

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC EMERGENCY DOCKET
RELATED TO THE NOVEL CORONAVIRUS COVID-19

) Case No.
) 2020-00085

**JACKSON PURCHASE ENERGY CORPORATION'S
RESPONSE TO COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION**

Filed: July 2, 2020

Jackson Purchase Energy Corporation
Case No. 2020-00085
Commission Staff's First Request for Information

1. Provide the utility's current number of customers and the date used for that determination.

Response:

Based upon the May Form 7, JPEC had 30,155 consumers. Please see Item 1 in Excel attachment 'JPEC Responses to 2020-00085'.

Jackson Purchase Energy Corporation
Case No. 2020-00085
Commission Staff's First Request for Information

2. If applicable, provide the utility's current number of customers per class.

Response:

Please see Item 2 in the Excel attachment 'JPEC Responses to 2020-00085'.

25,547 Residential
5 Irrigation
4,582 Small Commercial
11 Large Commercial & Industrial
10 Public Street & Highway

Jackson Purchase Energy Corporation
Case No. 2020-00085
Commission Staff's First Request for Information

3. If a utility provides multiple services, such as both electric and gas residential service, provide the information requested for each service separately. For those customers that receive combined service, provide each service separately if separately served or combined if billed on a combined basis. Provide the average total bill for all customers for:
- a. 2017 as a year, not each month;
 - b. 2018 as a year, not each month;
 - c. 2019 as a year, not each month; and
 - d. Each month in 2020.

Total bill is defined as including charges for current service and past service that is unpaid, including the accumulation of fees.

Response:

Please see Item 3 in the Excel attachment 'JPEC Responses to 2020-00085'.

3a	\$	201.11	2017
3b	\$	213.17	2018
3c	\$	198.38	2019
3d	\$	201.20	January 2020
	\$	207.97	February
	\$	180.89	March
	\$	154.72	April
	\$	150.59	May

Jackson Purchase Energy Corporation
Case No. 2020-00085
Commission Staff's First Request for Information

4. If a utility provides multiple services, such as both electric and gas residential service, provide the information requested for each service separately. For those customers that receive combined service, provide each service separately if separately served or combined if billed on a combined basis. Provide the average total bill for all customers in each class for:
- a. 2017 as a year, not each month;
 - b. 2018 as a year, not each month;
 - c. 2019 as a year, not each month; and
 - d. Each month in 2020.

Total bill is defined as including charges for current service and past service that is unpaid, including the accumulation of fees.

Response:

This information is not available, but estimates based upon the Form 7 are shown in the attachment. Please see Item 4 in Excel attachment 'JPEC Responses to 2020-00085'.

Jackson Purchase Energy Corporation
Case No. 2020-00085
Commission Staff's First Request for Information

5. If a utility provides multiple services, such as both electric and gas residential service, provide the information requested for each service separately. For those customers that receive combined service, provide each service separately if separately served or combined if billed on a combined basis. Provide the average bill for current service for all customers for:
- a. 2017 as a year, not each month;
 - b. 2018 as a year, not each month;
 - c. 2019 as a year, not each month; and
 - d. Each month in 2020

Response:

This information is not available to JPEC.

Jackson Purchase Energy Corporation
Case No. 2020-00085
Commission Staff's First Request for Information

6. If a utility provides multiple services, such as both electric and gas residential service, provide the information requested for each service separately. For those customers that receive combined service, provide each service separately if separately served or combined if billed on a combined basis. Provide the average bill for current service for all customers in each class for:
- a. 2017 as a year, not each month;
 - b. 2018 as a year, not each month;
 - c. 2019 as a year, not each month; and
 - d. Each month in 2020.

Response:

This information is not available to JPEC.

Jackson Purchase Energy Corporation
Case No. 2020-00085
Commission Staff's First Request for Information

7. Explain how the utility calculates bad debt.
- a. Explain the decision criteria governing when the utility writes off bad debt.
 - b. Provide the monthly bad debt write-offs for each month in 2018, 2019, and 2020.
 - c. If the utility has changed its calculation or determination of bad debt in the past two years, explain its previous calculation or determination of bad debt and the reason for the change.

Response:

- a. Bad debt is calculated once the final bill for a member goes unpaid for 90 days. The total amount of the unpaid bill is then considered a write off. Write off accounts are sent to our collection agency at the beginning of each month.
- b. Please see Item 7b in the Excel attachment 'JPEC Responses to 2020-00085'.
- c. JPEC has not changed its calculation.

Jackson Purchase Energy Corporation
Case No. 2020-00085
Commission Staff's First Request for Information

8. Assuming the Commission's moratorium on disconnections was not in effect, provide the number of customers in each class that would be subject to disconnection and the date used for this determination.

Response:

Please see to item 8 in the Excel attachment 'JPEC Responses to 2020-00085'.

Residential	790
Irrigation	-
Small Commercial	64
Large Commercial & Industrial	-
Public Street & Highway	-

Jackson Purchase Energy Corporation
Case No. 2020-00085
Commission Staff's First Request for Information

9. Provide the percent of customers, by class, that pay on time for:
- a. 2017 as a year, not each month;
 - b. 2018 as a year, not each month;
 - c. 2019 as a year, not each month; and
 - d. Each month in 2020.

Response:

Please see Item 9 in the Excel attachment 'JPEC Responses to 2020-00085'.

Jackson Purchase Energy Corporation
Case No. 2020-00085
Commission Staff's First Request for Information

10. Provide the following information for January 1, 2015, until December 31, 2019. If a utility provides multiple services, such as both electric and gas residential service, provide the information requested for each service separately. For those customers that receive combined service, provide each service separately if separately -6- Case No. 2020-00085 served or combined if billed on a combined basis. Further, provide the following information by class.
- a. Provide monthly totals of service termination notices issued to customers only for nonpayment of bills.
 - b. Provide monthly totals of service terminations for customers only for nonpayment of bills.
 - c. Provide the total number of customers for each month. This information should be provided so as not to duplicate customer counts.

The information requested in this request should be presented similarly to the residential-only information provided in Case No. 2019-00366.3 For reference, refer to Louisville Gas and Electric Company and Kentucky Utilities Company's response to Post-Formal Conference Request for Information filed with the Commission on March 6, 2020.

Response:

Please see Item 10 in the Excel attachment 'JPEC Responses to 2020-00085'. Item 10c is not available as requested, but total consumers from the Form 7 are provided.

Jackson Purchase Energy Corporation
Case No. 2020-00085
Commission Staff's First Request for Information

11. Provide the total income received from late payment fees for:
- a. Each month in 2017;
 - b. Each month in 2018;
 - c. Each month in 2019; and
 - d. Each month in 2020

Response:

Please see Item 11 in the Excel attachment 'JPEC Responses to 2020-00085'.

Jackson Purchase Energy Corporation
Case No. 2020-00085
Commission Staff's First Request for Information

12. Quantify the amount of late payment fees the utility would have assessed since March 16, 2020, absent the Commission's directive.

Response:

This information is not available and JPEC is unable to accurately quantify.

Jackson Purchase Energy Corporation
Case No. 2020-00085
Commission Staff's First Request for Information

13. Provide copies of all general communication provided to customers regarding arrearages, late payments, payment plans, etc. since March 16, 2020. Customer-specific communication is excluded from this request.

Response:

Please see 'Attachment for Item 13'.

Jackson Purchase Energy Corporation
Case No. 2020-00085
Commission Staff's First Request for Information

14. Provide a detailed explanation and breakout of any cost increases and decreased income (by customer class if applicable) the utility has experienced as a result of the COVID-19 State of Emergency

Response:

Since March of 2020, JPEC has spent \$20,840 on safety supplies including cleaning agents, masks, and extra janitorial services to sanitize the facility. The total supplies were \$14,162 and the extra janitorial services were \$6,678. Late Fees have not been assessed but have averaged \$35,378 per month from March to June in the 2017-2019 timeframe. Sales have dropped. JPEC has not been able to quantify the effect of strictly the COVID-19 pandemic on this issue. Electric revenue from consumer-members has dropped \$1.6 million 2020 vs. 2019 (January – May). Please see Item 14 in the Excel attachment 'JPEC Responses to 2020-00085'.

Jackson Purchase Energy Corporation
Case No. 2020-00085
Commission Staff's First Request for Information

15. Provide a detailed explanation and breakout of any cost decreases and increased income the utility has experienced as a result of the COVID-19 State of Emergency.

Response:

JPEC has not had any cost decreases or increased income.

Jackson Purchase Energy Corporation
Case No. 2020-00085
Commission Staff's First Request for Information

16. Provide any additional information or data the utility believes the Commission should consider in amending or vacating its previous Orders in this matter.

Response:

JPEC has lost the ability to successfully mitigate bad debts and financial risk because of the disconnect policy set forth by the PSC. While JPEC understands the intention of the PSC and understands this is a unique time, the furtherance of this order for an undetermined amount of time creates a major financial risk for JPEC and its membership. JPEC is working with community action agencies and doing everything it can to work with consumer-members during this time. Please see our response to Item 13 for further information passed on to our consumer-members to assist them during this crisis.

Jackson Purchase Energy Corporation
Case No. 2020-00085
Commission Staff's First Request for Information

17. If applicable, provide any information or concerns regarding the utility's prepay program as it relates to the Commission's previous Orders in this docket.

Response:

JPEC has no prepay program available.

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC EMERGENCY DOCKET)
RELATED TO THE NOVEL CORONAVIRUS) Case No.
COVID-19) 2020-00085

VERIFICATION OF JEFFREY R. WILLIAMS


COMMONWEALTH OF KENTUCKY)
COUNTY OF McCracken)

Jeffrey R. Williams, Chief Financial Officer and Vice-President, Accounting, Finance and Member Services of Jackson Purchase Energy Corporation, being duly sworn, states that he has supervised the preparation of the following responses to data requests in the above-referenced case and that the matters and things set forth therein are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.



Jeffrey R. Williams

The foregoing Verification was signed, acknowledged and sworn to before me this 1st day of July, 2020, by Jeffrey R. Williams.



Commission expiration: 8-25-2022

