



## **Jay Stowe presentation to FWEA: JEA's Commitment to Long-term Sustainability**

- **1 First Slide**

- Thank you for allowing me to present today.
- My name is Jay Stowe...I'm the managing director and CEO of JEA and I'm glad to be here talking about my favorite topic...JEA and how we serve Northeast Florida with our commitment to long-term sustainability.
- On behalf of our over 2000 dedicated employees...I'd like to take a moment to thank the Florida Water Environment Association and its members for all you do to support our industry.

- **2 Next Slide - Agenda**

- I'm going to spend a few moments discussing a little bit about JEA...all of the components related to our water services...how we plan our Capital Improvement Projects...and current challenges.

- **3 Next Slide-About JEA**

- JEA is Florida largest not-for-profit...community-owned water and electric utility.
- We provide electric and water services to more than one million people in northeast Florida while being a good steward of our precious natural resources and the environment.
- Established by the City of Jacksonville in 1895 to provide electricity...JEA was tasked with taking over water responsibilities from the City in 1997.
- Our seven-member Board are appointed; three by the mayor and four by the City Council...and consist of seven of the most respected and successful members of our community. From business owners to CEO's, and a retired Army General...our volunteer board serves the community by attending over 20 meetings per year providing a robust governance structure.

- **4 Next Slide - Values and Strategic areas of focus/objectives**

- We operate under three main values: Safety, Respect, Integrity. Those commitments impact the way we do everything else. When we say, “Our customers are at the heart of all we do,” we mean it. And we hold the same value for all our team members, many of whom are also customers. Jay can expound on the other areas if he'd like to.

- **5 Next Slide-Largest Community Owned**

- JEA's service territory is vast.
- It covers over 900 square miles...in four counties.
- For the water side of the business...that includes:
  - 38 water treatments plants
  - 11 water reclamation facilities
  - 134 Floridan aquifer wells
  - And over 1500 lift stations
- JEA owns...maintains...and repairs over 9000 linear miles of pipe.
- That's the equivalent of driving to the north pole and back.
- Let that sink in.
- Without question...our most valuable asset...is our dedicated employees who work around the clock, seven days a week.
- It's because our water customers depend on us to provide safe...reliable...and affordable water each and every day.

- **6 Next Slide-Service Territory Maps**

- This next slide shows our water and reclaimed service area in northeast Florida and the location of our facilities.
- I mentioned the environment is important to us.

- **7 Next Slide-Manatee**

- And while the Electric side has dramatically reduced carbon emissions through expansion of our carbon-free footprint through solar and nuclear power...our water side is doing its part as well.
- Our nitrogen discharges have seen a 60% reduction even during a time of rapid population growth.
- We achieved this through advanced treatment processes...replacing older technology...and building out a reclaimed water system.
- But we are doing more.

- **8 Next Slide-SB 64**

- Senate Bill 64 requires the elimination of nonbeneficial surface water discharges by 2032.
- We all know Florida's aquifer cannot continue to support the rapid growth as is.

- **9 Next Slide-Integrated Water Resource Planning (IWRP)**

- As an industry leader, JEA has long embraced the concept of One Water and the principles of Integrated Water Resources Management.
- JEA completed our most recent IWRP in 2021, with a goal of revisiting it every five years.
- Our IWRP embodies:
  - Water supply certainty in meeting current and future water demands; Maximizing the use of reclaimed water;
  - Well-targeted and cost-effective water conservation programs;
  - Enhanced resiliency, accounting for future uncertainties;
  - Recommendations for specific projects and programs that are aligned with JEA's Strategic Areas of Focus (earn customer loyalty, deliver business excellence, and develop an unbeatable team).

- **10 Next Slide-Planning Criteria**

- JEA utilizes these five lenses when evaluating capital improvement projects.
- Each will have its champions for varying reasons, but the reality is all are equally important.

- **11 Next Slide-IWRP Solutions**

- The IWRP identified the need for additional water supply beyond what the aquifer can provide
- Although we're proud of our efforts...conservation and reclaimed water alone...are not enough.
- Rapid growth of the region requires sustainability in supply.
- When we looked at all our options...from conservation to desalination...the best option for JEA...our customers...and the environment...was water purification.
- Purification is cost competitive and allows us to meet future demands.

- **12 Next Slide-Reclaimed Water**

- We currently serve over 25,000 reclaimed water customers.
- New customers utilizing reclaimed water has provided a direct savings in potable water.
- Through conservation efforts...JEA has seen a 25% reduction in residential potable water use from in the last 13 years.
- Those efforts equate to a savings of over 9 billion gallons per year.

- **13 Next Slide-H2.0 Purification Program**

- JEA's Water Purification Program has a number of benefits including:
  - Being the most economical supply for our rate payers
  - Providing aquifer protection and sustainability
  - Increases our available groundwater supply
  - Maximizes the use of available water resources
  - And reduces unused water that is discharged to the St. Johns River.
- Therefore, water purification is the only option that not only provides a solution to our water supply challenge, but also addresses the requirements of SB64

- **14 Next Slide-H2.0 Purification Center**

- H2.0 is a registered trademark of JEA. The program is branded H2.0 as a nod to the 2.0 version of our water supply
- Planning for the program began back in 2014.
- Pilot testing followed which recommended a membrane-based purification process
- In 2021 JEA began designing a 1 MGD H2.0 Purification Center which is now in construction
- The Center includes a visitor education center for the community and stakeholders. The Center will also serve to train JEA operations staff.
- Construction completion is expected in 2025.

- **15 Next Slide-Types of Capital Projects**

- JEA has a robust capital improvement program.
- For this fiscal year, JEA will spend \$400 Million and \$3.5 Billion over the next 5 years in water alone.
- Combined with Electric and our 5-year CIP is over \$5.4 Billion dollars.
- Those dollars are invested in resiliency projects and environmental stewardship.
- Regulatory compliance projects required by local, state, and federal regulations.
- Replacing and restoring the infrastructure that keeps everything going.

- **16 Next Slide-Septic Tank Phase Out**

- JEA is proud to partner with the City of Jacksonville on a Septic Tank Phase Out Program.
- Jointly funded and managed by JEA...we have either constructed or in the process of constructing sewer and potable water connections to over 1600 homes in four neighborhoods.
- This includes the proper abandonment of the existing septic tanks.
- All neighborhoods are identified as point-source contributors for nutrients to the St. Johns River.

- **17 Next Slide-Current Challenges**

- If I made it seem easy...it's not.
- JEA is not immune to the challenges many other sectors are seeing.
- Shortages in skill and craft trades contribute to industry-wide shortfall.
- To help offset these labor issues...we've partnered with our local high school...college and vocational schools to offer pathways and training for those students looking to enter the field.
- Supply chain challenges are impacting all facets of our business.
- From transformers...wire and cable on the electric side.
- To pumps...control panels & switches...and everything in between for Water.
- Material lead times went from days & weeks...to months & years.
- This has required us to be creative in solving these issues by forecasting development needs...diversifying vendors and manufacturers...and coming up with creative ways to refurbish older parts.
- Here at JEA, we're doing our part to help solve the problems.
- Thanks again for allowing me to be here today. I'm open for questions.