

Evolution and Transformation of the Utility Sector

How Utilities Need to Adapt

Sheila Pressley, Chief Customer Solutions Officer
Kubra Presentation

- Begin with Sheila's family story. Reflections on evolving customer demographics and demands, changing society. **Either Sheila needs to provide some context for what she intends to say, or we can leave the slide simple and unpopulated, and she can speak extemporaneously. The photo itself is impactful.**
- We keep our corporate values, strategic areas of focus, and strategic objectives front and center. **I have separated this portion into three slides:**
 - Core Values
 - Strategic Areas of Focus
 - Our Strategic Objectives

Sheila may want to touch on each of these separately, or just use the consolidated slide (which doesn't really match the color scheme of the presentation – but could still be used)
- As utilities, we serve all customers regardless of household type, income, age, or ethnicity. This means we must meet needs of the lowest to the highest income and from the smallest business to the largest corporation. Each one is valuable and deserving of the best quality service available. **As utilities, we serve all customers regardless of household type, income, age, or ethnicity. This means we must meet needs of the lowest to the highest income and from the smallest**

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- We don't want to leave any customer group behind. At JEA, we are committed to providing services that are affordable, reliable, and sustainable. This means that we are constantly looking for ways to keep costs down and keeps the lights and water on, while always keeping our precious natural resources at the forefront of all our business choices not just now – but for the future.
- One of the most important things we have tackled as we plan for the future is our **electric Integrated Resources plan**.
 - For the first time, we engaged stakeholders from within our community in the planning process.
 - The stakeholder involvement was critical as it allowed us to
 - **Inform:** We shared information about trends, challenges and opportunities facing the electric utility industry.
 - **Listen:** We heard their suggestions and it allowed us to understand their perspectives as integral members of our community.
 - **Incorporate:** Their input helped us shape the right framework for decisions about our community's power supply.
- We presented goals at public forum on May 25, which was simulcast through our public radio station. The panel discussion at the forum included community stakeholders including the United Way, The RiverKeeper, First Coast Manufacturers and the City of Jacksonville – covering areas ranging from community charities to the environment to business to local government.

- Afterwards, we embarked on presenting IRP goals to **employees**; many of whom are **also our customers**.
- We are now continuing discussions with **community groups**. We call these our “**IRP Roadshows**” – and we hope to reach even more of our customers through these efforts.
- In less than a decade, we plan to accomplish:
 - 35% clean energy
 - Retire less efficient generation
 - 100% clean energy to serve JEA facilities
 - Offset electrification demand with energy efficiency programs
- Distributed Energy Resources (DERs) are decentralized, often customer-owned, energy sources like solar panels, electric vehicles, and batteries that can generate or store electricity close to the point of consumption. Defining the value of DERs will let JEA create innovative customer programs by accurately pricing these resources, incentivizing adoption, and aligning grid needs with customer behaviors for mutual benefit.
- Through our 'Value of DER' initiative, we're rigorously assessing the true value of Distributed Energy Resources to design future-proof, innovative rates and customer programs. Once complete, this study will **empower our customers** to participate in shaping a more resilient and sustainable energy ecosystem.
- Along with these changes in the utilities sector, we are embracing an evolving approach to meet customers where they are. Through things like digital service options, payment kiosks and text alerts and other nontraditional communication channels (like social media) we attempt to make doing business with us as easy as possible by providing numerous

methods to conduct business as well and to transmit and receive information for our customers.

- As our population ages, at the same time new, tech-savvy consumers become part of our customer base we must be cognizant of serving both groups well. Our senior population, of whom there are many, and others like the income-constrained may not be comfortable with digital options or have access to them. It's a slippery slope for many utilities that are turning to digital technologies and a more innovative mindset in order to thrive in this new era. While it's true that those that don't seize the opportunity to evolve risk being left behind, it's equally important to remember we can't forget them (**seniors and income-constrained**) in the process of improving our service delivery.

Two possible conclusions:

1) **What We Do, And Why**

- Before I close, I'd like to you to meet Rodney Sairras. He's one of our customer advisors at JEA. And he proudly embraces our service philosophy. Take a look.
- (After the video...)
When it all comes down to it, as a utility industry it's the **people we serve** that motivate us to strive for a successful transformation in this ever-changing business. By **keeping the customers first** and diligently seeking ways to exceed their expectations by whatever means necessary, we *will* all evolve and adapt. I'm happy to answer any questions you may have.

2) We Understand

- At JEA, **WE UNDERSTAND** that the work we do really does improve lives and build community. And **WE UNDERSTAND** that the 1.2 million people we serve are at the heart of everything we do. When it all comes down to it, as a utility industry that's the key to successful transformation in this ever-changing business. By **keeping the customers first** and diligently seeking ways to exceed their expectations by whatever means necessary we will all evolve and adapt. Take a look at JEA's commitment to do just that. And after this brief video, I'd be glad to answer any questions you may have.
- Q&A