JEA

GRADE: D

JEA is the state's largest local government-owned utility with nearly half a million customers in Northeast Florida. JEA receives a grade of D as it increases solar use to only 5% by 2029, and simultaneously increases its dependence on coal, an energy source that has proven unsustainable economically and environmentally. While strong on competition, JEA can improve on consumer protection and affordability.

Renewable Energy and GHG Reductions:

Despite stating a goal of having 30% carbon-neutral energy sources by 2030, JEA plans to produce only 5% of its energy mix from carbon-neutral owned generation assets by 2029. JEA plans to invest in solar from 2019-2022, increasing its use tenfold compared to today (from 58 GWh in 2019 to a peak of 682 GWh in 2022). Despite this early progress, solar stalls at 5.2% of total owned energy sources in 2022, and falls far short of our 30% by 2030 recommendation. JEA also eliminates 130 GWh of renewable landfill gas and all use of wind credits. JEA sells RECs associated with the renewable energy it produces, raising concerns about its claims to the environmental attributes of those MWhs.

Gas Over-dependence:

JEA's reliance on fossil gas increases from just under 50% in 2019 to a peak of 64.8% in 2020. Over time, it falls to 45.5% in 2029, which is still high, but better than most Florida utilities.

Uneconomic Coal:

While most of the country is shifting away from coal due to clear market dynamics, JEA actually increases its coal use by 55% from over 3,000 GWh in 2019 (26% of its energy mix) to over 5,000 GWh in 2029 (37% of total energy mix).

Consumer Protection and Affordability:

JEA was one of the first utilities in Florida to threaten shutting off its customers during the coronavirus pandemic and economic crisis. After an initial one-time discount to customers, JEA notified over 24,000 customers (or 5% of all their customers) that their power may be shut off due to nonpayment beginning on July 7, right in time for dangerous summer heat. JEA resumed disconnecting consumers in mid-July.

JEA offers a demand response option to large industrial customers. It began a residential Demand Rate pilot program, which unfortunately is not a good deal for its customers. JEA does not forecast an improvement in the impact of these offerings over the ten year reporting period, with the amount of energy saved stagnating at 2020 levels. That said, JEA has made progress over the years, as the 2020 level of 35GWh saved is a significant increase from the 2019 reported level of 26GWh saved and 14GWh saved in 2010. And JEA leadership has acknowledged, "The cheapest megawatt is the one we don't have to build."

Market Competition:

JEA excels in competition compared to its Florida peers, and has led competitive bidding processes to procure renewable resources. It relies heavily on PPAs and purchased power, which enables it to select the least cost option.

Customer Choice:

JEA offers a solar option to large commercial and industrial customers through its SolarMax program. That said, JEA notoriously gutted its solar net metering program in 2017, drastically changing the economics of its customers' rooftop solar investments and stifling families' ability to use solar to control their energy bills.

Investment in Resilient Storage:

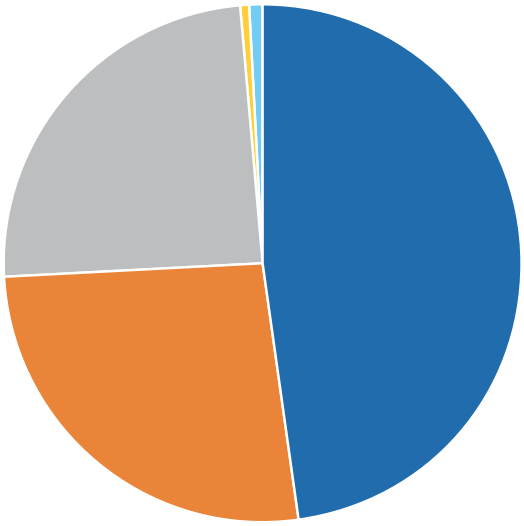
JEA is investigating a storage pilot project to provide resiliency to wastewater systems, and acknowledges solar + storage systems can be valuable while the grid is operating and when the grid is down due to severe weather. It also began a 20 year PPA in 2019 from a 5MW solar system with 2MW of battery storage, and offers a battery incentive program for residential solar customers.

Electric Vehicle Promotion:

JEA offers rebates for the purchase of plug-in electric vehicles — $500 for a battery sized at less than 15 kWh and $1,000 for 15 kWh and higher.

Vibrant Clean Energy's "Coal Cost Crossover" report finds JEA's Northside coal plant was 57% more expensive to operate than the cost to replace it with local solar or wind in 2018.

JEA Energy Mix, 2019 (Actual)



JEA Energy Mix, 2019 (Actual)