

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF)	
JACKSON PURCHASE ENERGY)	
CORPORATION FOR A DEVIATION)	CASE NO.
FROM THE REQUIREMENT TO MANUALLY)	2021-00351
READ CUSTOMER METERS ON AN)	
ANNUAL BASIS AS PROVIDED IN)	
807 KAR 5:006 SECTION 7(5)(b))	

APPLICATION

Comes now Jackson Purchase Energy Corporation (“Jackson Purchase”), by counsel, pursuant to 807 KAR 5:006 Section 7(5)(b), 807 KAR 5:001 Section 22 and other applicable law, and for its Application requesting a deviation from the requirement to manually read each customer-read meter on its system, at least once during each calendar year, respectfully states as follows:

1. Jackson Purchase is a not-for-profit, member-owned, rural electric distribution cooperative organized under KRS Chapter 279. Jackson Purchase is engaged in the business of distributing retail electric power to approximately 30,000 members in the Kentucky counties of Ballard, Carlisle, Graves, Livingston, Marshall and McCracken.

2. Pursuant to 807 KAR 5:001 Section 14(I), Jackson Purchase’s mailing address is 6525 U.S. Highway 60 W, Paducah, Kentucky 42001, and for purposes of this Application its electronic mail address is jeff.williams@jpenergy.com. This Application, including the exhibits attached hereto and incorporated herein, contain fully the facts on which Jackson Purchase’s

request for relief is based, and an Order from the Commission granting the requested deviation and all other relief proposed herein is requested, consistent with the regulation sections cited above.

3. Pursuant to 807 KAR 5:001 Section 14(2), Jackson Purchase states that it incorporated in Kentucky on June 12, 1937, and attests that it presently is a Kentucky corporation in good standing.

4. Copies of orders, pleadings and other communications related to this proceeding should be sent to:

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5. In a letter dated March 15, 2021 Jackson Purchase informed the Commission that in the course of developing and implementing its 2009-10 Construction Work Plan, Jackson Purchase's then-CEO obtained sufficient financing from the Rural Utilities Service and directed that approximately 25,941 Advanced Metering Infrastructure ("AMI") meters be installed throughout Jackson Purchase's service territory utilizing Power Line Carrier technology. Completion of this AMI build-out occurred between 2009 and 2010, and Jackson Purchase has utilized the system ever since and continues to use it currently.¹

¹ In 2014, Jackson Purchase considered moving to another AMI technology and put a small AMI pilot program in place in Calvert City, Kentucky, whereby approximately 500 meters were installed utilizing Radio Frequency technology. Jackson Purchase ultimately determined that this technology did not provide sufficient improvements over the Power Line Carrier system and declined to implement a system-wide replacement.

6. Because of its robust AMI system Jackson Purchase is able to read almost every customer meter several times per day if it desires to do so. This ability obviates the need for Jackson Purchase to manually read each customer meter, at least annually, as required by 807 KAR 5:006 Section (5)(b).²

7. Jackson Purchase's current AMI system is not only extremely convenient for both the Cooperative and its members, it is a highly efficient use of company resources by eliminating the need to manually read approximately 30,000 meters on a recurring basis.³ In fact, Jackson Purchase has determined that the average annual savings of not being required to annually read each meter on its system because of its AMI capabilities is approximately \$1,100,000 as shown in Application Exhibit 1 attached hereto. Should the Commission decline to approve the requested deviation Jackson Purchase and its members will continue to incur unnecessary expense in approximately the same amount as the referenced savings.

8. In accordance with 807 KAR 5:001 Section 22, the Commission may, for good cause shown, permit deviations from its rules, including the annual meter-reading requirement contained in 807 KAR 5:006 Section 7(5)(b). Jackson Purchase believes that because of the continued cost-savings realized from its AMI system providing real-time meter readings the requirement to annually read customer meters is impractical and wasteful of the Cooperative's resources, and the requested deviation should be permitted by the Commission.

9. Jackson Purchase is submitting this Application electronically per the requirements of 807 KAR 5:001 Section 8.

² Because of unknown technical, geographic or environmental factors, there are approximately 3,000 meters on Jackson Purchase's system that do not consistently emit a sufficient electronic signal to be read by Jackson Purchase's AMI system. For these meters Jackson Purchase has engaged a third-party vendor who provides manual readings upon which the customer's bill is generated. If the Commission grants the requested deviation Jackson Purchase will continue to obtain accurate manual readings as needed provided by this third-party vendor.

³ Currently, Jackson Purchase has 30,339 meters on its system.

WHEREFORE, Jackson Purchase respectfully requests an Order from the Commission:

1. Granting its request for a deviation from the annual meter-reading requirement contained in 807 KAR 5:006 Section (7)(b); and,
2. Granting it any and all other due and proper relief to which it may appear entitled.

This 2nd day of September, 2021.

Respectfully Submitted,



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Counsel for Jackson Purchase Energy Corporation

APPLICATION EXHIBIT 1

Jackson Purchase Energy Corporation
AMI Meter savings

Current Meter Reading Monthly Cost by Outside Contractor	\$	10,000	A	
Number of Meters Read		3,000	B	
Cost per meter	\$	3.33	C	A/B
Number of Meters in Total		30,339	D	
Cost to read meters monthly	\$	101,130	E	C * D
Cost to read meters annually	\$	1,213,560	F	E * 12
Cost Savings	\$	1,093,560	G	F - (B*12)
Savings Estimate - Rounded	\$	1,100,000	H	G rounded