

JACKSONVILLE CITY COUNCIL
SPECIAL INVESTIGATORY COMMITTEE ON JEA MATTER

TELEPHONIC INTERVIEW OF

PAUL MCELROY

DATE TAKEN: Thursday, March 26, 2020

TIME: 2:13 p.m. to 3:55 p.m.

Examination of the witness taken before:

Terrie L. Cook, RPR, CRR, FPR, and a Notary Public

Hedquist and Associates
345 East Forsyth Street
Jacksonville, Florida 32202
(904)354-4111 FAX (904)791-9103

- - -

1 APPEARANCES OF COUNSEL
 2 On behalf of Special Investigatory Committee
 3 E. Lanny Russell, Esquire, via telephone
 4 Smith, Hulsey & Busey
 5 One Independent Drive
 6 Suite 3300
 7 Jacksonville, Florida 32202
 8 On behalf of Paul McElroy
 9 Michael Abel, Esquire, via telephone
 10 Abel Bean Law
 11 50 North Laura Street
 12 Suite 2500
 13 Jacksonville, Florida 32202
 14 On behalf of the General Counsel's Office
 15 Stephen J. Powell, Esquire, via telephone
 16 General Counsel's Office
 17 117 West Duval Street
 18 Suite 480
 19 Jacksonville, Florida 32202

- - -

1 STIPULATION
 2 It was stipulated and agreed by and between
 3 counsel for the respective parties, and the witness,
 4 that the reading and signing of the deposition by the
 5 witness was not waived.
 6 - - -
 7 MR. RUSSELL: This is Lanny Russell. I am
 8 special counsel to the investigative committee
 9 appointed by the City Council concerning the
 10 potential JEA sale.
 11 And I believe -- if the other persons would
 12 make their appearances, please.
 13 MR. POWELL: This is Steve Powell. I'm with
 14 the Office of General Counsel and I'm here on behalf
 15 of JEA.
 16 MR. ABEL: This is Michael Abel, A-b-e-l, from
 17 Abel Bean Law. And I'm counsel to Paul McElroy.
 18 THE WITNESS: This is --
 19 MR. RUSSELL: Go ahead, Mr. McElroy.
 20 THE WITNESS: Yes. I'm sorry. I'm Paul
 21 McElroy, M-c-E-l-r-o-y, and retired CEO for JEA.
 22 MR. RUSSELL: Thank you, Mr. McElroy. We
 23 appreciate you voluntarily participating in today's
 24 proceedings. A transcript of the interview is being
 25 made and you will be provided that transcript with

1 INDEX

2

3 EXAMINATION

4

5 WITNESS	Page	
6 PAUL MCELROY		
7 DIRECT EXAMINATION BY MR. RUSSELL		5
8		
9		
10		
11		
12		
13		
14		
15 EXHIBITS		
16 FOR IDENTIFICATION	Page	
17 Exhibit 1		10
18 Exhibit 2		35
19 Exhibit 3		38
20 Exhibit 4		40
21 Exhibit 5		43
22 Exhibit 6		54
23		
24		
25		

1 an opportunity to make such corrections as you
 2 believe are errors in the transcript or corrections
 3 to what you have said, if you believe that's
 4 appropriate.
 5 - - -
 6 PAUL MCELROY,
 7 having been produced, testified upon as follows:
 8 DIRECT EXAMINATION
 9 BY MR. RUSSELL:
 10 Q My understanding, Mr. McElroy, is that you
 11 became the chief executive officer and managing director
 12 of JEA in September of 2012; is that correct?
 13 A Yes, that's correct.
 14 Q Okay. Could you briefly explain to us --
 15 MR. RUSSELL: Who just joined, please?
 16 MR. POWELL: I'm sorry. I accidentally hung
 17 up. I just dropped -- I dropped back in.
 18 MR. RUSSELL: No problem.
 19 BY MR. RUSSELL:
 20 Q Mr. McElroy, could you briefly explain to us
 21 the financial condition of JEA at the time you became
 22 the chief executive officer and managing director in
 23 September of 2012?
 24 A At that time, JEA had a -- a significant amount
 25 of debt on its balance sheet and was finishing up a

1 series of -- of right and/or price increases that we had
 2 approved and -- and put through in the prior four to
 3 five years.
 4 So -- so revenue was -- was brought up to -- at
 5 that time to -- to match out their expenses and to match
 6 essentially the large debt load the utility was
 7 carrying. That debt load was the result of putting on
 8 approximately \$2 billion in debt over the prior seven or
 9 eight years on the electric system and a billion dollars
 10 in debt on the water/sewer system.
 11 So, in essence, the operating cash flows were
 12 sufficient to cover operating expenses and -- and
 13 provide a large improvement for the bondholders, but we
 14 really needed to work to move our debt down and get that
 15 under control and move those metrics in terms of debt to
 16 equity back in line, essentially, with industry
 17 standards, you know what I'm saying, and our -- and our
 18 credit ratings.
 19 Q Thank you.
 20 And I understand, Mr. McElroy, that you
 21 resigned as CEO and managing director of JEA in April of
 22 2018?
 23 A That -- that is correct.
 24 Q As -- as of that date, April of 2018, had the
 25 financial condition at JEA changed from that which you

1 described in answer to my prior question?
 2 A Yes, it had. It had improved -- improved
 3 significantly. During that period of time and -- and a
 4 couple years -- probably the 2010 time frame was the
 5 beginning of the -- the pay-the-debt strategy. But at
 6 the time I left, JEA was making the largest contribution
 7 to the City in its history, an all-time high, customer
 8 bills were -- were lower than when I first started. The
 9 debt was down by \$2 billion and the credit ratings
 10 were -- were up, were better than they were when -- when
 11 I first took over.
 12 In addition to that, customer satisfaction was
 13 up significantly on the residential side. And these
 14 measurements are -- are from J.D. Power & Associates.
 15 They're independent of -- of JEA's involvement. They
 16 produce these ratings and surveys whether -- whether we
 17 participate with them as a partner or not.
 18 So residential customer satisfaction was up 74
 19 percentage points, business customer satisfaction was up
 20 dramatically. And, in fact, the utility placed number
 21 one in the nation out of 98 other electric utilities in
 22 the country in 2016.
 23 We were able to continue to work on our plan to
 24 reduce CO2 emissions and put other strategies in place
 25 that are locked in place to occur over the next couple

1 of years, bringing CO2 emissions for the utility down by
 2 45 percent from its peak in 2014.
 3 During the time, I would also say the
 4 environment, our -- our river was healthier and there
 5 were plans in place to -- to make it even -- even
 6 healthier.
 7 An assessment of all of the systems, they were
 8 more reliable, including JEA.com and mobile
 9 applications. And the team, during that two years,
 10 proved its -- how successful it was in terms of it
 11 covering two major hurricanes back to back.
 12 So I think all in all, the financial strikes
 13 that the utility was under, allowing it to accomplish
 14 all those business goals and objectives was -- was
 15 stronger at the end of -- when I retired than, you know,
 16 when I first started out.
 17 Q And prior to becoming, in September of 2012,
 18 the CEO and managing director, you had been the chief
 19 financial officer of JEA?
 20 A And that -- that is correct.
 21 Q And you put -- what year did you become chief
 22 financial officer?
 23 A The -- the title chief financial officer was
 24 supplied, I believe, in 2006.
 25 Q In -- let me just back up because that's a

1 different period of time.
 2 During the period 2006 to 2012, when you became
 3 CEO and managing director, did JEA also face challenges
 4 in connection with its operations that you recall?
 5 A In 2006, there were certainly financial
 6 challenges in that at that time the -- the debt I
 7 mentioned in my previous answer had really accumulated
 8 to its -- to its -- not the highest level, but almost to
 9 its highest level in the period from '98 to 2006.
 10 On the elec- -- on the water/sewer system, it
 11 went from 244 million to -- to \$1.7 billion. And -- and
 12 rates were still the same. Prices were still the same.
 13 So we were -- we were stressed out in terms of
 14 our -- our financial performance and measurements at
 15 that time because of the very heavy debt load added on
 16 without any -- any income or revenue or really any
 17 significant underlying growth to pay for that debt.
 18 It was a mirror image in the -- in the electric
 19 system when debt in 1999 was approximately 400 million.
 20 And in 2008, it had reached 2.6 billion in that period
 21 of time. Again, without any -- any price or rate
 22 adjustment to cover the -- the repayment of that debt.
 23 So we had -- we had a challenging time in the
 24 first four years of -- of my role as CFO. And -- and we
 25 worked with the community, certainly worked with the

Page 10

1 board and -- and moved significant price adjustments
 2 forward, based upon the need to recover the cost of the
 3 major investments made in the system in the -- in the
 4 years, really, 2002 to 2008 or '9.
 5 From a systems perspective, there were a lot of
 6 improvements made during those years or investments made
 7 during those years, an expansion of generation
 8 capability. So the system was -- was improved and then
 9 really in the -- in the period of '08 through '12,
 10 operational excellence became a -- became a theme within
 11 the utility and I believe we funded a lot of plans at
 12 that point in time through -- through the pricing
 13 adjustments to be able to move our operating metrics up
 14 to top decile performance.
 15 Q Thank you.
 16 I'd like to ask you some questions about the
 17 2017 annual report. I had sent you a few pages of that
 18 report, excerpt from that report.
 19 A Okay.
 20 (Exhibit 1 was marked for identification.)
 21 Q Do you have that before you, Mr. McElroy?
 22 A I'm going to pull that up right now. I have
 23 another one. Annual report. Yes, I have it up now.
 24 Q Thank you.
 25 This is a 2017 annual report for JEA, is that

Page 11

1 correct, or excerpts from that report?
 2 A That is -- that is correct.
 3 Q And I believe the period of time covered by
 4 this report would be the year that ended September 30th,
 5 2007 [sic], because the fiscal year at JEA is September
 6 to September?
 7 A That's correct. Its 12 months ended September
 8 30th, 2017.
 9 Q Okay. And this was the last annual report that
 10 would have been prepared during your tenure as CEO and
 11 managing director of JEA?
 12 A That is correct. And it is physically
 13 posited --
 14 Q And -- go ahead.
 15 A But -- and so just not prepared, but fully
 16 posited by E&Y. So I think that's an important
 17 distinction.
 18 Q I understand.
 19 Did you personally assist in the preparation of
 20 portions of this report?
 21 A And as -- as CEO, it -- it would not be in my
 22 responsibility -- responsibility to -- to assist in the
 23 preparation.
 24 Q I have a better question.
 25 A Yeah.

Page 12

1 Q Yeah.
 2 And as CEO and managing director of JEA, did
 3 you approve this report before its release?
 4 A Yes.
 5 Q Okay. And what I wanted to ask you about was
 6 actually on the cover page. It was the -- under the
 7 title of the document, the JEA 2017 Annual Report, in
 8 bold, is the word Resiliency. Can you tell me why that
 9 word was used on the cover of this report?
 10 A It -- it related directly to the resiliency of
 11 the entire JEA. Its -- its terrific, fantastic world
 12 class work force, its operating systems, it -- meaning
 13 its -- its hard assets, its plants, being electric,
 14 water and sewer, its distribution systems, whether water
 15 or electric, its collections systems, wastewater, all of
 16 those performed, admirably, certainly at -- at that
 17 class level during the hurricanes that -- that just hit
 18 us in the -- in the prior 12 months.
 19 So it was a -- it was a testament for the
 20 fortitude of the human element, which is the
 21 distinguishing element of JEA, its people and how they
 22 were able to -- to employ the outstanding infrastructure
 23 that we had and to repair and maintain it during --
 24 during horrendous conditions, two back-to-back
 25 hurricanes.

Page 13

1 And so that was the strong people, being that
 2 we thought important to -- to signal that we were
 3 resilient through the enormous challenges that
 4 Mother Nature had directed at us and came out both
 5 better for it.
 6 Q Okay. And on the second page, the actual first
 7 page of the document, not the cover page, there's the
 8 statement on the margin, second sentence, and the
 9 statement in the annual report is, We assumed no new
 10 debt and set in place a five-year plan that will reduce
 11 current debt by nearly \$1 billion.
 12 What does that tell us about the financial
 13 condition of JEA, given that plan?
 14 A Well, it was a strong signal to the marketplace
 15 and to the community, the owners of JEA that we had
 16 strong operating cash flow, sufficient enough that we
 17 were going to be reducing debt further by another
 18 billion dollars over the next five years. And that
 19 would be on top of the \$2 billion that we had reduced in
 20 the previous.
 21 But we were really addressing the need to get
 22 our balance sheet in a minimal and hatch-out place to
 23 deal with the future challenges that would be coming our
 24 way, whatever they might be for the future.
 25 And that the -- you know, when you look at the

Page 14

1 statements, when you look at the -- the next revenues,
 2 that's revenues whether it's on the schedule that's
 3 service coverage or you look at net revenues on a cash
 4 flow state, that the utility had an extraordinary strong
 5 operating net cash flow.

6 Q In the report, you also described the -- JEA
 7 described the decommissioning of the St. Johns River
 8 Power Park, what -- did that provide benefit to JEA?

9 A Yes, it did. It provides -- it provides and it
 10 will continue to provide benefits to JEA and -- and
 11 ultimately JEA's customers. I would like to think
 12 that -- that any benefit that we had really approved to
 13 our customers, not to -- not to run JEA or the employees
 14 of JEA, but to our customers.

15 So the decommissioning was a -- was a difficult
 16 decision, but an important one, for the utility. SJRPP,
 17 or St. Johns River Power Park, was a -- a jointly-owned
 18 project, coal plant on the north side of Jacksonville
 19 that operated very effectively during its life span.

20 The operating agreement was scheduled to -- to
 21 end and I believe it's April 2021. I might be off a
 22 year, it might be 2022. But if we can just pick a date,
 23 2021. And FPL had signaled to us that -- that they
 24 wanted out at that point in time. Contractually, they
 25 could essentially walk away, give us the key to the --

Page 15

1 the other half of the key and walk away. And we would
 2 have this enormous plant and all of the obligations that
 3 go with it at that point in time, to which would approve
 4 to the -- to really the detriments of JEA, the
 5 Jacksonville community and our customers.

6 So we started a conversation about what do we
 7 want -- what can we do with that? And, clearly, they
 8 wanted a complete exit strategy. We -- we talked about
 9 taking those units and converting them to natural gas.
 10 And we went through a series of studies on that and
 11 found that it was reasonably feasible, but would --
 12 would require significant amount of capital. And we
 13 would only have -- have -- you know, we'd only need half
 14 of a plant, we wouldn't need the other half they were
 15 giving up.

16 So they came forward with an offer to exit
 17 early and put a considerable amount of money on the
 18 table and stayed in the -- in the partnership through
 19 decommissioning in order to return the land back to its
 20 original -- original condition and they would bear half
 21 of the cost, as the -- as the agreement stated.

22 And so the long and short of it were we looked
 23 at the -- the financial side and these numbers were
 24 tested by an outside source and -- and independently
 25 validated them to be a ten-year return of about \$450

Page 16

1 million of -- of savings if we were to decommission the
 2 plant. And that was a combination of funds and money
 3 paid to us by FPL and -- for the early decommissioning
 4 and the savings that would accrue from -- from running
 5 the plant or having to do it on our own.

6 I think a final point on this, which -- which
 7 it really helped finalize the decision, is that -- is
 8 that coal -- electricity produced by coal is -- is not
 9 economic in the market. It cost more to produce -- or
 10 the giving of electricity being coal today than it does
 11 to be a natural gas builder and other technology. So it
 12 wasn't being used as much as it once was.

13 So it was a confluence of -- of issues that led
 14 up to that decision. In that decision, we worked very
 15 hard with the affected employees. A number of them were
 16 able to retire in place, a number of them joined JEA. I
 17 believe anyone that wanted a job, we work would with the
 18 State, in Tallahassee, anyone who wanted a job, we were
 19 able to find them equivalent work before the transition
 20 was over.

21 Q Further down in your report, your statement
 22 made, The disclosure proves JEA's ability to adapt to
 23 changing market condition.

24 Can you explain what were the changing market
 25 conditions that existed in 2017 that JEA would need to

Page 17

1 adapt to?

2 A '17 was --

3 Q Actually, up until the point in time you left
 4 JEA, take it up to there.

5 A Yes, yes. So -- so the transition was
 6 occurring and -- and there were a couple things going
 7 on. Clearly, the industry was transitioning away from
 8 coal as a fuel source to generate electricity.

9 Number one, the commodity was -- was more
 10 expensive. Number two, the environmental impact and its
 11 CO2 emission. And number three, it is manpowered
 12 intensive compared to other technology. So just the
 13 total cost of energy calculated and the environmental
 14 footprint on coal, the industry was transitioning away.

15 Now, a lot of that was transitioned to natural
 16 gas, which JEA successfully done in the early -- in the
 17 early changes of this -- of this century now, in terms
 18 of bringing on natural gas generation. But we also put
 19 in place in '17 that -- a very big expansion of solar,
 20 '17 and '18, the contracts were executed shortly after I
 21 left, but the negotiation, the planning, the acquisition
 22 of the land, et cetera, was -- was put in place
 23 before -- before I left.

24 And expanding the solar capability or capacity
 25 for -- for JEA from -- really you had 10 megawatts out

1 at the Brandy Branch Station to be adding anywhere from
2 250 to 300 megawatts of solar generating capacity over
3 five or six sites that we had accumulated throughout the
4 county. It would have put Jacksonville and -- and JEA
5 in the -- in the top ten, at least, utilities in the
6 country in terms of having solar generating capability
7 within its borders.

8 So, clearly, the -- the transition away from
9 coal, to move to natural gas, on our way to large scale
10 utility solar was a transition that was sort of '16, '17
11 and -- and '18. And JEA was well positioned to do that.
12 I think the -- the interesting aspect of the -- the
13 solar expansion was that it did not require significant
14 capital and that they -- they were -- those projects
15 were done on -- on contract. And it was energy that
16 would be paid for as it was delivered, so constructive
17 and owned by others, they would produce the power and a
18 set price. And that price would be paid if delivered on
19 a go-forward basis.

20 So I -- that -- that was -- those were the
21 two -- two or three big moving parts in the, sort of,
22 transition; the environmental, both CO2 regulations, the
23 reduction in coal, the expansion of gas and the
24 immergence, certainly in our area, of solar, and to a
25 very limited extent some -- some lean technology was

1 think that's probably being kind. The enormous amount
2 of energy and capital and work done to bring that system
3 up to -- above federal standards and operating
4 exceptionally.

5 The new one didn't appear to be any challenge
6 on the horizon that -- that part two couldn't meet. And
7 I think one of the exciting things for us during coolant
8 was that it appeared that the industry was going to be
9 less capital intensive as well.

10 So at one time, the enormous capital was a
11 requirement. It appears going forward in terms of
12 expansion of solar and other technologies that because
13 of the deals being offered and the structure of the
14 industry, the amount of capital it's attracting in
15 unique ways would not cost the JEA as much as it had in
16 the past.

17 So I -- I think they were very, very well
18 positioned. We had enormous capability in terms of
19 intellectual capability on the team. We had outstanding
20 operating performance. We had a plan that was emerging
21 at the time called Future Smart. We had employees to
22 work -- to look at our cost structure and we thought by
23 being smart and by making some investments in IT and
24 systems, we could gradually work out 30 or \$40 million
25 out of our cost system.

1 actually being brought into Florida and the panhandle
2 from the -- from the upper midwest.

3 Q In 2018 when you resigned your position at JEA,
4 did you at that time believe that for the foreseeable
5 future JEA could continue to operate as a viable
6 public-owned utility?

7 A It -- yes, absolutely.

8 Q And could you tell us why?

9 A Well, I -- in -- in my 15 years with JEA, and
10 then I think being astute with JEA and sort of looking
11 back at the -- at the history over time, simply back to
12 the -- back to the '60s, and included in that history
13 lesson were some -- some great one-on-one conversations
14 with -- with Mayor Jake Godbold as well.

15 So we studied that and I -- I saw the
16 challenges in the interview mirror that JEA not only
17 faced, which some at the time might have been viewed as
18 exponential. They were 100 percent reliance on Royce in
19 the '70s, but JEA and the community banded together and
20 developed a coal plant and switched to natural gas and
21 built out of that and expanded the system, et cetera.

22 And so when we came through, certainly on the
23 water/sewer side, the inheritance of the system from the
24 City in '98, there were consent decrees and the
25 condition -- the system was -- was not very good and I

1 We saw there were opportunities to maybe expand
2 some services. We had failed in the past to do that, to
3 get approval, but we thought that we might be successful
4 in the future.

5 And so we felt pretty good about increasing
6 productivity while continuing to improve our service and
7 expand our service to our customers. We felt that our
8 cost structure, really our balance sheet, was much more
9 agile and able to be -- meet the challenges and demands
10 of the future. We've already proven that our
11 operational performance was exceptional. We were
12 launching an enterprise access management program, which
13 was really at the forefront of the industry in
14 understanding managing assets more effectively and
15 efficiently and applying technology to them to drive
16 costs down.

17 And our customer satisfaction was being driven
18 by lowering our cost, keeping our pricing in line and --
19 and delivering what our customers expected.

20 So I didn't see any challenges in the future.
21 I saw, quite frankly, a good number of opportunities,
22 such as climate change. When you look at the flip side
23 of climate change, it is going to be a challenge, but
24 owning and controlling your local utility and working
25 with them offers an opportunity to address the negative

1 side of climate change, but it also, the positive side
2 in terms of increasing electric demands for cooling.

3 Transportation was another great opportunity
4 for us and the electrification of that. Its time
5 clearly has not come. But it's -- I believe it's going
6 to be there if, in fact, we're serious about CO2 and
7 climate change in our region and nationally.

8 Natural gas prices are at an almost all-time
9 low. It's amazing to me at this point in time that
10 natural gas is below \$2 and -- and the opportunity that
11 that presents for cost savings initially in locking in
12 forward pricing.

13 The opportunity to bond from and refund --
14 refund what funds are available in today's credit market
15 is just astounding in terms of how much money could be
16 saved if we were to really dig into the market now and
17 restructure some of our debt.

18 I think that when we look at local control, any
19 type of negative or challenge on the future, having the
20 local control to expand our water/sewer system, to own
21 our environmental footprint to ensure we're resilient
22 not only from hurricanes, but from climate change and
23 sea level rise, as well as, and very importantly, energy
24 efficiency. The rest of the State of Florida doesn't
25 think that's important. As a local community, we can

1 help those who need it most with energy efficiency
2 and -- and that's only done through a local.

3 Now, the flip side of that in terms of rooftop
4 solar, I -- I think that some customers will continue to
5 have rooftop solar. The challenge there isn't so much
6 to be afraid of rooftop solar, but it's to ensure that
7 your rate structure is adapted to what other parts of
8 the country have adopted, rate C coupling. And -- and
9 that fixes that issue or the current demand pricing
10 products that's being tested was developed while I was
11 there and is still in test mode, that helps tremendously
12 offset the revenue loss and -- and really the increased
13 cost of rooftop solar.

14 I think rooftop solar has a long way to go,
15 especially now that the utilities are scaling up in
16 terms of utility scale solar. We can bring -- certainly
17 we and other utilities can bring solar to the consumer
18 at a lower cost if we develop a 75 megawatt solar farm
19 all in one location versus individual locations of
20 one-tenth of one megawatt on roofs in Florida, where we
21 get 40 to 50 inches of rain a year.

22 So I -- I just -- I get excited about JEA. The
23 flexibility of looking what we have in the balance
24 sheet, I'm excited quite frankly about -- about global.
25 Global is going to be far more expensive than we

1 planned, but it is 200 megawatts -- and I hear from APPA
2 that they're thinking and planning right now of loading
3 some nuclear fuel later this year. And -- and that
4 would be 200 megawatts of CO2 free electric generation
5 that we can import from Georgia.

6 Overall history is important. Millions and
7 millions and millions of megawatt houses from Georgia.
8 In fact, if you go over 30 years, 22 percent of our
9 powers come from Georgia.

10 Early in the '80s, 60 percent of our power came
11 from Georgia. It's not new. The global -- the
12 transaction has -- has problems and challenges, but
13 the -- the fact that we will have base load of almost 13
14 percent of our power, zero CO2, maybe not right now, but
15 in several years when we do get legislation and -- and
16 we are restricted in terms of our CO2 emissions, I think
17 it'll pay dividends in the future.

18 So I'm -- I'm -- so I rambled on a little bit
19 there, but I'm -- I'm pretty excited about the
20 opportunities for JEA in the future.

21 Q I sense that.

22 You used the term, Mr. McElroy, rate C
23 coupling, could you explain what that is, please?

24 A Yeah. Simply -- simply stated today, in
25 Florida, the general way to price for electricity is to

1 have a small customer charge that's sort of an
2 administrative, I think with JEA it's \$5, and then
3 charge an amount for fuel, based upon how much energy
4 you used in a given month and you get a charge for the
5 fixed cost, that's the plant and the distribution
6 cables, et cetera, that brings the power to your house
7 and that's based upon how much energy or electricity you
8 use. That's the same structure you have in Florida.
9 You -- you pay for not only the -- the water, but you
10 pay for the plant and the pipes based upon consumption,
11 how much you use.

12 So that's the way it is today. Many parts of
13 the country have gone to B coupling that have said, you
14 know, going forward, it cost X dollars to bring
15 essentially a line or a pipe to your facility and we
16 need to recover that charge to bring that pipe or line
17 to your house because if customer A uses it 10 percent
18 of the time and customer B uses it 50 percent of the
19 time, it still cost the utility the same amount of money
20 to bring those lines and pipes to the -- to the
21 residence.

22 And so B coupling is putting a charge in place
23 to cover fixed costs and then a charge that really is
24 based upon consumption. It's based upon throughput
25 through your water system or for fuel in terms of how

1 much energy you use. It's common practice in -- in many
2 states at this point in time that have wrestled with
3 these same problems -- or problems, challenges to -- to
4 move forward. It offers the customer an opportunity
5 to -- to save as well.

6 Q Okay. Just to be sure I understand, in terms
7 of rate B coupling, is that admissible now for JEA or
8 would that require some sort of legislative or charter
9 change?

10 A I -- I believe -- the coupling we hadn't -- we
11 had not approached the board with. We were watching
12 that closely, but certainly that would be a -- a future
13 opportunity. I believe that the -- that -- well, I know
14 that the board of JEA has rate setting authority for --
15 for JEA. The -- the public service commission has the
16 authority to ensure that we're recovering costs
17 adequately. So you've got to get your structure
18 approved by them.

19 I'm not sure where the State is with respect to
20 B coupling at this point in time in terms of its
21 approval process, but the board would have the -- the
22 authority to -- to approve it, we'd have to get a
23 secondary with the State. They have always been
24 receptive to -- to at least testing as well, so I think
25 we could probably move -- move forward with that.

1 Q Good.

2 And the chart that I had attached to this
3 excerpt from the annual report, that chart, particularly
4 the financial highlight for the years 2017, 2016 and
5 change, that demonstrates the financial occurrences that
6 JEA had in that year that you had described just
7 previously?

8 A Yes, it does. It covers -- there's 2013
9 through 2017.

10 Q Good.

11 In turning back one page, just in conclusion of
12 the report, it's the last phrase in the report, right
13 above your signature, report says, As we know all too
14 well, our lives wouldn't be the same without the world
15 class electric water and sewer service our customers
16 have come to expect from us.

17 Do you believe that statement was true in
18 September of 2008 -- 2017 when that was stated,
19 Mr. McElroy?

20 A Yes, I do.

21 Q And do you believe that statement is true
22 today?

23 A Yes. Yes, I do. Yes.

24 Q Okay. In connection with your -- how many
25 years was it? Let me back up.

1 The CFO and CEO of JEA from -- what years, 2006
2 through 2018, 12 years, were you familiar -- did you
3 become familiar with compensation plans that were used
4 at other public utilities throughout the United States
5 on the face of the employees of the utilities?

6 A Yes, I did. Yes, I -- I did become familiar
7 with compensation plans across the municipal sector, the
8 investor, that's the public stock traded utilities, as
9 well as some regional companies with the similar size of
10 revenue employees.

11 Q Okay. Are you aware, Mr. McElroy, of any
12 public utility that has ever had a compensation plan
13 that paid the participant employees based upon the
14 increase in value of that public utility?

15 A No, I am not aware of it. I was -- I was
16 shocked, disappointed and disgusted at reading about
17 that issue in -- in the -- in the local media.

18 Q And why did you have those feelings, if you
19 could explain them to us, please, Mr. McElroy, about
20 that plan?

21 A I felt the time that I worked at -- at JEA,
22 I -- I was there in -- in part because of the -- because
23 of the work, but in part because of the public service
24 and serving our community. I understood that we worked
25 in the public arena. I worked with Craig Peoples and

1 their mission was public service. And the thought
2 that -- that a -- a structure would be put in place to
3 exploit and take advantage and enrich anyone from the --
4 from the finances of -- for JEA under any consis- --
5 condition and under any structure, given the fact that
6 we've got 50,000 people in this community that live at
7 and below poverty that have as much, if not more, need
8 and right to those funds than anyone else just -- just
9 disgusted me.

10 So it's more of a personal answer, but I -- I
11 worked in the private sector. I worked in financial
12 services in the private sector. I understand the
13 mentality in the private sector. And if you want to
14 work in this private sector, then -- then one should go
15 seek employment in the private sector.

16 Q Thank you. And changing subjects just a bit.

17 Are there particular advantages to being a
18 public utility as there would be in a private investor
19 owned utility?

20 A Absolutely, yes.

21 Q Can you give me the material ones, please?

22 A Well, I think the largest one is -- I mean,
23 there are sort of two in my mind. One is local control.
24 And -- and that is that the local community owns and --
25 and drives policy and -- and controls its destiny with

Page 30

1 respect to life-sustaining economically critical,
 2 environmentally purposeful services to their community.
 3 And so JEA's fortunate enough to be essentially
 4 in a sweet spot in terms of its ability to scale up and
 5 do all of those things economically. So you could
 6 control your destiny and -- and you can -- and you can
 7 do it in an economical way.
 8 I -- I think the -- the other critical point
 9 here is -- and -- and this may get back to my previous
 10 point of disgust in terms of, you know, that incentive
 11 plan, is that the business -- municipal businesses are
 12 not for profit.
 13 Now, it's easy to say that a public company
 14 that is share-holder driven is for profit and a utility
 15 municipal or state-owned utility is a nonprofit and
 16 it -- it gives the impression that that's just an
 17 account.
 18 And I can tell you from having lived through
 19 it, on both sides, in -- in financial services,
 20 aggressive, cut-throat, for profit and then the reality
 21 of public service and good and nonprofit and, quite
 22 frankly, within the municipal group, it was sort of a --
 23 it was sort of viewed as the dark side and the light
 24 side. Admissions -- public college admissions and
 25 passing grades are a couple of examples that they do

Page 31

1 work very, very well.
 2 And this is in no way disparaging towards our
 3 great partners, FPL and Power Park, but a lot of
 4 conversations were held during the operating committee
 5 when that plant was running. And -- and I think we
 6 demonstrated this point.
 7 JEA would see the need to -- to make an
 8 investment to improve the process to lower our overall
 9 cost for our customers. And FPL would look at that and
 10 say, no, that's operating expense, it's not a capital
 11 expense and my shareholder has to pay for that and we
 12 can't do that. And so -- because it affects profit.
 13 If it's capital, they can put in the capital pool, get
 14 approval and then make a profit.
 15 And you don't have those arguments in terms
 16 of -- and certainly during my tenure you didn't have
 17 those arguments because our focus was it didn't matter
 18 about rates, it didn't matter about money, it matters
 19 what ended up on the customer's bill, that was the
 20 important thing. That's what we all worked for during
 21 our daily activities.
 22 And so providing that service and making sure
 23 we had the sensitivity and efficacy in the way we
 24 addressed, again, the 50,000 customers that live in
 25 poverty within our community, that the tens of thousands

Page 32

1 of others that are income challenged and without wealth,
 2 they're paycheck to paycheck, certainly in these times,
 3 I mean, it's absolutely critical, but on a day-to-day
 4 basis it's critical, too, and you have the flexibility
 5 to work through that and be part of the community.
 6 Economic development, we're here to be part of
 7 community and to assure that the community grows. You
 8 know, I can say that on the other side, we've got to
 9 serve the profit holder in order to get the gravy in
 10 terms of that.
 11 So I'm just saying it really is two
 12 different -- very different economic and financial
 13 structures, but it is very, very different from a
 14 cultural standpoint in how you approach the business,
 15 how you invest in the business and -- and how you
 16 support your customers. And I -- I happen to be a
 17 little partial to the -- to the public power.
 18 Q Okay. Prior to -- I hadn't asked this earlier,
 19 but prior to coming to JEA, I believe you had two
 20 significant long-term jobs, what were they, Mr. McElroy,
 21 in the private sector?
 22 A I was a -- a vice president and general manager
 23 for several divisions of -- North American divisions for
 24 Bombardier Capital. Bombardier is the french name of
 25 the firm. And I had a variety of management positions.

Page 33

1 My last position was vice president, internal
 2 manager of the internal -- actually vice president
 3 and -- and had the function of general manager of the
 4 internal finance division for Pitney Bowes Credit
 5 Corporation, again, a North American corporation.
 6 And I -- I would also say, too, I mean, in
 7 terms of working and growing those business on an
 8 ongoing basis, we had terrific success, and that's not
 9 really the topic today.
 10 But more the topic today in terms of industry
 11 experience, during my time at -- at JEA, I -- I sat on
 12 the board of directors of the Florida Reliability
 13 Coordinating Council. I also sat on the board and
 14 shared for a brief time the Florida Coordinating Group.
 15 The Reliability Coordinating Council, it
 16 appeared, was a regulatory and compliance organization
 17 chartered by FERC and NERC federal to ensure liability
 18 in -- in the state of Florida.
 19 I was a member of the Associated Edison
 20 Illuminating Companies on its board of directors and
 21 that -- those are investor-owned companies. I was one
 22 of two municipal board members on -- on that board.
 23 I was a long-term member of the American Public
 24 Power Association and I know the committee had the
 25 opportunity or one of the committees had the opportunity

1 to have a presentation from Sue Kelly, who's past
2 president of APPA. I was on the board of directors,
3 executive committee and treasurer.

4 I sat on a large public powered council, that
5 is the Council of CEOs of the 25 largest municipal
6 utilities -- municipal and state-owned utilities in the
7 country. I was CEO responsible for the -- for the tax
8 and finance group.

9 I made numerous visits to The Hill. I
10 testified before Congress on -- on their behalf and our
11 industry's behalf.

12 I was on the board of directors of the Energy
13 Authority, which is a -- a marketing and risk
14 management, energy marketing and advanced marketing
15 mismanagement company partially owned by JEA and other
16 municipals.

17 I was on the Chamber of Commerce, board of
18 directors in Florida, Northeast Florida Safety Council,
19 Pacific Council and also on the -- on the board of
20 trustees at the University of North Florida.

21 So I -- I have extensive background and -- and
22 understanding of what was going on in not only the
23 municipal space, but the electric industry space
24 nationwide, as well as within our region and our state.

25 Q Good. Thank you.

1 process, five to six to seven years, while executive CEO
2 and it was approximately that time.

3 Q And the different new set of skills that you
4 thought was necessary for JEA, what did you believe
5 those skills would be?

6 A You know, I -- I felt they would be far more
7 political. And that -- that the past and the -- the --
8 the level of discourse on the privatization and
9 non-privatization was -- was something that was not
10 my -- you know, high on my list of -- of things to be
11 involved in, you know, running an operation and working
12 with people and delivering outstanding service was --
13 and leading and developing a strategic plan was
14 something that had been very successful and had
15 accomplished. It appears that there was somewhat of a
16 change and -- and time to, you know, give the reigns to
17 somebody else.

18 Q Okay. The next two documents were two Moody's
19 Investors Service documents relating to bonds. And
20 having listened to your testimony already, Mr. McElroy,
21 I think you've answered all my questions about the bond
22 rating document.

23 I do want to go --

24 A If I -- if I -- if I may.

25 Q Go ahead, please. Yeah.

1 The next question I had was actually in what is
2 Number 2 in the exhibits. It was just a news article.
3 I want to make sure I had a quote from you, Mr. McElroy.
4 In the news article the following quote is attributed to
5 you. And the date of the news article was April 6th,
6 2018, which was just at the time of your resignation.

7 And the quote is, I believe the path forward
8 for JEA, at least for the next period of time, calls for
9 a different set of leadership skills, not better or
10 worse, just different. And attribute that to you.

11 The difference of the skills you're talking
12 about, Mr. McElroy, is that a different set of skills
13 than those that you possess?

14 A Yes.

15 (Exhibit 2 was marked for identification.)

16 Q Again, what would you describe as your set of
17 leadership skills?

18 A I believe my strongest skill was -- was
19 strategic planning, market assessment and the -- the
20 building of -- and the building, developing and leading
21 of world class management teams and -- and generally in
22 a -- in a -- my history, anyway, in somewhat of a
23 turnaround structure.

24 And -- and so when I first came on, it was --
25 you know, the thought was and I'm going through the

1 A Just because -- because you provided those
2 documents, I think a couple -- just a couple of points
3 on there that I think it's instructive to look at the
4 chart of side-by-side ratings, if you will, from the
5 Moody's and S&P and Fitch and -- and sort of put the --
6 the JEA ratings of its AA and Aa2 in context.

7 JEA has extraordinary ratings. And, in fact,
8 if you look, most of the ratings are above or better
9 than AA minus, AA minus and above and Aa3 and above,
10 that -- that is high grades.

11 So their -- they group their ratings, prime
12 ratings AAA, high grade, upper, mid grade and there's
13 one that's just below that, right on that bubble and
14 then a bunch of grades below that. So JEA in itself
15 is -- is extraordinarily highly rated from the rating
16 agencies.

17 I think in addition to that, a -- a -- two
18 things, you know, a good -- again, contextually, that
19 the electric system ratings increased in '07, in '12 and
20 in '13. And the water and sewer system ratings
21 increased in '12, '13 and '16.

22 So at times, you know, there's concern in terms
23 of a -- a one rating down, but it -- it's sort of common
24 to move then, you know. We have come off sort of a
25 decade of -- of three clicks up in both systems and --

1 and the rating agencies themselves have gone through an
2 assessment of how they evaluate and their algorithms,
3 et cetera.

4 So I -- I'm certainly not concerned by the --
5 by the one that indicated that there was a -- there was
6 a downgrade, given -- putting it all in context.

7 Q All right. Okay. Let's go ahead and mark
8 these two Moody's Investors Service documents and we'll
9 attach them as exhibits. The first one will be Number 3
10 and that was for the JEA's Florida Water and Sewer
11 Enterprise Bond Issues.

12 And as you pointed out, Mr. McElroy, the JEA
13 electric and water and sewers have separate bonds?

14 A Say that one more time, Mr. Russell.
15 (Exhibit 3 was marked for identification.)

16 Q The first -- the documents that I have applies,
17 if I'm understanding it correctly, to water and sewer
18 enterprise of JEA?

19 A That -- that is -- that is correct. I just
20 want to make sure I was clear there, that the -- that
21 the water/sewer enterprise has its own debt and its
22 own --

23 Q Right.

24 A -- bond resolutions.

25 Q Right.

1 and sewer enterprise credit for having long-term
2 planning being a key to the aspect of a system and you
3 believe that's also accurate?

4 A I'm just looking at the -- at the date, that
5 was extremely accurate.

6 Q Okay. Thank you. And then both of these are
7 as of the date of the documents.

8 And the document, which will be Number 4, is
9 the Moody's Investor Service I put in the package
10 relating to actually this -- the JEA bond for the
11 electric system. And those bonds are rated A -- Aa2 and
12 Aa3.

13 And, again, those would be high ratings for
14 utility bonds, Mr. McElroy?

15 A Yes. Those would be high grade, be -- be high
16 grade.

17 (Exhibit 4 was marked for identification.)

18 Q Okay. The -- the Moody's Investor Service that
19 we were just talking about, 4, includes the comments
20 that it revises the outlook to negative and then it
21 seems to focus on the global plan as the reason for that
22 revision to negative.

23 What thoughts do you have about that,
24 Mr. McElroy, the revision to negative and what does it
25 mean?

1 A And the electric system has a separate issuance
2 of debt and bond resolutions, correct.

3 Q Okay. And -- and in this December 8, 2017,
4 document, Moody's assigned an A -- Aa2 to JEA's bond and
5 I believe you said that was a very high grade rating?

6 A Yes.

7 Q And it makes the observation, Moody's, then
8 attributes part of that high rating in the body of the
9 document, middle paragraph, to good financial
10 operations.

11 You believe that Moody's Investors was right
12 about that assessment of the water and sewer enterprise
13 in JEA, that it had good financial operations?

14 A Yes, I absolutely was.

15 Q And --

16 A And support of --

17 Q Go ahead.

18 A And supported further by -- by S&P that, of
19 course, providing this same system, the water/sewer
20 enterprise system, a AAA rating.

21 So, yes, the rating agencies have extremely
22 high confidence and financial strength in the
23 water/sewer business.

24 Q Okay. And the other comment in the water and
25 sewer document was they looked at and gave this water

1 A Of the -- of the three agencies, Moody's
2 appeared to be the one agency that was the most
3 concerned about global and not only JEA global, but
4 global on their -- their rating of the southern company
5 and other participants in the -- in the project.

6 In that time, 2017, was a -- was a critical
7 time for the project to -- to get approval. Some of the
8 companies were seeking approval from their public
9 service commission to be approved and -- and there was
10 an enormous amount of discussion in the prior 24 months
11 with respect to the financial condition of the
12 contractors, Westinghouse and Chicago Bridge & Iron at
13 the time, as well as Toshiba Corp, the parent company of
14 Westinghouse, and it being on the verge of bankruptcy
15 and just concerned with the project. So I think that
16 the -- you know, it was -- it was, from their
17 perspective, a concern that they had at that point in
18 time.

19 I think as -- the rating agencies would be
20 deeper concerned during the construction of any big
21 project, I think some of that would be mitigated once --
22 once commercial operation begins first of next year
23 and -- and, you know, perhaps JEA being in a position
24 to -- to remove that negative mark.

25 Q And I don't have a document about this, but

1 I've heard in the news and seen in the news recently
 2 that there's been a downgrading in the rating of JEA
 3 bonds.
 4 Are you aware of that, Mr. McElroy, the last 90
 5 days?
 6 A I would have to say I recall something, but
 7 I -- I -- I can't be specific. I just vaguely remember
 8 hearing something.
 9 Q Okay. Let me double-check. The question, I
 10 guess, was consistent with something I heard earlier,
 11 Mr. McElroy, is your resignation from JEA, as the CEO
 12 and managing director, has something to do with this
 13 potential privatization or sale of JEA to an
 14 investor-owned utility?
 15 A It was -- it was in the middle of the -- the
 16 City Council's investigation -- not investigation, but
 17 workshops on the future JEA. And it was a -- certainly
 18 not a very productive time. And it was centered around
 19 a lot of discussions in terms of privatization or not.
 20 So I -- you know, it was at a time when the City Council
 21 was continuing to review and request documents relative
 22 to the issue of privatization. It's -- it's central to
 23 the time that I resigned.
 24 Q Thank you.
 25 And the last document that I had marked as 5

1 was materials -- the title of the document is Materials
 2 to assist the City Council Special Committee on the
 3 potential sale of JEA, that has the date of March 15th,
 4 2018.
 5 And I believe what this document is is a
 6 series, Mr. McElroy, of Power Points, slides that you've
 7 used in that presentation to the City Council Special
 8 Committee on the potential sale of JEA.
 9 A Yes. That is correct.
 10 (Exhibit 5 was marked for identification.)
 11 Q Okay. And what I wanted to do was just ask
 12 you to briefly explain to us, please, what it was that
 13 was shown by these slides. And the first slide is
 14 actually on page 16 of the entire group of slides, it's
 15 entitled, JEA Electrical Sales and Projections. If you
 16 would, please, just explain to us what this slide
 17 demonstrates.
 18 A This -- this slide shows 1979 through 2017
 19 actual and then some projections or extensions, if you
 20 will, lying out to 2023 for megawatt hour sales for
 21 electrical mega -- megawatt hour sales. And the bars in
 22 the individual years show how much electricity, as
 23 measured by thousands of megawatt hours of sales
 24 occurred in a given fiscal year.
 25 What -- what it shows is that in -- in 2006,

1 was -- was a -- the highest sales period on this chart
 2 and then subsequent years, we see a climb in a -- in
 3 decline of the sales in the future. Some of that
 4 certainly related to the financial crisis in 2008, '9
 5 and '10 and then some of it contributed to the demand of
 6 customers thereafter.
 7 What is -- with the couple of lines there that
 8 show higher levels of -- I think it's the -- the color
 9 copy, the top line that continues, my copy is black and
 10 then covered by a blue.
 11 Q Right.
 12 A Those -- those are projections based upon a
 13 historical view. So the -- the black line is just a
 14 continuing out the same projected 3 percent -- roughly
 15 3 percent annual compound growth rate for the prior
 16 20 -- 20, 30 years.
 17 And then '16 was what was projected in the IRP,
 18 integrated resource plan, which is an electric system
 19 document to project future demand used by the utility
 20 and the public service commission where sales would be
 21 given -- given a history.
 22 And then it was updated for 2017 in -- in the
 23 red line and the projection based upon the annual growth
 24 based upon the 10-year period 2006 through 2017.
 25 Q Okay. What in the --

1 A But it shows -- basically, it shows a decline
 2 in sales.
 3 Q Yes. If the -- if I'm understanding this
 4 right, the TSP-based sales projection, which was done as
 5 of 2017, actually starts to show -- although it's still
 6 a flattening, it does dem- -- it does project, if you
 7 will, a growth in sales until 2023, which is as far as
 8 it goes out?
 9 A That is correct. That is correct. What -- and
 10 I think if you -- I think if you press down, I think it
 11 might be a half a percent sales or something like that,
 12 maybe roughly for a half cent, .75 percent sales, but
 13 that is -- that is accurate. The red line representing
 14 the 2017 sales goes from the ten-year cycle.
 15 Q Then turning to Page 17, which is a similar
 16 chart, which relates to water and sales projectioning --
 17 projections, you see these? We have a red line, which
 18 is a flattening of the projection based on the annual
 19 growth rate, but nonetheless, the red line, which you
 20 said is the accurate line, that also shows some
 21 increase?
 22 A Yes, that's a slight increase as well.
 23 Q Okay. And on -- go ahead.
 24 A If I -- if I -- you know, a couple points on
 25 these two slides that -- again, if I may, for context.

Page 46

1 And certainly on the water slide, to the extent that our
 2 customers are more than satisfied, delighted at using
 3 these levels of -- of water and electricity and that we
 4 can meet our obligation with the City for the
 5 contribution, that ought to be celebrated.

6 Number one, in the electric system -- or in the
 7 water system, we are preserving the aquifer at these
 8 levels. I mean, if we were to -- if we were and had
 9 known that that annual growing rate, the black line at
 10 the top, water would be a lot more expensive because we
 11 would not be relying exclusively on the aquifer, we
 12 would be forced into alternative water sources, which
 13 are multiple times more expensive to process and
 14 deliver, four to ten times more expensive to process and
 15 deliver.

16 And -- and then -- so to the extent that that
 17 line stays flat and through conservation and through
 18 better irrigation and using our water allocation
 19 smartly, we're better off as a community.

20 Now, that's that municipal mindset. That's not
 21 an investor one or somebody that's trying to play out
 22 some type of incentive compensation plan. So I'm not so
 23 sure -- you know, in the terms of the flat is good for
 24 the community. It keeps money in their pockets. It
 25 preserves their resource for generations to come.

Page 47

1 It's -- it's an -- in my mind, a really good thing. You
 2 know, you've got to be really smart about your cost
 3 and -- and manage those very effectively.

4 I'd say the same thing on the electric side.

5 You know, there's been some public discourse that the
 6 drop-off here from -- from the previous forecast,
 7 et cetera, is a bad thing. Well, it's -- it's -- it's
 8 only a bad thing when you look at sort of the inside --
 9 it's not a bad thing. It's a challenging opportunity
 10 inside the four worlds of JEA.

11 It's a good thing for the community because our
 12 environmental footprint is smaller. It's a good thing
 13 for the community because it leaves more disposal income
 14 for our customers to spend on other things and consumers
 15 are being more efficient.

16 So I -- again, I'm pretty optimistic about
 17 the utility. And I've heard some pretty negative things
 18 in the -- in the public domain and I just think that
 19 that's important context for those two charts because
 20 they've been used and misused time and time and time
 21 again, so.

22 Q And I hope I'm not going to misuse them. With
 23 what you've just said about these charts, if I fully
 24 understand, skipping the next page, which is 20, the
 25 next several slides, 21 through 26, they relate to

Page 48

1 customer satisfaction. And this customer satisfaction
 2 shown in these charts are related to what you just
 3 described in terms of what makes the customer satisfied,
 4 that is, a raise and what's been done for its community
 5 with JEA.

6 In that context, could your explain, and do all
 7 the pages at once, the connection between this customer
 8 satisfaction and the operational charts, which we just
 9 talked about?

10 A Yes. I -- the one element of customer
 11 satisfaction for utility services is -- is pricing. And
 12 it's interesting because the public discourse and -- and
 13 what has been spoken quite a bit about over the last
 14 couple years in the media, the reporting out what others
 15 are talking about is this concept of rate, rate, rate,
 16 rate. I mean, it has -- at the end of the day, the
 17 consumers, the customer service studies indicate,
 18 it's -- it's the amount of the bill, it's what they pay
 19 for the services they get.

20 And so providing customers, which we did over
 21 the period that I was there, there was a lot of rate
 22 adjustments between fuel and base, but have actually
 23 decreased in the electric systems during the five or six
 24 years, rates were held stable. So they had no pipe or
 25 rate increase or monthly bill increase that was

Page 49

1 associated to an action taken on behalf of the utilities
 2 at the rate of price because of cost increase.

3 The way we did that was we held cost down. We
 4 reduced cost and tied our cost to the megawatt hours
 5 produced. And so my charge to the -- to the
 6 organization from the people that reported to me, to the
 7 people that worked in the plants, the people who worked
 8 on the line, it's everyone's job to keep the customer's
 9 bill at or down. And -- and so that's one component.

10 Being easy to do business with is another.

11 Being a -- a -- a component, a part of the community to
 12 volunteer actions.

13 Social consciousness is another part that helps
 14 our customer satisfaction and the relationship with our
 15 customers. And -- and there are a few others.

16 So it's a -- it's a well-rounded mix in terms
 17 of the -- of the overage. It's not just a -- I mean,
 18 it's sort of a misnomer in terms of price. When you
 19 look at some of the charts of who steps back, you will
 20 see that, you know, there are customers in the bottom
 21 quartile, they're priced less than us, but they don't
 22 respect their customers.

23 And so I -- I think overall that customer
 24 satisfaction is driven by the -- the four or five
 25 attributes that were surveyed, that's with billing and

1 billing options, the call center, being able to
2 communicate, et cetera, as well as overall price and
3 delivery and optional -- optional services is part of
4 the customer satisfaction.

5 And what was done here by focusing on that and
6 focusing very differently than what has transpired or
7 did transpire and -- and what has transpired prior to
8 my -- my time the last time there, five and a half
9 years, we -- we engaged everybody.

10 While our strategic plan was developed by the
11 scenic commissioning and the board, we had six public
12 workshops with them, we exercised it throughout the
13 entire JEA community, we had input from everyone. We
14 met on a quarterly basis with everyone in the utility to
15 go over how we were doing against goals. We asked for
16 personal commitment to achieve these goals. And we were
17 able to move the customer satisfaction up at a faster
18 rate than J. D. Powers had ever seen done in its 15
19 years of running the surveys for the electrical
20 industry.

21 Q Thank you.

22 Let's, if we could, just back up to chart 20,
23 on page 20, the CEO update, five-year journey. I have a
24 few questions to ask about that, if I might.

25 A Sure.

1 Q These 2013 goals, is that something that JEA
2 does -- JEA, as a group, does annually or every five
3 years in terms of setting goals and then going back and
4 looking at whether the goals were accomplished?

5 A There are broad goals -- so I hate to be a
6 little long.

7 Q You can probably answer the question I'm trying
8 to understand, why in 2018 we're looking at 2013 goals.
9 Were 2013 goals set for a five-year time frame or was
10 that just what was established for 2013?

11 A That was established for 2013 as we launched
12 the strategic plan. And the strategic plan, you know,
13 roughly had a three- to five-year time frame. There
14 were no firm designated project end dates, but we had
15 come to the time where we had achieved sort of the
16 unachievable when we laid these things out in '13.

17 So in '18, we were sort of turning the corner,
18 then we were going to move forward with some more
19 stretch goals and objectives and actually that's the
20 last few pages of this document.

21 So what -- what this was given -- you know,
22 some of this -- when it was presented to the -- to the
23 City Council, some of this was used in our quarterly and
24 annual updates of the strategic planning process to
25 the -- to the employees and to the -- both the senior

1 leadership team and the trending leadership team at --
2 at the annual and quarterly meetings.

3 Q Okay. Today, is there another -- as 2013 is
4 gone and been met, is there a new group of, say, for
5 example, 2017 goals that have been set at JEA when you
6 were there?

7 A I believe when you look -- yes, when you look
8 at what we were emerging at the time, so it's a little
9 rough, I think it's page 36, so 30 -- page 37, it's
10 2018 CTAs and Initiatives would have been launched in
11 the -- in the last calendar quarter of 2017 while I was
12 there.

13 And so we were moving towards what we had
14 coined a Future Smart. You know, Future Smart was
15 really going to -- to tend to continue along, you know,
16 all the strategic focus areas and create everything we
17 could do to earn customer loyalty, to deliver business
18 excellence and create and develop the un- -- unbeatable
19 team.

20 And so these were the areas we were going to
21 focus. Clearly, itself that working with Deloitte and
22 extensively in terms of the work that they did with data
23 architecture and digitizing a lot of the information
24 flows that we had, we could increase productivity and --
25 and make some strategic improvements and gain -- gain

1 approximately \$40 million a year.

2 And that was a -- that was a goal that was laid
3 out. So it would be on the 2013 goal. It would be on
4 2018. We'd come back and visit that in 2022, which is
5 that last slide in 38, you know. Our vision was to have
6 increased productivity, while continuing to improve
7 service.

8 We'd be far more agile than a balance sheet and
9 responsive, improve operation performance and asset
10 management with a well-defined theme and -- and project
11 within the -- within the utility so people knew what
12 that meant and by continuing to sustain the customer
13 satisfaction.

14 Q What was the change --

15 A Yeah.

16 Q -- that you mentioned that I haven't included,
17 Mr. McElroy?

18 A I would refer to pages -- I -- I have them in
19 this copy of mine, 36, 7 and 8. 36, 37, 38.

20 Q 37 and 38.

21 MR. RUSSELL: I'm going to go ahead and --

22 MR. POWELL: Yeah, Lanny, I don't have those.

23 MR. RUSSELL: I don't either. What I'm going
24 to do is go ahead and get those and let's circulate
25 them to the group. And since the witness has

Page 54

1 described them, I'm going to attach them as Exhibit
 2 6, if that's agreeable.
 3 (Exhibit 6 was marked for identification.)
 4 MR. POWELL: Yeah. Do you have the complete
 5 document?
 6 MR. RUSSELL: I do, but it's very lengthy. I
 7 can send you the whole document, if you'd like, but
 8 since I wasn't going to talk about the document, I
 9 only included the portions I was going to use.
 10 MR. POWELL: All right. I'm sorry to
 11 interrupt. Yeah, when you can, if you could.
 12 Thanks.
 13 MR. RUSSELL: That's fine. Thank you.
 14 BY MR. RUSSELL:
 15 Q And now, Mr. McElroy, I do have a very few
 16 questions left about the last few slides. And, yeah,
 17 The Review of the 2017 Year-End Metrics.
 18 And the first one of those I included as page
 19 26. And, basically, my question, can you just explain
 20 to us, please, Mr. McElroy, what this slide is
 21 demonstrating?
 22 A Yes. And so with this example -- and there are
 23 a couple of other slides here that might be formatted
 24 the same way. I think there are. And so on a quarterly
 25 basis, no less than three times a year, we would start

Page 55

1 with -- with my theme and then would -- would only bring
 2 their direct reports in and we would have a -- sort of a
 3 six-hour review session on how we were doing against our
 4 strategic plan, goals and objectives.
 5 And so you'll see that the -- in terms of
 6 the -- there were three primary strategic focus areas,
 7 common goals and objectives. I said it earlier, earn
 8 customer loyalty, deliver business excellence and
 9 development of the unbeatable team.
 10 Under deliver business excellence, we had -- in
 11 each area, had two senior executives that were in charge
 12 of monitoring activities to achieve that goal. And
 13 there are three sub goals there. One was to grow net
 14 revenues, the other was to improve cost efficiency and
 15 the -- the other was to improve operational performance.
 16 And -- and, ultimately, we were very key not to --
 17 there's no -- no rate increases, we'd be cost effective
 18 and efficient.
 19 So what this is is Ms. Dykes, Mr. Hobson and
 20 Mr. Cosgrave were co-champions for the deliver business
 21 excellence. They were giving an update to the broader
 22 group on the gross revenues task force that was working
 23 to identify and evaluate and analyze and potentially
 24 implement ways to grow revenues or revenue opportunities
 25 for JEA. And this -- this chart is a readout from their

Page 56

1 presentation during that meeting.
 2 We had set a goal in 2017 of achieving 11.9
 3 million and -- or, actually, the -- we set a goal of
 4 12 million and I think it looks like we fell 100,000
 5 short. And --
 6 Q In the --
 7 A -- the revenues --
 8 Q -- revenues -- just so I understand, the
 9 revenues you're talking about and focused on growing
 10 here are the non-core revenues generated in connection
 11 with JEA's business?
 12 A That is -- that is absolutely correct. That
 13 is -- that would be evaluating fiber, natural gas sales,
 14 joint dispatch, speed up the pole attachments, tree
 15 farming. Oh, my goodness, there's a -- there's a whole
 16 laundry list of occupations available there. There is a
 17 physical security services, there's certainly
 18 maintenance, physical compliance, transmission,
 19 distribution services, distributed generation and
 20 various prospects and ideas team to keep us informed on
 21 that.
 22 And we looked at, prior to that, a number of
 23 natural gas opportunities. And then at different
 24 levels, whether that was the LDC, local distribution
 25 company, planning in the -- participating in the natural

Page 57

1 gas arena. And we did have an opportunity potentially
 2 for a liquified natural gas facility on our Talleyrand
 3 location in -- in Jacksonville.
 4 So we were actually working to identify a
 5 number of opportunities that -- like you said, non-core
 6 JEA activities, but -- but somehow related.
 7 I would say that I had the goal of -- of if we
 8 could generate enough revenue out of these activities to
 9 at least offset the price increases that we would have
 10 to -- to vendors increasing their prices, inflation,
 11 cost of living adjustments for our employees, we would
 12 be in -- we would be in great shape.
 13 So we went -- we went out looking for a -- we
 14 went out looking for another billion dollar electric
 15 system with this analysis. We were looking for
 16 complementary services or complementary businesses that
 17 could align with some of our core capabilities.
 18 Q Okay. And the next slide, I've got to tell
 19 you, frankly, I don't understand this one and I'm just
 20 going to have to ask you to explain what the slide
 21 concerning Leverage EAM Principles reflects.
 22 A EAM is the initialization for Enterprise Asset
 23 Management, Enterprise Asset Management.
 24 Q Okay.
 25 A And in certain industries individual assets are

1 managed very effectively with the application of
 2 technology. And so I -- I think at the -- at the far
 3 end of the spectrum, in terms of enterprise asset
 4 management, people talk about the -- a digital twin.
 5 So, for example, if we have a large pump, you
 6 know, that pumps hundreds of thousands of gallons, a
 7 big, big pump, you could have, on your system, a digital
 8 twin that would operate the same way digitally as the --
 9 the -- the physical one was supposed to operate, this is
 10 triple.
 11 And so by doing that, it would -- it would --
 12 through essentially artificial intelligence, it would
 13 give you the signals to do preventative maintenance in
 14 advance. It would show you where inefficiencies were
 15 occurring and you could address those in realtime or
 16 backtime so as not to disrupt the operation. That's
 17 sort of an example.
 18 You might look at -- you might look at pipe. I
 19 mean, we buy pipe each and every year and multiple times
 20 a year so then we have different manufacturers,
 21 different vendors. So knowing exactly who manufactured
 22 what pipe, where it is and what its specific age is,
 23 et cetera, all in the database, to be able to manage the
 24 replacement program, to manage the capital program would
 25 be a way that would save enormous costs. So

1 essentially -- and people look at me funny on this one,
 2 but in a decade you'll understand it, it's digitizing
 3 everything and putting it all on the system.
 4 So this -- this leveraging the principles of --
 5 of enterprise asset management would be to reduce the
 6 cost in nonfuel -- nonfuel electric expenses, in the
 7 water, in -- in wastewater to deep levels.
 8 And so what we would do, we'd charge our
 9 customer in terms of the -- the current goal would be
 10 \$53.94. And the bill on the electric would be to have
 11 it less than that, the goal was 52.50, you'll buy the
 12 technology and approach it to our underlying profit.
 13 And -- and, you know, that would be one in
 14 isolation where you would see a cost and offsetting
 15 price increase, but we may have a -- a cost increase in
 16 another area that we would have to allocate those funds
 17 to.
 18 So I just -- it's a better way to -- to manage
 19 your assets by using technology and using the -- what is
 20 commonly referred to as our artificial intelligence.
 21 Is that helpful?
 22 Q Yeah. But let me understand, the fiscal year
 23 '17, 2017 goal was \$10 million. Does this chart show
 24 that you actually achieved \$10 million in savings from
 25 applying EAM principles in fiscal 2017?

1 A In -- in this chart, if you see the word
 2 identified, so it was -- it was identified --
 3 Q Okay.
 4 A -- and to be tracked -- and then the plan there
 5 would need be to tracked to implementation over the next
 6 period of time.
 7 Q I understand.
 8 And that's just out of order, but it probably
 9 was a good place to end. I believe this was page 1 from
 10 your Power Point presentation. I thought it was
 11 important and I put it at the end for that reason. Key
 12 Financial Metrics is the title of it.
 13 And I'll let you do it, Mr. McElroy, can you
 14 tell us what this chart tells us about the financial
 15 health of JEA at the end of fiscal year 2017?
 16 A Mr. Russell, I'm not -- I'm just kind
 17 of finding -- you said it was at the beginning?
 18 Q If you go to the -- actually, for some reason
 19 I -- this intends -- if I understand why it might work,
 20 it's in my group of documents I sent you, the last page
 21 of the materials to assist the City Council Committee on
 22 the potential sale of JEA.
 23 A I -- Key Financial Metrics?
 24 Q Yes, sir. Page 1.
 25 A Yeah, I got it. Four bar charts and a panel.

1 Q Yeah, four bar charts.
 2 A Yes, yes, yes. And what you --
 3 Q And I believe my question is: Tell me what --
 4 A -- you have --
 5 Q -- this shows us about the financial health of
 6 JEA in 2017.
 7 A These are key indices that are used to support
 8 certainly the credit rating, which by -- it states here
 9 is a valuation of the financial health of any enterprise
 10 they're rating. And so this is clearly full of metrics
 11 that show the improving, not only the -- the group
 12 financial health, but the improving financial health
 13 of -- of JEA.
 14 And -- and so you -- you look at the debt to
 15 asset ratio, the chart that is on the top left, it -- it
 16 is declining down to just a little above 60 percent for
 17 electric. Lower is better. It is applying to 60
 18 percent -- actually 50 percent of water/sewer lower is
 19 better. And -- and both are getting within the range of
 20 industry norms.
 21 I would say at the point the electric system on
 22 this one, at its peak, was 91 percent back in 2008. The
 23 peak of the debt asset and the electric was 66 percent
 24 so it certainly shows an improving balance sheet.
 25 The debt service coverage is how much free cash

1 flow is -- is left to pay your debt service, principal
2 and interest. And here we can see under consistent or
3 improving, 2017 had a unique year in terms of some debt
4 maturities.

5 When I looked at one of the slides that you --
6 you sent in the annual report or pack of the annual
7 report, it appears that the -- the net revenue was up,
8 but the -- the maturities paid in that year were -- were
9 up equally so that pushed that one back a little bit,
10 but still, overall, an upward trend and a trend that is
11 above expectation.

12 You see -- you see in the little footnote here,
13 long-term targets per the JEA pricing policy. So when
14 we put these targets in place, that's where we had hoped
15 to be. Policy lines and exceeding -- exceeding all of
16 those.

17 The same with liquidity. Liquidity is a
18 group that's enormous. It really is a measurement of
19 the rating agencies that touch on this and so clearly
20 improving and sufficient cash on hand to -- to meet any
21 issue of catastrophic event is what their concern is
22 or market disruption, is cash flow on hand to cover
23 expenses for an extended period of time. They use
24 cash.

25 And so liquidity -- the difference between

1 services. And -- and, to our knowledge, no one else in
2 the state of Florida has that.

3 Now, that's assessed ultimately to our
4 customers, but it is part of the bill as well that goes
5 to the City.

6 Q And do you recall what the amount of that
7 franchise fee is that goes to the City or went to the
8 City in 2017?

9 A I -- I would -- and I am going to, from the
10 best of my memory recalling, and provide an estimate of
11 37.5 billion plus or minus 3 or 4 million.

12 Q Thank you.

13 A The City collects the -- and all util- -- I
14 think all utilities do collect the public service tax as
15 well on top of the utility services. And that is
16 charged -- it's not charged on most of the fuel, but
17 pretty much the -- but the rest -- but the rest of the
18 electric bill, as well as -- oh, golly, it's charged
19 against either water or service or sewer, not both. And
20 that amount -- and that amount collected annually is
21 about \$80 million a year.

22 Now, most -- most utility home services --
23 home towns provide for that provision and do charge
24 that, not the state of Florida. There's a few
25 exceptions there.

1 liquidity and base cash is generally an open line of
2 credit. And it's less expensive for customers to pay a
3 few bases points to have an open line of credit with a
4 very large global financial institution and use that as
5 liquidity support as opposed to collect additional cash
6 from our customers. And so all of them show -- all of
7 them show a healthy -- healthy indication.

8 The one we're missing here, unfortunately we
9 normally show is -- normally those are here, the City
10 contribution. And that, too, is very healthy and -- and
11 years about double -- double the industry standard
12 and -- and really is at the high end of the range of
13 what municipal utilities, the 2000 municipal utilities
14 in the -- in the country pay their host city or town.

15 Q And numerically, do you recall, Mr. McElroy,
16 what that City contribution was in your last year as
17 CEO and managing director?

18 A The -- the dollar amount was roughly up \$115
19 million. And that is up substantial from -- from 2008.
20 There was an adjustment in 2008 and then a renegotiation
21 in '15, but it's up and I -- I don't have that chart,
22 but I -- I -- it's -- it's substantially higher.

23 And in addition to that, the -- the -- the
24 City of Jacksonville is unique in that there is a
25 franchise fee assessed to the utility -- utility

1 Q Thank you.

2 MR. RUSSELL: That's all I have.

3 What I intend to do is -- Mr. McElroy, I'm
4 sorry, I didn't attach all the ones you would might
5 need, I picked the ones I thought -- what I needed,
6 we'll attach the pages you referred to to the
7 materials to assist the City Council Special
8 Committee, which were 36, 37 and 38.

9 And, Steve, I think it was you who wanted --
10 wants the entire copy of what has been marked as
11 partial Exhibit 5.

12 MR. POWELL: Yeah, if you don't mind. No
13 rush.

14 MR. RUSSELL: No, I -- I'll get it to you.
15 It's not hard.

16 And then I'll send the Exhibit 6 to the court
17 reporter, to you, Terrie. And all the exhibits, I
18 will mark them by the numbers I've given you today.
19 I would like you to go ahead and transcribe this on
20 a non-expedited basis.

21 And if you would, Mike, do you want it to come
22 to you and you can provide it to Paul for reviewing
23 and filling out an Errata Sheet?

24 MR. ABEL: Yes, that would be great, Lanny.
25 Thank you so much.

1 MR. RUSSELL: And, Terrie, Mike Abel is
 2 Mr. McElroy's counsel and once we get the transcript
 3 done and I've given you all the exhibits, if you
 4 would send it to Paul -- send it to Mike Abel, he'll
 5 provide it to Mr. McElroy and the Errata Sheet will
 6 be filled out.
 7 THE REPORTER: Okay.
 8 MR. RUSSELL: Thank you and thank you all for
 9 your participation.
 10 THE WITNESS: Mr. Russell -- Mr. Russell --
 11 MR. RUSSELL: Yes, sir.
 12 THE WITNESS: Mr. Russell, before we hang up,
 13 hopefully Terrie's there.
 14 THE REPORTER: I'm here.
 15 THE WITNESS: Yeah. I would like to -- I would
 16 like to be on record thanking you, Mr. Russell, for
 17 the opportunity, you and the committee and certainly
 18 the committee, the work they're doing, the
 19 Chair Diamond and the other members, I support
 20 certainly their effort in investigating and -- and
 21 trying to have a better future for our community and
 22 I stand by certainly to -- to help and be
 23 constructive in any way I possibly can. And I thank
 24 them for their public service.
 25 MR. RUSSELL: Mr. McElroy, we appreciate that.

1 And, hopefully, we won't have to impose much more
 2 fur- -- much further.
 3 We'll get those items done and thank you-all
 4 again.
 5 THE WITNESS: Thank you.
 6 MR. POWELL: Thanks.
 7 (Witness excused.)
 8 (The interview was concluded at 3:55 p.m.)
 9
 10
 11
 12
 13
 14
 15
 16
 17
 18
 19
 20
 21
 22
 23
 24
 25

1 REPORTER'S CERTIFICATE
 2
 3 STATE OF FLORIDA
 4 COUNTY OF DUVAL
 5
 6 I, Terrie L. Cook, RPR, CRR, FPR, certify that I
 7 was authorized to and did stenographically report the
 8 interview of PAUL MCELROY; that a review of the
 9 transcript was requested; and that the foregoing
 10 transcript, pages 1 through 67 is a true record of my
 11 stenographic notes.
 12
 13 I further certify that I am not a relative,
 14 employee, attorney, or counsel of any of the parties,
 15 nor am I a relative or employee of any of the parties'
 16 attorney or counsel connected with the action, nor am I
 17 financially interested in the action.
 18
 19 DATED on April 3, 2020.
 20
 21
 22
 23
 24
 25



Terrie L. Cook, RPR, CRR, FPR

1 April 3, 2020
 2
 3 PAUL MCELROY
 4 c/o Michael Abel, Esquire
 5 Abel Bean Law
 6 50 North Laura Street
 7 Jacksonville, Florida 32202
 8
 9 In Re: March 26, 2020, Interview of Paul McElroy
 10
 11 Dear Sir:
 12
 13 This letter is to advise that the transcript for the
 14 above-referenced deposition has been completed and is
 15 available for review. Please make arrangements for read
 16 and sign or sign below to waive review of this
 17 transcript.
 18
 19 It is suggested that the review of this transcript be
 20 completed within 30 days of your receipt of this letter,
 21 as considered reasonable under Federal Rules*, however,
 22 there is no Florida Statute to this regard.
 23 The original of this transcript has been forwarded to
 24 the ordering parties and your errata, once received,
 25 will be forwarded to all ordering parties for inclusion
 in the transcript.
 Sincerely,
 Terrie L. Cook, RPR, CRR, FPR
 Hedquist & Associates, Inc.
 cc: Michael Abel, Esquire
 Stephen J. Powell, Esquire
 E. Lanny Russell, Esquire
 Waiver:
 I, _____, hereby waive the reading & signing
 of my deposition transcript.

 Deponent Signature Date

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

E R R A T A S H E E T

DO NOT WRITE ON TRANSCRIPT - ENTER CHANGES
In Re: Interview of Paul McElroy

DEPOSITION OF PAUL MCELROY

TAKEN - March 26, 2020

PAGE NUMBER LINE NUMBER CHANGE/REASON

see attached Errata Sheet

under penalties of perjury, I declare that I have read
the foregoing document and that the facts stated in it
are true.

4/6/20
Date

Paul E. McElroy
PAUL MCELROY

Date

Notary Public
Commission expires:

cc: Terrie L. Cook, RPR, CRR, FPR
Michael Abel, Esquire
Stephen J. Powell, Esquire
E. Lanny Russell, Esquire

1 ERRATASHEET — Page 1 of 2

2 DO NOT WRITE ON TRANSCRIPT - ENTER CHANGES In Re: Interview of Paul McElroy

3 DEPOSITION OF PAUL MCELROY

4 TAKEN - March 26, 2020

5 PAGE NUMBER LINE NUMBER CHANGE/REASON

6			<u>Delete</u>	<u>Replace with</u>
7	6	1	right	rate
8	6	5	out	our
9	8	12	strikes	structure
10	11	13	posited	audited
11	16	16	posited	audited
12	13	22	hatch-out	agile
13	14	1	next	net
14	14	12	approved	accrued
15	15	3	approved	accrued
16	16	10	giving —> builder	generate electricity from coal today than it does from natural gas
17	18	16	constructive	constructed
18	18	25	lean	wind
19	19	9	15	16
20	19	16	interview	rearview
21	19	18	exponential	existential
22	19	18	reliance on Royce	reliant on oil
23	20	7	coolant	current
24	21	12	access	asset
25	22	13	from	fund
26	23	8	C	de
27	23	24	global	Vogtle
28	23	24	Global	Vogtle
29	24	7	houses	hours
30	24	9	powers	power
31	24	11	global	Vogtle
32	24	22	C	De
33	25	14	B	De
34	25	22	B	De
35	26	10	-	Add: De
36	26	20	B	De

1 ERRATASHEET - Page 2 of 2

2 DO NOT WRITE ON TRANSCRIPT - ENTER CHANGES In Re: Interview of Paul McElroy

3 DEPOSITION OF PAUL MCELROY

4 TAKEN - March 26, 2020

5 PAGE NUMBER	LINE NUMBER	CHANGE/REASON	
6		<u>Delete</u>	<u>Replace with</u>
7	28	10	-
8	28	25	Craig Peoples
9	30/31	24-1	Admissions -> well.
10	32	24	the -> the
11	32	25	And
12	33	14	shared
13	33	15-16	it -> a
14	33	17	liability
15	34	14	advanced
16	34	14	mismanagement
17	34	19	Pacific
18	40	21	global plan
19	41	3/4	global (three times)
20	47	10	worlds
21	48	24	pipe
22	50	11	sonic commissioning
23	52	2	trending
24	52	22	extensively
25	55	1	theme
26	56	16	occupations
27	57	13-14	we went (three times)
28	58	9-10	this is triple
29	58	12	artificially
30	59	12	approach
31	59	12	profit
32	64	19	water or service
33	64	24	, not
34			
35			

A				
A-b-e-l 4:16	adapt 16:22 17:1	65:19	approach 32:14 59:12	assigned 39:4
AA 37:6,9,9	adapted 23:7	algorithms 38:2	approached 26:11	assist 11:19,22 43:2 60:21 65:7
Aa2 37:6 39:4 40:11	added 9:15	align 57:17	appropriate 5:4	associated 33:19 49:1
Aa3 37:9 40:12	adding 18:1	all-time 7:7 22:8	approval 21:3 26:21 31:14 41:7,8	Associates 1:20 7:14 69:17
AAA 37:12 39:20	addition 7:12 37:17 63:23	allocate 59:16	approve 12:3 15:3 26:22	Association 33:24
Abel 2:7,7 4:16 4:16,17 65:24 66:1,4 69:3,3 69:18 70:23	additional 63:5	allocation 46:18	approved 6:2 14:12 26:18 41:9	assumed 13:9
ability 16:22 30:4	address 21:25 58:15	allowing 8:13	assure 32:7	astounding 22:15
able 7:23 10:13 12:22 16:16,19 21:9 50:1,17 58:23	addressed 31:24	alternative 46:12	astute 19:10	attach 38:9 54:1 65:4,6
above-referen... 69:8	addressing 13:21	amazing 22:9	attached 27:2	attachments 56:14
absolutely 19:7 29:20 32:3 39:14 56:12	adequately 26:17	American 32:23 33:5,23	attorney 68:14 68:16	attracting 20:14
access 21:12	adjustment 9:22 63:20	amount 5:24 15:12,17 20:1 20:14 25:3,19 41:10 48:18 63:18 64:6,20 64:20	attribution 35:10	attributed 35:4
accidentally 5:16	adjustments 10:1,13 48:22 57:11	analysis 57:15	attributes 39:8 49:25	authority 26:14 26:16,22 34:13
accomplish 8:13	administrative 25:2	analyze 55:23	authorized 68:7	available 22:14 56:16 69:8
accomplished 36:15 51:4	admirably 12:16	and/or 6:1	aware 28:11,15 42:4	
account 30:17	admissible 26:7	annual 10:17,23 10:25 11:9 12:7 13:9 27:3 44:15,23 45:18 46:9 51:24 52:2 62:6,6		B
accrue 16:4	admissions 30:24,24	annually 51:2 64:20	arguments 31:15,17	B 3:15 25:13,18 25:22 26:7,20
accumulated 9:7 18:3	adopted 23:8	answer 7:1 9:7 29:10 51:7	arrangements 69:8	back 5:17 6:16 8:11,11,25 15:19 19:11,11 19:12 27:11,25 30:9 49:19 50:22 51:3 53:4 61:22 62:9
accurate 40:3,5 45:13,20	advance 58:14	answered 36:21	article 35:2,4,5	
achieve 50:16 55:12	advanced 34:14	anyway 35:22	artificial 59:20	
achieved 51:15 59:24	advantage 29:3	APPA 24:1 34:2	artificially 58:12	
achieving 56:2	advantages 29:17	appear 20:5	asked 32:18 50:15	
acquisition 17:21	advise 69:7	appearances 2:1 4:12	aspect 18:12 40:2	
action 49:1 68:16,17	afraid 23:6	appeared 20:8 33:16 41:2	assessed 63:25 64:3	
actions 49:12	age 58:22	appears 20:11 36:15 62:7	assessment 8:7 35:19 38:2 39:12	
activities 31:21 55:12 57:6,8	agencies 37:16 38:1 39:21 41:1,19 62:19	application 58:1	asset 53:9 57:22 57:23 58:3 59:5 61:15,23	
actual 13:6 43:19	agency 41:2	applications 8:9	assets 12:13 21:14 57:25 59:19	back-to-back 12:24
	aggressive 30:20	applies 38:16		background
	agile 21:9 53:8	applying 21:15 59:25 61:17		
	agreeable 54:2	appointed 4:9		
	agreed 4:2	appreciate 4:23 66:25		
	agreement 14:20 15:21			
	ahead 4:19 11:14 36:25 38:7 39:17 45:23 53:21,24			

34:21	35:9 37:8	bringing 8:1	63:1,5	27:5 36:16
backtime 58:16	46:18,19 59:18	17:18	catastrophic	53:14
bad 47:7,8,9	61:17,19 66:21	brings 25:6	62:21	CHANGE/RE...
balance 5:25	big 17:19 18:21	broad 51:5	cc 69:18 70:23	70:5
13:22 21:8	41:20 58:7,7	broader 55:21	celebrated 46:5	changed 6:25
23:23 53:8	bill 31:19 48:18	brought 6:4	cent 45:12	changes 17:17
61:24	48:25 49:9	19:1	center 50:1	70:2
bankruptcy	59:10 64:4,18	bubble 37:13	centered 42:18	changing 16:23
41:14	billing 49:25	builder 16:11	central 42:22	16:24 29:16
banned 19:19	50:1	building 35:20	century 17:17	charge 25:1,3,4
bar 60:25 61:1	billion 6:8,9 7:9	35:20	CEO 4:21 6:21	25:16,22,23
bars 43:21	9:11,20 13:11	built 19:21	8:18 9:3 11:10	49:5 55:11
base 24:13 48:22	13:18,19 57:14	bunch 37:14	11:21 12:2	59:8 64:23
63:1	64:11	Busey 2:3	28:1 34:7 36:1	charged 64:16
based 10:2 25:3	bills 7:8	business 7:19	42:11 50:23	64:16,18
25:7,10,24,24	bit 24:18 29:16	8:14 30:11	63:17	chart 27:2,3
28:13 44:12,23	48:13 62:9	32:14,15 33:7	CEOs 34:5	37:4 44:1
44:24 45:18	black 44:9,13	39:23 49:10	certain 57:25	45:16 50:22
bases 63:3	46:9	52:17 55:8,10	certainly 9:5,25	55:25 59:23
basically 45:1	blue 44:10	55:20 56:11	12:16 18:24	60:1,14 61:15
54:19	board 10:1	businesses 30:11	19:22 23:16	63:21
basis 18:19 32:4	26:11,14,21	57:16	26:12 31:16	charter 26:8
33:8 50:14	33:12,13,20,22	buy 58:19 59:11	32:2 38:4	chartered 33:17
54:25 65:20	33:22 34:2,12		42:17 44:4	charts 47:19,23
Bean 2:7 4:17	34:17,19 50:11	C	46:1 56:17	48:2,8 49:19
69:3	boarders 18:7	C 23:8 24:22	61:8,24 66:17	60:25 61:1
bear 15:20	body 39:8	c/o 69:3	66:20,22	Chicago 41:12
becoming 8:17	bold 12:8	cables 25:6	CERTIFICATE	chief 5:11,22
beginning 7:5	Bombardier	calculated 17:13	68:1	8:18,21,23
60:17	32:24,24	calendar 52:11	certify 68:6,13	circulate 53:24
begins 41:22	bond 22:13	call 50:1	cetera 17:22	city 1:2 4:9 7:7
behalf 2:2,6,10	36:21 38:11,24	called 20:21	19:21 25:6	19:24 42:16,20
4:14 34:10,11	39:2,4 40:10	calls 35:8	38:3 47:7 50:2	43:2,7 46:4
49:1	bondholders	capabilities	58:23	51:23 60:21
believe 4:11 5:2	6:13	57:17	CFO 9:24 28:1	63:9,14,16,24
5:3 8:24 10:11	bonds 36:19	capability 10:8	Chair 66:19	64:5,7,8,13
11:3 14:21	38:13 40:11,14	17:24 18:6	challenge 20:5	65:7
16:17 19:4	42:3	20:18,19	21:23 22:19	class 12:12,17
22:5 26:10,13	bottom 49:20	capacity 17:24	23:5	27:15 35:21
27:17,21 32:19	Bowes 33:4	18:2	challenged 32:1	clear 38:20
35:7,18 36:4	Branch 18:1	capital 15:12	challenges 9:3,6	clearly 15:7 17:7
39:5,11 40:3	Brandy 18:1	18:14 20:2,9	13:3,23 19:16	18:8 22:5
43:5 52:7 60:9	Bridge 41:12	20:10,14 31:10	21:9,20 24:12	52:21 61:10
61:3	brief 33:14	31:13,13 32:24	26:3	62:19
benefit 14:8,12	briefly 5:14,20	58:24	challenging 9:23	clicks 37:25
benefits 14:10	43:12	carrying 6:7	47:9	climate 21:22,23
best 64:10	bring 20:2 23:16	cash 6:11 13:16	Chamber 34:17	22:1,7,22
better 7:10	23:17 25:14,16	14:3,5 61:25	change 21:22,23	climb 44:2
11:24 13:5	25:20 55:1	62:20,22,24	22:1,7,22 26:9	closely 26:12

co-champions 55:20	commonly 59:20	16:25	contributed 44:5	25:23 26:16 58:25
CO2 7:24 8:1 17:11 18:22 22:6 24:4,14 24:16	communicate 50:2	confidence 39:22	contribution 7:6 46:5 63:10,16	council 1:2 4:9 33:13,15 34:4 34:5,18,19 42:20 43:2,7 51:23 60:21 65:7
coal 14:18 16:8 16:8,10 17:8 17:14 18:9,23 19:20	community 9:25 13:15 15:5 19:19 22:25 28:24 29:6,24 30:2 31:25 32:5,7,7 46:19 46:24 47:11,13 48:4 49:11 50:13 66:21	confluence 16:13	control 6:15 22:18,20 29:23 30:6	counsel 2:1 4:3,8 4:14,17 66:2 68:14,16
coined 52:14	companies 28:9 33:20,21 41:8	Congress 34:10	controlling 21:24	Council's 42:16
collect 63:5 64:14	company 30:13 34:15 41:4,13 56:25	connected 68:16	controls 29:25	counsel 2:1 4:3,8 4:14,17 66:2 68:14,16
collected 64:20	compared 17:12	connection 9:4 27:24 48:7 56:10	conversation 15:6	Counsel's 2:10 2:11
collections 12:15	compensation 28:3,7,12 46:22	conservation 46:17	conversations 19:13 31:4	country 7:22 18:6 23:8 25:13 34:7 63:14
collects 64:13	complementary 57:16,16	considerable 15:17	converting 15:9	county 18:4 68:4
college 30:24	complete 15:8 54:4	considered 69:11	Cook 1:17 68:6 68:23 69:17 70:23	couple 7:4,25 17:6 30:25 37:2,2 44:7 45:24 48:14 54:23
color 44:8	completed 69:8 69:11	consist- 29:4	coolant 20:7	coupling 23:8 24:23 25:13,22 26:7,10,20
combination 16:2	compliance 33:16 56:18	consistent 42:10 62:2	cooling 22:2	course 39:19
come 22:5 24:9 27:16 37:24 46:25 51:15 53:4 65:21	component 49:9 49:11	construction 41:20	Coordinating 33:13,14,15	court 65:16
coming 13:23 32:19	compound 44:15	constructive 18:16 66:23	copy 44:9,9 53:19 65:10	cover 6:12 9:22 12:6,9 13:7 25:23 62:22
comment 39:24	concept 48:15	consumer 23:17	core 57:17	coverage 14:3 61:25
comments 40:19	concern 37:22 41:17 62:21	consumers 47:14 48:17	corner 51:17	covered 11:3 44:10
Commerce 34:17	concerned 38:4 41:3,15,20	consumption 25:10,24	Corp 41:13	covering 8:11
commercial 41:22	compliance 33:16 56:18	context 37:6 38:6 45:25 47:19 48:6	corporation 33:5,5	covers 27:8
commission 26:15 41:9 44:20 70:22	component 49:9 49:11	contextually 37:18	correct 5:12,13 6:23 8:20 11:1 11:2,7,12 38:19 39:2 43:9 45:9,9 56:12	Craig 28:25
commissioning 50:11	compound 44:15	constructive 18:16 66:23	correctly 38:17	create 52:16,18
commitment 50:16	concerned 38:4 41:3,15,20	consumer 23:17 47:14 48:17	Cosgrave 55:20	credit 6:18 7:9 22:14 33:4 40:1 61:8 63:2 63:3
committee 1:3 2:2 4:8 31:4 33:24 34:3 43:2,8 60:21 65:8 66:17,18	concerning 4:9 57:21	consumers 47:14 48:17	cost 10:2 15:21 16:9 17:13 20:15,22,25 21:8,18 22:11 23:13,18 25:5 25:14,19 31:9 47:2 49:2,3,4,4 55:14,17 57:11 59:6,14,15	crisis 44:4
committees 33:25	concluded 67:8 27:11	consumption 25:10,24	costs 21:16	critical 30:1,8 32:3,4 41:6
commodity 17:9	conclusion 27:11	context 37:6 38:6 45:25 47:19 48:6		CRR 1:17 68:6 68:23 69:17
common 26:1 37:23 55:7	condition 5:21 6:25 13:13 15:20 16:23 19:25 29:5 41:11	contract 18:15		
	conditions 12:24	contractors 41:12		
		contracts 17:20		
		Contractually 14:24		

70:23	13:17 22:17	14:6,7 27:6	disgust 30:10	driven 21:17
CTAs 52:10	38:21 39:2	48:3 54:1	disgusted 28:16	30:14 49:24
cultural 32:14	61:14,23,25	designated	29:9	drives 29:25
current 13:11	62:1,3	51:14	disparaging	drop-off 47:6
23:9 59:9	decade 37:25	destiny 29:25	31:2	dropped 5:17,17
customer 7:7,12	59:2	30:6	dispatch 56:14	Duval 2:12 68:4
7:18,19 21:17	December 39:3	detriments 15:4	disposal 47:13	Dykes 55:19
25:1,17,18	decile 10:14	develop 23:18	disrupt 58:16	
26:4 48:1,1,3,7	decision 14:16	52:18	disruption 62:22	E
48:10,17 49:14	16:7,14,14	developed 19:20	distinction	E 2:3 3:1,3,15
49:23 50:4,17	declare 70:16	23:10 50:10	11:17	69:19 70:1,1,1
52:17 53:12	decline 44:3	developing	distinguishing	70:24
55:8 59:9	45:1	35:20 36:13	12:21	E&Y 11:16
customer's	declining 61:16	development	distributed	EAM 57:21,22
31:19 49:8	decommission	32:6 55:9	56:19	59:25
customers 14:11	16:1	Diamond 66:19	distribution	earlier 32:18
14:13,14 15:5	decommission...	difference 35:11	12:14 25:5	42:10 55:7
21:7,19 23:4	14:7,15 15:19	62:25	56:19,24	early 15:17 16:3
27:15 31:9,24	16:3	different 9:1	dividends 24:17	17:16,17 24:10
32:16 44:6	decreased 48:23	32:12,12,13	division 33:4	earn 52:17 55:7
46:2 47:14	decrees 19:24	35:9,10,12	divisions 32:23	East 1:20
48:20 49:15,20	deep 59:7	36:3 56:23	32:23	easy 30:13 49:10
49:22 63:2,6	deeper 41:20	58:20,21	document 12:7	economic 16:9
64:4	delighted 46:2	differently 50:6	13:7 36:22	32:6,12
cut-throat 30:20	deliver 46:14,15	difficult 14:15	39:4,9,25 40:8	economical 30:7
cycle 45:14	52:17 55:8,10	dig 22:16	41:25 42:25	economically
	55:20	digital 58:4,7	43:1,5 44:19	30:1,5
D	delivered 18:16	digitally 58:8	51:20 54:5,7,8	Edison 33:19
D 3:1 50:18	18:18	digitizing 52:23	70:16	effective 55:17
daily 31:21	delivering 21:19	59:2	documents	effectively 14:19
dark 30:23	36:12	direct 3:7 5:8	36:18,19 37:2	21:14 47:3
data 52:22	delivery 50:3	55:2	38:8,16 40:7	58:1
database 58:23	Deloitte 52:21	directed 13:4	42:21 60:20	efficacy 31:23
date 1:8 6:24	dem- 45:6	directly 12:10	doing 50:15 55:3	efficiency 22:24
14:22 35:5	demand 23:9	director 5:11,22	58:11 66:18	23:1 55:14
40:4,7 43:3	44:5,19	6:21 8:18 9:3	dollar 57:14	efficient 47:15
69:23 70:19,21	demands 21:9	11:11 12:2	63:18	55:18
DATED 68:19	22:2	42:12 63:17	dollars 6:9 13:18	efficiently 21:15
dates 51:14	demonstrated	directors 33:12	25:14	effort 66:20
day 48:16	31:6	33:20 34:2,12	domain 47:18	eight 6:9
day-to-day 32:3	demonstrates	34:18	double 63:11,11	either 53:23
days 42:5 69:11	27:5 43:17	disappointed	double-check	64:19
deal 13:23	demonstrating	28:16	42:9	elec- 9:10
deals 20:13	54:21	disclosure 16:22	downgrade 38:6	electric 6:9 7:21
Dear 69:6	Deponent 69:23	discourse 36:8	downgrading	9:18 12:13,15
debt 5:25 6:6,7,8	deposition 4:4	47:5 48:12	42:2	22:2 24:4
6:10,14,15 7:9	69:8,21 70:3	discussion 41:10	dramatically	27:15 34:23
9:6,15,17,19	describe 35:16	discussions	7:20	37:19 38:13
9:22 13:10,11	described 7:1	42:19	drive 2:4 21:15	39:1 40:11

44:18 46:6 47:4 48:23 57:14 59:6,10 61:17,21,23 64:18 electrical 43:15 43:21 50:19 electricity 16:8 16:10 17:8 24:25 25:7 43:22 46:3 electrification 22:4 element 12:20 12:21 48:10 emerging 20:20 52:8 emission 17:11 emissions 7:24 8:1 24:16 employ 12:22 employee 68:14 68:15 employees 14:13 16:15 20:21 28:5,10,13 51:25 57:11 employment 29:15 ended 11:4,7 31:19 energy 17:13 18:15 20:2 22:23 23:1 25:3,7 26:1 34:12,14 engaged 50:9 enormous 13:3 15:2 20:1,10 20:18 41:10 58:25 62:18 enrich 29:3 ensure 22:21 23:6 26:16 33:17 ENTER 70:2 enterprise 21:12 38:11,18,21 39:12,20 40:1	57:22,23 58:3 59:5 61:9 entire 12:11 43:14 50:13 65:10 entitled 43:15 environment 8:4 environmental 17:10,13 18:22 22:21 47:12 environmenta... 30:2 equally 62:9 equity 6:16 equivalent 16:19 errata 65:23 66:5 69:13 errors 5:2 especially 23:15 Esquire 2:3,7,11 69:3,18,18,19 70:23,24,24 essence 6:11 essentially 6:6 6:16 14:25 25:15 30:3 58:12 59:1 established 51:10,11 estimate 64:10 et 17:22 19:21 25:6 38:3 47:7 50:2 58:23 evaluate 38:2 55:23 evaluating 56:13 event 62:21 everybody 50:9 everyone's 49:8 exactly 58:21 Examination 1:16 3:7 5:8 example 52:5 54:22 58:5,17 examples 30:25 exceeding 62:15 62:15 excellence 10:10 52:18 55:8,10	55:21 exceptional 21:11 exceptionally 20:4 exceptions 64:25 excerpt 10:18 27:3 excerpts 11:1 excited 23:22,24 24:19 exciting 20:7 exclusively 46:11 excused 67:7 executed 17:20 executive 5:11 5:22 34:3 36:1 executives 55:11 exercised 50:12 Exhibit 3:17,18 3:19,20,21,22 10:20 35:15 38:15 40:17 43:10 54:1,3 65:11,16 exhibits 35:2 38:9 65:17 66:3 existed 16:25 exit 15:8,16 expand 21:1,7 22:20 expanded 19:21 expanding 17:24 expansion 10:7 17:19 18:13,23 20:12 expect 27:16 expectation 62:11 expected 21:19 expense 31:10 31:11 expenses 6:5,12 59:6 62:23 expensive 17:10 23:25 46:10,13 46:14 63:2	experience 33:11 expires 70:22 explain 5:14,20 16:24 24:23 28:19 43:12,16 48:6 54:19 57:20 exploit 29:3 exponential 19:18 extended 62:23 extensions 43:19 extensive 34:21 extensively 52:22 extent 18:25 46:1,16 extraordinarily 37:15 extraordinary 14:4 37:7 extremely 39:21 40:5	felt 21:5,7 28:21 36:6 FERC 33:17 fiber 56:13 filled 66:6 filling 65:23 final 16:6 finalize 16:7 finance 33:4 34:8 finances 29:4 financial 5:21 6:25 8:12,19 8:22,23 9:5,14 13:12 15:23 27:4,5 29:11 30:19 32:12 39:9,13,22 41:11 44:4 60:12,14,23 61:5,9,12,12 63:4 financially 68:17 find 16:19 finding 60:17 fine 54:13 finishing 5:25 firm 32:25 51:14 first 7:8,11 8:16 9:24 13:6 35:24 38:9,16 41:22 43:13 54:18 fiscal 11:5 43:24 59:22,25 60:15 Fitch 37:5 five 6:3 13:18 18:3 36:1 48:23 49:24 50:8 51:2 five-year 13:10 50:23 51:9,13 fixed 25:5,23 fixes 23:9 flat 46:17,23 flattening 45:6 45:18 flexibility 23:23 32:4
F				
			face 9:3 28:5 faced 19:17 facility 25:15 57:2 fact 7:20 22:6 24:8,13 29:5 37:7 facts 70:16 failed 21:2 familiar 28:2,3,6 fantastic 12:11 far 23:25 36:6 45:7 53:8 58:2 farm 23:18 farming 56:15 faster 50:17 FAX 1:21 feasible 15:11 federal 20:3 33:17 69:11 fee 63:25 64:7 feelings 28:18 fell 56:4	

flip 21:22 23:3	68:23 69:17	generating 18:2	51:3,18 52:15	hate 51:5
Florida 1:21 2:5	70:23	18:6	52:20 53:21,23	he'll 66:4
2:9,13 19:1	frame 7:4 51:9	generation 10:7	54:1,8,9 57:20	health 60:15
22:24 23:20	51:13	17:18 24:4	64:9	61:5,9,12,12
24:25 25:8	franchise 63:25	56:19	golly 64:18	healthier 8:4,6
33:12,14,18	64:7	generations	good 19:25 21:5	healthy 63:7,7
34:18,18,20	frankly 21:21	46:25	21:21 27:1,10	63:10
38:10 64:2,24	23:24 30:22	Georgia 24:5,7,9	30:21 34:25	hear 24:1
68:3 69:4,12	57:19	24:11	37:18 39:9,13	heard 42:1,10
flow 13:16 14:4	free 24:4 61:25	getting 61:19	46:23 47:1,11	47:17
14:5 62:1,22	french 32:24	give 14:25 29:21	47:12 60:9	hearing 42:8
flows 6:11 52:24	fuel 17:8 24:3	36:16 58:13	goodness 56:15	heavy 9:15
focus 31:17	25:3,25 48:22	given 13:13 25:4	grade 37:12,12	Hedquist 1:20
40:21 52:16,21	64:16	29:5 38:6	39:5 40:15,16	69:17
55:6	full 61:10	43:24 44:21,21	grades 30:25	held 31:4 48:24
focused 56:9	fully 11:15 47:23	51:21 65:18	37:10,14	49:3
focusing 50:5,6	function 33:3	66:3	gradually 20:24	help 23:1 66:22
following 35:4	funded 10:11	gives 30:16	gravy 32:9	helped 16:7
follows 5:7	funds 16:2 22:14	giving 15:15	great 19:13 22:3	helpful 59:21
footnote 62:12	29:8 59:16	16:10 55:21	31:3 57:12	helps 23:11
footprint 17:14	funny 59:1	global 23:24,25	65:24	49:13
22:21 47:12	fur- 67:2	24:11 40:21	gross 55:22	high 7:7 36:10
force 12:12	further 13:17	41:3,3,4 63:4	group 30:22	37:10,12 39:5
55:22	16:21 39:18	go 4:19 11:14	33:14 34:8	39:8,22 40:13
forced 46:12	67:2 68:13	15:3 23:14	37:11 43:14	40:15,15 63:12
forecast 47:6	future 13:23,24	24:8 29:14	51:2 52:4	higher 44:8
forefront 21:13	19:5 20:21	36:23,25 38:7	53:25 55:22	63:22
foregoing 68:9	21:4,10,20	39:17 45:23	60:20 61:11	highest 9:8,9
70:16	22:19 24:17,20	50:15 53:21,24	62:18	44:1
foreseeable 19:4	26:12 42:17	60:18 65:19	grow 55:13,24	highlight 27:4
formatted 54:23	44:3,19 52:14	go-forward	growing 33:7	highly 37:15
Forsyth 1:20	52:14 66:21	18:19	46:9 56:9	Hill 34:9
fortitude 12:20		goal 53:2,3	grows 32:7	historical 44:13
fortunate 30:3	G	55:12 56:2,3	growth 9:17	history 7:7
forward 10:2	gain 52:25,25	57:7 59:9,11	44:15,23 45:7	19:11,12 24:6
15:16 20:11	gallons 58:6	59:23	45:19	35:22 44:21
22:12 25:14	gas 15:9 16:11	goals 8:14 50:15	guess 42:10	hit 12:17
26:4,25 35:7	17:16,18 18:9	50:16 51:1,3,4		Hobson 55:19
51:18	18:23 19:20	51:5,8,9,19	H	holder 32:9
forwarded 69:13	22:8,10 56:13	52:5 55:4,7,13	H 3:15 70:1	home 64:22,23
69:14	56:23 57:1,2	Godbold 19:14	half 15:1,13,14	hope 47:22
found 15:11	general 2:10,11	45:8,14	15:20 45:11,12	hoped 62:14
four 6:2 9:24	4:14 24:25	64:4,7	50:8	hopefully 66:13
46:14 47:10	32:22 33:3	going 10:22	hand 62:20,22	67:1
49:24 60:25	generally 35:21	13:17 17:6	hang 66:12	horizon 20:6
61:1	63:1	20:8,11 21:23	happen 32:16	horrendous
FPL 14:23 16:3	generate 17:8	22:5 23:25	hard 12:13	12:24
31:3,9	57:8	25:14 34:22	16:15 65:15	host 63:14
FPR 1:17 68:6	generated 56:10	35:25 47:22	hatch-out 13:22	hour 43:20,21

hours 43:23 49:4	10:6 52:25	12:22	involvement	50:13 51:1,2
house 25:6,17	improving 61:11	inheritance	7:15	52:5 55:25
houses 24:7	61:12,24 62:3	19:23	Iron 41:12	57:6 60:15,22
Hulsey 2:3	62:20	initialization	IRP 44:17	61:6,13 62:13
human 12:20	incentive 30:10	57:22	irrigation 46:18	JEA's 7:15
hundreds 58:6	46:22	initially 22:11	isolation 59:14	14:11 16:22
hung 5:16	inches 23:21	Initiatives 52:10	issuance 39:1	30:3 38:10
hurricanes 8:11	included 19:12	input 50:13	issue 23:9 28:17	39:4 56:11
12:17,25 22:22	53:16 54:9,18	inside 47:8,10	42:22 62:21	JEA.com 8:8
<hr/>	includes 40:19	institution 63:4	issues 16:13	job 16:17,18
I	including 8:8	instructive 37:3	38:11	49:8
ideas 56:20	inclusion 69:14	integrated 44:18	it'll 24:17	jobs 32:20
identification	income 9:16	intellectual	items 67:3	Johns 14:7,17
3:16 10:20	32:1 47:13	20:19	<hr/>	joined 5:15
35:15 38:15	increase 28:14	intelligence	J	16:16
40:17 43:10	45:21,22 48:25	58:12 59:20	J 2:11 50:18	joint 56:14
54:3	48:25 49:2	intend 65:3	69:18 70:24	jointly-owned
identified 60:2,2	52:24 59:15,15	intends 60:19	J.D 7:14	14:17
identify 55:23	increased 23:12	intensive 17:12	Jacksonville 1:2	journey 50:23
57:4	37:19,21 53:6	20:9	1:21 2:5,9,13	<hr/>
Illuminating	increases 6:1	interest 62:2	14:18 15:5	K
33:20	55:17 57:9	interested 68:17	18:4 57:3	keep 49:8 56:20
image 9:18	increasing 21:5	interesting	63:24 69:4	keeping 21:18
immurgence	22:2 57:10	18:12 48:12	Jake 19:14	keeps 46:24
18:24	independent 2:4	internal 33:1,2,4	JEA 1:3 4:10,15	Kelly 34:1
impact 17:10	7:15	interrupt 54:11	4:21 5:12,21	key 14:25 15:1
implement	independently	interview 1:6	5:24 6:21,25	40:2 55:16
55:24	15:24	4:24 19:16	7:6 8:19 9:3	60:11,23 61:7
implementation	indicate 48:17	67:8 68:8 69:5	10:25 11:5,11	kind 20:1 60:16
60:5	indicated 38:5	70:2	12:2,7,11,21	knew 53:11
import 24:5	indication 63:7	invest 32:15	13:13,15 14:6	know 6:17 8:15
important 11:16	indices 61:7	investigating	14:8,10,13,14	13:25 15:13
13:2 14:16	individual 23:19	66:20	15:4 16:16,25	25:14 26:13
22:25 24:6	43:22 57:25	investigation	17:4,16,25	27:13 30:10
31:20 47:19	industries 57:25	42:16,16	18:4,11 19:3,5	32:8 33:24
60:11	industry 6:16	investigative 4:8	19:9,10,16,19	35:25 36:6,10
importantly	17:7,14 20:8	Investigatory	20:15 23:22	36:11,16 37:18
22:23	20:14 21:13	1:3 2:2	24:20 25:2	37:22,24 41:16
impose 67:1	33:10 34:23	investment 31:8	26:7,14,15	41:23 42:20
impression	50:20 61:20	investments	27:6 28:1,21	45:24 46:23
30:16	63:11	10:3,6 20:23	29:4 31:7	47:2,5 49:20
improve 21:6	industry's 34:11	investor 28:8	32:19 33:11	51:12,21 52:14
31:8 53:6,9	inefficiencies	29:18 40:9,18	34:15 35:8	52:15 53:5
55:14,15	58:14	46:21	36:4 37:6,7,14	58:6 59:13
improved 7:2,2	inflation 57:10	investor-owned	38:12,18 39:13	knowing 58:21
10:8	information	33:21 42:14	40:10 41:3,23	knowledge 64:1
improvement	52:23	Investors 36:19	42:2,11,13,17	known 46:9
6:13	informed 56:20	38:8 39:11	43:3,8,15	<hr/>
improvements	infrastructure	involved 36:11	47:10 48:5	L
				L 1:17 4:1 68:6

68:23 69:17 70:23 laid 51:16 53:2 land 15:19 17:22 Lanny 2:3 4:7 53:22 65:24 69:19 70:24 large 6:6,13 18:9 34:4 58:5 63:4 largest 7:6 29:22 34:5 launched 51:11 52:10 launching 21:12 laundry 56:16 Laura 2:8 69:4 Law 2:7 4:17 69:3 LDC 56:24 leadership 35:9 35:17 52:1,1 leading 35:20 36:13 lean 18:25 leaves 47:13 led 16:13 left 7:6 17:3,21 17:23 54:16 61:15 62:1 legislation 24:15 legislative 26:8 lengthy 54:6 lesson 19:13 let's 38:7 50:22 53:24 letter 69:7,11 level 9:8,9 12:17 22:23 36:8 levels 44:8 46:3 46:8 56:24 59:7 Leverage 57:21 leveraging 59:4 liability 33:17 life 14:19 life-sustaining 30:1 light 30:23 limited 18:25	line 6:16 21:18 25:15,16 44:9 44:13,23 45:13 45:17,19,20 46:9,17 49:8 63:1,3 70:5 lines 25:20 44:7 62:15 liquidity 62:17 62:17,25 63:1 63:5 liquified 57:2 list 36:10 56:16 listened 36:20 little 24:18 32:17 51:6 52:8 61:16 62:9,12 live 29:6 31:24 lived 30:18 lives 27:14 living 57:11 load 6:6,7 9:15 24:13 loading 24:2 local 21:24 22:18,20,25 23:2 28:17 29:23,24 56:24 location 23:19 57:3 locations 23:19 locked 7:25 locking 22:11 long 15:22 23:14 51:6 long-term 32:20 33:23 40:1 62:13 look 13:25 14:1 14:3 20:22 21:22 22:18 31:9 37:3,8 47:8 49:19 52:7,7 58:18 58:18 59:1 61:14 looked 15:22 39:25 56:22 62:5	looking 19:10 23:23 40:4 51:4,8 57:13 57:14,15 looks 56:4 loss 23:12 lot 10:5,11 17:15 31:3 42:19 46:10 48:21 52:23 low 22:9 lower 7:8 23:18 31:8 61:17,18 lowering 21:18 loyalty 52:17 55:8 lying 43:20	<hr/> M <hr/> M 3:3 M-c-E-l-r-o-y 4:21 maintain 12:23 maintenance 56:18 58:13 major 8:11 10:3 making 7:6 20:23 31:22 manage 47:3 58:23,24 59:18 managed 58:1 management 21:12 32:25 34:14 35:21 53:10 57:23,23 58:4 59:5 manager 32:22 33:2,3 managing 5:11 5:22 6:21 8:18 9:3 11:11 12:2 21:14 42:12 63:17 manpowered 17:11 manufactured 58:21 manufacturers 58:20	March 1:8 43:3 69:5 70:4 margin 13:8 mark 38:7 41:24 65:18 marked 10:20 35:15 38:15 40:17 42:25 43:10 54:3 65:10 market 16:9,23 16:24 22:14,16 35:19 62:22 marketing 34:13 34:14,14 marketplace 13:14 match 6:5,5 material 29:21 materials 43:1,1 60:21 65:7 matter 1:3 31:17 31:18 matters 31:18 maturities 62:4 62:8 Mayor 19:14 McElroy 1:7 2:6 3:6 4:17,19,21 4:22 5:6,10,20 6:20 10:21 24:22 27:19 28:11,19 32:20 35:3,12 36:20 38:12 40:14,24 42:4,11 43:6 53:17 54:15,20 60:13 63:15 65:3 66:5,25 68:8 69:2,5 70:2,3,19 McElroy's 66:2 mean 29:22 32:3 33:6 40:25 46:8 48:16 49:17 58:19 meaning 12:12 meant 53:12 measured 43:23	measurement 62:18 measurements 7:14 9:14 media 28:17 48:14 meet 20:6 21:9 46:4 62:20 meeting 56:1 meetings 52:2 mega 43:21 megawatt 23:18 23:20 24:7 43:20,21,23 49:4 megawatts 17:25 18:2 24:1,4 member 33:19 33:23 members 33:22 66:19 memory 64:10 mentality 29:13 mentioned 9:7 53:16 met 50:14 52:4 metrics 6:15 10:13 54:17 60:12,23 61:10 Michael 2:7 4:16 69:3,18 70:23 mid 37:12 middle 39:9 42:15 midwest 19:2 Mike 65:21 66:1 66:4 million 9:11,19 16:1 20:24 53:1 56:3,4 59:23,24 63:19 64:11,21 millions 24:6,7,7 mind 29:23 47:1 65:12 mindset 46:20 mine 53:19
---	--	---	---	--	---

minimal 13:22	<hr/> N <hr/>	34:20 69:4	39:3,24 40:6	organization
minus 37:9,9 64:11	N 3:1,3,3 4:1	Northeast 34:18	40:18 42:9	33:16 49:6
mirror 9:18 19:16	name 32:24	Notary 1:17 70:21	43:11 44:25	original 15:20 15:20 69:13
mismanagemen... 34:15	nation 7:21	notes 68:11	45:23 52:3	ought 46:5
misnomer 49:18	nationally 22:7	nuclear 24:3	57:18,24 60:3 66:7	outlook 40:20
missing 63:8	nationwide 34:24	number 7:20 16:15,16 17:9	once 16:12 41:21,22 48:7	outside 15:24
mission 29:1	natural 15:9 16:11 17:15,18	17:10,11 21:21	66:2 69:13	outstanding 12:22 20:19
misuse 47:22	18:9 19:20	35:2 38:9 40:8	one-on-one 19:13	36:12
misused 47:20	22:8,10 56:13	46:6 56:22	one-tenth 23:20	overage 49:17
mitigated 41:21	56:23,25 57:2	57:5 70:5,5	ones 29:21 65:4 65:5	overall 24:6 31:8 49:23 50:2
mix 49:16	Nature 13:4	numbers 15:23 65:18	ongoing 33:8	62:10
mobile 8:8	nearly 13:11	numerically 63:15	open 63:1,3	owned 18:17 29:19 34:15
mode 23:11	necessary 36:4	numerous 34:9	operate 19:5 58:8,9	owners 13:15
money 15:17 16:2 22:15	need 10:2 13:21 15:13,14 16:25	<hr/> O <hr/>	operated 14:19	owning 21:24
25:19 31:18	23:1 25:16	O 3:3 4:1	operating 6:11 6:12 10:13	owns 29:24
46:24	29:7 31:7 60:5 65:5	objectives 8:14 51:19 55:4,7	12:12 13:16	<hr/> P <hr/>
monitoring 55:12	needed 6:14 65:5	obligation 46:4	14:5,20 20:3	P 4:1
month 25:4	negative 21:25 22:19 40:20,22	obligations 15:2	20:20 31:4,10	p.m 1:9,9 67:8
monthly 48:25	40:24 41:24	observation 39:7	operation 36:11 41:22 53:9	Pacific 34:19
months 11:7 12:18 41:10	47:17	occupations 56:16	58:16	pack 62:6
Moody's 36:18 37:5 38:8 39:4	negotiation 17:21	occur 7:25	operational 10:10 21:11	package 40:9
39:7,11 40:9	NERC 33:17	occurred 43:24	48:8 55:15	page 3:5,16 12:6 13:6,7,7 27:11
40:18 41:1	net 14:3,5 55:13 62:7	occurrences 27:5	operations 9:4 39:10,13	43:14 45:15
Mother 13:4	new 13:9 20:5 24:11 36:3	occurring 17:6 58:15	opportunities 21:1,21 24:20	47:24 50:23
move 6:14,15 10:13 18:9	52:4	offer 15:16	55:24 56:23	52:9,9 54:18
26:4,25,25	news 35:2,4,5 42:1,1	offered 20:13	57:5	60:9,20,24
37:24 50:17	non-core 56:10 57:5	offers 21:25 26:4 4:14	opportunity 5:1 21:25 22:3,10	70:5
51:18	non-expedited 65:20	Office 2:10,11 4:14	22:13 26:4,13	pages 10:17 48:7 51:20 53:18
moved 10:1	non-privatizat... 36:9	officer 5:11,22 8:19,22,23	33:25,25 47:9	65:6 68:10
moving 18:21 52:13	nonfuel 59:6,6	offset 23:12 57:9	57:1 66:17	paid 16:3 18:16 18:18 28:13
multiple 46:13 58:19	nonprofit 30:15 30:21	offsetting 59:14	opposed 63:5	62:8
municipal 28:7 30:11,15,22	normally 63:9,9	oh 56:15 64:18	optimistic 47:16	panel 60:25
33:22 34:5,6	norms 61:20	Okay 5:14 10:19 11:9 12:5 13:6	optional 50:3,3	panhandle 19:1
34:23 46:20	north 2:8 14:18 32:23 33:5	26:6 27:24	options 50:1	paragraph 39:9
63:13,13		28:11 32:18	order 15:19 32:9 60:8	parent 41:13
municipals 34:16		36:18 38:7	ordering 69:13 69:14	Park 14:8,17 31:3
				part 20:6 28:22 28:23 32:5,6
				39:8 49:11,13
				50:3 64:4

partial 32:17 65:11	24:14 25:17,18 44:14,15 45:11	24:2 35:19 40:2 51:24	potentially 55:23 57:1	57:10
partially 34:15	45:12 61:16,18	56:25	poverty 29:7	pricing 10:12
participant 28:13	61:18,22,23	plans 8:5 10:11	31:25	21:18 22:12
participants 41:5	percentage 7:19	28:3,7	Powell 2:11 4:13	23:9 48:11
participate 7:17	performance 9:14 10:14	plant 14:18 15:2	4:13 5:16	62:13
participating 4:23 56:25	20:20 21:11	15:14 16:2,5	53:22 54:4,10	primary 55:6
participation 66:9	53:9 55:15	19:20 25:5,10	65:12 67:6	prime 37:11
particular 29:17	performed 12:16	31:5	69:18 70:24	principal 62:1
particularly 27:3	period 7:3 9:1,2	plants 12:13	power 7:14 14:8	principles 57:21
parties 4:3 68:14	9:9,20 10:9	49:7	14:17 18:17	59:4,25
69:13,14	11:3 35:8 44:1	play 46:21	24:10,14 25:6	prior 6:2,8 7:1
parties' 68:15	44:24 48:21	please 4:12 5:15	31:3 32:17	8:17 12:18
partner 7:17	60:6 62:23	24:23 28:19	33:24 43:6	32:18,19 41:10
partners 31:3	perjury 70:16	29:21 36:25	60:10	44:15 50:7
partnership 15:18	personal 29:10	43:12,16 54:20	powered 34:4	56:22
parts 18:21 23:7	50:16	69:8	powers 24:9	private 29:11,12
25:12	personally 11:19	plus 64:11	50:18	29:13,14,15,18
passing 30:25	persons 4:11	pockets 46:24	practice 26:1	32:21
path 35:7	perspective 10:5	point 10:12	preparation 11:19,23	privatization 36:8 42:13,19
Paul 1:7 2:6 3:6	41:17	14:24 15:3	prepared 11:10	42:22
4:17,20 5:6	phrase 27:12	16:6 17:3 22:9	11:15	probably 7:4
65:22 66:4	physical 56:17	26:2,20 30:8	presentation 34:1 43:7 56:1	20:1 26:25
68:8 69:2,5	56:18 58:9	30:10 31:6	60:10	51:7 60:8
70:2,3,19	physically 11:12	41:17 60:10	presented 51:22	problem 5:18
pay 9:17 24:17	pick 14:22	61:21	presents 22:11	problems 24:12
25:9,10 31:11	picked 65:5	pointed 38:12	preserves 46:25	26:3,3
48:18 62:1	pipe 25:15,16	points 7:19 37:2	preserving 46:7	proceedings 4:24
63:2,14	48:24 58:18,19	43:6 45:24	president 32:22	process 26:21
pay-the-debt 7:5	58:22	63:3	33:1,2 34:2	31:8 36:1
paycheck 32:2,2	pipes 25:10,20	pole 56:14	press 45:10	46:13,14 51:24
peak 8:2 61:22	Pitney 33:4	policy 29:25	pretty 21:5	produce 7:16
61:23	place 7:24,25	62:13,15	24:19 47:16,17	16:9 18:17
penalties 70:16	8:5 13:10,22	political 36:7	64:17	produced 5:7
people 12:21	16:16 17:19,22	pool 31:13	preventative 58:13	16:8 49:5
13:1 29:6	25:22 29:2	portions 11:20	previous 9:7	productive 42:18
36:12 49:6,7,7	60:9 62:14	54:9	13:20 30:9	productivity 21:6 52:24
53:11 58:4	placed 7:20	posited 11:13,16	47:6	53:6
59:1	plan 7:23 13:10	position 19:3	previously 27:7	products 23:10
Peoples 28:25	13:13 20:20	33:1 41:23	price 6:1 9:21	profit 30:12,14
percent 8:2	28:12,20 30:11	positioned 18:11	10:1 18:18,18	30:20 31:12,14
19:18 24:8,10	36:13 40:21	20:18	24:25 49:2,18	32:9 59:12
	44:18 46:22	positions 32:25	50:2 57:9	program 21:12
	50:10 51:12,12	positive 22:1	59:15	58:24,24
	55:4 60:4	possess 35:13	priced 49:21	project 14:18
	planned 24:1	possibly 66:23	prices 9:12 22:8	41:5,7,15,21
	planning 17:21	potential 4:10		
		42:13 43:3,8		
		60:22		

44:19 45:6 51:14 53:10 projected 44:14 44:17 projection 44:23 45:4,18 projectioning 45:16 projections 43:15,19 44:12 45:17 projects 18:14 prospects 56:20 proved 8:10 proven 21:10 proves 16:22 provide 6:13 14:8,10 64:10 64:23 65:22 66:5 provided 4:25 37:1 provides 14:9,9 providing 31:22 39:19 48:20 provision 64:23 public 1:17 26:15 28:4,8 28:12,14,23,25 29:1,18 30:13 30:21,24 32:17 33:23 34:4 41:8 44:20 47:5,18 48:12 50:11 64:14 66:24 70:21 public-owned 19:6 pull 10:22 pump 58:5,7 pumps 58:6 purposeful 30:2 pushed 62:9 put 6:2 7:24 8:21 15:17 17:18,22 18:4 29:2 31:13 37:5 40:9 60:11 62:14	putting 6:7 25:22 38:6 59:3 <hr/> Q <hr/> quarter 52:11 quarterly 50:14 51:23 52:2 54:24 quartile 49:21 question 7:1 11:24 35:1 42:9 51:7 54:19 61:3 questions 10:16 36:21 50:24 54:16 quite 21:21 23:24 30:21 48:13 quote 35:3,4,7 <hr/> R <hr/> R 70:1,1 rain 23:21 raise 48:4 rambled 24:18 range 61:19 63:12 rate 9:21 23:7,8 24:22 26:7,14 44:15 45:19 46:9 48:15,15 48:15,16,21,25 49:2 50:18 55:17 rated 37:15 40:11 rates 9:12 31:18 48:24 rating 36:22 37:15,23 38:1 39:5,8,20,21 41:4,19 42:2 61:8,10 62:19 ratings 6:18 7:9 7:16 37:4,6,7,8 37:11,12,19,20 40:13 ratio 61:15	reached 9:20 read 69:8 70:16 reading 4:4 28:16 69:21 readout 55:25 reality 30:20 really 6:14 9:7 9:16 10:4,9 13:21 14:12 15:4 16:7 17:25 21:8,13 22:16 23:12 25:23 32:11 33:9 47:1,2 52:15 62:18 63:12 realtime 58:15 reason 40:21 60:11,18 reasonable 69:11 reasonably 15:11 recall 9:4 42:6 63:15 64:6 recalling 64:10 receipt 69:11 received 69:13 receptive 26:24 record 66:16 68:10 recover 10:2 25:16 recovering 26:16 red 44:23 45:13 45:17,19 reduce 7:24 13:10 59:5 reduced 13:19 49:4 reducing 13:17 reduction 18:23 refer 53:18 referred 59:20 65:6 reflects 57:21 refund 22:13,14 regard 69:12	region 22:7 34:24 regional 28:9 regulations 18:22 regulatory 33:16 reigns 36:16 relate 47:25 related 12:10 44:4 48:2 57:6 relates 45:16 relating 36:19 40:10 relationship 49:14 relative 42:21 68:13,15 release 12:3 Reliability 33:12 33:15 reliable 8:8 reliance 19:18 relying 46:11 remember 42:7 remove 41:24 renegotiation 63:20 repair 12:23 repayment 9:22 replacement 58:24 report 10:17,18 10:18,23,25 11:1,4,9,20 12:3,7,9 13:9 14:6 16:21 27:3,12,12,13 62:6,7 68:7 reported 49:6 reporter 65:17 66:7,14 REPORTER'S 68:1 reporting 48:14 reports 55:2 representing 45:13 request 42:21 requested 68:9	require 15:12 18:13 26:8 requirement 20:11 residence 25:21 residential 7:13 7:18 resignation 35:6 42:11 resigned 6:21 19:3 42:23 resiliency 12:8 12:10 resilient 13:3 22:21 resolutions 38:24 39:2 resource 44:18 46:25 respect 26:19 30:1 41:11 49:22 respective 4:3 responsibility 11:22,22 responsible 34:7 responsive 53:9 rest 22:24 64:17 64:17 restricted 24:16 restructure 22:17 result 6:7 retire 16:16 retired 4:21 8:15 return 15:19,25 revenue 6:4 9:16 23:12 28:10 55:24 57:8 62:7 revenues 14:1,2 14:3 55:14,22 55:24 56:7,8,9 56:10 review 42:21 54:17 55:3 68:8 69:8,9,10 reviewing 65:22 revises 40:20
--	---	--	---	--

revision 40:22 40:24	45:16 56:13	separate 38:13 39:1	shocked 28:16	skills 35:9,11,12 35:17 36:3,5
right 6:1 10:22 24:2,14 27:12 29:8 37:13 38:7,23,25 39:11 44:11 45:4 54:10	sat 33:11,13 34:4	September 5:12 5:23 8:17 11:4 11:5,6,7 27:18	short 15:22 56:5	skipping 47:24
rise 22:23	satisfaction 7:12 7:18,19 21:17 48:1,1,8,11 49:14,24 50:4 50:17 53:13	series 6:1 15:10 43:6	shortly 17:20	slide 43:13,16,18 46:1 53:5 54:20 57:18,20
risk 34:13	satisfied 46:2 48:3	serious 22:6	show 43:22 44:8 45:5 58:14 59:23 61:11 63:6,7,9	slides 43:6,13,14 45:25 47:25 54:16,23 62:5
river 8:4 14:7,17	save 26:5 58:25	serve 32:9	shown 43:13 48:2	slight 45:22
role 9:24	saved 22:16	service 14:3 21:6 21:7 26:15 27:15 28:23 29:1 30:21 31:22 36:12,19 38:8 40:9,18 41:9 44:20 48:17 53:7 61:25 62:1 64:14,19 66:24	shows 43:18,25 45:1,1,20 61:5 61:24	small 25:1
roofs 23:20	savings 16:1,4 22:11 59:24	services 21:2 29:12 30:2,19 48:11,19 50:3 56:17,19 57:16 64:1,15,22	sic 11:5	smaller 47:12
rooftop 23:3,5,6 23:13,14	saw 19:15 21:1 21:21	servicing 28:24	side 7:13 14:18 15:23 19:23 21:22 22:1,1 23:3 30:23,24 32:8 47:4	smart 20:21,23 47:2 52:14,14
rough 52:9	saying 6:17 32:11	session 55:3	side-by-side 37:4	smartly 46:19
roughly 44:14 45:12 51:13 63:18	says 27:13	set 13:10 18:18 35:9,12,16 36:3 51:9 52:5 56:2,3	sides 30:19	Smith 2:3
Royce 19:18	scale 18:9 23:16 30:4	setting 26:14 51:3	sign 69:9,9	Social 49:13
RPR 1:17 68:6 68:23 69:17 70:23	scaling 23:15	sewer 12:14 27:15 37:20 38:10,17 39:12 39:25 40:1 64:19	signal 13:2,14	solar 17:19,24 18:2,6,10,13 18:24 20:12 23:4,5,6,13,14 23:16,17,18
Rules 69:11	scenic 50:11	sevens 6:8 36:1	signaled 14:23	somebody 36:17 46:21
run 14:13	schedule 14:2	sewer 12:14 27:15 37:20 38:10,17 39:12 39:25 40:1 64:19	signals 58:13	somewhat 35:22 36:15
running 16:4 31:5 36:11 50:19	scheduled 14:20	sewer 12:14 27:15 37:20 38:10,17 39:12 39:25 40:1 64:19	signature 27:13 69:23	sorry 4:20 5:16 54:10 65:4
rush 65:13	sea 22:23	sewer 12:14 27:15 37:20 38:10,17 39:12 39:25 40:1 64:19	significant 5:24 9:17 10:1 15:12 18:13 32:20	sort 18:10,21 19:10 25:1 26:8 29:23 30:22,23 37:5 37:23,24 47:8 49:18 51:15,17 55:2 58:17
Russell 2:3 3:7 4:7,7,19,22 5:9 5:15,18,19 38:14 53:21,23 54:6,13,14 60:16 65:2,14 66:1,8,10,10 66:11,12,16,25 69:19 70:24	second 13:6,8	sewer 12:14 27:15 37:20 38:10,17 39:12 39:25 40:1 64:19	significantly 7:3 7:13	source 15:24 17:8
S	secondary 26:23	sewer 12:14 27:15 37:20 38:10,17 39:12 39:25 40:1 64:19	signing 4:4 69:21	sources 46:12
S 3:15 4:1 70:1	sector 28:7 29:11,12,13,14 29:15 32:21	sewer 12:14 27:15 37:20 38:10,17 39:12 39:25 40:1 64:19	similar 28:9 45:15	southern 41:4
S&P 37:5 39:18	security 56:17	sewer 12:14 27:15 37:20 38:10,17 39:12 39:25 40:1 64:19	simply 19:11 24:24,24	space 34:23,23
Safety 34:18	see 21:20 31:7 44:2 45:17 49:20 55:5 59:14 60:1 62:2,12,12	sewer 12:14 27:15 37:20 38:10,17 39:12 39:25 40:1 64:19	Sincerely 69:15	span 14:19
sale 4:10 42:13 43:3,8 60:22	seek 29:15	sewer 12:14 27:15 37:20 38:10,17 39:12 39:25 40:1 64:19	sir 60:24 66:11 69:6	special 1:3 2:2 4:8 43:2,7 65:7
sales 43:15,20 43:21,23 44:1 44:3,20 45:2,4 45:7,11,12,14	seeking 41:8	sewer 12:14 27:15 37:20 38:10,17 39:12 39:25 40:1 64:19	sites 18:3	specific 42:7 58:22
	seen 42:1 50:18	sewer 12:14 27:15 37:20 38:10,17 39:12 39:25 40:1 64:19	six 18:3 36:1 48:23 50:11	spectrum 58:3
	send 54:7 65:16 66:4,4	sewer 12:14 27:15 37:20 38:10,17 39:12 39:25 40:1 64:19	six-hour 55:3	speed 56:14
	senior 51:25 55:11	sewer 12:14 27:15 37:20 38:10,17 39:12 39:25 40:1 64:19	size 28:9	spend 47:14
	sense 24:21	sewer 12:14 27:15 37:20 38:10,17 39:12 39:25 40:1 64:19	SJRPP 14:16	spoken 48:13
	sensitivity 31:23	sewer 12:14 27:15 37:20 38:10,17 39:12 39:25 40:1 64:19	skill 35:18	
	sent 10:17 60:20 62:6	sewer 12:14 27:15 37:20 38:10,17 39:12 39:25 40:1 64:19		
	sentence 13:8	sewer 12:14 27:15 37:20 38:10,17 39:12 39:25 40:1 64:19		

spot 30:4	2:12 69:4	sweet 30:4	tell 12:8 13:12	Thanks 54:12
St 14:7,17	strength 39:22	switched 19:20	19:8 30:18	67:6
stable 48:24	stressed 9:13	system 6:9,10	57:18 60:14	theme 10:10
stand 66:22	stretch 51:19	9:10,19 10:3,8	61:3	53:10 55:1
standard 63:11	strikes 8:12	19:21,23,25	tells 60:14	thing 31:20 47:1
standards 6:17	strong 13:1,14	20:2,25 22:20	ten 18:5 46:14	47:4,7,8,9,11
20:3	13:16 14:4	25:25 37:19,20	ten-year 15:25	47:12
standpoint	stronger 8:15	39:1,19,20	45:14	things 17:6 20:7
32:14	strongest 35:18	40:2,11 44:18	tend 52:15	30:5 36:10
start 54:25	structure 20:13	46:6,7 57:15	tens 31:25	37:18 47:14,17
started 7:8 8:16	20:22 21:8	58:7 59:3	tenure 11:10	51:16
15:6	23:7 25:8	61:21	31:16	think 8:12 11:16
starts 45:5	26:17 29:2,5	systems 8:7 10:5	term 24:22	14:11 16:6
state 14:4 16:18	35:23	12:12,14,15	terms 6:15 8:10	18:12 19:10
22:24 26:19,23	structures 32:13	20:24 37:25	9:13 17:17	20:1,7,17
33:18 34:24	studied 19:15	48:23	18:6 20:11,18	22:18,25 23:4
64:2,24 68:3	studies 15:10		22:2,15 23:3	23:14 24:16
state-owned	48:17	T	23:16 24:16	25:2 26:24
30:15 34:6	sub 55:13	T 3:3,15 4:1,1	25:25 26:6,20	29:22 30:8
stated 15:21	subjects 29:16	70:1,1	30:4,10 31:15	31:5 36:21
24:24 27:18	subsequent 44:2	table 15:18	32:10 33:7,10	37:2,3,17
70:16	substantial	take 17:4 29:3	37:22 42:19	41:15,19,21
statement 13:8,9	63:19	taken 1:8,16	46:23 48:3	44:8 45:10,10
16:21 27:17,21	substantially	49:1 70:4	49:16,18 51:3	45:10 47:18
statements 14:1	63:22	talk 54:8 58:4	52:22 55:5	49:23 52:9
states 26:2 28:4	success 33:8	talked 15:8 48:9	58:3 59:9 62:3	54:24 56:4
61:8	successful 8:10	talking 35:11	Terrie 1:17	58:2 64:14
Station 18:1	21:3 36:14	40:19 48:15	65:17 66:1	65:9
Statute 69:12	successfully	56:9	68:6,23 69:17	thinking 24:2
stayed 15:18	17:16	Tallahassee	70:23	thought 13:2
stays 46:17	Sue 34:1	16:18	Terrie's 66:13	20:22 21:3
stenographic	sufficient 6:12	Talleyrand 57:2	terrific 12:11	29:1 35:25
68:11	13:16 62:20	targets 62:13,14	33:8	36:4 60:10
stenographica...	suggested 69:10	task 55:22	test 23:11	65:5
68:7	Suite 2:4,8,12	tax 34:7 64:14	testament 12:19	thoughts 40:23
Stephen 2:11	supplied 8:24	team 8:9 20:19	tested 15:24	thousands 31:25
69:18 70:24	support 32:16	52:1,1,19 55:9	23:10	43:23 58:6
steps 49:19	39:16 61:7	56:20	testified 5:7	three 17:11
Steve 4:13 65:9	63:5 66:19	teams 35:21	34:10	18:21 37:25
stipulated 4:2	supported 39:18	technologies	testimony 36:20	41:1 54:25
stock 28:8	supposed 58:9	20:12	testing 26:24	55:6,13
strategic 35:19	sure 26:6,19	technology	thank 4:22 6:19	three- 51:13
36:13 50:10	31:22 35:3	16:11 17:12	10:15,24 29:16	throughput
51:12,12,24	38:20 46:23	18:25 21:15	34:25 40:6	25:24
52:16,25 55:4	50:25	58:2 59:12,19	42:24 50:21	Thursday 1:8
55:6	surveyed 49:25	telephone 2:3,7	54:13 64:12	tied 49:4
strategies 7:24	surveys 7:16	2:11	65:1,25 66:8,8	time 1:9 5:21,24
strategy 7:5 15:8	50:19	TELEPHONIC	66:23 67:3,5	6:5 7:3,4,6 8:3
Street 1:20 2:8	sustain 53:12	1:6	thanking 66:16	9:1,6,15,21,23

10:12 11:3 14:24 15:3 17:3 19:4,11 19:17 20:10,21 22:4,9 25:18 25:19 26:2,20 28:21 33:11,14 35:6,8 36:2,16 38:14 41:6,7 41:13,18 42:18 42:20,23 47:20 47:20,20 50:8 50:8 51:9,13 51:15 52:8 60:6 62:23 times 32:2 37:22 46:13,14 54:25 58:19 title 8:23 12:7 43:1 60:12 today 16:10 24:24 25:12 27:22 33:9,10 52:3 65:18 today's 4:23 22:14 top 10:14 13:19 18:5 44:9 46:10 61:15 64:15 topic 33:9,10 Toshiba 41:13 total 17:13 touch 62:19 town 63:14 towns 64:23 tracked 60:4,5 traded 28:8 transaction 24:12 transcribe 65:19 transcript 4:24 4:25 5:2 66:2 68:9,10 69:7,9 69:10,13,14,21 70:2 transition 16:19 17:5 18:8,10 18:22	transitioned 17:15 transitioning 17:7,14 transmission 56:18 transpire 50:7 transpired 50:6 50:7 Transportation 22:3 treasurer 34:3 tree 56:14 tremendously 23:11 trend 62:10,10 trending 52:1 triple 58:10 true 27:17,21 68:10 70:17 trustees 34:20 trying 46:21 51:7 66:21 TSP-based 45:4 turnaround 35:23 turning 27:11 45:15 51:17 twin 58:4,8 two 8:9,11 12:24 17:10 18:21,21 20:6 29:23 32:11,19 33:22 36:18,18 37:17 38:8 45:25 47:19 55:11 type 22:19 46:22	understand 6:20 11:18 26:6 29:12 47:24 51:8 56:8 57:19 59:2,22 60:7,19 understanding 5:10 21:14 34:22 38:17 45:3 understood 28:24 unfortunately 63:8 unique 20:15 62:3 63:24 United 28:4 units 15:9 University 34:20 update 50:23 55:21 updated 44:22 updates 51:24 upper 19:2 37:12 upward 62:10 use 25:8,11 26:1 54:9 62:23 63:4 uses 25:17,18 util- 64:13 utilities 7:21 18:5 23:15,17 28:4,5,8 34:6,6 49:1 63:13,13 64:14 utility 6:6 7:20 8:1,13 10:11 14:4,16 18:10 19:6 21:24 23:16 25:19 28:12,14 29:18 29:19 30:14,15 40:14 42:14 44:19 47:17 48:11 50:14 53:11 63:25,25 64:15,22	<hr/> V <hr/> vaguely 42:7 validated 15:25 valuation 61:9 value 28:14 variety 32:25 various 56:20 vendors 57:10 58:21 verge 41:14 versus 23:19 viable 19:5 vice 32:22 33:1,2 view 44:13 viewed 19:17 30:23 vision 53:5 visit 53:4 visits 34:9 voluntarily 4:23 volunteer 49:12 <hr/> W <hr/> waive 69:9,21 waived 4:5 Waiver 69:20 walk 14:25 15:1 want 15:7 29:13 35:3 36:23 38:20 65:21 wanted 12:5 14:24 15:8 16:17,18 43:11 65:9 wants 65:10 wasn't 16:12 54:8 wastewater 12:15 59:7 watching 26:11 water 12:14,14 25:9,25 27:15 37:20 38:10,13 38:17 39:12,24 39:25 45:16 46:1,3,7,10,12 46:18 59:7 64:19 water/sewer	6:10 9:10 19:23 22:20 38:21 39:19,23 61:18 way 13:24 18:9 23:14 24:25 25:12 30:7 31:2,23 49:3 54:24 58:8,25 59:18 66:23 ways 20:15 55:24 we'll 38:8 65:6 67:3 we're 22:6,21 26:16 32:6 46:19 51:8 63:8 we've 21:10 29:6 32:8 wealth 32:1 well-defined 53:10 well-rounded 49:16 went 9:11 15:10 57:13,13,14 64:7 West 2:12 Westinghouse 41:12,14 witness 1:16 3:5 4:3,5,18,20 53:25 66:10,12 66:15 67:5,7 word 12:8,9 60:1 work 6:14 7:23 12:12 16:17,19 20:2,22,24 28:23 29:14 31:1 32:5 52:22 60:19 66:18 worked 9:25,25 16:14 28:21,24 28:25 29:11,11 31:20 49:7,7 working 21:24
--	---	---	--	--

33:7 36:11 52:21 55:22 57:4 workshops 42:17 50:12 world 12:11 27:14 35:21 worlds 47:10 worse 35:10 wouldn't 15:14 27:14 wrestled 26:2 WRITE 70:2	<hr/> 1 <hr/> 1 3:17 10:20 13:11 60:9,24 68:10 1.7 9:11 10 3:17 17:25 25:17 44:5 59:23,24 10-year 44:24 100 19:18 100,000 56:4 11.9 56:2 115 63:18 117 2:12 12 10:9 11:7 12:18 28:2 37:19,21 56:4 13 24:13 37:20 37:21 51:16 15 19:9 50:18 63:21 15th 43:3 16 18:10 37:21 43:14 44:17 17 17:2,19,20 18:10 45:15 59:23 18 17:20 18:11 51:17 1979 43:18 1999 9:19	61:22 63:19,20 2010 7:4 2012 5:12,23 8:17 9:2 2013 27:8 51:1,8 51:9,10,11 52:3 53:3 2014 8:2 2016 7:22 27:4 2017 10:17,25 11:8 12:7 16:25 27:4,9 27:18 39:3 41:6 43:18 44:22,24 45:5 45:14 52:5,11 54:17 56:2 59:23,25 60:15 61:6 62:3 64:8 2018 6:22,24 19:3 28:2 35:6 43:4 51:8 52:10 53:4 2020 1:8 68:19 69:1,5 70:4 2021 14:21,23 2022 14:22 53:4 2023 43:20 45:7 21 47:25 22 24:8 24 41:10 244 9:11 25 34:5 250 18:2 2500 2:8 26 1:8 47:25 54:19 69:5 70:4	32202 1:21 2:5,9 2:13 69:4 3300 2:4 345 1:20 35 3:18 36 52:9 53:19,19 65:8 37 52:9 53:19,20 65:8 37.5 64:11 38 3:19 53:5,19 53:20 65:8	<hr/> 4 <hr/> 4 3:20 40:8,17 40:19 64:11 40 3:20 20:24 23:21 53:1 400 9:19 43 3:21 45 8:2 450 15:25 480 2:12	<hr/> 5 <hr/> 5 3:7,21 25:2 42:25 43:10 65:11 50 2:8 23:21 25:18 61:18 69:4 50,000 29:6 31:24 52.50 59:11 53.94 59:10 54 3:22	<hr/> 6 <hr/> 6 3:22 54:2,3 65:16 60 24:10 61:16 61:17 60s 19:12 66 61:23 67 68:10 6th 35:5	<hr/> 7 <hr/> 7 53:19 70s 19:19	74 7:18 75 23:18 45:12	<hr/> 8 <hr/> 8 39:3 53:19 80 64:21 80s 24:10	<hr/> 9 <hr/> 9 10:4 44:4 90 42:4 904)354-4111 1:21 904)791-9103 1:21 91 61:22 98 7:21 9:9 19:24
<hr/> X <hr/> X 3:1,3,15 25:14	<hr/> Y <hr/> yeah 11:25 12:1 24:24 36:25 53:15,22 54:4 54:11,16 59:22 60:25 61:1 65:12 66:15 year 8:21 11:4,5 14:22 23:21 24:3 27:6 41:22 43:24 53:1 54:25 58:19,20 59:22 60:15 62:3,8 63:16 64:21 Year-End 54:17 years 6:3,9 7:4 8:1,9 9:24 10:4 10:6,7 13:18 19:9 24:8,15 27:4,25 28:1,2 36:1 43:22 44:2,16 48:14 48:24 50:9,19 51:3 63:11 you-all 67:3	<hr/> 2 <hr/> 2 3:18 6:8 7:9 13:19 22:10 35:2,15 2.6 9:20 2:13 1:9 20 44:16,16 47:24 50:22,23 200 24:1,4 2000 63:13 2002 10:4 2006 8:24 9:2,5 9:9 28:1 43:25 44:24 2007 11:5 2008 9:20 10:4 27:18 44:4	<hr/> 3 <hr/> 3 3:19 38:9,15 44:14,15 64:11 68:19 69:1 3:55 1:9 67:8 30 20:24 24:8 44:16 52:9 69:11 300 18:2 30th 11:4,8	<hr/> 6 <hr/> 6 3:22 54:2,3 65:16 60 24:10 61:16 61:17 60s 19:12 66 61:23 67 68:10 6th 35:5	<hr/> 7 <hr/> 7 53:19 70s 19:19	<hr/> 8 <hr/> 8 39:3 53:19 80 64:21 80s 24:10	<hr/> 9 <hr/> 9 10:4 44:4 90 42:4 904)354-4111 1:21 904)791-9103 1:21 91 61:22 98 7:21 9:9 19:24			
<hr/> Z <hr/> zero 24:14	<hr/> 0 <hr/> 07 37:19 08 10:9	<hr/> 3 <hr/> 3 3:19 38:9,15 44:14,15 64:11 68:19 69:1 3:55 1:9 67:8 30 20:24 24:8 44:16 52:9 69:11 300 18:2 30th 11:4,8	<hr/> 4 <hr/> 4 3:20 40:8,17 40:19 64:11 40 3:20 20:24 23:21 53:1 400 9:19 43 3:21 45 8:2 450 15:25 480 2:12	<hr/> 5 <hr/> 5 3:7,21 25:2 42:25 43:10 65:11 50 2:8 23:21 25:18 61:18 69:4 50,000 29:6 31:24 52.50 59:11 53.94 59:10 54 3:22	<hr/> 6 <hr/> 6 3:22 54:2,3 65:16 60 24:10 61:16 61:17 60s 19:12 66 61:23 67 68:10 6th 35:5	<hr/> 7 <hr/> 7 53:19 70s 19:19	<hr/> 8 <hr/> 8 39:3 53:19 80 64:21 80s 24:10	<hr/> 9 <hr/> 9 10:4 44:4 90 42:4 904)354-4111 1:21 904)791-9103 1:21 91 61:22 98 7:21 9:9 19:24		