



JEA[®]



Corporate Measures

Our mission will be guided by and evaluated against how we as employees drive these four Corporate Measures of JEA's Value

- 1) Customer Value
- 2) Financial Value
- 3) Environmental Value
- 4) Community Impact Value

HEADLINE PRIORITIES

Five focus areas of JEA necessary for future success.

- 1) **Create an Adaptive Culture**
- 2) **Align to a pervasive commitment to profitability and value**
- 3) **Create platform for customer choice**
- 4) **De-Risk business**
- 5) **10-Year strategic plan in line with Guiding Principles**



ACCELERATING WATER INNOVATION

Integrated Water Resource Planning

Renewable Natural Gas

Beneficial Reuse of Byproducts

Organics Recycling

Protecting the St. Johns River

Conserving our Water Resource

Purified Water

IMPROVING LIVES BY



ACCELERATING INNOVATION

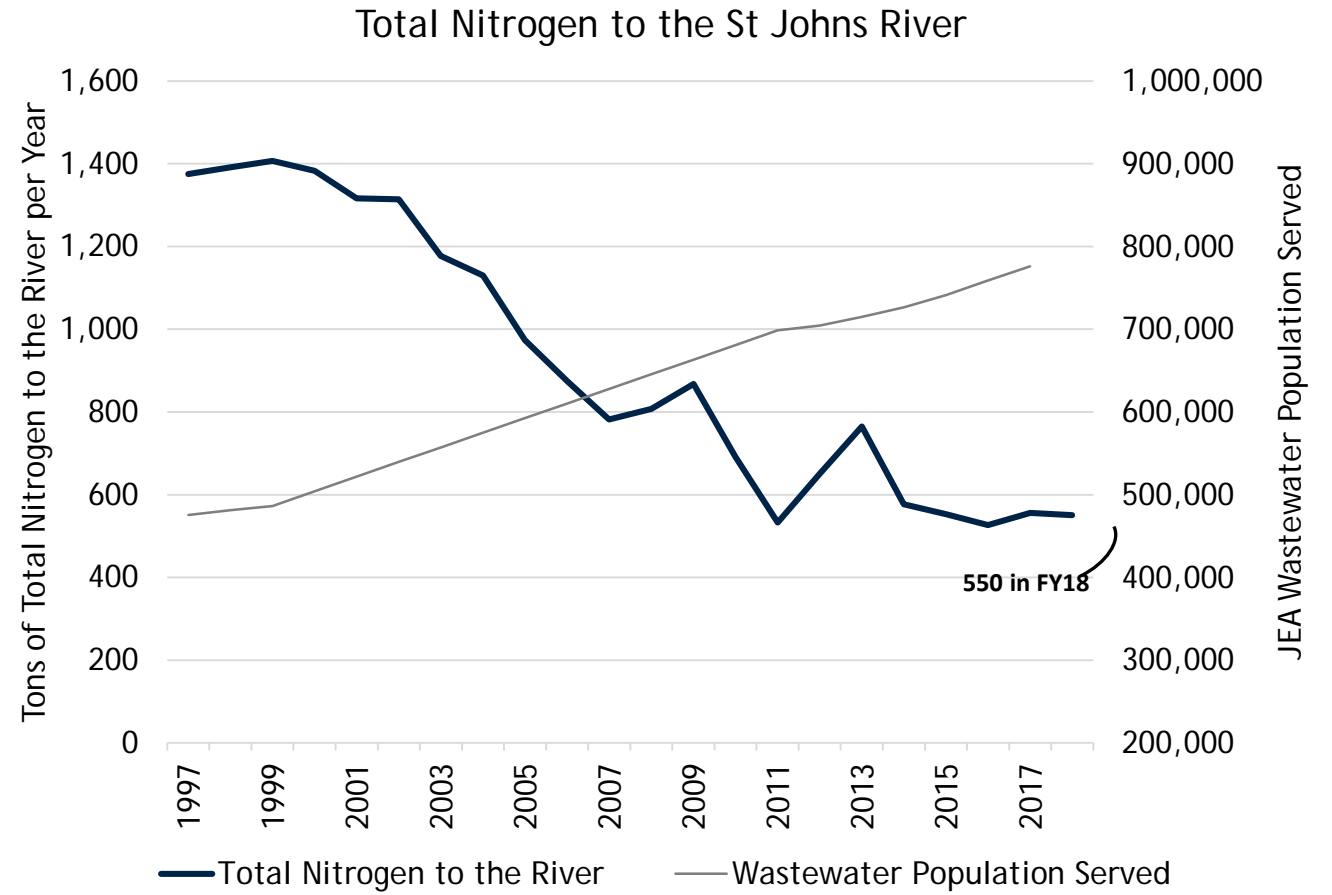
JEA reduced nitrogen discharge by 60% while population grew by 37%

- Improve treatment at regional facilities
- Phase out old technology
- Build reclaimed system



JEA's SUCCESSFUL STRATEGY

Lowest in JEA's History



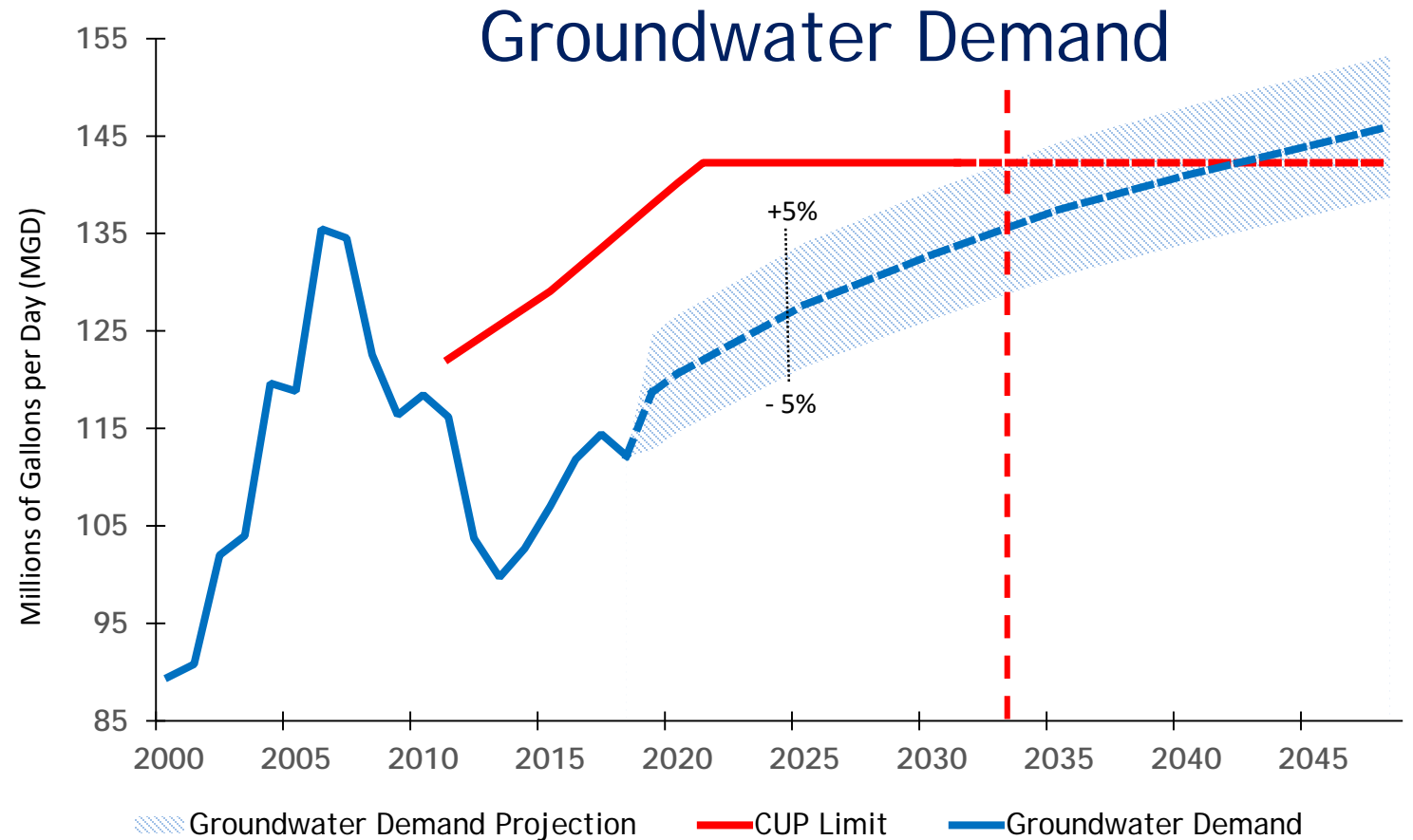
Protecting the Aquifer through Conservation

Groundwater Allocation

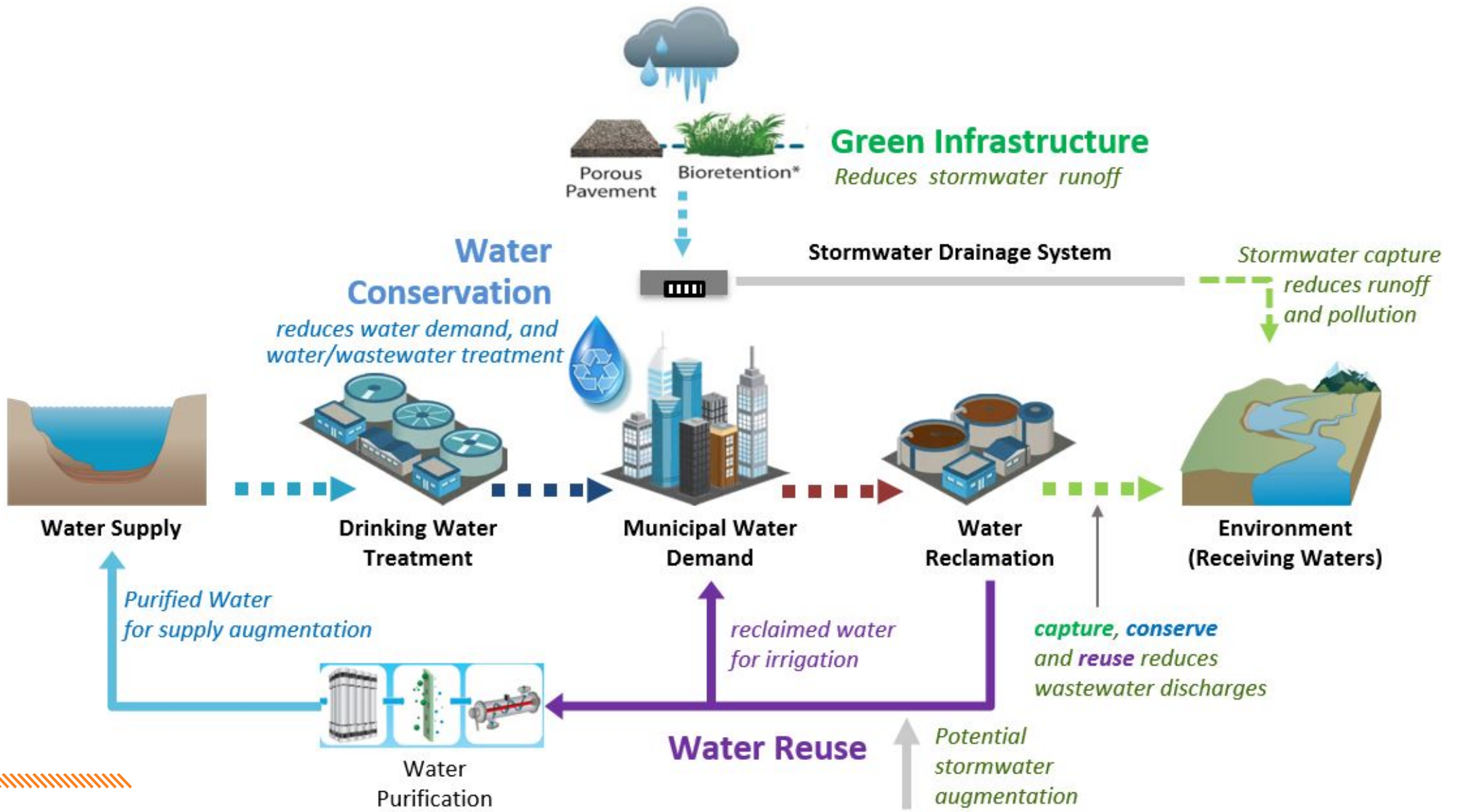
- Consumptive Use Permit expires in 2031
- Capacity is limited to 142 MGD

Water Conservation

- Expansion of reclaimed system
- Tiered rates
- Public messaging/conservation efforts
- Housing fixture efficiencies

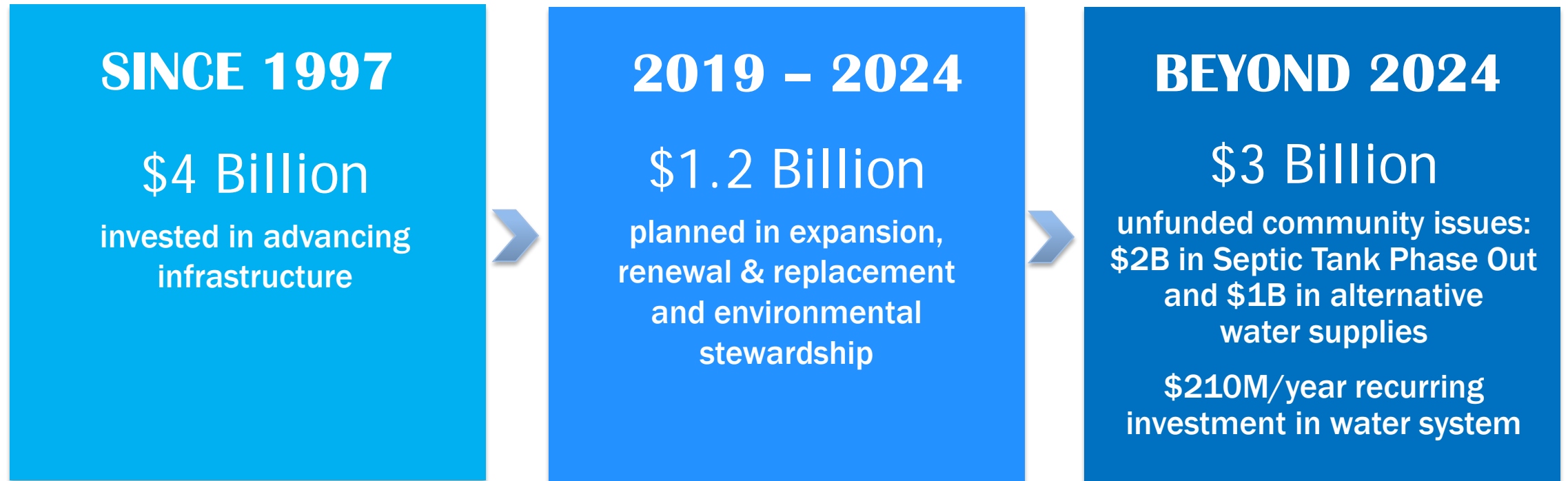






INTEGRATED WATER RESOURCE PLAN (IWRP)

Investing in Our Water Evolution



- JEA leading State and Community on STPO and Purified Water
- Additional \$15MM (\$45MM total)
 - 1st neighborhood started
 - RFP for new technologies issued
 - Completed 1st purified water test

ACCELERATING INNOVATION



Intelligent Transportation

Microgrids

Multi-Energy Station

Battery Storage Systems

Big Data

Smart Buildings

Waste to Energy

Solar

Blockchain

Electric Bus

Sustainable Development

EV Car Sharing

Smart House

IMPROVING LIVES BY
JEA
ACCELERATING INNOVATION

AUGUST 8, 2005

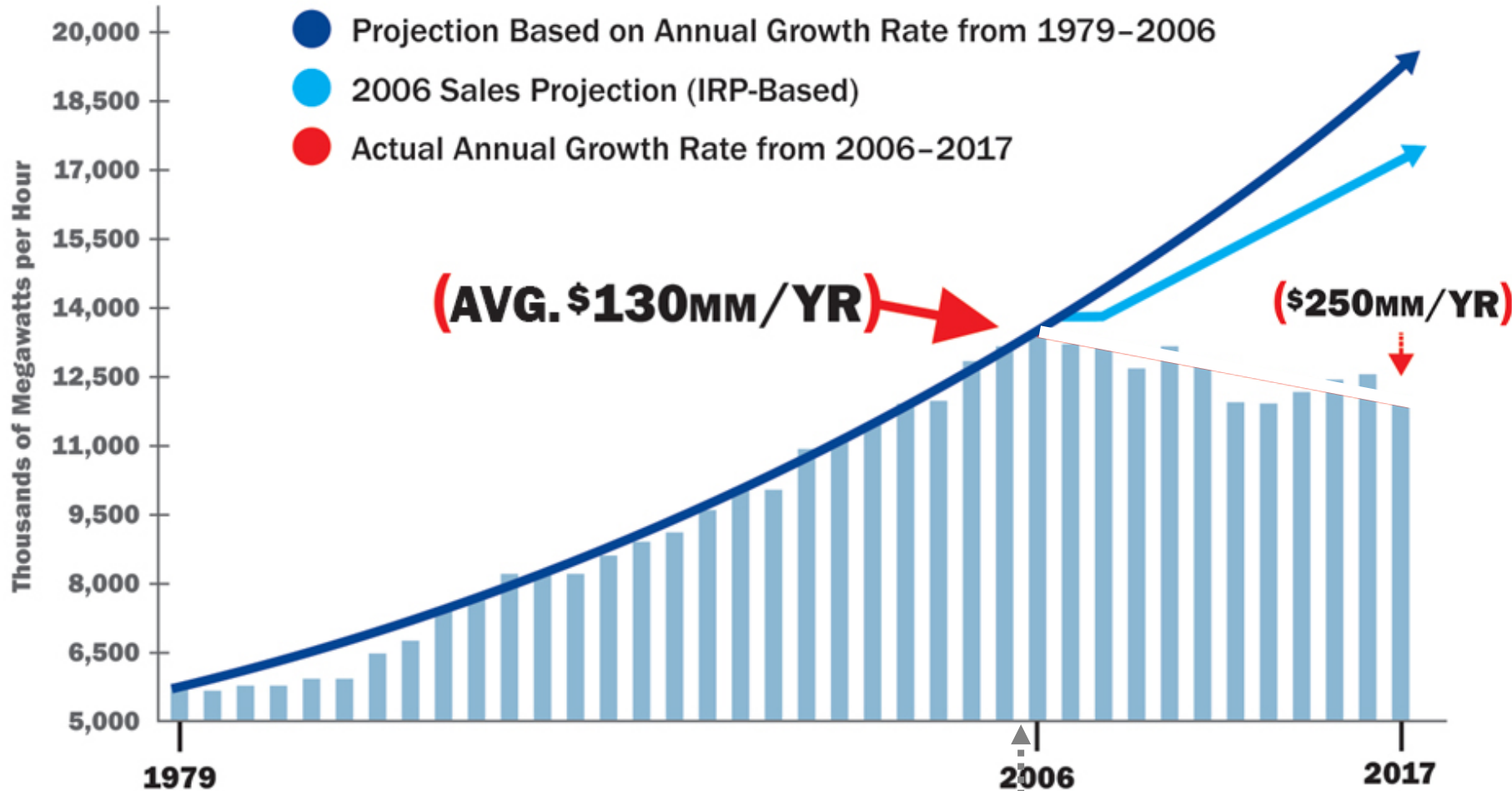


ENERGY EFFICIENCY
2000's TECHNOLOGY TREND



ENERGY POLICY ACT OF 2005

2007-to-2017: Loss Of \$1.4 Billion In Free Cash Flow



Energy Policy Act of 2005

Energy Efficiency IMPACT

- Mandates account for >90% of reduction in electric sales
- 30% lower sales in 2017 than forecasted back in 2006

In last 10 year, technology disruption cost JEA and the City of Jacksonville

	2006 Actual	2018 Actual	Change	Change %
Rates (\$ yield per Mwh)	36	62	26	71%
Unit Sales (MWh)	13,440,900	12,364,340	(1,076,560)	(8)%
# of Customers	402,142	466,411	64,269	16%
Annual City Contribution	88,688	116,620	27,932	31%
Total JEA Headcount	2,598*	2,191	(407)	(16)%
Maintenance and other OpEx	\$194,355	\$296,307	\$101,952	52%

*As of 2008

- 407 jobs eliminated since 2008
- Customer rates 71% higher (went from lowest in the state to median)
- Operating cost are 52% higher
- Annual contribution by JEA to COJ should have been \$80+MM / yr higher
- \$1+ billion of infrastructure investments in the community diverted to accelerate debt in order to deal with over leveraged business (90+% debt / assets in 2006)

SOLAR & OTHER (2010's tech trend)

Adoption Rate



- Solar growth increasing in JEA territory 67% CAGR since FY 14
- >\$2.5MM of Net Income lost to distributed generation annually

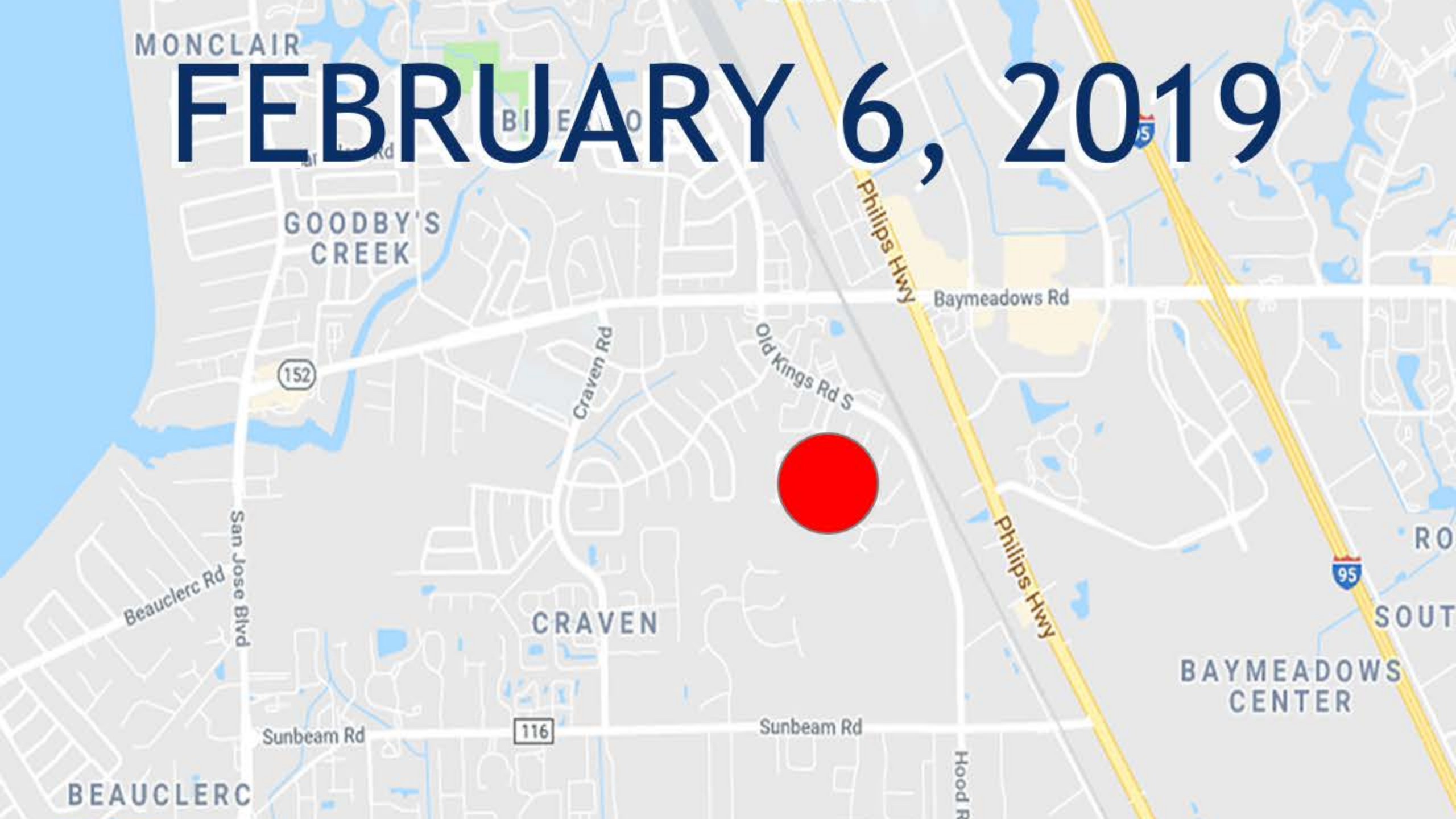
BATTERIES (2020's tech trend)

Adoption Rate



- Similar cost / performance trends to Distributed Generation (DG)
- DG + Storage will be at cost parity with utility by ~2025

FEBRUARY 6, 2019





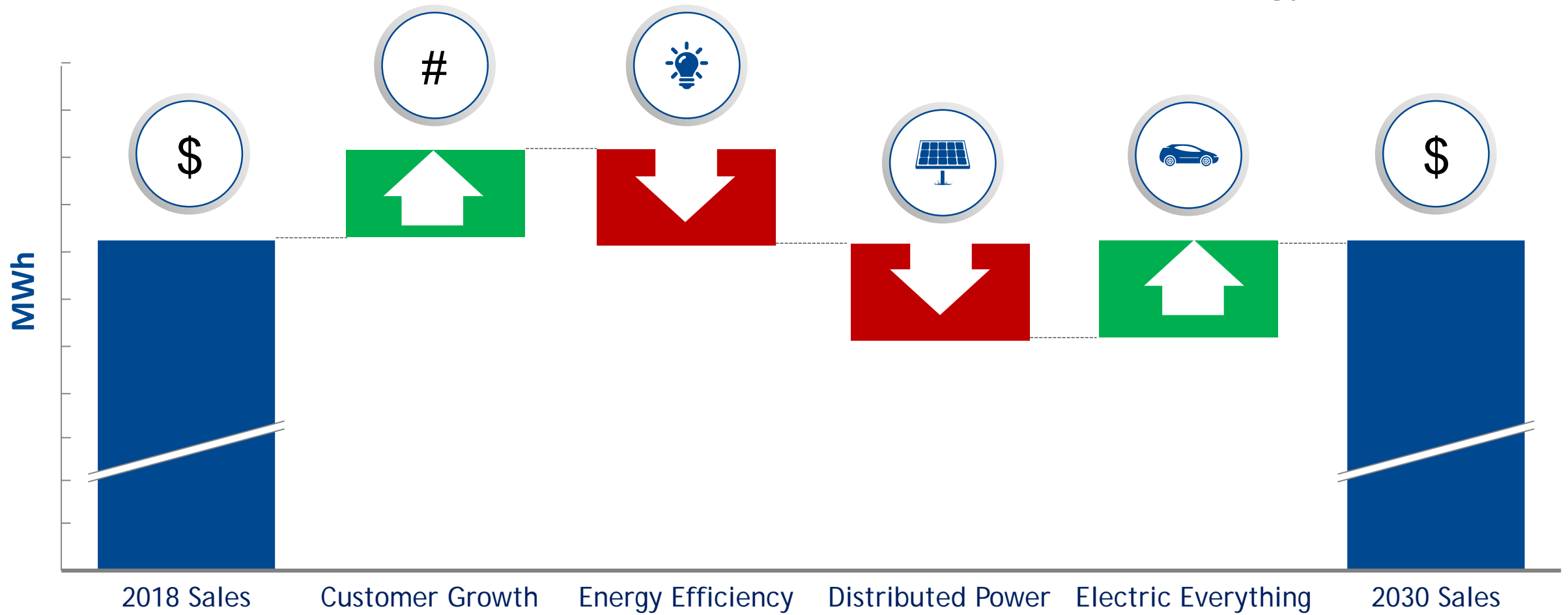
SOUTHSIDE JACKSONVILLE

- 1,900 sq ft, Built 1993
- 3 bedrooms, 2 bathrooms
- Estimated value: \$250,000



National Trends Will Substantially Impact JEA by 2030

2030 JEA Energy Sales Drivers



The boiling frog theory states that if a frog is placed in boiling water, it will jump out, but if it is slowly heated, it will not perceive the danger and die ...

I don't get the relevance ... Isn't this supposed to be a seminar about JEA and its future?



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IMPROVING LIVES BY ACCELERATING INNOVATION

