

Proposed
Operating and Capital Budget
For FY04/05



INTER-OFFICE CORRESPONDENCE

June 15, 2004

SUBJECT: Proposed Fiscal Year (FY) 04/05 Operating & Capital Budgets

FROM: Walter P. Bussells, CEO

TO: Chairwoman and Board Members

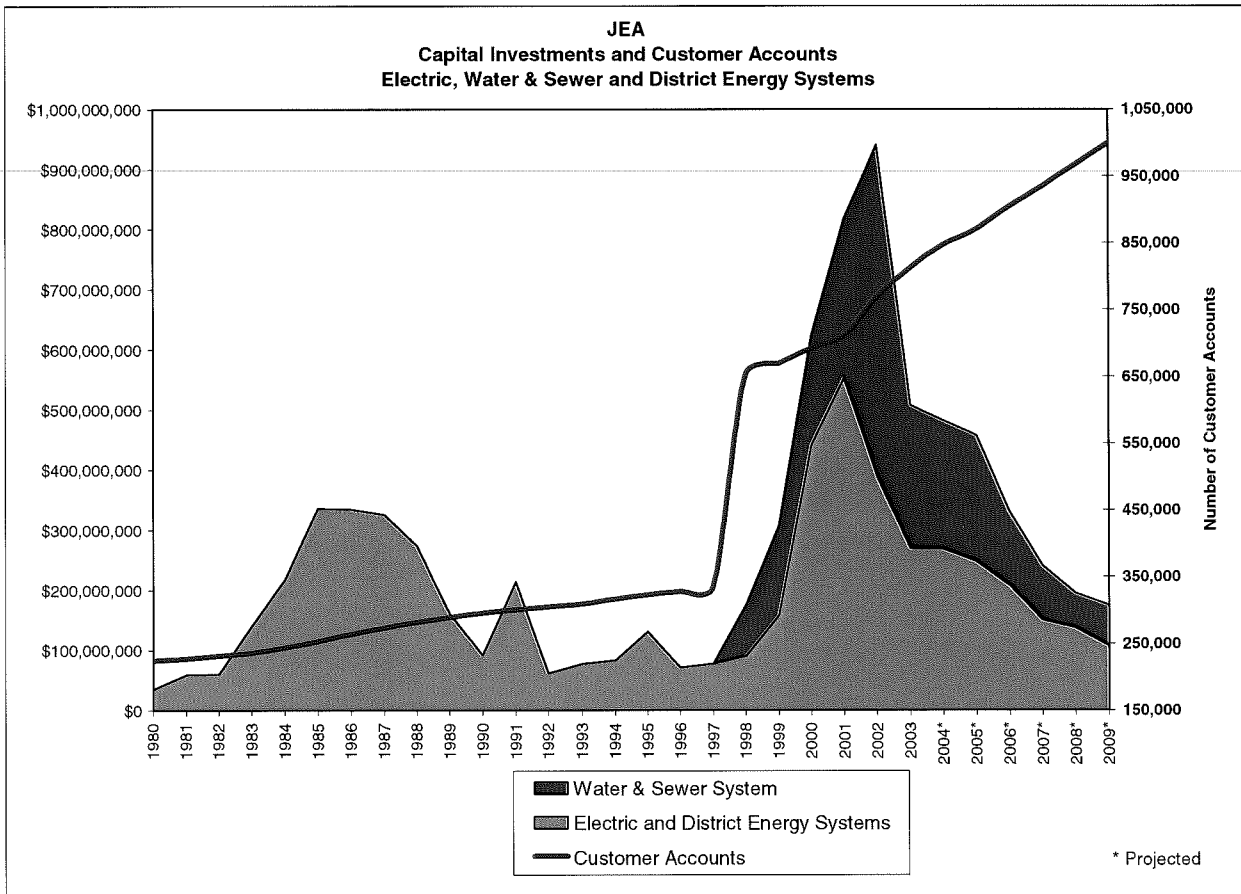
EXECUTIVE SUMMARY

Annually, JEA staff recommends and, after the JEA Board's review and action, transmits JEA's recommended Water and Sewer System and Electric System operating and capital budgets to the Jacksonville City Council for final action. For FY 04/05, for the first time, JEA staff will also be recommending a District Energy System (previously referred to as Chilled Water Business) budget. By law, JEA must submit its proposed budget to the City Council by July 1. JEA staff develops the draft budget based on prior JEA Board policy direction.

A Transition Period

JEA is in a transition period now for capital investment and operational focus. A capital investment chart on page 2 shows the major JEA investment cycles in the past two decades, including the current period when needed capital investment is dropping substantially for several years, as new customers are added to grow into the newly expanded utility plant and grid capacity. Fortunately, for JEA's customers, these capital investments in future growth capacity have been made in a period of low inflation, low construction costs, and low interest costs. As a result of these investments, JEA's future utility service rates should continue to be lower than other utilities both in Florida and nationally.

In the past five years, JEA successfully managed over 200 capital projects, each with a cost ranging from \$1 million to over \$500 million. JEA's capital investment program totaled over \$3.1 billion in the past five years, \$900 million larger than the Better Jacksonville Plan's \$2.2 billion. In this capital investment cycle transition period for the next several years, our focus will be on effectively managing customer growth, continuing our record-setting service quality and workplace safety improvements, and workforce development for the future.

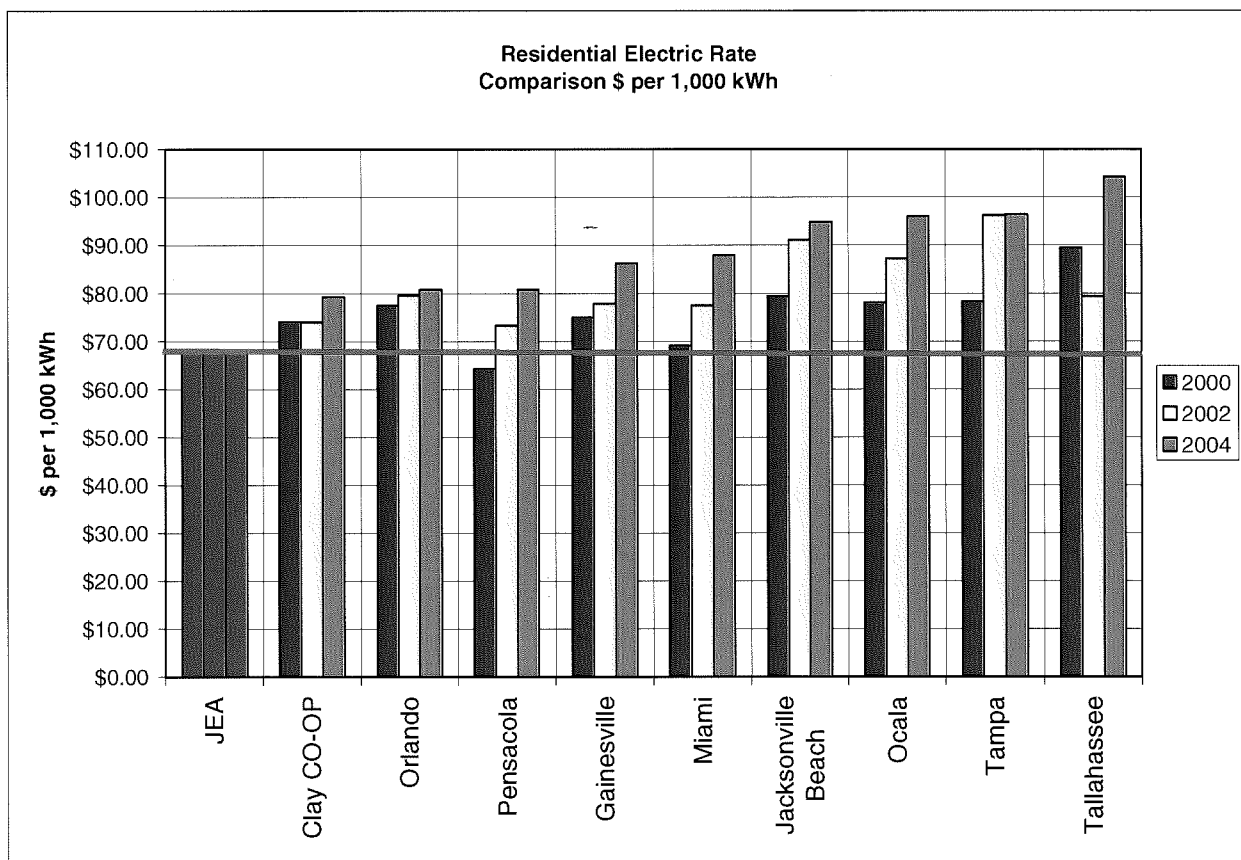


The proposed operating and capital budgets reflect JEA's vision to be the best service provider in the nation. JEA is organized to advance the interests of the people and businesses we serve because we are chartered to reinvest all of our "profits" to improve the quality of life in the communities we serve. The proposed budget provides funding to move to a higher level of service and productivity, by giving consideration to JEA's strategic initiatives stated below:

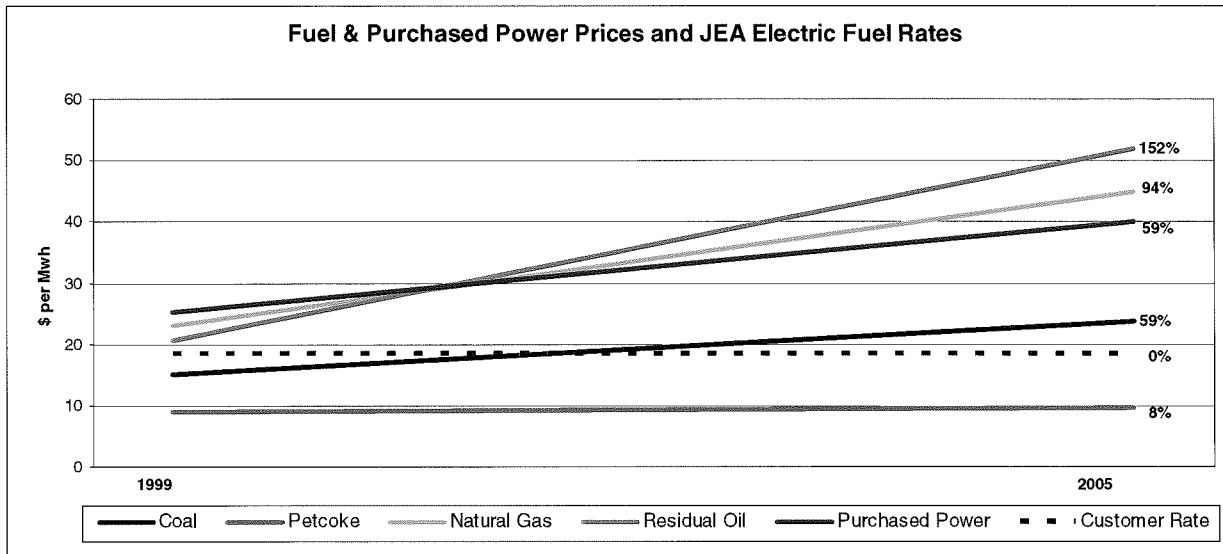
1. Increase the utilization of the assets that are entrusted to the organization.
2. Lead the creation of local, regional and national associations which bring value to our customers.
3. Create conditions which foster employee alignment with our customer expectations and needs.
4. Continue to embrace an injury-free culture.
5. Support the City of Jacksonville and the communities we serve.

Rates

With the sole exception of JEA’s electric fuel rate adjustment, no other rate adjustments are now recommended for change in FY 04/05. A chart below shows JEA’s current electric rate, which is the lowest of the large utilities in Florida, and among the lowest in the United States. Even if JEA’s electric fuel rate is increased in FY 04/05 to recover much higher current fuel costs, JEA’s electric rates will continue to be the lowest of the large utilities in Florida and among the lowest in the United States.



JEA has built in the last five years one of the newest, environmentally sound, most fuel flexible, and efficient electric generating fleets in the country. In addition, JEA helped create The Energy Authority (“TEA”) in 1997, now one of the most efficient wholesale electric and natural gas trading operations in the country. This new generating fleet, combined with The Energy Authority’s cost savings for JEA, has enabled JEA to absorb through increased efficiency most, but not all, of the sharp increase in the last two years in the prices of coal, natural gas, and oil. A chart below shows this large increase in all fuel prices.



Currently, JEA staff estimates the need for approximately 5% more electric revenues in FY 04/05 to recover these higher fuel costs. JEA Board workshops are expected to be held later this year to review and develop potential electric fuel rate adjustment changes to be considered at a rate hearing for rates to be effective during FY 04/05. No other rate changes are required to fund the FY 04/05 budgets.

Debt Management Strategies

JEA’s innovative debt management strategy, adopted by the JEA Board in 1997, and revised from time to time since then, has produced net interest cost savings to date of approximately \$60 million. Staff plans to begin workshops with the JEA Board in the summer of 2004 to consider a next revision to JEA’s Debt Management Strategy.

These workshops will consider financing techniques that could enable JEA to realize net interest cost savings from rising municipal bond interest rates. Implementation of any such policy revision will require a new JEA Bond Resolution approved by JEA Board and City Council. Staff expects to propose such a new Bond Resolution to the JEA Board in the summer of 2004.

Environmental Accomplishments

JEA continues its commitment to environmental leadership. For example, JEA’s clean and green power program is progressing toward our goal of 4% of system capacity from clean and green resources by 2007 and 7.5% by 2015. Working toward this ambitious goal, JEA recently installed one of the largest solar photovoltaic systems in Florida at

the Jacksonville International Airport (50KW). As such, JEA has become the largest user of grid-tied photovoltaic power in the state with 225 KW installed in 36 systems as of May, 2004. Every public high school in JEA's service area has received a system along with a teaching curriculum, laboratory kits and teacher training. Additionally, JEA's solar incentive program provides a monetary incentive for customers interested in installing solar photovoltaic, solar hot water and solar pool heating systems. As of May 2004, JEA has provided incentives to install more than 600 systems resulting in a capacity of ~7MW of solar installations. As a result of our aggressive solar program, Jacksonville has earned the title of "Solar Capital of Florida."

Another example of environmental excellence is the fact that JEA's Water Treatment group recently received an award from the American Water Works Association (AWWA) (Florida Section), for the Outstanding Class B Water Treatment Award for 2004 for our North Grid System. AWWA is the largest association of water treatment professionals in the world, and the Florida section presents the annual award in the recognition of the best operated water plants in Florida. Applicants are evaluated on treatment and capacity, water quality, operational records, maintenance, professionalism, safety, emergency preparedness and public relations. The proposed FY 04/05 budgets enable continued commitment to environmental leadership at JEA. JEA is extending its sewer infrastructure into areas with failing septic systems. Six neighborhoods were designated by the City as the most in need of this service and JEA is working to install these infrastructure projects as well as to provide low-cost extended financing to residents in these areas to help enable them to abandon their failing septic systems and connect to the new sewer system. As these septic systems are properly abandoned, less waste leaks into nearby tidal creeks and river tributaries hence improving the water quality of the St. Johns River system.

A final recent example of JEA's environmental leadership is JEA's partnership with the St. Johns River Water Management District (SJRWMD) and Jacksonville University (JU) to create a local Turf Research Project. JU students are studying various turf covers, both of the plug and seed variety, to determine those best suitable for use in the northeast Florida region. Shaded versus sunny areas, fertilized versus unfertilized grasses, and water-efficient species are all being studied and evaluated to determine what type of turf covers can best be utilized in northeast Florida while conserving our water resources and minimizing our fertilizer and herbicide use, for both environmental and economic benefit.

Building Future Growth Capacity

JEA will complete early in FY04/05 the conversion of two of the Brandy Branch simple cycle combustion turbines to a combined cycle system which will provide our next 190 MW of generating capacity at zero incremental fuel costs and lower emissions. It has a proven design and equipment and was modeled after a new combined cycle plant

recently put in service in Georgia by MEAG Power, our partner in Colectric Partners and TEA. This combined cycle unit is the seventh and final new generating unit at JEA this decade. JEA has finished construction of two new circulating fluidized bed (CFB) boilers at the Northside Generating Station. They now are among the cleanest solid fuel-burning facilities in the world today. While power output has more than doubled at the facility, JEA has achieved more than a 10 percent reduction in major air emissions at the facility, allowing JEA to improve the environment while providing additional low cost power for our growing community. Funding is provided in FY04/05 to continue to increase fuel cost savings through improved unit performance.

In 1997, the City's water and wastewater utility was transferred to JEA. Since that time, JEA has made substantial capital investments to expand system capacity to meet the needs of our growing community. These investments have included the phase out of inefficient plants as well as improvements for existing plants. From 1997 to 2004, JEA has increased the overall peak water system capacity by 39 percent. The rated average daily sewer plant treatment capacity has increased by 36 percent.

During March, 2003, JEA's initial chilled water facility at Hogan's Creek delivered service to its first customer. There is a 20 year agreement signed with the City of Jacksonville to provide service to the new baseball park, new arena and county jail. Currently in construction is the second plant that will serve the downtown area, including the new downtown library and county courthouse. Establishment of a separate JEA District Energy System to include the chilled water business is proposed for FY 04/05. This structure is now possible with the first two plants in operation. This separate structure will improve JEA's future financing flexibility.

Cost Saving Strategic Partnerships

JEA actively seeks relationships and partnerships that bring value to our customers. One of these partnerships is Colectric Partners which was incorporated in February, 2001. Colectric's key current initiatives include Combustion Turbine Projects, Supply Chain Management and Combustion Turbine Spare Parts, which have already saved JEA over \$3 million. JEA, MEAG and Santee Cooper combined cycle plant designs are standardized and will cost effectively share parts and knowledge through Colectric Partners, Inc.

The Mutual Aid Agreement for Extended Generation Outages created in 2003 by JEA with several partners provides for mutual aid in the form of energy and price commitment in the event of an extended outage of a base load generating unit and "catastrophic insurance" which lessens our risk exposure to market rates for energy replacement. It also strengthens the Public Power industry segment through eight leading governmental entities committing to this innovative long-term risk management agreement. There are no ongoing costs other than potential opportunity revenues

forgone if the agreement is activated and market electricity rates exceed the rate charged to a participating partner utility.

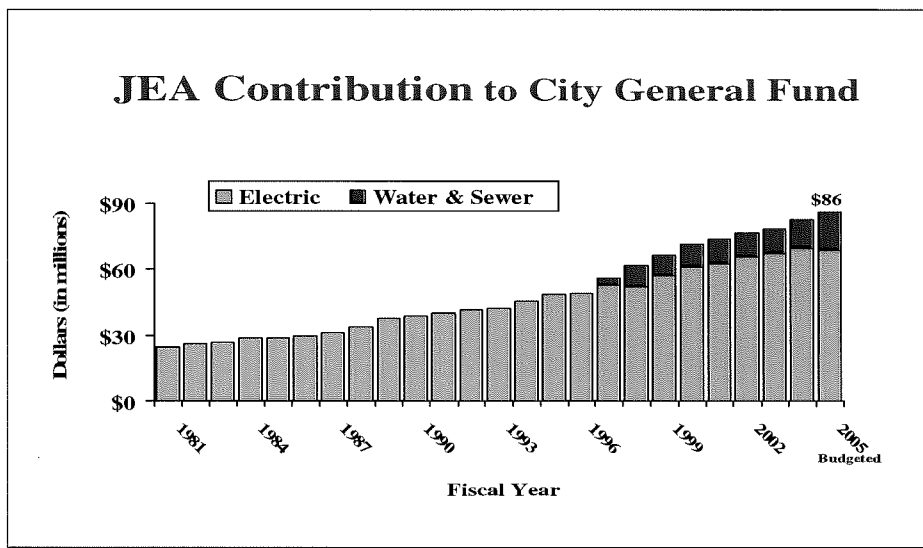
Work is underway to begin implementation in FY 04/05 of a new strategic partnership through TEA and/or Colectric Partners to manage natural gas price and supply risk in new ways. Specifically, it is likely that JEA together with our utility partners will lock in long-term contracts for natural gas and/or purchase ownership interests in producing natural gas fields. By working together, we expect to increase our purchasing leverage to achieve substantial natural gas cost savings, compared to current prices.

Employee Development and Well Being

JEA continues to progress towards an injury-free workplace. JEA's workplace safety results in the current fiscal year are at record safe levels. We provide resources in these budgets to continue our work to further improve workplace safety at JEA. For example, incident analysis is a valuable tool for identifying systemic root causes within the JEA system. JEA collects data surrounding "near-misses" and first aid cases which provides valuable leading indicators for preventing future injuries. JEA communicates the safety message through a variety of venues and provides safety training for all employees in order to continuously upgrade safety skills, knowledge, abilities and results. For example, JEA conducts a high quality Safety New Hire Orientation. JEA also provides resources to recognize, develop and measure areas where there is need for improved safety development.

Contribution to City of Jacksonville General Fund

During the period from 1981 through 2005, JEA's total contribution to the City's General Fund collected from JEA customers will be \$1.22 billion. JEA's annual contribution to the City's General Fund has grown \$61 million, or 243 percent, in this 25 year period from FY 80/81 (\$25 million) to FY 04/05. In FY 04/05, JEA has budgeted a record high \$85.9 million (electric \$68.7 million; water and sewer \$17.2 million) to be contributed to the City of Jacksonville's General Fund. In addition, the City of Jacksonville receives about \$3 million annually from Florida Power and Light (FPL) in annual property taxes and payments due to FPL's participation with JEA in the St. Johns River Power Park (SJRPP).



JEA has achieved this ever-increasing level of financial support for the City's General Fund while transforming itself from Florida's highest-cost producer of electric power to one of the state's and nation's lowest-cost power producers. This level of productivity can be maintained only by a commitment to continuous improvement in everything we do and teamwork with the City and our customers.

Customer Relationship

JEA values its relationship with its customers. JEA is committed to providing superior services at the lowest possible cost. For example, JEA has developed and is now testing a new software application in response to customer feedback asking for more and better information during power and water outages. Various recent national research projects indicate utility customers want utilities to provide more (and more accurate) information during outages. JEA has developed the Enhanced Outage Information System (EOIS) that will offer our customers later this year the option of receiving automated phone calls or, at the customer's option, a text message or e-mail if the estimated time of their power restoration changes, and another call or message to confirm the customer's service is restored. The service is currently being piloted with a planned rollout to all customers this summer. EOIS will provide information about both electric and water service outages and, to our knowledge, will provide a level of service not yet offered by other utilities.

JEA is also offering several new value-added services designed to enhance customer relationships by providing a menu of customer energy solutions, and offering assistance with the identification and implementation of cost-effective decisions for lighting and overall energy needs. For example, our new, self-service, web-based Power Quality and Reliability service offers products to address and mitigate power

quality and reliability issues. We also offer additional power quality/reliability and lighting solutions specifically designed for our larger commercial customers. JEA continues to gain our customers' confidence in the quest to be the best service provider in the nation. On the nationally recognized, independent, American Customer Satisfaction Index (ACSI) survey, JEA is now the second best of over 30 national electric utilities in terms of customer satisfaction ratings. These FY 04/05 budgets contain the resources to continue our steady improvement in customer satisfaction.

ACSI Satisfaction Rating
All Measured Energy Utilities
FY 2004 Second Quarter (0 to 100 Scale)

Companies in Top Quintile/Tier I	Score
Southern Company	81
JEA	79
PPL Corporation	79
Duke Energy Corporation	78
Progress Energy, Inc.	78
Sempra Energy	77

Note: 27 other major electric utility with lower scores.

BUDGET HIGHLIGHTS

This transmittal memorandum is organized into five main sections: 1) JEA Water and Sewer System; 2) JEA Electric System; 3) JEA District Energy System; 4) St. Johns River Power Park (SJRPP); and 5) Plant Scherer. Each section contains a description of the highlights of the operating and capital budgets. Also included with this memorandum are Schedules A through J, beginning on page 22, which summarize the budgets for each section. The proposed operating budget is presented with summaries at the fund levels, beginning on page 32. JEA bond covenants and the City Council require a separate presentation of the Water and Sewer and Electric System budgets. A separate presentation on the District Energy System is also included for the first time. These schedules are followed, on page 36, by the proposed Capital Improvement Plan (CIP) as required by the City Planning Department. Finally, a detailed listing of the proposed capital projects for the Electric and Water and Sewer

Systems is included beginning on page 37.

JEA WATER AND SEWER SYSTEM

The Water and Sewer System's service territory includes (a) virtually the entire City, other than the beach communities (Jacksonville Beach, Atlantic Beach and Neptune Beach), the Town of Baldwin, the active United States Navy facilities located within the City, (b) approximately 143 square miles in St. Johns County, and (c) approximately 620 square miles in Nassau County. In addition, the Water and Sewer System also serves a small number of customers in Clay County.

The Water System, which served an average of 249,157 customer accounts in FY 02/03, currently is comprised of 44 water treatment plants, 150 water supply wells, approximately 3,470 miles of water distribution mains and water storage capacity of over 71 million gallons. The overall peak capacity of the Water System is approximately 292 million gallons per day ("mgd"), and the Water System experienced an average daily flow of approximately 106 mgd and a maximum daily flow of approximately 172 mgd during FY 02/03. Therefore, we have substantial production capacity now available to serve customer growth. Water supply is from the Floridan Aquifer, one of the most productive aquifers in the world, which provides high quality low-cost water. Total Water System sales revenues (including water capacity fees) during FY 02/03 were approximately \$66 million.

The Sewer System, which served an average of 185,221 customer accounts in FY 02/03, currently is comprised of 18 sewer treatment plants that have a combined rated average daily treatment capacity of approximately 115 mgd and a maximum daily flow capacity of approximately 233 mgd, approximately 1,068 pumping stations, approximately 800 septic tank effluent pumps and approximately 3,180 miles of gravity sewers and force mains. The Sewer System experienced an average daily flow of approximately 76 mgd and a non-coincident maximum daily flow of approximately 126 mgd during FY 02/03. Therefore, we have substantial treatment capacity now available to serve customer growth. Total Sewer System sales revenues (including sewer capacity fees) during FY 02/03 were approximately \$108 million.

Proposed Water And Sewer System Operating Budget

Revenues

The total proposed operating budget for FY 04/05 is \$244 million, 8 percent, or \$19 million, more than the amount budgeted for the current year. This projection is based on a 4.9 percent increase in water sales and a 13.3 percent increase in sewer sales in FY 04/05 compared to the current year's budgeted sales. Included is projected investment income in the amount of \$4.3 million, the same as the current fiscal year's

budget. The proposed budget also includes projected capacity fee revenue of \$14 million and projected contributed capital of \$23 million.

Expenses

The four largest expense categories in the proposed operating budget for the Water and Sewer System are Debt Service, Personnel Costs, Other Services and Charges, and JEA Joint Allocation Costs. Combined, these general categories represented 69 percent of the \$244 million operating budget proposed for FY 04/05.

Other Services and Charges are projected to be \$9 million for FY 04/05, \$1 million more than the current budget. The proposed budget also includes reimbursements to the Electric System for services it provides to the Water and Sewer System, such as billing, customer service, computer, building maintenance, accounting, human resources, and other support services.

Water and Sewer System employee budget allocations requested are 532 positions for FY 04/05, the same level as FY 03/04. Temporary hours are requested at 50,000 hours, 10,000 hours less than FY 03/04. Higher employee and work process productivity enable JEA to serve more customers with less total staffing.

Debt Service at \$84 million is 34 percent of the proposed water and sewer system operating budget for FY 04/05. The proposed Water and Sewer system budget includes a debt management reserve of \$3.5 million as specified in the JEA Debt Management Policy.

On May 18, 2004, this Board approved the introduction of water conservation rates that will encourage JEA residential customers to conserve water. The new water conservation rates will be effective October 1, 2004. No additional water or sewer rate adjustments are required for this budget.

JEA's current water and sewer rates are better than average when compared to rates in other major southeastern cities as shown on the following chart:

**Water & Sewer
Residential Rate Comparison
5/8" Meter - 900 Cubic Feet/Month
April - 2004**

1. Atlanta, GA	\$70.92	7. Pensacola, FL	\$43.60
2. Birmingham, AL	\$69.77	8. <u>Jacksonville, FL</u>	<u>\$43.13</u>
3. Ponte Vedra Bch., FL	\$63.59	9. St. Petersburg, FL	\$42.26
4. Charleston, SC	\$59.65	10. Orlando, FL	\$34.03
5. Jacksonville Bch., FL	\$56.33	11. Charlotte, NC	\$33.61
6. St. Johns County, FL	\$48.86	12. Miami, FL	\$30.55

Proposed Water and Sewer System Capital Budget

The proposed capital budget of \$233 million, down from \$319 million, in FY 03/04, reflects, JEA's continuing commitment to rebuild and expand the Water and Sewer System's infrastructure and to develop adequate water and sewer capacities for Jacksonville's projected growth. The project list is subject to coordination with the City on the Better Jacksonville Plan and other City projects, which includes an accelerated road and stormwater drainage program and opportunities for state and/or federal grants. The intense water and sewer rehabilitation and expansion program has sharply reduced the number of sanitary sewer overflows, cave-ins and other service and environmental challenges, as well as lowered operating and maintenance expenses. We expect a continuation of these improved trends in system performance.

The proposed capital budget contains funding for a number of activities, including a significant investment in pipes to be added, replaced or renovated. JEA funds are provided to continue the aggressive automation of water and sewer treatment facilities to increase reliability and reduce future operating costs. Funding will be provided to continue the building of the water and sewer backbone grid for the north and west sections of the county, tie Cecil Commerce Center into our Water and Sewer System and to continue the project to connect the north and south water grids together with a finished water line. Also included in the FY 04/05 budget is the funding to support improvements in our expanded service territory in St. Johns County and Nassau County.

JEA ELECTRIC SYSTEM

The Electric System includes generation, transmission, interconnection and distribution facilities. The generating facilities, located on three plant sites in the City, currently consist of one active dual oil gas-fired steam turbine-generator unit, seven diesel-fired combustion turbine-generator units, four dual-fuel (gas/diesel) combustion turbine generator units and two petroleum coke ("pet coke") and coal-fired circulating fluidized bed ("CFB") steam turbine-generator units. In addition, JEA owns and operates a small generating unit fueled by landfill-gas located at the Girvin Road Landfill in the City. As of May 2004, the total combined installed capacity (excluding units currently out of service) of the Electric System's generating units is 2,058 MW, net, summer and 2,258 MW, net, winter.

The proposed FY 04/05 budget reflects the maximization of fuel diversity and the six new generating units now in service as well as the planned completion in FY 04/05 of the seventh, and final, of our new generating units, wholesale energy market savings from The Energy Authority (TEA), cost savings from the implementation of JEA's TargetSmart initiative (commonly called "Six Sigma" in the private sector), and the employee pay for performance system to reduce operation and maintenance costs and future increase our facilities' performance levels.

Parties to the budget approval process for the Electric System are the JEA Board and the City Council. The St. Johns River Power Park (SJRPP) budget is approved by the two co-owners (JEA and Florida Power and Light Company [FPL]). JEA's share of the SJRPP budget is approved by the JEA Board without City Council review. The budget for Plant Scherer is approved by a majority of the co-owners, of which JEA is one. JEA's share of the Plant Scherer budget is approved by the JEA Board without City Council review.

Highlights of the JEA Electric System FY 04/05 budget are:

- Increased revenues due to projected customer growth and the implementation of a fuel rate adjustment.
- Projected 3.6 percent increase in kWh sales when compared to the current year's budgeted kWh sales, a total operating budget increase of 7.7 percent, and a 2.6 percent increase in customer accounts.
- The proposed budget's purchased power and fuel expenses project an increase of 16.2 percent from FY 03/04 budget.

- Proposed FY 04/05 Capital Budget of \$256 million, down \$106 million from FY 03/04, reflecting the completion of our expanded generation capacity program, including Brandy Branch Combined Cycle Project, reliability and safety improvements and joint participation relocation projects.
- Continued funding for prudent maintenance programs.

The proposed Electric System budget includes a debt management reserve of \$8.9 million as specified in the JEA Debt Management Policy.

The proposed FY 04/05 budget reflects JEA's continued commitment to meet and exceed the expectations of its customers as well as its recognition of the increasingly competitive environment which exists in the generation segment of the electric utility industry. This budget reflects those activities required to ensure that JEA is our customers' electric supplier of choice in the future while providing ever increasing value to the City of Jacksonville.

Currently, JEA's electric rates are the lowest of the major utilities in Florida and among the lowest in the United States. For 13 years, JEA has been able to maintain its low rates despite the cost pressures of rising inflation, increasing regulatory mandates, sharply higher natural gas, coal and oil prices, and customer growth. However, due to the continued, rising fuel costs, this proposed budget includes a fuel rate adjustment representing about 5 percent of total sales revenues.

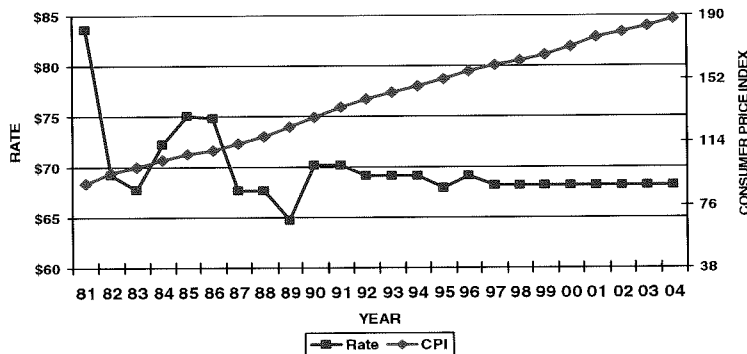
The following rate comparison illustrates JEA's progress over the past 24 years. Jacksonville's rates were once the highest in Florida and among the highest in the United States, and now they are the lowest in Florida, and among the lowest in the United States. Of the nine utilities listed on the following page, JEA is the only utility whose rates have decreased during this 24 year period.

Residential Electric Rate Comparison \$ per 1,000 kWh

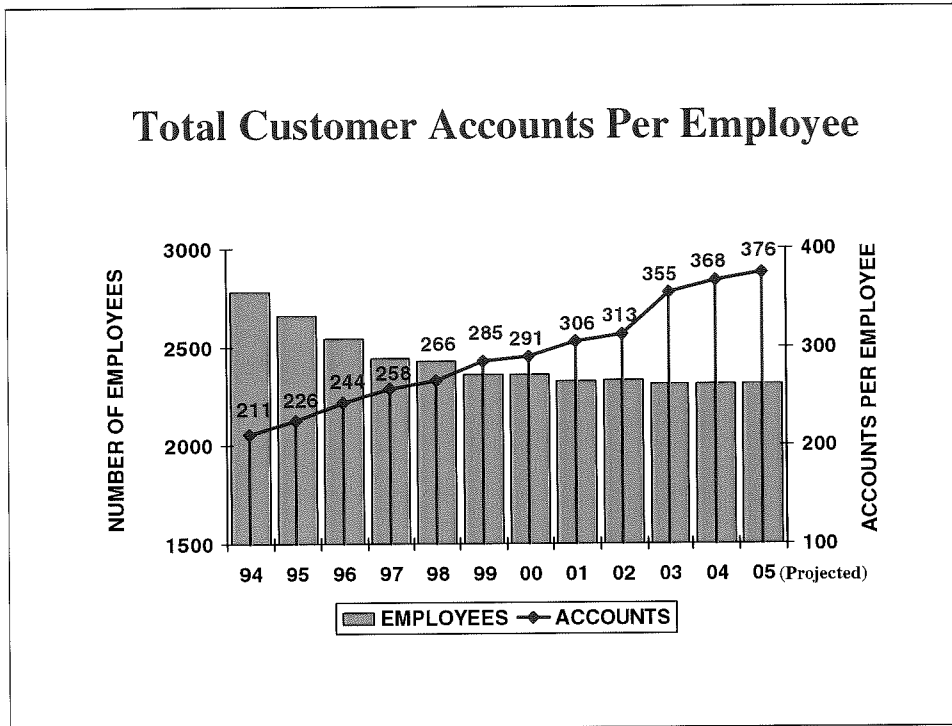
<u>April 1981</u>		<u>April 2004</u>	
1. <u>Jacksonville</u>	<u>\$83.60</u>	1. Tallahassee	\$104.18
2. Ocala	\$79.79	2. Tampa	\$96.45
3. St. Petersburg	\$68.89	3. Ocala	\$96.07
4. Tampa	\$62.51	4. St. Petersburg	\$92.38
5. Miami	\$59.22	5. Miami	\$87.91
6. Pensacola	\$59.16	6. Gainesville	\$86.20
7. Orlando	\$57.23	7. Pensacola	\$80.74
8. Gainesville	\$56.71	8. Orlando	\$80.70
9. Tallahassee	\$50.60	9. <u>Jacksonville</u>	<u>\$68.15</u>

In fact, as shown on the following chart, JEA's rates have decreased 18 percent over the 24 year period from FY 80/81 to FY 03/04 while the Consumer Price index has increased by 111 percent.

JEA Residential Electric Rate Comparison \$ per 1,000 kWh



The FY 04/05 budget proposes the number of JEA/SJRPP electric employees remain the same as FY 03/04 at 1,781. Temporary hours are requested at 250,000, which is 50,000 hours less than FY 03/04. Increasing productivity of our employees and work processes enable JEA to serve a growing number of customers with reduced total staffing. The number of accounts served per employee is a common measure of productivity. The following chart illustrates JEA's projected 78 percent increase in customer accounts per employee from FY 93/94 to FY 04/05.



Proposed Electric System Operating Budget

Revenues

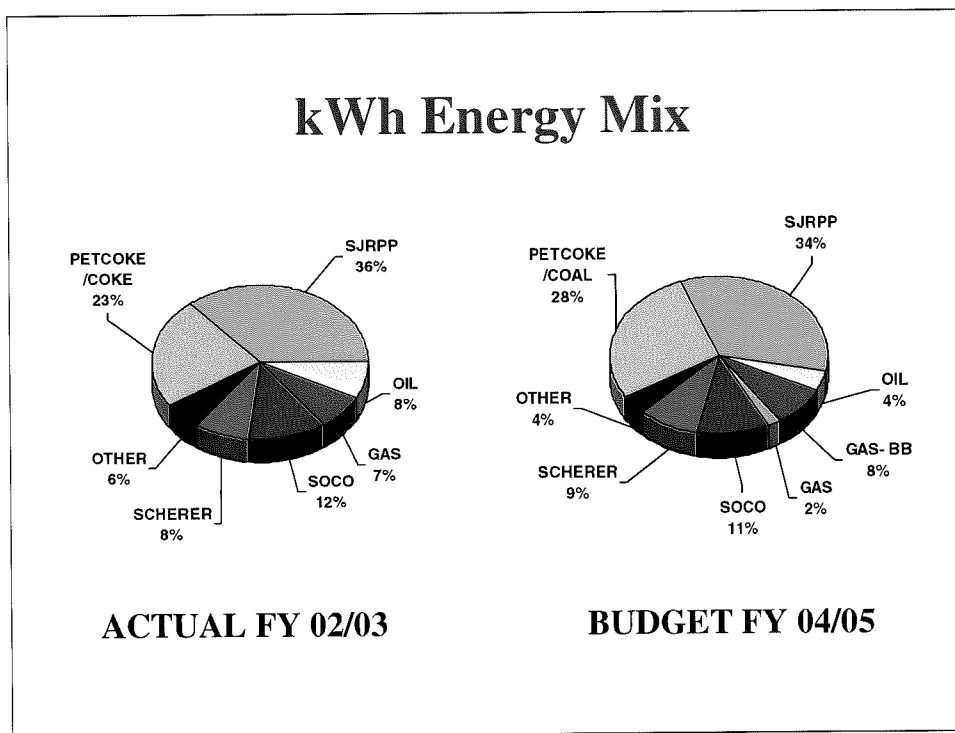
The total proposed operating budget for FY 04/05 is \$819 million, 7.7 percent, or \$58 million, more than the amount budgeted for the current fiscal year. This projection is based on a 3.6 percent increase in kWh sales in FY 04/05 from the budget for the current fiscal year. The sales forecast also assumes normal weather for FY 04/05; however, unseasonable weather could change sales up or down by as much as 3 percent. Slower or faster economic growth also directly impacts electric sales in a given year.

Other revenues of \$36 million are comprised primarily of pole attachment fees from telephone and cable TV, transmission service revenues, customer service charges, and rental income from lease of our facilities.

Expenses

JEA's largest expense in the electric business is fuel and purchased power. JEA has built one of the best generating fleets and one of the best wholesale power trading organizations in the United States. The combination of JEA's superior generating fleet and The Energy Authority enables JEA, given fuel prices at a point in time, to deliver to JEA's customers lower rates than other utilities.

The kWh Energy Mix graphs below compare JEA's projected fuel mix in FY 04/05 with the actual fuel mix in FY 02/03.



Non-fuel operating and maintenance expenses are projected to be \$118.4 million for FY 04/05, \$5.0 million, or 4.4 percent, more than the amount budgeted for the current year. The net increase is primarily due to planned major generating unit maintenance outages and early implementation of a required change in the accounting principles for capitalization. This and other cost increases are largely offset by cost savings from the restructuring of JEA and ongoing TargetSmart process improvements.

Proposed Electric System Capital Budget

The total proposed capital budget for FY 04/05 is \$256 million, a 29.4 percent decrease from the current fiscal year's capital budget. The funding for this capital budget will come from remaining proceeds from prior debt issues, new debt issues, the Renewal & Replacement Fund, Operating Capital Outlay Fund and Construction Fund investment income.

The proposed capital budget includes \$119 million for transmission, substation and distribution projects, \$61 million for generation projects, of which \$14 million is for the completion of the new Brandy Branch Combined Cycle Unit; and \$76 million for other projects including network meter reading, facility visual enhancement, vehicle replacements and information technology projects.

JEA DISTRICT ENERGY SYSTEM

JEA has successfully embarked on a major new service venture involving the use of chilled water. Central chilled water systems cost effectively take the place of central air conditioning in individual buildings by circulating cold water in a continuous flow throughout a building, then efficiently cooling the warmed water in a centralized chiller plant. JEA's District Energy System will utilize a central chiller plant to distribute chilled water via an underground network to multiple buildings for air condition needs. Chilled water is delivered to the building and the thermally spent water is returned to the chiller plant. JEA currently provides chilled water service to the new arena and baseball park which were constructed in conjunction with the Better Jacksonville Plan. JEA will also provide chilled water service to the new downtown library and the new county courthouse, Better Jacksonville Plan projects that are currently being constructed, as well as to private developments on both the Northbank and Southbank of downtown Jacksonville.

The FY 04/05 proposed operating and maintenance budget is \$ 3.7 million and the proposed capital budget is \$24.5 million.

SJRPP

The St. Johns River Power Park Units 1 and 2 (the "Power Park" or "SJRPP") is a coal and pet coke-fired, steam electric generating station currently rated at 1,282 MW, net, located in the northeast section of the City. The Power Park is jointly owned by JEA and FPL; JEA's ownership interest in the Power Park is 80%. The Electric System is entitled to a 50 percent (equal to 641 MW, net) of the capacity of the Power Park and is required to pay for such capacity on a "take-or-pay" basis by making deposits into certain funds and accounts established pursuant to the Power Park Resolution. Pursuant to the FPL-Power Park Sale, JEA has sold to FPL 37.5 percent of the capacity of JEA's interest in the Power Park until the Power Park Joint Ownership

Agreement expires in 2022. However, FPL's right to receive 37.5 percent of JEA's 80 percent share will be suspended (although FPL will have to continue making payments) if and when the receipt by FPL of any additional amount of energy from JEA would result in FPL having received in excess of 25 percent of the product of (x) the nameplate capacity of JEA's 80 percent undivided interest in the Project, 979.2 MW (80 percent of 1224 MW), and (y) the number of years (including fractions) from the date FPL first takes energy under the Agreement until the latest maturity date of any Debt Obligation.

Under the terms of the SJRPP Joint Operating Agreement (JOA), the co-owners share the cost of constructing, operating, and maintaining the two coal and petroleum coke-fired units. The JEA Board approves the annual Operating and Capital budget for JEA's ownership interest in SJRPP. The total SJRPP budget is approved by the SJRPP Executive Committee representing the two co-owners. The SJRPP budget is not approved by the City Council. JEA's share of the SJRPP budget is a component of fuel and purchased power expense in JEA's Electric System Operating budget. The attached Schedule I summarizes JEA's share of the proposed FY 04/05 operating and capital budgets for SJRPP.

Proposed Operating Budget

JEA's share of the proposed operating budget for SJRPP is estimated to be \$188 million, 9 percent more than the current year's budget, with 2 percent more kWh output in FY 04/05 compared to the current year's budget. The increase is primarily attributed to increasing fuel costs. Note that this proposed budget is subject to concurrence by FPL.

The budgeted work force at SJRPP has decreased from 505 seven years ago to the recommended 302 positions in the proposed FY 04/05 budget, the same as in FY 03/04.

Proposed Capital Budget

The proposed capital budget of \$18.3 million for FY 04/05 is primarily for enhancing the environmental performance of SJRPP through more advanced technology retrofits.

PLANT SCHERER

JEA owns a 23.64 percent interest in Unit 4 of the Robert W. Scherer Electric Generating Plant (Scherer Unit 4), a coal-fired, steam electric generating unit currently rated at 846 MW, net, located near Forsyth, Georgia and proportionate ownership interests in associated common facilities and an associated coal stockpile (such ownership interests are referred to herein as the "Scherer 4 Project"), JEA's ownership interest in the Scherer 4 Project entitles it to 200 MW, net, of the capacity of Scherer Unit 4. The output of the Scherer 4 Project is available to the Electric System; and JEA expects that all costs of operating and maintaining the Scherer 4 Project will continue to constitute a Contract Debt of the Electric System payable as part of the Electric System's Cost of Operation and Maintenance. As with SJRPP, JEA's share of the operating and capital budgets for this unit is a component of the JEA Electric System fuel and purchased power expense. Decisions regarding the operation of Unit 4 are made by majority vote of the co-owners. The JEA Board approves JEA's share of the annual budget for Scherer Unit 4, but the Jacksonville City Council does not review or approve the Plant Scherer budget. The Attached Schedule J summarizes JEA's share of the FY 04/05 operating and capital budgets for Plant Scherer. Note that this budget is subject to approval by the other co-owners.

Proposed Operating Budget

This year's \$33 million total expenses for JEA's interest in Scherer Unit 4 is \$2 million more than the current year's budget while JEA's output (1,352,900 MWHs) is projected to be 17.9 percent more than last year.

Proposed Capital Budget

The proposed capital budget for FY 04/05 of \$1.2 million is \$1 million less than the current year's budget.

JEA BUDGET SUMMARY

In summary, I am pleased to recommend for approval this FY 04/05 budget which reflects the accumulation of implemented and planned process improvements throughout every facet of JEA. This budget provides the JEA Board and staff the ability to:

1. provide low rates to our customers;
2. improve the environment;
3. improve customer satisfaction;
4. improve workplace safety;
5. contribute to the economic prosperity of our service territory;
6. continue to rebuild and expand the water and sewer system infrastructure;
7. continue JEA's national leadership policy to underground all new electric distribution lines, as well as where feasible and appropriate, relocate overhead distribution lines to underground service;
8. complete the planned comprehensive expansion of JEA's electric generation fleet;
9. increase the direct financial contribution to the City by \$2.8 million, resulting in a record high \$85.9 million contribution.



WALTER P. BUSSELLS
MANAGING DIRECTOR/CEO

JEA
PROPOSED CONSOLIDATED OPERATING BUDGET
FISCAL YEAR 04/05
(000'S OMITTED)

	ACTUAL 02/03	APPROVED BUDGET 03/04	PROPOSED BUDGET 04/05	INCREASE (DECREASE)	PERCENT CHANGE
FUEL & PURCHASED POWER RELATED: REVENUES & EXPENSES:					
REVENUES	\$ 234,963	\$ 247,310	\$ 287,403	\$ 40,093	16.2%
EXPENSES	\$ 278,981	\$ 247,310	\$ 287,403	\$ 40,093	16.2%
FUEL FUND BALANCE	\$ (44,018)	\$ -	\$ -	\$ -	N/A
NON-FUEL REVENUES & EXPENSES: REVENUES:					
Non-Fuel Revenues	\$ 626,518	\$ 640,179	\$ 689,217	\$ 49,038	7.7%
Investment Income	13,849	8,167	7,454	(713)	(8.7%)
Capacity Fees	12,555	12,000	14,000	2,000	16.7%
Contributed Capital	0	30,000	22,700	(7,300)	(24.3%)
Other Revenues	50,452	47,704	45,859	(1,845)	(3.9%)
Total Operating Revenues	\$ 703,374	\$ 738,050	\$ 779,230	\$ 41,180	5.6%
EXPENSES:					
Operating and Maintenance	\$ 194,297	\$ 178,433	\$ 198,101	\$ 19,668	11.0%
Non-Fuel Purchased Power	136,858	144,223	140,505	(3,718)	(2.6%)
Non-Fuel Uncollectibles & PSC Tax	3,352	2,955	3,271	316	10.7%
Operating Capital Outlay	36,619	46,136	39,392	(6,744)	(14.6%)
Contributed Capital Outlay	0	30,000	22,700	(7,300)	(24.3%)
Emergency Reserve	0	6,000	6,000	0	0.0%
Total Expenses	\$ 371,126	\$ 407,747	\$ 409,969	\$ 2,222	0.5%
NET REVENUES FROM OPERATIONS	\$ 332,248	\$ 330,303	\$ 369,261	\$ 38,958	11.8%
OTHER DEDUCTIONS:					
Debt Service	\$ 152,987	\$ 188,979	\$ 227,464	\$ 38,485	20.4%
Contracts & Working Capital	4,778	9,696	5,506	(4,190)	(43.2%)
Renewal and Replacement Fund	44,812	48,440	50,353	1,913	3.9%
Total Other Deductions	\$ 202,577	\$ 247,115	\$ 283,323	\$ 36,208	14.7%
CONTRIBUTION TO THE CITY	\$ 78,496	\$ 83,188	\$ 85,938	\$ 2,750	3.3%
BASE RATE BALANCE	\$ 51,175	\$ -	\$ -	\$ -	N/A
TOTAL OPERATING BUDGET	\$ 931,180	\$ 985,360	\$ 1,066,633	\$ 81,273	8.2%
SYSTEM MWH SALES (000'S)	12,830	13,058	13,534	476	3.6%
WATER SALES (Kgal)	34,130,643	36,415,665	38,190,505	1,774,840	4.9%
SEWER SALES (Kgal)	23,148,253	22,942,411	25,996,475	3,054,064	13.3%
BUDGETED EMPLOYEE POSITIONS (1)	2,330	2,313	2,313	0	0.0%
BUDGETED TEMPORARY HOURS	400,000	360,000	300,000	(60,000)	(16.7%)
NUMBER of ACCOUNTS	811,754	846,286	870,123	23,837	2.8%

(1) Includes SJRPP Employees

JEA
PROPOSED WATER AND SEWER SYSTEM OPERATING BUDGET
FISCAL YEAR 04/05
(000'S OMITTED)

	ACTUAL 02/03	APPROVED BUDGET 03/04	PROPOSED BUDGET 04/05	INCREASE (DECREASE)	PERCENT CHANGE
REVENUES AND EXPENSES:					
REVENUES:					
Revenues	\$ 161,768	\$ 169,289	\$ 192,850	\$ 23,561	13.9%
Investment Income	4,869	4,310	4,261	(49)	(1.1%)
Capacity Fees	12,555	12,000	14,000	2,000	16.7%
Contributed Capital	0	30,000	22,700	(7,300)	(24.3%)
Other Revenues	7,300	9,344	10,347	1,003	10.7%
Total Operating Revenues	<u>\$ 186,492</u>	<u>\$ 224,943</u>	<u>\$ 244,158</u>	<u>\$ 19,215</u>	<u>8.5%</u>
EXPENSES:					
Operating and Maintenance	\$ 65,086	\$ 64,989	\$ 77,890	\$ 12,901	19.9%
Uncollectibles	555	846	917	71	8.4%
Operating Capital Outlay	27,236	27,675	25,881	(1,794)	(6.5%)
Contributed Capital Outlay	0	30,000	22,700	(7,300)	(24.3%)
Emergency Reserve	0	1,000	1,000	0	0.0%
Total Expenses	<u>\$ 92,877</u>	<u>\$ 124,510</u>	<u>\$ 128,388</u>	<u>\$ 3,878</u>	<u>3.1%</u>
NET REVENUES FROM OPERATIONS	<u>\$ 93,615</u>	<u>\$ 100,433</u>	<u>\$ 115,770</u>	<u>\$ 15,337</u>	<u>15.3%</u>
OTHER DEDUCTIONS					
Debt Service	\$ 66,493	\$ 73,600	\$ 84,087	\$ 10,487	14.2%
Contracts & Working Capital	4,005	4,471	4,376	(95)	(2.1%)
Renewal and Replacement Fund	8,604	9,214	10,046	832	9.0%
Total Other Deductions	<u>\$ 79,102</u>	<u>\$ 87,285</u>	<u>\$ 98,509</u>	<u>\$ 11,224</u>	<u>12.9%</u>
CONTRIBUTION TO CITY	<u>\$ 11,457</u>	<u>\$ 13,148</u>	<u>\$ 17,261</u>	<u>\$ 4,113</u>	<u>31.3%</u>
BALANCE	<u>\$ 3,056</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>0.0%</u>
TOTAL OPERATING BUDGET	<u>\$ 183,436</u>	<u>\$ 224,943</u>	<u>\$ 244,158</u>	<u>\$ 19,215</u>	<u>8.5%</u>
WATER SALES (Kgal)					
	<u>34,130,643</u>	<u>36,415,665</u>	<u>38,190,505</u>	<u>1,774,840</u>	<u>4.9%</u>
SEWER SALES (Kgal)					
	<u>23,148,253</u>	<u>22,942,411</u>	<u>25,996,475</u>	<u>3,054,064</u>	<u>13.3%</u>
BUDGETED EMPLOYEE POSITIONS					
	<u>532</u>	<u>532</u>	<u>532</u>	<u>0</u>	<u>0.0%</u>
BUDGETED TEMPORARY HOURS					
	<u>75,000</u>	<u>60,000</u>	<u>50,000</u>	<u>(10,000)</u>	<u>(16.7%)</u>
NUMBER of ACCOUNTS					
	<u>434,378</u>	<u>458,286</u>	<u>472,035</u>	<u>13,749</u>	<u>3.0%</u>

JEA
PROPOSED ELECTRIC SYSTEM OPERATING BUDGET
FISCAL YEAR 04/05
(000'S OMITTED)

	ACTUAL 02/03	APPROVED BUDGET 03/04	PROPOSED BUDGET 04/05	INCREASE (DECREASE)	PERCENT CHANGE
FUEL & PURCHASED POWER RELATED: REVENUES & EXPENSES:					
REVENUES	\$ 234,963	\$ 247,310	\$ 287,403	\$ 40,093	16.2%
% of Total Electric Revenues	33.58%	34.43%	36.84%		
EXPENSES	\$ 278,981	\$ 247,310	\$ 287,403	\$ 40,093	16.2%
FUEL FUND BALANCE	\$ (44,018)	\$ -	\$ -	\$ -	N/A
NON-FUEL REVENUES & EXPENSES: REVENUES:					
Non-Fuel Revenues	\$ 464,750	\$ 470,890	\$ 492,641	\$ 21,751	4.6%
Investment Income	8,980	3,857	3,190	(667)	(17.3%)
Other Revenues	43,152	38,360	35,512	(2,848)	(7.4%)
Total Operating Revenues	\$ 516,882	\$ 513,107	\$ 531,343	\$ 18,236	3.6%
EXPENSES:					
Operating and Maintenance	\$ 129,211	\$ 113,444	\$ 118,418	\$ 4,974	4.4%
Non-Fuel Purchased Power	136,858	144,223	140,505	(3,718)	(2.6%)
Non-Fuel Uncollectibles & PSC Tax	2,797	2,109	2,354	245	11.6%
Operating Capital Outlay	9,383	18,461	13,455	(5,006)	(27.1%)
Emergency Reserve	0	5,000	5,000	0	0.0%
Total Expenses	\$ 278,249	\$ 283,237	\$ 279,732	\$ (3,505)	(1.2%)
NET REVENUES FROM OPERATIONS	\$ 238,633	\$ 229,870	\$ 251,611	\$ 21,741	9.5%
OTHER DEDUCTIONS:					
Debt Service	\$ 86,494	\$ 115,379	\$ 141,497	\$ 26,118	22.6%
Contracts & Working Capital	773	5,225	1,130	(4,095)	(78.4%)
Renewal and Replacement Fund	36,208	39,226	40,307	1,081	2.8%
Total Other Deductions	\$ 123,475	\$ 159,830	\$ 182,934	\$ 23,104	14.5%
CONTRIBUTION TO THE CITY	\$ 67,039	\$ 70,040	\$ 68,677	\$ (1,363)	(1.9%)
BASE RATE BALANCE	\$ 48,119	\$ -	\$ -	\$ -	N/A
TOTAL OPERATING BUDGET	\$ 747,744	\$ 760,417	\$ 818,746	\$ 58,329	7.7%
SYSTEM MWH SALES (000'S)	12,830	13,058	13,534	476	3.6%
BUDGETED EMPLOYEE POSITIONS (1)	1,798	1,781	1,781	0	0.0%
BUDGETED TEMPORARY HOURS	325,000	300,000	250,000	(50,000)	(16.7%)
NUMBER of ACCOUNTS	377,376	388,000	398,088	10,088	2.6%

(1) Includes SJRPP Employees

JEA
PROPOSED WATER AND SEWER SYSTEM OPERATING BUDGET
BUDGET SUMMARY
FISCAL YEAR 04/05
(000'S OMITTED)

	ACTUAL 02/03	APPROVED BUDGET 03/04	PROPOSED BUDGET 04/05	INCREASE (DECREASE)	PERCENT CHANGE
TOTAL REVENUES	\$ 186,492	\$ 224,943	\$ 244,158	\$ 19,215	8.5%
COMMITTED EXPENSES					
Debt Service	\$ 66,493	\$ 73,600	\$ 84,087	\$ 10,487	14.2%
Contracts & Working Capital	4,005	4,471	4,376	(95)	(2.1%)
Renewal and Replacement Fund	8,604	9,214	10,046	832	9.0%
City Contribution	11,457	13,148	17,261	4,113	31.3%
Uncollectibles	555	846	917	71	8.4%
Emergency Reserve	0	1,000	1,000	0	0.0%
Total Committed Expenses	\$ 91,114	\$ 102,279	\$ 117,687	\$ 15,408	15.1%
O & M EXPENSES					
Salaries & Benefits	\$ 38,136	\$ 33,703	\$ 36,428	\$ 2,725	8.1%
Supplies & Materials	5,932	5,406	6,295	889	16.4%
City Services	1,487	1,813	2,151	338	18.6%
Other Services & Charges	35,143	36,078	46,169	10,091	28.0%
Environmental Enhancement	0	450	0	(450)	(100.0%)
Credits	(17,115)	(13,949)	(14,763)	(814)	5.8%
Interest on Customer Deposits	67	100	0	(100)	(100.0%)
Property & Casualty Insurance	1,436	888	1,610	722	81.3%
Other Reserves	0	500	0	(500)	(100.0%)
Total O&M Expenses	\$ 65,086	\$ 64,989	\$ 77,890	\$ 12,901	19.9%
OPERATING CAPITAL OUTLAY	\$ 27,236	\$ 27,675	\$ 25,881	\$ (1,794)	(6.5%)
CONTRIBUTED CAPITAL OUTLAY	\$ -	\$ 30,000	\$ 22,700	\$ (7,300)	(24.3%)
TOTAL EXPENSES	\$ 183,436	\$ 224,943	\$ 244,158	\$ 19,215	8.5%
WATER SALES (Kgal)	34,130,643	36,415,665	38,190,505	1,774,840	4.9%
SEWER SALES (Kgal)	23,148,253	22,942,411	25,996,475	3,054,064	13.3%
NUMBER of ACCOUNTS	434,378	458,286	472,035	13,749	3.0%

JEA
PROPOSED ELECTRIC SYSTEM OPERATING BUDGET
BUDGET SUMMARY
FISCAL YEAR 04/05
(000'S OMITTED)

	<u>ACTUAL</u> 02/03	<u>APPROVED</u> <u>BUDGET</u> 03/04	<u>PROPOSED</u> <u>BUDGET</u> 04/05	<u>INCREASE</u> <u>(DECREASE)</u>	<u>PERCENT</u> <u>CHANGE</u>
TOTAL REVENUES	\$ 751,845	\$ 760,417	\$ 818,746	\$ 58,329	7.7%
COMMITTED EXPENSES					
All Fuel & Purchased Power	\$ 415,134	\$ 390,648	\$ 426,621	\$ 35,973	9.2%
Debt Service	86,494	115,379	141,497	26,118	22.6%
Renewal and Replacement Fund	36,208	39,226	40,307	1,081	2.8%
City Contribution	67,039	70,040	68,677	(1,363)	(1.9%)
Contracts & Working Capital	773	5,225	1,130	(4,095)	(78.4%)
Uncollectibles & PSC Tax	3,502	2,994	3,641	647	21.6%
Emergency Reserve	0	5,000	5,000	0	0.0%
Total Committed Expenses	\$ 609,150	\$ 628,512	\$ 686,873	\$ 58,361	9.3%
NON-FUEL O & M EXPENSES					
Salaries & Benefits	113,482	113,777	117,274	\$ 3,497	3.1%
Supplies & Materials	8,664	8,274	9,562	1,288	15.6%
City Services	4,124	3,042	3,049	7	0.2%
Other Services & Charges	68,689	67,716	67,212	(504)	(0.7%)
Environmental Enhancement	1,959	2,979	1,600	(1,379)	(46.3%)
Credits	(72,894)	(88,805)	(85,944)	2,861	(3.2%)
Interest on Customer Deposits	942	850	450	(400)	(47.1%)
Property & Casualty Insurance	4,245	4,611	5,215	604	13.1%
Other Reserves	0	1,000	0	(1,000)	(100.0%)
Total Non-Fuel O&M Expenses	\$ 129,211	\$ 113,444	\$ 118,418	\$ 4,974	4.4%
OPERATING CAPITAL OUTLAY	\$ 9,383	\$ 18,461	\$ 13,455	\$ (5,006)	(27.1%)
TOTAL EXPENSES	\$ 747,744	\$ 760,417	\$ 818,746	\$ 58,329	7.7%
TOTAL MWH SALES (000'S)	12,830	13,058	13,534	476	3.6%
NUMBER of ACCOUNTS	377,376	388,000	398,088	10,088	2.6%

JEA
PROPOSED DISTRICT ENERGY SYSTEM OPERATING AND CAPITAL BUDGET
FISCAL YEAR 04/05
(000'S OMITTED)

	PROPOSED BUDGET 04/05
OPERATING BUDGET:	
REVENUES:	
Revenues	\$ 3,726
Investment Income	3
Total Operating Revenues	\$ 3,729
EXPENSES:	
Operating and Maintenance	\$ 1,793
Operating Capital Outlay	56
Total Expenses	1,849
NET REVENUES FROM OPERATIONS	1,880
OTHER DEDUCTIONS:	
Debt Service	1,880
Total Other Deductions	1,880
BALANCE	-
TOTAL OPERATING BUDGET	\$ 3,729
CAPITAL BUDGET:	
CAPITAL FUNDS	
Debt Proceeds and Other	\$ 24,405
Operating Capital Outlay	56
	24,461
CAPITAL PROJECTS	
District Energy System Projects	\$ 24,461

JEA
PROPOSED WATER & SEWER SYSTEM CAPITAL BUDGET
FISCAL YEAR 04/05
(000'S OMITTED)

<u>CAPITAL FUNDS</u>	<u>APPROVED 03/04 BUDGET</u>	<u>PROPOSED 04/05 BUDGET</u>	<u>% Change</u>
Renewal & Replacement Deposit	\$ 9,214	\$ 10,046	9.0%
Construction Fund Investment Income	339	450	32.7%
Debt Proceeds and Other	252,245	174,168	(31.0%)
Capacity Fees	12,000	14,000	16.7%
Contributed Capital	30,000	22,700	(24.3%)
Operating Capital Outlay	15,675	11,881	(24.2%)
Total Capital Funds	\$ 319,473	\$ 233,245	(27.0%)
 <u>CAPITAL PROJECTS</u>			
Water Projects	\$ 157,752	\$ 76,155	(51.7%)
Sewer Projects	110,193	114,278	3.7%
Other	51,528	42,812	(16.9%)
Total Capital Projects	\$ 319,473	\$ 233,245	(27.0%)

JEA
PROPOSED ELECTRIC SYSTEM CAPITAL BUDGET
FISCAL YEAR 04/05
(000'S OMITTED)

<u>CAPITAL FUNDS</u>	<u>APPROVED 03/04 BUDGET</u>	<u>PROPOSED 04/05 BUDGET</u>	<u>% Change</u>
Renewal & Replacement Deposit (1)	\$ 40,226	\$ 40,807	1.4%
Construction Fund Investment Income	630	750	19.0%
Debt Proceeds and Other	302,964	200,917	(33.7%)
Operating Capital Outlay	18,461	13,455	(27.1%)
Total Capital Funds	<u>\$ 362,281</u>	<u>\$ 255,929</u>	<u>(29.4%)</u>
<u>CAPITAL PROJECTS</u>			
Generation Projects	\$ 103,572	\$ 61,299	(40.8%)
Transmission & Distribution	157,558	118,519	(24.8%)
Chilled Water Plant (2)	24,040	-	(100.0%)
Other	77,111	76,111	(1.3%)
Total Capital Projects	<u>\$ 362,281</u>	<u>\$ 255,929</u>	<u>(29.4%)</u>

(1) Includes sale of scrap

(2) Chilled water plant moved to District Energy System effective 10-01-04

JEA
FISCAL YEAR 04/05
PROPOSED ST. JOHNS RIVER POWER PARK OPERATING AND CAPITAL BUDGET
(000'S OMITTED)

	<u>ACTUAL</u> <u>02/03</u>	<u>APPROVED</u> <u>BUDGET</u> <u>03/04</u>	<u>PROPOSED</u> <u>BUDGET</u> <u>04/05</u>	<u>INCREASE</u> <u>(DECREASE)</u>	<u>PERCENT</u> <u>CHANGE</u>
<u>OPERATING BUDGET:</u>					
Revenues:					
Operating Revenue from JEA	<u>\$ 168,106</u>	<u>\$ 172,431</u>	<u>\$ 188,268</u>	<u>\$ 15,837</u>	<u>9.2%</u>
Expenses:					
Fuel and O & M	\$ 88,659	\$ 84,423	\$ 102,691	\$ 18,268	21.6%
Debt Service	75,302	83,632	78,979	(4,653)	(5.6%)
Renewal & Replacement	<u>4,145</u>	<u>4,376</u>	<u>6,598</u>	<u>2,222</u>	<u>50.8%</u>
Total Expenses	<u>\$ 168,106</u>	<u>\$ 172,431</u>	<u>\$ 188,268</u>	<u>\$ 15,837</u>	<u>9.2%</u>
<u>CAPITAL BUDGET :</u>					
	<u>\$ 7,600</u>	<u>\$ 6,450</u>	<u>\$ 18,322</u>	<u>\$ 11,872</u>	<u>184.1%</u>
Employee Positions	<u>302</u>	<u>302</u>	<u>302</u>	<u>0</u>	<u>0.0%</u>
MWH'S Purchased by JEA Electric System	<u>4,958,314</u>	<u>4,884,900</u>	<u>4,977,500</u>	<u>92,600</u>	<u>1.9%</u>

JEA
PROPOSED PLANT SCHERER OPERATING AND CAPITAL BUDGET
FISCAL YEAR 04/05
(000'S OMITTED)

	<u>ACTUAL</u> <u>02/03</u>	<u>APPROVED</u> <u>BUDGET</u> <u>03/04</u>	<u>PROPOSED</u> <u>BUDGET</u> <u>04/05</u>	<u>INCREASE</u> <u>(DECREASE)</u>	<u>PERCENT</u> <u>CHANGE</u>
<u>OPERATING BUDGET:</u>					
Revenues:					
Operating Revenue from JEA	\$ 35,386	\$ 30,954	\$ 33,085	\$ 2,131	6.9%
(1) Expenses:					
Fuel and O & M	\$ 28,345	\$ 25,691	\$ 28,554	\$ 2,863	11.1%
Renewal & Replacement	3,722	1,885	1,153	(732)	(38.8%)
Transmission Expense	3,319	3,378	3,378	0	0.0%
	<u>\$ 35,386</u>	<u>\$ 30,954</u>	<u>\$ 33,085</u>	<u>\$ 2,131</u>	<u>6.9%</u>
<u>CAPITAL BUDGET:</u>					
	<u>\$ 5,887</u>	<u>\$ 2,228</u>	<u>\$ 1,153</u>	<u>\$ (1,075)</u>	<u>(48.2%)</u>
MWH's Purchased by JEA Electric System	<u>1,174,071</u>	<u>1,147,300</u>	<u>1,352,900</u>	<u>205,600</u>	<u>17.9%</u>

(1) Note all Plant Scherer employees are Georgia Power Co. employees.

**JEA Operating Budget
by Cost Category**

TOTAL WATERSEWER AND ELECTRIC AND DISTRICT ENERGY

	Actual 01	Actual 02	Actual 03	Budget 04	Projection 04	Proposed 05	Percent Change Bud 04	Proj 04	Percent Change Proj 04
JEA SALARIES AND BENEFITS	129,283,203	128,877,009	136,287,516	137,896,135	147,025,579	143,683,299	4.2%	143,683,299	-2.3%
OVERTIME	15,451,002	18,016,889	15,332,256	9,492,397	11,794,460	10,018,498	5.5%	10,018,498	-15.1%
SUPPLIES & MATERIALS	13,123,749	20,508,836	14,595,887	14,604,480	14,662,392	15,857,239	8.6%	15,857,239	8.1%
CITY SERVICES	6,233,026	5,500,756	4,947,286	4,155,000	4,641,886	4,500,000	8.3%	4,500,000	-3.1%
INTERCOMPANY CHARGES	3,009,845	2,130,404	5,579,455	2,836,629	2,741,825	3,598,667	26.9%	3,598,667	31.3%
OTHER SERVICES & CHARGES	63,227,129	78,733,340	75,989,004	72,873,426	70,551,778	78,086,138	7.2%	78,086,138	10.7%
CITY LEGAL SERVICES	910,513	718,467	664,000	700,000	700,000	700,000	0.0%	700,000	0.0%
INSURANCES	4,814,532	4,091,701	5,680,703	5,500,000	8,366,000	6,824,702	24.1%	6,824,702	-18.4%
INTEREST ON CUST. DEPOSIT	1,539,065	946,150	1,008,106	950,000	900,000	450,000	-52.6%	450,000	-50.0%
OPERATING RESERVES	-	-	-	10,798,266	-	-	-100.0%	-	-
SUBTOTAL EXPENSES	237,592,064	259,523,551	260,084,213	259,806,332	261,383,919	263,718,542	1.5%	263,718,542	0.9%
EXPENSE CREDITS	(27,182,459)	(19,694,281)	(32,373,315)	(37,142,696)	(38,898,149)	(28,976,612)	-22.0%	(28,976,612)	-25.5%
CAPITALIZED SALARIES & BENEFITS	(43,915,838)	(46,917,220)	(33,435,460)	(35,934,469)	(35,359,665)	(36,640,000)	2.0%	(36,640,000)	3.6%
SUBTOTAL CREDITS	(71,098,297)	(66,611,502)	(65,808,775)	(73,077,165)	(74,257,814)	(65,616,612)	-10.2%	(65,616,612)	-11.6%
TOTAL O&M	166,493,767	192,912,050	194,275,438	186,729,167	187,126,105	198,101,930	6.1%	198,101,930	5.9%

FUELS

PURCHASED POWER	173,033,642	123,963,424	143,291,488	159,998,475	141,334,416	169,627,100	6.0%	169,627,100	20.0%
SUBTOTAL FUEL & PURCHASED POWER	304,157,548	263,169,435	278,275,582	246,425,475	275,103,528	286,115,200	16.1%	286,115,200	4.0%

EMERGENCY FUND

NON-FUEL PURCHASED POWER	145,588,220	142,984,873	136,857,820	6,000,000	-	6,000,000	0.0%	6,000,000	0.0%
WASTEWATER TREATMENT PURCHASE	159,037	111,661	21,908	144,222,744	142,582,486	140,505,389	-2.6%	140,505,389	-1.5%
PURCHASED WATER	58,201	28,982	-	-	-	-	-	-	-

GENERAL FUND CONTRIBUTION

DEBT SERVICE	73,638,278	76,606,232	78,496,059	83,187,538	83,187,538	85,937,538	3.3%	85,937,538	3.3%
TRF. TO R&R FUND	97,762,441	115,300,150	152,986,634	188,978,621	179,212,297	227,464,548	20.4%	227,464,548	26.9%
UNCOLLECTABLE ACCOUNTS	41,609,050	44,677,350	44,811,148	49,429,800	49,429,800	50,353,307	1.9%	50,353,307	1.9%
OPERATING CAPITAL OUTLAY	3,719,105	4,191,953	3,952,198	3,720,241	4,994,493	4,427,020	19.0%	4,427,020	-11.4%
CONTRIBUTED CAPITAL OUTLAY	21,681,602	16,902,332	36,619,805	36,849,452	30,863,424	39,391,369	6.9%	39,391,369	27.6%
CONTRACTS AND WORKING CAPITAL	773,091	3,926,645	4,778,310	9,696,000	5,295,772	5,506,177	-43.2%	5,506,177	4.0%
PSC COMMISSION FEES	106,809	109,956	104,227	120,000	130,689	131,000	9.2%	131,000	0.2%
SUBTOTAL OTHER	385,095,833	404,840,135	458,628,109	552,204,396	509,196,499	582,416,348	5.5%	582,416,348	14.4%

TOTAL EXPENSES

TOTAL EXPENSES	855,747,149	860,921,619	931,179,129	985,359,038	971,426,132	1,066,633,478	8.2%	1,066,633,478	9.8%
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**JEA Operating Budget
by Cost Category**

WATER & SEWER SYSTEM

	<u>Actual 01</u>	<u>Actual 02</u>	<u>Actual 03</u>	<u>Budget 04</u>	<u>Projection 04</u>	<u>Proposed 05</u>	<u>Bud 04</u>	<u>Proj 04</u>
JEA SALARIES AND BENEFITS	31,620,343	31,645,285	33,799,502	33,681,959	35,440,731	33,526,806	-0.5%	-5.4%
OVERTIME	5,049,164	5,605,859	4,337,805	2,741,468	3,205,793	2,901,659	5.8%	-9.5%
SUPPLIES & MATERIALS	5,318,477	6,857,358	5,932,169	6,156,527	6,162,040	6,294,870	2.2%	2.2%
CITY SERVICES	1,758,077	1,729,184	1,487,206	-	-	-	-	-
INTERCOMPANY CHARGES	-	-	1,678,142	2,036,629	1,941,825	2,150,667	5.6%	10.8%
OTHER SERVICES & CHARGES	10,692,932	11,834,475	9,242,144	7,998,773	8,400,495	8,929,636	11.6%	6.3%
INSURANCES	1,697,120	1,659,334	1,435,825	888,731	1,666,000	1,609,715	81.1%	-3.4%
INTEREST ON CUST. DEPOSIT	53,096	102,692	66,521	100,000	-	-	-100.0%	-
OPERATING RESERVES	-	-	-	820,977	-	-	-100.0%	-
SUBTOTAL EXPENSES	56,189,209	59,434,186	57,979,313	54,425,065	56,816,884	55,413,352	1.8%	-2.5%
EXPENSE CREDITS	(3,251,911)	(3,016,141)	(5,829,360)	(4,461,977)	(4,870,588)	(3,201,841)	-28.2%	-34.3%
CAPITALIZED SALARIES & BENEFITS	(13,602,053)	(14,241,848)	(11,285,830)	(11,243,552)	(13,986,278)	(11,561,137)	2.8%	-17.3%
SUBTOTAL CREDITS	(16,853,964)	(17,257,990)	(17,115,189)	(15,705,529)	(18,856,865)	(14,762,978)	-6.0%	-21.7%
SUBTOTAL O&M	39,335,245	42,176,196	40,864,124	38,719,536	37,960,019	40,650,374	5.0%	7.1%
ELECTRIC ALLOCATION TO WATER	25,613,608	26,353,247	24,200,569	34,565,563	34,058,654	37,240,556	7.7%	9.3%
Total O & M	64,948,853	68,529,443	65,064,692	73,285,099	72,018,672	77,890,930	6.3%	8.2%
EMERGENCY FUND	-	-	-	1,000,000	-	1,000,000	0.0%	-
WASTEWATER TREATMENT PURCHASE	159,037	111,661	21,908	-	-	-	-	-
PURCHASED WATER	58,201	28,982	-	-	-	-	-	-
GENERAL FUND CONTRIBUTION	11,048,610	11,116,676	11,456,781	15,802,143	15,802,143	17,260,918	9.2%	9.2%
DEBT SERVICE	40,662,960	52,662,566	66,492,621	73,599,635	73,589,384	84,086,790	14.2%	14.3%
TRF. TO R&R FUND	7,304,100	7,320,000	8,603,600	9,421,550	9,421,550	10,046,114	6.6%	6.6%
UNCOLLECTABLE ACCOUNTS	661,484	1,034,988	554,515	846,444	1,037,683	916,825	8.3%	-11.6%
OPERATING CAPITAL OUTLAY	21,681,602	16,902,332	27,236,699	16,516,604	21,863,424	25,880,548	56.7%	18.4%
CONTRIBUTED CAPITAL OUTLAY	-	-	-	30,000,000	13,500,000	22,700,000	-24.3%	68.1%
CONTRACTS AND WORKING CAPITAL	-	3,071,054	4,005,219	4,471,000	4,423,772	4,376,177	-2.1%	-1.1%
SUBTOTAL OTHER	81,575,994	92,248,259	118,371,344	151,657,376	139,637,956	166,267,372	9.6%	19.1%
TOTAL EXPENSES	146,524,847	160,777,702	183,436,037	224,942,474	211,656,628	244,158,302	8.5%	15.4%

**JEA Operating Budget
by Cost Category**

ELECTRIC SYSTEM

	Actual 01	Actual 02	Actual 03	Budget 04	Projection 04	Proposed 05	Bud 04	Percent Change
								Proj 04
JEA SALARIES AND BENEFITS	97,662,860	97,231,724	102,488,014	104,214,175	111,584,847	110,156,493	5.7%	-1.3%
OVERTIME	10,401,838	12,411,030	10,994,450	6,750,929	8,588,668	7,116,839	5.4%	-17.1%
SUPPLIES & MATERIALS	7,805,272	13,651,477	8,663,719	8,447,953	8,500,351	9,562,368	13.2%	12.5%
CITY SERVICES	4,474,949	3,771,573	3,460,081	4,155,000	4,641,886	4,500,000	8.3%	-3.1%
INTERCOMPANY CHARGES	3,009,845	2,130,404	3,901,313	800,000	800,000	800,000	0.0%	0.0%
OTHER SERVICES & CHARGES	52,534,197	66,898,864	66,746,860	64,874,652	62,151,283	68,011,502	4.8%	9.4%
CITY LEGAL SERVICES	910,513	718,467	664,000	700,000	700,000	700,000	0.0%	0.0%
INSURANCES	3,117,412	2,432,367	4,244,879	4,611,269	6,700,000	5,214,987	13.1%	-22.2%
INTEREST ON CUST. DEPOSIT	1,485,970	843,459	941,585	850,000	900,000	450,000	-47.1%	-50.0%
OPERATING RESERVES	-	-	-	9,977,289	-	-	-100.0%	
SUBTOTAL EXPENSES	181,402,855	200,089,365	202,104,900	205,381,268	204,567,035	206,512,190	0.6%	1.0%
EXPENSE CREDITS	(23,930,548)	(16,678,140)	(26,543,955)	(32,680,719)	(34,027,561)	(25,774,771)	-21.1%	-24.3%
CAPITALIZED SALARIES & BENEFITS	(30,313,784)	(32,675,372)	(22,149,630)	(24,690,917)	(21,373,388)	(25,078,863)	1.6%	17.3%
SUBTOTAL CREDITS	(54,244,333)	(49,353,512)	(48,693,586)	(57,371,636)	(55,400,949)	(50,853,634)	-11.4%	-8.2%
SUBTOTAL O&M	127,158,522	150,735,853	153,411,315	148,009,631	149,166,087	155,658,556	5.2%	4.4%
ELECTRIC ALLOCATION TO WATER	(25,613,608)	(26,353,247)	(24,200,569)	(34,565,563)	(34,058,654)	(37,240,556)	7.7%	9.3%
Total O & M	101,544,914	124,382,606	129,210,746	113,444,069	115,107,433	118,418,000	4.4%	2.9%
FUELS	173,033,642	123,963,424	143,291,488	159,998,475	141,334,416	169,627,100	6.0%	20.0%
PURCHASED POWER	131,123,906	139,206,011	134,984,094	86,427,000	133,769,112	116,488,100	34.8%	-12.9%
SUBTOTAL FUEL & PURCHASED POWER	304,157,548	263,169,435	278,275,582	246,425,475	275,103,528	286,115,200	16.1%	4.0%
EMERGENCY FUND	-	-	-	5,000,000	-	5,000,000	0.0%	
NON-FUEL PURCHASED POWER	145,588,220	142,984,873	136,857,820	144,222,744	142,582,486	140,505,389	-2.6%	-1.5%
GENERAL FUND CONTRIBUTION	62,589,668	65,489,556	67,039,278	67,385,395	67,385,395	68,676,620	1.9%	1.9%
DEBT SERVICE	57,099,480	62,637,584	86,494,013	115,378,986	105,622,913	141,497,758	22.6%	34.0%
TRF. TO R&R FUND	34,304,950	37,357,350	36,207,548	40,008,250	40,008,250	40,307,193	0.7%	0.7%
UNCOLLECTABLE ACCOUNTS	3,057,621	3,156,966	3,397,682	2,873,797	3,956,810	3,510,195	22.1%	-11.3%
OPERATING CAPITAL OUTLAY	-	-	9,383,106	20,332,848	9,000,000	13,454,821	-33.8%	49.5%
CONTRACTS AND WORKING CAPITAL	773,091	855,591	773,090	5,225,000	872,000	1,130,000	-78.4%	29.6%
PSC COMMISSION FEES	106,809	109,956	104,227	120,000	130,689	131,000	9.2%	0.2%
SUBTOTAL OTHER	303,519,840	312,591,876	340,256,765	400,547,020	369,558,543	414,212,976	3.4%	12.1%
TOTAL EXPENSES	709,222,302	700,143,917	747,743,092	760,416,564	759,769,504	818,746,176	7.7%	7.8%

**JEA Operating Budget
by Cost Category**

DISTRICT ENERGY SYSTEM

INTERCOMPANY CHARGES (1)	Proposed 05
OTHER SERVICES & CHARGES	648,000
SUBTOTAL EXPENSES	<u>1,145,000</u>
	<u>1,793,000</u>
DEBT SERVICE	1,880,000
OPERATING CAPITAL OUTLAY	56,000
SUBTOTAL OTHER	<u>1,936,000</u>
TOTAL EXPENSES	<u><u>3,729,000</u></u>

JEA
Five Year Capital Improvement Program
Fiscal Years 2005-2009
(\$000'S Omitted)

Project Status	Priority	Project Number	Project Title	-----Cost Estimates-----					Project Total	
				Budget To Date	04/05	05/06	06/07	07/08		08/09
Electric System										
new	1	220111 00 00 00000 04 001	JEA Generation Repair and Maintenance	0	18,600	0	0	0	0	18,600
new	1	220111 00 00 00000 04 002	JEA Trans.,Substa. and Dist. Repair & Maint.	0	4,400	0	0	0	0	4,400
new	1	220111 00 00 00000 04 003	JEA Other Repair and Maintenance Projects	0	15,700	0	0	0	0	15,700
carryover	1*	220111 00 00 00000 97 001	Expanded Generation Capacity	1,129,286	13,681	13,681	0	0	0	1,156,648
carryover	1*	220111 00 00 00000 98 004	Electric System Distribution Projects	428,226	92,034	116,992	94,796	74,792	63,080	869,919
carryover	1*	220111 00 00 00000 98 005	Electric System Substation & Transmission	241,348	26,485	64,337	39,956	29,375	25,400	426,901
carryover	1*	220111 00 00 00000 98 006	Electric System Generation Projects	82,170	47,618	37,859	17,500	22,000	9,000	216,147
carryover	1*	220111 00 00 00000 98 007	Electric System Other Projects	355,709	76,111	15,884	14,141	14,681	14,727	491,253
carryover		220111 10 05 10800 96 004	Ribault - Picketville 138Kv Line Project	2,980	0	0	0	0	0	2,980
carryover		220111 11 06 10302 89 005	Beeghly Heights 230KV Loop	1,100	0	0	0	0	0	1,100
carryover		220111 11 06 10301 89 006	Beeghly Heights 230/25 KV Substation	2,189	0	0	0	0	0	2,189
Water & Sewer System										
new	1	220111 00 00 00000 04 004	Water & Sewer Repair & Maintenance	0	2,000	0	0	0	0	2,000
carryover		220111 00 00 00000 01 005	Utility Acquisition	225,000	0	0	0	0	0	225,000
carryover	1*	220111 99 99 99999 97 006	Water Treatment	201,555	15,790	25,255	7,950	2,800	10,300	263,650
carryover	1*	220111 99 99 99999 97 007	Water Distribution	361,627	60,365	40,813	45,042	29,725	28,475	566,047
carryover	1*	220111 99 99 99999 97 008	Sewer Collection	499,664	75,369	50,038	35,409	18,407	13,559	692,445
carryover	1*	220111 99 99 99999 97 009	Sewage Pump Stations	34,500	5,600	4,405	3,600	3,600	3,600	55,305
carryover	1*	220111 99 99 99999 97 010	Wastewater Treatment	135,943	23,072	17,600	9,025	5,000	10,000	200,640
carryover		220111 99 99 99999 97 011	Reclaimed Water Treatment	13,570	0	0	0	0	0	13,570
carryover	1*	220111 99 99 99999 97 012	Reclaimed Water Distribution	24,082	10,237	4,853	2,062	2,034	2,000	45,268
carryover	1*	220111 99 99 99999 97 013	Other Capital Projects	405,882	42,812	14,184	8,124	7,682	7,682	486,367
District Energy System										
new	1	220111 00 00 00000 04 005	Chilled Water Repair & Maintenance	0	150	0	0	0	0	150
carryover	1*	220111 99 99 99999 02 005	Chilled Water	61,231	24,461	11,489	11,541	6,040	6,578	121,340

Oceanway Transmission and Substation renamed to Beeghly Heights

JEA
Electric System
5 Year Capital Budget
(000's Omitted)

Description	PROPOSED										
	FY05	FY06	FY07	FY08	FY09	FY05 - FY09					
	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL					
Brandy Branch Combined Cycle	13,681	13,681	0	0	0	0	27,362				
Total Expanded Generation Capacity	13,680.8	13,680.8	0	0	0	0	27,362				
Joint Participation Electric Relocation Projects											
Underground Cable Replacement Program - Existing Developments	24,161	56,047	33,435	13,269	6,570	133,481					
New Electric Service Additions	10,000	7,000	7,000	7,000	7,000	38,000					
Beach Bv - Forest Bv To St Johns Bluff - Robinwood 554 - OH/UG	9,500	9,000	9,000	9,000	9,000	45,500					
Electric Distribution Maintenance Capital Upgrades	5,086	0	0	0	0	5,086					
URAMD - Underground Electric Proj - Developer Driven - Duval County	4,400	5,768	5,941	6,119	6,300	28,528					
Forest Rd Substation Dist Feeders Phase 3	4,000	3,000	3,000	3,000	3,000	16,000					
Tree Management Program	3,305	100	0	0	0	3,405					
Electric Distribution System Improvements	3,100	0	0	0	0	3,100					
Oakwood Villa 557 Capacity Reconnector	3,000	3,000	3,000	3,000	3,000	15,000					
41st and Springfield 4kv Circuit 1, 2 & 3, Voltage Conversion	3,000	500	0	0	0	3,500					
Distribution Customer Improvements - Westlake Dist Feeder	2,240	0	0	0	0	2,240					
Riverside Av - Fuller Warren Bridge To King St OH To UG	2,000	2,300	0	0	0	4,300					
Yellow Water Substation 26kV Feeders	1,970	0	0	0	0	1,970					
Kings Rd - Myrtle Av To Fairfax St 4KV OH/UG - Conv - Elect - (Edward Waters)	1,500	3,500	3,000	3,000	0	11,000					
Craven Rd Substation T2 To Phillips Hy - Circuit 589	1,390	0	0	0	0	1,390					
Chaffee Road South - U.G. Feeder Extension - Cable, Conduit- Phase II	1,160	640	0	0	0	1,800					
Duval Station Rd 426 Feeders Reconnector	1,033	0	0	0	0	1,033					
East Jax Housing Initiative Project - Underground Easement Acquisition	1,016	850	0	0	0	1,866					
7th And Talleyrand 4KV Ckt 2 & 3 Volt. Conversion - CP055	955	0	0	0	0	955					
Beeghly Heights 393	900	100	0	0	0	1,000					
General Network and Downtown Commercial Capital Upgrades	853	0	0	0	0	853					
Clay To JEA Conversion - Circuit 389 Substation To Yellow Water Cecil 389	750	849	874	900	950	4,323					
Soutel Dr - New Kings Rd To Gibson Dr - Ribault 451 - OH	700	300	0	0	0	1,000					
River Oaks - Emerson 4kV Conversion	550	50	0	0	0	600					
Lakeshore Ckt 1; 2; 4 KV Conv - Elec	550	0	0	0	0	550					
Kennedy 4KV Circuit # 1 & 2 Voltage Conversion	511	0	0	0	0	511					
	450	0	0	0	0	450					

JEA
Electric System
5 Year Capital Budget
(000's Omitted)

Description	PROPOSED					FY05 - FY09 TOTAL
	FY05 TOTAL	FY06 TOTAL	FY07 TOTAL	FY08 TOTAL	FY09 TOTAL	
University Bv. - Beach Bv To Atlantic Bv - UG 469 Reconductor - (Hunter 469)	450	0	0	0	0	450
Forest Rd Substation Feeders Phase 1 & 2	430	0	0	0	0	430
Atlantic Blvd Reconductor 553 and 442 (Regency to 9A)	400	0	0	0	0	400
Feeder Tie Point Capacity Unprgrade- Reconductor Circuits 584_ 582	360	0	0	0	0	360
General Distribution Improvements	350	0	0	0	0	350
Feeder Tie Point Capacity Unprgrade- Reconductor Circuits 311_ 349	300	1,800	0	0	0	2,100
Dillion Substation - 26 KV Distribution Feeders	250	3,150	4,000	750	0	8,150
Jax Heights Substation Dist Feeders	200	2,100	3,000	3,000	0	8,300
Feeder Tie Point Capacity Unprgrade- Reconductor Circuits 416_ 495	160	0	0	0	0	160
Capital Tools and Equipment - Electric	150	239	246	253	260	1,148
Feeder Tie Point Capacity Unprgrade- Reconductor Circuits 409_ 418	125	0	0	0	0	125
Feeder Tie Point Capacity Unprgrade- Reconductor Circuits 438_ 448	120	0	0	0	0	120
Feeder Tie Point Capacity Unprgrade- Reconductor Circuits 584_ 210	115	0	0	0	0	115
Atlantic Bv Substation Dist Feeders	100	5,400	2,500	0	0	8,000
Cecil Feeder (Off Load - Firestone (103rd to Oak Leaf Development)	100	3,900	0	0	0	4,000
Bartram Substation Dist Feeders	100	2,900	2,000	0	0	5,000
Southern Shops Ckt 1,2 Beaver Ckt 1 Broadway Ckt 1 Voltage Conversion	100	0	0	0	0	100
Feeder Tie Point Capacity Unprgrade- Reconductor Circuits 404	60	0	0	0	0	60
Merrill 433 Feeder Extension (Southside Connector)	50	0	0	0	0	50
Feeder Tie Point Capacity Unprgrade- Reconductor Circuits 432_ 479	35	0	0	0	0	35
Staratt Rd Substation Dist Feeders	0	1,500	4,300	4,500	0	10,300
Customer Power Quality & Reliability	0	1,000	1,000	1,000	1,000	4,000
URAMD - Underground Electric Proj - Developer Driven - St Johns County	0	1,000	1,000	1,000	1,000	4,000
South Kernan 230_ 26 kV Substation: Dist Feeders	0	500	2,000	1,500	0	4,000
Nocatee 230/26 kV Substation: Dist Feeders	0	500	1,500	2,500	0	4,500
Electrical Distribution Projects	0	0	8,000	15,000	25,000	48,000
Total Electric System Distribution Projects	92,034.5	116,992.2	94,795.8	74,791.7	63,079.5	441,694
Transmission Ckts 920_ 927 Line Rebuild	3,000	3,000	0	0	0	6,000
Jax Heights Substation 230_ 26 kV	2,700	7,000	3,500	2,000	0	15,200

JEA
Electric System
5 Year Capital Budget
(000's Omitted)

Description	PROPOSED					FY05 - FY09 TOTAL
	FY05 TOTAL	FY06 TOTAL	FY07 TOTAL	FY08 TOTAL	FY09 TOTAL	
Circuit 834-918 230 kV Conversion	2,500	2,000	0	0	0	4,500
Replace Center Park T6	2,000	500	0	0	0	2,500
Westlake Substation	1,520	0	0	0	0	1,520
Mill Cove Area - 138KV & 230 KV Transmission Life Extension	1,200	0	0	675	700	3,767
General Substation Improvements	1,100	637	0	0	0	1,050
Loop Circuit 925 through Forest	1,050	0	0	0	0	4,500
Dillion Substation - 26 KV Additions	1,000	3,500	0	0	0	1,000
Staratt Rd Substation Real Estate	1,000	0	0	0	0	1,000
Forest Rd 230_26KV Substation	1,000	0	0	0	0	1,000
Bartram Substation Real Estate	500	7,000	1,000	0	0	8,500
Yellow Water 230_26 kV Substation	500	5,000	0	0	0	5,500
Center Park South Transmission Corridor-Property Acquisition	500	4,500	1,000	0	0	6,000
Bartram Substation 230_26 kV	500	3,500	0	0	0	4,000
Rebuild Circuits 681-682	500	3,500	0	0	0	4,000
Atlantic Blvd. 138kV Transmission	500	3,000	500	0	0	4,000
Jax Heights 230 kV Transmission	500	3,000	0	0	0	3,500
Staratt Rd. 138 kV Transmission	500	2,500	0	0	0	3,000
Lane-Normandy Circuit 838 to 230 kV Upgrade	500	1,500	0	0	0	2,000
Rebuild Circuit 660	500	1,000	500	0	0	2,000
Mandarin Substation Additions T-3 Transformer	500	700	700	700	700	3,300
General Transmission Improvements	500	0	0	0	0	500
Atlantic Bv Substation Real Estate	400	5,000	1,600	0	0	7,000
Atlantic Blvd. Substation	300	0	0	0	0	300
Mandatory compliance with FRCC guidelines (NERC compliance).	250	0	0	0	0	250
Steelbald T3-42_56_70 MVA Low Impedance Transformer	235	0	0	0	0	235
Circuit 928 230kV - South of Normandy Substation	100	500	0	0	0	600
South Kernan 230_26 kV Substation: Property Acquisition	100	0	0	0	0	100
West Port Substation: Property Acquisition	30	0	0	0	0	30
Westlake Transmission	0	3,000	0	7,500	10,000	20,500
Substation Projects						

JEA
Electric System
5 Year Capital Budget
(000's Omitted)

Description	PROPOSED									
	FY05 TOTAL	FY06 TOTAL	FY07 TOTAL	FY08 TOTAL	FY09 TOTAL	FY05 - FY09 TOTAL				
Staratt Rd. Substation	0	1,000	5,000	1,000	0	7,000				
Center Park to Greenland 230 kV T-Line	0	500	6,000	0	0	6,500				
South Kernan 230 26 kV Substation	0	500	6,000	0	0	6,500				
Center Park to Greenland T-Line Terminations	0	500	4,000	0	0	4,500				
Lane-Normandy Rebuild 69 kV Circuit 679	0	500	2,500	0	0	3,000				
Lane-Normandy Replace Lane T-6 Line	0	500	2,000	0	0	2,500				
Lane-Normandy Property Acquisition	0	500	0	0	0	500				
Nocatee 230 kV T-Line corridor Property Acquisition	0	0	4,000	4,000	0	8,000				
West Port Substation	0	0	1,000	6,000	4,000	11,000				
Nocatee 230 26 kV Substation	0	0	0	7,500	10,000	17,500				
Transmission Future Projects	0	0	0	29,375.3	25,400.0	185,552				
Total Electric System Substation & Transmission	26,485.0	64,336.5	39,955.6	29,375.3	25,400.0	185,552				
Northside 1 & 2 Reliability & Safety Improvements	16,967	0	0	0	0	16,967				
NS - 3 Outage	6,000	10,203	0	0	0	16,203				
Electric Energy Storage Technology - Electric	10,000	0	0	0	0	10,000				
NS 1 & 2 Megawatt Increase	4,000	4,340	0	0	0	8,340				
Brandy Branch Gas Pipeline	2,500	0	0	0	0	2,500				
NSCT6 Major Outage	2,300	0	0	0	0	2,300				
Kennedy Combustion Turbine No. 4 Fall Outage	1,550	2,960	0	0	0	4,510				
Northside Small Project Capital Replacement Improvements	1,000	5,000	5,000	5,000	5,000	21,000				
NS 3 HP IP Turbine Replacement	1,000	1,000	0	0	0	2,000				
Combustion Turbine Availability Improvement Program (AIP)	600	1,000	1,000	1,000	1,000	4,600				
Kennedy Generating Station Dock Rebuild	600	0	0	0	0	600				
Northside Start Up Transformer Replacement	544	1,056	0	0	0	1,600				
NS-2 DOE Testing, Phase 3	507	0	0	0	0	507				
Joint Public Solid Fuel Power Plant	50	0	0	0	0	50				
Combustion Turbine Outages	0	11,500	11,500	16,000	3,000	42,000				
Northside 3 Generator Upgrade	0	800	0	0	0	800				
Total Electric System Generation Projects	47,618.0	37,859.0	17,500.0	22,000.0	9,000.0	133,977.0				

JEA
Electric System
5 Year Capital Budget
(000's Omitted)

Description	PROPOSED									
	FY05	FY06	FY07	FY08	FY09	FY05 - FY09				
	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL				
ESCO	20,500	0	0	0	0	20,500				
Network Meter Reading (NMR) - Electric	19,229	1,157	0	0	0	20,386				
Capital Administrative Overhead- Electric	14,102	0	0	0	0	14,102				
NMR Phase II	3,840	0	0	0	0	3,840				
Information Grid Fiber Capacity Improvement - DWDM, Sonet Infrastructure - Electric	3,300	0	0	0	0	3,300				
Fleet Replacement - Electric	2,500	2,900	2,900	2,900	2,900	14,100				
Electric Meter Installations for Growth & Emergency Replacement	1,709	1,752	1,796	1,841	1,887	8,984				
Purchase of disk space (4 TB)	1,200	0	0	0	0	1,200				
Information Grid Fiber Capacity Improvement - Misc Projects - Electric	1,000	1,000	1,000	1,000	1,000	5,000				
Information Grid Fiber Capacity Improvement - FDOT - Electric	1,000	500	500	1,000	1,000	4,000				
New Technology Baseline Services	1,000	0	0	0	0	1,000				
Public Participation Infrastructure Improvements	1,000	0	0	0	0	1,000				
CFB Optimization	650	0	0	0	0	650				
Facilities Security - Electric	600	500	500	500	500	2,600				
Facilities Heating, Ventilation, & Air - Electric	579	500	500	500	500	2,579				
Replace mobile devices	529	0	0	0	0	529				
NGS Dynamic Data Acquisition System Upgrade	517	0	0	0	0	517				
Time and Leave Enhancements	500	0	0	0	0	500				
Integrated Treasury Management System	400	0	0	0	0	400				
Facilities Improvements, Building Upgrades - Electric	300	1,100	1,100	1,100	1,100	4,700				
Special Event - Electric	250	0	0	0	0	250				
Maximo Enhancements (Wireless)	250	0	0	0	0	250				
Metasys HVAC SCADA Control Server & Software	175	0	0	0	0	175				
Facilities Landscaping, Paving, Signage, & Site Improvements - Electric	171	250	250	250	250	1,171				
RIMS--AP Invoice and Check Request Scanning	156	0	0	0	0	156				
Hyperion	125	125	0	0	0	250				
Modify Travel Process & Automate Reimbursible	102	0	0	0	0	102				
Project Outreach Program - Electric	100	275	250	225	225	1,075				
Facilities Roofs - Electric	75	75	75	75	75	375				
RIMS--Training Records	72	0	0	0	0	72				

JEA
Electric System
5 Year Capital Budget
(000's Omitted)

Description	PROPOSED					
	FY05 TOTAL	FY06 TOTAL	FY07 TOTAL	FY08 TOTAL	FY09 TOTAL	FY05 - FY09 TOTAL
Receiving Bids_Quotes Electronically	69	0	0	0	0	69
Online Unsolicited Vendor Qualification Process	69	0	0	0	0	69
Tools & Equipment	42	0	20	40	40	142
Technology Projects - Electric	0	4,000	4,000	4,000	4,000	16,000
Green Power - Electric	0	1,000	1,000	1,000	1,000	4,000
Geographic Information System Implementation & Data Migration - Electric	0	500	0	0	0	500
Potential Utility Acquisitions and Partnerships - Electric	0	150	150	150	150	600
Information Grid Workstation Upgrades - Electric	0	100	100	100	100	400
Total Electric System Other Projects	76,110.7	15,884.0	14,140.9	14,680.6	14,726.8	135,543.0
Total Electric	255,929	248,753	166,392	140,848	112,206	924,128

JEA
Water Sewer System
5 Year Capital Budget
(000's Omitted)

Description	PROPOSED									
	FY05 TOTAL	FY06 TOTAL	FY07 TOTAL	FY08 TOTAL	FY09 TOTAL	FY05 - FY09 TOTAL				
St Johns County Repump Station- Potable & Reclaim	4,310	1,930	0	0	0	6,240				
Northwest Regional WTP	2,800	1,500	0	0	0	4,300				
Main St. WTP - High Service Pumps & Piping	1,750	0	0	0	0	1,750				
Cecil Commerce Wells No. 3 & 4	1,150	1,250	1,250	0	0	3,650				
Well Rehabilitation & Backplugging	1,140	0	0	0	0	1,140				
Deerwood III Well No. 8	1,100	1,500	0	0	0	2,600				
Oakridge Well No. 7	1,100	0	0	0	0	1,100				
Water Plant Capital Renewal & Replacement	750	300	300	300	300	1,950				
W Nassau Regional WTP	600	4,250	0	0	0	4,850				
Main St. WTP - New Reservoir	500	6,500	0	0	0	7,000				
Oakridge WTP- Wells	351	1,100	0	0	0	1,451				
Back Up Power North Grid Water Treatment	239	425	0	0	0	664				
Highlands WTP -Well No. 6	0	1,300	1,300	0	0	2,600				
Southwest WTP Well No. 6	0	1,200	0	0	0	1,200				
Ridenour WTP - Wells	0	1,100	1,100	0	0	2,200				
Ridenour Well No. 6	0	1,100	0	0	0	1,100				
Southeast Well No. 3	0	1,100	0	0	0	1,100				
Deerwood 3 - WTP Raw Water	0	500	4,000	0	0	4,500				
SJRWMD Mandated Well Back Plugging	0	200	0	0	0	200				
Plant Water- New Capacity	0	0	0	0	0	0				
Cecil Commerce Center Regional Water Treatment Plant	0	0	0	2,500	2,500	5,000				
Total Water Treatment	15,790	25,255	7,950	2,800	10,300	62,095				
Joint Participation Projects-Water	17,885	14,902	19,809	6,923	3,101	62,620				
Grid - Water R&R	15,000	3,000	3,000	3,000	3,000	27,000				
Developer Driven Water Projects	5,500	3,550	3,550	3,550	3,550	19,700				
Water Meter Installations for Growth & Emergency Replacement	3,500	2,715	2,783	2,853	2,924	14,774				
Racetrack Rd - Bartram Springs To JEA Easement Racetrack Rd - Wtr	2,400	0	0	0	0	2,400				
Nocatee Water Transmission - On-Site	2,300	1,800	0	0	0	4,100				
New Water Service Additions	2,000	3,250	3,250	3,250	3,250	15,000				
Racetrack Rd - JEA Easement Racetrack Rd to St Johns Forest WTP - Wtr	1,600	0	0	0	0	1,600				

JEA
Water Sewer System
5 Year Capital Budget
(000's Omitted)

Description	PROPOSED									
	FY05	FY06	FY07	FY08	FY09	FY05 - FY09				
	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL
1,571	0	0	0	0	0	1,571				
1,500	1,500	1,500	1,500	1,500	1,500	7,500				
1,360	300	0	0	0	0	1,660				
1,200	1,000	1,000	1,000	1,000	1,000	5,200				
1,170	0	0	0	0	0	1,170				
1,080	0	0	0	0	0	1,080				
637	0	0	0	0	0	637				
608	0	0	0	0	0	608				
450	0	0	0	0	0	450				
404	300	200	150	150	150	1,204				
100	846	0	0	0	0	946				
100	0	0	0	0	0	100				
0	7,500	7,500	7,500	7,500	7,500	30,000				
0	150	0	0	0	0	150				
0	0	2,450	0	0	0	2,450				
0	0	0	0	0	0	0				
60,365	40,813	45,042	29,725	28,475	204,420					
Total Water Distribution										
22,697	21,000	11,000	5,000	0	0	59,697				
21,595	14,608	15,509	4,507	2,159	2,159	58,378				
7,700	2,000	2,000	2,000	2,000	2,000	15,700				
6,126	4,000	4,000	4,000	4,000	4,000	22,126				
3,400	2,000	1,500	1,500	1,500	1,500	9,900				
2,370	130	0	0	0	0	2,500				
2,150	400	0	0	0	0	2,550				
2,000	400	400	400	400	400	3,600				
1,800	2,500	0	0	0	0	4,300				
1,500	2,000	0	0	0	0	3,500				
1,400	0	0	0	0	0	1,400				
1,100	1,000	1,000	1,000	1,000	1,000	5,100				
625	0	0	0	0	0	625				
Ponte Vedra Municipal Service District Vacuum Sewer System										

JEA
Water Sewer System
5 Year Capital Budget
(000's Omitted)

Description	PROPOSED									
	FY05 TOTAL	FY06 TOTAL	FY07 TOTAL	FY08 TOTAL	FY09 TOTAL	FY05 - FY09 TOTAL				
Starratt Rd - Sandlewood PY to Bonapart Dr - Sewer	475	0	0	0	0	475				
Abess Rd. Force Main	330	0	0	0	0	330				
Jammes Road - Sewer	100	0	0	0	0	100				
Grid Sewer-New Capacity	0	0	0	0	2,500	2,500				
Total Sewer Collection	75,369	50,038	35,409	18,407	13,559	192,781				
Pumping Stations - Master Station Rehabilitation	2,500	1,600	1,600	1,600	1,600	8,900				
Pumping Stations - Class I/II Station Rehabilitation	1,900	1,250	1,250	1,250	1,250	6,900				
Pumping Stations - Capital Equipment Replacement	1,200	750	750	750	750	4,200				
Holly Oaks Master Pump Station	0	805	0	0	0	805				
Total Sewage Pump Stations	5,600	4,405	3,600	3,600	3,600	20,805				
Yulee Wastewater Treatment Plant WWTP 2 MGD Expansion	7,652	0	0	0	0	7,652				
Biological Nitrogen Removal; Prototype Program	5,090	7,250	3,775	4,500	4,500	25,115				
Blacksford WWTP Expansion Phase 2 - St Johns County	3,450	850	0	0	0	4,300				
Julington Creek Plantation WWTP Upgrades	2,100	0	0	0	0	2,100				
San Pablo WWTP Phase Out	1,200	0	0	0	0	1,200				
Wastewater Plants - Capital Equipment Replacement	950	500	500	500	500	2,950				
Woodmere WWTP Phase Out	900	0	0	0	0	900				
Royal Lakes and San Jose WWTP Phase-Outs	580	1,750	1,250	0	0	3,580				
Ponte Vedra Wastewater Treatment Plant Expansion	500	0	0	0	0	500				
Southwest Wastewater Capacity Expansion	350	4,500	3,500	0	0	8,350				
Buckman WWTP Bio Gas Upgrades	300	0	0	0	0	300				
Mandarin WWTP Reclaimed Facility Expansion	0	1,750	0	0	0	1,750				
Beacon Hills WWTP Phase-out □	0	1,000	0	0	0	1,000				
Wastewater Plant-New Capacity	0	0	0	0	5,000	5,000				
Total Wastewater Treatment	23,072	17,600	9,025	5,000	10,000	64,697				
Nocatee Reclaim Transmission - On-Site	3,500	1,500	0	0	0	5,000				
Nocatee Reclaim Transmission - Off-Site	2,400	400	0	0	0	2,800				
South Grid Reclaim Interconnect	2,100	0	0	0	0	2,100				

JEA
Water Sewer System
5 Year Capital Budget
(000's Omitted)

Description	PROPOSED										
	FY05 TOTAL	FY06 TOTAL	FY07 TOTAL	FY08 TOTAL	FY09 TOTAL	FY05 - FY09 TOTAL	FY05 TOTAL	FY06 TOTAL	FY07 TOTAL	FY08 TOTAL	FY09 TOTAL
Nocatee Reclaim Storage & Repump Facility - On-Site	2,000	600	0	0	0	2,600					
Joint Participation Projects-Reclaim	237	53	62	34	0	386					
Reclaimed Water Distribution	0	2,000	2,000	2,000	2,000	8,000					
Delivery Stations- JG&CC, QHGC, GKGCC	0	300	0	0	0	300					
Total Reclaimed Water Distribution	10,237	4,853	2,062	2,034	2,000	21,186					
Network Meter Reading (NMR) - Water	19,229	1,157	0	0	0	20,386					
Geographic Information System Implementation & Data Migration - Water	2,543	0	0	0	0	2,543					
Fleet Replacement - Water	2,500	2,900	1,100	1,100	1,100	8,700					
BHAG 2007 Left Hand Initiatives	2,400	0	0	0	0	2,400					
Capital Administrative Overhead- Water	2,217	0	0	0	0	2,217					
GPS Dispatching System	1,500	1,000	0	0	0	2,500					
CAIR 8.9 upgrade	1,358	0	0	0	0	1,358					
Facilities Security - Water	1,000	500	500	500	500	3,000					
Potential Utility Acquisitions and Partnerships - Water	750	800	400	200	200	2,350					
Facilities Landscaping, Paving, Signage, & Site Improvements - Water	720	250	250	250	250	1,720					
Customer Relationship - Global Customer Request Tracking System	634	0	0	0	0	634					
Oscar North Grid	575	0	0	0	0	575					
Workstation_laptop_printer upgrades	500	0	0	0	0	500					
Facilities Improvements, Building Upgrades - Water	400	429	489	457	457	2,231					
Facilities Generator Replacement - Water	400	130	0	0	0	530					
CAIR Enhancements Phase III (Deferred Items)	340	0	0	0	0	340					
Waterworks Lab, Museum, and Visitor Center - Water	340	0	0	0	0	340					
Facilities Heating, Ventilation, & Air - Water	334	500	500	500	500	2,334					
Facilities Improvements, Electric and Lighting Systems	331	181	0	0	0	512					
Servers for new initiatives (Linux, VMWare)	300	0	0	0	0	300					
Water and Sewer Expansion Authority	300	0	0	0	0	300					
Data Warehouse Purchasing Supply Chain	250	0	0	0	0	250					
Special Event - Water	250	0	0	0	0	250					
Broadband Over Powerline	250	0	0	0	0	250					
Initial phase of Info Grid Security Implementation	230	0	0	0	0	230					

JEA
Water Sewer System
5 Year Capital Budget
(000's Omitted)

Description	PROPOSED									
	FY05 TOTAL	FY06 TOTAL	FY07 TOTAL	FY08 TOTAL	FY09 TOTAL	FY05 - FY09 TOTAL	FY05 - FY09 TOTAL	FY05 - FY09 TOTAL	FY05 - FY09 TOTAL	FY05 - FY09 TOTAL
Facilities Improvements - Elevators - Water	225	333	0	0	0	0	0	0	0	558
Facilities Roof Replacement - Water	221	400	400	400	400	400	400	400	400	1,821
Exchange 2003 migration	208	0	0	0	0	0	0	0	0	208
Project Outreach Program - Water	200	200	175	125	125	125	125	125	125	825
New Workstations Laptops Printers	200	0	0	0	0	0	0	0	0	200
Facilities Improvements, Plumbing and Fire System Upgrades	170	0	0	0	0	0	0	0	0	170
Accept Credit Card Payment	168	0	0	0	0	0	0	0	0	168
Expansion of VoIP (SIP gateway)	150	0	0	0	0	0	0	0	0	150
Protocol 802.11 Hot Spots	150	0	0	0	0	0	0	0	0	150
Laboratory Equipment Upgrades	120	50	80	50	50	50	50	50	50	350
Navy Privatization - Water	110	50	30	0	0	0	0	0	0	190
DataWarehouse - Financial Services (GL&PA)	106	105	0	0	0	0	0	0	0	211
CAIR Reporting - Customer Sampling from CAIR DWH	106	0	0	0	0	0	0	0	0	106
Wireless point-to-point links for diversity and redundancy	100	0	0	0	0	0	0	0	0	100
Spectrum analyzer	100	0	0	0	0	0	0	0	0	100
Pay arrangements by IVR and On-Line	78	0	0	0	0	0	0	0	0	78
Market Strategy - Global Online Survey Tool	78	0	0	0	0	0	0	0	0	78
JEA.com Profile/Optimized Customer Service and Sign-up	78	0	0	0	0	0	0	0	0	78
Gigabit Ethernet sniffer	75	0	0	0	0	0	0	0	0	75
Total JEA TS_COPQ Tracking	66	0	0	0	0	0	0	0	0	66
Improve IFB/RFP/Awards Comm Process	65	0	0	0	0	0	0	0	0	65
Project Material - System Enhancements	56	0	0	0	0	0	0	0	0	56
Oracle GL & ADI Enhancements	54	0	0	0	0	0	0	0	0	54
Service Orders (m_on, m_off) by IVR	53	0	0	0	0	0	0	0	0	53
Organizational Services - CBT - Flashplayer + Software	53	0	0	0	0	0	0	0	0	53
PBC Enhancements	52	0	0	0	0	0	0	0	0	52
Telecom shop consolidation	50	0	0	0	0	0	0	0	0	50
Temporary Meter Flat Rate	21	0	0	0	0	0	0	0	0	21
Audit Software	17	0	0	0	0	0	0	0	0	17
Automated Cost of Service Model	16	0	0	0	0	0	0	0	0	16
Customer Recontact Survey Improvement	16	0	0	0	0	0	0	0	0	16

JEA
Water Sewer System
5 Year Capital Budget
(000's Omitted)

Description	PROPOSED									
	FY05 TOTAL	FY06 TOTAL	FY07 TOTAL	FY08 TOTAL	FY09 TOTAL	FY05 - FY09 TOTAL				
Technology Projects - Water	0	4,000	4,000	4,000	4,000	16,000				
Warehouse Management System	0	1,000	0	0	0	1,000				
Information Grid PC Equipment New	0	200	200	100	100	600				
Total Other Capital Projects	42,812	14,184	8,124	7,682	7,682	80,484				
Total Water and Sewer	233,245	157,149	111,211	69,248	75,616	646,469				

JEA
District Energy System
5 Year Capital Budget
(000's Omitted)

Description	PROPOSED										
	FY05		FY06		FY07		FY08		FY09		FY05 -
	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL	FY09
Chilled Water Plant (#4)	9,740	0	0	0	0	0	0	0	0	0	9,740
SouthBank Chilled Water Facility	7,471	5,489	2,900	0	0	0	0	0	0	0	15,860
Chilled Water Plants and Distribution Piping	7,250	6,000	8,641	6,040	6,040	6,040	6,040	6,040	6,578	6,578	34,509
Total District Energy System	24,461.0	11,489.0	11,541.0	6,040.0	6,040.0	6,040.0	6,040.0	6,040.0	6,578.0	6,578.0	60,109