this policy.

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(Continued to Sheet No. 13.2)

RYAN WANNEMACHER, DIRECTOR  
FINANCIAL PLANNING, BUDGETS, AND RATES

Effective ~~April 1, 2017~~

Deleted: June 1, 2016



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SERVICE CHARGES

1. A \$10.00 service charge will be added to electric bills for the establishment of each initial service connection. Same day service is available at that charge, however, if same day service is requested after twelve noon, the service charge is \$25.00.
2. A \$14.00 service charge will be added to electric bills for reconnection of services to customers who have been disconnected for non-payment of bills or unauthorized consumption.
3. A \$25.00 service charge will be added to electric bills for services found to have a meter inaccessible for reading or cut off after notice has been given to the customers.
4. A \$25.00 service charge will be added to electric bills for special order disconnects for services that cannot be disconnected at the meter due to meter inaccessibility, or services that have been cut off for any reason and found to have been restored without JEA authorization.
5. A ~~\$200.00~~ service charge will be added to electric bills for tampering with metering equipment or service connection.
6. A service charge representing the actual cost of the damaged or missing meter will be added to electric bills for damaged or missing meters.
7. A \$20.00 service charge will be added to electric bills for returned checks.
8. A service charge of no less than \$40.00 and no more than \$400.00, depending on costs to JEA, will be added to electric bills when a JEA representative is required to make a required court appearance and/or restitution claim.
9. Upon request, JEA will test a customer's meter for accuracy. If the meter does not test within JEA acceptable accuracy range of + or - 2%, JEA will bear the full cost of the test. If the meter tests within JEA acceptable accuracy range, however, the customer will be required to pay for the full cost of the testing. This service charge will be added to the electric bill.
10. JEA will sell or lend material, tools and equipment to private contractors, other city agencies, and other electric utilities provided that the terms and conditions of JEA's applicable Policies and Procedures have been met.
11. In general, JEA will do all necessary construction at no cost to the customer when an extension of an existing line is found to be necessary and the major portion of an anticipated extension will be built on public rights-of-way. Where these guidelines clearly do not apply, JEA shall determine the total cost of standard and non-standard construction required. For standard construction cost, JEA may charge the customer all costs in excess of 30 times the estimated annual nonfuel revenue for Residential accounts; 4 times for non-Residential accounts. For non-standard construction cost, JEA may charge the customer all cost in excess of 3 times the estimated monthly nonfuel revenue for all accounts.

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12. JEA will require a contribution-in-aid-of-construction by a developer for underground utilities in an amount not to exceed the difference in costs between an underground system and an equivalent overhead system. JEA's Policy and Procedure for underground distribution should be referenced for further information.

Moved (insertion) [1]

13. JEA may add a \$5.00 service charge to electric bills when an authorized JEA representative makes a field call to a customer's premise to disconnect electric service and disconnection is delayed at the customer's request.

Moved (insertion) [2]

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Deleted: A \$5.00 service charge will be added to electric bills when a field notification is provided to a customer to pay the bill in lieu of disconnecting the service. The notification will count as an infraction toward delinquent deposit review.

(Continued to Sheet No. 3.2)

Deleted: October 1, 2015

~~Seventeenth~~ Revised Sheet No. 3.2  
Canceling ~~Sixteenth~~ Revised Sheet No. 3.2

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(Continued from Sheet No. 3.1)

- 14. A minimum \$75.00 service charge will be assessed for all temporary services. Temporary electric service for residential construction will be charged \$150.00. This single fee will cover all costs and consumption; consumption will not be metered by JEA. This fee is payable to JEA at the time the permit for construction is obtained. Temporary service will not be provided unless the customer has obtained the necessary building/construction permit.
- 15. A special service charge may be added to energy, water or sewer bills when a customer requests a related water, sewer or energy service which is not normally provided, including the repayment over time to JEA of the onetime capital costs of connecting customers to the water and/or sewer system. These special services will be priced based on the cost of the service. JEA's provision of special services requires execution of a contract between JEA and the Customer. Contract approval authorizations shall be as established in applicable JEA Management Directives, Policies or Procedures.
- 16. JEA will charge a customer \$25.00 for each return trip whenever JEA must make a return trip to a customer's service address to perform maintenance and/or activate service because the work requested by the customer was not able to be completed at the first scheduled visit.
- 17. Account Fraud charge shall be \$50.00
- 18. Application fee shall be \$1,000.00 for Tier 3 net metering, DG-2 and DG-3 Distributed Generation applications.
- 19. A \$60.00 service charge will be added to electric bills for meter reclamation. Meter reclamation is required when a meter must be removed, tested, and/or recycled due to customer tampering.
- 20. A minimum \$50.00 or the actual cost for labor and materials, service charge will be added to electric bills for services disconnected at the pole or any other connection to JEA's distribution system due to customer theft or fraud.
- 21. A minimum \$50.00, or actual cost for labor and materials, service charge will be added to electric bills for services reconnected at the pole or any other connection to JEA's distribution system due to customer theft or fraud.

**Moved up [1]:** 12. JEA will require a contribution-in-aid-of-construction by a developer for underground utilities in an amount not to exceed the difference in costs between an underground system and an equivalent overhead system. JEA's Policy and Procedure for underground distribution should be referenced for further information.

**Moved up [2]:** 13. A \$5.00 service charge will be added to electric bills when a field notification is provided to a customer to pay the bill in lieu of disconnecting the service. The notification will count as an infraction toward delinquent deposit review.

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JEA

**Service Charges**

**501 - Service Charges**

- 1) The fee for inspecting the installation of a sewer flow meter shall be \$50.00
- 2) To physically locate a sewer connection, the charge is \$491.00
- 3) JEA will conduct fire hydrant flow tests when requested. The fee for this service will be \$82.00
- 4) The fee for processing an industrial user discharge permit application shall be \$250.00
- 5) The on-site inspection of non-significant industrial users to determine compliance with JEA Industrial Pretreatment Regulations shall be assessed at \$100.00 per visit.
- 6) Customers who use water provided by the standby system for other than fire protection or testing purposes shall be charged:
  - a. ~~\$200.00~~ per incident
  - b. Plus 150% of the prevailing commercial water rate for each kgal of estimated usage
- 7) The charge for unauthorized connection to a hydrant shall be either
  - a. \$1,500.00 or
  - b. \$750.00 if the customer applies and obtains a hydrant meter
- 8) Upon request, JEA will test a customer's meter for accuracy. If the meter does not test within JEA acceptable accuracy range of + or - 2%, JEA will bear the full cost of the test. If the meter tests within JEA acceptable accuracy range, however, the customer will be required to share in the cost of the testing according to the following schedule:
  - a. \$40.00 for a field test of a meter up to 1 inch
  - b. \$85.00 for a field test of a meter between 1 ½ and 2 inches
  - c. \$125.00 for a field test of a meter greater than 2 inches
- 9) The fee for resetting a meter which has been removed due to customer theft or fraud shall be a minimum of \$225.00 or actual cost for labor and materials.
- 10) The fee for reconnection of sewer services which have been discontinued for nonpayment of sewer service charges shall be a minimum of \$400.00 or actual cost for labor and materials.

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A backflow prevention device annual registration fee of \$35.00 will be applied to all testable backflow prevention devices, with the exception of residential devices.  
¶  
An annual backflow assembly tester license registration fee of \$25.00 is also imposed

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**Service Charges (continued)**

- 11) The fee to start a water, sewer, or a water/sewer service shall be \$10.00
- 12) The fee to start an irrigation or reclaimed service shall be \$10.00
- 13) ~~The fee for reconnection following disconnection for delinquency~~ shall be \$14.00 per service
- 14) Field notification in lieu disconnection shall be \$5.00
- 15) Meter inaccessible for reading or cut-off after notice shall be \$25.00
- 16) Tampering with meter or service connection shall be ~~\$200.00~~
- 17) Damaged/~~Missing~~ meter charge shall be ~~the actual cost of the damaged or missing meter.~~
- 18) JEA will charge a customer \$25.00 for each return trip whenever JEA must make a return trip to a customer's service address to perform maintenance and/or activate service because the work requested by the customer was not able to be completed at the first scheduled visit.
- 19) Service restored without JEA authorization shall be \$25.00
- 20) Returned check charge shall be \$20.00
- 21) ~~The charge for a required court appearance and/or restitution claim~~ by a JEA employee shall be a ~~minimum of \$50.00 up to \$400.00 depending on actual costs.~~
- 22) ~~The fee for the misrepresentation made to JEA for the purpose of obtaining or maintaining utility service(s) shall be \$50.00.~~
- 23) The charge for the reactivation of a residential irrigation service, including reclaimed, within six months of a customer requested disconnect at the same service address by the same customer shall be \$125.00
- 24) The charge for the reactivation of a commercial irrigation service, including reclaimed, within six months of a customer requested disconnect at the same service address by the same customer shall be \$250.00

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**Fees for Connection to and Maintenance of JEA Water and Sewer System**

**101 – Backflow Prevention Devices**

Backflow prevention devices and device testing are required by JEA’s Cross-Connection Control Policy. Residential Irrigation service customers participating in the JEA Residential Irrigation Backflow Testing Program (RIBTP) will receive a service charge for backflow preventer testing once every two (2) years.

Testing – A backflow preventer testing charge of the actual cost of labor and materials or a maximum of \$50.00 will be applied to each residential irrigation service connection participating in JEA’s RIBTP.

Maintenance – A backflow preventer maintenance charge will be applied to customers requesting backflow maintenance or installation service from JEA, as part of the RIBTP. The maintenance charge will equal JEA’s cost to provide the requested service.

**Deleted:** Manual and must ¶ be registered annually. The backflow device annual registration fee will be due upon notification of the ¶ annual testing requirements for water customers. The annual backflow assembly tester registration fee ¶ shall be due upon renewal of the backflow assembly tester license

**102 - Water Meter Tap Fees and Meter Set Fees for New Service Connections**

- (a) JEA shall have the right to connect or set meters of the sizes as JEA may determine after a consideration of the minimum and maximum quantities of water to be delivered to any and all connections served by JEA’s water system and shall charge and collect in advance, at the time application is made or a plumbing permit, installation costs according to the following charge schedule:

Tap Size (inches)	Size of Service Size (inches)	Meter Size (inches)	Tap Fee	Meter Set Fee
1	3/4	5/8	No new 5/8” metered services available	
3/4*	3/4*	3/4	\$610	\$202.33
1	1	1	\$610	\$223.71
1-1/2	1-1/2	1-1/2	\$700	\$527.26 or cost, whichever is greater
2	2	2	\$700	\$588.96 or cost, whichever is greater

Tap fees for new service connections larger than two inches in diameter shall be based upon the average cost by service size of the installation to JEA but not less than \$700.00. Meter set fee for new connections larger than one inch in diameter shall be based upon the average cost by meter size of the installation to JEA or \$527.26, whichever is greater. Meters so installed shall be and remain the property of JEA and shall be maintained and kept in repair by

\*Tap size can be 3/4” or 1” as determined by JEA

**Deleted:** October 1, 2015

**Charges for Fire Protection Water Service**

**301 - Fire Protection Charges**

(a) For a closed unmetered connection to JEA’s water system for the purpose of providing service on a standby basis for fire protection, there shall be a charge according to the following schedule for each year or portion thereof of the services provided:

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<u>Size of Branch (inches)</u>	<u>Annual Charge</u>
4 or less	\$67.00
6	\$133.00
8	\$274.00
10 or greater	\$488.00

A closed system shall be limited to the interior of buildings only with a physically separate fire protection system with no external firefighting connections and/or standpipes with access to potable water. The charge shall be billed on a monthly basis. Other water and sewer services to a fire protection customer may be terminated because of nonpayment of fire protection charges. No connection shall be made to the system for a use other than fire protection. The requesting party shall be responsible for all costs incurred in the construction of the connection to JEA’s water main. There shall be no connection of the system with any JEA water source unless a backflow prevention device, approved pursuant to JEA Rules and Regulations for Water and Sewer Service is installed. No suction of a pump may be attached to a connection of JEA except for health or safety reasons and with the approval of JEA. Buildings that are to be served by a closed unmetered connection, the owner will, at their own expense install and maintain a water flow monitor as prescribed by JEA Rules and Regulations for Water and Sewer Service. Customer must certify any flow detected is water used in the extinguishment or control of fires within the building. In the event of noncompliance by the customer with a provision of this section, JEA shall cause the discontinuance of service until the customer makes application and payment for installation of the proper size meter and applicable rate for metered services.

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(b) For an open unmetered connection, where a customer could access water through standpipes or other firefighting connections to JEA's water system, for the purpose of providing service on a standby basis for fire protection on which the customer has purchased and installed a water flow monitoring device as prescribed by JEA Rules and Regulations for Water and Sewer Service, there shall be a monthly charge according to the following schedule:

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detector-check meter

<u>Size of Branch (inches)</u>	<u>Monthly Charge</u>
4 or less	\$21.00
6	\$28.00
8	\$42.00
10 or greater	\$55.00

Other water and sewer service to a fire protection customer may be terminated because of non-payment of fire protection charges.

(c) The volume of water, used in fire protection or testing purposes, as estimated by JEA, shall be billed at prevailing rates as established in Section 202 as set forth in this document. The requesting party shall be responsible for all costs, including costs of meter removal and installation of a flow monitoring device as prescribed by JEA Rules and Regulations for Water and Sewer Service, incurred in the construction of the connection to JEA's water main. There shall be no connection of the system with any JEA water source, unless a backflow prevention device, approved pursuant to appropriate sections of JEA Rules and Regulations for Water and Sewer Service, is installed. No suction of a pump may be attached to a connection of JEA except for health or safety reasons and with the approval of JEA. In the event of non-compliance by the customer with a provision of this subsection, JEA shall cause the discontinuance of service until the customer makes application and payment for installation of the proper size meter and applicable rate for meter red service.

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(d) Water used for municipal purposes other than the extinguishment of fires and all water used by another political subdivision or political agencies, state and federal, shall be subject to the rate schedule Section 202 as set forth in this document.

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V. A. 1.

Approval of Board Meeting Minutes January 17, 2016



The JEA Board met in regular session on Tuesday, January 17, 2017, on the 19<sup>th</sup> Floor, 21 W. Church Street, Jacksonville, Florida. Present were Tom Petway, Delores Kesler, Ed Burr, Husein Cumber, Frederick Newbill and Alan Howard. Kelly Flanagan 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. Cumber and second by Secretary Kesler.
- 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** –
  - 1) Kim Jowers – addressed the Board regarding solar
  - 2) Pete Wilkings – addressed the Board regarding solarAt the request of Chair Petway, Mr. McElroy provided a response to the public comments and advised that staff will provide a solar report and recommendations to the Board in summer 2017.
- B. **Council Liaison’s Comments** – Council Member Greg Anderson thanked the Board for their service. Council Member Anderson advised that Resolution 2016-20 requesting to amend the number of required meetings detailed in the JEA charter is proceeding through the Council. Council Member Anderson informed the Board that he had been briefed on the upcoming demand rate pilot program and looked forward to hearing more today.
- C. **Office of the Mayor Liaison’s Comments** – Dr. Gaffney offered greetings from the Mayor and congratulations to Reverend Newbill for his appointment to the Board.
- D. **Nassau County’s Ex-Officio Representative’s Comments** – Mr. Mullin was not in attendance.
- E. **J. D. Power Final Business Results** – Richard Vento, Interim Chief Customer Officer, informed the Board that the final 2016 J.D. Power Business Results have been released, with the first wave occurring from February to June 2016 and the second wave from July to November 2016 that included the timeframe of the Hurricane Matthew recovery. Mr. Vento advised the Board that JEA scored 780, a 26 point increase over last year. The results put JEA in the top quartile, but not in the top decile, which is JEA’s goal. Mr. Vento also released results from the residential study, which indicated JEA is 10

points away from first place in the South Midsize segment. Further analysis will be conducted on the results and provided to the Board at a later date.

### **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. Howard and second by Vice Chair Burr, item 1 on the Consent Agenda was unanimously approved and items 2 through 8 were received for information.

1. Approval of Board Meeting Minutes December 13, 2016 – approved
2. Duval Legislative Delegation – received for information
3. Real Estate Acquisition Status Report – received for information
4. Sole Source and Emergency Procurement/Procurement Appeals Board Report – received for information
5. Monthly JEA Financial Statements – received for information
6. Monthly JEA Operations Report – received for information
7. Monthly Operational and Financial Presentation – received for information
8. Monthly FY17 Communications & Engagement Calendar and Plan Update – received for information

### **B. Strategic Discussions/Action**

1. Quarterly Financial Report – Melissa Dykes, Chief Financial Officer, provided a presentation highlighting key financial metrics and results of JEA's Electric and Water and Sewer systems for the first quarter of fiscal year 2016, with explanations on the impact of weather and the increases in debt service. Ms. Dykes also reported on the credit ratings assigned to JEA's electric system debt, including rating affirmations from Moody's, Fitch and a positive outlook assigned by Standard & Poor's.
2. Electric System Generation Planning Discussion – Melissa Dykes, Chief Financial Officer shared a summary of the Energy Information Administration (EIA) national long-term outlook for electricity use through 2040 and the changing fuel mix for electric generation, with and without the Clean Power Plan. Mike Brost, Vice President/General Manager, Electric Systems, provided details on how the JEA system would mirror national projections and a summary of JEA's generating resources.
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, presented a request to call a rate hearing to modify the electric tariff to include JEA's Smartsavings Residential Pilot Program. Ms. Dykes advised the Board that the modifications would include new electric and water and sewer service charges, additional streetlight offerings and administrative changes regarding fire protections charge clarifications to align with rules and regulations. Upon **motion** by Secretary Kesler and second by Vice Chair Burr, the Board unanimously voted to call a public hearing at the February 21, 2017 Board Meeting to modify the electric tariff documentation and the water and sewer rate document.

**C. Open Discussion** – none

**D. Other New Business** – none**E. Old Business** – none**Agenda Item IV – Reports****A. Compensation Committee Report** – Delores Kesler, Committee Chair, reviewed the Compensation Committee meeting held on January 6, 2017, bringing items to the Board for action and information.

1. Approval of Minutes – November 8, 2016 – received for information
2. Weighting of Fiscal Year 2017 CEO Goals – Committee Chair Kesler presented the Board with recommendations for the weightings of the 2017 CEO goals. Upon **motion** by Board Vice Chair Burr and second by Mr. Cumber, the Board unanimously approved the revised weightings.
3. Performance Management and Pay Practices – Committee Chair Kesler advised that performance management and pay practices of JEA would be reviewed by an outside source to ensure best practices are being utilized in the future.
4. Other New Business - none
5. Announcements – information
  - a. Schedule Next Meeting as Appropriate

**B. Managing Director/CEO's Report** –

1. Mr. McElroy clarified the manner in which JEA reports Sanitary Sewer Overflows (SSOs) to the Florida Department of Environmental Protection (FDEP) and the impacts of an executive order and subsequent ruling by an administrative law judge. Mr. McElroy advised that solutions will result in further transparency of this issue.
2. Mr. McElroy indicated that JEA will most likely reach capacity for rooftop solar installations on the customer side during the summer. A full report and recommendations will be made to the Board for review and modifications.
3. Mr. McElroy reported on JEA crews providing mutual aid in Albany, Georgia.

**C. Chair's Report** –

1. The Chair reviewed the committees that are currently active under the JEA Board of Directors and advised that the Nominating Committee will meet in February. The Board briefly held discussions on the JEA Headquarters study.

**Agenda Item V – Closing Considerations**

- A. Announcements** – Next Board Meeting – February 21, 2017
- B. Adjournment**

*With no further business claiming the attention of the Board, Chair Petway adjourned the meeting at 1:25 PM.*

APPROVED BY:

\_\_\_\_\_  
SECRETARY

DATE: \_\_\_\_\_

Board Meeting recorded by:

\_\_\_\_\_  
Cheryl W. Mock  
Executive Assistant

V. A. 2.

Monthly JEA Financial Review & Statements



# JEA Monthly Financial Summary

as of January 31, 2017

[Return to Agenda](#)

V. A. 2.  
2/21/2017

## Board of Directors February 21, 2017

# Key Financial Metrics

Electric System	Year-to-Date		FY2017 Full Year		Result
	FY2017	FY2016	Forecast	Target	
Debt Service Coverage	2.7x	2.7x	<b>2.4x</b>	≥ 2.2x	✓
Days Liquidity	331	321	<b>269</b>	150 to 250 days <sup>1</sup>	✓
<i>Days Cash on Hand</i>	<i>212</i>	<i>197</i>	<i>157</i>		✓
Debt to Asset %	68%	65%	<b>62%</b>	53.5% <sup>2</sup>	✓

Water and Sewer System	FY2017	FY2016	Forecast	Target	Result
Debt Service Coverage	2.7x	2.9x	<b>2.5x</b>	≥ 1.8x	✓
Days Liquidity	297	293	<b>310</b>	≥ 100 days	✓
<i>Days Cash on Hand</i>	<i>178</i>	<i>168</i>	<i>197</i>		✓
Debt to Asset %	52%	54%	<b>50%</b>	49% <sup>3</sup>	✓

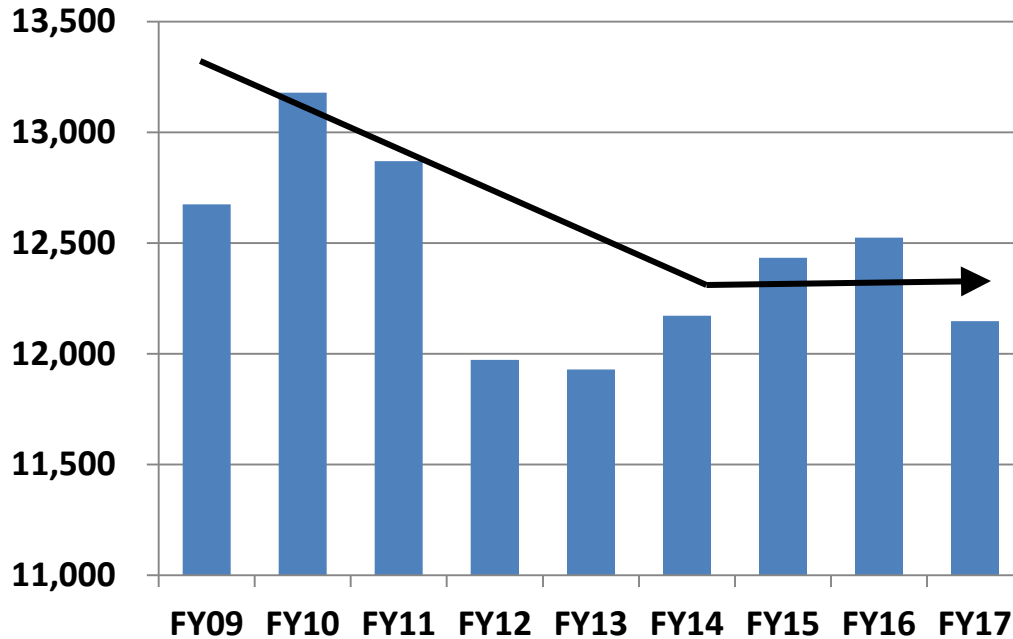
<sup>1</sup> Moody's Aa benchmark: 150 to 250 days

<sup>2</sup> Long-term target is 53.5%: per Moody's Sector In-Depth Report "Public Power Medians - Finances Hold Steady with Transition to Lower Carbon Environment", Sept. 2016

<sup>3</sup> Long-term target is 49%: calculated peer group from Moody's 214 Aa rated public water-sewer utilities, Dec. 2016

### MWh Sales

(in Thousands)



Month	FY16	FY17	%
Oct	952,515	951,425	(0.1%)
Nov	923,705	863,238	(6.5%)
Dec	922,956	905,219	(1.9%)
Jan	1,049,897	932,807	(11.2%)
<b>YTD</b>	<b>3,849,073</b>	<b>3,652,689</b>	<b>(5.1%)</b>
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		
<b>Total/Forecast</b>	<b>12,561,253</b>	<b>12,147,193</b>	

**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>
1,166	1,067	862

YTD Customer Accounts		
<u>FY16</u>	<u>FY17</u>	<u>%</u>
450,137	457,363	1.6%

<b>Total System</b>	<b>(5.1%)</b>
Residential	2.1%
Comm./Industrial	(4.6%)
Interruptible	(5.5%)
Wholesale (FPU)	(59.3%)



# JEA Electric System

## Financial Results and Cost Metrics

(\$ in thousands)

Revenues	FY17 Forecast	FY16 Actual	FY17 Budget	FY17 vs FY16 (\$)	Variance (%)
Fuel Revenue	\$ 396,130 <sup>1</sup>	\$ 426,653 <sup>2</sup>	\$ 449,776	\$ (30,523)	-7.2%
Base Revenue	755,843 <sup>1</sup>	750,038	735,204	5,805	0.8%
Other Revenue	43,911	37,904	41,787	6,007	15.8%
<b>Total Revenues</b>	<b>\$ 1,195,884</b>	<b>\$ 1,214,595</b>	<b>\$ 1,226,767</b>	<b>\$ (18,711)</b>	<b>-1.5%</b>
		\$ (31M)			
Select Expenses					
Fuel Expense	\$ 448,286	\$ 397,280	\$ 411,903	\$ (51,006)	-12.8%
Fuel Fund Transfers	(52,155)	29,373	37,705	81,528	
O & M Expense	209,983	192,527	226,180	(17,456)	-9.1%
Non-fuel Purchased Power	80,148	87,426	83,394	7,278	8.3%
<b>Net Revenues</b>	<b>\$ 509,064</b>	<b>\$ 496,092</b>	<b>\$ 454,939</b>	<b>\$ 12,972</b>	<b>2.6%</b>
		\$ 54M			
Capital Expenditures	\$ 146,656	\$ 150,926	\$ 153,200 <sup>3</sup>	\$ 4,270	2.8%
Debt Service	\$ 211,764 <sup>4</sup>	\$ 171,506	\$ 179,654	\$ (40,258)	-23.5%

Electric Costs / MWh	Non-Fuel
Target	\$ 53.94
Forecast	54.78
Difference	\$ (0.84)

Fuel Fund (\$ in millions)	
Beginning Balance	\$ 180
Surplus/(Deficit)	(52)
Ending Balance	\$ 128

<sup>1</sup> Assumes rate change in December 2016

<sup>2</sup> Net of \$57 million fuel credit and fuel rate reduction

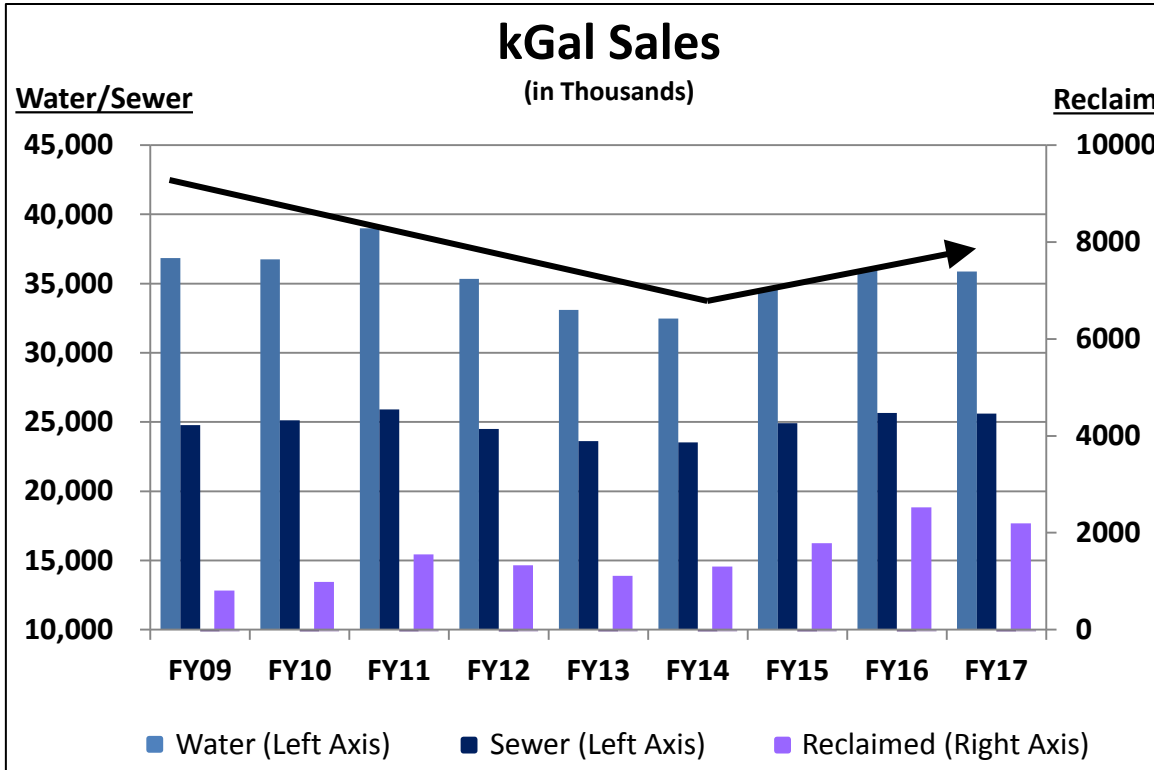
<sup>3</sup> Council approved limit for capital expenditures in FY17 is \$170 million

<sup>4</sup> 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%
Jan	2,527	2,768	9.6%
<b>YTD</b>	<b>11,046</b>	<b>11,888</b>	<b>7.6%</b>
Feb	2,479		
Mar	2,825		
Apr	2,914		
May	3,523		
Jun	3,290		
Jul	3,736		
Aug	3,451		
Sep	3,094		
<b>Total/Forecast</b>	<b>36,358</b>	<b>35,869</b>	

**Unit Sales Driver:** YTD rainfall up 8 inches; rain days down 8.

Irrigation for January YTD FY17 up 28% versus January YTD FY16.

YTD Rainfall			
	30-Yr. Avg.	FY16	FY17
Inches	12	8	16
Days	31	29	21

YTD Customer Accounts			
	FY16	FY17	%
Water	331,150	339,103	2.4%
Sewer	256,176	262,724	2.6%
Reclaimed	7,101	8,963	26.2%

<b>Total System</b>	<b>7.6%</b>
Residential	8.3%
Comm./Industrial	0.1%
Irrigation	27.6%



# JEA Water and Sewer System

## Financial Results and Cost Metrics

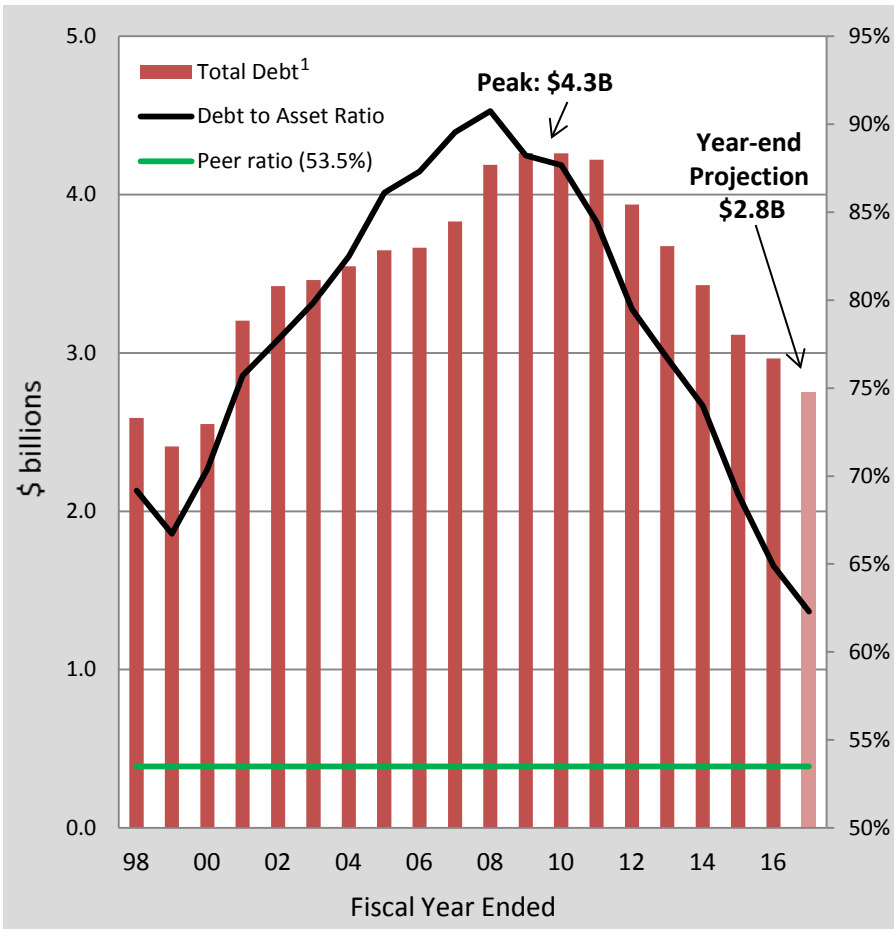
(\$ in thousands)

Revenues	FY17 Forecast	FY16 Actual	FY17 Budget	FY17 vs FY16 (\$)	Variance (%)
Water & Sewer Revenues	\$ 404,040	\$ 409,889	\$ 394,430	\$ (5,849)	-1.4%
Other Revenue	34,715	40,070	33,792	(5,355)	-13.4%
<b>Total Revenues</b>	<b>\$ 438,755</b>	<b>\$ 449,959</b>	<b>\$ 428,222</b>	<b>\$ (11,204)</b>	<b>-2.5%</b>
Select Expenses					
O & M Expense	\$ 141,225	\$ 130,296	\$ 144,149	\$ (10,929)	-8.4%
<b>Net Revenues</b>	<b>\$ 294,482</b>	<b>\$ 313,130</b>	<b>\$ 280,753</b>	<b>\$ (18,648)</b>	<b>-6.0%</b>
Capital Expenditures	\$ 212,988	\$ 147,363	\$ 205,000 <sup>1</sup>	\$ (65,625)	-44.5%
Debt Service	\$ 116,462	\$ 95,418	\$ 118,375	\$ (21,044)	-22.1%

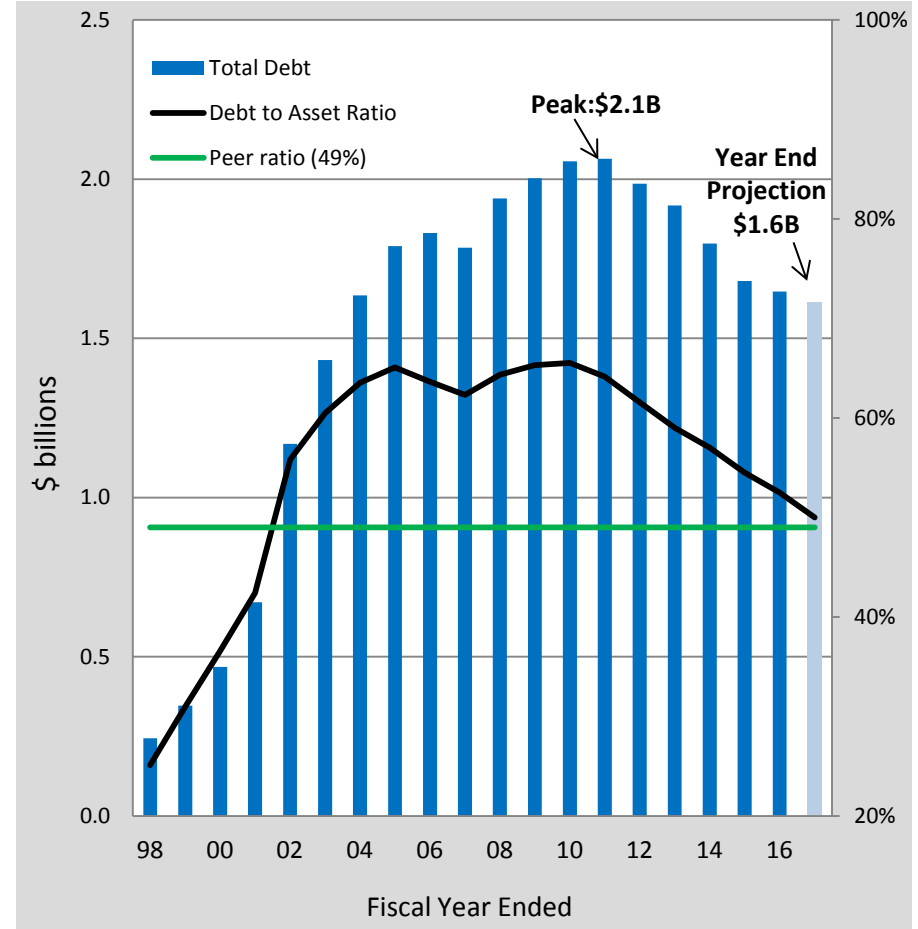
Cost / KGal	Water	Sewer
Target	\$ 4.75	\$ 10.27
Forecast	4.93	10.77
Difference	\$ (0.18)	\$ (0.50)

<sup>1</sup> Council approved limit for capital expenditures in FY17 is \$225.5 million

## Electric System



## Water and Sewer System

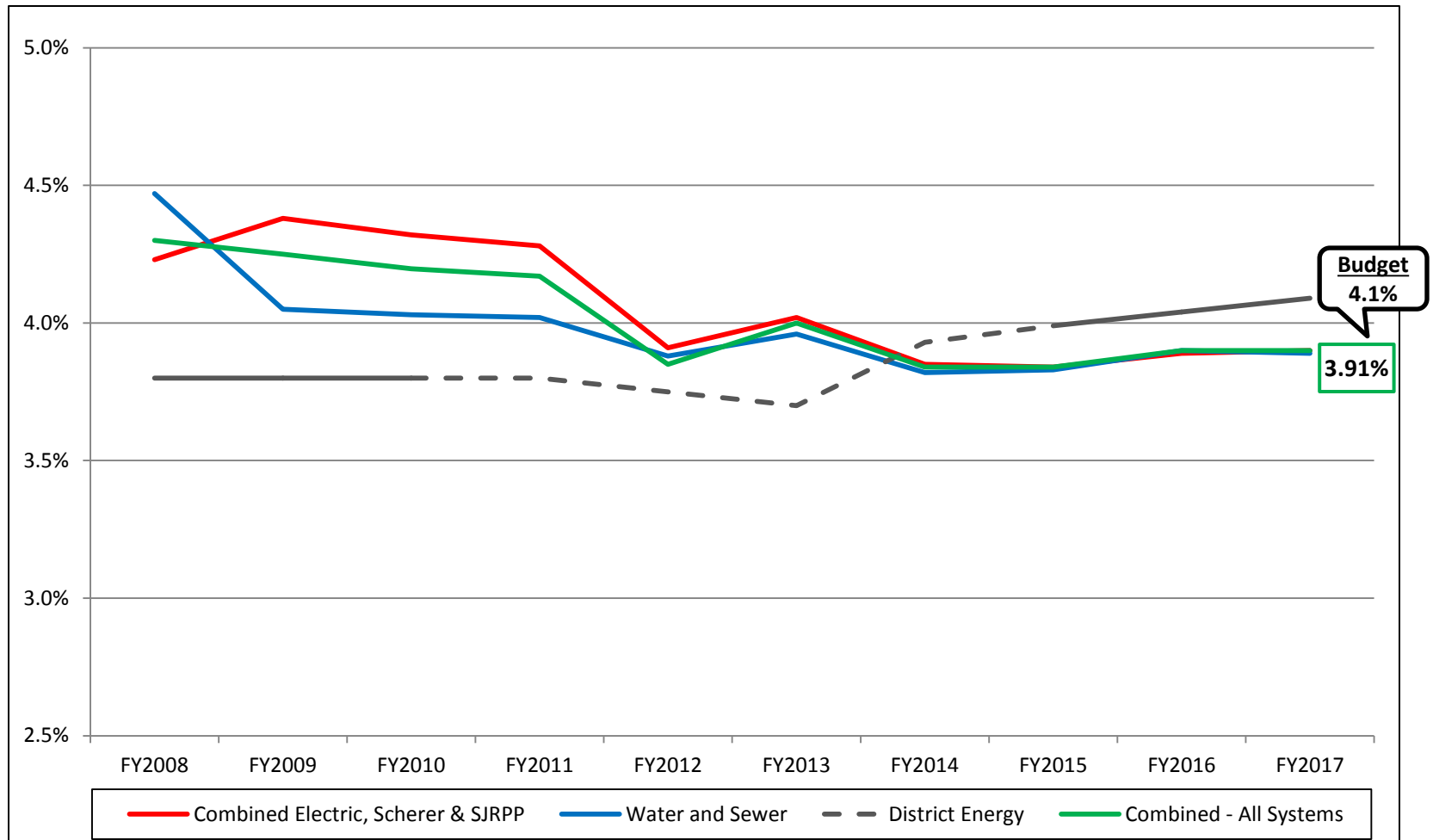


<sup>1</sup> Includes JEA, Scherer and SJRPP

<sup>2</sup> Per Moody's Special Comment, June 2014

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

# Combined Debt Outstanding Weighted Average Interest Rates\*



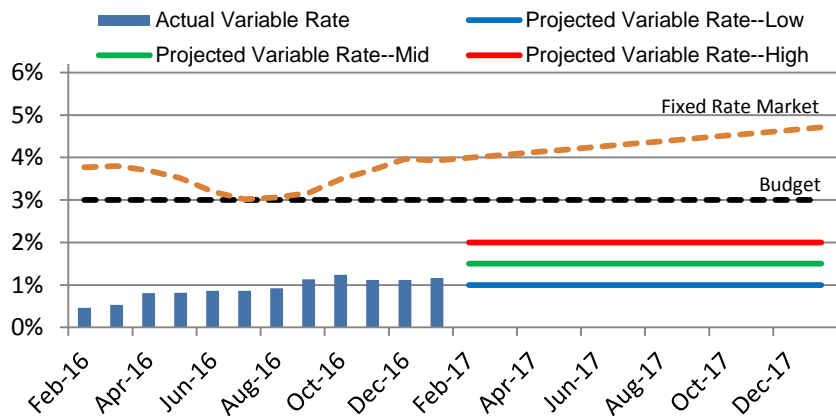
- Fiscal year end interest rates are net of BABs subsidy, original issue premiums / discounts and includes variable debt liquidity / remarketing fees and interest rate swap payments.
- - - - During FY2008 – FY2013 DES was funded with variable rate debt at an average of 1 percent.

# Variable Rate Debt Risk Analysis

(\$ in millions)

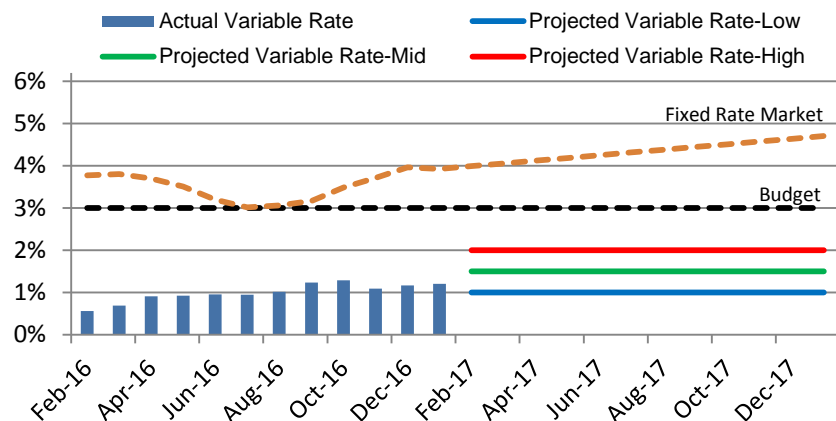
## Electric System

### 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
<b>Total</b>		<b>\$844</b>	

## Swap Providers

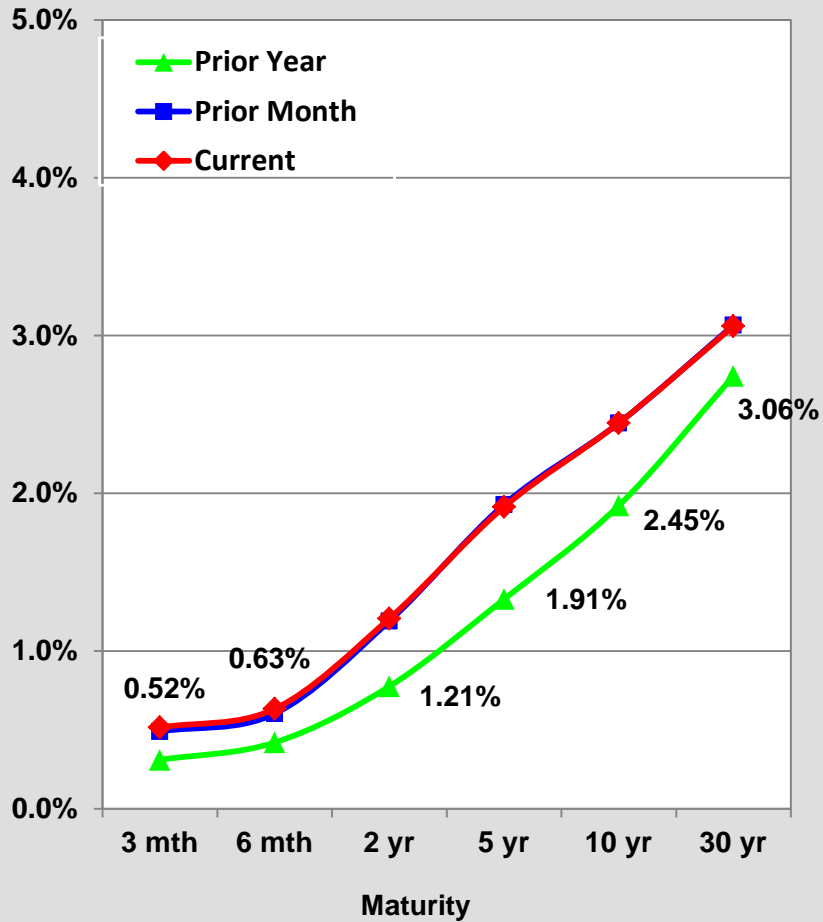
Bank	Long-Term Ratings Moody's/S&P/Fitch	\$ (in millions)	%
Morgan Stanley Capital Services	A3/BBB+/A	\$180	34
Goldman Sachs Mitsui Marine Derivative Products	Aa2/AA-/NR	137	26
JP Morgan Chase Bank N.A.	Aa3/A+/AA-	125	24
Merrill Lynch	Baa1/BBB+/A	85	16
<b>Total</b>		<b>\$527</b>	

## Items of Interest

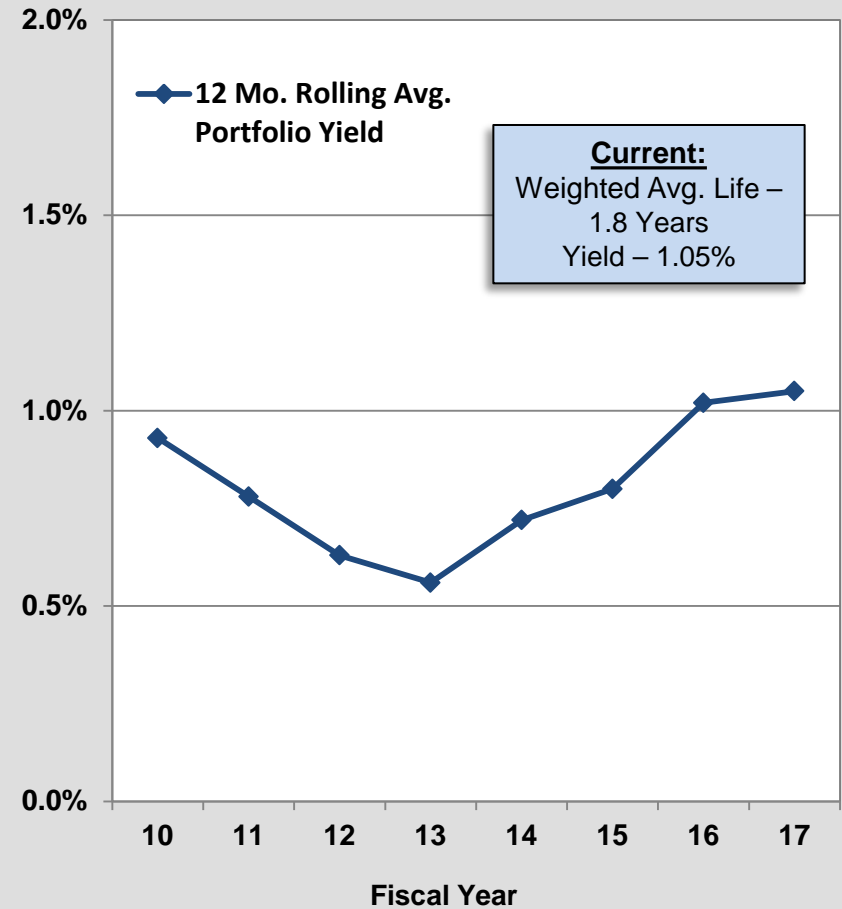
- Variable debt as a percentage of total debt:
  - Unhedged variable at 7% for Electric and 10% for Water and Sewer.
  - Hedged variable at 14% for Electric and 7% for Water and Sewer.
- Liquidity facilities / direct purchase bonds are with highly rated providers.
- No change in swap counterparty credit 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



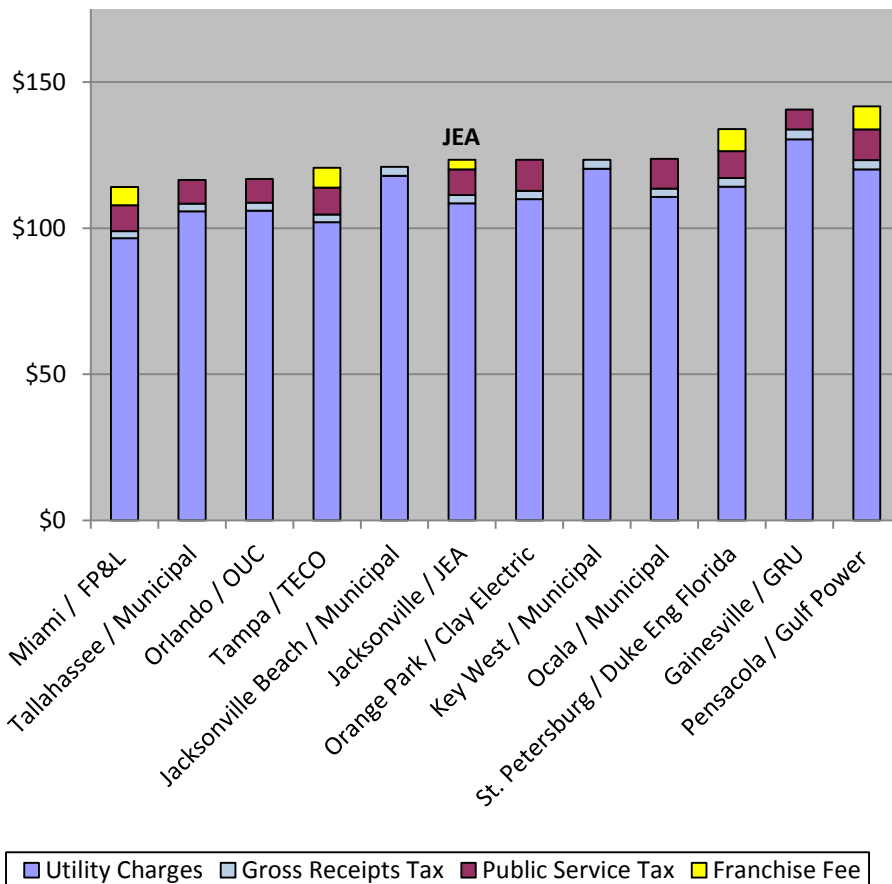
## Investment Portfolio Yield



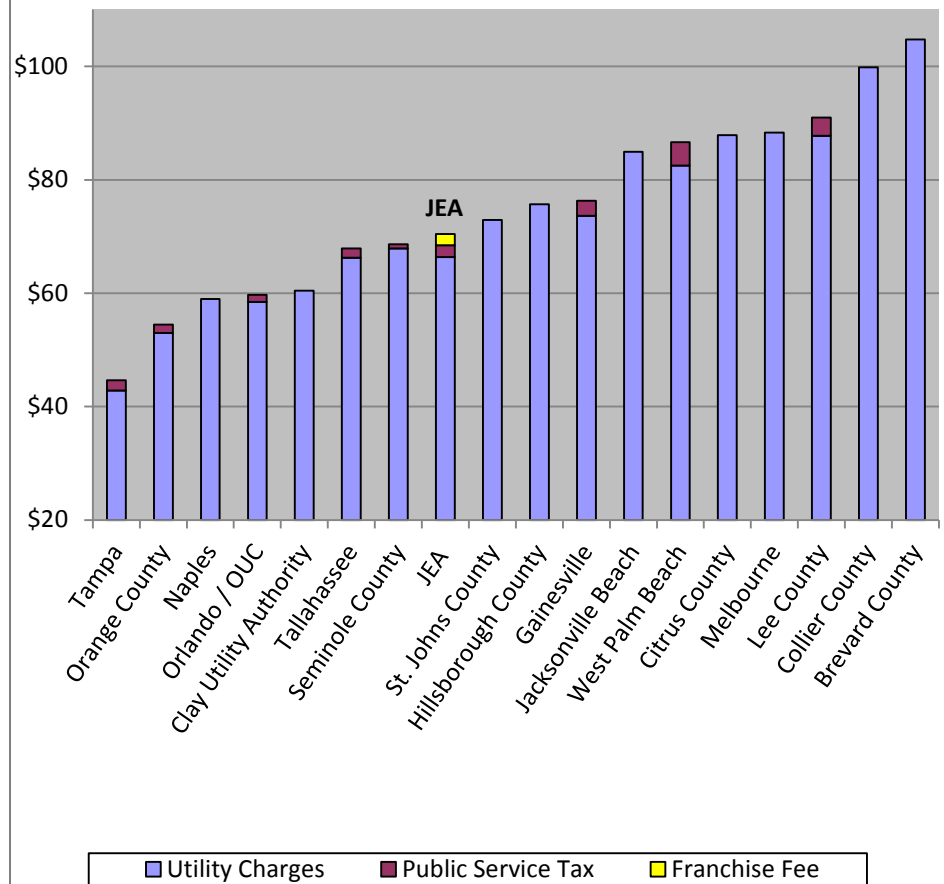


# Florida Utilities Monthly Bill Comparison

**Monthly Residential Electric Bills**  
Consumption @ 1,000 kWh



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





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V. A. 2.  
2/21/2017

## Monthly Financial Statements

January 2017



## Monthly Financial Statements

January 2017

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## Statements of Net Position

(in thousands - unaudited) January 2017 and 2016

	2017	2016
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 308,080	\$ 206,402
Investments	257,168	307,083
Customer accounts receivable, net of allowance (\$2,779 in 2017 and \$4,328 in 2016)	166,955	195,218
Miscellaneous accounts receivable	22,335	24,477
Interest receivable	2,068	2,223
Inventories:		
Fuel inventory - Electric System	61,082	66,749
Fuel inventory - Plant Scherer	3,669	5,782
Materials and supplies - Water and Sewer	46,633	43,655
Materials and supplies - Electric System	20,994	20,151
Materials and supplies - Plant Scherer	2,159	2,090
Total current assets	<u>891,143</u>	<u>873,830</u>
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	48,480	40,941
Investments	878,555	808,686
Accounts and interest receivable	2,302	4,739
Total restricted assets	<u>929,337</u>	<u>854,366</u>
Costs to be recovered from future revenues	460,349	458,606
Investment in The Energy Authority	6,709	7,027
Other assets	22,008	17,995
Total noncurrent assets	<u>1,418,403</u>	<u>1,337,994</u>
Capital assets:		
Land and easements	190,720	164,063
Plant in service	10,863,795	10,725,095
Less accumulated depreciation	(5,545,027)	(5,200,247)
Plant in service, net	5,509,488	5,688,911
Construction work in progress	314,491	194,823
Net capital assets	<u>5,823,979</u>	<u>5,883,734</u>
Total assets	<u>8,133,525</u>	<u>8,095,558</u>
<b>Deferred outflows of resources</b>		
Unamortized deferred losses on refundings	137,570	150,226
Accumulated decrease in fair value of interest hedging derivatives	125,149	141,958
Unrealized pension contributions and losses	137,009	83,970
Accumulated decrease in fair value of fuel hedging derivatives	415	4,729
Total deferred outflows of resources	<u>400,143</u>	<u>380,883</u>
Total assets and deferred outflows of resources	<u>\$ 8,533,668</u>	<u>\$ 8,476,441</u>

## Statements of Net Position

(in thousands - unaudited) January 2017 and 2016

	2017	2016
<b>Liabilities</b>		
Current liabilities:		
Accounts and accrued expenses payable	\$ 88,276	\$ 83,716
Customer deposits	55,973	55,467
City of Jacksonville payable	9,661	9,573
Compensated absences due within one year	3,527	4,534
State utility taxes payable	2,358	4,856
Total current liabilities	<u>159,795</u>	<u>158,146</u>
Current liabilities payable from restricted assets:		
Debt due within one year	189,150	181,525
Renewal and replacement reserve	81,472	81,698
Interest payable	56,156	58,321
Construction contracts and accounts payable	12,806	8,576
Total current liabilities payable from restricted assets	<u>339,584</u>	<u>330,120</u>
Noncurrent liabilities:		
Net pension liability	493,346	408,629
Compensated absences due after one year	24,624	22,945
Environmental liabilities	18,556	18,662
Other liabilities	4,616	9,057
Total noncurrent liabilities	<u>541,142</u>	<u>459,293</u>
Long-term debt:		
Bonds and commercial paper payable, less current portion	4,281,045	4,470,195
Unamortized premium, net	129,539	159,977
Fair value of debt management strategy instruments	125,149	141,958
Total long-term debt	<u>4,535,733</u>	<u>4,772,130</u>
Total liabilities	<u>5,576,254</u>	<u>5,719,689</u>
<b>Deferred inflows of resources</b>		
Revenues to be used for future costs	516,077	504,491
Unrealized pension gains	12,683	29,795
Total deferred inflows of resources	<u>528,760</u>	<u>534,286</u>
<b>Net position</b>		
Net investment in capital assets	1,594,898	1,447,729
Restricted	498,060	422,901
Unrestricted	335,696	351,836
Total net position	<u>2,428,654</u>	<u>2,222,466</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 8,533,668</u>	<u>\$ 8,476,441</u>

	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
<b>Assets</b>							
Current assets:							
Cash and cash equivalents	\$ 211,655	\$ 33,596	\$ -	\$ 245,251	58,854	\$ 3,975	\$ 308,080
Investments	228,141	10,225	-	238,366	18,802	-	257,168
Customer accounts receivable, net of allowance (\$2,779)	132,050	-	-	132,050	34,314	591	166,955
Miscellaneous accounts receivable	21,871	16,407	(17,224)	21,054	1,281	-	22,335
Interest receivable	1,146	22	-	1,168	900	-	2,068
Inventories:							
Fuel inventory - Electric System	32,419	28,663	-	61,082	-	-	61,082
Fuel inventory - Plant Scherer	3,669	-	-	3,669	-	-	3,669
Materials and supplies - Water and Sewer	-	-	-	-	46,633	-	46,633
Materials and supplies - Electric System	-	20,994	-	20,994	-	-	20,994
Materials and supplies - Plant Scherer	2,159	-	-	2,159	-	-	2,159
<b>Total current assets</b>	<b>633,110</b>	<b>109,907</b>	<b>(17,224)</b>	<b>725,793</b>	<b>160,784</b>	<b>4,566</b>	<b>891,143</b>
Noncurrent assets:							
Restricted assets:							
Cash and cash equivalents	-	45,579	-	45,579	152	2,749	48,480
Investments	329,639	214,629	-	544,268	334,287	-	878,555
Accounts and interest receivable	830	693	-	1,523	779	-	2,302
<b>Total restricted assets</b>	<b>330,469</b>	<b>260,901</b>	<b>-</b>	<b>591,370</b>	<b>335,218</b>	<b>2,749</b>	<b>929,337</b>
Costs to be recovered from future revenues	240,155	6,906	-	247,061	213,288	-	460,349
Investment in The Energy Authority	6,709	-	-	6,709	-	-	6,709
Other assets	14,674	-	-	14,674	7,326	8	22,008
<b>Total noncurrent assets</b>	<b>592,007</b>	<b>267,807</b>	<b>-</b>	<b>859,814</b>	<b>555,832</b>	<b>2,757</b>	<b>1,418,403</b>
Capital assets:							
Land and easements	121,235	6,660	-	127,895	59,774	3,051	190,720
Plant in service	5,176,319	1,342,571	-	6,518,890	4,289,577	55,328	10,863,795
Less accumulated depreciation	(2,748,242)	(853,729)	-	(3,601,971)	(1,920,463)	(22,593)	(5,545,027)
Plant in service, net	2,549,312	495,502	-	3,044,814	2,428,888	35,786	5,509,488
Construction work in progress	179,519	11,425	-	190,944	123,515	32	314,491
<b>Net capital assets</b>	<b>2,728,831</b>	<b>506,927</b>	<b>-</b>	<b>3,235,758</b>	<b>2,552,403</b>	<b>35,818</b>	<b>5,823,979</b>
<b>Total assets</b>	<b>3,953,948</b>	<b>884,641</b>	<b>(17,224)</b>	<b>4,821,365</b>	<b>3,269,019</b>	<b>43,141</b>	<b>8,133,525</b>
<b>Deferred outflows of resources</b>							
Unamortized deferred losses on refundings	77,979	13,844	-	91,823	45,538	209	137,570
Accumulated decrease in fair value of interest hedging derivatives	102,073	-	-	102,073	23,076	-	125,149
Unrealized pension contributions and losses	77,672	11,731	-	89,403	47,606	-	137,009
Accumulated decrease in fair value of fuel hedging derivatives	415	-	-	415	-	-	415
<b>Total deferred outflows of resources</b>	<b>258,139</b>	<b>25,575</b>	<b>-</b>	<b>283,714</b>	<b>116,220</b>	<b>209</b>	<b>400,143</b>
<b>Total assets and deferred outflows of resources</b>	<b>\$ 4,212,087</b>	<b>\$ 910,216</b>	<b>\$ (17,224)</b>	<b>\$ 5,105,079</b>	<b>\$ 3,385,239</b>	<b>\$ 43,350</b>	<b>\$ 8,533,668</b>

	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
<b>Liabilities</b>							
Current liabilities:							
Accounts and accrued expenses payable	\$ 49,829	\$ 28,041	\$ (327)	\$ 77,543	\$ 10,705	\$ 28	\$ 88,276
Customer deposits	41,887	-	-	41,887	14,086	-	55,973
City of Jacksonville payable	7,689	-	-	7,689	1,972	-	9,661
Compensated absences due within one year	2,025	660	-	2,685	811	31	3,527
State utility taxes payable	2,358	-	-	2,358	-	-	2,358
<b>Total current liabilities</b>	<b>103,788</b>	<b>28,701</b>	<b>(327)</b>	<b>132,162</b>	<b>27,574</b>	<b>59</b>	<b>159,795</b>
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	-	81,472	-	81,472	-	-	81,472
Interest payable	28,132	6,381	-	34,513	21,182	461	56,156
Construction contracts and accounts payable	3,701	18,135	(16,897)	4,939	7,867	-	12,806
<b>Total current liabilities payable from restricted assets</b>	<b>126,993</b>	<b>147,318</b>	<b>(16,897)</b>	<b>257,414</b>	<b>80,069</b>	<b>2,101</b>	<b>339,584</b>
Noncurrent liabilities:							
Net pension liability	297,819	12,993	-	310,812	182,534	-	493,346
Compensated absences due after one year	16,413	1,677	-	18,090	6,516	18	24,624
Environmental liabilities	18,556	-	-	18,556	-	-	18,556
Other liabilities	3,472	-	-	3,472	1,144	-	4,616
<b>Total noncurrent liabilities</b>	<b>336,260</b>	<b>14,670</b>	<b>-</b>	<b>350,930</b>	<b>190,194</b>	<b>18</b>	<b>541,142</b>
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	63,556	14,955	-	78,511	51,070	(42)	129,539
Fair value of debt management strategy instruments	102,073	-	-	102,073	23,076	-	125,149
<b>Total long-term debt</b>	<b>2,439,684</b>	<b>423,840</b>	<b>-</b>	<b>2,863,524</b>	<b>1,635,766</b>	<b>36,443</b>	<b>4,535,733</b>
<b>Total liabilities</b>	<b>3,006,725</b>	<b>614,529</b>	<b>(17,224)</b>	<b>3,604,030</b>	<b>1,933,603</b>	<b>38,621</b>	<b>5,576,254</b>
<b>Deferred inflows of resources</b>							
Revenues to be used for future costs	336,518	155,635	-	492,153	23,924	-	516,077
Unrealized pension gains	6,545	2,126	-	8,671	4,012	-	12,683
<b>Total deferred inflows of resources</b>	<b>343,063</b>	<b>157,761</b>	<b>-</b>	<b>500,824</b>	<b>27,936</b>	<b>-</b>	<b>528,760</b>
<b>Net position</b>							
Net investment in capital assets	405,211	29,116	-	434,327	1,162,628	(2,057)	1,594,898
Restricted	236,905	29,281	16,897	283,083	212,689	2,288	498,060
Unrestricted	220,183	79,529	(16,897)	282,815	48,383	4,498	335,696
<b>Total net position</b>	<b>862,299</b>	<b>137,926</b>	<b>-</b>	<b>1,000,225</b>	<b>1,423,700</b>	<b>4,729</b>	<b>2,428,654</b>
<b>Total liabilities, deferred inflows of resources, and net position</b>	<b>\$ 4,212,087</b>	<b>\$ 910,216</b>	<b>\$ (17,224)</b>	<b>\$ 5,105,079</b>	<b>\$ 3,385,239</b>	<b>\$ 43,350</b>	<b>\$ 8,533,668</b>

	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
<b>Assets</b>							
Current assets:							
Cash and cash equivalents	\$ 109,614	\$ 36,713	\$ -	\$ 146,327	\$ 56,156	\$ 3,919	\$ 206,402
Investments	284,149	14,410	-	298,559	8,524	-	307,083
Customer accounts receivable, net of allowance (\$4,328)	161,042	-	-	161,042	33,533	643	195,218
Miscellaneous accounts receivable	20,944	16,799	(14,490)	23,253	1,224	-	24,477
Interest receivable	1,330	68	-	1,398	825	-	2,223
Inventories:							
Fuel inventory - Electric System	30,412	36,337	-	66,749	-	-	66,749
Fuel inventory - Plant Scherer	5,782	-	-	5,782	-	-	5,782
Materials and supplies - Water and Sewer	-	-	-	-	43,655	-	43,655
Materials and supplies - Electric System	-	20,151	-	20,151	-	-	20,151
Materials and supplies - Plant Scherer	2,090	-	-	2,090	-	-	2,090
<b>Total current assets</b>	<b>615,363</b>	<b>124,478</b>	<b>(14,490)</b>	<b>725,351</b>	<b>143,917</b>	<b>4,562</b>	<b>873,830</b>
Noncurrent assets:							
Restricted assets:							
Cash and cash equivalents	141	36,469	-	36,610	751	3,580	40,941
Investments	294,092	203,526	-	497,618	311,068	-	808,686
Accounts and interest receivable	1,924	684	-	2,608	2,131	-	4,739
<b>Total restricted assets</b>	<b>296,157</b>	<b>240,679</b>	<b>-</b>	<b>536,836</b>	<b>313,950</b>	<b>3,580</b>	<b>854,366</b>
Costs to be recovered from future revenues	228,979	6,962	-	235,941	222,665	-	458,606
Investment in The Energy Authority	7,027	-	-	7,027	-	-	7,027
Other assets	10,332	-	-	10,332	7,663	-	17,995
<b>Total noncurrent assets</b>	<b>542,495</b>	<b>247,641</b>	<b>-</b>	<b>790,136</b>	<b>544,278</b>	<b>3,580</b>	<b>1,337,994</b>
Capital assets:							
Land and easements	95,177	6,660	-	101,837	59,175	3,051	164,063
Plant in service	5,133,254	1,359,359	-	6,492,613	4,178,865	53,617	10,725,095
Less accumulated depreciation	(2,561,571)	(825,336)	-	(3,386,907)	(1,793,052)	(20,288)	(5,200,247)
Plant in service, net	2,666,860	540,683	-	3,207,543	2,444,988	36,380	5,688,911
Construction work in progress	83,886	15,005	-	98,891	95,932	-	194,823
<b>Capital assets, net</b>	<b>2,750,746</b>	<b>555,688</b>	<b>-</b>	<b>3,306,434</b>	<b>2,540,920</b>	<b>36,380</b>	<b>5,883,734</b>
<b>Total assets</b>	<b>3,908,604</b>	<b>927,807</b>	<b>(14,490)</b>	<b>4,821,921</b>	<b>3,229,115</b>	<b>44,522</b>	<b>8,095,558</b>
<b>Deferred outflows of resources</b>							
Unamortized deferred losses on refundings	83,472	18,416	-	101,888	48,121	217	150,226
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	4,729	-	-	4,729	-	-	4,729
<b>Total deferred outflows of resources</b>	<b>251,905</b>	<b>22,531</b>	<b>-</b>	<b>274,436</b>	<b>106,230</b>	<b>217</b>	<b>380,883</b>
<b>Total assets and deferred outflows of resources</b>	<b>\$ 4,160,509</b>	<b>\$ 950,338</b>	<b>\$ (14,490)</b>	<b>\$ 5,096,357</b>	<b>\$ 3,335,345</b>	<b>\$ 44,739</b>	<b>\$ 8,476,441</b>

	<b>Electric System and Bulk Power Supply System</b>	<b>SJRPP System</b>	<b>Elimination of Intercompany transactions</b>	<b>Total Electric Enterprise Fund</b>	<b>Water and Sewer Enterprise Fund</b>	<b>District Energy System Fund</b>	<b>Total JEA</b>
<b>Liabilities</b>							
Current liabilities:							
Accounts and accrued expenses payable	\$ 55,525	\$ 18,056	\$ (325)	\$ 73,256	\$ 10,454	\$ 6	\$ 83,716
Customer deposits	41,728	-	-	41,728	13,739	-	55,467
City of Jacksonville payable	7,643	-	-	7,643	1,930	-	9,573
Compensated absences due within one year	1,824	1,486	-	3,310	1,217	7	4,534
State utility taxes payable	4,856	-	-	4,856	-	-	4,856
<b>Total current liabilities</b>	<b>111,576</b>	<b>19,542</b>	<b>(325)</b>	<b>130,793</b>	<b>27,340</b>	<b>13</b>	<b>158,146</b>
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	-	81,698	-	81,698	-	-	81,698
Interest payable	29,327	7,105	-	36,432	21,423	466	58,321
Construction contracts and accounts payable	2,141	15,132	(14,165)	3,108	5,468	-	8,576
<b>Total current liabilities payable from restricted assets</b>	<b>133,708</b>	<b>147,720</b>	<b>(14,165)</b>	<b>267,263</b>	<b>60,766</b>	<b>2,091</b>	<b>330,120</b>
Noncurrent liabilities:							
Net pension liability	246,724	4,163	-	250,887	157,742	-	408,629
Compensated absences due after one year	16,017	974	-	16,991	5,914	40	22,945
Environmental liabilities	18,662	-	-	18,662	-	-	18,662
Other liabilities	4,997	-	-	4,997	4,060	-	9,057
<b>Total noncurrent liabilities</b>	<b>286,400</b>	<b>5,137</b>	<b>-</b>	<b>291,537</b>	<b>167,716</b>	<b>40</b>	<b>459,293</b>
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	78,838	21,805	-	100,643	59,381	(47)	159,977
Fair value of debt management strategy instruments	114,992	-	-	114,992	26,966	-	141,958
<b>Total long-term debt</b>	<b>2,563,045</b>	<b>472,020</b>	<b>-</b>	<b>3,035,065</b>	<b>1,698,987</b>	<b>38,078</b>	<b>4,772,130</b>
<b>Total liabilities</b>	<b>3,094,729</b>	<b>644,419</b>	<b>(14,490)</b>	<b>3,724,658</b>	<b>1,954,809</b>	<b>40,222</b>	<b>5,719,689</b>
<b>Deferred inflows of resources</b>							
Revenues to be used for future costs	310,574	167,516	-	478,090	26,401	-	504,491
Unrealized pension gains	16,446	2,835	-	19,281	10,514	-	29,795
<b>Total deferred inflows of resources</b>	<b>327,020</b>	<b>170,351</b>	<b>-</b>	<b>497,371</b>	<b>36,915</b>	<b>-</b>	<b>534,286</b>
<b>Net position</b>							
Net investment in capital assets	314,162	18,559	-	332,721	1,118,114	(3,106)	1,447,729
Restricted	201,397	13,045	14,165	228,607	191,180	3,114	422,901
Unrestricted	223,201	103,964	(14,165)	313,000	34,327	4,509	351,836
<b>Total net position</b>	<b>738,760</b>	<b>135,568</b>	<b>-</b>	<b>874,328</b>	<b>1,343,621</b>	<b>4,517</b>	<b>2,222,466</b>
<b>Total liabilities, deferred inflows of resources, and net position</b>	<b>\$ 4,160,509</b>	<b>\$ 950,338</b>	<b>\$ (14,490)</b>	<b>\$ 5,096,357</b>	<b>\$ 3,335,345</b>	<b>\$ 44,739</b>	<b>\$ 8,476,441</b>



	Electric System and Bulk Power Supply System	SJRPP System	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
<b>Unrestricted cash and investments</b>						
Operations	\$ 76,979	\$ 13,568	\$ 90,547	\$ 39,646	\$ 1,238	\$ 131,431
Rate stabilization:						
Fuel	172,147	-	172,147	-	-	172,147
Debt management	42,126	-	42,126	20,290	2,737	65,153
Environmental	32,153	-	32,153	3,634	-	35,787
Purchased Power	32,348	-	32,348	-	-	32,348
DSM/Conservation	3,675	-	3,675	-	-	3,675
Total rate stabilization funds	282,449	-	282,449	23,924	2,737	309,110
General reserve	-	30,253	30,253	-	-	30,253
Customer deposits	41,766	-	41,766	14,086	-	55,852
Self insurance reserve funds:						
Self funded health plan	10,046	-	10,046	-	-	10,046
Property insurance reserve	10,000	-	10,000	-	-	10,000
Total self insurance reserve funds	20,046	-	20,046	-	-	20,046
Environmental liability reserve	18,556	-	18,556	-	-	18,556
Total unrestricted cash and investments	\$ 439,796	\$ 43,821	\$ 483,617	\$ 77,656	\$ 3,975	\$ 565,248
<b>Restricted assets</b>						
Renewal and replacement funds	\$ 205,654	\$ 81,308	\$ 286,962	\$ 185,353	\$ 1,742	\$ 474,057
Debt service reserve account	65,433	138,858	204,291	107,487	-	311,778
Debt service funds	58,744	14,418	73,162	37,706	1,007	111,875
Environmental funds	-	-	-	860	-	860
Construction funds	-	-	-	152	-	152
Subtotal	329,831	234,584	564,415	331,558	2,749	898,722
Unrealized holding gain (loss) on investments	(192)	(4,268)	(4,460)	2,881	-	(1,579)
Other funds	-	29,892	29,892	-	-	29,892
Total restricted cash and investments	\$ 329,639	\$ 260,208	\$ 589,847	\$ 334,439	\$ 2,749	\$ 927,035

	Electric System and Bulk Power Supply System	SJRPP System	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
<b>Unrestricted cash and investments</b>						
Operations	\$ 60,869	\$ 23,718	\$ 84,587	\$ 24,541	\$ 1,182	\$ 110,310
Rate stabilization:						
Fuel	141,393	-	141,393	-	-	141,393
Debt management	42,126	-	42,126	20,290	2,737	65,153
Environmental	25,773	-	25,773	6,110	-	31,883
Purchased Power	38,000	-	38,000	-	-	38,000
DSM/Conservation	3,040	-	3,040	-	-	3,040
Total rate stabilization funds	250,332	-	250,332	26,400	2,737	279,469
General reserve	-	27,405	27,405	-	-	27,405
Customer deposits	41,559	-	41,559	13,739	-	55,298
Self insurance reserve funds:						
Self funded health plan	12,341	-	12,341	-	-	12,341
Property insurance reserve	10,000	-	10,000	-	-	10,000
Total self insurance reserve funds	22,341	-	22,341	-	-	22,341
Environmental liability reserve	18,662	-	18,662	-	-	18,662
Total unrestricted cash and investments	\$ 393,763	\$ 51,123	\$ 444,886	\$ 64,680	\$ 3,919	\$ 513,485
<b>Restricted assets</b>						
Renewal and replacement funds	\$ 164,348	\$ 81,555	\$ 245,903	\$ 166,691	\$ 2,572	\$ 415,166
Debt service reserve account	65,433	138,212	203,645	108,086	-	311,731
Debt service funds	62,144	15,283	77,427	32,068	1,008	110,503
Construction funds	-	77	77	681	-	758
Environmental funds	-	-	-	414	-	414
Subtotal	291,925	235,127	527,052	307,940	3,580	838,572
Unrealized holding gain (loss) on investments	2,167	(2,152)	15	3,809	-	3,824
Other funds	141	7,020	7,161	70	-	7,231
Total restricted cash and investments	\$ 294,233	\$ 239,995	\$ 534,228	\$ 311,819	\$ 3,580	\$ 849,627

**Regulatory Accounting Balances**  
(in thousands - unaudited) January 2017

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	3,388	230,079	138,940	369,019
Water environmental projects	-	-	-	74,111	74,111
Scherer	11,296	-	11,296	-	11,296
Debt issue costs	2,168	3,518	5,686	237	5,923
<b>Costs to be recovered from future revenues</b>	<b>240,155</b>	<b>6,906</b>	<b>247,061</b>	<b>213,288</b>	<b>460,349</b>
SJRPP and Scherer	44,023	155,635	199,658	-	199,658
Fuel stabilization	172,147	-	172,147	-	172,147
Debt management stabilization	42,126	-	42,126	20,290	62,416
Nonfuel purchased power	32,348	-	32,348	-	32,348
Environmental	32,153	-	32,153	3,634	35,787
Self-insurance medical reserve	10,046	-	10,046	-	10,046
Customer benefit stabilization	3,675	-	3,675	-	3,675
<b>Revenues to be used for future costs</b>	<b>336,518</b>	<b>155,635</b>	<b>492,153</b>	<b>\$ 23,924</b>	<b>516,077</b>

## JEA

**Regulatory Accounting Balances**  
(in thousands - unaudited) January 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	214,132	2,883	217,015	136,905	353,920
Water environmental projects	-	-	-	85,512	85,512
Scherer	12,552	-	12,552	-	12,552
Debt issue costs	2,295	4,079	6,374	248	6,622
<b>Costs to be recovered from future revenues</b>	<b>228,979</b>	<b>6,962</b>	<b>235,941</b>	<b>222,665</b>	<b>458,606</b>
SJRPP and Scherer	47,901	167,516	215,417	-	215,417
Fuel stabilization	141,393	-	141,393	-	141,393
Debt management stabilization	42,126	-	42,126	20,291	62,417
Nonfuel purchased power	38,000	-	38,000	-	38,000
Environmental	25,773	-	25,773	6,110	31,883
Self-insurance medical reserve	12,341	-	12,341	-	12,341
Customer benefit stabilization	3,040	-	3,040	-	3,040
<b>Revenues to be used for future costs</b>	<b>310,574</b>	<b>167,516</b>	<b>478,090</b>	<b>\$ 26,401</b>	<b>504,491</b>

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

	Month January		Year-To-Date January	
	2017	2016	2017	2016
<b>Operating revenues</b>				
Electric - base	\$ 61,816	\$ 67,408	\$ 243,570	\$ 242,881
Electric - fuel and purchased power	42,888	37,313	167,655	153,202
Water and sewer	33,695	29,597	138,513	124,781
District energy system	635	675	2,848	2,812
Other	2,651	1,934	11,103	10,428
Total operating revenues	141,685	136,927	563,689	534,104
<b>Operating expenses</b>				
Operations and maintenance:				
Fuel	34,405	28,779	136,508	124,416
Purchased power	6,459	6,230	21,208	16,342
Maintenance and other operating expenses	34,639	28,929	120,773	115,521
Depreciation	31,889	30,861	125,575	122,792
State utility and franchise taxes	5,706	6,062	22,323	21,047
Recognition of deferred costs and revenues, net	(780)	(1,196)	(2,267)	(4,827)
Total operating expenses	112,318	99,665	424,120	395,291
Operating income	29,367	37,262	139,569	138,813
<b>Nonoperating revenues (expenses)</b>				
Interest on debt	(13,521)	(13,494)	(54,578)	(54,391)
Debt management strategy	(1,399)	(1,632)	(5,695)	(6,605)
Investment income	1,195	1,029	4,520	4,233
Other revenue	631	1,297	2,541	3,985
Allowance for funds used during construction	951	578	3,888	2,716
Earnings from The Energy Authority	883	756	2,365	889
Net decrease in fair value of investments	-	-	(8,113)	(2,125)
Other expense	(326)	(28)	(753)	(101)
Other interest, net	(8)	(35)	(185)	(250)
Total nonoperating expenses, net	(11,594)	(11,529)	(56,010)	(51,649)
Income before contributions	17,773	25,733	83,559	87,164
<b>Contributions (to) from</b>				
General Fund, City of Jacksonville, Florida	(9,652)	(9,515)	(38,608)	(38,062)
Developers and other	6,259	4,567	21,848	17,621
Reduction of plant cost through contributions	(4,065)	(2,695)	(15,070)	(11,166)
Total contributions	(7,458)	(7,643)	(31,830)	(31,607)
Change in net position	10,315	18,090	51,729	55,557
Net position, beginning of period	2,418,339	2,204,376	2,376,925	2,166,909
Net position, end of period	\$ 2,428,654	\$ 2,222,466	\$ 2,428,654	\$ 2,222,466

**Combining Statement of Revenues, Expenses and Changes in Net Position**  
**(in thousands - unaudited) for the month ended January 2017**

	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
<b>Operating revenues</b>								
Electric - base	\$ 62,089	\$ -	\$ -	\$ 62,089	\$ -	\$ -	\$ (273)	\$ 61,816
Electric - fuel and purchased power	35,402	17,585	(9,070)	43,917	-	-	(1,029)	42,888
Water and sewer	-	-	-	-	33,710	-	(15)	33,695
District energy system	-	-	-	-	-	635	-	635
Other	2,038	-	-	2,038	802	-	(189)	2,651
Total operating revenues	99,529	17,585	(9,070)	108,044	34,512	635	(1,506)	141,685
<b>Operating expenses</b>								
Operations and maintenance:								
Fuel	25,047	9,358	-	34,405	-	-	-	34,405
Purchased power	15,529	-	(9,070)	6,459	-	-	-	6,459
Maintenance and other operating expenses	19,990	3,535	-	23,525	12,281	339	(1,506)	34,639
Depreciation	15,761	3,563	-	19,324	12,368	197	-	31,889
State utility and franchise taxes	4,841	-	-	4,841	865	-	-	5,706
Recognition of deferred costs and revenues, net	(279)	(1,002)	-	(1,281)	501	-	-	(780)
Total operating expenses	80,889	15,454	(9,070)	87,273	26,015	536	(1,506)	112,318
Operating income	18,640	2,131	-	20,771	8,497	99	-	29,367
<b>Nonoperating revenues (expenses)</b>								
Interest on debt	(6,515)	(2,006)	-	(8,521)	(4,884)	(116)	-	(13,521)
Debt management strategy	(1,108)	-	-	(1,108)	(291)	-	-	(1,399)
Investment income	544	315	-	859	334	2	-	1,195
Other revenue	391	32	-	423	208	-	-	631
Allowance for funds used during construction	559	-	-	559	392	-	-	951
Earnings from The Energy Authority	883	-	-	883	-	-	-	883
Other expense	(61)	-	-	(61)	(265)	-	-	(326)
Other interest, net	(6)	-	-	(6)	(2)	-	-	(8)
Total nonoperating expenses, net	(5,313)	(1,659)	-	(6,972)	(4,508)	(114)	-	(11,594)
Income before contributions	13,327	472	-	13,799	3,989	(15)	-	17,773
<b>Contributions (to) from</b>								
General Fund, City of Jacksonville, Florida	(7,689)	-	-	(7,689)	(1,963)	-	-	(9,652)
Developers and other	5	-	-	5	6,254	-	-	6,259
Reduction of plant cost through contributions	(5)	-	-	(5)	(4,060)	-	-	(4,065)
Total contributions	(7,689)	-	-	(7,689)	231	-	-	(7,458)
Change in net position	5,638	472	-	6,110	4,220	(15)	-	10,315
Net position, beginning of period	856,661	137,454	-	994,115	1,419,480	4,744	-	2,418,339
Net position, end of period	\$ 862,299	\$ 137,926	\$ -	\$ 1,000,225	\$ 1,423,700	\$ 4,729	\$ -	\$ 2,428,654

**Combining Statement of Revenues, Expenses and Changes in Net Position**  
**(in thousands - unaudited) for the month ended January 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
<b>Operating revenues</b>								
Electric - base	\$ 67,713	\$ -	\$ -	\$ 67,713	\$ -	\$ -	\$ (305)	\$ 67,408
Electric - fuel and purchased power	33,448	8,520	(3,506)	38,462	-	-	(1,149)	37,313
Water and sewer	-	-	-	-	29,638	-	(41)	29,597
District energy system	-	-	-	-	-	675	-	675
Other	1,401	-	-	1,401	713	-	(180)	1,934
Total operating revenues	102,562	8,520	(3,506)	107,576	30,351	675	(1,675)	136,927
<b>Operating expenses</b>								
Operations and maintenance:								
Fuel	28,173	606	-	28,779	-	-	-	28,779
Purchased power	9,736	-	(3,506)	6,230	-	-	-	6,230
Maintenance and other operating expenses	15,074	2,863	-	17,937	12,284	383	(1,675)	28,929
Depreciation	15,996	3,563	-	19,559	11,111	191	-	30,861
State utility and franchise taxes	5,261	-	-	5,261	801	-	-	6,062
Recognition of deferred costs and revenues, net	(218)	(970)	-	(1,188)	(8)	-	-	(1,196)
Total operating expenses	74,022	6,062	(3,506)	76,578	24,188	574	(1,675)	99,665
Operating income	28,540	2,458	-	30,998	6,163	101	-	37,262
<b>Nonoperating revenues (expenses)</b>								
Interest on debt	(6,418)	(2,211)	-	(8,629)	(4,747)	(118)	-	(13,494)
Debt management strategy	(1,263)	-	-	(1,263)	(369)	-	-	(1,632)
Investment income	403	339	-	742	286	1	-	1,029
Other revenue	381	34	-	415	882	-	-	1,297
Allowance for funds used during construction	267	-	-	267	311	-	-	578
Earnings from The Energy Authority	756	-	-	756	-	-	-	756
Other expense	(27)	-	-	(27)	(1)	-	-	(28)
Other interest, net	(35)	-	-	(35)	-	-	-	(35)
Total nonoperating expenses, net	(5,936)	(1,838)	-	(7,774)	(3,638)	(117)	-	(11,529)
Income before contributions	22,604	620	-	23,224	2,525	(16)	-	25,733
<b>Contributions (to) from</b>								
General Fund, City of Jacksonville, Florida	(7,643)	-	-	(7,643)	(1,872)	-	-	(9,515)
Developers and other	-	-	-	-	4,567	-	-	4,567
Reduction of plant cost through contributions	-	-	-	-	(2,695)	-	-	(2,695)
Total contributions	(7,643)	-	-	(7,643)	-	-	-	(7,643)
Change in net position	14,961	620	-	15,581	2,525	(16)	-	18,090
Net position, beginning of period	723,799	134,948	-	858,747	1,341,096	4,533	-	2,204,376
Net position, end of period	\$ 738,760	\$ 135,568	\$ -	\$ 874,328	\$ 1,343,621	\$ 4,517	\$ -	\$ 2,222,466

**Combining Statement of Revenues, Expenses and Changes in Net Position**  
**(in thousands - unaudited) for the four months ended January 2017**

	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
<b>Operating revenues</b>								
Electric - base	\$ 244,703	\$ -	\$ -	\$ 244,703	\$ -	\$ -	\$ (1,133)	\$ 243,570
Electric - fuel and purchased power	133,271	80,527	(41,876)	171,922	-	-	(4,267)	167,655
Water and sewer	-	-	-	-	138,639	-	(126)	138,513
District energy system	-	-	-	-	-	2,848	-	2,848
Other	8,768	-	-	8,768	3,095	-	(760)	11,103
Total operating revenues	386,742	80,527	(41,876)	425,393	141,734	2,848	(6,286)	563,689
<b>Operating expenses</b>								
Operations and maintenance:								
Fuel	88,246	48,262	-	136,508	-	-	-	136,508
Purchased power	63,084	-	(41,876)	21,208	-	-	-	21,208
Maintenance and other operating expenses	67,535	13,412	-	80,947	44,655	1,457	(6,286)	120,773
Depreciation	63,218	14,251	-	77,469	47,328	778	-	125,575
State utility and franchise taxes	18,900	-	-	18,900	3,423	-	-	22,323
Recognition of deferred costs and revenues, net	(1,115)	(4,014)	-	(5,129)	2,862	-	-	(2,267)
Total operating expenses	299,868	71,911	(41,876)	329,903	98,268	2,235	(6,286)	424,120
Operating income	86,874	8,616	-	95,490	43,466	613	-	139,569
<b>Nonoperating revenues (expenses)</b>								
Interest on debt	(26,361)	(8,030)	-	(34,391)	(19,722)	(465)	-	(54,578)
Debt management strategy	(4,524)	-	-	(4,524)	(1,171)	-	-	(5,695)
Investment income	1,879	1,174	-	3,053	1,459	8	-	4,520
Other revenue	1,579	129	-	1,708	833	-	-	2,541
Allowance for funds used during construction	2,234	-	-	2,234	1,649	5	-	3,888
Earnings from The Energy Authority	2,365	-	-	2,365	-	-	-	2,365
Net decrease in fair value of investments	(3,135)	(2,765)	-	(5,900)	(2,213)	-	-	(8,113)
Other expense	(206)	-	-	(206)	(547)	-	-	(753)
Other interest, net	(157)	-	-	(157)	(28)	-	-	(185)
Total nonoperating expenses, net	(26,326)	(9,492)	-	(35,818)	(19,740)	(452)	-	(56,010)
Income before contributions	60,548	(876)	-	59,672	23,726	161	-	83,559
<b>Contributions (to) from</b>								
General Fund, City of Jacksonville, Florida	(30,757)	-	-	(30,757)	(7,851)	-	-	(38,608)
Developers and other	415	-	-	415	21,433	-	-	21,848
Reduction of plant cost through contributions	(415)	-	-	(415)	(14,655)	-	-	(15,070)
Total contributions	(30,757)	-	-	(30,757)	(1,073)	-	-	(31,830)
Change in net position	29,791	(876)	-	28,915	22,653	161	-	51,729
Net position, beginning of year	832,508	138,802	-	971,310	1,401,047	4,568	-	2,376,925
Net position, end of period	\$ 862,299	\$ 137,926	\$ -	\$ 1,000,225	\$ 1,423,700	\$ 4,729	\$ -	\$ 2,428,654

**Combining Statement of Revenues, Expenses and Changes in Net Position**  
**(in thousands - unaudited) for the four months ended January 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
<b>Operating revenues</b>								
Electric - base	\$ 243,870	\$ -	\$ -	\$ 243,870	\$ -	\$ -	\$ (989)	\$ 242,881
Electric - fuel and purchased power	119,164	71,724	(33,967)	156,921	-	-	(3,719)	153,202
Water and sewer	-	-	-	-	124,964	-	(183)	124,781
District energy	-	-	-	-	-	2,812	-	2,812
Other	7,824	-	-	7,824	3,325	-	(721)	10,428
Total operating revenues	370,858	71,724	(33,967)	408,615	128,289	2,812	(5,612)	534,104
<b>Operating expenses</b>								
Operations and maintenance:								
Fuel	85,043	39,373	-	124,416	-	-	-	124,416
Purchased power	50,309	-	(33,967)	16,342	-	-	-	16,342
Maintenance and other operating expenses	64,109	12,102	-	76,211	43,529	1,393	(5,612)	115,521
Depreciation	63,732	14,251	-	77,983	44,046	763	-	122,792
State utility and franchise taxes	17,742	-	-	17,742	3,305	-	-	21,047
Recognition of deferred costs and revenues, net	(872)	(3,878)	-	(4,750)	(77)	-	-	(4,827)
Total operating expenses	280,063	61,848	(33,967)	307,944	90,803	2,156	(5,612)	395,291
Operating income	90,795	9,876	-	100,671	37,486	656	-	138,813
<b>Nonoperating revenues (expenses)</b>								
Interest on debt	(25,846)	(8,846)	-	(34,692)	(19,228)	(471)	-	(54,391)
Debt management strategy	(5,131)	-	-	(5,131)	(1,474)	-	-	(6,605)
Investment income	1,867	1,313	-	3,180	1,045	8	-	4,233
Other revenue	1,509	137	-	1,646	2,339	-	-	3,985
Allowance for funds used during construction	1,387	-	-	1,387	1,322	7	-	2,716
Earnings from The Energy Authority	889	-	-	889	-	-	-	889
Net decrease in fair value of investments	(1,068)	(907)	-	(1,975)	(150)	-	-	(2,125)
Other expense	(99)	-	-	(99)	(2)	-	-	(101)
Other interest, net	(205)	-	-	(205)	(45)	-	-	(250)
Total nonoperating expenses, net	(26,697)	(8,303)	-	(35,000)	(16,193)	(456)	-	(51,649)
Income before contributions	64,098	1,573	-	65,671	21,293	200	-	87,164
<b>Contributions (to) from</b>								
General Fund, City of Jacksonville, Florida	(30,573)	-	-	(30,573)	(7,489)	-	-	(38,062)
Developers and other	-	-	-	-	17,621	-	-	17,621
Reduction of plant cost through contributions	-	-	-	-	(11,166)	-	-	(11,166)
Total contributions	(30,573)	-	-	(30,573)	(1,034)	-	-	(31,607)
Change in net position	33,525	1,573	-	35,098	20,259	200	-	55,557
Net position, beginning of year	705,235	133,995	-	839,230	1,323,362	4,317	-	2,166,909
Net position, end of period	\$ 738,760	\$ 135,568	\$ -	\$ 874,328	\$ 1,343,621	\$ 4,517	\$ -	\$ 2,222,466

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

	Year-To-Date	
	January	
	2017	2016
<b>Operating activities</b>		
Receipts from customers	\$ 606,774	\$ 554,778
Payments to suppliers	(251,220)	(227,204)
Payments to employees	(84,858)	(80,615)
Other receipts	12,111	13,033
Net cash provided by operating activities	<u>282,807</u>	<u>259,992</u>
<b>Noncapital and related financing activities</b>		
Contribution to General Fund, City of Jacksonville, Florida	(38,500)	(37,834)
Other nonoperating activities	(584)	(28)
Net cash used in noncapital financing activities	<u>(39,084)</u>	<u>(37,862)</u>
<b>Capital and related financing activities</b>		
Acquisition and construction of capital assets	(105,279)	(76,288)
Repayment of debt principal	(181,525)	(187,500)
Interest paid on debt	(93,895)	(95,667)
Developer and other contributions	6,777	6,456
Proceeds from issuance of debt, net	-	3,000
Proceeds from disposal of assets	130	323
Other financing activities	-	(17)
Net cash used in capital and related financing activities	<u>(373,792)</u>	<u>(349,693)</u>
<b>Investing activities</b>		
Purchase of investments	(708,952)	(729,066)
Proceeds from sale and maturities of investments	592,805	462,537
Investment income	4,058	4,008
Distributions from The Energy Authority	1,795	1,353
Net cash used in investing activities	<u>(110,294)</u>	<u>(261,168)</u>
Net change in cash and cash equivalents	(240,363)	(388,731)
Cash and cash equivalents, beginning of year	596,923	636,074
Cash and cash equivalents, end of period	<u>\$ 356,560</u>	<u>\$ 247,343</u>
<b>Reconciliation of operating income to net cash provided by operating activities</b>		
Operating income	\$ 139,569	\$ 138,813
Adjustments:		
Depreciation and amortization	126,033	125,044
Recognition of deferred costs and revenues, net	(2,267)	(4,827)
Gain on sale of noncore assets	-	1,503
Changes in noncash assets and noncash liabilities:		
Accounts receivable	50,781	27,953
Accounts receivable, restricted	1,007	1,102
Inventories	(16,734)	(8,852)
Other assets	(4,885)	(2,279)
Accounts and expenses payable	(8,737)	(15,647)
Liabilities payable, restricted	(3,167)	(5,904)
Other noncurrent liabilities and deferred inflows	1,207	3,086
Net cash provided by operating activities	<u>\$ 282,807</u>	<u>\$ 259,992</u>
<b>Noncash activity</b>		
Contribution of capital assets from developers	\$ 15,070	\$ 11,166
Unrealized gains (losses) on fair value of investments, net	\$ (8,113)	\$ (2,125)



## Combining Statement of Cash Flows

(in thousands - unaudited) for the four months ended January 2017

	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
<b>Operating activities</b>								
Receipts from customers	\$ 416,580	\$ 81,768	\$ (38,496)	\$ 459,852	\$ 150,049	\$ 2,399	\$ (5,526)	\$ 606,774
Payments to suppliers	(206,942)	(54,333)	38,496	(222,779)	(33,337)	(1,390)	6,286	(251,220)
Payments to employees	(53,354)	(10,456)	-	(63,810)	(20,851)	(197)	-	(84,858)
Other receipts	9,706	-	-	9,706	3,165	-	(760)	12,111
Net cash provided by operating activities	165,990	16,979	-	182,969	99,026	812	-	282,807
<b>Noncapital and related financing activities</b>								
Contribution to General Fund, City of Jacksonville, Florida	(30,711)	-	-	(30,711)	(7,789)	-	-	(38,500)
Other nonoperating activities	(37)	-	-	(37)	(547)	-	-	(584)
Net cash used in noncapital financing activities	(30,748)	-	-	(30,748)	(8,336)	-	-	(39,084)
<b>Capital and related financing activities</b>								
Acquisition and construction of capital assets	(48,332)	-	-	(48,332)	(56,634)	(313)	-	(105,279)
Repayment of debt principal	(102,240)	(43,785)	-	(146,025)	(33,875)	(1,625)	-	(181,525)
Interest paid on debt	(48,925)	(10,656)	-	(59,581)	(33,615)	(699)	-	(93,895)
Developer and other contributions	-	-	-	-	6,777	-	-	6,777
Proceeds from disposal of assets	128	-	-	128	2	-	-	130
Net cash used in capital and related financing activities	(199,369)	(54,441)	-	(253,810)	(117,345)	(2,637)	-	(373,792)
<b>Investing activities</b>								
Purchase of investments	(222,453)	(221,699)	-	(444,152)	(264,800)	-	-	(708,952)
Proceeds from sale and maturities of investments	199,605	207,121	-	406,726	186,079	-	-	592,805
Investment income	1,612	1,194	-	2,806	1,244	8	-	4,058
Distributions from The Energy Authority	1,795	-	-	1,795	-	-	-	1,795
Net cash provided by (used in) investing activities	(19,441)	(13,384)	-	(32,825)	(77,477)	8	-	(110,294)
Net change in cash and cash equivalents	(83,568)	(50,846)	-	(134,414)	(104,132)	(1,817)	-	(240,363)
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	\$ 211,655	\$ 79,175	\$ -	\$ 290,830	\$ 59,006	\$ 6,724	\$ -	\$ 356,560
<b>Reconciliation of operating income to net cash provided by operating activities</b>								
Operating income	\$ 86,874	\$ 8,616	\$ -	\$ 95,490	\$ 43,466	\$ 613	\$ -	\$ 139,569
Adjustments:								
Depreciation and amortization	63,218	14,251	-	77,469	47,786	778	-	126,033
Recognition of deferred costs and revenues, net	(1,115)	(4,014)	-	(5,129)	2,862	-	-	(2,267)
Changes in noncash assets and noncash liabilities:								
Accounts receivable	46,288	1,371	-	47,659	3,572	(450)	-	50,781
Accounts receivable, restricted	938	-	-	938	69	-	-	1,007
Inventories	352	(15,282)	-	(14,930)	(1,804)	-	-	(16,734)
Other assets	(4,526)	-	-	(4,526)	(350)	(9)	-	(4,885)
Accounts and expenses payable	(19,243)	14,648	-	(4,595)	(4,043)	(99)	-	(8,737)
Liabilities payable, restricted	-	(3,167)	-	(3,167)	-	-	-	(3,167)
Other noncurrent liabilities and deferred inflows	(6,796)	556	-	(6,240)	7,468	(21)	-	1,207
Net cash provided by operating activities	\$ 165,990	\$ 16,979	\$ -	\$ 182,969	\$ 99,026	\$ 812	\$ -	\$ 282,807
<b>Noncash activity</b>								
Contribution of capital assets from developers	\$ 415	\$ -	\$ -	\$ 415	\$ 14,655	\$ -	\$ -	\$ 15,070
Unrealized gains (losses) on fair value of investments, net	\$ (3,135)	\$ (2,765)	\$ -	\$ (5,900)	\$ (2,213)	\$ -	\$ -	\$ (8,113)

**Combining Statement of Cash Flows**  
**(in thousands - unaudited) for the four months ended January 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
<b>Operating activities</b>								
Receipts from customers	\$ 378,835	\$ 75,444	\$ (31,063)	\$ 423,216	\$ 133,320	\$ 3,133	\$ (4,891)	\$ 554,778
Payments to suppliers	(175,544)	(60,935)	31,063	(205,416)	(26,151)	(1,249)	5,612	(227,204)
Payments to employees	(52,583)	(8,924)	-	(61,507)	(18,929)	(179)	-	(80,615)
Other receipts	8,646	-	-	8,646	5,108	-	(721)	13,033
Net cash provided by (used in) operating activities	159,354	5,585	-	164,939	93,348	1,705	-	259,992
<b>Noncapital and related financing activities</b>								
Contribution to General Fund, City of Jacksonville, Florida	(30,439)	-	-	(30,439)	(7,395)	-	-	(37,834)
Other nonoperating activities	(28)	-	-	(28)	-	-	-	(28)
Net cash used in noncapital financing activities	(30,467)	-	-	(30,467)	(7,395)	-	-	(37,862)
<b>Capital and related financing activities</b>								
Acquisition and construction of capital assets	(41,331)	-	-	(41,331)	(34,784)	(173)	-	(76,288)
Repayment of debt principal	(98,765)	(50,945)	-	(149,710)	(36,180)	(1,610)	-	(187,500)
Interest paid on debt	(49,873)	(11,438)	-	(61,311)	(33,651)	(705)	-	(95,667)
Developer and other contributions	-	-	-	-	6,456	-	-	6,456
Proceeds from issuance of debt, net	-	-	-	-	3,000	-	-	3,000
Proceeds from disposal of assets	275	-	-	275	48	-	-	323
Other financing activities	(17)	-	-	(17)	-	-	-	(17)
Net cash used in capital and related financing activities	(189,711)	(62,383)	-	(252,094)	(95,111)	(2,488)	-	(349,693)
<b>Investing activities</b>								
Purchase of investments	(381,157)	(146,512)	-	(527,669)	(201,397)	-	-	(729,066)
Proceeds from sale and maturities of investments	232,779	134,975	-	367,754	94,783	-	-	462,537
Investment income	1,525	1,599	-	3,124	876	8	-	4,008
Distributions from The Energy Authority	1,353	-	-	1,353	-	-	-	1,353
Net cash provided by (used in) investing activities	(145,500)	(9,938)	-	(155,438)	(105,738)	8	-	(261,168)
Net change in cash and cash equivalents	(206,324)	(66,736)	-	(273,060)	(114,896)	(775)	-	(388,731)
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	\$ 109,755	\$ 73,182	\$ -	\$ 182,937	\$ 56,907	\$ 7,499	\$ -	\$ 247,343
<b>Reconciliation of operating income to net cash provided by (used in) operating activities</b>								
Operating income	\$ 90,795	\$ 9,876	\$ -	\$ 100,671	\$ 37,486	\$ 656	\$ -	\$ 138,813
Adjustments:								
Depreciation and amortization	63,732	14,251	-	77,983	46,298	763	-	125,044
Recognition of deferred costs and revenues, net	(872)	(3,878)	-	(4,750)	(77)	-	-	(4,827)
Gain on sale of noncore assets	-	-	-	-	1,503	-	-	1,503
Changes in noncash assets and noncash liabilities:								
Accounts receivable	22,654	3,857	-	26,511	1,121	321	-	27,953
Accounts receivable, restricted	822	-	-	822	280	-	-	1,102
Inventories	120	(8,083)	-	(7,963)	(889)	-	-	(8,852)
Other assets	(1,937)	-	-	(1,937)	(342)	-	-	(2,279)
Accounts and expenses payable	(11,873)	(4,179)	-	(16,052)	423	(18)	-	(15,647)
Liabilities payable, restricted	-	(5,904)	-	(5,904)	-	-	-	(5,904)
Other noncurrent liabilities and deferred inflows	(4,087)	(355)	-	(4,442)	7,545	(17)	-	3,086
Net cash provided by (used in) operating activities	\$ 159,354	\$ 5,585	\$ -	\$ 164,939	\$ 93,348	\$ 1,705	\$ -	\$ 259,992
<b>Noncash activity</b>								
Contribution of capital assets from developers	\$ -	\$ -	\$ -	\$ -	\$ 11,166	\$ -	\$ -	\$ 11,166
Unrealized gains (losses) on fair value of investments, net	\$ (1,068)	\$ (907)	\$ -	\$ (1,975)	\$ (150)	\$ -	\$ -	\$ (2,125)

## Electric System

## Changes in Debt Service, R &amp; R and Construction Funds

(in thousands - unaudited) for the four months ended January 2017 and January 2016

	January 2017			January 2016		
	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	60,000	60,733	-	62,407	55,848	-
R & R fund	-	-	-	-	-	2
Proceeds from property sales	-	128	-	-	275	-
Total additions	60,000	60,861	-	62,407	56,123	2
Deductions:						
Interest/principal payments from sinking funds	145,889	-	-	142,566	-	-
Increase in utility plant	-	42,109	-	-	23,968	2
Decrease in accounts payable	-	6,215	-	-	14,339	4
Transfer to:						
Revenue fund	-	-	-	4,013	-	-
Construction fund	-	-	-	-	2	-
Total deductions	145,889	48,324	-	146,579	38,309	6
Ending balance	\$ 124,177	\$ 206,484	\$ -	\$ 127,577	\$ 166,272	\$ -
Renewal and replacement fund:						
Cash & investments		\$ 205,654			\$ 164,348	
Accounts / notes receivable:						
Accounts receivable		782			1,822	
Street light & other customer loans		48			102	
		<u>\$ 206,484</u>			<u>\$ 166,272</u>	
Construction fund:						
Generation projects			\$ -			\$ -
T& D and other capital projects			-			-
			<u>\$ -</u>			<u>\$ -</u>

**Water and Sewer System  
Changes in Debt Service, R & R and Construction Funds  
(in thousands - unaudited) for the four months ended January 2017 and January 2016**

	January 2017				January 2016			
	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	38,135	45,146	-	-	32,080	45,233	-	-
Proceeds from property sales	-	2	-	-	-	48	-	-
Contribution in aid of construction	-	6,777	-	-	-	6,456	-	-
Increase in accounts payable	-	-	-	-	-	-	17	414
Total additions	<u>38,135</u>	<u>51,925</u>	<u>-</u>	<u>-</u>	<u>32,080</u>	<u>51,737</u>	<u>17</u>	<u>414</u>
Deductions:								
Increase in utility plant	-	26,990	-	-	-	19,883	-	-
Interest/principal payments from sinking funds	65,840	-	-	-	67,731	-	-	-
Transfer to:								
Revenue fund	598	-	-	-	764	-	-	-
Decrease in accounts payable	-	19,079	-	1,799	-	12,935	-	-
Total deductions	<u>66,438</u>	<u>46,069</u>	<u>-</u>	<u>1,799</u>	<u>68,495</u>	<u>32,818</u>	<u>-</u>	<u>-</u>
Ending balance	<u>\$ 145,193</u>	<u>\$ 185,369</u>	<u>\$ 152</u>	<u>\$ 860</u>	<u>\$ 140,154</u>	<u>\$ 168,049</u>	<u>\$ 681</u>	<u>\$ 414</u>

Recap:

Renewal and replacement fund:

Cash & investments

\$ 185,353

\$ 166,691

Accounts / notes receivable:

Accounts receivable

-

1,338

Notes receivable

16

20

\$ 185,369

\$ 168,049

Construction fund:

Project funds

\$ 152

\$ 152

\$ 681

\$ 681

Environmental fund

Cash & investments

\$ 860

\$ 860

\$ 414

\$ 414

Electric System	Month				Prior Year Month	
	ANNUAL BUDGET 2016-17	BUDGET 2016-17	ACTUAL 2016-17	Variance %	ACTUAL 2015-16	Variance %
<b>Budget vs. Actual January 2017 and 2016</b>						
<b>Fuel Related Revenues &amp; Expenses</b>						
Fuel Rate Revenues	\$ 472,264,680	\$ 38,689,376	\$ 30,041,995	-22.35%	\$ 45,392,550	-33.82%
Fuel Expense and Purchased Power:						
Fuel Expense - Electric System	274,434,887	27,580,358	21,850,803		25,371,497	
Fuel Expense - SJRPP	95,027,760	9,207,060	5,825,813		373,152	
Other Purchased Power	64,152,465	3,681,008	7,541,030		7,614,645	
Subtotal Energy Expense	433,615,112	40,468,426	35,217,646	12.98%	33,359,294	-5.57%
Transfer to (from) Rate Stabilization, Net	37,705,038	-	(5,175,651)		11,962,987	
Fuel Related Uncollectibles	944,530	78,711	-		70,269	
<b>Total</b>	<b>472,264,680</b>	<b>40,547,137</b>	<b>30,041,995</b>	<b>25.91%</b>	<b>45,392,550</b>	<b>33.82%</b>
Fuel Balance	-	(1,857,761)	-		-	
<b>Nonfuel Related Revenues</b>						
Base Rate Revenues	762,971,975	62,505,012	56,802,420		62,487,220	
Conservation Charge Revenue	1,000,000	81,930	36,031		57,515	
Environmental Charge Revenue	7,942,200	650,649	571,690		645,799	
Investment Income	4,631,588	385,966	541,844		398,924	
Natural Gas Revenue Pass Through	7,188,723	599,060	32,486		12,689	
Other Revenues	29,966,575	2,497,215	5,424,592		1,711,854	
<b>Total</b>	<b>813,701,061</b>	<b>66,719,832</b>	<b>63,409,063</b>	<b>-4.96%</b>	<b>65,314,001</b>	<b>-2.92%</b>
<b>Nonfuel Related Expenses</b>						
Non-Fuel O&M	213,238,053	19,827,179	16,386,417		14,997,047	
DSM / Conservation O&M	8,081,200	665,614	567,684		728,461	
Environmental O&M	2,077,500	173,125	65,267		27,104	
Net Transfer to Rate Stabilization - DSM	(571,200)	(47,600)	(58,415)		(189,684)	
Transfer to Environmental Fund/RSF	5,864,700	488,725	506,423		618,694	
Natural Gas Expense Pass Through	6,880,298	572,520	61,163		27,073	
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	7,909,767		8,136,680	
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		14,000,000	
City Contribution Expense	92,270,692	7,689,224	7,689,224		7,643,348	
Taxes & Uncollectibles	1,749,583	145,799	21,456		114,152	
Emergency Reserve	867,320	-	-		-	
<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	4,494,478		369,592	
<b>Total Nonfuel Expenses</b>	<b>813,701,061</b>	<b>66,555,546</b>	<b>62,847,988</b>	<b>5.57%</b>	<b>63,448,444</b>	<b>0.95%</b>
Non-Fuel Balance	-	164,286	561,075		1,865,557	
<b>Total Balance</b>	<b>-</b>	<b>(1,693,475)</b>	<b>561,075</b>		<b>1,865,557</b>	
<b>Total Revenues</b>	<b>1,285,965,741</b>	<b>105,409,208</b>	<b>93,451,058</b>	<b>-11.34%</b>	<b>110,706,551</b>	<b>-15.59%</b>
<b>Total Expenses</b>	<b>1,285,965,741</b>	<b>107,102,683</b>	<b>92,889,983</b>	<b>13.27%</b>	<b>108,840,994</b>	<b>14.66%</b>
<b>KWH Sold - Territorial</b>	<b>13,020,000,000</b>	<b>1,066,638,427</b>	<b>932,807,000</b>	<b>-12.55%</b>	<b>1,049,897,000</b>	<b>-11.15%</b>
<b>KWH Sold - Off System</b>	<b>-</b>	<b>-</b>	<b>5,813,000</b>		<b>2,979,000</b>	
	<b>13,020,000,000</b>	<b>1,066,638,427</b>	<b>938,620,000</b>	<b>-12.00%</b>	<b>1,052,876,000</b>	<b>-10.85%</b>

\* Gross debt service

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

Electric System	Year-To-Date				Prior Year-To-Date	
	ANNUAL BUDGET 2016-17	BUDGET 2016-17	ACTUAL 2016-17	Variance %	ACTUAL 2015-16	Variance %
<b>Budget vs. Actual January 2017 and 2016</b>						
<b>Fuel Related Revenues &amp; Expenses</b>						
Fuel Rate Revenues	\$ 472,264,680	\$ 148,752,895	\$ 123,648,035	-16.88%	\$ 109,587,046	12.83%
Fuel Expense and Purchased Power:						
Fuel Expense - Electric System	274,434,887	91,083,839	75,583,800		75,180,068	
Fuel Expense - SJRPP	95,027,760	30,316,260	29,191,731		21,043,301	
Other Purchased Power	64,152,465	16,703,657	26,831,381		22,539,813	
Subtotal Energy Expense	433,615,112	138,103,756	131,606,912	4.70%	118,763,182	-10.81%
Transfer to (from) Rate Stabilization, Net	37,705,038	-	(7,968,336)		(9,349,700)	
Fuel Related Uncollectibles	944,530	314,843	9,459		173,564	
Total	472,264,680	138,418,599	123,648,035	10.67%	109,587,046	-12.83%
Fuel Balance	-	10,334,296	-		-	
<b>Nonfuel Related Revenues</b>						
Base Rate Revenues	762,971,975	240,319,242	224,172,093		226,988,867	
Conservation Charge Revenue	1,000,000	314,959	132,217		144,398	
Environmental Charge Revenue	7,942,200	2,501,617	2,240,221		2,359,734	
Investment Income	4,631,588	1,543,863	1,868,486		1,851,667	
Natural Gas Revenue Pass Through	7,188,723	2,396,241	150,426		41,440	
Other Revenues	29,966,575	9,988,858	14,034,157		9,058,907	
Total	813,701,061	257,064,780	242,597,600	-5.63%	240,445,013	0.90%
<b>Nonfuel Related Expenses</b>						
Non-Fuel O&M	213,238,053	77,398,447	58,499,125		57,394,351	
DSM / Conservation O&M	8,081,200	2,709,372	1,832,659		1,894,258	
Environmental O&M	2,077,500	692,500	61,665		17,145	
Net Transfer to Rate Stabilization - DSM	(571,200)	(190,400)	159,769		153,874	
Transfer to Environmental Fund/RSF	5,864,700	1,954,900	2,178,555		2,342,588	
Natural Gas Expense Pass Through	6,880,298	2,295,110	206,264		96,953	
Debt Principal - Electric System	89,955,000	29,985,000	29,985,000		32,065,000	
Debt Interest - Electric System	100,943,917	33,647,972	32,029,609		32,800,623	
Bond Buy-Back Principal - Electric System	38,949,702	-	-		-	
R&R - Electric System	62,198,300	20,732,767	20,732,767		20,791,467	
Operating Capital Outlay	107,801,700	40,000,000	40,000,000		35,056,280	
City Contribution Expense	92,270,692	30,756,897	30,756,897		30,573,394	
Taxes & Uncollectibles	1,749,583	583,194	90,401		456,790	
Emergency Reserve	867,320	-	-		-	
<i>Nonfuel Purchased Power:</i>						
* SJRPP D/S Principal	26,496,875	8,832,292	8,832,292		9,326,250	
* SJRPP D/S Interest	16,193,308	5,397,769	5,268,037		5,721,190	
** Other Non-Fuel Purchased Power	40,704,113	13,568,038	10,451,973		8,899,547	
Total Nonfuel Expenses	813,701,061	268,363,858	241,085,013	10.16%	237,589,710	-1.47%
Non-Fuel Balance	-	(11,299,078)	1,512,587		2,855,303	
<b>Total Balance</b>	-	(964,782)	1,512,587		2,855,303	
<b>Total Revenues</b>	<b>1,285,965,741</b>	<b>405,817,675</b>	<b>366,245,635</b>	-9.75%	<b>350,032,059</b>	4.63%
<b>Total Expenses</b>	<b>1,285,965,741</b>	<b>406,782,457</b>	<b>364,733,048</b>	10.34%	<b>347,176,756</b>	-5.06%
<b>KWH Sold - Territorial</b>	<b>13,020,000,000</b>	<b>4,101,010,961</b>	<b>3,652,689,000</b>	-10.93%	<b>3,849,073,000</b>	-5.10%
<b>KWH Sold - Off System</b>	-	-	<b>51,035,000</b>		<b>14,913,000</b>	
	<b>13,020,000,000</b>	<b>4,101,010,961</b>	<b>3,703,724,000</b>	-9.69%	<b>3,863,986,000</b>	-4.15%

\* Gross debt service

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

## Water and Sewer System

Budget vs. Actual January 2017 and 2016	Month				Prior Year Month	
	ANNUAL BUDGET 2016-17	BUDGET 2016-17	ACTUAL 2016-17	Variance %	ACTUAL 2015-16	Variance %
<b>REVENUES</b>						
Water & Sewer Revenues	\$ 405,586,412	\$ 32,304,092	\$ 33,507,039		\$ 30,633,619	
Capacity & Extension Fees	19,000,000	1,583,333	2,193,437		1,528,294	
Capital Contributions	-	-	-		343,890	
Investment Income	3,152,787	262,732	330,854		282,260	
Other Income	11,638,859	558,648	1,014,253		1,598,548	
<b>Total</b>	<b>439,378,058</b>	<b>34,708,805</b>	<b>37,045,583</b>	<b>6.73%</b>	<b>34,386,611</b>	<b>7.73%</b>
<b>EXPENSES</b>						
O & M Expenses	144,148,527	11,980,856	12,125,507		10,536,905	
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	5,630,282		5,603,430	
Rate Stabilization - Environmental	-	-	655,833		-	
R&R - Water & Sewer	22,766,900	1,897,242	1,897,242		1,735,450	
Operating Capital Outlay	92,634,428	8,212,602	8,212,602		8,130,944	
Operating Capital Outlay - Capacity/Extension	19,000,000	1,583,333	2,193,437		1,528,294	
Operating Capital Outlay - Contributions	-	-	-		343,890	
Operating Capital Outlay - Environmental	12,858,706	1,071,559	507,124		1,737,694	
City Contribution Expense	23,552,258	1,962,688	1,962,688		1,872,280	
Uncollectibles & Fees	844,390	70,366	-		51,000	
Interlocal Agreements	-	-	287,373		-	
Emergency Reserve	1,000,000	-	-		-	
<b>Total Expenses</b>	<b>439,378,058</b>	<b>36,993,050</b>	<b>37,723,755</b>	<b>-1.98%</b>	<b>34,362,803</b>	<b>-9.78%</b>
<b>Total Balance</b>	<b>\$ -</b>	<b>\$ (2,284,245)</b>	<b>\$ (678,172)</b>		<b>\$ 23,808</b>	
<b>Sales kgals</b>						
<b>Water</b>	36,750,000	2,769,154	2,768,285	-0.03%	2,526,564	9.57%
<b>Sewer</b>	27,867,000	2,073,397	2,416,209	16.53%	2,083,037	15.99%
<b>Total</b>	<b>64,617,000</b>	<b>4,842,551</b>	<b>5,184,494</b>	<b>7.06%</b>	<b>4,609,601</b>	<b>12.47%</b>

Budget vs. Actual January 2017 and 2016	Year-To-Date				Prior Year to Date	
	ANNUAL BUDGET 2016-17	BUDGET 2016-17	ACTUAL 2016-17	Variance %	ACTUAL 2015-16	Variance %
<b>REVENUES</b>						
Water & Sewer Revenues	\$ 405,586,412	\$ 132,028,654	\$ 137,156,327		\$ 129,112,497	
Capacity & Extension Fees	19,000,000	6,333,333	6,772,526		6,095,827	
Capital Contributions	-	-	4,960		359,773	
Investment Income	3,152,787	1,050,929	1,445,053		1,030,601	
Other Income	11,638,859	4,728,358	3,937,589		5,676,864	
<b>Total</b>	<b>439,378,058</b>	<b>144,141,274</b>	<b>149,316,455</b>	<b>3.59%</b>	<b>142,275,562</b>	<b>4.95%</b>
<b>EXPENSES</b>						
O & M Expenses	144,148,527	47,278,954	44,055,083		41,334,186	
Debt Principal - Water & Sewer	51,020,000	17,006,667	17,006,667		11,291,665	
Debt Interest - Water & Sewer	71,552,849	23,850,949	22,710,856		22,653,312	
Rate Stabilization - Environmental	-	-	1,855,218		-	
R&R - Water & Sewer	22,766,900	7,588,967	7,588,967		6,941,800	
Operating Capital Outlay	92,634,428	37,477,548	37,477,547		38,291,195	
Operating Capital Outlay - Capacity/Extension	19,000,000	6,333,333	6,772,526		6,095,827	
Operating Capital Outlay - Contributions	-	-	4,960		359,773	
Operating Capital Outlay - Environmental	12,858,706	4,286,235	2,942,027		7,158,206	
City Contribution Expense	23,552,258	7,850,753	7,850,753		7,489,119	
Uncollectibles & Fees	844,390	281,463	1,088		217,847	
Interlocal Agreements	-	-	287,373		-	
Emergency Reserve	1,000,000	-	-		-	
<b>Total Expenses</b>	<b>439,378,058</b>	<b>151,954,869</b>	<b>148,553,065</b>	<b>2.24%</b>	<b>141,832,930</b>	<b>-4.74%</b>
<b>Total Balance</b>	<b>\$ -</b>	<b>\$ (7,813,595)</b>	<b>\$ 763,390</b>		<b>\$ 442,632</b>	
<b>Sales kgals</b>						
<b>Water</b>	36,750,000	11,675,336	11,887,877	1.82%	11,046,546	7.62%
<b>Sewer</b>	27,867,000	8,885,533	9,723,101	9.43%	8,812,836	10.33%
<b>Total</b>	<b>64,617,000</b>	<b>20,560,869</b>	<b>21,610,978</b>	<b>5.11%</b>	<b>19,859,382</b>	<b>8.82%</b>

Budget vs. Actual January 2017 and 2016	Month				Prior Year Month	
	ANNUAL BUDGET 2016-17	BUDGET 2016-17	ACTUAL 2016-17	Variance %	ACTUAL 2015-16	Variance %
<b>REVENUES</b>						
Revenues	\$ 9,247,921	\$ 658,442	\$ 634,968		\$ 675,235	
Investment Income	-	-	2,604		1,234	
<b>Total</b>	<b>9,247,921</b>	<b>658,442</b>	<b>637,572</b>	<b>-3.17%</b>	<b>676,469</b>	<b>-5.75%</b>
<b>EXPENSES</b>						
O & M Expenses	5,252,918	349,698	339,995		397,083	
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	-	-		-	
<b>Total Expenses</b>	<b>9,247,921</b>	<b>638,041</b>	<b>628,337</b>	<b>1.52%</b>	<b>685,678</b>	<b>8.36%</b>
<b>Total Balance</b>	<b>\$ -</b>	<b>\$ 20,401</b>	<b>\$ 9,235</b>		<b>\$ (9,209)</b>	

Budget vs. Actual January 2017 and 2016	Year-To-Date				Prior-Year-To-Date	
	ANNUAL BUDGET 2016-17	BUDGET 2016-17	ACTUAL 2016-17	Variance %	ACTUAL 2015-16	Variance %
<b>REVENUES</b>						
Revenues	\$ 9,247,921	\$ 3,050,529	\$ 2,848,347		\$ 2,812,309	
Investment Income	-	-	8,168		7,664	
<b>Total</b>	<b>9,247,921</b>	<b>3,050,529</b>	<b>2,856,515</b>	<b>-6.36%</b>	<b>2,819,973</b>	<b>1.30%</b>
<b>EXPENSES</b>						
O & M Expenses	5,252,918	1,590,468	1,453,896		1,407,959	
Debt Principal - DES	1,640,000	546,667	546,667		541,667	
Debt Interest - DES	1,382,454	460,818	460,818		466,327	
R&R - DES	437,650	145,883	145,883		146,383	
Operating Capital Outlay	534,899	-	-		-	
<b>Total Expenses</b>	<b>9,247,921</b>	<b>2,743,836</b>	<b>2,607,264</b>	<b>4.98%</b>	<b>2,562,336</b>	<b>-1.75%</b>
<b>Total Balance</b>	<b>\$ -</b>	<b>\$ 306,693</b>	<b>\$ 249,251</b>		<b>\$ 257,637</b>	



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

	Month		Year-to-Date	
	2017	2016	2017	2016
<b>Revenues</b>				
Electric	\$ 92,252	\$ 113,553	\$ 370,292	\$ 356,180
Investment income (1)	429	267	1,416	1,351
Earnings from The Energy Authority	883	756	2,365	889
Other, net (2)	2,011	1,393	8,713	7,788
Plus: amounts paid from the rate stabilization fund into the revenue fund	6,255	729	14,698	58,501
Less: amounts paid from the revenue fund into the rate stabilization fund	(1,016)	(13,121)	(7,016)	(51,647)
Total revenues	100,814	103,577	390,468	373,062
<b>Operating expenses (3)</b>				
Fuel	21,851	25,371	75,584	75,180
Purchased power (4)	22,881	12,948	85,584	68,831
Other operations and maintenance	16,787	15,679	61,074	59,215
State utility taxes and franchise fees	4,636	5,081	18,516	17,317
Total operating expenses	66,155	59,079	240,758	220,543
<b>Net revenues</b>	\$ 34,659	\$ 44,498	\$ 149,710	\$ 152,519
<b>Debt service</b>	\$ 5,968	\$ 6,528	\$ 23,852	\$ 26,113
Less: investment income on sinking fund	(115)	(136)	(463)	(516)
Less: Build America Bonds subsidy	(126)	(126)	(505)	(506)
Debt service requirement	\$ 5,727	\$ 6,266	\$ 22,884	\$ 25,091
<b>Senior debt service coverage (5), (min 1.20x)</b>	6.05 x	7.10 x	6.54 x	6.08 x
<b>Net revenues (from above)</b>	\$ 34,659	\$ 44,498	\$ 149,710	\$ 152,519
<b>Debt service requirement (from above)</b>	\$ 5,727	\$ 6,266	\$ 22,884	\$ 25,091
Plus: aggregate subordinated debt service on outstanding subordinated bonds	8,233	8,177	32,921	32,709
Less: Build America Bonds subsidy	(172)	(174)	(690)	(695)
Total debt service requirement and aggregate subordinated debt service	\$ 13,788	\$ 14,269	\$ 55,115	\$ 57,105
<b>Senior and subordinated debt service coverage (6), (min 1.15x)</b>	2.51 x	3.12 x	2.72 x	2.67 x
<b>Fixed charge coverage (7)</b>	1.73 x	2.20 x	1.88 x	1.86 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 January		Year-to-Date January	
	2017	2016	2017	2016
<b>Revenues</b>				
JEA	\$ 7,352	\$ 3,213	\$ 22,501	\$ 18,522
Investment income	10	11	41	41
Total revenues	7,362	3,224	22,542	18,563
<b>Operating expenses (1)</b>				
Fuel	3,196	2,802	12,662	9,863
Other operations and maintenance	1,430	1,591	4,552	4,559
Total operating expenses	4,626	4,393	17,214	14,422
<b>Net revenues</b>	\$ 2,736	\$ (1,169)	\$ 5,328	\$ 4,141
<b>Aggregate debt service</b>	\$ 807	\$ 897	\$ 3,226	\$ 3,586
Less: Build America Bonds subsidy	(58)	(61)	(233)	(246)
Aggregate debt service	\$ 749	\$ 836	\$ 2,993	\$ 3,340
<b>Debt service coverage (2)</b>	3.65 x	(1.40) x	1.78 x	1.24 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 January		Year-to-Date January	
	2017	2016	2017	2016
<b>Revenues</b>				
JEA	\$ 8,023	\$ 2,459	\$ 39,293	\$ 31,409
FPL	8,514	5,014	38,651	37,757
Investment income	300	326	1,113	1,256
Total revenues	16,837	7,799	79,057	70,422
<b>Operating expenses (1)</b>				
Fuel	9,358	606	48,262	39,373
Other operations and maintenance	3,040	2,319	11,431	9,930
Total operating expenses	12,398	2,925	59,693	49,303
<b>Net revenues</b>	\$ 4,439	\$ 4,874	\$ 19,364	\$ 21,119
<b>Aggregate debt service</b>	\$ 3,960	\$ 4,344	\$ 15,840	\$ 17,374
<b>Debt service coverage (2)</b>	1.12 x	1.12 x	1.22 x	1.22 x

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

(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 January		Year-to-Date January	
	2017	2016	2017	2016
<b>Revenues</b>				
JEA	\$ 1,047	\$ 1,047	\$ 4,689	\$ 4,675
Investment income	15	13	60	57
Total revenues	1,062	1,060	4,749	4,732
<b>Operating expenses</b>	-	-	-	-
<b>Net revenues</b>	\$ 1,062	\$ 1,060	\$ 4,749	\$ 4,732
<b>Aggregate debt service</b>	\$ 1,079	\$ 1,081	\$ 4,317	\$ 4,325
Less: Build America Bonds subsidy	(32)	(34)	(130)	(137)
Aggregate debt service	\$ 1,047	\$ 1,047	\$ 4,187	\$ 4,188
<b>Debt service coverage (1)</b>	1.01 x	1.01 x	1.13 x	1.13 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 January		Year-to-Date January	
	2017	2016	2017	2016
<b>Revenues</b>				
Water	\$ 13,421	\$ 12,532	\$ 56,541	\$ 53,026
Water capacity fees (1)	725	526	2,331	2,176
Sewer	20,951	18,851	84,033	79,173
Sewer capacity fees (1)	1,469	1,002	4,442	3,920
Investment Income	334	286	1,459	1,045
Other (2)	802	1,387	3,095	4,830
Plus: amounts paid from the rate stabilization fund into the revenue fund	1,264	-	5,824	-
Less: amounts paid from the revenue fund into the rate stabilization fund	(1,926)	(1,745)	(7,759)	(7,235)
Total revenues	37,040	32,839	149,966	136,935
<b>Operating expenses</b>				
Operations and maintenance (3)	13,146	13,085	48,078	46,834
Total operating expenses	13,146	13,085	48,078	46,834
<b>Net revenues</b>	\$ 23,894	\$ 19,754	\$ 101,888	\$ 90,101
<b>Aggregate debt service</b>	\$ 8,135	\$ 7,083	\$ 32,531	\$ 28,332
Less: Build America Bonds subsidy	(208)	(209)	(833)	(834)
Aggregate debt service	\$ 7,927	\$ 6,874	\$ 31,698	\$ 27,498
<b>Senior debt service coverage (4), (min 1.25x)</b>	3.01 x	2.87 x	3.21 x	3.28 x
<b>Net revenues (from above)</b>	\$ 23,894	\$ 19,754	\$ 101,888	\$ 90,101
<b>Aggregate debt service (from above)</b>	\$ 7,927	\$ 6,874	\$ 31,698	\$ 27,498
Plus: aggregate subordinated debt service on outstanding subordinated debt	1,463	1,028	5,842	4,113
Total aggregate debt service and aggregate subordinated debt service	\$ 9,390	\$ 7,902	\$ 37,540	\$ 31,611
<b>Senior and subordinated debt service coverage (5)</b>	2.54 x	2.50 x	2.71 x	2.85 x
<b>Fixed charge coverage</b>	2.34 x	2.26 x	2.50 x	2.61 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 January 2017 and 2016, then the debt service coverage would have been 2.53x and 2.66x.
- (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 2.53x and 2.66x. Based on the second requirement, net revenues must exceed 100% of aggregate debt service and 120% of aggregate subordinated debt service, or \$38,708 and \$32,434 for the year-to-date periods ending January 2017 and 2016.

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

	Month January		Year-to-Date January	
	2017	2016	2017	2016
<b>Revenues</b>				
Service revenues	\$ 635	\$ 675	\$ 2,848	\$ 2,812
Investment income	2	1	8	8
Total revenues	637	676	2,856	2,820
<b>Operating expenses (1)</b>				
Operations and maintenance	339	383	1,457	1,393
Total operating expenses	339	383	1,457	1,393
<b>Net revenues</b>	\$ 298	\$ 293	\$ 1,399	\$ 1,427
<b>Aggregate debt service (2)</b>	\$ 251	\$ 252	\$ 1,007	\$ 1,008
<b>Debt service coverage (3) (min 1.15x)</b>	1.19 x	1.16 x	1.39 x	1.42 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  
January 2017

Issue/Average Coupon Rate	Interest Rates	Principal Payment Dates	Par Amount Principal Outstanding	Current Portion of Long-Term Debt
<b>Electric System - Fixed Rate Bonds</b>				
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
<b>Total Fixed Rate Senior Bonds</b>			<b>698,515,000</b>	<b>33,275,000</b>
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
<b>Total Fixed Rate Subordinated Bonds</b>			<b>967,105,000</b>	<b>53,385,000</b>
<b>Total Fixed Rate Electric System Bonds/4.566%</b>			<b>1,665,620,000</b>	<b>86,660,000</b>
<b>Electric System - Variable Rate Bonds</b>				
	Current Interest Rates (1)			
Series Three 2008 A	0.670%	2027-2036	51,680,000	-
Series Three 2008 B-1	1.075%	2017-2040	60,395,000	375,000
Series Three 2008 B-2	0.670%	2025-2040	41,900,000	-
Series Three 2008 B-3	0.670%	2024-2036	37,000,000	-
Series Three 2008 B-4	1.075%	2017-2036	49,810,000	400,000
Series Three 2008 C-1	0.683%	2024-2034	44,145,000	-
Series Three 2008 C-2	0.683%	2024-2034	43,900,000	-
Series Three 2008 C-3	0.740%	2030-2038	25,000,000	-
Series Three 2008 D-1	1.075%	2017-2036	111,420,000	2,520,000
<b>Total Variable Rate Senior Bonds</b>			<b>465,250,000</b>	<b>3,295,000</b>
Series 2000 A	0.800%	2021-2035	30,965,000	-
Series 2000 F-1	0.750%	2026-2030	37,200,000	-
Series 2000 F-2	0.733%	2026-2030	24,800,000	-
Series 2008 D	0.629%	2024-2038	39,455,000	-
<b>Total Variable Rate Subordinated Bonds</b>			<b>132,420,000</b>	-
<b>Total Variable Rate Bonds</b>			<b>597,670,000</b>	<b>3,295,000</b>
<b>Total Electric System Bonds</b>			<b>2,263,290,000</b>	<b>89,955,000</b>
<b>St. Johns River Power Park - Fixed Rate Bonds</b>				
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	-
<b>Total Fixed Rate St. Johns River Power Park Bonds/4.094%</b>			<b>450,215,000</b>	<b>41,330,000</b>
<b>Bulk Power Supply System, Scherer 4 Project - Fixed Rate Bonds</b>				
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
<b>Total Fixed Rate Bulk Power Supply System Bonds/4.302%</b>			<b>105,925,000</b>	<b>5,205,000</b>
<b>Weighted Average Cost(2) / Total Outstanding Debt</b>		3.393%	<b>\$ 2,819,430,000</b>	<b>\$ 136,490,000</b>

(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

January 2017

Issue/Average Coupon Rate	Interest Rates	Principal Payment Dates	Par Amount Principal Outstanding	Current Portion of Long-Term Debt
<b>Fixed Rate Bonds</b>				
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
<b>Total Fixed Rate Senior Bonds</b>			<b>1,168,340,000</b>	<b>36,830,000</b>
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
<b>Total Fixed Rate Subordinated Bonds</b>			<b>160,130,000</b>	<b>7,935,000</b>
<b>Total Fixed Rate Bonds/4.622%</b>			<b>1,328,470,000</b>	<b>44,765,000</b>
<b>Variable Rate Bonds</b>		Current Interest Rates (1)		
2006 Series B - CPI Bonds	1.803% (2)	2017-2022	34,625,000	4,255,000
2008 Series A-2	0.694%	2028-2042	51,820,000	-
2008 Series B	0.691%	2023-2041	85,290,000	-
<b>Total Variable Rate Senior Bonds</b>			<b>171,735,000</b>	<b>4,255,000</b>
2008 Series A-1	0.629%	2017-2038	52,950,000	2,000,000
2008 Series A-2	0.666%	2030-2038	25,600,000	-
2008 Series B-1	0.675%	2030-2036	30,885,000	-
<b>Total Variable Rate Subordinated Bonds</b>			<b>109,435,000</b>	<b>2,000,000</b>
<b>Total Variable Rate Bonds</b>			<b>281,170,000</b>	<b>6,255,000</b>
<b>Other Obligations</b>				
Revolving Credit Agreement	1.807%	2018	3,000,000	-
<b>Total Other Obligations</b>			<b>3,000,000</b>	-
<b>Weighted Average Cost(3) / Total Outstanding Debt</b>		<b>3.670%</b>	<b>\$ 1,612,640,000</b>	<b>\$ 51,020,000</b>

(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/remarketing 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

January 2017

Issue/Average Coupon	Interest Rates	Principal Payment Dates	Par Amount Principal Outstanding	Current Portion of Long-Term Debt
<b>Fixed Rate Bonds</b>				
2013 Series A/4.036%	1.425 - 4.538%	2017-2034	\$ 38,125,000	\$ 1,640,000
<b>Weighted Average Cost(1) / Total Outstanding Debt</b>		<b>4.092%</b>	<b>\$ 38,125,000</b>	<b>\$ 1,640,000</b>

(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**  
**January 2017**  
**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%	1.02%	1.03%	0.89%
<u>Agencies</u>					
Federal Farm Credit Bank	218,976,917	0.91%	14.65%	14.12%	15.36%
Federal Home Loan Bank	391,762,113	1.06%	26.21%	24.85%	23.51%
Total	610,739,031	1.01%	40.87%	38.97%	38.87%
Municipal Bonds	285,430,668	2.04%	19.10%	17.44%	18.25%
Commercial Paper	288,903,641	0.93%	19.33%	23.38%	21.54%
U.S. Treasury Money Market Funds (1)	39,015,454	0.41%	2.61%	2.94%	3.82%
Agency Money Market Funds (2)	102,125,000	0.47%	6.83%	6.46%	5.53%
PFM Money Market Fund	70,000,000	0.90%	4.68%	4.73%	2.38%
<u>Wells Fargo Bank Accounts (3)</u>					
Electric, Scherer	43,810,528	0.30%	2.93%	2.49%	4.94%
SJRPP	17,748,227	0.30%	1.19%	0.74%	1.57%
Water & Sewer, DES	21,419,340	0.30%	1.43%	1.83%	2.20%
Total Portfolio	\$ 1,494,489,921	1.09%	100.00%	100.00%	100.00%

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

Weighted Avg. Annual Yield for January 2017, Excluding Bank & Money Market Funds: 1.23%

Weighted Avg. Annual Yield for January 2017, Including Bank & Money Market Funds: 1.09%

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, Goldman Sachs Government Fund

(3) Month-end bank balances

**JEA  
Interest Rate Swap Position Report  
January 2017**

**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	0.524	3.193	n/a	68% 1 mth Libor
3	Morgan Stanley	1/27/2005	10/1/2039	82,575,000	-	4.351	0.675	3.676	n/a	SIFMA
4	JPMorgan	1/27/2005	10/1/2035	86,000,000	-	3.661	0.524	3.137	n/a	68% 1 mth Libor
6	JPMorgan	1/27/2005	10/1/2037	39,175,000	-	3.716	0.524	3.192	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	0.675	3.232	n/a	SIFMA
9	Merrill Lynch	3/8/2007	10/1/2041	-	85,290,000	3.895	0.675	3.220	n/a	SIFMA
10	Goldman Sachs	1/31/2008	10/1/2036	51,680,000	-	3.836	0.675	3.161	n/a	SIFMA
Total				<u>\$ 407,210,000</u>	<u>\$ 119,915,000</u>	Wtd Avg Spread		3.200		

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

	Month January			Year-To-Date January		
	2017	2016	Variance	2017	2016	Variance
<b>Electric revenue sales (000's omitted):</b>						
Residential	\$ 44,423	\$ 54,340	-18.25%	\$ 171,517	\$ 163,029	5.21%
Commercial	29,412	35,948	-18.18%	123,820	120,154	3.05%
Industrial	15,518	19,322	-19.69%	62,196	60,925	2.09%
Public street lighting	1,117	1,216	-8.14%	4,425	4,384	0.94%
Sales for resale - territorial	1,596	2,820	-43.40%	6,679	7,839	-14.80%
Electric revenues - territorial	92,066	113,646	-18.99%	368,637	356,331	3.45%
Sales for resale - off system	185	74	150.00%	1,655	413	300.73%
Electric revenues	92,251	113,720	-18.88%	370,292	356,744	3.80%
Less: rate stabilization & recovery	5,240	(12,392)	-142.29%	7,682	6,853	12.10%
Less: allowance for doubtful accounts	-	(167)	-100.00%	-	(563)	-100.00%
<b>Net electric revenues</b>	<b>97,491</b>	<b>101,161</b>	<b>-3.63%</b>	<b>377,974</b>	<b>363,034</b>	<b>4.12%</b>
<b>MWh sales</b>						
Residential	394,198	448,677	-12.14%	1,486,215	1,518,127	-2.10%
Commercial	302,571	334,083	-9.43%	1,248,963	1,302,912	-4.14%
Industrial	215,042	230,872	-6.86%	829,946	902,050	-7.99%
Public street lighting	6,404	7,450	-14.04%	23,518	27,544	-14.62%
Sales for resale - territorial	14,592	28,815	-49.36%	64,048	98,440	-34.94%
Total MWh sales - territorial	932,807	1,049,897	-11.15%	3,652,690	3,849,073	-5.10%
Sales for resale - off system	5,813	2,979	95.13%	51,035	14,913	242.22%
Total MWH sales	938,620	1,052,876	-10.85%	3,703,725	3,863,986	-4.15%
<b>Number of accounts (1)</b>						
Residential	401,737	395,200	1.65%	400,952	394,150	1.73%
Commercial	51,707	51,102	1.18%	51,693	51,029	1.30%
Industrial	204	203	0.49%	204	204	0.00%
Public street lighting	3,713	3,630	2.29%	3,706	3,619	2.40%
Sales for resale	2	2	0.00%	2	2	0.00%
<b>Total average accounts</b>	<b>457,363</b>	<b>450,137</b>	<b>1.61%</b>	<b>456,557</b>	<b>449,004</b>	<b>1.68%</b>
<b>Residential averages</b>						
Revenue per account - \$	110.58	137.50	-19.58%	427.77	413.62	3.42%
kWh per account	981	1,135	-13.57%	3,707	3,852	-3.76%
Revenue per kWh - ¢	11.27	12.11	-6.94%	11.54	10.74	7.45%
<b>Degree days</b>						
Heating degree days	187	423	(236)	497	564	(67)
Cooling degree days	36	-	36	365	503	(138)
<b>Total degree days</b>	<b>223</b>	<b>423</b>	<b>(200)</b>	<b>862</b>	<b>1,067</b>	<b>(205)</b>
Degree days - 30 year average	391		1,166			

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



	Month January			Year-To-Date January		
	2017	2016	Variance	2017	2016	Variance
<b>Water</b>						
<i>Revenues (000's omitted):</i>						
Residential	\$ 7,317	\$ 6,789	7.78%	\$ 29,834	\$ 28,221	5.72%
Commercial and industrial	3,769	3,772	-0.08%	15,303	15,217	0.57%
Irrigation	2,335	1,991	17.28%	11,404	9,675	17.87%
Total water revenues	13,421	12,552	6.92%	56,541	53,113	6.45%
Less: rate stabilization environmental	(1,139)	(1,013)	12.44%	(4,674)	(4,259)	9.74%
Less: allowance for doubtful accounts	-	(20)	-100.00%	-	(87)	-100.00%
Net water revenues	\$ 12,282	\$ 11,519	6.62%	\$ 51,867	\$ 48,767	6.36%
<i>Kgal sales (000s omitted)</i>						
Residential	1,355,135	1,182,602	14.59%	5,601,011	5,174,187	8.25%
Commercial and industrial	1,058,172	1,072,512	-1.34%	4,361,184	4,363,571	-0.05%
Irrigation	354,978	271,450	30.77%	1,925,682	1,508,788	27.63%
Total kgal sales	2,768,285	2,526,564	9.57%	11,887,877	11,046,546	7.62%
<i>Number of accounts (1):</i>						
Residential	277,230	270,638	2.44%	276,436	269,717	2.49%
Commercial and industrial	25,321	24,391	3.81%	25,325	24,278	4.31%
Irrigation	36,552	36,121	1.19%	36,555	36,153	1.11%
Total average accounts	339,103	331,150	2.40%	338,316	330,148	2.47%
<i>Residential averages:</i>						
Revenue per account - \$	26.39	25.09	5.18%	107.92	104.63	3.14%
Kgals per account	4.89	4.37	11.90%	20.26	19.18	5.63%
Revenue per kgals - \$	5.40	5.74	-5.92%	5.33	5.45	-2.20%
<b>Sewer</b>						
<i>Revenues (000's omitted):</i>						
Residential	\$ 11,246	\$ 9,984	12.64%	\$ 45,307	\$ 42,379	6.91%
Commercial and industrial	8,677	8,452	2.66%	34,708	34,429	0.81%
Total sewer revenues	19,923	18,436	8.07%	80,015	76,808	4.18%
Less: rate stabilization environmental	477	(732)	-165.16%	2,739	(2,977)	-192.01%
Less: allowance for doubtful accounts	(1)	(31)	-96.77%	(1)	(131)	-99.24%
Net sewer revenues	20,399	17,673	15.42%	82,753	73,700	12.28%
<i>Kgal sales (000s omitted)</i>						
Residential	1,189,229	985,350	20.69%	4,854,243	4,398,082	10.37%
Commercial and industrial	939,622	911,736	3.06%	3,797,449	3,738,830	1.57%
Total kgal sales	2,128,851	1,897,086	12.22%	8,651,692	8,136,912	6.33%
<i>Number of accounts (1):</i>						
Residential	244,634	238,258	2.68%	243,880	237,411	2.72%
Commercial and industrial	18,090	17,918	0.96%	18,098	17,896	1.13%
Total average accounts	262,724	256,176	2.56%	261,978	255,307	2.61%
<i>Residential averages:</i>						
Revenue per account - \$	45.97	41.90	9.71%	185.78	178.50	4.08%
kgals per account	4.86	4.14	17.39%	19.90	18.53	7.39%
Revenue per kgals - \$	9.46	10.13	-6.61%	9.33	9.64	-3.22%
<b>Reuse</b>						
<i>Revenues (000's omitted):</i>						
Reuse revenues	\$ 1,029	\$ 447	130.20%	\$ 4,019	\$ 2,497	60.95%
<i>Kgal sales (000s omitted)</i>						
Kgal sales (000s omitted)	287,358	185,951	54.53%	1,071,409	675,924	58.51%
<i>Number of accounts (1):</i>						
Reuse accounts	8,963	7,101	26.22%	8,747	6,892	26.92%
<b>Rainfall</b>						
	Diff in inches			Diff in inches		
Normal	3.30	3.30		12.14	12.14	
Actual	4.05	2.83	1.22	15.87	7.51	8.36
Rain Days	6	10		21	29	

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

	Month January			Year-To-Date January		
	2017	2016	Variance	2017	2016	Variance
<b>Generated power:</b>						
<b>Steam:</b>						
<i>Fuel oil</i>						
Fuel expense	\$ 78,686	\$ 2,310,229	-96.59%	\$ 98,947	\$ 2,316,781	-95.73%
Barrels #6 oil consumed	727	21,362	-96.60%	727	21,839	-96.67%
\$/ per barrel consumed	\$ 108.23	108.15	0.07%	\$ 136.10	106.08	28.30%
kWh oil generated (1)	374,647	12,128,135	-96.91%	374,647	12,128,135	-96.91%
Cost per MWh - oil	\$ 210.03	\$ 190.49	10.26%	\$ 264.11	\$ 191.03	38.26%
<i>Natural gas units #1-3</i>						
Gas expense - variable	\$ 908,099	\$ 2,788,921	-67.44%	\$ 3,219,918	\$ 9,966,955	-67.69%
MMBTU's consumed	233,969	1,114,919	-79.01%	950,736	4,054,750	-76.55%
\$/ per MMBTU consumed	\$ 3.88	\$ 2.50	55.20%	\$ 3.39	\$ 2.46	37.80%
kWh - gas generated (1)	19,437,587	104,035,835	-81.32%	75,292,926	379,653,954	-80.17%
Cost per MWh - gas	\$ 46.72	\$ 26.81	74.26%	\$ 42.77	\$ 26.25	62.93%
Cost per MWh - gas & oil - steam	\$ 49.81	\$ 43.90	13.46%	\$ 43.86	\$ 31.35	39.90%
<i>Coal</i>						
Coal expense	\$ 1,794,273	\$ 2,718,849	-34.01%	\$ 5,611,767	\$ 7,142,008	-21.43%
kWh generated	64,680,649	112,251,747	-42.38%	194,425,414	311,413,748	-37.57%
Cost per MWh - coal	\$ 27.74	\$ 24.22	14.53%	\$ 28.86	\$ 22.93	25.86%
<i>Pet coke and limestone</i>						
Expense	\$ 3,863,480	\$ 5,198,819	-25.69%	\$ 11,561,548	\$ 13,106,440	-11.79%
kWh generated	115,516,021	216,457,207	-46.63%	353,232,929	548,178,913	-35.56%
Cost per MWh - pet coke and limestone	\$ 33.45	\$ 24.02	39.26%	\$ 32.73	\$ 23.91	36.89%
Cost per MWh - coal & petcoke - steam	\$ 31.40	\$ 24.09	30.34%	\$ 31.36	\$ 23.56	33.11%
<b>Combustion turbine:</b>						
<i>Fuel oil</i>						
Fuel expense	\$ 64,093	\$ 40,753	57.27%	\$ 264,358	\$ 201,349	31.29%
Barrels #2 oil consumed	486	206	135.92%	1,979	954	107.44%
\$/ per barrel consumed	\$ 131.88	\$ 197.83	-33.34%	\$ 133.58	\$ 211.06	-36.71%
kWh - oil generated	188,653	89,089	111.76%	568,574	241,114	135.81%
Cost per MWh - oil	\$ 339.74	\$ 457.44	-25.73%	\$ 464.95	\$ 835.08	-44.32%
<i>Natural gas (includes landfill)</i>						
Gas expense Kennedy & landfill - variable	\$ 174,005	\$ 173,175	0.48%	\$ 399,703	\$ 373,900	6.90%
MMBTU's consumed	44,803	69,227	-35.28%	117,969	155,372	-24.07%
\$/ per MMBTU consumed	\$ 3.88	\$ 2.50	55.20%	\$ 3.39	\$ 2.41	40.66%
kWh - gas generated (1)	3,584,909	5,814,074	-38.34%	8,833,596	12,296,875	-28.16%
Cost per MWh - gas	\$ 48.54	\$ 29.79	62.94%	\$ 45.25	\$ 30.41	48.80%
Gas expense BB simple - variable	\$ 180,884	\$ 223,961	-19.23%	\$ 781,940	\$ 637,037	22.75%
MMBTU's consumed	46,891	90,841	-48.38%	240,663	297,532	-19.11%
\$/ per MMBTU consumed	\$ 3.86	\$ 2.47	56.28%	\$ 3.25	\$ 2.14	51.87%
kWh - gas generated (1)	3,968,050	7,983,800	-50.30%	20,870,375	26,257,836	-20.52%
Cost per MWh - gas simple	\$ 45.59	\$ 28.05	62.53%	\$ 37.47	\$ 24.26	54.45%
Gas expense BB combined - variable	\$ 9,298,419	\$ 5,699,622	63.14%	\$ 32,504,398	\$ 20,560,513	58.09%
MMBTU's consumed	2,433,019	2,282,040	6.62%	9,915,288	8,952,228	10.76%
\$/ per MMBTU consumed	\$ 3.82	\$ 2.50	52.80%	\$ 3.28	\$ 2.30	42.61%
kWh - gas generated (1)	347,333,164	346,697,279	0.18%	1,417,415,751	1,300,172,499	9.02%
Cost per MWh - gas combined	\$ 26.77	\$ 16.44	62.83%	\$ 22.93	\$ 15.81	45.03%
Gas expense GEC simple - variable	\$ 9,854	\$ 145,131	-93.21%	\$ 718,198	\$ 946,946	-24.16%
MMBTU's consumed	12,190	48,435	-74.83%	288,337	407,483	-29.24%
\$/ per MMBTU consumed	\$ 0.81	\$ 3.00	-73.00%	\$ 2.49	\$ 2.32	7.33%
kWh - gas generated	649,276	3,822,927	-83.02%	24,966,244	35,301,984	-29.28%
Cost per MWh - gas simple	\$ 15.18	\$ 37.96	-60.01%	\$ 28.77	\$ 26.82	7.27%
Cost per MWh - gas & oil ct	\$ 27.34	\$ 17.24	58.58%	\$ 23.54	\$ 16.53	42.41%
Natural gas expense - fixed	\$ 3,559,840	\$ 2,825,441	25.99%	\$ 11,950,100	\$ 10,460,572	14.24%
<b>Total generated power:</b>						
Fuels expense	\$ 19,931,633	\$ 22,124,901	-9.91%	\$ 67,110,877	\$ 65,712,501	2.13%
kWh generated	555,732,956	809,280,093	-31.33%	2,095,980,456	2,625,645,058	-20.17%
Cost per MWh	\$ 35.87	\$ 27.34	31.19%	\$ 32.02	\$ 25.03	27.94%

(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	\$ 78,686	\$ 2,310,229		\$ 98,947	\$ 2,316,781
Natural gas units #1-3 with landfill - variable	908,099	2,788,921		3,219,918	9,966,955
Coal	1,794,273	2,718,849		5,611,767	7,142,008
Petcoke	3,863,480	5,198,819		11,561,548	13,106,440
Fuel oil #2	64,093	40,753		264,358	201,349
Natural gas - simple cycle (BB & GEC) - variable	364,743	542,267		1,899,841	1,957,883
Natural gas - combined (BB) - variable	9,298,419	5,699,622		32,504,398	20,560,513
Natural gas - fixed	3,559,840	2,825,441		11,950,100	10,460,572
<b>Total</b>	<b>\$ 19,931,633</b>	<b>\$ 22,124,901</b>		<b>\$ 67,110,877</b>	<b>\$ 65,712,501</b>

	Month January			Year-To-Date January		
	2017	2016	Variance	2017	2016	Variance
<b>Production Statistics (Con't.)</b>						
<b>Purchased power:</b>						
<i>Plant Scherer</i>						
Purchases	\$ 6,603,622	\$ 2,377,414	177.76%	\$ 19,507,510	\$ 15,181,940	28.49%
kWh purchased	119,120,000	104,988,000	13.46%	469,050,000	370,934,000	26.45%
Cost per MWh	\$ 55.44	\$ 22.64	144.81%	\$ 41.59	\$ 40.93	1.61%
<i>TEA &amp; other</i>						
Purchases	\$ 6,458,335	\$ 6,230,612	3.65%	\$ 21,208,421	\$ 16,341,889	29.78%
kWh purchased	141,647,538	174,926,605	-19.02%	459,783,488	447,521,568	2.74%
Cost per MWh	\$ 45.59	\$ 35.62	28.01%	\$ 46.13	\$ 36.52	26.32%
<i>SJRPP</i>						
Purchases	\$ 9,070,246	\$ 3,505,699	158.73%	\$ 41,875,737	\$ 33,967,039	23.28%
kWh purchased	148,157,000	3,678,000	3928.19%	756,474,000	553,983,000	36.55%
Cost per MWh	\$ 61.22	\$ 953.15	-93.58%	\$ 55.36	\$ 61.31	-9.72%
<b>Total purchased power:</b>						
Purchases	\$ 22,132,203	\$ 12,113,725	82.70%	\$ 82,591,668	\$ 65,490,868	26.11%
kWh purchased	408,924,538	283,592,605	44.19%	1,685,307,488	1,372,438,568	22.80%
Cost per MWh	\$ 54.12	\$ 42.72	26.71%	\$ 49.01	\$ 47.72	2.70%
Subtotal - generated and purchased power:	\$ 42,063,836	\$ 34,238,626	22.85%	\$ 149,702,545	\$ 131,203,369	14.10%
Fuel interchange sales	(184,519)	(73,887)	149.73%	(1,654,932)	(413,052)	300.66%
Earnings of The Energy Authority	(797,727)	(755,911)	5.53%	(1,303,329)	(889,304)	46.56%
EPA Allowance Purchases	-	-		233,775	-	
Realized and Unrealized (Gains) Losses:	-	340,200	-100.00%	116,400	1,257,600	-90.74%
Fuel procurement and handling	980,078	842,038	16.39%	3,780,363	3,507,242	7.79%
By product reuse	939,092	2,064,357	-54.51%	4,342,384	4,702,726	-7.66%
Total generated and net purchased power:						
Cost, net	43,000,760	36,655,423	17.31%	155,217,206	139,368,581	11.37%
kWh generated and purchased	964,657,494	1,092,872,698	-11.73%	3,781,287,944	3,998,083,626	-5.42%
Cost per MWh	\$ 44.58	\$ 33.54	32.90%	\$ 41.05	\$ 34.86	17.76%
<b>Reconciliation:</b>						
Generated and purchased power per above	\$ 43,000,760	\$ 44.58		\$ 155,217,206	\$ 41.05	
<b>SJRPP operating expenses:</b>						
SJRPP O & M	(1,862,283)	(1.93)		(7,086,104)	(1.87)	
SJRPP debt service	(3,152,763)	(3.27)		(12,680,356)	(3.35)	
SJRPP R & R	1,770,613	1.84		7,082,453	1.87	
<b>SCHERER operating expenses:</b>						
Scherer power production	(753,738)	(0.78)		(2,437,018)	(0.64)	
Scherer R & R	(1,977,021)	(2.05)		(2,292,764)	(0.61)	
Scherer transmission	(471,518)	(0.49)		(1,731,491)	(0.46)	
Scherer taxes	(205,203)	(0.21)		(383,944)	(0.10)	
Florida and other capacity	(619,309)	(0.64)		(2,029,340)	(0.54)	
MEAG	(511,890)	(0.53)		(2,051,731)	(0.54)	
Rounding	(2)	(0.00)		1	0.00	
	\$ 35,217,646	\$ 36.51		\$ 131,606,912	\$ 34.80	

	Month January		Year-to-Date January	
	2017	2016	2017	2016
<b>MWh sales</b>				
JEA	148,157	3,678	756,474	553,983
FPL saleback	90,156	2,221	494,037	483,465
FPL direct portion	59,578	1,475	312,628	259,362
Total MWh sales	<u>297,891</u>	<u>7,374</u>	<u>1,563,139</u>	<u>1,296,810</u>
<b>Fuel costs</b>	\$ 5,830,932	\$ 377,908	\$ 29,211,779	\$ 21,057,376
(Includes fuel handling expenses)				
Less interest credits: inventory bank	(8,201)	(5,702)	(24,157)	(14,980)
Plus (less): true-up interest	3,082	946	4,109	905
Total	<u>5,825,813</u>	<u>373,152</u>	<u>29,191,731</u>	<u>21,043,301</u>
Cost per MWh	\$ 39.32	\$ 101.46	\$ 38.59	\$ 37.99
<b>Operating and maintenance expenses</b>	1,899,771	1,449,416	7,126,349	6,151,549
Less: operations bank interest	(1,352)	(700)	(4,109)	(1,905)
Less: annual variable o & m true-up	(36,136)	-	(36,136)	-
Total	<u>1,862,283</u>	<u>1,448,716</u>	<u>7,086,104</u>	<u>6,149,644</u>
Cost per MWh	\$ 12.57	\$ 393.89	\$ 9.37	\$ 11.10
<b>Debt service contribution</b>				
Principal	2,208,073	2,331,562	8,832,292	9,326,251
Interest	1,349,442	1,464,488	5,397,769	5,857,951
Less credits:				
Reserve Issue 2	(194,649)	(255,856)	(777,151)	(1,001,649)
Reserve Issue 3	(13,186)	(13,219)	(52,763)	(57,279)
Debt service Issue 2	(128)	(4)	(2,579)	(71)
Debt service Issue 3	-	-	-	-
Bond proceeds COB	(7,878)	(2,137)	(27,945)	(2,137)
General reserve Issue 2	(26,673)	(21,491)	(52,906)	(64,722)
General reserve Issue 3	(1,894)	-	(7,430)	-
Build America Bonds subsidy	(32,433)	(34,190)	(129,733)	(136,761)
Inventory carrying costs	(67,689)	(59,859)	(277,061)	(235,559)
Total	<u>3,212,985</u>	<u>3,409,294</u>	<u>12,902,493</u>	<u>13,686,024</u>
Cost per MWh	\$ 21.69	\$ 926.94	\$ 17.06	\$ 24.70
<b>R &amp; R contribution</b>	309,387	339,343	1,237,547	1,357,372
Less: interest credit	(60,222)	(39,806)	(222,138)	(169,302)
Less: cumulative capital recovery amount	(2,080,000)	(2,025,000)	(8,320,000)	(8,100,000)
Total	<u>(1,830,835)</u>	<u>(1,725,463)</u>	<u>(7,304,591)</u>	<u>(6,911,930)</u>
Cost per MWh	\$ (12.36)	\$ (469.13)	\$ (9.66)	\$ (12.48)
<b>Debt service coverage</b>	-	-	2,107,000	2,117,000
Transfer to JEA	-	-	(2,107,000)	(2,117,000)
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cost per MWh	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<u>\$ 9,070,246</u>	<u>\$ 3,505,699</u>	<u>\$ 41,875,737</u>	<u>\$ 33,967,039</u>
kWh purchased	148,157,000	3,678,000	756,474,000	553,983,000
Cost per MWh	\$ 61.22	\$ 953.15	\$ 55.36	\$ 61.31

V. A. 3.

Monthly JEA Operations Report

[Return to Agenda](#)

V. A. 3.  
2/21/2017

# Board of Directors Meeting

## February 21, 2017

## FY2016

- RIR = 1.82
- # of Recordables = 38
- January YTD Recordables = 10

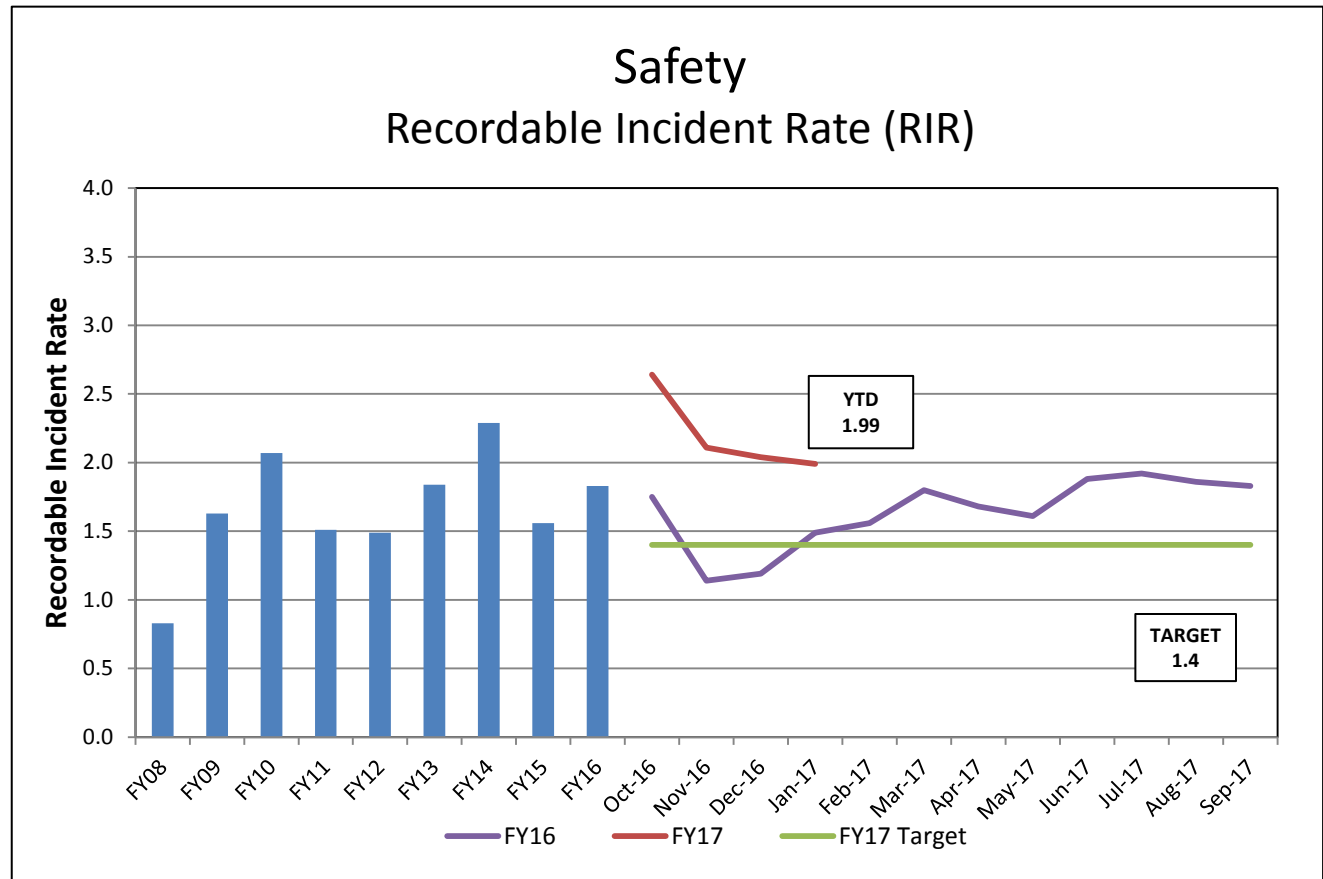
## FY2017

- January Recordables = 3
- January YTD Recordables = 14
- 3 (21%) was lost time
  - Electric Systems = 7
  - Water/WW Systems = 7
- 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

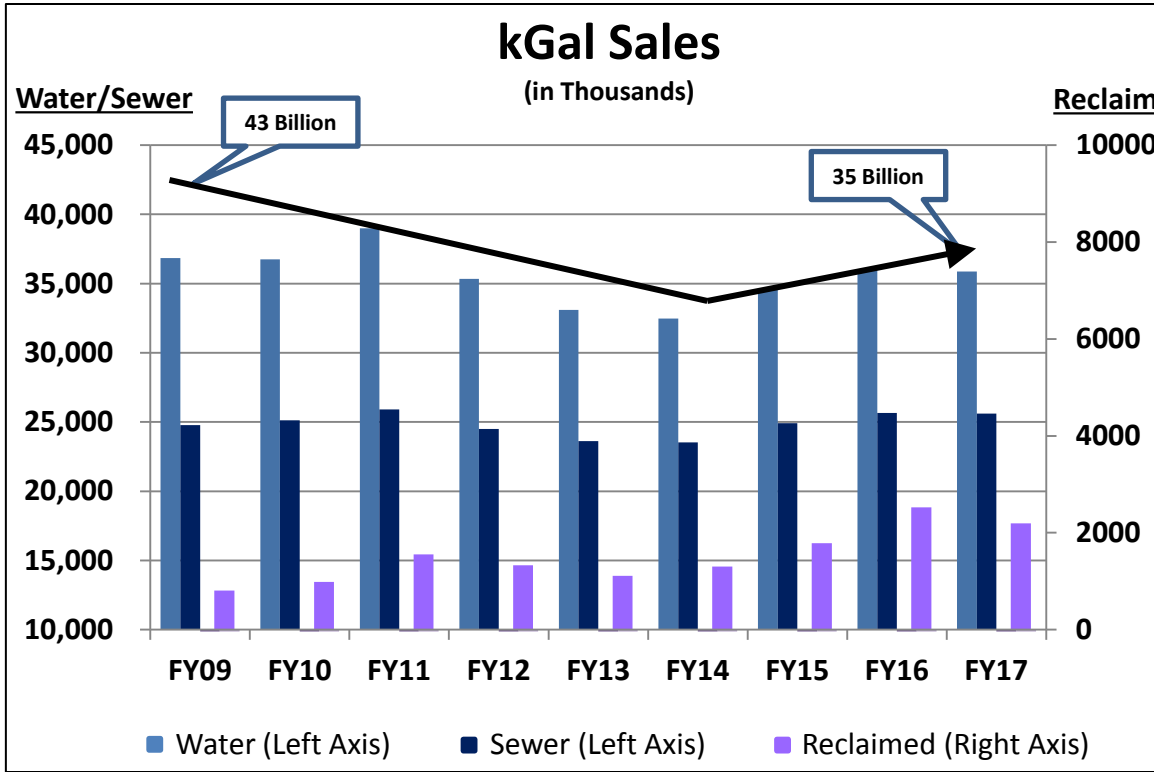
Units	FY2017 YTD	FY2017 Target	FY2016	FY2015
RIR	1.99	1.4	1.82	1.56



# 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%
Jan	2,527	2,768	9.6%
<b>YTD</b>	<b>11,046</b>	<b>11,888</b>	<b>7.6%</b>
Feb	2,479		
Mar	2,825		
Apr	2,914		
May	3,523		
Jun	3,290		
Jul	3,736		
Aug	3,451		
Sep	3,094		
<b>Total/Forecast</b>	<b>36,358</b>	<b>35,869</b>	

**Unit Sales Driver:** YTD rainfall up 8 inches; rain days down 8.

Irrigation for January YTD FY17 up 28% versus January YTD FY16.

YTD Rainfall			
	30-Yr. Avg.	FY16	FY17
Inches	12	8	16
Days	31	29	21

YTD Customer Accounts			
	FY16	FY17	%
Water	331,150	339,103	2.4%
Sewer	256,176	262,724	2.6%
Reclaimed	7,101	8,963	26.2%

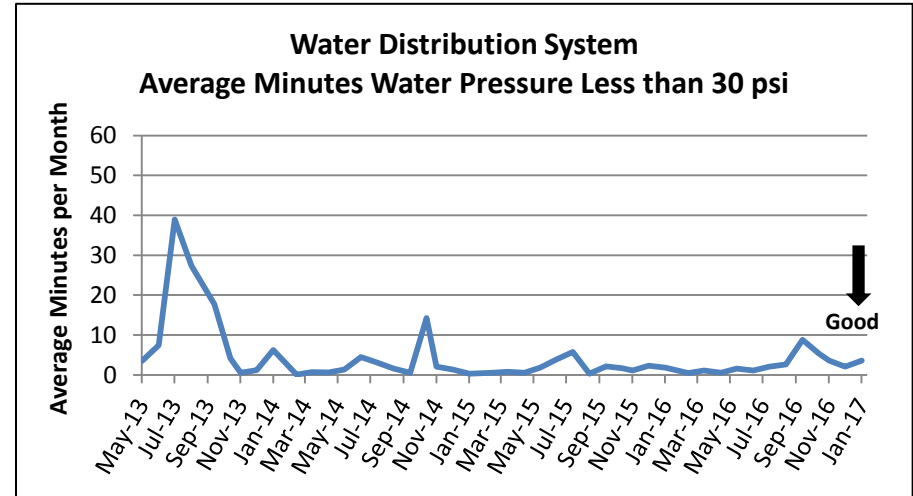
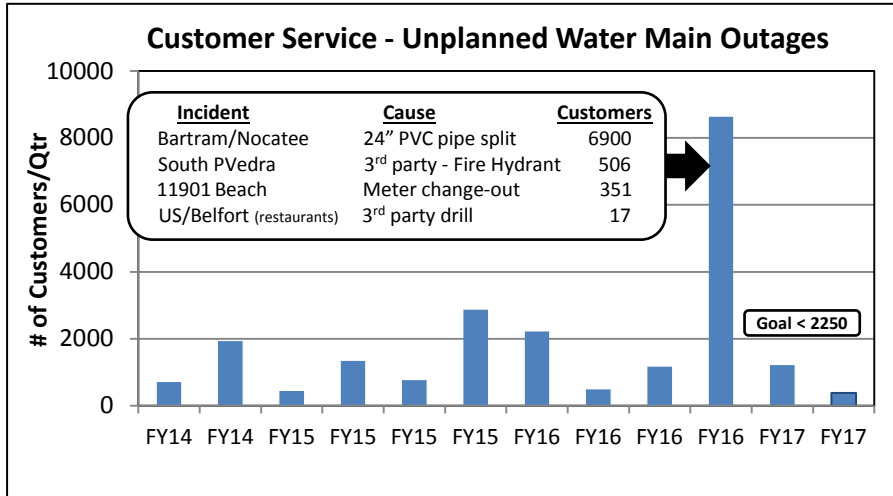
<b>Total System</b>	<b>7.6%</b>
Residential	8.3%
Comm./Industrial	0.1%
Irrigation	27.6%



# Customer Reliability Objectives

## Water and Wastewater System

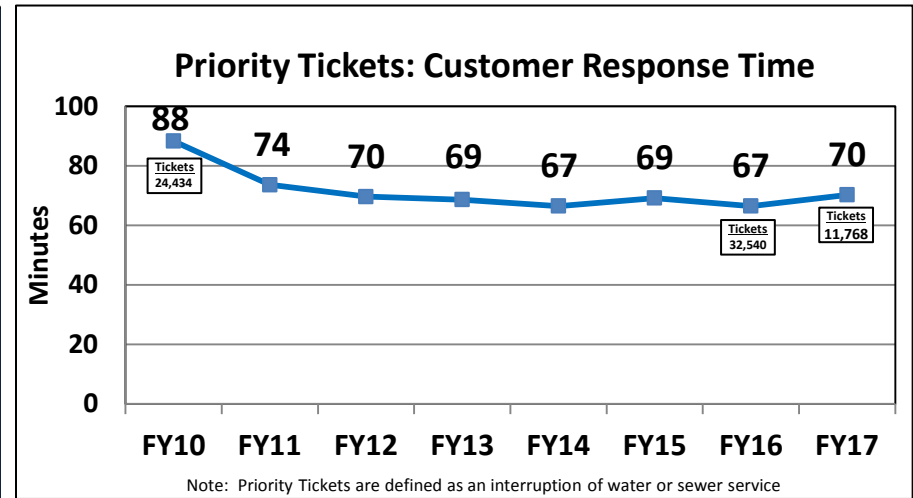
Water Grid Performance	Metric	FY2017 YTD	FY2017 Target	FY2016	FY2015
Water Main Outages	# of Customers per Year	1,590	9,000	12,735	5,629



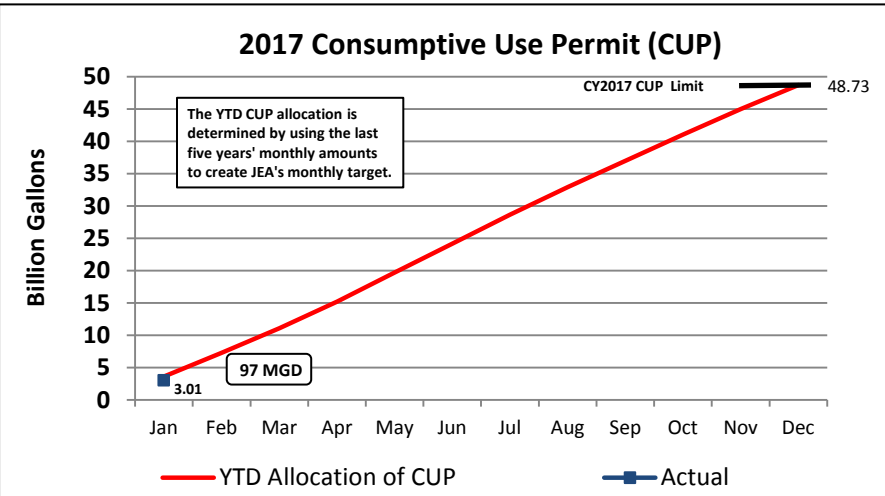
**Unplanned Water Outages**  
 # of Customers Affected by Unplanned Outages has increased due to 3<sup>rd</sup> Party Damages

**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



Compliance	Metric – CY Basis	FY2017	2017 Target	2016	2015
Water	CUP Limits (MGD)	97	133 limit	112 (131 limit)	107 (131 limit)
South Grid	Wellfield Allocation (MGD)	40.98	< 50.23 limit	52.95 (<50.23 limit)	47.50 (<50.23 limit)
Reclaim	Usage (MGD)	18	15	16	13



### CUP Condition 44: South Grid Wellfield Allocation Limits

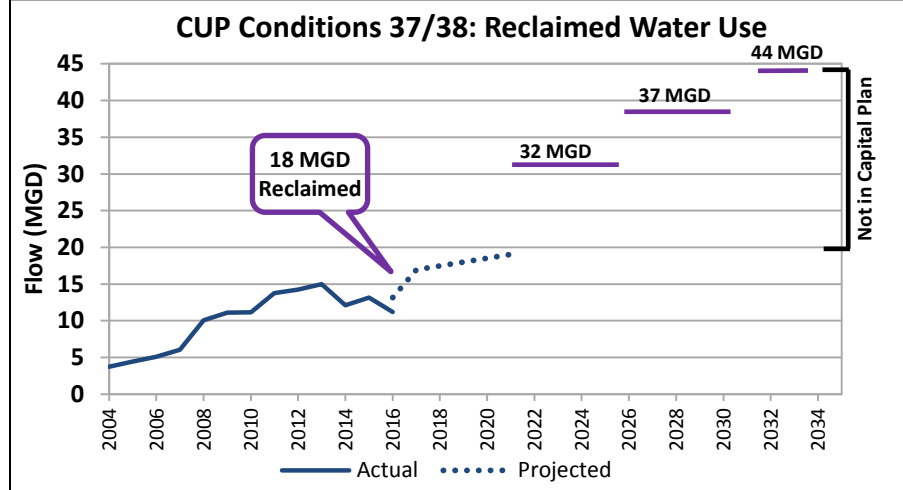
Critical Wellfields	Actuals					Post Sep -14 Limit
	2013	2014	2015	2016	YTD 2017	
Deerwood III	6.96	7.01	6.67	7.88	6.26	7.00
Ridenour	5.97	6.39	6.66	7.64	5.07	6.85
Oakridge	8.78	6.23	4.99	5.79	4.28	5.65
Greenland	---	1.53	4.27	4.16	4.38	4.53
Brierwood	5.58	4.53	2.84	3.36	1.78	3.02
<b>Subtotal</b>	<b>27.29</b>	<b>25.69</b>	<b>25.43</b>	<b>28.83</b>	<b>21.76</b>	<b>27.05</b>
Other Wellfields	22.21	20.92	22.07	24.12	19.21	23.18
<b>Total South Grid</b>	<b>49.50</b>	<b>46.61</b>	<b>47.50</b>	<b>52.95</b>	<b>40.98</b>	<b>50.23</b>
<b>Total System</b>	<b>MGD</b>	<b>100</b>	<b>104</b>	<b>107</b>	<b>97</b>	<b>133</b>

### St. Johns River Water Management District CUP

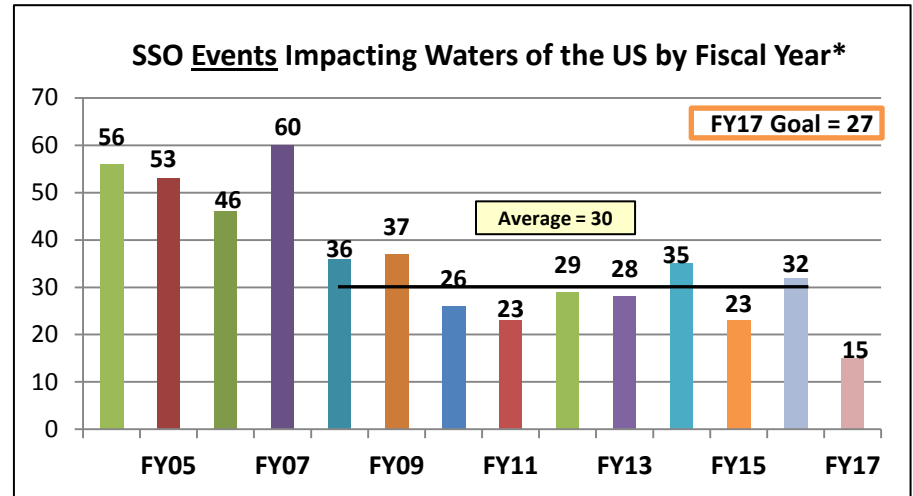
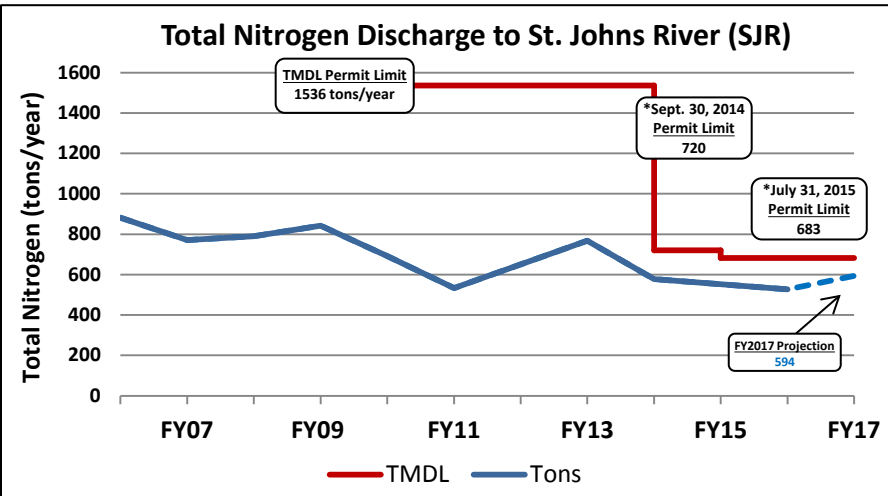
**Condition 12:** YTD average daily flow was 27% below CY limit of 133 MGD

**Condition 44:** South Grid Wellfields were 6% above the base limit in FY16, yet have annual operational flexibility of 20% above allocation limits. FY17 is 18% below the limit.

**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	201	550	527 (TMDL of 683*)	553 (TMDL of 683*)

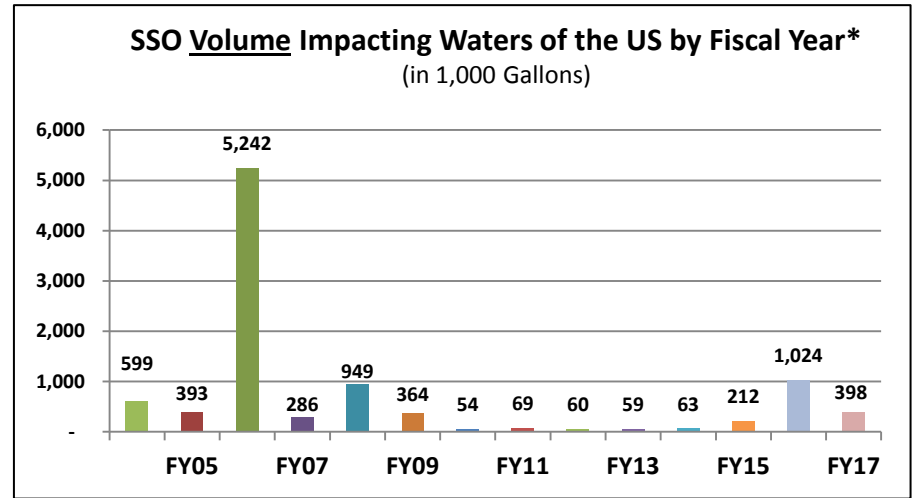


### Nitrogen Discharge to St. Johns River

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. Fifteen (15) SSO's year-to-date impacting US Waters excluding events occurring during Hurricane Matthew.



\*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.



# 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	\$ 404,040	\$ 409,889	\$ 394,430	\$ (5,849)	-1.4%
Other Revenue	34,715	40,070	33,792	(5,355)	-13.4%
<b>Total Revenues</b>	<b>\$ 438,755</b> ①	<b>\$ 449,959</b>	<b>\$ 428,222</b>	<b>\$ (11,204)</b>	<b>-2.5%</b>
		\$11M			
Select Expenses					
O & M Expense	\$ 141,225 ②	\$ 130,296	\$ 144,149	\$ (10,929)	-8.4%
<b>Net Revenues</b>	<b>\$ 294,482</b>	<b>\$ 313,130</b>	<b>\$ 280,753</b>	<b>\$ (18,648)</b>	<b>-6.0%</b>
		\$14M			
Capital Expenditures	\$ 212,988 ③	\$ 147,363	\$ 205,000 <sup>1</sup>	\$ (65,625)	-44.5%
Debt Service	\$ 116,462	\$ 95,418	\$ 118,375	\$ (21,044)	-22.1%

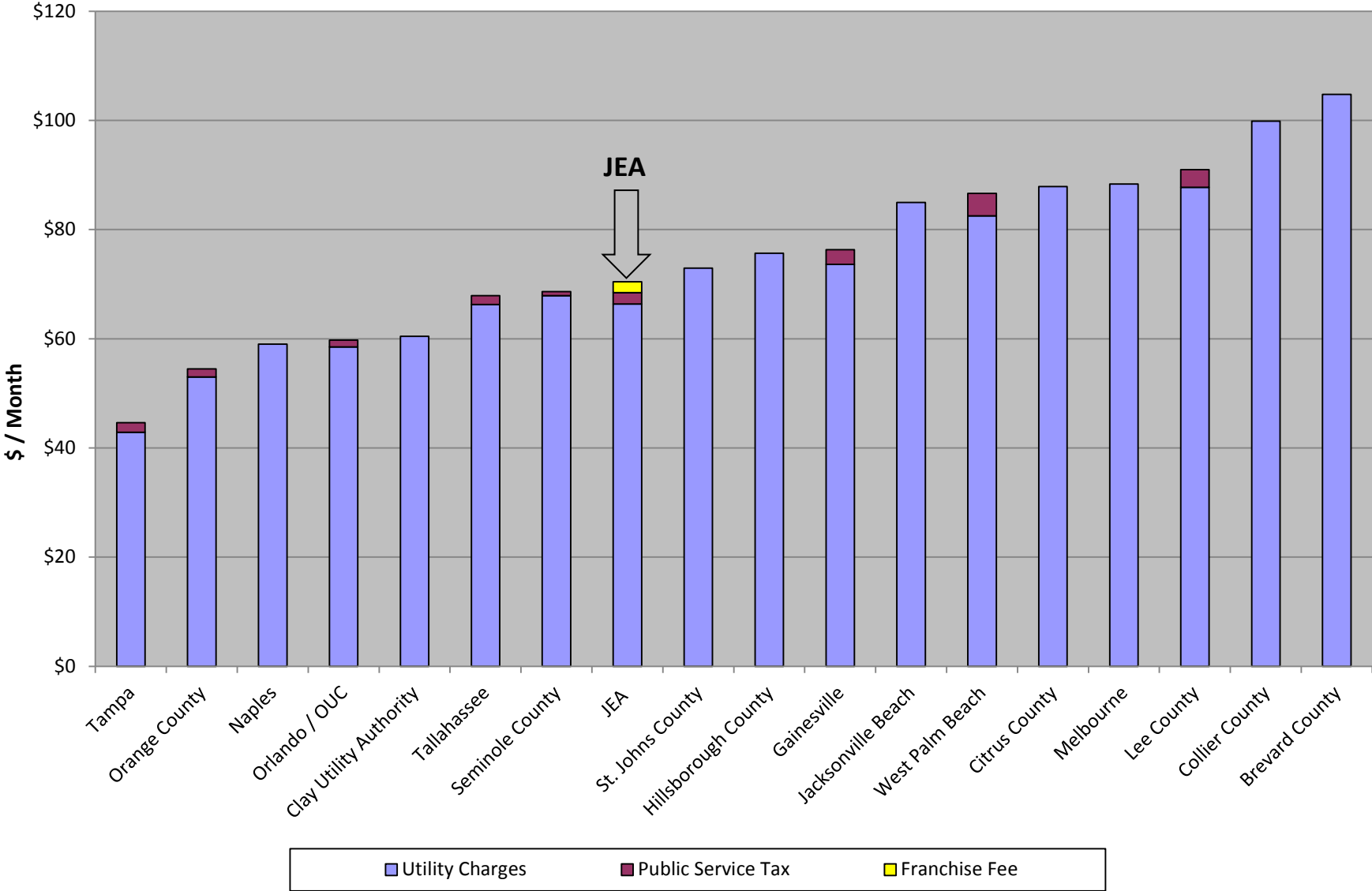
Metrics	FY17 Forecast
Coverage:	2.5x
Days Liquidity/Cash:	310 / 197
Debt/Asset:	50% (3% lower)
Total Debt:	\$1.6B (\$34M lower)

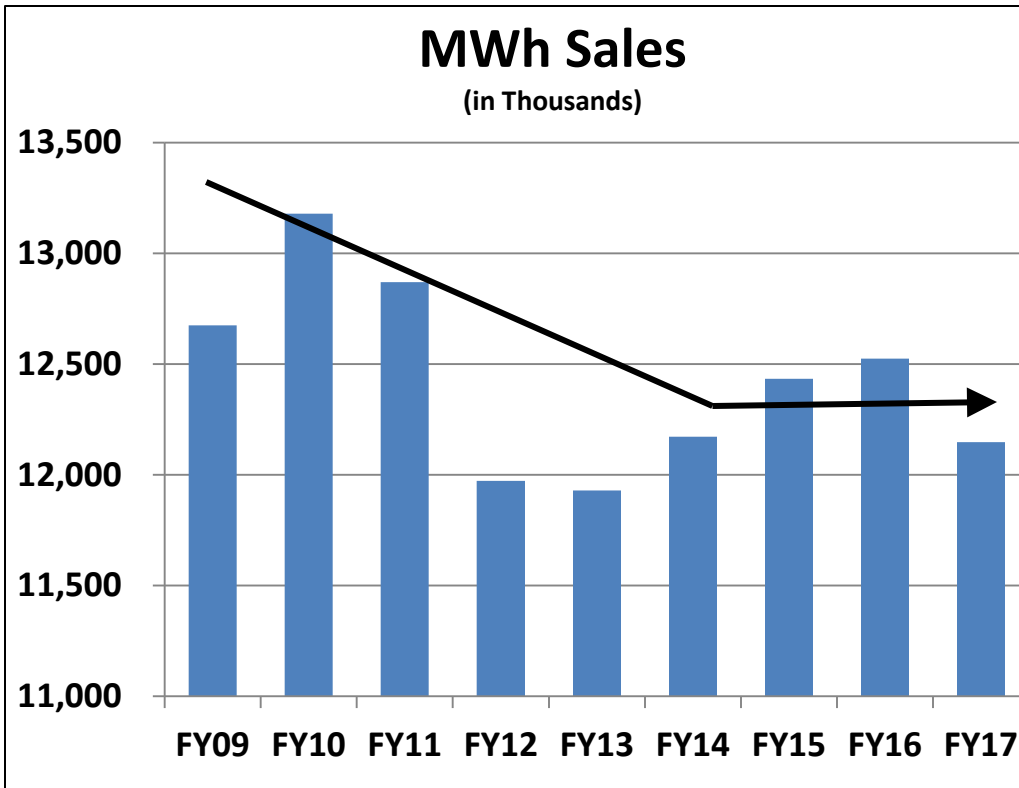
Cost / Kgal	Water	Sewer
Target	\$ 4.75	\$ 10.27
Forecast	4.93	10.77
Difference	\$ (0.18)	\$ (0.50)

<sup>1</sup> 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 February 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%)
Jan	1,049,897	932,807	(11.2%)
<b>YTD</b>	<b>3,849,073</b>	<b>3,652,689</b>	<b>(5.1%)</b>
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		
<b>Total/Forecast</b>	<b>12,561,253</b>	<b>12,147,193</b>	

**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>
1,166	1,067	862

YTD Customer Accounts		
<u>FY16</u>	<u>FY17</u>	<u>%</u>
450,137	457,363	1.6%

<b>Total System</b>	<b>(5.1%)</b>
Residential	2.1%
Comm./Industrial	(4.6%)
Interruptible	(5.5%)
Wholesale (FPU)	(59.3%)

T&D Grid Performance	Metric	FY2017 YTD	FY2017 Target	FY2016	FY2015
Customer Outage Frequency*	# of Outages per Year	<b>1.28</b>	<b>1.5</b>	1.4	1.8
Electric Outage Duration*	# of Minutes out per Year	<b>70</b>	<b>85</b>	71	99
Transmission Line Faults	# of Faults per 100 miles	<b>0.6</b>	<b>1.2</b>	0.7	2.8
CEMI <sub>5</sub> *	% Customers > 5 outages per yr	<b>1.6</b>	<b>1.5</b>	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 1.28 outages per year and a total outage duration of 70 minutes
- CEMI<sub>5</sub>: 7,8683 (1.63%) of our customers have experienced more than 5 outages in the past 12 months

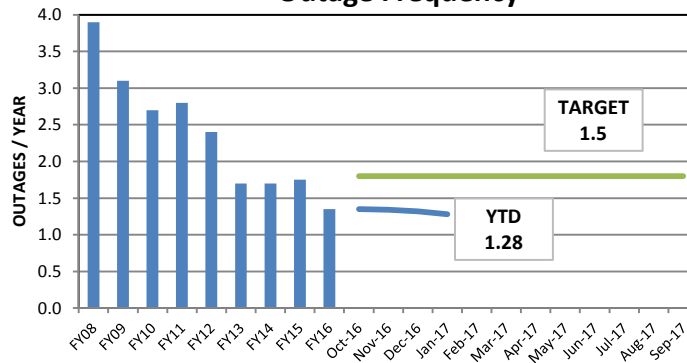
### Transmission Line Reliability

- Overall downward trend over the last eight years
- YTD (0.6) running below the FY17 target

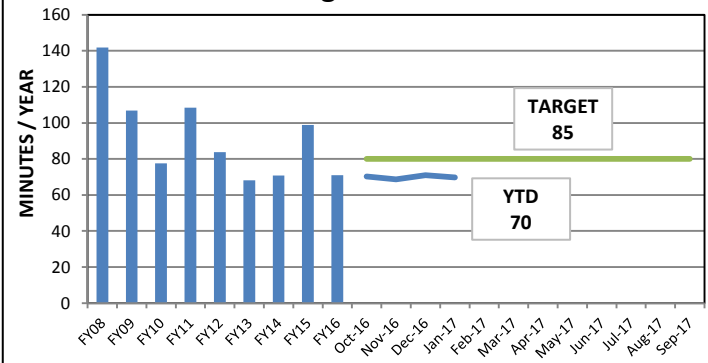
### Other Operational Metrics

- Continue showing favorable trends over time

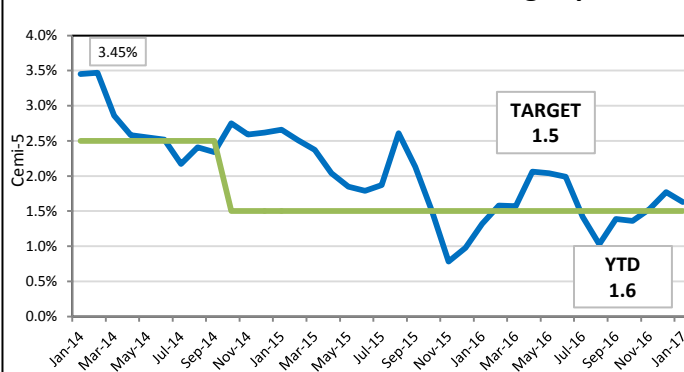
#### Electric Service Reliability Outage Frequency



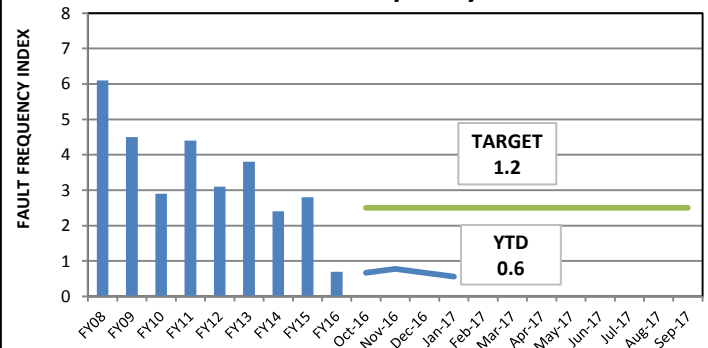
#### Electric Service Reliability Outage Duration



#### Customers with More than 5 Outages per Year

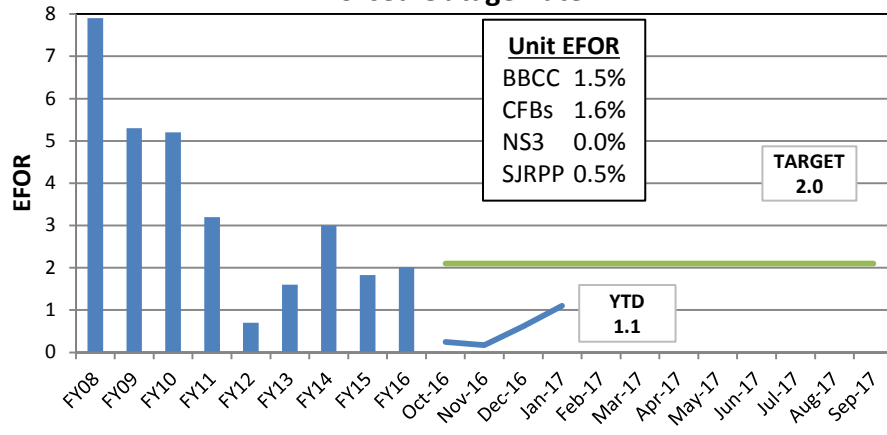


#### Transmission Line Reliability Fault Frequency

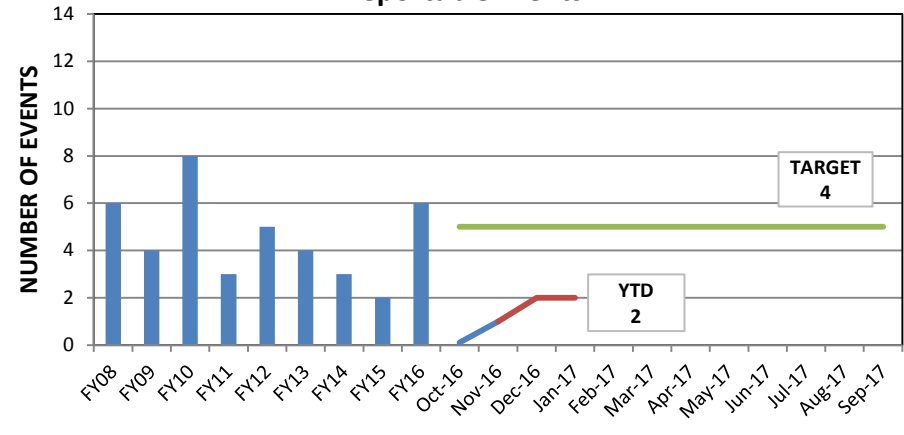


Generating Plant Performance	Metric	FY2017 YTD	FY2017 Target	FY2016	FY2015
Generation Fleet Reliability	Forced Outages Rate	1.1	2.0	2.0	1.8
Environmental Compliance	Permit Exceedances	2	4	6	2

### 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 2 reportable events 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	\$ 396,130 <sup>1</sup>	\$ 426,653 <sup>2</sup>	\$ 449,776	\$ (30,523)	-7.2%
Base Revenue	755,843 <sup>1</sup>	750,038	735,204	5,805	0.8%
Other Revenue	43,911	37,904	41,787	6,007	15.8%
<b>Total Revenues</b>	<b>\$ 1,195,884</b>	<b>\$ 1,214,595</b>	<b>\$ 1,226,767</b>	<b>\$ (18,711)</b>	<b>-1.5%</b>
		\$ (31M)			
Select Expenses					
Fuel Expense	\$ 448,286	\$ 397,280	\$ 411,903	\$ (51,006)	-12.8%
Fuel Fund Transfers	(52,155)	29,373	37,705	81,528	
O & M Expense	209,983	192,527	226,180	(17,456)	-9.1%
Non-fuel Purchased Power	80,148	87,426	83,394	7,278	8.3%
<b>Net Revenues</b>	<b>\$ 509,064</b>	<b>\$ 496,092</b>	<b>\$ 454,939</b>	<b>\$ 12,972</b>	<b>2.6%</b>
		\$54M			
Capital Expenditures	\$ 146,656	\$ 150,926	\$ 153,200 <sup>3</sup>	\$ 4,270	2.8%
Debt Service	\$ 211,764 <sup>4</sup>	\$ 171,506	\$ 179,654	\$ (40,258)	-23.5%

Electric Costs / MWh	Non-Fuel
Target	\$ 53.94
Forecast	<u>54.78</u>
Difference	\$ (0.84)

Financial Metrics	FY17 Forecast
Coverage:	2.4x
Days Liquidity/Cash:	269 / 154
Debt/Asset:	62% (3% lower)
Total Debt:	\$2.8B (\$146M lower)

Fuel Fund (\$ in millions)	
Beginning Balance	\$ 180
Surplus/(Deficit)	<u>(52)</u>
Ending Balance	\$ 128

<sup>1</sup> Assumes rate change in December 2016

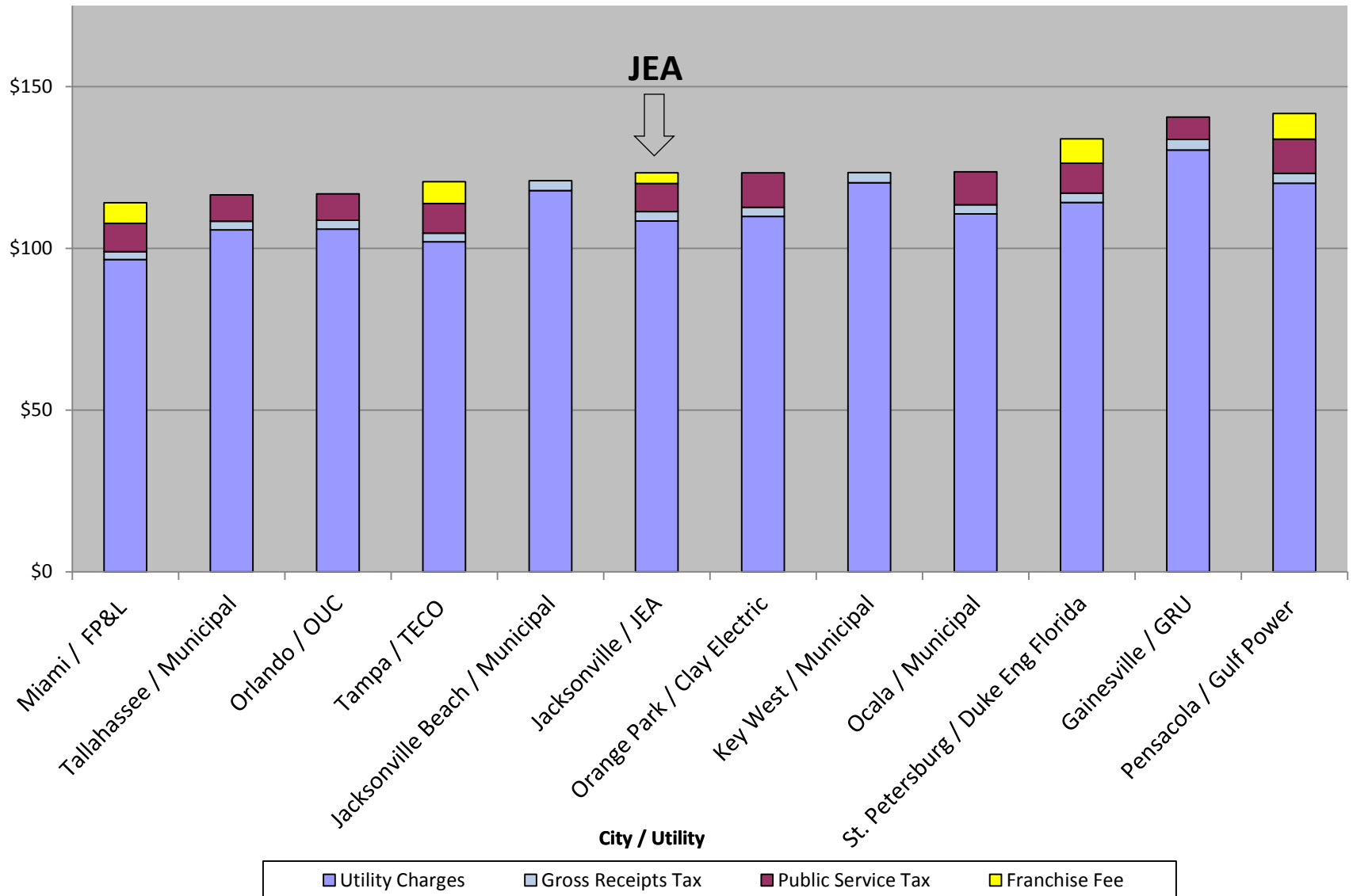
<sup>2</sup> Net of \$57 million fuel credit and fuel rate reduction

<sup>3</sup> Council approved limit for capital expenditures in FY17 is \$170 million

<sup>4</sup> 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 February 2017



## Customer Experience

Presenter: Richard Vento

Date: February 2017

# FY17 Customer Satisfaction Goal

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

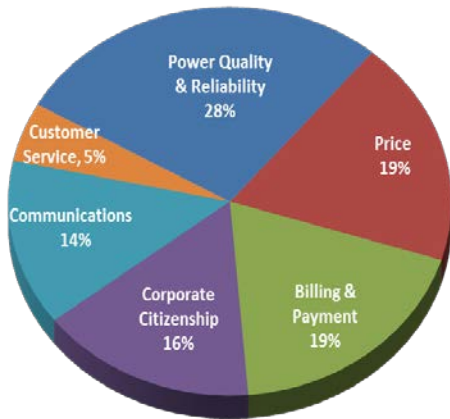
## Residential (R)

FY15	FY16	Wave 1	Wave 2	Wave 3	Wave 4	FY17
1Q 692	2Q 703	1Q 749	1Q 782			1Q 766

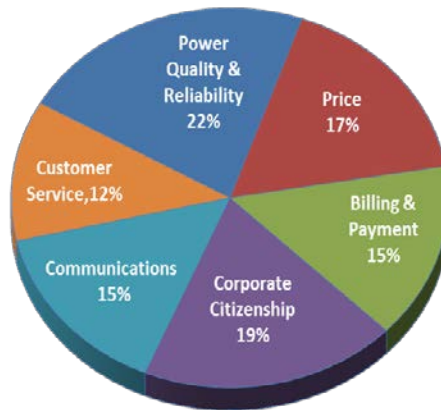
## Business (B)

FY15	FY16	Wave 1	Wave 2	FY17
1Q 705	1Q 754	1Q 788	2Q 772	1Q 780

### Residential



### Business



FY17 Residential # of companies ranked: 138  
 FY17 Business # of companies ranked: 86

1Q= 1st quartile 2Q= 2<sup>nd</sup> quartile 3Q = 3<sup>rd</sup> quartile 4Q = 4<sup>th</sup> 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 840			1Q 825
B	1Q 782	2Q 817	1Q 841			1Q 829

### Power Quality & Reliability

	FY16	Wave 1	Wave 2	Wave 3	Wave 4	FY17
R	2Q 749	2Q 791	1Q 827			1Q 809
B	1Q 794	1Q 826	2Q 807			1Q 816

## Empower Customers to Make Informed Decisions

### Billing & Payment

	FY16	Wave 1	Wave 2	Wave 3	Wave 4	FY17
R	1Q 763	1Q 818	1Q 827			1Q 823
B	1Q 785	1Q 806	2Q 801			2Q 803

### Communication

	FY16	Wave 1	Wave 2	Wave 3	Wave 4	FY17
R	1Q 665	1Q 713	1Q 751			1Q 732
B	1Q 721	1Q 766	1Q 748			1Q 757

### Price

	FY16	Wave 1	Wave 2	Wave 3	Wave 4	FY17
R	2Q 630	2Q 671	1Q 721			1Q 696
B	1Q 701	1Q 744	2Q 726			1Q 735

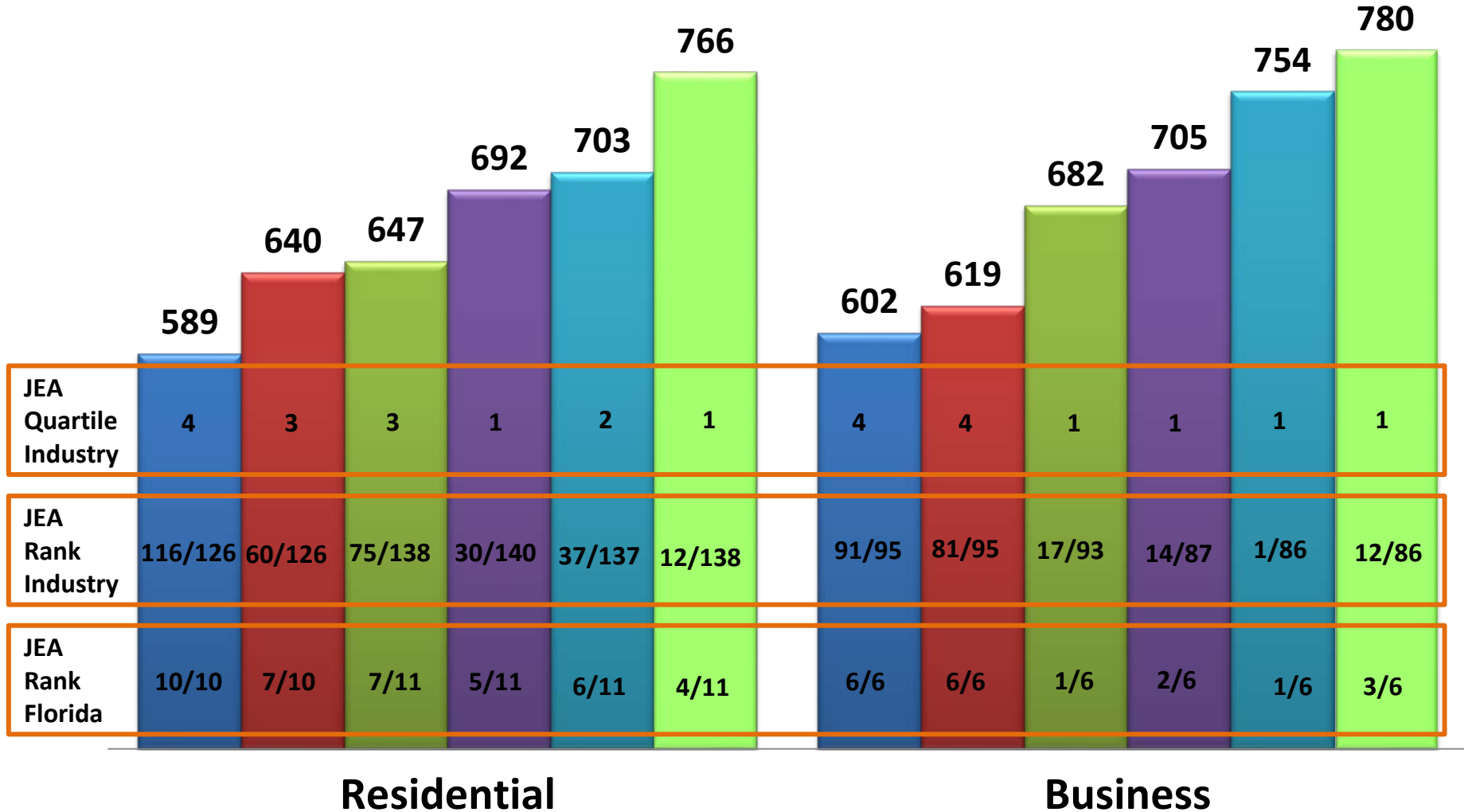
## Demonstrate Community Responsibility

### Corporate Citizenship

	FY16	Wave 1	Wave 2	Wave 3	Wave 4	FY17
R	2Q 645	2Q 685	1Q 725			1Q 705
B	1Q 731	1Q 758	2Q 738			1Q 748

# Customer Satisfaction Index Scores

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

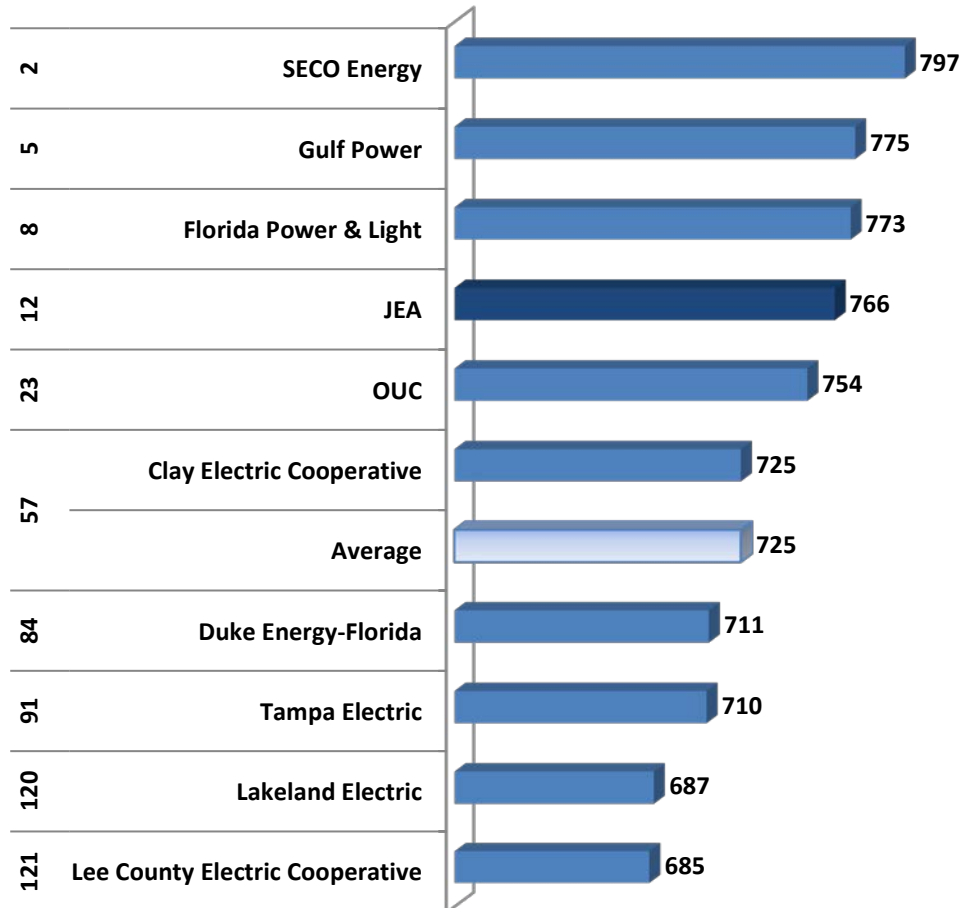


\* Note: 2017 Wave 2 Residential and 2017 Final Business (now named CY2016)

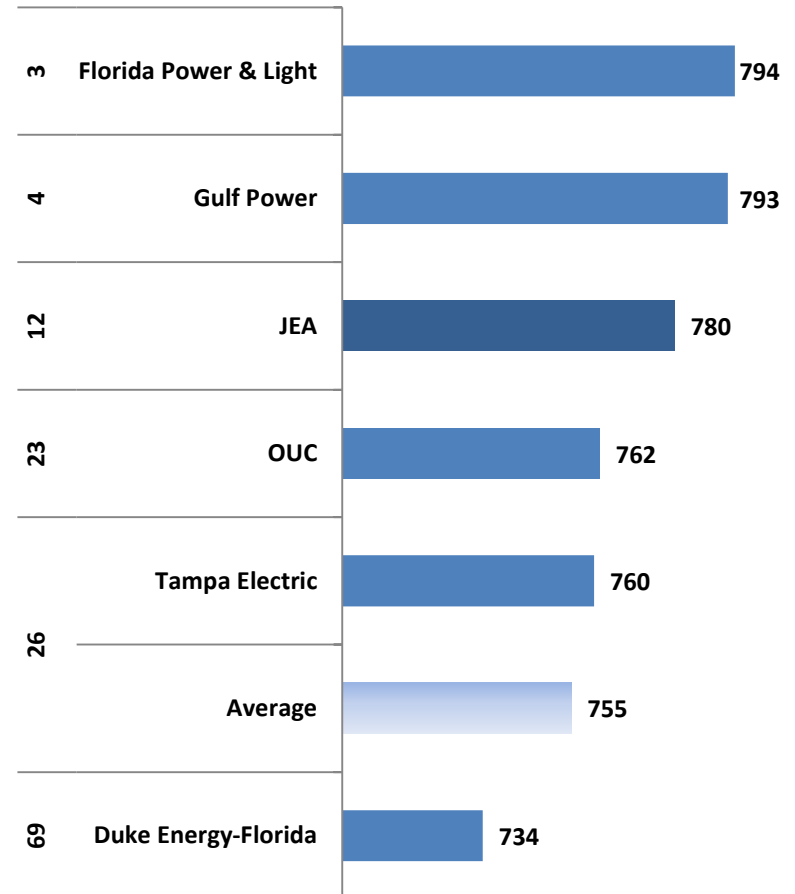
# Customer Satisfaction Index Scores

## FL Utilities

### Residential FY17 YTD



### Business CY16/ FY17



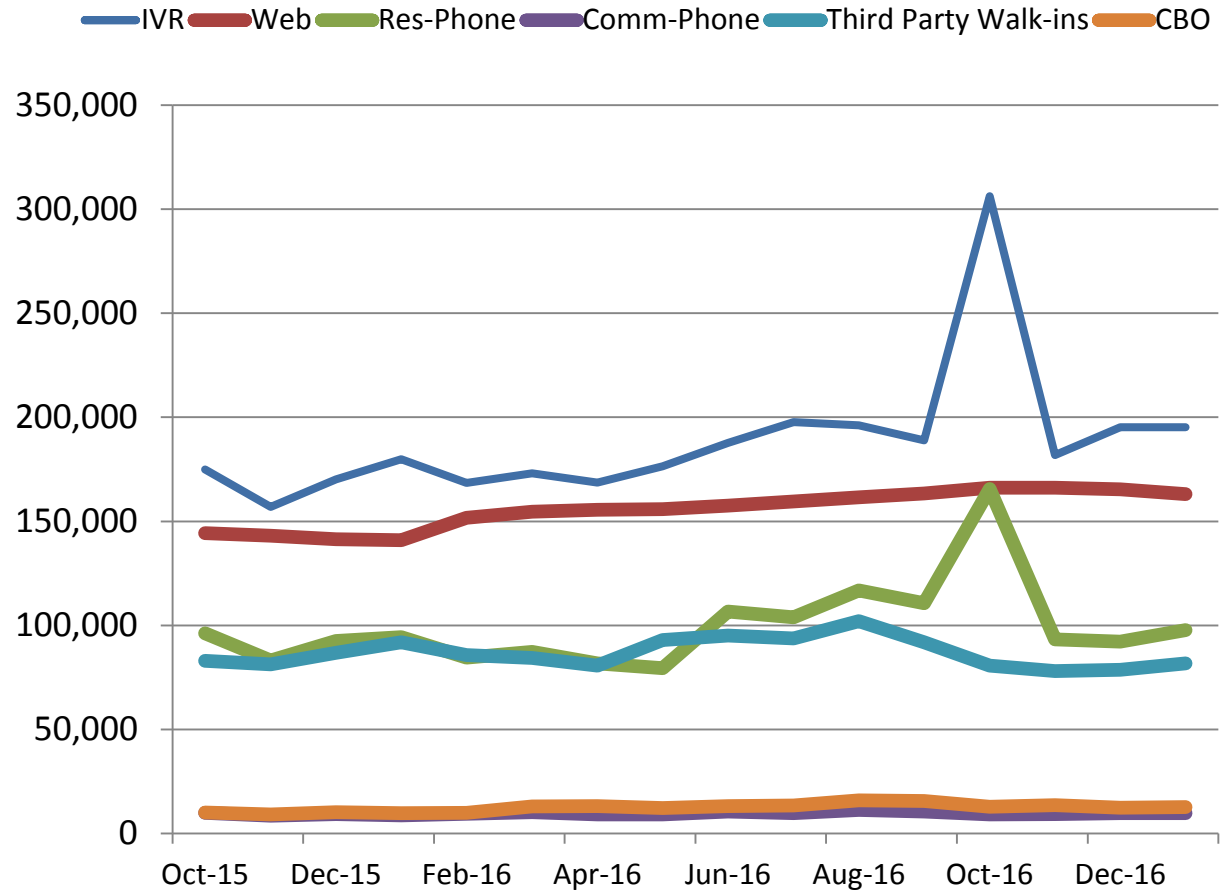
Providing multiple contact channels allows the customer to interact with JEA in a way that's easiest for them.

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

	JEA FY16	JEA FY17	Industry FY17
Phone	72.5%	78.9%	73.5%
CCC	57.0%	77.9%	70.7%
IVR	79.6%	79.5%	74.5%
Web	64.6%	87.8%	70.2%

Note: FY17 Wave 2 YTD

### Transactional Volume



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

### FY2017 YTD Transactional Study

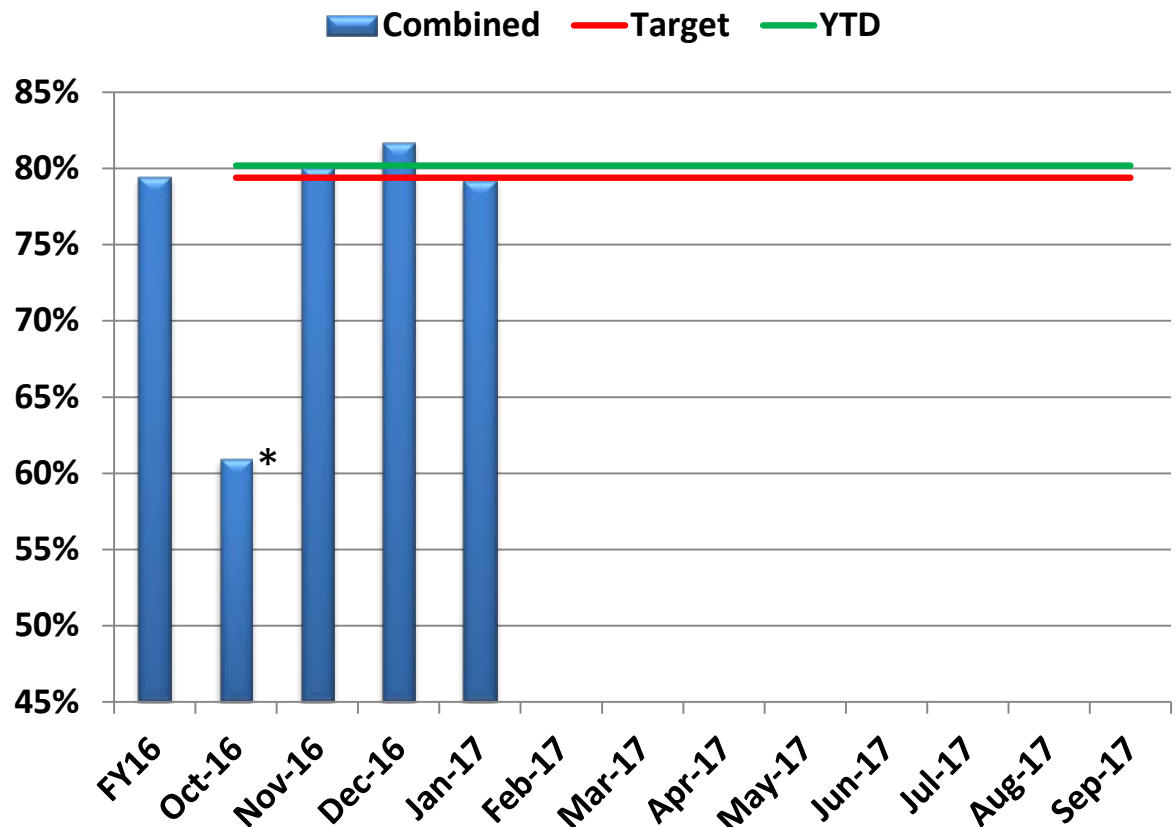
Residential CC	77.2%
Branches	84.8%
Commercial CC	85.5%
IVR	79.5%
<u>jea.com</u>	<u>84.0%</u>
Overall	80.9%

### JD Power FCR

	JEA FY16	JEA FY17	Industry FY17
Res CC/IVR	74.8%	70.5%	72.9%
Jea.com	77.7%	71.8%	72.1%
Bus CC/IVR	71.4%	82.1%	71.3%

Note: FY17 Wave 2 YTD

### 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”

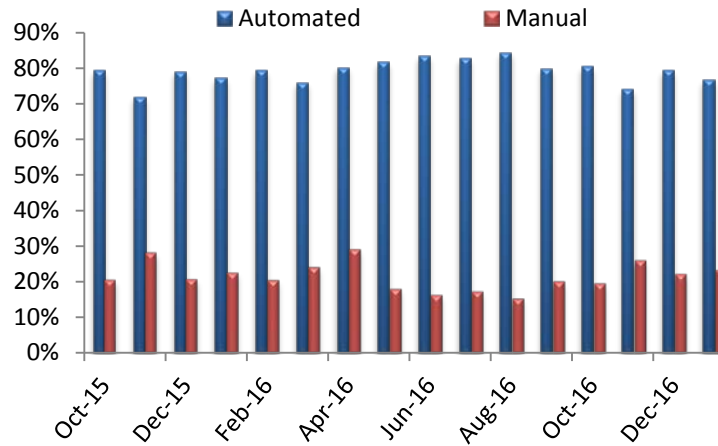
Score	JEA FY16	JEA FY17	Ind FY17
8 – 10	37.9%	58.5%	47.2%
< 5	20.0%	11.9%	16.0%

### # Outage Information Points

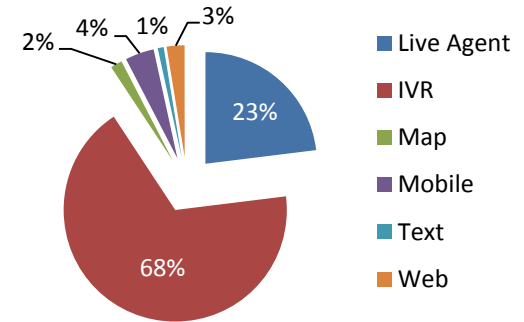
	FY16	FY17
JEA	2.3	2.7
Industry	2.1	2.3

Note: FY17 Wave 2 YTD

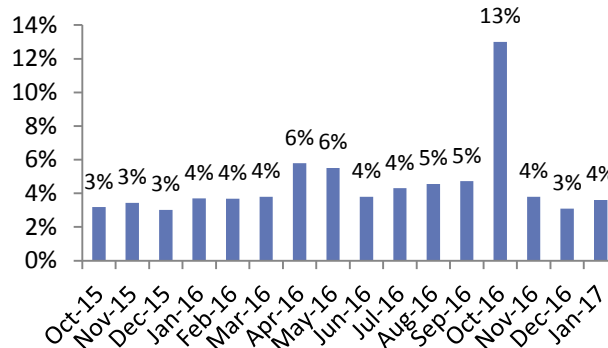
### Outage Reporting



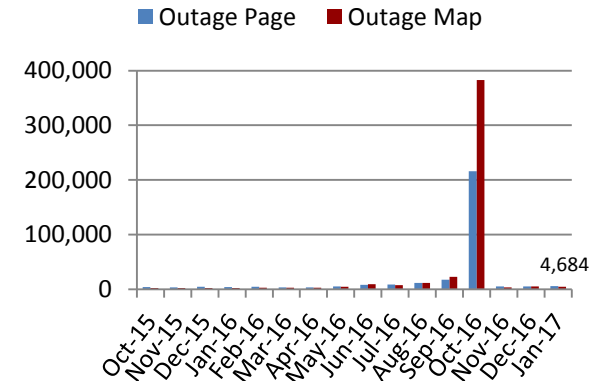
### Outage Reporting by Channel



### % Customers Receiving Outage Updates



### jea.com Outage Page Volume



Customer Solution Participation	FY17 Goal	FY17 YTD
e-Billing Participation	97,982	83,535
Levelized Bill Participation	25,592	20,900
AutoPay Participation	41,800	36,484
JEA MyWay Participation	19,418	14,915



January program enrollments have been sluggish due to the current mild Winter we are experiencing. We hope to make up ground quickly during the July- August MyBudget Campaign in helping customers with those high Summer bills.

	FY17 YTD	Industry Benchmark*
e-Bill	20.3%	18.5%
Budget Bill	5.1%	9.0%
Auto Pay	8.9%	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	86%
Too much	10%

## JDP Comm Awareness

### Residential

FY13	48.8%
FY14	51.9%
FY15	54.6%
FY16	54.4%
FY17 YTD	60.4%

### Commercial

FY13	53.4%
FY14	55.7%
FY15	68.7%
FY16	55.4%
FY17 YTD	64.2%



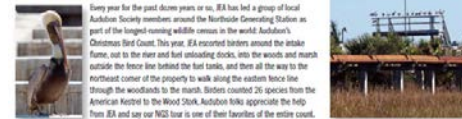
JEA MyBudget. My Story.

## Energy & Water Efficiency

### Six Tips for February Energy and Water Savings



### JEA and It's Feathered Friends



### ELECTRIC RELIABILITY



### ELECTRIC SAFETY



### COMMUNITY INVESTMENT



### Protecting The Environment



## Communication Channels FY17 Volume: 81,755,091

- **e-Com** (jea.com, email, social) 24,591,545
- **Paid Media** (Radio, TV, Print) 52,640,982
- **Community Engagement** (Events, Workshops) 191,955
- **Other Communication** (Bill Inserts, Brochures, 4,330,700)



### JEA Employee Volunteer Participation

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

**FY17 Total Volunteers—247**

**January— 22 Volunteers**

- Anne Frank Exhibition at MOSH
- Dignity U Wear
- Feeding NE Florida Food Bank

**February—Vol. Events**

- Anne Frank Exhibition at MOSH – February 3, 10
- NE Florida Regional Science Fair – February 6
- MathCounts Regional Competition – February 10
- 26.2 with Donna – February 10 and 11
- DLC Nurse and Learn – February 14
- Habijax – February 23
- Catty Shack Preserve – February 24
- Feeding NE Florida Food Bank – February 24



Following Hurricane Matthew, JEA Ambassadors partnered with the Florida Urban Forestry Council (FUFC) with bringing the high-energy, “Trail of Trees,” program to Duval County Schools. *Trail-of-Trees* teaches students about the value of trees and urban forestry.

JEA Forestry Ambassadors partners with Greenscape of Jacksonville known as “TreeReleaf” – plants approx. 700 trees per years.



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

**FY17 Activities:**

- Speakers Bureau—32
- Facility Tours—24
- Community Events—41
- Educational Partnership Activities—8



### JEA Ambassador Program

DSM Programs & Participation	FY17 Goal	FY17 YTD
Tracker Participation (Entering Site)	110,000	34,131
Invest Smart	395	246
Shop Smart	77,678	59,273
Neighborhood Energy Efficiency	1,262	393
Electric Vehicle Rebates	75	37

### JEA Non-Road Technology Program

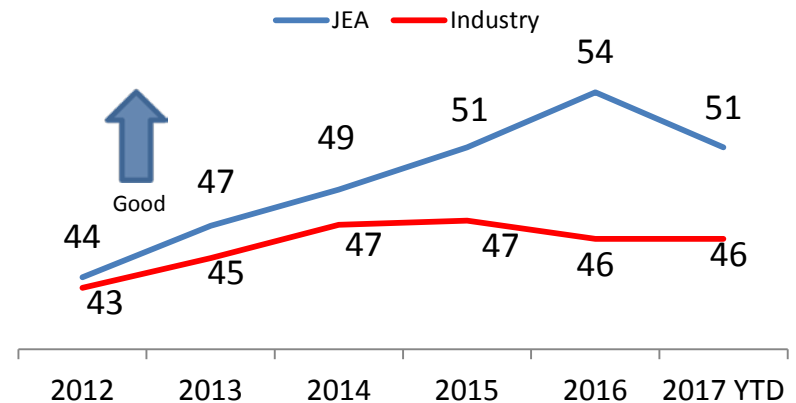
The JEA Non-Road Electrotechnology (NRE) Program promotes the purchase or lease\* of or conversion to electric equipment as an alternative to diesel or propane powered equipment.

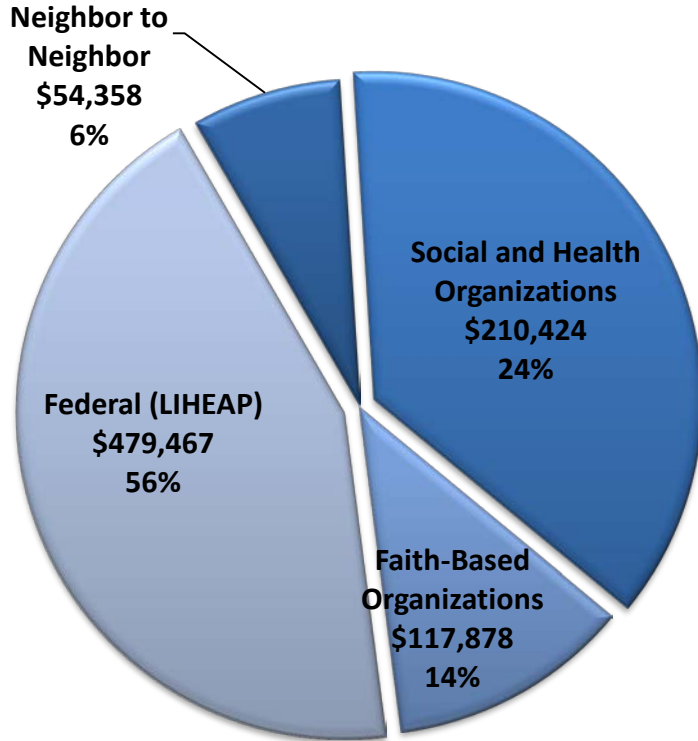
Qualifying equipment – Forklifts, Cranes, Truck Refrigeration Units, commercial golf carts and custom projects.

- Program Start – August 2014
- # of Projects = 251
- # of customers participating = 174
- Total MWH from projects = 48,770 MWH

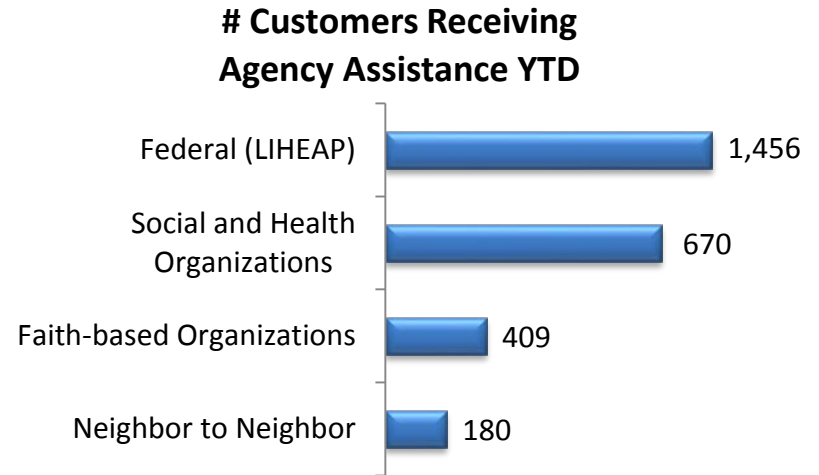
JEA's Non-Road Program provided incentives for three new electric cranes installed at Jaxport!

### Familiarity with Utility Energy Efficiency or Conservation Programs (%)





**25** agencies provided **720** utility payments on behalf of JEA customers in January 2017 totaling **\$223,642**



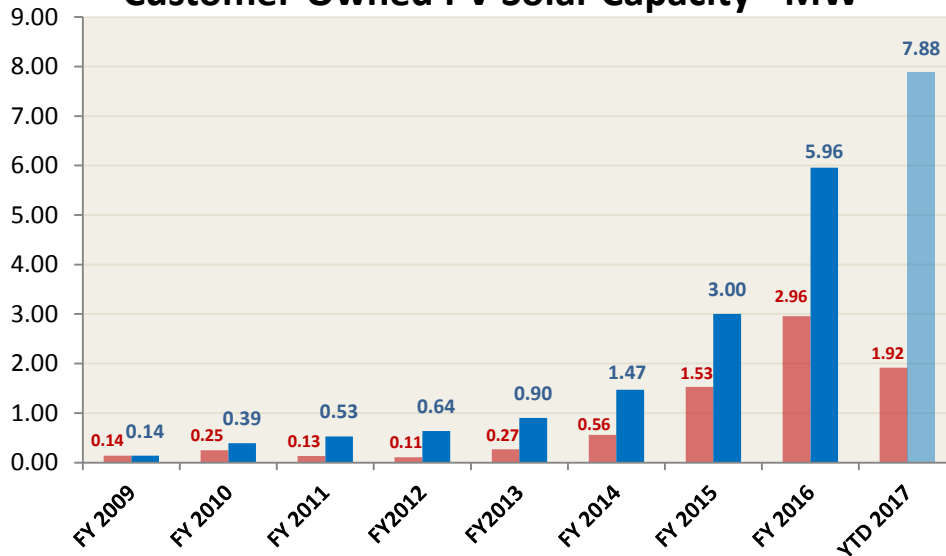
Agency & Federal  
Customer Assistance  
FY 17 YTD  
\$862,127

Number of Customers Receiving  
Agency & Federal Utility Assistance  
FY 17 YTD  
2,715

## 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 January/17, only 2.1 MW remains available for new installations
- Staff estimates that the 10 MW policy limit could be reached as soon as May 2017
- The annualized subsidy for the current 7.9 MWs of installed private city is \$719,000 annually
- The table below reflects the current and future subsidy levels associated with private Solar:

**Customer-Owned PV Solar Capacity - MW**



	Current 7.9 MW	10 MW Policy Limit	Each Future MW
<b>Energy Subsidy</b>	\$378,000	\$500,000	\$50,000
<b>Capacity Subsidy</b>	\$263,000	\$330,000	\$33,000
<b>Taxes &amp; Fees Subsidy</b>	\$78,000	\$98,000	\$9,800
<b>Subsidy Total</b>	\$719,000	\$928,000	\$92,800
<b>Subsidy 20-yr NPV</b>	\$9,394,000	\$12,100,000	\$1,210,000

V. A. 4.

Monthly FY17 Communications & Engagement  
Calendar and Plan Update



(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	<b>Jan-17</b>					
3	1/6/2017	Ridgeview High School	NGS Tour	8am	Ambassador Facility Tour	No
4	1/7/2017	Q&A With JEA	WOKV	8am	Ambassador Speaker	Yes
5	1/10/2017	Men's Newcomers Club of Amelia Island	NGS Tour	9am	Ambassador Facility Tour	No
6	1/11/2017	Greenscape Arbor Day	Met Park	2:30pm	Ambassador Event	Yes
7	1/14/2017	Q&A With JEA	WOKV	11am	Ambassador Speaker	Yes
8	1/19/2017	Job Corp Career Fair	4811 Payne Stewert Dr	10am	Ambassador Event	No
9	1/19/2017	Talking Trees Nature Club	Holy Family Catholic Church	12:30pm	Ambassador Speaker	Yes
10	1/20/2017	FSCJ Arbor Day	FSCJ North Campus	12pm	Ambassador Event	Yes
11	1/21/2017	Q&A With JEA	WOKV	11am	Ambassador Speaker	Yes
12	1/26/2017	National Assoc. of Railway Business Women	CSX Headquarters	10am	Ambassador Speaker	No
13	1/26/2017	Bulk Power Ops Team	SOCC Tour	9am	Ambassador Facility Tour	No
14	1/27/2017	Christ's Church Academy	Julington Creek Plant Tour	1pm	Ambassador Facility Tour	No
15	1/28/2017	Q&A With JEA	WOKV	11am	Ambassador Speaker	Yes
16	1/28/2017	Brown Girls Rock	NGS Tour	10am	Ambassador Speaker	No
17	1/28/2017	Brown Girls Rock	NGS Tour	11am	Ambassador Facility Tour	No
18	1/30/2017	Metro North Community Advisory Council	3103 N Main St.	7pm	Ambassador Speaker	Yes
19	1/31/2017	Orange Park High	NGS Tour	9am	Ambassador Facility Tour	No
20	1/31/2017	Orange Park High	NGS Tour	11am	Ambassador Speaker	No
21						
22						
23						
24	<b>Feb-17</b>					
25	2/7/2017	ARC Jacksonville	Greenland Energy Ct Tour	1:30pm	Ambassador Facility Tour	No
26	2/7/2017	SP Livingston Community Leaders	1128 Barber St	9am	Ambassador Speaker	No
27	2/7/2017	CEO/Pastors Luncheon	JEA Tower	11:30am	Ambassador Event	Yes

## JEA Community Engagement Calendar - January - March 2017

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

	A	B	C	D	E	F
28	2/8/2017	UNF Environmental Center	Buckman Wastewater Tour	1:30pm	Ambassador Facility Tour	No
29	2/11/2017	JU Group	Main St Lab	10:30am	Ambassador Facility Tour	No
30	2/18/2017	Manatee Celebration and Exhibit Opening	Jax Zoo	10am - 4pm	Ambassador Event	Yes
31	2/21/2017	Providence School	NGS Tour	9am	Ambassador Facility Tour	No
32	2/22/2017	Arlington Masonic Assoc.	3421 University Blvd. N.	7pm	Ambassador Speaker	No
33	2/25/2017	Jax Science Festival	Met Park	9:30am	Ambassador Event	Yes
34						
35						
36	<b>Mar-17</b>					
37	3/2 - 5/2017	Spring Home & Patio Show	Prime Osborn	11am - 9pm	Ambassador Event	Yes
38	3/4 - 5/2017	2017 World of Nations	Met Park	11am - 7pm	Ambassador Event	Yes
39	3/11/2017	Brownie Troop 2343	Main St Lab	10am	Ambassador Facility Tour	No
40	3/13/2017	Southside United Methodist Church	3120 S Hendricks Ave.	10:30am	Ambassador Speaker	No
41	3/18/2017	Brownie Troop 1912	Main St Lab	10am	Ambassador Facility Tour	No
42	3/25/2017	St Paul Lutheran Community Fair	2730 W Edgewood	9:30am	Ambassador Event	Yes
43	3/29/2017	Osher Life Long Learning	Solar Farm & Brandy Branch Tour	10am	Ambassador Facility Tour	No
44						
45						
46						
47	<b>Apr-17</b>					
48	4/25/2017	Yulee Primary School STEM Night	86426 Goodbread Rd.	6pm	Ambassador Event	Yes
49						
50						
51						
52						
53						
54						
55						

**JEA Community Engagement Calendar - January - March 2017**

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

	A	B	C	D	E	F
56						
57						
58				B+A1		



## **FY17 Communications & Community Engagement Overview and January/February Update**

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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 January, we kicked off another MyBudget campaign. One of the really challenging aspects of this program is that because this program normalizes a customer's bill over the course of the year, sometimes customers pay a little more than they actually use and sometimes they pay less. In the mild months, when customers are paying a little more than they would have off the program, retention becomes an issue. We are exploring the use of additional communications to keep them engaged. In February, we are launching our new mobile website. The desktop version will be launched in April. This new responsive design will adjust based on the device it is used on to facilitate easier use. The new site will also be ADA compliant, making JEA one of the leaders in the industry by doing this. 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 January, Ambassador speakers were requested by several groups including the National Association of Railway Business Women group and the Talking Trees Nature Club. Ambassadors hosted facility tours for Riverview High Physics class, Christ's Church Academy and the Men's Newcomers Club. Ambassadors also participated in the Greenscape Arbor Day and the Jax Job Corp Community Resource Fair.

Below, following Hurricane Matthew, JEA Ambassadors partnered with the Florida Urban Forestry Council (FUFC) with bringing the high-energy, "*Trail of Trees*," program to Duval County Schools. *Trail-of-Trees* teaches students about the value of trees and urban forestry.



In January, JEA volunteers came out in support of the Anne Frank Exhibition at MOSH, Dignity U Wear, Feeding NE Florida Food Bank



Dignity U Wear



Feeding NE Florida Food Bank



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.”

<b>Communications Contacts* Generated Year to Date</b>	<b>81,755,091</b>
• Number of Paid Communications Contacts (Radio, Television, Out of Home, Online, Print)	52,640,982
• Number of Other Communications Contacts (Bill Insert, Bill Envelop, Brochure, etc.)	4,330,700
• Number of E-communications Contacts (jea.com Visitors, Email, Social Media, Videos)	24,591,454
• Number of Community Engagement Communications Contacts (Events, Public Speaking, Presentations, Training, Workshops, etc.)	191,955

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

V. B. 1.

Monthly Operational and Financial Presentation



Building Community

AGENDA ITEM SUMMARY

February 10, 2017

<b>SUBJECT:</b>	<b>MONTHLY OPERATIONAL AND FINANCIAL PRESENTATION</b>
-----------------	---

<b>Purpose:</b>	<input checked="" type="checkbox"/> Information Only	<input type="checkbox"/> Action Required	<input type="checkbox"/> Advice/Direction
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**Issue:** As presented at the June 21, 2016 JEA Board Meeting, the Finance and Operations reports are included in the monthly Board package in the consent agenda. This monthly operational and financial review presents a summary of JEA's trends and budget variances.

**Significance:** JEA is operating in an environment where there are minimal changes in trends and budget variances between monthly reporting periods.

**Effect:** N/A

**Cost or Benefit:** N/A

**Recommended Board action:** This presentation is provided for information only.

**For additional information, contact:** Paul McElroy

Submitted by: PEM

<b>MISSION</b> 	<b>VISION</b> 	<b>VALUES</b> 
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"> <li>• Safety</li> <li>• Service</li> <li>• Growth?</li> <li>• Accountability</li> <li>• Integrity</li> </ul>

Commitments to Action

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



# Monthly Operating and Financial Reporting Summary







[Return to Agenda](#)

V. B. 1.  
2/21/2017

## Board of Directors February 21, 2017











# Water & Wastewater Monthly Operations Scorecard

Water & Wastewater	FY2016	FY2017 Goal	FY2017 YTD	Status
JEA Safety RIR	1.82	1.40	<b>1.99</b>	
Sales Forecast (kGals in 1000's)	36,358	34,558	<b>35,869</b>	
Water Unplanned Outages (# cust.)	12,735	9,000	<b>1,590</b>	
CUP Compliance	Yes	Yes	<b>Yes</b>	
Nitrogen to the River (tons)	527	550	<b>201</b>	
Sanitary Sewer Overflows (SSO's)	32	27	<b>15</b>	

## Significant Occurrences or Concerns This Month

- Three (3) OSHA recordable safety incidents in January, 14 YTD
- Unplanned Water Main Outages: 381 customers in January, event communication enhancements ongoing
- CUP: Average daily flow of 97 MGD was 27% below CY limit of 133 MGD; reclaim usage reached 18 MGD
- Nitrogen to River: 201 tons YTD with storm impacts, current forecast is 594 tons trending towards 550 tons
- SSO's Impacting Waters of the US: Fifteen (15) 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	<b>1.99</b>	
Sales Forecast (million MWh)	12.6	12.4	<b>12.1</b>	
T&D Grid Performance Customer Outage				
<i>Frequency (outages/year)</i>	1.4	1.5	<b>1.28</b>	
<i>Electric Outage Duration (minutes/year)</i>	71	85	<b>70</b>	
<i>Transmission Line Faults (# per 100 miles)</i>	0.7	1.2	<b>0.6</b>	
<i>CEMI<sub>5</sub> (% cust. &gt; 5 outages/year)</i>	1.4	1.5	<b>1.6</b>	
Generating Plant Performance				
<i>Generation Fleet Reliability (forced outages rate)</i>	2.0	2.0	<b>1.1</b>	
<i>Environmental Compliance (permit exceedances)</i>	4	4	<b>2</b>	

## Significant Occurrences or Concerns This Month

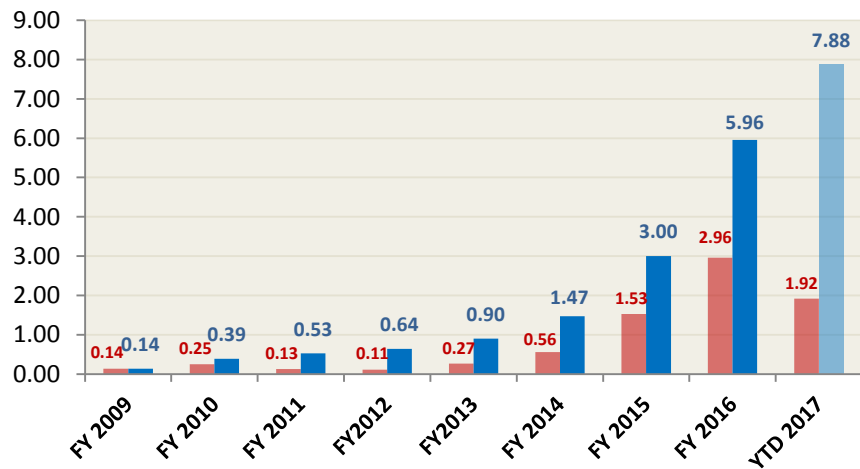
- Generation Fleet performing well this winter. All 3 Northside successfully completed planned outages last fall. Fleet reliability high (at 0.62) through 1<sup>st</sup> quarter of FY17.
- Despite a tough weather year, T&D grid performance metrics all better than targets with the exception of CEMI-5.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

# Customer Experience Monthly Operations Scorecard

Customer Experience	FY2016	FY2017 Goal	FY2017 YTD	Status
JDP Customer Satisfaction Index - Residential	2 <sup>nd</sup> Q	1 <sup>st</sup> Q	1 <sup>st</sup> Q	<span style="color: green;">●</span>
JDP Customer Satisfaction Index - Business	#1	Top Decile	#12	<span style="color: red;">●</span>
Overall First Contact Resolution Index	79.4%	≥79.4%	80.2%	<span style="color: green;">●</span>
Self Service Utilization	77.2%	≥78.5%	80.7%	<span style="color: green;">●</span>
Net Write-Offs	0.14%	≤0.20%	0.16%	<span style="color: green;">●</span>










## 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 January 2017, only 2.1 MW remains available for new installations
- Staff estimates that the 10 MW policy limit could be reached as soon as May 2017
- The annualized subsidy for the current 7.9 MWs of installed private capacity is \$719,000 – 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	12,147	
Base Revenue Growth	(.10%)	0.8%	
Debt Svc. Coverage	2.3x	2.4x	
Days Liquidity (Cash)	282 (163)	269 (157)	
Debt/Asset %	62%	62%	
Non-Fuel/MWh	\$53.94	\$54.78	
Net Funded Debt Reduction	\$216m	\$216m	
Capital Expenditures	\$166m	\$147m	
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	35,869	
Base Revenue Growth	(1.3%)	(1.4%)	
Debt Svc. Coverage	2.5x	2.5x	
Days Liquidity (Cash)	227 (109)	310 (197)	
Debt/Asset %	50%	50%	
Water Cost/kgal	\$4.75	\$4.93	
Sewer Cost/kgal	\$10.27	\$10.77	
Net Funded Debt Reduction	\$77m	\$77m	
Capital Expenditures	\$205m	\$213m	
Moody's/S&P/Fitch Ratings	Aa2/AA/AA	Aa2/AAA/AA	

## Significant Occurrences or Concerns This Month

- Have incurred \$17MM of actual expenses YTD from Hurricane Matthew but only includes a portion of the mutual aid costs

V. B. 2.

Human Resources: Recruiting, Retention, and  
Engagement



Building Community

AGENDA ITEM SUMMARY

V. B. 2.  
2/21/2017

February 8, 2017

<b>SUBJECT:</b>	<b>HUMAN RESOURCES: RECRUITING, RETENTION AND ENGAGEMENT</b>
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<b>Purpose:</b>	<input checked="" type="checkbox"/> Information Only	<input type="checkbox"/> Action Required	<input type="checkbox"/> Advice/Direction
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**Issue:** JEA remains committed to building the unbeatable team, which starts with recruiting talent, retaining new and existing employees and engaging the workforce in training and development. JEA staff will provide Board Members with an update on recent efforts and accomplishments at the February 21, 2017 Board Meeting.

**Significance:** A strong JEA workforce provides significant value to JEA's customers and community.

**Effect:** A strong and diverse workforce enhances JEA's corporate problem-solving capabilities by establishing a variety of viewpoints, life experiences and ideas.

**Cost or Benefit:** N/A

**Recommended Board action:** This item is presented for information only.

**For additional information, contact:** Angie Hiers, CHRO

Submitted by: PEM/ARH/BD

<b>MISSION</b>	<b>VISION</b>	<b>VALUES</b>
		
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"> <li>• Safety</li> <li>• Service</li> <li>• Growth<sup>2</sup></li> <li>• Accountability</li> <li>• Integrity</li> </ul>

Commitments to Action

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

Return to Agenda

V. B. 2.  
2/21/2017



Building Community<sub>sm</sub>

## **Human Resources: Recruiting, Retention and Engagement**

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**JEA Board of Directors Meeting  
February 21, 2017**

## Senior Leadership Team

- Diverse leadership team
- Gender, ethnicity, age
- Internal and external (from other industries, consulting backgrounds, and other geographic areas)
- JEA's Corporate Strategy includes goals and objectives around diversity and inclusion which are cascaded throughout the entire organization

## Recruiting

- Pre-Employment testing and Civil Service testing outsourced to ensure: (1) integrity, fairness and confidentiality of the process and materials; and (2) test validity
- Jax Chamber Project Open Door – JEA no longer requires applicants to disclose criminal record history
- Expanding our recruitment “net” (zip code study)
- Apprenticeship “Open Houses,” instructional video, etc.
- Candidates are given individualized help applying for jobs
- Talent Acquisition changes to elevate knowledge of and improvement of diversity in specific work groups
- More than 25 new or enhanced Partnerships with community diversity champions

## Training

- JEA's Senior Leadership Team has engaged in rigorous workshops and training since mid-2013 to enhance their understanding of diversity and inclusion
- Developed timeframe for design, implementation and delivery of Diversity and Inclusion training for entire organization, which began on February 3, 2017 with completion expected by end of fiscal year
- Management training is mandatory and is tracked and tied to individual performance evaluations

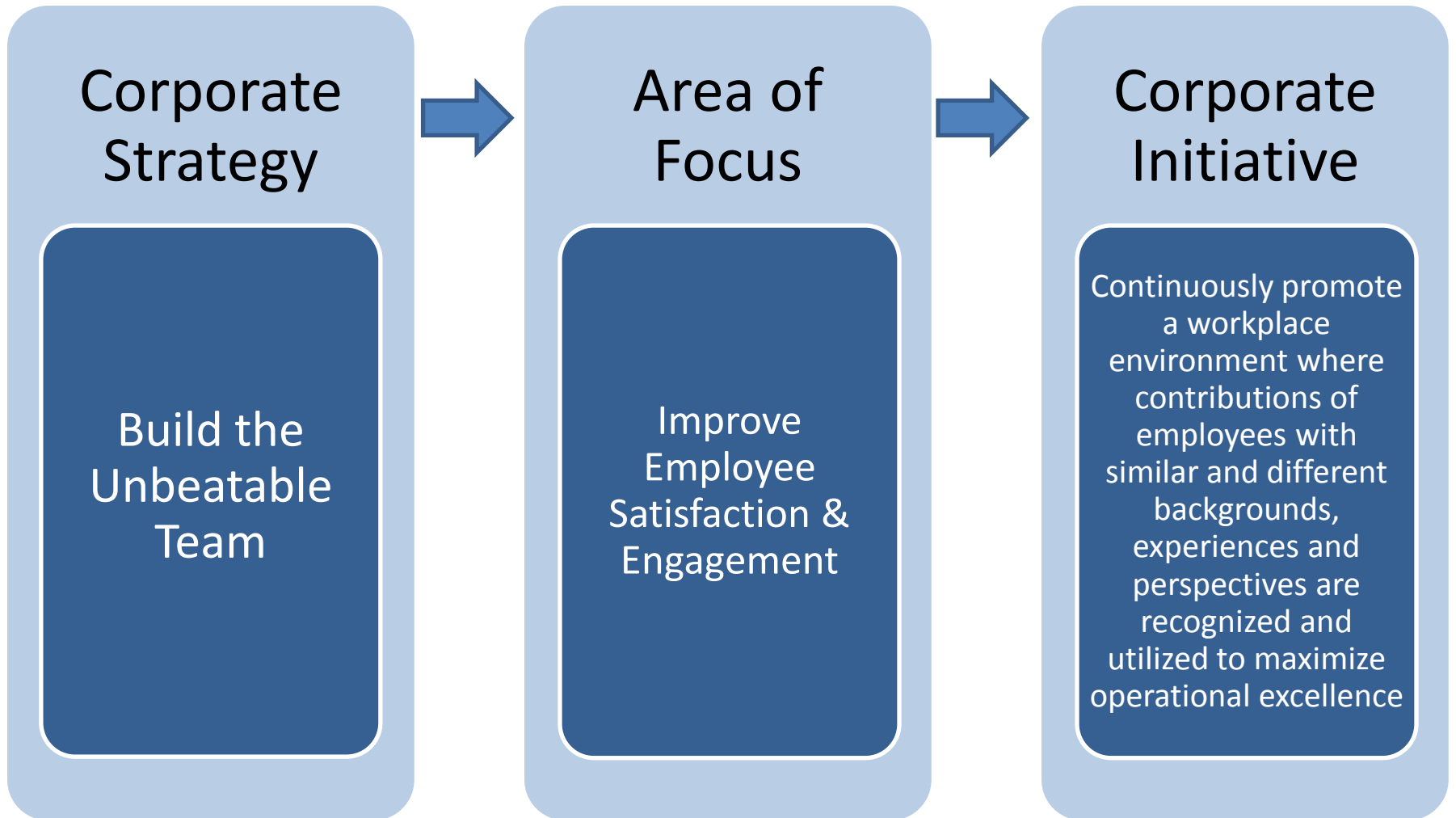
## Promotion

- Employees encouraged to seek opportunities and learning experiences both upward and laterally (Employee Engagement teams, etc)
- Development of much more Computer-Based/On-line Training to increase availability to all employees regardless of shift
- JEA operates a successful Employee Development Program with two levels to help prepare employees for advancement
- Tuition reimbursement program is available to all full time JEA employees to provide opportunity to further education and thus qualify for higher level jobs



# Some of JEA's Diversity Activities

<p>2011 - 2012</p>	<ul style="list-style-type: none"> <li>✓ <b>Assembled Diverse Senior Leadership Team</b></li> <li>✓ Established/Enhanced Partnerships w/Community Diversity Groups</li> <li>✓ Established Partnership w/Black Expo to improve outreach</li> <li>✓ Hosted Study Circles w/Community</li> <li>✓ Enhanced Internal Diversity Celebrations</li> <li>✓ Enhanced Cultural Competency in New Employee Orientation</li> <li>✓ Enhanced diversity emphasis of Co-Op program</li> <li>✓ JASMYN Silver Award 2011, 12, 13, 14</li> </ul>
<p>2013 - 2014</p>	<ul style="list-style-type: none"> <li>✓ Introduced Hispanic Heritage Month Celebration</li> <li>✓ Introduced Women's History Month Program</li> <li>✓ Began partnership w/COJ Mayor's Summer Jobs Program</li> <li>✓ <b>JEA SLT Diversity Strategy launched</b></li> <li>✓ Became strategic partner w/local American Association of Blacks in Energy (AABE)</li> <li>✓ <b>Talent Acquisition process changes</b></li> </ul>
<p>2015 - 2016</p>	<ul style="list-style-type: none"> <li>✓ Established partnerships with FSCJ Programs I-Tech &amp; Year Up</li> <li>✓ Established partnership w/Black Male College Explorers Program</li> <li>✓ Established partnership w/DCPS Early College</li> <li>✓ <b>JEA company-wide diversity/inclusion initiative launched</b></li> <li>✓ <b>JASMYN Gold Award 2015/16</b></li> <li>✓ <b>Pre-Employment &amp; Civil Service Testing Outsourced</b></li> </ul>



JEA's workforce is highly technical:  
mainly composed of Science, Technology, Engineering, Math (STEM)  
or STEM-related Jobs

**Management, Technical & Professional**

- Bachelors degree minimum

657 or 33.8%

**Senior front-line leadership (non-mgt)**

- Apprenticeship & 8+ years experience

214 or 11.0%

**Journeyman or Specialty**

- 4 year apprenticeship minimum

564 or 29.0%

**Apprentices**

- Successfully complete 4 year apprenticeship

69 or 3.5%

**Skilled Positions**

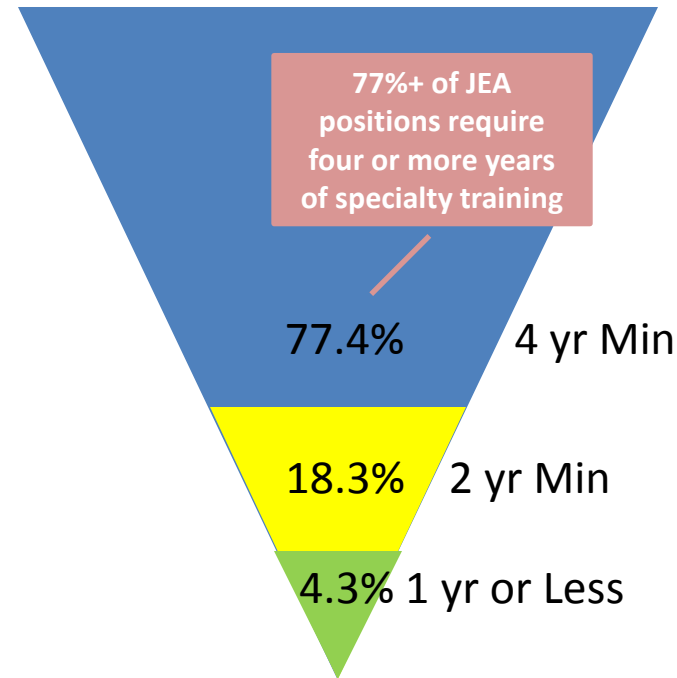
2+ year training and/or experience

356 or 18.3%

**Entry Level**

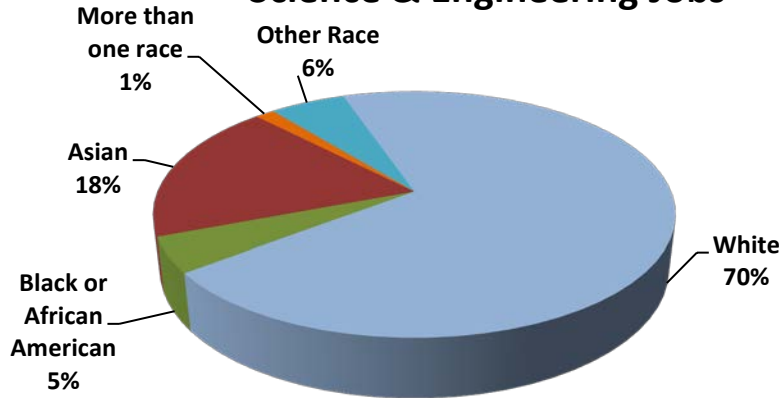
1 year or less training and/or experience

84 or 4.3%

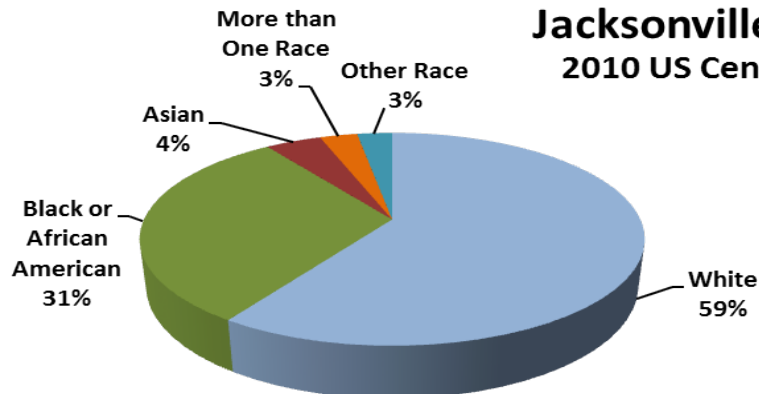


## General Populations

**2010 U.S. Employment by Race  
Science & Engineering Jobs**

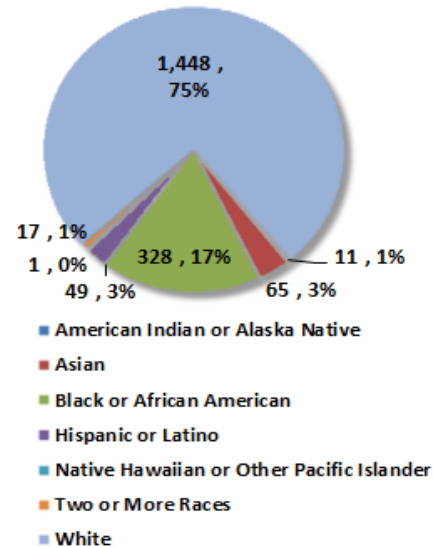


**Jacksonville, FL  
2010 US Census**

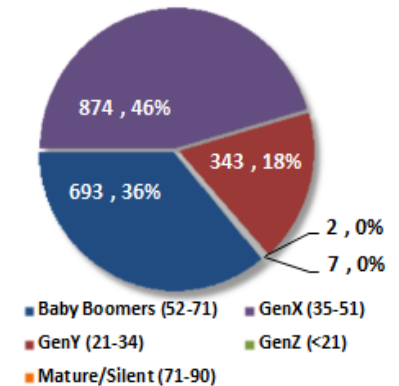


## JEA's Workforce

**Race**

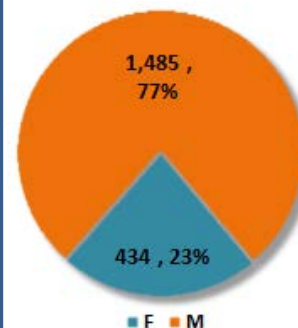


**Generation**

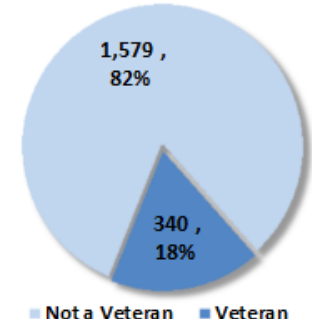


All Data as of Oct 2016

**Gender**



**Veteran**



V. B. 3.

Enterprise Asset Management Request for Proposals



Building Community

AGENDA ITEM SUMMARY

February 8, 2017

<b>SUBJECT:</b>	<b>ENTERPRISE ASSET MANAGEMENT REQUEST FOR PROPOSALS</b>
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<b>Purpose:</b>	<input checked="" type="checkbox"/> Information Only	<input type="checkbox"/> Action Required	<input type="checkbox"/> Advice/Direction
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**Issue:** As JEA's electric sales decline, JEA's focus on expense discipline and operational efficiency is more important now than ever. To provide the business with the tools needed to transform JEA's cost structure, we have increased our focus on Enterprise Asset Management (EAM), with the goal of taking EAM to the next level - ultimately driving cost reductions while improving service quality and reliability.

**Significance:** The utility industry is currently undergoing transformational changes that will require JEA to embrace new technologies, services, systems and processes to improve asset utilization and efficiency. The two RFPs described in this Item are foundational to JEA's Enterprise Asset Management strategy.

**Effect:** These efforts will enable JEA to advance our asset management program, increasing the optimization, utilization, and efficiency of our assets in order to drive down our overall cost structure.

**Cost or Benefit:** These projects provide the tools and building blocks to drive substantial and sustainable cost reductions across the business.

**Recommended Board action:** No action is required by the Board. This item is presented for information only.

**For additional information, contact:** Melissa Dykes or Kurt Peninger

Submitted by: PEM/MD/KP

<b>MISSION</b>	<b>VISION</b>	<b>VALUES</b>
		
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"> <li>• Safety</li> <li>• Service</li> <li>• Growth<sup>2</sup></li> <li>• Accountability</li> <li>• Integrity</li> </ul>

Commitments to Action

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



**INTER-OFFICE MEMORANDUM**

February 8, 2017

**SUBJECT: ENTERPRISE ASSET MANAGEMENT REQUEST FOR PROPOSALS**

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**FROM:** Paul E. McElroy, Managing Director/CEO

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**TO:** JEA Board of Directors

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**BACKGROUND:**

As JEA's electric sales decline, JEA's focus on expense discipline and operational efficiency is more important now than ever. To provide the business with the tools needed to transform JEA's cost structure, we have increased our focus on Enterprise Asset Management (EAM), with the goal of taking EAM to the next level - ultimately driving cost reductions while improving service quality and reliability.

**DISCUSSION:**

The utility industry is currently undergoing transformational changes that will require JEA to embrace new technologies, services, systems and processes to improve asset utilization and efficiency. To transform our cost structure, JEA is increasing focus on EAM in two key areas this year:

- Process Improvement and
- Knowledge capture, management & transfer

The focus in these two key areas will help drive cost structure improvements through data-driven, smart, efficient process changes while simultaneously mitigating retirement risks through more robust knowledge capture and transfer. These two key focus areas are complemented by a third project which provides critical support to both: Data architecture.

As part of this effort, JEA is seeking industry experts to assist with the process improvement efforts and data architecture. In addition, JEA already engaged an industry-leading firm to assist with the first phase of our knowledge capture and transfer efforts, focusing initially on high-risk positions. The combination of these efforts will ensure we have the data needed to ensure more robust and analytical management of assets, further automation of business process, and mitigation of retirement risks.

**RECOMMENDATION:**

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

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Paul E. McElroy, Managing Director/CEO

PEM/MD/KP



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# Enterprise Asset Management Request for Proposals

[Return to Agenda](#)

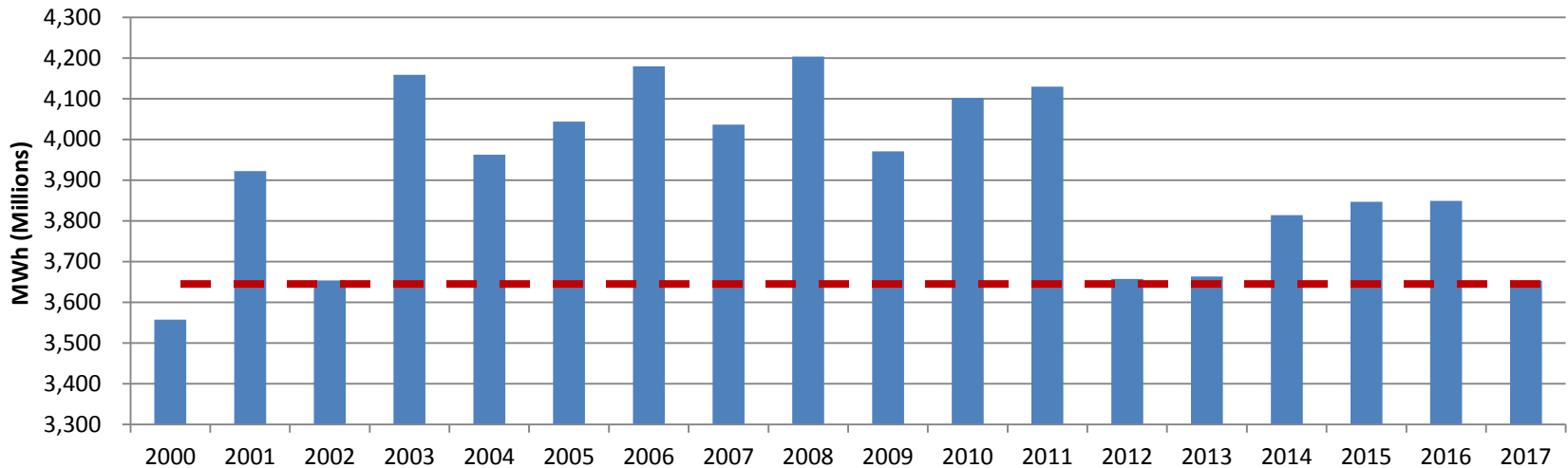
V. B. 3.  
2/21/2017

## JEA Board of Directors

February 21, 2017



## Electric Sales, First four months of fiscal year



- Beginning in 2009, JEA began forecasting flat or declining sales – well ahead of the nation-wide change in electric sales projections
- These sales challenges are not expected to abate
  - Sales through the first four months of FY17 are the lowest in more than 16 years
- Our cost metrics for performance – adopted in 2012 – require every area of JEA to react to lower sales by pegging costs to sales volume

# Strategic Initiatives 2017: Deliver Business Excellence (DBE)

## Corporate Strategies

- Earn Customer Loyalty
- Deliver Business Excellence
- Develop the Unbeatable Team

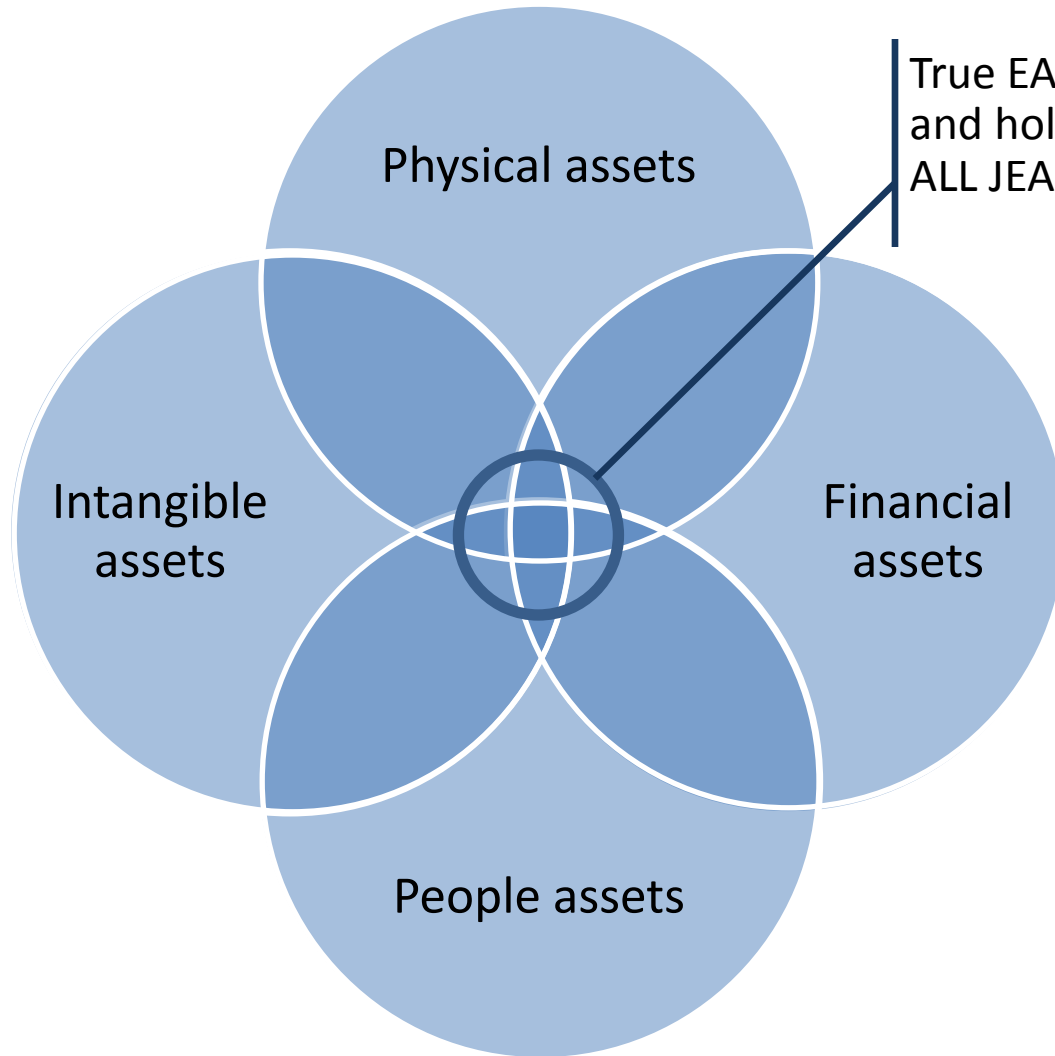
## Deliver Business Excellence

- Grow Revenues
- Leverage EAM Principles to materially improve operational performance, systems efficiency, and cost structure

## EAM

- Establish EAM Principles and Goals
- Align Processes
- Design/Build/Improve Data Collection & Storage
- Incorporate all data into process decisions

# Enterprise Asset Management



True EAM includes strategic and holistic management of ALL JEA assets



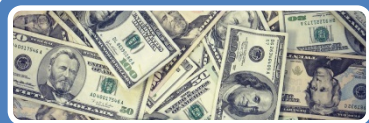
# Goals for FY17 EAM Program



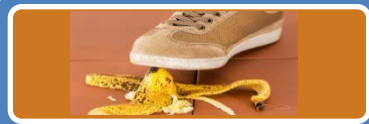
Improve asset utilization



Ensure knowledge capture



Improve life cycle cost structure



Ensure asset risk management



Refine business processes



Provide excellent customer service

# Enterprise Asset Management

## Process Improvement

- Focus on smarter, more efficient work process to provide better service at a lower cost

### Phase 1: Opportunity Identification

- Seek guidance from industry experts on efficiency and optimization<sup>1</sup>

### Phase 2: Opportunity Execution

- Transform business cost structure

## Knowledge Capture, Management & Transfer

- Smarter, data-driven asset management
- Reduce retirement risk through systematic knowledge transfer

### Phase 1: Consultant-led knowledge transfer effort

- Targets identified high-risk individuals
- Scope Records Management and Knowledge Management needs and gaps

### Phase 2: Implement more robust systems to capture and retain knowledge

## Data Architecture

- Supports two main EAM initiatives
- Focus on creation of “Golden Record” for JEA assets
- Engage respected experts for assistance in data architecture<sup>1</sup>

<sup>1</sup> Requests for Proposals for Process Improvement consultant and Data Architect are currently open. Awards expected in early March.

V. B. 4.

JEA Sewer System: Framework to Resiliency Update



Building Community

**AGENDA ITEM SUMMARY**

February 8, 2017

<b>SUBJECT:</b>	<b>JEA SEWER SYSTEM: FRAMEWORK TO RESILIENCY UPDATE</b>
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<b>Purpose:</b>	<input checked="" type="checkbox"/> Information Only	<input type="checkbox"/> Action Required	<input type="checkbox"/> Advice/Direction
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**Issue:** JEA has developed a multi-step, JEA Sewer System: Framework to Resiliency, presented at the November 15, 2016 Board Meeting, to analyze and assess the Hurricane Matthew event in an effort to implement near-term resiliency initiatives and to incorporate system resiliency in major rehabilitation and new construction standards.

**Significance:** Early actions have been implemented in FY17 centered on communications, Florida Department of Environmental Protection (FDEP) partnerships, and operational improvements activities.

**Effect:** Implement immediate opportunities as the first phase to improve system resiliency in an effort to make significant improvements prior to the 2017 hurricane season.

**Cost or Benefit:** Approximately \$7.5 million of additional expenditures in FY17 have been allocated to implement immediate improvement opportunities that were not originally budgeted in FY17. In addition, significant resources have been applied and are ongoing to further identify, design and implement more effective communication plans for various stakeholders.

**Recommended Board action:** Provide the Board an update on the multi-step Framework to Resiliency plan for discussion and feedback, highlighting early actions implemented to make significant improvements prior to next hurricane season. The next step, Analyze, Plan and Implement Improvement Activities, is planned to be presented and discussed at the April Board Meeting.

**For additional information, contact:** Brian Roche 665-6580

Submitted by: PEM/BJR

<b>MISSION</b> 	<b>VISION</b> 	<b>VALUES</b> 
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"> <li>• Safety</li> <li>• Service</li> <li>• Growth?</li> <li>• Accountability</li> <li>• Integrity</li> </ul>

**Commitments to Action**

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

**INTER-OFFICE MEMORANDUM**

February 8, 2017

**SUBJECT: JEA SEWER SYSTEM: FRAMEWORK TO RESILIENCY UPDATE**

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**FROM:** Brian Roche, VP/GM W/WW Systems

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**TO:** JEA Board of Directors

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**BACKGROUND:**

During Hurricane Matthew in October 2016, JEA's Water/Wastewater Systems performed very well in maintaining service to customers as less than 1% lost water and sewer services during the period impacted by Hurricane Matthew. However, JEA experienced sanitary sewer overflows (SSOs) during the three day period after the storm's impact to Northeast Florida primarily due to power outages at over half of JEA's 1375 sewer pump stations and the inability for operating personnel to travel to pump station sites during the peak storm period. JEA's Sanitary Sewer System continues to perform well in normal operating, "blue-sky" conditions. JEA along with many other wastewater utilities across the nation have opportunities to improve storm resiliency, including minimizing overflows during storm events.

JEA has developed a multi-step plan, **JEA Sewer System: Framework to Resiliency**, to analyze and assess the Hurricane Matthew event in an effort to implement near-term resiliency initiatives and to incorporate system resiliency in major rehabilitation and new construction standards. At the November 15, 2016 Board Meeting, the multi-step Framework to Resiliency was presented and discussed, including detailed reports on: Hurricane Matthew Assessment Report, Major Capital Improvements and Significant O&M Activities, and the Governor's 90-Day Emergency Rule: Public Notification of Pollution which was effective beginning September 26, 2016.

**DISCUSSION:**

Additional steps of the overall Framework to Resiliency plan are scheduled to reach milestone points and be discussed at future Board Meetings during this 2017 calendar year as noted in the attached presentation. Significant activities have been performed to date since Hurricane Matthew, including:

- Communication: FDEP<sup>1</sup>, Waterways Commission, Industry and other stakeholders
- Communication: Enhanced reporting of Reportable SSOs and minor events on JEA.com
- Regulatory: FDEP Evaluation of SSOs Associated with Hurricanes Hermine & Matthew
- Regulatory: CMOM<sup>2</sup> Assessment conducted under FDEP's oversight began in January
- Immediate Opportunities: Prioritized assessment of 1375 Pump Stations' power supply ongoing
- Immediate Opportunities: Approximately \$7.5 million of additional expenditures in FY17

**RECOMMENDATION:**

Provide the Board an update on the multi-step Framework to Resiliency plan for discussion and feedback, highlighting early actions implemented to make significant improvements prior to next hurricane season. The next step, Analyze, Plan and Implement Improvement Activities, is planned to be presented and discussed at the April Board Meeting.

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Paul E. McElroy, Managing Director/CEO

PEM/BJR

<sup>1</sup>FDEP – Florida Department of Environmental Protection

<sup>2</sup>CMOM – Capacity, Management, Operation, and Maintenance Assessment



# JEA Sewer System: Framework to Resiliency

**JEA Sewer System: Framework to Resiliency**

**Nov 2016** **Hurricane Matthew Assessment Report**

- Detail sanitary sewer failures during Hurricane Matthew
- Include sanitary sewer overflow history and benchmarks
- Governor's 90-Day Emergency Rule: Public Notice of Pollution

**Nov 2016** **Report Major Capital Improvements and Significant O&M Activities**

- Major capital and O&M in the past twelve months
- Major capital and O&M in the next twelve months
- All 1,375 pump stations will have individual site reviews to improve electrical supply (ex. tree trimming, underground service, generators, controls, etc.)

**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

**Sept 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

FDEP - Florida Department of Environmental Protection 5

**JEA Sewer System: 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**
- Capacity, Management, Operations and Maintenance review
- Resiliency standards design

3

## PRELIMINARY UPDATE

- **Communication:** FDEP, Waterways Commission, Industry, and other stakeholders
- **Communication:** Enhanced reporting of Reportable SSOs and minor events on [JEA.com](http://JEA.com)
- **Regulatory:** CMOM Assessment conducted under FDEP's oversight began in January
- **Immediate Opportunities:** Prioritized assessment of 1375 Pump Stations' power supply
- **Immediate Opportunities:** Approximately \$7.5 million additional expenditures in FY17
- **System Resiliency Assessment:** Mid-Range and Longer-Term Standards evaluated in CY17

# Immediate Opportunities: Early Actions

## Operating Activities

- 1375 Pump Stations Data Collection/Analysis/Grouping **Nov – Apr / Ongoing**
- Pump Station Mitigation plans in various stages of planning and implementation
- Mutual Aid Outreach **Feb - Apr**
- Rentals/Insurance Policy **Jan – Mar: Quotes**
- January 21<sup>st</sup> Elevated Weather Event: Storm Preparation **75 Staff  
Activated Generators**
- Functional Response Plan **Mar – Apr: Rewrite**

## Capital Investments

- 9 Portable Generators, 20% increase **Jan purchase**
- 48 Fixed Generators, 20% increase **Feb 21<sup>st</sup> Bid Opening, Turn-key**
- 5 Diesel Pumps, 10% increase **Nov – Mar purchase**
- 118<sup>th</sup> St and Holiday Road (Pottsburg) Electrical Controls **Feb: Eng Firm began assessment for July 1<sup>st</sup> in-service**
- Buckman Main Pump Station Generator Design

## Design Changes

- 28 MGD Bradley Rd PS Design Change – Generator & Cat 5 Electrical Room **Dec - Jan**
- Draft Development Design Standards Enhancements **All New Pump Stations to have Generators?**

**Next Step: Analyze, Plan and Implement Improvement Activities to be discussed at the April Board Meeting**

V. B. 5.

Electric System Generation Planning



February 8, 2017

<b>SUBJECT:</b>	<b>ELECTRIC SYSTEM GENERATION PLANNING</b>
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<b>Purpose:</b>	<input checked="" type="checkbox"/> Information Only	<input type="checkbox"/> Action Required	<input type="checkbox"/> Advice/Direction
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**Issue:** This report provides an update on the current status of JEA's generation fleet and near-term additions to the generation fleet, including several Solar Photovoltaic (PV) Power Purchase Agreements (PPAs), the Plant Vogtle nuclear PPA, and the anticipated return of over 380 MW of St. Johns River Power Park (SJRPP) at the end of JEA's PPA with FPL. An update on current issues with Toshiba/Westinghouse, the primary contractor for Vogtle, is also provided.

- Significance:**
- The JEA generation fleet is long in capacity, due to the long lead-times for planning, the economic downturn of the prior decade, and the decrease in per capita energy consumption due to successful energy conservation efforts. With the addition of the returned capacity from SJRPP and the Vogtle PPA, JEA would be approximately 1000 MW over-supplied in capacity by 2020.
  - Toshiba, the parent company for Westinghouse, has announced large writedowns associated with their nuclear projects and is in the process of restructuring to raise funds to cover the losses.

- Effect:**
- The continued, long term supply of reliable and affordable electricity to our customers is a primary goal of electric system planning. Due to the over supply of capacity, efforts will be required in the near future to right-size the fleet in order to reduce operating costs to a level commensurate with our load.
  - At Vogtle, the contract between the co-owners and Westinghouse places most of the risk on Toshiba/ Westinghouse. Nevertheless, the financial health of the primary contractor is a concern.

**Cost or Benefit:** Going forward, JEA will look to optimize cost, risk mitigation, and operational flexibility against any pending and future environmental regulations to ensure reliable, affordable service for customers now and in the future.

Regarding Vogtle, our recent rate restructuring provides adequate contingency for most potential scenarios.

**Recommended Board action:** No action is required by the Board; this item is submitted for information.

**For additional information, contact:** Steve McInall, 665-4309

Submitted by: PEM/MGB/MHD/SGM

 <p><b>MISSION</b></p> <p>Energizing our community through high-value energy and water solutions.</p>	 <p><b>VISION</b></p> <p>JEA is a premier service provider, valued asset and vital partner in advancing our community.</p>	 <p><b>VALUES</b></p> <ul style="list-style-type: none"> <li>• Safety</li> <li>• Service</li> <li>• Growth<sup>2</sup></li> <li>• Accountability</li> <li>• Integrity</li> </ul>
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**Commitments to Action**

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



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# Electric System Generation Planning

[Return to Agenda](#)

V. B. 5.  
2/21/2017

## JEA Board of Directors

February 21, 2017



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# JEA's Ten-Year Site Plan

- JEA has 3,408 MW today of summer generating capacity, against a 2,638 MW peak demand.
  - Including required 15% regulatory reserves, we are long about 400 MW.
- JEA will add 383 MW SJRPP capacity in 2019 due to suspension of the PPA. In addition, the SJRPP Joint-Ownership Agreement expires in 2022.
- JEA will add another 206 MW capacity when Vogtle Units 3 and 4 come online in 2019 and 2020.
- Future capacity reduction will be necessary to improve fleet efficiency and JEA cost structure.
  - Going forward, JEA will look to optimize cost, risk mitigation, and operational flexibility against any pending and future environmental regulations to ensure reliable, affordable service for customers now and in the future.

Facility	Primary Fuel Type	Generating Capacity (in MW)	Year in Service
<b>Natural Gas: 1,790 MW (56%)</b>			
Brandy Branch	Natural Gas	651	2001 – 2005 <sup>2</sup>
Northside Gen Unit 3	Natural Gas/Oil	524	1977
Kennedy	Natural Gas	300	2000 – 2009 <sup>2</sup>
Greenland Energy Center	Natural Gas	300	2011
Trail Ridge	Landfill Gas	15	1997 – 2015 <sup>2</sup>
<b>Solid Fuel: 1,406 MW (44%)</b>			
SJRPP	Coal	626	1987 – 1988 <sup>2</sup>
Northside Gen Units 1 & 2	Pet Coke	586	2003
Scherer 4	Coal	194	1989
<b>Peaking Reserve: 212 MW</b>			
Northside CTs	Diesel Fuel Oil	212	1975
<b><u>Grand Total: 3,408 MW</u></b>			

Jacksonville Solar	Solar PV	12	2010
New Solar	Solar PV	36.5	2017
Plant Vogtle (future)	Nuclear	206	2019/2020
SJRPP (end of FPL PPA)	Coal	383	2019

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

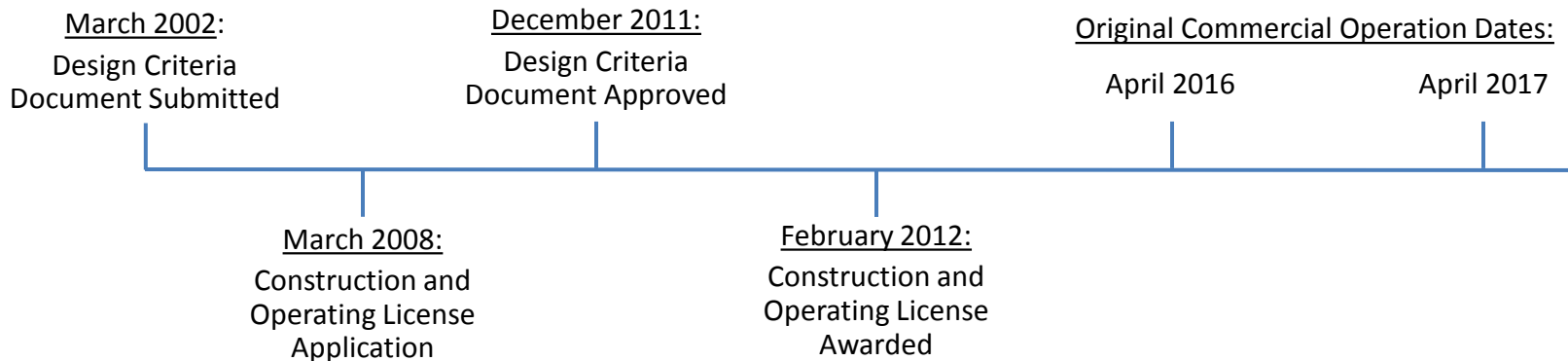
<sup>1</sup> Based on summer net ratings and entitled capacity. Winter net ratings and entitled capacity is 3,743 MW

<sup>2</sup> Multiple units and multiple in-service dates

# JEA Participation in Plant Vogtle: Background

- In 2008 JEA's Board issued a Resolution calling for 10 percent of JEA's energy to be from nuclear power
- Nuclear provides a zero carbon source of baseload energy and further diversifies JEA's fuel mix
- JEA entered into a Power Purchase Agreement with MEAG Power in June 2008

## Original Timeline





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# Updated Project Schedule and Structure

## Corporate Timeline:

Toshiba acquires Westinghouse – **2006**

GA Power executes Engineer, Procure, Construct contract with Westinghouse and Shaw/Stone & Webster – **2008**

CB&I acquires Stone & Webster – **2013**

Westinghouse acquires Stone & Webster - **2015**

Toshiba restates acquisition costs - **2016**

A series of legal challenges and mergers resulted in Westinghouse assuming responsibility for project completion

- Westinghouse is a wholly-owned subsidiary of Toshiba
- Financial guaranty from Toshiba in addition to \$920 million letters of credit

Revised guaranteed completion dates June 2019 and June 2020

- Additional schedule pressure likely on Unit 3, and Unit 4 schedule remains achievable

JEA’s latest site visit and construction project inspection (February 3, 2017) showed considerable progress since the prior inspection and robust continuing construction progress



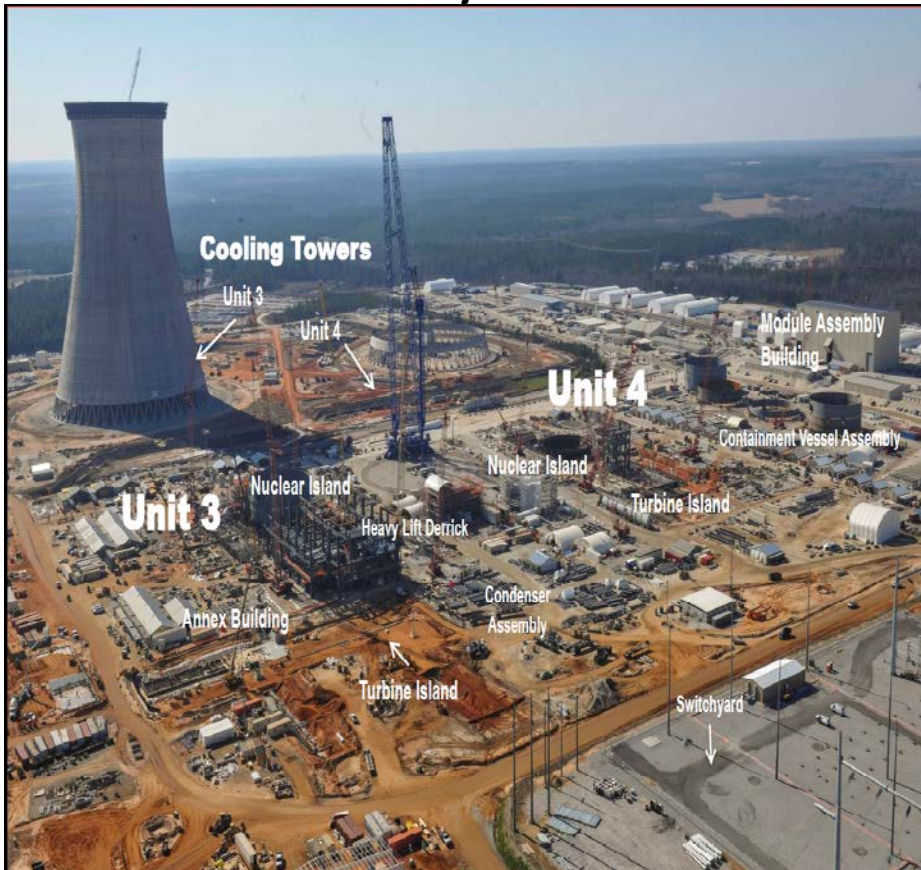
# Toshiba Recent Developments

- On December 27, 2016, Toshiba announced that the Westinghouse acquisition of Stone & Webster will cost “several billion” more USD than anticipated.
- Toshiba’s credit ratings were downgraded to Caa/CCC+
- Toshiba is considering the sale of a non-controlling interest in its high performing memory chip business, as well as other non-core assets.
- Toshiba’s primary banks, Sumitomo Mitsui Banking Corp., Mizuho Bank Ltd. and Bank of Tokyo Mitsubishi UFJ Ltd. will wait until at least the end of February to call outstanding loans.
- News sources reported that Toshiba would be exiting the nuclear construction business but would complete construction of plants already in progress (Vogtle and Summer).
- Toshiba’s 3<sup>rd</sup> quarter FY2016 (December 31, 2016) business results have been delayed until March 14, 2017. However, Toshiba announced an impairment of \$6.3B on February 14, 2017.

# Construction Update – January 2015

## January 2015

## December 2016



# Construction Update – Vogtle 3 & 4 Nuclear Island Activity

Inside Unit 3 Containment



Inside Unit 4 Containment

