

REASON

ANOTHER VIEW



No cooling towers here. Jacksonville Solar, owned by PSEG Solar Source LLC, generates clean energy for JEA as part of a 30-year agreement on this Westside location.

My view of JEA over four decades



Mike Clark

I have seen the bad JEA. I have seen the good JEA.

Whether good or bad, it has been “our JEA,” the people’s utility since it was established in 1895.

Now Jacksonville is faced with a once-in-a-lifetime decision. Should we sell it?

The first and foremost question is financial. If the bottom line looks positive then a possible sale needs to be pursued.

I asked former JEA Board Chairman Preston Haskell last week what price would be reasonable for selling JEA. His answer: \$2 billion net after taking on JEA’s debt.

Well, consultants last week delivered a report that the net could range from \$3 billion to \$6.4 billion. Wow.

If the city could get that price and protect the revenue in a lockbox that produced an annual annuity, and if current employee jobs could be protected, then the sale becomes enticing.

The city should act rapidly on this issue while still allowing for a full discussion among JEA’s owners, the people.

This is both a professional and a personal issue to me.

My four-plus decades as a Jacksonville newspaper reporter and editor began with an assignment to cover JEA in 1973 for the Jacksonville Journal, the afternoon paper. I had earlier covered the municipal utility in Springfield, Ill., so it seemed a logical assignment.

I had no idea what I was getting into.

An oil embargo from Arab nations hit JEA hard. Since JEA relied almost entirely on foreign oil, JEA customers were victimized with sky-high oil prices.

JEA’s fuel charges skyrocketed so that electric bills were among the highest in the country. People were outraged. The outrage spilled over into massive meetings that filled the Civic Auditorium.

Ralph Nader came to town to rage about the poor management.

Reporters were writing stories about JEA practically every day.

Pressure on JEA to save money led to cutting corners on maintenance of the oil-fired power plants. That led to more problems down the road.

Then JEA and business leaders wanted to commit JEA to buying two floating nuclear power plants, to be built here and floated off Jacksonville Beach. It took Harry Shorstein, a courageous city general counsel, to prevent a potential city bankruptcy from the radical idea.

So the 1970s were

dominated by the bad JEA.

Former city Finance Director Royce Lyles took over as managing director. He wasn’t an engineer, which was a dramatic departure for JEA.

He straightened out JEA’s management, got the utility off oil and onto coal. That was a good period for JEA.

Then the JEA board and management became infatuated with their low rates. Instead, they loaded up on debt. That debt eventually had to be paid, resulting in rate increases.

JEA also got caught a second time with primarily one source of fuel — this time, coal. Coal prices were cheaper at one time, but the lack of diversity left JEA vulnerable to coal price increases.

So the bad JEA was back in the 2000s

The board had been out of the spotlight for so long, they started developing bad habits, meeting behind closed doors and conducting reviews of the CEO with practically no public comment by board members.

Mayor Lenny Curry, outraged at what he was reading in the Times-Union, forced a massive change to members of the board.

The lesson here is that there is a constant balancing act involving an independent authority like JEA. It needs its independence in order to take unpopular actions like raising electric rates.

At other times the authority has become distant from

its customers. Under CEO Paul McElroy, JEA began a major customer service campaign to regain touch. That has largely worked thanks to high approval levels registered by J.D. Power surveys.

Today, the good JEA is back, meaning it would be an attractive purchase target.

The question of selling JEA raises a number of important issues, none of them easy.

The electric utility market, like many others, is about to move into an era of rapid change.

Renewable power, especially solar in Florida, is taking over from fossil fuels.

Would a smaller publicly owned utility be best positioned for such a market or a larger investor-owned utility?

If JEA were sold to an investor-owned utility, then regulation moves to the Public Service Commission in Tallahassee.

Local control can be a blessing and a curse.

The blessing is that it can have a broader public role than simply being a provider of electric and water services. JEA can be a true partner with the city.

The curse is that the partnership can turn into political meddling.

The good JEA today could produce a windfall in the billions that could be used to improve the quality of life in Jacksonville.

That would be a historic challenge. We shouldn’t shy away from it.

ANOTHER VIEW

Selling JEA: Good review needed

By Jake Godbold

There is absolutely no doubt if Mayor Lenny Curry can fast-track the sale of JEA and use much of the money to fund Peter Rummell’s healthy town development at the JEA property on the Southbank, Shad Khan’s development at Metropolitan Park and the Shipyards, expand the sports and entertainment complex and speed up Downtown development, the results could have a major impact on Jacksonville.

Having money for the early retirement of the pension fund debt also can be good.

And if those things happen before Curry leaves office, probably five years from now, it will make a great political story in a campaign for Florida governor.

But at what long term cost to taxpayers?

One thing is for sure. This is a massive issue that demands careful and intensive study that must involve the public. The childish political rift going on between Curry and City Council President Anna Lopez Brosche, if not stopped now, will leave us all doubting they are up to the task of deciding what is in the best interest for the future of Jacksonville.

We deserve better.

The fact that the JEA is one of only 31 publicly owned utilities in Florida is not a bad thing. It provides a guaranteed and reliable annual contribution to the city that has funded essentials like law enforcement, fire and rescue services and the construction of needed infrastructure.

There are good reasons JEA has always been called “the goose that lays the golden egg.”

Those who want to sell argue that once sold the JEA’s property will go on the tax rolls and continue to provide income annually to the city. That’s true, but it won’t be as much as the city now receives, opening a shortfall that will have to be filled.

As the Times-Union asked in an editorial, what if a private utility decides to move power plants to another county? Those property taxes will disappear. It’s also likely that if sold and kept in Jacksonville, one casualty will be many JEA employees.

In addition, currently the majority of JEA vendors are local. Under private utility ownership that, too, will change to national and international vendors, which will be another big hit on the local economy.

Over the years the utility has maintained one of the lowest rate structures in the country — excluding times when the nation has faced a full-scale energy crisis outside control of the JEA. It has maintained fair rates and provided reasonably efficient service.

When it became obvious we could no longer afford to depend on the use of imported oil, the JEA converted to coal with construction of two coal-fired plants that at the time was the largest bonded municipal project in U.S. history. And now JEA is converting to a more reliable, available and cost-efficient natural gas and other alternative sources of energy.

During former Mayor John Delaney’s administration, the JEA worked with the city to take over operation of the city’s water and sewer utilities. And it has been a great success. What will happen to water and sewer operations if the JEA is sold?

There are numerous other examples of the history of

ANOTHER VIEW

A common-sense view on immigration

By Jeb Bush

The first thing to solve about immigration is that the rule of law is being violated. You need to make sure that illegal immigration is contained, and that you have a serious plan to deal with the large numbers of people who are here illegally because they have overstayed their legal visa.

This year, 60 percent of all illegal immigrants will be in that category. A great

country should know who those folks are and figure out how to deal with them. Legal immigrants are to be respected and not put under the same net as the folks that come here illegally.

Secondly, you deal with border security issues and verify those things are important. There’s good work being done on that front, but it’s hard to measure enforcement. The numbers of people being caught often goes down,

which means you’re doing your job better.

It’s hard to make that case but those who want broad-based immigration reform so it can sustain economic growth need to make a compelling case. Clearly, the president and the administration are going to expect and demand that, and I think Americans will want that as well.

But once you get beyond that, you can see that the legal immigration system

can provide huge opportunities for sustained economic growth. You have to advocate for this, defend this and advance it.

Right now, those on the side of reform are timid rather than being bold. They’re fearful of the tweets and the anger. We need to assuage people’s fears and then offer hope that this is not a zero-sum game, that high-sustained economic

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ANOTHER VIEW

More on the witch hunt against Trump



Ann Coulter

Every place you look in Robert Mueller's investigation, the same names keep popping up: FBI agent Peter Strzok and sleazy, foreign private eye — or "British intelligence agent" — Christopher Steele.

So it's rather important that they both are Trump-hating fanatics and one was being paid by Trump's political opponent in a presidential campaign.

Steele is the author of the preposterous dossier that sparked the special counsel investigation, and Strzok is the FBI agent involved at

every crucial turn of both Trump and Hillary Clinton investigations.

As we found out from the House Intelligence memo, Steele told Department of Justice official Bruce Ohr that he "was desperate that Donald Trump not get elected and was passionate about him not being president." (Ohr's wife worked for Fusion GPS, and, like Steele, was being paid by the Clinton campaign and the Democratic National Committee.)

In the hands of Trump-obsessive Peter Strzok, the dossier was used to obtain a warrant under the Foreign Intelligence Surveillance Act against Trump's alleged "foreign policy adviser," Carter Page.

The FISA warrant against Page constitutes the last crumbling piece of the

"Russia collusion" story.

Strzok was the person who instigated the Russia investigation against Trump back in July 2016. He was the lead agent on the investigation into whether Clinton, as secretary of state, sent classified information on her private email account. (Conclusion: She had but it wasn't any of the FBI's business!)

He volunteered for the Mueller investigation and remained there, right up until his Trump-hating texts were discovered by the inspector general of the FBI.

Strzok's most embarrassing message about the Russia investigation:

"I want to believe the path you threw out for consideration in Andy's office (FBI Deputy Director Andrew McCabe) — that there's no way (Trump) gets

elected — but I'm afraid we can't take that risk. It's like an insurance policy in the unlikely event you die before you're 40 ..."

The media have tied themselves in knots trying to explain this text as meaning anything other than its obvious, natural meaning. To wit: Although the worst is unlikely (Trump wins/you die before age 40), you still prepare by taking out insurance (take Trump down with the Russia investigation).

Everyone except American journalists understand that Strzok's "insurance" was their plan to tie Trump up with an endless investigation.

Which, coincidentally, is exactly what they've done.

The issue is not whether FBI agents are allowed to have political opinions. In a probe of the president, FBI

agents shouldn't be dying to take him down for political reasons.

You want drug enforcement agents to be hungry to shut down drug cartels.

You want organized crime prosecutors to be hungry to dismantle the mob.

You want your maid to be hungry to clean your house.

But the staff on a special counsel's open-ended investigation of the president aren't supposed to be hungry. They're supposed to be fair.

This is an investigation with no evidence of a crime, apart from politically motivated, anti-Trump investigators relying on a Hillary-funded dossier.

When your entire investigation turns on a handful of people with corrupt motives, maybe it's time to call off the investigation.

ANOTHER VIEW

Victims deserve due process, too



Susan Estrich

Then there was Rob Porter. Allegations of domestic abuse came up in his FBI background check and resulted in his not getting a top-level security clearance — but not in his losing his job as a top White House aide.

And the White House still can't get its story straight about why it took so long to fire him.

Then as yet another aide resigned in the face of credible claims by his ex-wife that he beat her, the president spoke out on behalf of the men accused of abuse, without even a single word of sympathy for the victims: "People's lives are being shattered and destroyed by a mere allegation. Some are true and some are false. Some are old and some are

new. There is no recovery for someone falsely accused — life and career are gone. Is there no such thing any longer as Due Process?"

Actually, there is. It is due process, including the requirement of proof beyond a reasonable doubt, that has made rape cases so difficult to prove in court; and it is the knowledge that their complaints would not be taken seriously that has enforced, on so many women, a terrible burden of silence and guilt, leading rape to be one of the most underreported crimes.

Of course it is unfair to ruin a person's life with a false allegation. Rape is a serious crime, but innocence is still a defense.

Let me tell you what it's like to live with the memory

of rape for 40 years.

As a clerk for the great Judge J. Skelly Wright, I wrote the opinion overturning the rape corroboration requirement in the District of Columbia. "This one's for you," he said, because I had told him the story of what happened to me, how I had been raped the day before my college graduation.

When I started teaching, I introduced rape into the curriculum, and I told my own story so my students would know that even a fancy and strong Harvard Law professor might be a victim, that they need not be ashamed.

I wrote a book called "Real Rape," which is still selling copies 32 years later; and many articles and speeches. I held training sessions on the

topic

But this has been my secret for 40 years: It still hurts. I still get scared. Me, too.

So yes, Mr. President, I believe in due process for victims, as well.

One of the reasons the "#MeToo" movement has struck a chord so strongly is precisely because of the man in the Oval Office: not because he's been accused of having consensual extramarital relationships (that's Melania's business) but because he's been repeatedly accused of forcing himself on women, treating them like something he could grab and throw away, and paying them off to shut up. So while we're on the subject of abusers in the White House ...

You, too, Mr. President.

GODBOLD

From Page E1

the positive JEA's performance for Jacksonville and the utility's ratepayers.

But there is one more important thing. A city-owned JEA ensures local control. People making the decisions and doing the work, whether board members, executives or employees, are our neighbors. On top of that, the Jacksonville City Council provides oversight. These people are accessible and available to ratepayers.

If we sell JEA, that will no longer be the case. Instead JEA will be owned by private investors and regulated by the Florida Public Service Commission (PSC), which has established a long record of being utility friendly if not downright in the pockets of privately owned companies like Florida Power & Light.

In the 1970s, JEA was on the path to partnering with Westinghouse-Tenneco to build floating nuclear power plants to provide our electricity. The cost was projected at \$1 billion with the promise of 10,000 jobs. This was backed by then-Mayor Hans Tanzler along with the Chamber of Commerce.

Thank God we had local control of the authority and 13 members of the City Council believed City General Counsel Harry Shorstein when he said the project was disastrous and needed to be stopped. As a member of that City Council, we stopped it. Later, floating nuclear power plants were proved to be bogus.

I contend if the JEA had been under the regulation of the utility friendly PSC, the floating nuclear power plants would have gone forward and the city would have gone bankrupt.

Again, in 1978, after JEA had negotiated a \$60 million contract with Ebasco Services



The St. Johns River Power Park with the two cooling towers sits near the JEA Northside Generating Station. Co-owned with FP&L, it will be shut down long before its useful life ends. [BOB SELF/THE FLORIDA TIMES-UNION]

to design the two coal-fired plants, the City Council said, "Whoa." I was City Council president and we hired an outside expert and held hearings. The outcome: We were able to cut \$20 million off that \$60 million cost, something that would never have happened if the PSC regulated JEA.

There have been several examinations of selling the utility.

When I was mayor in 1983, there was a group urging us to sell the JEA. We took our time. I appointed a high-level committee to study the issue. We turned over every rock and spent six months examining the issue. JEA is owned by the taxpayers so our deliberations were very transparent, including

public hearings. Afterward, I made a decision not to sell and it was over.

Then in 2007 and again in 2012, there were studies on whether to sell the utility. On both occasions after deep reviews by the City Council auditor, the decision was made again to keep the utility public.

Let me give you one final example of how selling the utility can run the train off the tracks for ratepayers. Florida Power & Light promised it would construct two nuclear power plants at its Turkey Point facility to open in 2008 and 2009. It didn't happen and in 2016 FP&L said it would be another four years at least before construction. Now, FP&L is saying perhaps in 2030

these \$20 billion-plus projects will come on line.

The kicker: FP&L expected its ratepayers to pay for the unbuilt plants in advance of them going on line. That meant customers paying each month for power they did not use and probably never would. The FP&L request was based on a "nuclear cost recovery" law that FP&L pushed through the Florida Legislature in 2006. FP&L had already billed ratepayers \$282 million for planning and licensing costs of the proposed nuclear plants. This was one time when ratepayers and the media put so much heat on the FPSC and legislators that the FPSC had to say no. However, the PSC did let FP&L keep millions of dollars

already collected.

There is no reason selling the JEA should not be examined once again. But it is absolutely imperative that any study be deliberate, dispassionate and thorough, not rushed or hurried simply because the mayor and some his wealthy backers want it done that way. The tracks don't need to be greased so the only people driving the train are the mayor and his powerful friends.

The utility is owned by its Jacksonville ratepayers. And they must have a seat at the table — and a voice in the decision making.

Jake M. Godbold is a former mayor of Jacksonville.