COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF	**)**	
JACKSON PURCHASE ENERGY	**)**	
CORPORATION FOR A GENERAL	**)**	**CASE NO. 2021-00358**
ADJUSTMENT OF RATES AND OTHER	**)**	
GENERAL RELIEF	**)**	

DIRECT TESTIMONY

AND EXHIBITS OF

LANE KOLLEN

ON BEHALF OF THE

OFFICE OF THE ATTORNEY GENERAL OF THE COMMONWEALTH

OF KENTUCKY

J. KENNEDY AND ASSOCIATES, INC.
ROSWELL, GEORGIA

JANUARY 2022

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DIRECT TESTIMONY OF LANE KOLLEN

I. QUALIFICATIONS AND SUMMARY

Q. Please state your name and business address.

A. My name is Lane Kollen. My business address is J. Kennedy and Associates, Inc. ("Kennedy and Associates"), 570 Colonial Park Drive, Suite 305, Roswell, Georgia 30075.

Q. Please state your employer and occupation.

A. I am a Vice President and Principal at Kennedy and Associates. I am a utility rate and planning consultant providing specialized services to state and local government agencies and large consumers of electric, natural gas, and water and sewer regulated utility services.

Q. Please describe your education and professional experience.

A. I earned both a Bachelor of Business Administration in Accounting degree and a Master of Business Administration degree from the University of Toledo. I also earned a Master of Arts degree in theology from Luther Rice University. I am a Certified Public Accountant ("CPA"), with a practice license, a Certified Management Accountant ("CMA"), and a Chartered Global Management Accountant ("CGMA"). I am a member of numerous professional organizations, including the American Institute of Certified Public Accountants, the Institute of Management Accounting, and the Society of Depreciation Professionals.

I have been an active participant in the utility industry for more than forty years, initially as an employee of an electric and natural gas utility, then as a consultant assisting utilities in their resource planning and financial analyses and planning, and thereafter as a consultant assisting government agencies and large consumers of electricity, natural gas, and water and sewer regulated utility services.

I have testified as an expert witness on ratemaking, accounting, finance, tax, planning, and other issues in proceedings before regulatory commissions and courts at the federal and state levels on hundreds of occasions, including numerous proceedings before the Kentucky Public Service Commission ("Commission") involving Atmos Energy Corporation ("Atmos"), Columbia Gas of Kentucky, Inc. ("Columbia Gas"), Big Rivers Electric Corporation ("BREC"), East Kentucky Power Company ("EKPC" or "Company"), Kentucky-American Water Company ("KAW"), Kentucky Utilities Company ("KU"), Louisville Gas and Electric

Company ("LG&E"), Kentucky Power Company ("KPCo"), Duke Energy Kentucky, Inc. ("DEK"), and Water Service Corporation of Kentucky ("WSCK").[1]

Q. On whose behalf are you testifying?

A. I am testifying on behalf of the Office of the Attorney General of the Commonwealth of Kentucky ("AG").

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to address and make recommendations on specific issues that affect Jackson Purchase Energy Corporation's ("JPEC" or "Company") requested base revenue increase and to quantify and summarize the effects of those recommendations.

Q. Please summarize your testimony.

A. I recommend that the Commission authorize an increase in JPEC's base revenues of no more than $3.726 million, a reduction of $3.579 million from the Company's requested increase of $7.305 million.[2] In the following table, I list each adjustment that I recommend and the effect of each adjustment on the Company's requested increase.[3]

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[1] My qualifications and regulatory appearances are further detailed in my Exhibit___(LK-1).

[2] As originally requested. The Company proposed numerous revisions to its original request that it reflected in supplemental responses to AG 1-26 and Staff 3-7 as shown on the following table.

[3] The quantifications shown on the table are detailed in my electronic workpapers, which have been filed along with my testimony.

Jackson Purchase Energy Corporation
Case Number 2021-00358
Summary AG-Revenue Requirement Recommendations
($ Millions)

	Adjustment Amount
Amount of Increase Requested by JPEC - Original Filing	7.305
JPEC's Updated Increase Amount - Response to AG 1-26	
Reflect JPEC's Increase in Capacity Revenues in Response to AG Discovery	(0.136)
Reflect Company's Modification of Depreciation Expense on HQ Building	(0.002)
Reflect Company's Correction of Recoverable Health Care Costs	(0.023)
Reflect Company's 2021 Restatement of LTD Interest Expense	0.273
Total JPEC Adjustments to JPEC's Original Requested Increase - Response to AG 1-26	0.111
Amount of Increase Requested by JPEC - After JPEC Update in Response to AG 1-26	7.416
JPEC's Updated Increase Amount - Response to Staff 3-7	
Reduce Rate Case Expenses for Actual Amount Incurred in Test Year	(0.087)
Remove STD Interest Expense Not Recurring	(0.171)
Total JPEC Adjustments to JPEC's Original Requested Increase - Response to Staff 3-7	(0.259)
Amount of Increase Requested by JPEC - After JPEC Update in Response to Staff 3-7	7.157
AG Adjustments to JPEC's Updated Calculated Revenue Requirement:	
Adjust Annualization of Payroll Expense	(0.283)
Remove Utilities Expense Associated with Old Headquarters Building	(0.124)
Remove Additional Depreciation Expense for Old HQ Building Incurred in Test Year	(0.018)
Reduce ROW Maintenance Expense	(1.824)
Correct Clerical Errors in Test Year Net Margin Before Adjustments	(0.021)
Remove LTD Interest Expense on November 2021 Issuance not Associated with HQ Building	(0.086)
Reflect TIER of 1.50	(1.076)
Total AG Adjustments to JPEC's Updated Requested Increase	(3.431)
AG Recommended Maximum Base Rate Increase for JPEC	3.726

Q. Did the Company strictly adhere to its 2019 historic test year in quantifying its claimed base revenue deficiency?

A. No. The Company proposes nineteen proforma adjustments, eight of which selectively reduce income and increase expenses to reflect so-called “known and measurable" changes that it claims have occurred or will occur through the end of 2020, end of 2021, mid-2022, and even through the end of 2022 when measuring the annualized effect of these changes. Together, these selective post-test year adjustments increased the Company's request by $5.244 million in its original filing, and before the correction of errors that it acknowledged in response to discovery.

The Company's selective post-test year adjustments include the annual effects of increases in interest expense and the requested 2.00 TIER due to new long-term debt issuances in 2020 and 2021, reductions in interest income due to the expiration of the RUS Cushion of Credit program, reductions in expenses greater than the reductions in revenues due to test yearend customer annualizations, annual effects of increases in wages and salaries, increases in depreciation expense on test yearend plant in service, an increase in depreciation expense on the new headquarters building, and the annual effect of increases in ROW maintenance expense.

Q. Were the Company's proposed selective post-test year adjustments based on a consistent conceptual framework?

A. No. The Company could have used a forecast test year, which would have reflected a comprehensive measure of forecast revenues and costs. Instead, the Company used a historic test year with selective post-test year adjustments to revenues and costs, some of which reflect costs that it will not actually incur until the twelve months ending December 31, 2022, or three years after the end of its historic test year.

Q. Is that a problem?

A. Yes. The Company's approach results in a hodgepodge of revenues and expenses assembled from multiple historic and future time periods that does not provide an accurate measurement of its cost structure for any specific test year.[4]

In a ratemaking context, the test year is defined and provides the conceptual framework and basis to objectively measure the utility's present revenues against its expenses on an interrelated, comprehensive, and consistent basis. For example, in a properly defined test year, the plant included in rate base is consistent with the depreciation expense and property tax expense used in the calculation of operating margin, and the rate base is consistent with the capitalization used to calculate interest expense and the related TIER.

However, the Company has incorporated multiple violations of the test year conceptual framework in its filing that cause the requested base revenue increase to be overstated. For example, the Company calculated the rate base at December 31, 2019, adjusted for the addition of the new headquarters building in June 2021; the depreciation expense for calendar year 2020 based on the plant at December 31, 2019, adjusted for the addition of the new headquarters building in June 2021; the long-term debt component of capitalization at November 5, 2021;[5] and the interest

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[4] The term "hodgepodge" is defined as a "confused mixture," "a motley assortment of things," and "a jumble" by various dictionaries.

[5] Response to AG 1-29 and revised Schedules 1.09 and 1.17 provided in that response. I have attached a copy of this response as my Exhibit___(LK-2).

expense and related TIER for the twelve months ending November 30, 2022;[6] among others.

The Company has compounded these problems as it has modified and continued to revise its costs during the pendency of this proceeding in response to discovery. For example, the Company revised its calculations of interest expense in response to discovery so that it now includes interest on the debt issued to finance all plant additions after the end of the historic test year and through November 2021, not only the interest on the debt used to finance the new headquarters building. This increase in interest expense is compounded through the Company's requested 2.00 TIER.

Q. What is your recommendation?

A. I recommend that the Commission limit the allowed proforma adjustments to the twelve months ending December 31, 2020, or twelve months after the end of the historic test year, with the sole exception of the costs related to the new headquarters building. The exception for the new headquarters building is due solely to the magnitude of the cost of that building and the debt issued to finance that cost.

I will address each of the Company's proposed post test year adjustments and make specific recommendations to limit the proposed increases in these expenses to the twelve months ending December 31, 2020, with the sole exception

[6] Response to AG 1-29 and revised Schedule 1.09. See Exhibit___(LK-2).

of the depreciation and interest expense on the new headquarters building.

II. OPERATING REVENUES AND EXPENSES

A. Exclusion of Rider Revenues and Expenses

Q. Describe the Company's proforma adjustments to exclude rider revenues and expenses.

A. The Company proposed a series of four proforma adjustments to remove rider revenues and expenses from the test year operating margin. These proforma adjustments reduced the test year operating margin and increased the requested increase in base revenues by $0.923 million. More specifically, the Company removed fuel adjustment clause ("FAC") revenue of $0.482 million and expense of $0.553 million; environmental surcharge ("ES") revenue of $4.383 milion and expense of $4.092 million; Member Rate Stability Mechanism surcharge ("MRSM") revenue of negative $2.520 million and expense of negative $3.312 million; and non-FAC PPA revenue of $1.084 million and expense of $1.173 million.

Q. Why aren't the revenue and expense amounts equivalent for the exclusion of the individual rider revenues and expenses?

A. It appears as if the Company does not defer the difference in the revenues and expenses. There are no deferred revenue or expense line items and there are no regulatory assets or regulatory liabilities for these items in the Company's trial balance as is typically the case in utility accounting pursuant to the FERC Uniform System of Accounts.[7]

Q. What effect does the Company's failure to defer the difference in rider revenues and expenses have on its financial and credit metrics?

A. It results in unnecessary volatility in the Company's margins and its financial and credit metrics from year to year that is unrelated to the underlying revenues and expenses. The underlying revenues and expenses are intended to be equivalent over time and any timing differences during an accounting period typically are equivalenced through a deferral of the difference. In addition, the failure to match the rider revenues and expenses for ratemaking purposes affects the Company's calculation of its proposed yearend customers proforma adjustments to revenue and expense.[8]

Q. What is your recommendation?

A. I recommend that the Commission direct the Company to begin using deferral accounting for its riders so that the revenues and expenses are properly matched in the same period and do not affect its margins or financial and credit metrics.

Q. Is there any effect of your recommendation on the Company's base revenue

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[7] Response to AG 1-3, which provides the Company's trial balances for each month January 2019 through the most recent month for which actual information is available.

[8] The effects of these differences on the Company's proposed yearend customers proforma adjustments are not significant and I have not recommended an adjustment for that reason.

requirement in this proceeding?

A. Not directly. However, the Commission should consider the reduction in the volatility of the Company's margins and financial and credit metrics if it adopts this recommendation in whether to approve the Company's requested 2.00 TIER. The elimination of this unnecessary volatility from year to year in the Company's margins and financial and credit metrics supports for a lower authorized TIER, all else equal.

B. Annualization of Revenue for Yearend Customers Is Understated

Q. Describe the Company's proforma adjustment to annualize test year revenue and expense based on yearend customers.

A. The Company calculated the annualized change in revenues and rider expenses (all categorized as "purchased power expense") based on the difference between average customers and yearend customers separately for Res-R, Com-C1, Com-C3, and C&I-D classes, assuming uniform average usage per customer for each of those classes. It used the combined base and rider revenue on a per kWh basis and the combined rider "purchased power expenses" for this purpose.[9]

Q. Is there an error in the Company's calculation of the adjustment to annualize test year revenues based on yearend customers?

[9] The Company's calculations are shown on Schedule 1.11 YearEndCust.

A. Yes. The increase in revenues for the additional yearend customers in the C&I-D class is less than the increase in purchased power expense for these additional customers, clearly an anomalous result that incorrectly reduced the operating margin rather than increasing it.

Q. Has the Company acknowledged this error and provided a corrected calculation?

A. Yes. The Company acknowledged this error in response to AG discovery.[10] The Company provided a corrected calculation, which increased the C&I-D proforma revenue adjustment by $0.136 million, from $0.243 million as filed to $0.379 million as corrected.[11]

Q. What is the effect of the correction on the Company's requested base revenue increase?

A. The effect is a reduction of $0.136 million in the Company's requested base revenue increase.

<u>C. Increase in Post Test Year Payroll Expense Is Excessive</u>

Q. Describe the Company's proforma adjustment to increase payroll expense.

A. The Company calculated a proforma adjustment to increase payroll expense based

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[10] Refer to the response to AG 1-26(f). I have attached a copy of this response as my Exhibit___(LK-3).

[11] *Id.*

on the hourly wages and weekly salaries for its full-time equivalent positions at June 2, 2021 on an annualized basis (through June 2022) compared to the actual payroll expense in the test year.[12] Despite the fact that it had only 68 full-time equivalent employees at June 2, 2021, it assumed that it had 70 full-time equivalent positions at that date for its adjustment.[13]

In the first step, the Company calculated the average hourly costs in the test year using the per books regular salaries and wages, overtime salaries and wages, and other salaries and wages, divided by the number of hours for the costs incurred in each of those payroll categories.

In the second step, the Company calculated the forecast average hourly costs using the average cost per hour for hourly employees and the weekly salaries divided by 40 hours for the salaried employees for each position at June 2, 2021.

In the third step, the Company multiplied that forecast average cost per hour times an assumption of 70 positions times 2080 annual hours to quantify the total proforma payroll costs for the next twelve months ending in June 2022.

In the fourth step, the Company calculated the proposed increase in total payroll costs by subtracting the actual total payroll costs incurred in the test year from the proforma total payroll costs for the twelve months ending in June 2022.

In the fifth step, the Company calculated the expense amount of the proforma increase in total proforma payroll costs using the actual payroll expense

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[12] Schedule 1.12 Wages and Salaries.

[13] Response to AG 2-10, which shows that the Company actually had 68 full-time equivalent employees at the end of May and end of June 2021. I have attached a copy of this response as my Exhibit___(LK-4).

ratio from calendar year 2020.

Q. Are there problems with the Company's proforma adjustment to increase payroll expense?

A. Yes. There are several problems. First, the total payroll cost calculated in this manner is a forecast annual cost for the twelve months ending in June 2022 (July 2021 through June 2022), which extends 30 months after the end of the historic test year. As I noted in a prior section of my testimony, this is inconsistent with any coherent conceptual framework for a test year.

Second, the calculation methodology results in a hypothetical payroll cost. Typically, the annualization of payroll costs for ratemaking purposes is based on an actual payroll, not a hypothetical payroll. Utilities that rely on a historic test year typically annualize the payroll cost using the last payroll of the historic test year. In this case, the Company did not use an actual payroll cost, or even an actual payroll from June 2021, or even the actual number of full-time equivalent employees in June 2021.[14]

Third, the calculation methodology calculates the expense portion of the *increase* in the hypothetical total payroll cost over the test year total payroll cost rather than calculating the expense portion of the hypothetical total payroll cost compared to the actual test year payroll expense. The Company used the expense

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[14] In his Direct Testimony at 9, Mr. Jeffrey Williams, CFO of the Company, states that the Company presently has 67 employees, yet it calculated the proforma total payroll costs assuming 70 employees without disclosing this fact in its testimony and without providing any support for this assumption embedded in its request.

ratio for calendar year 2020 for this purpose, which it effectively applied to calculate a hypothetical payroll expense in the test year rather than simply using the actual payroll expense in the test year. The actual test year payroll expense was \$3.476 million.[15] The Company's calculation incorrectly assumes that it was \$3.417 million (total payroll costs of \$6.212 million times expense ratio of 55%). Any proforma adjustment should start with the Company's actual payroll expense in the test year, not a calculation of a hypothetical expense based on the expense ratio for calendar year 2020.

Fourth, the Company's proforma payroll costs are excessive. The Company actually reduced its payroll costs and reduced its full-time equivalent employees in 2020 compared to 2019.[16] Yet, the Company completely ignored these facts. In fact, its hypothetical payroll costs for the twelve months ending in June 2022 are 8.5% greater than its actual total payroll costs in 2020 (\$6.531 million proforma total payroll costs compared to \$6.017 million actual 2020 total payroll costs).[17]

Q. Is the Company's actual payroll cost in 2020 more consistent with the historic trend in actual payroll costs than the 2019 cost?

A. Yes. It appears that 2019 was an anomaly and that 2020 is more consistent with the historic trend in actual payroll costs. The Company's total payroll costs were \$5.294 million in 2016, \$5.059 million in 2017, \$5.624 million in 2018, \$6.212

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[15] Exhibit 23 to the Company's Application (December 2019 Form 7 page 3 Part I line 4).

[16] Schedule 1.11 Wages and Salaries for payroll costs and response to AG 2-10 for full-time equivalent employees in 2019 and 2020.

[17] Schedule 1.11 Wages amd Salaries.

million in 2019, $6.017 million in 2020,[18] and $6.398 million in the twelve months ending in November 2021.[19] I also note that the payroll cost in 2020 includes $0.164 million for the Vice President of Engineering and Operations, a position which no longer exists, which further demonstrates that the Company's proposed proforma payroll costs and the expense is excessive when compared to the actual costs incurred in 2020. The Vice President of Engineering and Operations position was eliminated on or before January 11, 2021 as reflected on the Company's organization chart at that date.[20]

Q. How does the actual payroll expense in calendar year 2020 compare to the actual payroll expense in the twelve months ending November 2021?

A. The Company's payroll expense in calendar year 2020 was $3.316 million and in the twelve months ending November 2021 was $3.374 million,[21] which confirms the reasonableness of using the payroll expense in calendar year 2020 in lieu of the Company's excessive hypothetical calculation of payroll expense for the twelve months ending in November 2022.

Q. What is your recommendation?

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[18] The annual payroll costs for the years 2016-2019 were provided in response to Staff 1-20(a). The payroll cost for 2020 is shown on Schedule 1.12 Wages and Salaries.

[19] Response to AG 2-8. I have attached a copy of this response as my Exhibit___(LK-5).

[20] Attachment to response to AG 2-11. I have attached a copy of this response as my Exhibit___(LK-6).

[21] Response to AG 2-8. See Exhibit___(LK-5).

A. I recommend that the Commission use the Company's actual payroll expense incurred in 2020 in lieu of the Company's calculation of a hypothetical payroll expense for the twelve months ending June 2022. The actual payroll expense incurred in 2020 reflects the known and measurable changes through December 31, 2020, consistent with my overarching recommendation to limit post test year adjustments to the twelve months ending December 31, 2020, except for the costs of the new headquarters building. Even still, my recommendation does not reflect the elimination of the Vice President of Engineering and Operations and the payroll cost of that position at some date in late 2020 or very early 2021.[22]

In addition, if the Commission adopts the Company's calculation of the hypothetical payroll cost for the twelve months ending in June 2022, then I recommend that it correct the Company's calculation of the proforma adjustment to payroll expense to use the Company's actual payroll expense incurred in the test year in lieu of the Company's assumption that the expense ratio in 2019 was the same as in calendar year 2020, which it was not.

Q. What is the effect of your recommendation?

A. The effect of my recommendation is to reduce payroll expense and the base revenue requirement by $0.283 million. The Company's proforma payroll expense included in the base revenue requirement is $3.599 million ($6.531 million times 55.1%

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[22] The Vice President of Engineering and Operations and the Vice President of Technology positions were eliminated and a single new Vice President of Operations and Technology was created after the organization chart dated October 19, 2020 and before the organization chart dated January 11, 2021 provided in the Attachment to the response to AG 2-11.

expense ratio).[23] The Company's actual payroll expense in 2020 was $3.316 million, including the Vice President position that was eliminated in late 2020 or very early 2021.[24]

If the Commission adopts the Company's calculation of the hypothetical total payroll cost for the twelve months ending in June 2022, then the correction of its calculation of the proforma expense adjustment to reflect the actual payroll expense in the test year is to reduce the payroll expense and the base revenue requirement by $0.059 million ($3.476 million less $3.417 million as described previously).

D. Company Failed to Remove Electric Expense No Longer Incurred for Old Headquarters Building

Q. Describe the electric expense incurred for the old headquarters building in the test year.

A. The Company took electric service for its old headquarters building from Paducah Power System during the test year. It terminated the service from Paducah on June 7, 2021.[25] During the test year, it incurred $0.124 million for this service. It recorded this expense to account 588.1 in the test year.[26]

Q. Did the Company propose a proforma adjustment to remove this expense in

[23] Schedule 1.12 Wages and Salaries.
[24] *Id.*
[25] Response to AG 1-14. I have attached a copy of this response as my Exhibit___(LK-7).
[26] Attachment to response to AG 1-14. See Exhibit___(LK-7).

conjunction with its proforma adjustments to increase interest expense and the related TIER and to increase depreciation expense for the new headquarters building?

A. No.

Q. Did the Company tell the Commission that the new headquarters building would achieve savings in electric expense?

A. Yes. In its request for a Certificate of Public Convenience and Necessity for the new headquarters building in Case No. 2019-00326, the Company told the Commission that it would terminate electric service on the old headquarters building and this would represent a savings to customers.[27]

Q. Does the Company incur electric expense for its new headquarters building?

A. Yes. The Company purchases power to provide the electric service for its new headquarters building from Big Rivers Electric Corporation, along with the power necessary to serve its customer loads. The Company records the electric service expense for its new headquarters building as purchased power expense in account 555.[28]

Q. How does the Company recover the purchased power expense incurred to

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[27] Direct Testimony of Greg Grissom at 12 cited in Order in Case No. 2019-00326 at 8-9.
[28] Response to AG 1-14(e). See Exhibit___(LK-7).

provide electric service for its new headquarters building?

A. The Company recovers the expense incurred for the new headquarters building through its FAC rider, not base revenues. Accordingly, no electric service expense should be included in the base revenue requirement when base rates are resest in this proceeding.

Q. What is your recommendation?

A. I recommend that the Commission reduce the electric service expense by $0.124 million, the amount actually incurred in the test year that was not removed by the Company in its proforma adjustments related to the new headquarters building, to reflect the fact that this expense for the old headquarters building no longer is incurred.

In addition, in the Company's FAC proceedings, the Commission may wish to consider whether the Company improperly recovered the purchased power expense incurred for electric service at the new headquarters building through the FAC at the same time that it recovered and continues to recover the electric service expense that it no longer incurs for its old headquarters building through base revenues.

E. Proforma for Increase in Right of Way Maintenance Expense Is Excessive

Q. Describe the Company's requested increase in right of way ("ROW") maintenance expense.

A. The Company proposes ROW maintenance expense of $3.852 million, an increase of $3.316 million over the $0.536 million expense recorded in the test year. The Company based its proposed ROW maintenance expense on bids that it received from Townsend Tree Service calculated at $10,760 per circuit mile times 358 circuit miles necessary to trim its entire system of 1,790 circuit miles over five years.

Q. What reason does the Company cite for this proposed sevenfold increase in ROW maintenance expense?

A. Mr. Williams states that "Jackson Purchase had its contractor walk away from a multi-year contract in 2019/2020. Because of this Jackson Purchase bid out its vegetation management contract in 2019/2020. As a result and due to rising rates and labor shortages in this market, the winning bid Jackson Purchase received was for $10,760 per mile. To get through their system every 5 years, 358 miles need to be cleared each year (a total of 1,788 miles of overhead that need to be cleared on a 5-year cycle). This mileage multiplied by the aforementioned winning bid price per mile is the basis of the proforma amount in the adjustment."[29]

Q. Who was the contractor that "walk[ed] away" from its multi-year contract?

A. The contractor was Townsend Tree Service ("Townsend"), a national tree service and vegetation management company that provides services to utilities throughout

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[29] Direct Testimony of Jeffrey Williams at 12.

the nation.

Q. What years and how many circuit miles were covered by the multi-year contract with Townsend?

A. The contract covered the four year period 2018 through 2021. The contract was for all 1,790 circuit miles in the Company's system. The contract included an Attachment A, which identified the circuits that were to be trimmed each year and the miles for each circuit.[30]

Q. What were the circumstances that led the contractor to "walk away" from its multi-year contract?

A. The Company was having performance problems with Townsend. In late 2019, the Company's Vice President of Engineering and Operations reported to the Board that, "there had been meeting with Townsend, our tree contractor. There were very candid discussions about their tree performance. We are approximately 50% through with the contract period and Townsend is 300 miles behind in its performance."[31]

In the same time period, Townsend verbally informed the Company that it could not "continue at 2019 pricing." The Company was asked to, "Discuss notifications and actions taken when the contractor walked away" and to "[p]rovide

[30] Attachment to response to AG 1-38 at 26. I have attached a copy of the narrative portion of this response and the referenced pages of the Attachment as my Exhibit___(LK-8).

[31] Attachment to response to AG 1-38 at 28-31. I have attached a copy of the narrative portion of this response and the referenced pages of the Attachment as my Exhibit___(LK-9).

copies of associated written communications" in AG discovery. In response, the Company stated: "The former VP of Engineering and Operations dealt with the contractor as well as his staff. A meeting happened in late 2019 between Jackson Purchase and the contractor in which the contractor indicated it couldn't continue at 2019 pricing. The action taken by management was to rebid the right-of-way contract for 2020."[32]

The Company provided no documents in response to the AG's request for copies of, "associated written communications," except for Board minutes for for certain months from October 2019 through November 2020. The October 2019 Board minutes were previously cited and described. The November 2019 and January 2020 Board minutes discussed going out to bid for the ROW maintenance and the importance of tree trimming.[33] The February 2020 Board minutes stated: "The Engineering and Operations Report was provided by Scott Ribble. He stated that Right-of-Way clearing continued to be a big issue. A second contractor has started work. Progress is being made."[34]

The August 2020 Board Minutes discussed the ROW maintenance, Townsend, and going out to bid for the ROW maintenance in 2021: "Over the past two weeks, the right of way crews have been finishing their work. Townsend is

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[32] Response to AG 1-38(b). See Exhibit___(LK-8).

[33] Attachment to response to AG 1-38 at 32-38. I have attached a copy of the narrative portion of this response and the referenced pages of the Attachment as my Exhibit___(LK-10).

[34] Attachment to response to AG 1-38 at 39-42. I have attached a copy of the narrative portion of this response and the referenced pages of the Attachment as my Exhibit___(LK-11).

finished. The crew in Livingston County is completing its work. We are now soliciting new bids for 2021."[35]

The December 2020 Board Minutes discussed the retention of Townsend: "Scott also reported that Townsend has been selected to maintain our right of ways for the year 2021. It has been assigned three circuits to maintain for the upcoming year. Scott stressed how right of way clearance is a substantial and continuing expense for the co-op."[36]

Q. Is it reasonable for a Company that has a multi-year contract with a national tree service to simply allow the contractor to "walk away" and then to rebid certain circuits and award the contract for those circuits to the same contractor, but at substantially greater pricing than the multi-year contract for those same circuits?

A. No. This is unreasonable. The Company has failed to justify its acquiescence to the contractor "walk away" rather than seeking to enforce the contract and/or seek damages. The Commission should be very concerned about the Company's actions and/or inactions with respect to this contract and its entire ROW management program.

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[35] Attachment to response to AG 1-38 at 43-46. I have attached a copy of the narrative portion of this response and the referenced pages of the Attachment as my Exhibit___(LK-12).

[36] Attachment to response to AG 1-38 at 47-50. I have attached a copy of the narrative portion of this response and the referenced pages of the Attachment as my Exhibit___(LK-13).

Q. What is the history of the Company's actual costs per circuit mile for 2019 and 2020 and how do these costs compare to the Townsend bids accepted for 2021?

A. The Company's cost per circuit mile for Townsend was $2,429 in 2019 and for Townsend and Halter (the "second contractor" referred to in the February 2020 Board minutes) was $5,664 in 2020.[37] The Company's proforma adjustment for ROW maintenance in 2021 was $10,760 per ciruit mile, as previously described. The Company's proforma ROW maintenance expense reflects an increase of more than four fold in just two years.

Q. How does the Townsend cost per circuit mile for 2021 compare to the cost incurred by South Kentucky Rural Electric Membership Cooperative Cooperation ("SKRECC") cited in its pending base rate case before the Commission?

A. SKRECC cites current costs ranging from $3,356 to $9,969 per circuit mile.[38]

Q. How many circuit miles have been trimmed annually since 2010 and how does this compare to its plan to trim to plan its entire system over the next five years?

A. The Company does not know how many miles were trimmed each year from 2010 through 2019. In response to AG discovery, the Company stated: "Due to turnover

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[37] Attachment to response to AG 1-38 at 57. I have attached a copy of the narrative portion of this response and the referenced page of the Attachment as my Exhibit___(LK-14).

[38] Direct Testimony of Kenneth Simmons at 6-7 in Case No. 2021-00407. I have attached copies of the relevant pages from that testimony as Exhibit___(LK-15).

in the engineering department, we do not have history of miles for 2010 – 2019."[39] The Company trimmed 213 miles in 2020 and 80 miles in 2021. It plans to trim 358 miles annually going forward.

Q. Does every circuit mile cost the same to trim?

A. No. There is significant variation depending on a variety of factors. For example, in 2020, the cost for Townsend ranged from $3,768 per mile for one circuit to $7,790 per mile for another circuit.[40]

Q. Why is that important?

A. It is important because the Company calculated its $10,760 per circuit mile cost as the simple average of Townsend's bids for only three circuits in 2021. The Company provided no evidence that these 80 miles are representative of the entire 1,790 miles in its system.

Q. Has the Company presented a plan for the next five years to ensure that the entire 1,790 miles are trimmed?

A. No. The Company has managed its ROW maintenance expenses by reducing the miles trimmed to only 80 miles in 2021, far less than the 358 miles that will need to be trimmed annually to trim the entire system over the next five years.

The concern is that the Company may spend less and trim fewer miles than

[39] Response to AG 1-17(a). I have attached a copy of this response as my Exhibit___(LK-16).
[40] Attachment to response to AG 1-38 at 57. See Exhibit___(LK-14).

it based its requested expense on in this proceeding. It has a history of doing so and doing so with no accountability and no consequences, except for its customers, which may suffer increased reliability issues and may have to incur the cost of additional maintenance and repairs due to outages from tree damage.

Q. What are your recommendations?

A. First, I recommend that the Commission initiate a focused management audit to address the ROW management process and costs incurred and that will be incurred by the Company and to investigate the Company's failure to enforce its contractual rights against Townsend. The management audit should address options to reduce the cost per circuit mile, including, but not limited to, performing the ROW maintenance with its own employees and equipment and/or partnering with a larger utility to obtain lower pricing.

Second, I recommend that the Commission reject the Company's proposed increase in the ROW maintenance expense. The Company has failed to sufficiently justify the increase based on its experience with three circuits in 2021 and the cost that it incurred with a contractor who has demonstrated a remarkable ability to extract itself from a multi-year contract and then enter into new contracts whereby it was able to quadruple its pricing, at least on a limited number of circuits.

Third, I recommend instead that the Commission authorize an increase in ROW maintenance expense based on the Company's actual cost of $5,665 per circuit mile in 2020 and an assumption that the Company actually will trim 358 miles per year. This is consistent with my earlier discussion regarding the parameters of a historic test year and limits on the timing and scope of post test year adjustments.

Fourth, I recommend that the Commission direct the Company to utilize reserve accounting for the allowed ROW maintenance expense, meaning that it accrues the allowed expense each month and credits it to an ROW maintenance expense reserve, and then charges the actual contractor invoices against this reserve. I also recommend that the Commission limit any actual contractor charges to the reserve balance to ensure that the Company does not abuse the reserve accounting, create an asset balance, and then seek recovery for the additional charges in a future rate case proceeding.

Finally, I recommend that the Commission monitor the Company's ongoing performance through quarterly reporting on miles trimmed and the related costs, along with a specific requirement to alert the Commission regarding any significant deficiencies in annual miles trimmed and increases in the expense per circuit mile and an action plan to address any such problems.

Q. What is the effect of your recommendation?

A. The effect is a reduction of $1.824 million in the requested ROW maintenance expense and the claimed base revenue deficiency. This results in an allowed ROW maintenance expense of $2.028 million, which should be used to calculate the expense accruals to the new reserve for this purpose and as the annual limit on contractor invoices charged against the reserve.

F. Rate Case Expense Improperly Includes One-Time Expense for 2019 Steamlined Rate Case

Q. Did the Company's filing improperly include a one-time expense related to the 2019 steamlined rate proceeding in Case No. 2019-0053?

A. Yes. The Company incurred $0.087 million in rate case costs during 2019 associated with Case No. 2019-0053.[41] These costs were expensed in full as incurred and not deferred and amortized.[42] Thus, these costs were part of the 2019 test year actual costs and were not adjusted out in the Company's original revenue requirement determination. The filed rate case amortization proforma adjustment in Schedule 1.08 represented an increase in costs of $0.058 million compared to test year costs of $0. This was computed by amortizing the estimated rate case costs in the instant proceeding of $0.175 million over three years. However, the actual costs of $0.087 million incurred in 2019 were not removed from the test year costs. If they had been properly removed, the adjustment would have been a $0.029 million reduction in costs compared to the $0.058 million increase in costs.

Q. Has the Company acknowledged this error and provided a corrected calculation?

A. Yes. The Company acknowledged this error in response to Staff discovery.[43] The Company provided a corrected calculation to remove the $0.087 million incurred

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[41] Refer to the response to the narrative response to Staff 3-7, along with the revised Schedule 1.08. I have attached a copy of each as Exhibit___(LK-12).

[42] *Id.*

[43] *Id.*

in 2019 as a decrease of that amount to the revenue requirement.[44]

G. Proforma Adjustments To Depreciation Expense Are Excessive

Q. Describe the Company's proforma adjustments to annualize depreciation expense.

A. The Company proposes two proforma adjustments to annualize depreciation expense. The first adjustment calculates the depreciation expense for calendar year 2020 based on the Company's test year end gross plant in service and the presently authorized depreciation rates.

The second adjustment calculates the depreciation expense for the new headquarters building and eliminates the depreciation expense for the old headquarters building included in the test year. In its filing, the Company calculated the depreciation expense on the estimated cost of the new building, excluding the cost of the land, using a 40 year service life and then subtracted its calculation of the depreciation expense on the old headquarters building in the test year. The Company revised the depreciation expense on the new headquarters building in response to AG discovery to reflect the actual cost of the new building. The revision reflects a reduction of $0.002 million in depreciation expense.

Q. Did the Company correctly calculate the depreciation expense on the old

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[44] *Id.*

headquarters building in this proforma adjustment?

A. No. The Company actually recorded $0.044 million in depreciation expense on the old headquarters building in the test year.[45] Yet, the calculation in its proforma adjustment incorrectly assumed that it recorded $0.026 million in depreciation expense. The Company's proforma calculation uses a different and lower gross plant (after adjustments to remove plant that is fully depreciated) than its actual calculation of the depreciation expense recorded in the test year. In it's calculation of the actual depreciation expense recorded in the test year on the old headquarters building, the Company used gross plant (after adjustments to remove plant that is fully depreciated) of $1.753 million.[46] In its proforma calculation of the depeciation expense on the old headquarters building, it incorrectly used gross plant of $1.030 million.[47]

Q. What are your recommendations?

A. I agree with the Company's annualization of depreciation expense for the calendar year 2020 based on plant in service at December 31, 2019 and recommend that the Commission adopt the revised depreciation expense on the new headquarters building.

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[45] Schedule 1.13 line 23. The amount shown in plant in service for account 390 is the same amount as the Company's gross plant for the old headquarters building. As such, the depreciation expense for the test year is solely for the old headquarters building.

[46] Schedule 1.13 line 23. The gross plant is $2.810 million. The adjustment to remove plant that is fully depreciated is $1.057 million.

[47] Schedule 1.17 New HQ.

I do not agree with the Company's calculation of the reduction in depreciation expense on the old headquarters building and recommend that the Commission correct the reduction so that it equals the actual depreciation expense recorded in the test year.

Q. What are the effects of your recommendations?

A. The effect of the Company's revision in the depreciation expense on the new headquarters building is a reduction in depreciation expense and the base revenue requirement of $0.002 million. The effect of correcting the Company's error in the depreciation expense no longer incurred on the old headquarters building is a reduction in the depreciation expense (reflected in the proforma adjustment for the new headquarters building) of $0.018 million. The effects of these two recommendations are shown separately on the table in the Summary section of my testimony.

H. Correct Company's Clerical Errors In Test Year Net Margin Before Adjustments

Q. Did the Company's filing include clerical errors that understated the net margin before adjustments, and thus, incorrectly increased the claimed revenue deficiency?

A. Yes. The Company's request is overstated due to clerical errors summing to $0.021 million on John Wolfram's Exhibit JW-2 in the various components of the per books net margins for the test year before proforma adjustments. On Exhibit JW-

2 depicts, the actual test year net margins in column (2) on line 31 are shown as $1,178,271. The actual reported net margins in the Company's December 31, 2019 Form 7 filing were $1,198,810.[48] There are two separate input errors on Exhibit JW-2 that caused this disparity. Exhibit JW-2 shows the starting Total Operating Revenue as $69,427,701.[49] The actual Total Operating Revenue for 2019 as reflected in the Form 7 filing was $69,447,701,[50] a difference of $20,000. A deeper dive into the Form 7 filing reveals that the $20,000 clerical error occurred in the reflection of Other Electric Revenue.[51] The second clerical error occurred in the reflection of the starting amount of Non-Operating Margins – Interest. On Exhibit JW-2, this is shown as $415,392 while the 2019 Form 7 filing shows that the actual amount was $415,932,[52] a difference of $540.

Q. What is your recommendation?

A. I recommend that the Commission correct the Company's actual per books net margins to match the amount shown in the December 2019 Form 7. The increase in the net margins to the actual amount reduces the revenue deficiency by $0.021 million.

III. INTEREST EXPENSE AND INTEREST INCOME

[48] Exhibit 23 Attachment at 66, line 28.
[49] Exhibit JW-2 at 1, line 4.
[50] Exhibit 23 Attachment at 66, line 28.
[51] Exhibit JW-2 at 1, line 3, depicts Other Electric Revenue of $1,307,203. The Form 7 reflects Other Electric Revenue of $1,327,204 in Exhibit 23 Attachment at 71, line 13.
[52] Exhibit JW-2 at 1, line 26, and the 2019 Form 7 in Exhibit 23 Attachment at 66, line 21.

A. Proforma for Reduction in Interest Expense on Long-Term Debt Was Misclassified As Purchased Power Expense

Q. Describe the Company's proforma interest expense.

A. The Company's proforma interest expense in its filing consists of three components that sum to $2.389 million. The first component is its calculation of the annualized interest expense based on long-term debt issues outstanding at December 31, 2020, which is $1.759 million.[53] For this first component, the proforma annualized interest expense is $0.202 million less than the actual expense incurred in the test year. However, the Company misclassified the proforma adjustment as a reduction to purchased power expense rather than as a reduction to interest expense in its calculation of the revenue requirement. Due to this expense classification error, the Company incorrectly used the actual interest on long-term debt in the test year rather than the proforma interest expense to calculate the related TIER included in the revenue requirement, which had the effect of overstating the requested increase by $0.202 million.

The second component is the estimated interest expense on the new headquarters building, which the Company calculated at $0.397 million.[54] The Company failed to include this proforma additional long term debt interest in the proforma interest expense to calculate the related TIER included in the revenue requirement, which had the effect of understating the requested increase by $0.397

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[53] Schedule 1.09 Int Exp.
[54] Schedule 1.17 New HQ.

million.

The third component of the Company's proforma interest expense in its filing is the actual interest expense other (short-term debt and customer deposits) incurred in the test year, which is $0.233 million.

The Company subsequently revised the proforma interest expense in response to multiple AG discovery requests.[55] The Company revised the first component to reflect the annualized interest expense based on all long-term debt issues outstanding at November 30, 2021, including the new FFB/RUS debt issued earlier that month for the new headquarters building and capital expenditures on new plant additions since the end of the test year, which is $2.195 million.[56] The Company revised the second component to $0. The Company subsequently revised the third component to $0.062 million, a reduction of $0.171 million.[57]

B. Revised Interest Expense on Long-Term Debt Is Excessive

Q. How much of the annualized interest expense on the new FFB/RUS debt issued in November 2021 was for capital expenditures on new plant additions since the end of the test year other than the new headquarters building?

A. The annualized interest expense on the long-term debt issued for these other capital expenditures is $0.043 million. The new headquarters building cost $19.773

[55] Responses to AG 1-29 and AG 2-15(b). See Exhibit___(LK-2) for a copy of the response to AG 1-29. I have attached a copy of the response to AG 2-15(b) as my Exhibit___(LK-18).
[56] Attachment to response to AG 1-29. See Exhibit___(LK-2).
[57] Response to AG 2-15(b). See Exhibit___(LK-18).

million, including land.[58] The new FFB/RUS debt issued in November 2021 was $21.926 million. The difference is $2.153 million. The interest rate on the new debt issue is 1.988%.

Q. What is your recommendation regarding the annualized interest expense on the new FFB/RUS debt issued for the capital expenditures on new plant additions since the end of the test year other than the new headquarters building?

A. I recommend that the Commission exclude this interest expense.[59] This interest expense is on long-term debt that was issued in November 2021 for capital expenditures made after the end of the test year. The Company is not entitled to continuously update its test year costs while the rate case is pending for costs that it forecasts that it will incur until nearly three years after the historic test year that it chose for its filing.

IV. TIMES INTEREST EARNED RATIO

A. Summary of the Company's Requested TIER And The Effect on Its Base Revenue Requirement

Q. Describe the Company's TIER request and the effect on its base revenue

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[58] Schedule 1.17 New HQ in original filing shows land costs of $0.650 million. The Final New HQ Building costs amounted to $19.123 million without land costs as shown in the Update filing Schedule 1.17 New HQ. Total final costs of the new HQ Building are $19.773 million.

[59] The reduction of $0.043 million in LTD interest expense amounts to a revenue requirement reduction of $0.086million after consideration of the 2,00 TIER effect.

requirement.

A. The Company requests a 2.00 TIER. The Company's base revenue requirement as filed includes $1.961 million over and above its proforma interest expense necessary to achieve the proposed 2.00 TIER. However, as I noted previously, the Company had errors in the calculation of the TIER in its filing; it failed to exclude the TIER on its proforma reduction in long-term debt interest expese and failed to include the TIER on the proforma interest expense related to the new headquarters building.

The Company subsequently modified its request to include $2.195 million over and above its revised proforma interest expense to achieve the proposed 2.00 TIER in response to AG discovery.[60] The revised calculation includes the interest on the long-term debt issued to finance the new headquarters building and new capital expenditures incurred since the end of the test year, although the Company neglected to mention that it also corrected the errors in its request as filed.

B. The Company Has Provided No Analytical Support for Its Requested 2.00 TIER

Q. Did the Company provide demonstration of need or any analytical support whatsoever for its requested 2.00 TIER?

A. No. The Company provided no analystical support for its proposed 2.00 TIER in its Application and Direct Testimony. The Company confirmed that it, "did not

[60] Attachment to response to AG 1-29. See Exhibit___(LK-2).

elect to to provide testimony in support of a 2.00 TIER."[61] Asked why it concluded that it was not necessary to provide testimony in support of its request, the Company cited only the Commission's Order approving a base revenue increase in its "streamlined" rate case in 2019, which relied on a 2.00 TIER, and the Commission's authorization of a 2.00 TIER in other cooperative rate proceedings.[62]

Q. Why is the Company's failure to support its request significant?

A. First, the Company bears the burden to demonstrate that its requested increase and the underlying costs are reasonable. It intentionally failed to do so in its Application and Direct Testimony, according to its response to AG discovery. It should not be allowed to present a case for the requested 2.00 TIER for the first time in its Rebuttal Testimony. That would deny the AG the ability to ask discovery and to respond through its testimony.

Second, the Company's requested 2.00 TIER is excessive compared to the financial and credit metrics required by its lenders. It has offered no support for a TIER that will result in financial and credit metrics far in excess of that required by its lenders.

Third, the Company's requested 2.00 TIER is excessive because it has more than sufficient members' equity and no longer needs margins equivalent to its long-term debt interest to further increase members' equity. It has offered no support

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[61] Response to AG 1-22. I have attached a copy of this response as my Exhibit___(LK-19).
[62] *Id*.

for a TIER that will result in further increases in members' equity that are not necessary at this time.

Fourth, the Company's request, if authorized, will result in an incentive for additional discretionary spending and will not result in equivalent increases in net margins. It has offered no support for a TIER that will allow additional discretionary spending and that will not result in equivalent increases in net margin.

Fifth, the excessive revenues resulting Company's request will not be returned to customers on an equivalent basis as a practical matter. It has offered no support whatsoever that it would be reasonable and/or economic for it to collect excessive base revenues now in exchange for unknown future capital credits.

C. A 2.00 TIER Is Not Necessary to Meet Requirements In Loan Agreements

Q. Is a 2.00 TIER necessary for the Company to meet its loan covenants?

A. No. The Company must meet a 1.25 TIER, a 1.25 Debt Service Coverage Ratio (DSCR), and a 1.10 Operating TIER ("OTIER") to meet requirements of the RUS loan agreements.[63] The Company also must meet a DSCR of 1.25 for its CoBank loans and a Modified DSCR ("MDSCR") of 1.35 for its CFC loans.[64]

D. A 2.00 TIER Is Not Necessary To Increase Members' Equity From Present Levels

[63] Original response to AG 1-6. I have attached a copy of this response as Exhibit___(LK-20).
[64] *Id*.

Q. What were the actual members' equity to total capitalization and members' equity to total assets ratios in the test year?

A. The members' equity to total capitalization ratio was 49.8% in the test year, calculated as members' equity of $48.201 million divided by the sum of the member's equity and long-term debt of $96.769 million, including current maturities.[65] The members' equity to total assets ratio was 43.1% in the test year, calculated as members' equity of $48.201 million divided by total assets of $111.729 million.[66]

Q. How do those ratios in the test year compare to the members' equity to total capitalization and members' equity to total assets ratios in Case No. 2007-00116, the Company's last non-streamlined base rate case?

A. The members' equity to total capitalization ratio was 41.4% at the end of 2006, calculated as members' equity of $34.444 million divided by the sum of the members' equity and long-term debt of $83.162 million, including current maturities.[67] The members' equity to total assets ratio was 38.5% at the end of 2006, calculated as members' equity of $34.444 million divided by total assets of $89.366 million.

Q. Why is this comparison relevant?

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[65] Schedule Adj BS.
[66] *Id.*
67 Balance Sheet at December 31, 2006 included in Stipulation attached to Order in Case No. 2007-00116 at pdf 11.

A. The members' equity to total capitalization and members' equity to total assets are greater than they were in the prior rate case, meaning that the Company has achieved significant improvement on this financial and credit metric.

Q. Are the Company's members' equity ratio to total capitalization and members' equity to total assets ratios in the test year reasonable?

A. Yes, for purposes of this proceeding, although they are significantly greater than necessary. The Company's Equity Management Plan filed with the Commission sets a target members' equity to total assets ratio of 30% to 50%.[68] The Company's CFC Loan Agreements set a minimum members' equity to total assets ratio of 20%.[69]

Q. Is the requested 2.00 TIER necessary for the Company to increase members' equity from present levels?

A. No. The Company does not need to increase its members' equity ratios beyond present levels. To do so would impose unnecessary costs on its customers. The Company seeks $2.195 million (as revised) for its requested 2.00 TIER in the revenue requirement. If authorized, this will increase its members' equity by 4.6% annually, all else equal. The Company has provided no evidence to justify this rate of growth in members' equity year after year.

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68 Response to AG 1-5(c). I have a attached a copy of this response as my Exhibit___(LK-21).

[69] Attachment to supplemental response to AG 1-6 at 79. I have attached a copy of the narrative portion of this response and the referenced Attachment page as my Exhibit___(LK-22). Also see Exhibit___(LK-20).

E. An Excessive TIER in Rates Cannot Be Fully or Timely Remedied Through Capital Credits

Q. How does the Company's TIER request result in excessive costs to ratepayers?

A. As a foundational matter, the requested 2.00 TIER is excessive for the reasons that I previously cited. In theory, if the Commission authorizes an excessive TIER and this results in excessive margins, they can be returned to ratepayers through future capital credits. In practice, this is a flawed theory and should be rejected because there is no tracking and no functional equivalence between excessive margins and future capital credits.

In practice, the revenues due to an excessive TIER are first available to meet and use for increases in expenses; the revenues are not preserved for future capital credits. The authorization of an excessive TIER is a fundamental disincentive to control discretionary expenses.

In practice, there is no requirement that a distribution cooperative provide capital credits for any margins due to an excessive TIER. The capital credits are at the discretion of the cooperative's Board of Directors.

In practice, the return of any excess margins to customers is likely to be diluted and delayed. The Company's members/owners/customers stand at the end of the line for any residual revenues that make it to the Company's net margins that are potentially available for any future capital credits. The Company first has to identify, quantify, and authorize capital credits to its members/owners. This is done on a vintage year, first in first out basis, and is subject to numerous restrictions, thus diluting and delaying the return of excess margins in any one year to subsequent years, most likely many years into the future.

In practice, the collection of excessive revenues actually costs more than could possibly be returned to ratepayers even in a perfect world of regulation and timely flow through of capital credits from the Company to the distribution cooperatives and then to their customers. That is due to the fact that the distribution cooperatives are required to add and collect sales taxes of 6% on their non-residential sales and school taxes (usually 3%), which, in turn, are simply remitted to the state and local tax authorities and are unavailable for capital credits. In contrast to the collection of revenues, the cooperatives do not add sales or school taxes to capital credits.

In sum, the cooperative's rates should not be set using an excessive and unreasonable TIER so that capital credits possibly may be returned to the members/owners/customers at diluted amounts in subsequent years, if indeed, any of the excessive revenues redound to net margins.

F. A 1.50 TIER Is Reasonable

Q. What is a reasonable TIER?

A. A maximum 1.50 TIER is reasonable. This provides a margin of 50% in excess of the Company's interest on long-term debt. A 1.50 TIER is well in excess of the required TIER pursuant to its loan agreements. A 1.50 TIER still will allow growth in members' equity of 2.3% annually, all else equal. In addition, as I noted previously, the use of deferral accounting for its rider revenues and expenses will reduce the volatility in its margins due to the timing differences between those revenues and expenses.

Q. What is the effect of your recommendation?

A. The effect is a reduction of $1.076 million in the base revenue requirement.

Q. Does this complete your testimony?

A. Yes.

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF	**)**	
JACKSON PURCHASE ENERGY	**)**	
CORPORATION FOR A GENERAL	**)**	**CASE NO. 2021-00358**
ADJUSTMENT OF RATES AND OTHER	**)**	
GENERAL RELIEF	**)**	

EXHIBITS

OF

LANE KOLLEN

ON BEHALF OF THE

OFFICE OF THE ATTORNEY GENERAL OF THE COMMONWEALTH OF

KENTUCKY

J. KENNEDY AND ASSOCIATES, INC.
ROSWELL, GEORGIA

JANUARY 2022

EXHIBIT _____ (LK-1)

RESUME OF LANE KOLLEN, VICE PRESIDENT

EDUCATION

University of Toledo, BBA
Accounting

University of Toledo, MBA

Luther Rice University, MA

PROFESSIONAL CERTIFICATIONS

Certified Public Accountant (CPA)

Certified Management Accountant (CMA)

Chartered Global Management Accountant (CGMA)

PROFESSIONAL AFFILIATIONS

American Institute of Certified Public Accountants

Georgia Society of Certified Public Accountants

Institute of Management Accountants

Society of Depreciation Professionals

Mr. Kollen has more than forty years of utility industry experience in the financial, rate, tax, and planning areas. He specializes in revenue requirements analyses, taxes, evaluation of rate and financial impacts of traditional and nontraditional ratemaking, utility mergers/acquisition and diversification. Mr. Kollen has expertise in proprietary and nonproprietary software systems used by utilities for budgeting, rate case support and strategic and financial planning.

RESUME OF LANE KOLLEN, VICE PRESIDENT

EXPERIENCE

1986 to Present: **J. Kennedy and Associates, Inc.:** Vice President and Principal. Responsible for utility stranded cost analysis, revenue requirements analysis, cash flow projections and solvency, financial and cash effects of traditional and nontraditional ratemaking, and research, speaking and writing on the effects of tax law changes. Testimony before Connecticut, Florida, Georgia, Indiana, Louisiana, Kentucky, Maine, Maryland, Minnesota, New York, North Carolina, Ohio, Pennsylvania, Tennessee, Texas, West Virginia and Wisconsin state regulatory commissions and the Federal Energy Regulatory Commission.

1983 to 1986: **Energy Management Associates:** Lead Consultant.
Consulting in the areas of strategic and financial planning, traditional and nontraditional ratemaking, rate case support and testimony, diversification and generation expansion planning. Directed consulting and software development projects utilizing PROSCREEN II and ACUMEN proprietary software products. Utilized ACUMEN detailed corporate simulation system, PROSCREEN II strategic planning system and other custom developed software to support utility rate case filings including test year revenue requirements, rate base, operating income and pro-forma adjustments. Also utilized these software products for revenue simulation, budget preparation and cost-of-service analyses.

1976 to 1983: **The Toledo Edison Company:** Planning Supervisor.
Responsible for financial planning activities including generation expansion planning, capital and expense budgeting, evaluation of tax law changes, rate case strategy and support and computerized financial modeling using proprietary and nonproprietary software products. Directed the modeling and evaluation of planning alternatives including:

Rate phase-ins.
Construction project cancellations and write-offs.
Construction project delays.
Capacity swaps.
Financing alternatives.
Competitive pricing for off-system sales.
Sale/leasebacks.

CLIENTS SERVED

Industrial Companies and Groups

Air Products and Chemicals, Inc.
Airco Industrial Gases
Alcan Aluminum
Armco Advanced Materials Co.
Armco Steel
Bethlehem Steel
CF&I Steel, L.P.
Climax Molybdenum Company
Connecticut Industrial Energy Consumers
ELCON
Enron Gas Pipeline Company
Florida Industrial Power Users Group
Gallatin Steel
General Electric Company
GPU Industrial Intervenors
Indiana Industrial Group
Industrial Consumers for Fair Utility Rates - Indiana
Industrial Energy Consumers - Ohio
Kentucky Industrial Utility Customers, Inc.
Kimberly-Clark Company
Lehigh Valley Power Committee
Maryland Industrial Group
Multiple Intervenors (New York)
National Southwire
North Carolina Industrial Energy Consumers
Occidental Chemical Corporation
Ohio Energy Group
Ohio Industrial Energy Consumers
Ohio Manufacturers Association
Philadelphia Area Industrial Energy Users Group
PSI Industrial Group
Smith Cogeneration
Taconite Intervenors (Minnesota)
West Penn Power Industrial Intervenors
West Virginia Energy Users Group
Westvaco Corporation

Regulatory Commissions and Government Agencies

Cities in Texas-New Mexico Power Company's Service Territory
Cities in AEP Texas Central Company's Service Territory
Cities in AEP Texas North Company's Service Territory
City of Austin
Georgia Public Service Commission Staff
Florida Office of Public Counsel
Indiana Office of Utility Consumer Counsel
Kentucky Office of Attorney General
Louisiana Public Service Commission
Louisiana Public Service Commission Staff
Maine Office of Public Advocate
New York City
New York State Energy Office
South Carolina Office of Regulatory Staff
Texas Office of Public Utility Counsel
Utah Office of Consumer Services

Utilities

Allegheny Power System
Atlantic City Electric Company
Carolina Power & Light Company
Cleveland Electric Illuminating Company
Delmarva Power & Light Company
Duquesne Light Company
General Public Utilities
Georgia Power Company
Middle South Services
Nevada Power Company
Niagara Mohawk Power Corporation

Otter Tail Power Company
Pacific Gas & Electric Company
Public Service Electric & Gas
Public Service of Oklahoma
Rochester Gas and Electric
Savannah Electric & Power Company
Seminole Electric Cooperative
Southern California Edison
Talquin Electric Cooperative
Tampa Electric
Texas Utilities
Toledo Edison Company

Expert Testimony Appearances
of
Lane Kollen
As of January 2022

Date	Case	Jurisdict.	Party	Utility	Subject
10/86	U-17282 Interim	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Cash revenue requirements financial solvency.
11/86	U-17282 Interim Rebuttal	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Cash revenue requirements financial solvency.
12/86	9613	KY	Attorney General Div. of Consumer Protection	Big Rivers Electric Corp.	Revenue requirements accounting adjustments financial workout plan.
1/87	U-17282 Interim	LA 19th Judicial District Ct.	Louisiana Public Service Commission Staff	Gulf States Utilities	Cash revenue requirements, financial solvency.
3/87	General Order 236	WV	West Virginia Energy Users' Group	Monongahela Power Co.	Tax Reform Act of 1986.
4/87	U-17282 Prudence	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Prudence of River Bend 1, economic analyses, cancellation studies.
4/87	M-100 Sub 113	NC	North Carolina Industrial Energy Consumers	Duke Power Co.	Tax Reform Act of 1986.
5/87	86-524-E-SC	WV	West Virginia Energy Users' Group	Monongahela Power Co.	Revenue requirements, Tax Reform Act of 1986.
5/87	U-17282 Case In Chief	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements, River Bend 1 phase-in plan, financial solvency.
7/87	U-17282 Case In Chief Surrebuttal	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements, River Bend 1 phase-in plan, financial solvency.
7/87	U-17282 Prudence Surrebuttal	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Prudence of River Bend 1, economic analyses, cancellation studies.
7/87	86-524 E-SC Rebuttal	WV	West Virginia Energy Users' Group	Monongahela Power Co.	Revenue requirements, Tax Reform Act of 1986.
8/87	9885	KY	Attorney General Div. of Consumer Protection	Big Rivers Electric Corp.	Financial workout plan.
8/87	E-015/GR-87-223	MN	Taconite Intervenors	Minnesota Power & Light Co.	Revenue requirements, O&M expense, Tax Reform Act of 1986.
10/87	870220-EI	FL	Occidental Chemical Corp.	Florida Power Corp.	Revenue requirements, O&M expense, Tax Reform Act of 1986.
11/87	87-07-01	CT	Connecticut Industrial Energy Consumers	Connecticut Light & Power Co.	Tax Reform Act of 1986.
1/88	U-17282	LA 19th Judicial District Ct.	Louisiana Public Service Commission	Gulf States Utilities	Revenue requirements, River Bend 1 phase-in plan, rate of return.
2/88	9934	KY	Kentucky Industrial Utility Customers	Louisville Gas & Electric Co.	Economics of Trimble County, completion.
2/88	10064	KY	Kentucky Industrial Utility	Louisville Gas &	Revenue requirements, O&M expense, capital

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Date	Case	Jurisdict.	Party	Utility	Subject
			Customers	Electric Co.	structure, excess deferred income taxes.
5/88	10217	KY	Alcan Aluminum National Southwire	Big Rivers Electric Corp.	Financial workout plan.
5/88	M-87017-1C001	PA	GPU Industrial Intervenors	Metropolitan Edison Co.	Nonutility generator deferred cost recovery.
5/88	M-87017-2C005	PA	GPU Industrial Intervenors	Pennsylvania Electric Co.	Nonutility generator deferred cost recovery.
6/88	U-17282	LA 19th Judicial District Ct.	Louisiana Public Service Commission	Gulf States Utilities	Prudence of River Bend 1 economic analyses, cancellation studies, financial modeling.
7/88	M-87017-1C001 Rebuttal	PA	GPU Industrial Intervenors	Metropolitan Edison Co.	Nonutility generator deferred cost recovery, SFAS No. 92.
7/88	M-87017-2C005 Rebuttal	PA	GPU Industrial Intervenors	Pennsylvania Electric Co.	Nonutility generator deferred cost recovery, SFAS No. 92.
9/88	88-05-25	CT	Connecticut Industrial Energy Consumers	Connecticut Light & Power Co.	Excess deferred taxes, O&M expenses.
9/88	10064 Rehearing	KY	Kentucky Industrial Utility Customers	Louisville Gas & Electric Co.	Premature retirements, interest expense.
10/88	88-170-EL-AIR	OH	Ohio Industrial Energy Consumers	Cleveland Electric Illuminating Co.	Revenue requirements, phase-in, excess deferred taxes, O&M expenses, financial considerations, working capital.
10/88	88-171-EL-AIR	OH	Ohio Industrial Energy Consumers	Toledo Edison Co.	Revenue requirements, phase-in, excess deferred taxes, O&M expenses, financial considerations, working capital.
10/88	8800-355-EI	FL	Florida Industrial Power Users' Group	Florida Power & Light Co.	Tax Reform Act of 1986, tax expenses, O&M expenses, pension expense (SFAS No. 87).
10/88	3780-U	GA	Georgia Public Service Commission Staff	Atlanta Gas Light Co.	Pension expense (SFAS No. 87).
11/88	U-17282 Remand	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Rate base exclusion plan (SFAS No. 71).
12/88	U-17970	LA	Louisiana Public Service Commission Staff	AT&T Communications of South Central States	Pension expense (SFAS No. 87).
12/88	U-17949 Rebuttal	LA	Louisiana Public Service Commission Staff	South Central Bell	Compensated absences (SFAS No. 43), pension expense (SFAS No. 87), Part 32, income tax normalization.
2/89	U-17282 Phase II	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements, phase-in of River Bend 1, recovery of canceled plant.
6/89	881602-EU 890326-EU	FL	Talquin Electric Cooperative	Talquin/City of Tallahassee	Economic analyses, incremental cost-of-service, average customer rates.

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7/89	U-17970	LA	Louisiana Public Service Commission Staff	AT&T Communications of South Central States	Pension expense (SFAS No. 87), compensated absences (SFAS No. 43), Part 32.
8/89	8555	TX	Occidental Chemical Corp.	Houston Lighting & Power Co.	Cancellation cost recovery, tax expense, revenue requirements.
8/89	3840-U	GA	Georgia Public Service Commission Staff	Georgia Power Co.	Promotional practices, advertising, economic development.
9/89	U-17282 Phase II Detailed	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements, detailed investigation.
10/89	8880	TX	Enron Gas Pipeline	Texas-New Mexico Power Co.	Deferred accounting treatment, sale/leaseback.
10/89	8928	TX	Enron Gas Pipeline	Texas-New Mexico Power Co.	Revenue requirements, imputed capital structure, cash working capital.
10/89	R-891364	PA	Philadelphia Area Industrial Energy Users Group	Philadelphia Electric Co.	Revenue requirements.
11/89 12/89	R-891364 Surrebuttal (2 Filings)	PA	Philadelphia Area Industrial Energy Users Group	Philadelphia Electric Co.	Revenue requirements, sale/leaseback.
1/90	U-17282 Phase II Detailed Rebuttal	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements, detailed investigation.
1/90	U-17282 Phase III	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Phase-in of River Bend 1, deregulated asset plan.
3/90	890319-EI	FL	Florida Industrial Power Users Group	Florida Power & Light Co.	O&M expenses, Tax Reform Act of 1986.
4/90	890319-EI Rebuttal	FL	Florida Industrial Power Users Group	Florida Power & Light Co.	O&M expenses, Tax Reform Act of 1986.
4/90	U-17282	LA 19th Judicial District Ct.	Louisiana Public Service Commission	Gulf States Utilities	Fuel clause, gain on sale of utility assets.
9/90	90-158	KY	Kentucky Industrial Utility Customers	Louisville Gas & Electric Co.	Revenue requirements, post-test year additions, forecasted test year.
12/90	U-17282 Phase IV	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements.
3/91	29327, et. al.	NY	Multiple Intervenors	Niagara Mohawk Power Corp.	Incentive regulation.
5/91	9945	TX	Office of Public Utility Counsel of Texas	El Paso Electric Co.	Financial modeling, economic analyses, prudence of Palo Verde 3.

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9/91	P-910511 P-910512	PA	Allegheny Ludlum Corp., Armco Advanced Materials Co., The West Penn Power Industrial Users' Group	West Penn Power Co.	Recovery of CAAA costs, least cost financing.
9/91	91-231-E-NC	WV	West Virginia Energy Users Group	Monongahela Power Co.	Recovery of CAAA costs, least cost financing.
11/91	U-17282	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Asset impairment, deregulated asset plan, revenue requirements.
12/91	91-410-EL-AIR	OH	Air Products and Chemicals, Inc., Armco Steel Co., General Electric Co., Industrial Energy Consumers	Cincinnati Gas & Electric Co.	Revenue requirements, phase-in plan.
12/91	PUC Docket 10200	TX	Office of Public Utility Counsel of Texas	Texas-New Mexico Power Co.	Financial integrity, strategic planning, declined business affiliations.
5/92	910890-EI	FL	Occidental Chemical Corp.	Florida Power Corp.	Revenue requirements, O&M expense, pension expense, OPEB expense, fossil dismantling, nuclear decommissioning.
8/92	R-00922314	PA	GPU Industrial Intervenors	Metropolitan Edison Co.	Incentive regulation, performance rewards, purchased power risk, OPEB expense.
9/92	92-043	KY	Kentucky Industrial Utility Consumers	Generic Proceeding	OPEB expense.
9/92	920324-EI	FL	Florida Industrial Power Users' Group	Tampa Electric Co.	OPEB expense.
9/92	39348	IN	Indiana Industrial Group	Generic Proceeding	OPEB expense.
9/92	910840-PU	FL	Florida Industrial Power Users' Group	Generic Proceeding	OPEB expense.
9/92	39314	IN	Industrial Consumers for Fair Utility Rates	Indiana Michigan Power Co.	OPEB expense.
11/92	U-19904	LA	Louisiana Public Service Commission Staff	Gulf States Utilities /Entergy Corp.	Merger.
11/92	8469	MD	Westvaco Corp., Eastalco Aluminum Co.	Potomac Edison Co.	OPEB expense.
11/92	92-1715-AU-COI	OH	Ohio Manufacturers Association	Generic Proceeding	OPEB expense.
12/92	R-00922378	PA	Armco Advanced Materials Co., The WPP Industrial Intervenors	West Penn Power Co.	Incentive regulation, performance rewards, purchased power risk, OPEB expense.
12/92	U-19949	LA	Louisiana Public Service Commission Staff	South Central Bell	Affiliate transactions, cost allocations, merger.

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Date	Case	Jurisdict.	Party	Utility	Subject
12/92	R-00922479	PA	Philadelphia Area Industrial Energy Users' Group	Philadelphia Electric Co.	OPEB expense.
1/93	8487	MD	Maryland Industrial Group	Baltimore Gas & Electric Co., Bethlehem Steel Corp.	OPEB expense, deferred fuel, CWIP in rate base.
1/93	39498	IN	PSI Industrial Group	PSI Energy, Inc.	Refunds due to over-collection of taxes on Marble Hill cancellation.
3/93	92-11-11	CT	Connecticut Industrial Energy Consumers	Connecticut Light & Power Co	OPEB expense.
3/93	U-19904 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities /Entergy Corp.	Merger.
3/93	93-01-EL-EFC	OH	Ohio Industrial Energy Consumers	Ohio Power Co.	Affiliate transactions, fuel.
3/93	EC92-21000 ER92-806-000	FERC	Louisiana Public Service Commission Staff	Gulf States Utilities /Entergy Corp.	Merger.
4/93	92-1464-EL-AIR	OH	Air Products Armco Steel Industrial Energy Consumers	Cincinnati Gas & Electric Co.	Revenue requirements, phase-in plan.
4/93	EC92-21000 ER92-806-000 (Rebuttal)	FERC	Louisiana Public Service Commission	Gulf States Utilities /Entergy Corp.	Merger.
9/93	93-113	KY	Kentucky Industrial Utility Customers	Kentucky Utilities	Fuel clause and coal contract refund.
9/93	92-490, 92-490A, 90-360-C	KY	Kentucky Industrial Utility Customers and Kentucky Attorney General	Big Rivers Electric Corp.	Disallowances and restitution for excessive fuel costs, illegal and improper payments, recovery of mine closure costs.
10/93	U-17735	LA	Louisiana Public Service Commission Staff	Cajun Electric Power Cooperative	Revenue requirements, debt restructuring agreement, River Bend cost recovery.
1/94	U-20647	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Audit and investigation into fuel clause costs.
4/94	U-20647 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Nuclear and fossil unit performance, fuel costs, fuel clause principles and guidelines.
4/94	U-20647 (Supplemental Surrebuttal)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Audit and investigation into fuel clause costs.
5/94	U-20178	LA	Louisiana Public Service Commission Staff	Louisiana Power & Light Co.	Planning and quantification issues of least cost integrated resource plan.
9/94	U-19904 Initial Post-Merger Earnings Review	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	River Bend phase-in plan, deregulated asset plan, capital structure, other revenue requirement issues.

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Date	Case	Jurisdict.	Party	Utility	Subject
9/94	U-17735	LA	Louisiana Public Service Commission Staff	Cajun Electric Power Cooperative	G&T cooperative ratemaking policies, exclusion of River Bend, other revenue requirement issues.
10/94	3905-U	GA	Georgia Public Service Commission Staff	Southern Bell Telephone Co.	Incentive rate plan, earnings review.
10/94	5258-U	GA	Georgia Public Service Commission Staff	Southern Bell Telephone Co.	Alternative regulation, cost allocation.
11/94	U-19904 Initial Post-Merger Earnings Review (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	River Bend phase-in plan, deregulated asset plan, capital structure, other revenue requirement issues.
11/94	U-17735 (Rebuttal)	LA	Louisiana Public Service Commission Staff	Cajun Electric Power Cooperative	G&T cooperative ratemaking policy, exclusion of River Bend, other revenue requirement issues.
4/95	R-00943271	PA	PP&L Industrial Customer Alliance	Pennsylvania Power & Light Co.	Revenue requirements. Fossil dismantling, nuclear decommissioning.
6/95	3905-U Rebuttal	GA	Georgia Public Service Commission	Southern Bell Telephone Co.	Incentive regulation, affiliate transactions, revenue requirements, rate refund.
6/95	U-19904 (Direct)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Gas, coal, nuclear fuel costs, contract prudence, base/fuel realignment.
10/95	95-02614	TN	Tennessee Office of the Attorney General Consumer Advocate	BellSouth Telecommunications, Inc.	Affiliate transactions.
10/95	U-21485 (Direct)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Nuclear O&M, River Bend phase-in plan, base/fuel realignment, NOL and AltMin asset deferred taxes, other revenue requirement issues.
11/95	U-19904 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co. Division	Gas, coal, nuclear fuel costs, contract prudence, base/fuel realignment.
11/95 12/95	U-21485 (Supplemental Direct) U-21485 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Nuclear O&M, River Bend phase-in plan, base/fuel realignment, NOL and AltMin asset deferred taxes, other revenue requirement issues.
1/96	95-299-EL-AIR 95-300-EL-AIR	OH	Industrial Energy Consumers	The Toledo Edison Co., The Cleveland Electric Illuminating Co.	Competition, asset write-offs and revaluation, O&M expense, other revenue requirement issues.
2/96	PUC Docket 14965	TX	Office of Public Utility Counsel	Central Power & Light	Nuclear decommissioning.
5/96	95-485-LCS	NM	City of Las Cruces	El Paso Electric Co.	Stranded cost recovery, municipalization.
7/96	8725	MD	The Maryland Industrial Group and Redland Genstar, Inc.	Baltimore Gas & Electric Co., Potomac Electric Power Co., and Constellation Energy Corp.	Merger savings, tracking mechanism, earnings sharing plan, revenue requirement issues.

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Date	Case	Jurisdict.	Party	Utility	Subject
9/96 11/96	U-22092 U-22092 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	River Bend phase-in plan, base/fuel realignment, NOL and AltMin asset deferred taxes, other revenue requirement issues, allocation of regulated/nonregulated costs.
10/96	96-327	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Environmental surcharge recoverable costs.
2/97	R-00973877	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy Co.	Stranded cost recovery, regulatory assets and liabilities, intangible transition charge, revenue requirements.
3/97	96-489	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Co.	Environmental surcharge recoverable costs, system agreements, allowance inventory, jurisdictional allocation.
6/97	TO-97-397	MO	MCI Telecommunications Corp., Inc., MCImetro Access Transmission Services, Inc.	Southwestern Bell Telephone Co.	Price cap regulation, revenue requirements, rate of return.
6/97	R-00973953	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning.
7/97	R-00973954	PA	PP&L Industrial Customer Alliance	Pennsylvania Power & Light Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning.
7/97	U-22092	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Depreciation rates and methodologies, River Bend phase-in plan.
8/97	97-300	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas & Electric Co., Kentucky Utilities Co.	Merger policy, cost savings, surcredit sharing mechanism, revenue requirements, rate of return.
8/97	R-00973954 (Surrebuttal)	PA	PP&L Industrial Customer Alliance	Pennsylvania Power & Light Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning.
10/97	97-204	KY	Alcan Aluminum Corp. Southwire Co.	Big Rivers Electric Corp.	Restructuring, revenue requirements, reasonableness.
10/97	R-974008	PA	Metropolitan Edison Industrial Users Group	Metropolitan Edison Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning, revenue requirements.
10/97	R-974009	PA	Penelec Industrial Customer Alliance	Pennsylvania Electric Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning, revenue requirements.
11/97	97-204 (Rebuttal)	KY	Alcan Aluminum Corp. Southwire Co.	Big Rivers Electric Corp.	Restructuring, revenue requirements, reasonableness of rates, cost allocation.
11/97	U-22491	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, other revenue requirement issues.

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11/97	R-00973953 (Surrebuttal)	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning.
11/97	R-973981	PA	West Penn Power Industrial Intervenors	West Penn Power Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, fossil decommissioning, revenue requirements, securitization.
11/97	R-974104	PA	Duquesne Industrial Intervenors	Duquesne Light Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning, revenue requirements, securitization.
12/97	R-973981 (Surrebuttal)	PA	West Penn Power Industrial Intervenors	West Penn Power Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, fossil decommissioning, revenue requirements.
12/97	R-974104 (Surrebuttal)	PA	Duquesne Industrial Intervenors	Duquesne Light Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning, revenue requirements, securitization.
1/98	U-22491 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, other revenue requirement issues.
2/98	8774	MD	Westvaco	Potomac Edison Co.	Merger of Duquesne, AE, customer safeguards, savings sharing.
3/98	U-22092 (Allocated Stranded Cost Issues)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Restructuring, stranded costs, regulatory assets, securitization, regulatory mitigation.
3/98	8390-U	GA	Georgia Natural Gas Group, Georgia Textile Manufacturers Assoc.	Atlanta Gas Light Co.	Restructuring, unbundling, stranded costs, incentive regulation, revenue requirements.
3/98	U-22092 (Allocated Stranded Cost Issues) (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Restructuring, stranded costs, regulatory assets, securitization, regulatory mitigation.
3/98	U-22491 (Supplemental Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, other revenue requirement issues.
10/98	97-596	ME	Maine Office of the Public Advocate	Bangor Hydro-Electric Co.	Restructuring, unbundling, stranded costs, T&D revenue requirements.
10/98	9355-U	GA	Georgia Public Service Commission Adversary Staff	Georgia Power Co.	Affiliate transactions.
10/98	U-17735 Rebuttal	LA	Louisiana Public Service Commission Staff	Cajun Electric Power Cooperative	G&T cooperative ratemaking policy, other revenue requirement issues.

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Date	Case	Jurisdict.	Party	Utility	Subject
11/98	U-23327	LA	Louisiana Public Service Commission Staff	SWEPCO, CSW and AEP	Merger policy, savings sharing mechanism, affiliate transaction conditions.
12/98	U-23358 (Direct)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, tax issues, and other revenue requirement issues.
12/98	98-577	ME	Maine Office of Public Advocate	Maine Public Service Co.	Restructuring, unbundling, stranded cost, T&D revenue requirements.
1/99	98-10-07	CT	Connecticut Industrial Energy Consumers	United Illuminating Co.	Stranded costs, investment tax credits, accumulated deferred income taxes, excess deferred income taxes.
3/99	U-23358 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, tax issues, and other revenue requirement issues.
3/99	98-474	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co.	Revenue requirements, alternative forms of regulation.
3/99	98-426	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Revenue requirements, alternative forms of regulation.
3/99	99-082	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co.	Revenue requirements.
3/99	99-083	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Revenue requirements.
4/99	U-23358 (Supplemental Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, tax issues, and other revenue requirement issues.
4/99	99-03-04	CT	Connecticut Industrial Energy Consumers	United Illuminating Co.	Regulatory assets and liabilities, stranded costs, recovery mechanisms.
4/99	99-02-05	CT	Connecticut Industrial Utility Customers	Connecticut Light and Power Co.	Regulatory assets and liabilities, stranded costs, recovery mechanisms.
5/99	98-426 99-082 (Additional Direct)	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co.	Revenue requirements.
5/99	98-474 99-083 (Additional Direct)	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Revenue requirements.
5/99	98-426 98-474 (Response to Amended Applications)	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co., Kentucky Utilities Co.	Alternative regulation.
6/99	97-596	ME	Maine Office of Public Advocate	Bangor Hydro-Electric Co.	Request for accounting order regarding electric industry restructuring costs.
7/99	U-23358	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Affiliate transactions, cost allocations.

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Date	Case	Jurisdict.	Party	Utility	Subject
7/99	99-03-35	CT	Connecticut Industrial Energy Consumers	United Illuminating Co.	Stranded costs, regulatory assets, tax effects of asset divestiture.
7/99	U-23327	LA	Louisiana Public Service Commission Staff	Southwestern Electric Power Co., Central and South West Corp, American Electric Power Co.	Merger Settlement and Stipulation.
7/99	97-596 Surrebuttal	ME	Maine Office of Public Advocate	Bangor Hydro-Electric Co.	Restructuring, unbundling, stranded cost, T&D revenue requirements.
7/99	98-0452-E-GI	WV	West Virginia Energy Users Group	Monongahela Power, Potomac Edison, Appalachian Power, Wheeling Power	Regulatory assets and liabilities.
8/99	98-577 Surrebuttal	ME	Maine Office of Public Advocate	Maine Public Service Co.	Restructuring, unbundling, stranded costs, T&D revenue requirements.
8/99	98-426 99-082 Rebuttal	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co.	Revenue requirements.
8/99	98-474 98-083 Rebuttal	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Revenue requirements.
8/99	98-0452-E-GI Rebuttal	WV	West Virginia Energy Users Group	Monongahela Power, Potomac Edison, Appalachian Power, Wheeling Power	Regulatory assets and liabilities.
10/99	U-24182 Direct	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, affiliate transactions, tax issues, and other revenue requirement issues.
11/99	PUC Docket 21527	TX	The Dallas-Fort Worth Hospital Council and Coalition of Independent Colleges and Universities	TXU Electric	Restructuring, stranded costs, taxes, securitization.
11/99	U-23358 Surrebuttal Affiliate Transactions Review	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Service company affiliate transaction costs.
01/00	U-24182 Surrebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, affiliate transactions, tax issues, and other revenue requirement issues.
04/00	99-1212-EL-ETP 99-1213-EL-ATA 99-1214-EL-AAM	OH	Greater Cleveland Growth Association	First Energy (Cleveland Electric Illuminating, Toledo Edison)	Historical review, stranded costs, regulatory assets, liabilities.

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Date	Case	Jurisdict.	Party	Utility	Subject
05/00	2000-107	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Co.	ECR surcharge roll-in to base rates.
05/00	U-24182 Supplemental Direct	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Affiliate expense proforma adjustments.
05/00	A-110550F0147	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy	Merger between PECO and Unicom.
05/00	99-1658-EL-ETP	OH	AK Steel Corp.	Cincinnati Gas & Electric Co.	Regulatory transition costs, including regulatory assets and liabilities, SFAS 109, ADIT, EDIT, ITC.
07/00	PUC Docket 22344	TX	The Dallas-Fort Worth Hospital Council and The Coalition of Independent Colleges and Universities	Statewide Generic Proceeding	Escalation of O&M expenses for unbundled T&D revenue requirements in projected test year.
07/00	U-21453	LA	Louisiana Public Service Commission	SWEPCO	Stranded costs, regulatory assets and liabilities.
08/00	U-24064	LA	Louisiana Public Service Commission Staff	CLECO	Affiliate transaction pricing ratemaking principles, subsidization of nonregulated affiliates, ratemaking adjustments.
10/00	SOAH Docket 473-00-1015 PUC Docket 22350	TX	The Dallas-Fort Worth Hospital Council and The Coalition of Independent Colleges and Universities	TXU Electric Co.	Restructuring, T&D revenue requirements, mitigation, regulatory assets and liabilities.
10/00	R-00974104 Affidavit	PA	Duquesne Industrial Intervenors	Duquesne Light Co.	Final accounting for stranded costs, including treatment of auction proceeds, taxes, capital costs, switchback costs, and excess pension funding.
11/00	P-00001837 R-00974008 P-00001838 R-00974009	PA	Metropolitan Edison Industrial Users Group Penelec Industrial Customer Alliance	Metropolitan Edison Co., Pennsylvania Electric Co.	Final accounting for stranded costs, including treatment of auction proceeds, taxes, regulatory assets and liabilities, transaction costs.
12/00	U-21453, U-20925, U-22092 (Subdocket C) Surrebuttal	LA	Louisiana Public Service Commission Staff	SWEPCO	Stranded costs, regulatory assets.
01/01	U-24993 Direct	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, tax issues, and other revenue requirement issues.
01/01	U-21453, U-20925, U-22092 (Subdocket B) Surrebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Industry restructuring, business separation plan, organization structure, hold harmless conditions, financing.
01/01	Case No. 2000-386	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas & Electric Co.	Recovery of environmental costs, surcharge mechanism.

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Date	Case	Jurisdict.	Party	Utility	Subject
01/01	Case No. 2000-439	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Recovery of environmental costs, surcharge mechanism.
02/01	A-110300F0095 A-110400F0040	PA	Met-Ed Industrial Users Group, Penelec Industrial Customer Alliance	GPU, Inc. FirstEnergy Corp.	Merger, savings, reliability.
03/01	P-00001860 P-00001861	PA	Met-Ed Industrial Users Group, Penelec Industrial Customer Alliance	Metropolitan Edison Co., Pennsylvania Electric Co.	Recovery of costs due to provider of last resort obligation.
04/01	U-21453, U-20925, U-22092 (Subdocket B) Settlement Term Sheet	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Business separation plan: settlement agreement on overall plan structure.
04/01	U-21453, U-20925, U-22092 (Subdocket B) Contested Issues	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Business separation plan: agreements, hold harmless conditions, separations methodology.
05/01	U-21453, U-20925, U-22092 (Subdocket B) Contested Issues Transmission and Distribution Rebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Business separation plan: agreements, hold harmless conditions, separations methodology.
07/01	U-21453, U-20925, U-22092 (Subdocket B) Transmission and Distribution Term Sheet	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Business separation plan: settlement agreement on T&D issues, agreements necessary to implement T&D separations, hold harmless conditions, separations methodology.
10/01	14000-U	GA	Georgia Public Service Commission Adversary Staff	Georgia Power Company	Revenue requirements, Rate Plan, fuel clause recovery.
11/01	14311-U Direct Panel with Bolin Killings	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co	Revenue requirements, revenue forecast, O&M expense, depreciation, plant additions, cash working capital.
11/01	U-25687 Direct	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Revenue requirements, capital structure, allocation of regulated and nonregulated costs, River Bend uprate.
02/02	PUC Docket 25230	TX	The Dallas-Fort Worth Hospital Council and the Coalition of Independent Colleges and Universities	TXU Electric	Stipulation. Regulatory assets, securitization financing.

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02/02	U-25687 Surrebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Revenue requirements, corporate franchise tax, conversion to LLC, River Bend uprate.
03/02	14311-U Rebuttal Panel with Bolin Killings	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Revenue requirements, earnings sharing plan, service quality standards.
03/02	14311-U Rebuttal Panel with Michelle L. Thebert	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Revenue requirements, revenue forecast, O&M expense, depreciation, plant additions, cash working capital.
03/02	001148-EI	FL	South Florida Hospital and Healthcare Assoc.	Florida Power & Light Co.	Revenue requirements. Nuclear life extension, storm damage accruals and reserve, capital structure, O&M expense.
04/02	U-25687 (Suppl. Surrebuttal)	LA	Louisiana Public Service Commission	Entergy Gulf States, Inc.	Revenue requirements, corporate franchise tax, conversion to LLC, River Bend uprate.
04/02	U-21453, U-20925 U-22092 (Subdocket C)	LA	Louisiana Public Service Commission	SWEPCO	Business separation plan, T&D Term Sheet, separations methodologies, hold harmless conditions.
08/02	EL01-88-000	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	System Agreement, production cost equalization, tariffs.
08/02	U-25888	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc. and Entergy Louisiana, Inc.	System Agreement, production cost disparities, prudence.
09/02	2002-00224 2002-00225	KY	Kentucky Industrial Utilities Customers, Inc.	Kentucky Utilities Co., Louisville Gas & Electric Co.	Line losses and fuel clause recovery associated with off-system sales.
11/02	2002-00146 2002-00147	KY	Kentucky Industrial Utilities Customers, Inc.	Kentucky Utilities Co., Louisville Gas & Electric Co.	Environmental compliance costs and surcharge recovery.
01/03	2002-00169	KY	Kentucky Industrial Utilities Customers, Inc.	Kentucky Power Co.	Environmental compliance costs and surcharge recovery.
04/03	2002-00429 2002-00430	KY	Kentucky Industrial Utilities Customers, Inc.	Kentucky Utilities Co., Louisville Gas & Electric Co.	Extension of merger surcredit, flaws in Companies' studies.
04/03	U-26527	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Revenue requirements, corporate franchise tax, conversion to LLC, capital structure, post-test year adjustments.
06/03	EL01-88-000 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	System Agreement, production cost equalization, tariffs.

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Date	Case	Jurisdict.	Party	Utility	Subject
06/03	2003-00068	KY	Kentucky Industrial Utility Customers	Kentucky Utilities Co.	Environmental cost recovery, correction of base rate error.
11/03	ER03-753-000	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Unit power purchases and sale cost-based tariff pursuant to System Agreement.
11/03	ER03-583-000, ER03-583-001, ER03-583-002 ER03-681-000, ER03-681-001 ER03-682-000, ER03-682-001, ER03-682-002 ER03-744-000, ER03-744-001 (Consolidated)	FERC	Louisiana Public Service Commission	Entergy Services, Inc., the Entergy Operating Companies, EWO Marketing, L.P, and Entergy Power, Inc.	Unit power purchases and sale agreements, contractual provisions, projected costs, levelized rates, and formula rates.
12/03	U-26527 Surrebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Revenue requirements, corporate franchise tax, conversion to LLC, capital structure, post-test year adjustments.
12/03	2003-0334 2003-0335	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co., Louisville Gas & Electric Co.	Earnings Sharing Mechanism.
12/03	U-27136	LA	Louisiana Public Service Commission Staff	Entergy Louisiana, Inc.	Purchased power contracts between affiliates, terms and conditions.
03/04	U-26527 Supplemental Surrebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Revenue requirements, corporate franchise tax, conversion to LLC, capital structure, post-test year adjustments.
03/04	2003-00433	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas & Electric Co.	Revenue requirements, depreciation rates, O&M expense, deferrals and amortization, earnings sharing mechanism, merger surcredit, VDT surcredit.
03/04	2003-00434	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Revenue requirements, depreciation rates, O&M expense, deferrals and amortization, earnings sharing mechanism, merger surcredit, VDT surcredit.
03/04	SOAH Docket 473-04-2459 PUC Docket 29206	TX	Cities Served by Texas-New Mexico Power Co.	Texas-New Mexico Power Co.	Stranded costs true-up, including valuation issues, ITC, ADIT, excess earnings.
05/04	04-169-EL-UNC	OH	Ohio Energy Group, Inc.	Columbus Southern Power Co. & Ohio Power Co.	Rate stabilization plan, deferrals, T&D rate increases, earnings.
06/04	SOAH Docket 473-04-4555 PUC Docket 29526	TX	Houston Council for Health and Education	CenterPoint Energy Houston Electric	Stranded costs true-up, including valuation issues, ITC, EDIT, excess mitigation credits, capacity auction true-up revenues, interest.

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Date	Case	Jurisdict.	Party	Utility	Subject
08/04	SOAH Docket 473-04-4555 PUC Docket 29526 (Suppl Direct)	TX	Houston Council for Health and Education	CenterPoint Energy Houston Electric	Interest on stranded cost pursuant to Texas Supreme Court remand.
09/04	U-23327 Subdocket B	LA	Louisiana Public Service Commission Staff	SWEPCO	Fuel and purchased power expenses recoverable through fuel adjustment clause, trading activities, compliance with terms of various LPSC Orders.
10/04	U-23327 Subdocket A	LA	Louisiana Public Service Commission Staff	SWEPCO	Revenue requirements.
12/04	Case Nos. 2004-00321, 2004-00372	KY	Gallatin Steel Co.	East Kentucky Power Cooperative, Inc., Big Sandy Recc, et al.	Environmental cost recovery, qualified costs, TIER requirements, cost allocation.
01/05	30485	TX	Houston Council for Health and Education	CenterPoint Energy Houston Electric, LLC	Stranded cost true-up including regulatory Central Co. assets and liabilities, ITC, EDIT, capacity auction, proceeds, excess mitigation credits, retrospective and prospective ADIT.
02/05	18638-U	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Revenue requirements.
02/05	18638-U Panel with Tony Wackerly	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Comprehensive rate plan, pipeline replacement program surcharge, performance based rate plan.
02/05	18638-U Panel with Michelle Thebert	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Energy conservation, economic development, and tariff issues.
03/05	Case Nos. 2004-00426, 2004-00421	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co., Louisville Gas & Electric	Environmental cost recovery, Jobs Creation Act of 2004 and §199 deduction, excess common equity ratio, deferral and amortization of nonrecurring O&M expense.
06/05	2005-00068	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Co.	Environmental cost recovery, Jobs Creation Act of 2004 and §199 deduction, margins on allowances used for AEP system sales.
06/05	050045-EI	FL	South Florida Hospital and Heallthcare Assoc.	Florida Power & Light Co.	Storm damage expense and reserve, RTO costs, O&M expense projections, return on equity performance incentive, capital structure, selective second phase post-test year rate increase.
08/05	31056	TX	Alliance for Valley Healthcare	AEP Texas Central Co.	Stranded cost true-up including regulatory assets and liabilities, ITC, EDIT, capacity auction, proceeds, excess mitigation credits, retrospective and prospective ADIT.
09/05	20298-U	GA	Georgia Public Service Commission Adversary Staff	Atmos Energy Corp.	Revenue requirements, roll-in of surcharges, cost recovery through surcharge, reporting requirements.
09/05	20298-U	GA	Georgia Public Service	Atmos Energy Corp.	Affiliate transactions, cost allocations, capitalization,

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Date	Case	Jurisdict.	Party	Utility	Subject
	Panel with Victoria Taylor		Commission Adversary Staff		cost of debt.
10/05	04-42	DE	Delaware Public Service Commission Staff	Artesian Water Co.	Allocation of tax net operating losses between regulated and unregulated.
11/05	2005-00351 2005-00352	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co., Louisville Gas & Electric	Workforce Separation Program cost recovery and shared savings through VDT surcredit.
01/06	2005-00341	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Co.	System Sales Clause Rider, Environmental Cost Recovery Rider. Net Congestion Rider, Storm damage, vegetation management program, depreciation, off-system sales, maintenance normalization, pension and OPEB.
03/06	PUC Docket 31994	TX	Cities	Texas-New Mexico Power Co.	Stranded cost recovery through competition transition or change.
05/06	31994 Supplemental	TX	Cities	Texas-New Mexico Power Co.	Retrospective ADFIT, prospective ADFIT.
03/06	U-21453, U-20925, U-22092 (Subdocket B)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Jurisdictional separation plan.
03/06	NOPR Reg 104385-OR	IRS	Alliance for Valley Health Care and Houston Council for Health Education	AEP Texas Central Company and CenterPoint Energy Houston Electric	Proposed Regulations affecting flow- through to ratepayers of excess deferred income taxes and investment tax credits on generation plant that is sold or deregulated.
04/06	U-25116	LA	Louisiana Public Service Commission Staff	Entergy Louisiana, Inc.	2002-2004 Audit of Fuel Adjustment Clause Filings. Affiliate transactions.
07/06	R-00061366, Et. al.	PA	Met-Ed Ind. Users Group Pennsylvania Ind. Customer Alliance	Metropolitan Edison Co., Pennsylvania Electric Co.	Recovery of NUG-related stranded costs, government mandated program costs, storm damage costs.
07/06	U-23327	LA	Louisiana Public Service Commission Staff	Southwestern Electric Power Co.	Revenue requirements, formula rate plan, banking proposal.
08/06	U-21453, U-20925, U-22092 (Subdocket J)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Jurisdictional separation plan.
11/06	05CVH03-3375 Franklin County Court Affidavit	OH	Various Taxing Authorities (Non-Utility Proceeding)	State of Ohio Department of Revenue	Accounting for nuclear fuel assemblies as manufactured equipment and capitalized plant.
12/06	U-23327 Subdocket A Reply Testimony	LA	Louisiana Public Service Commission Staff	Southwestern Electric Power Co.	Revenue requirements, formula rate plan, banking proposal.
03/07	U-29764	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc., Entergy Louisiana, LLC	Jurisdictional allocation of Entergy System Agreement equalization remedy receipts.

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Date	Case	Jurisdict.	Party	Utility	Subject
03/07	PUC Docket 33309	TX	Cities	AEP Texas Central Co.	Revenue requirements, including functionalization of transmission and distribution costs.
03/07	PUC Docket 33310	TX	Cities	AEP Texas North Co.	Revenue requirements, including functionalization of transmission and distribution costs.
03/07	2006-00472	KY	Kentucky Industrial Utility Customers, Inc.	East Kentucky Power Cooperative	Interim rate increase, RUS loan covenants, credit facility requirements, financial condition.
03/07	U-29157	LA	Louisiana Public Service Commission Staff	Cleco Power, LLC	Permanent (Phase II) storm damage cost recovery.
04/07	U-29764 Supplemental and Rebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc., Entergy Louisiana, LLC	Jurisdictional allocation of Entergy System Agreement equalization remedy receipts.
04/07	ER07-682-000 Affidavit	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Allocation of intangible and general plant and A&G expenses to production and state income tax effects on equalization remedy receipts.
04/07	ER07-684-000 Affidavit	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Fuel hedging costs and compliance with FERC USOA.
05/07	ER07-682-000 Supplemental Affidavit	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Allocation of intangible and general plant and A&G expenses to production and account 924 effects on MSS-3 equalization remedy payments and receipts.
06/07	U-29764	LA	Louisiana Public Service Commission Staff	Entergy Louisiana, LLC, Entergy Gulf States, Inc.	Show cause for violating LPSC Order on fuel hedging costs.
07/07	2006-00472	KY	Kentucky Industrial Utility Customers, Inc.	East Kentucky Power Cooperative	Revenue requirements, post-test year adjustments, TIER, surcharge revenues and costs, financial need.
07/07	ER07-956-000 Affidavit	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Storm damage costs related to Hurricanes Katrina and Rita and effects of MSS-3 equalization payments and receipts.
10/07	05-UR-103 Direct	WI	Wisconsin Industrial Energy Group	Wisconsin Electric Power Company, Wisconsin Gas, LLC	Revenue requirements, carrying charges on CWIP, amortization and return on regulatory assets, working capital, incentive compensation, use of rate base in lieu of capitalization, quantification and use of Point Beach sale proceeds.
10/07	05-UR-103 Surrebuttal	WI	Wisconsin Industrial Energy Group	Wisconsin Electric Power Company, Wisconsin Gas, LLC	Revenue requirements, carrying charges on CWIP, amortization and return on regulatory assets, working capital, incentive compensation, use of rate base in lieu of capitalization, quantification and use of Point Beach sale proceeds.
10/07	25060-U Direct	GA	Georgia Public Service Commission Public Interest Adversary Staff	Georgia Power Company	Affiliate costs, incentive compensation, consolidated income taxes, §199 deduction.

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Date	Case	Jurisdict.	Party	Utility	Subject
11/07	06-0033-E-CN Direct	WV	West Virginia Energy Users Group	Appalachian Power Company	IGCC surcharge during construction period and post-in-service date.
11/07	ER07-682-000 Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Functionalization and allocation of intangible and general plant and A&G expenses.
01/08	ER07-682-000 Cross-Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Functionalization and allocation of intangible and general plant and A&G expenses.
01/08	07-551-EL-AIR Direct	OH	Ohio Energy Group, Inc.	Ohio Edison Company, Cleveland Electric Illuminating Company, Toledo Edison Company	Revenue requirements.
02/08	ER07-956-000 Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Functionalization of expenses, storm damage expense and reserves, tax NOL carrybacks in accounts, ADIT, nuclear service lives and effects on depreciation and decommissioning.
03/08	ER07-956-000 Cross-Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Functionalization of expenses, storm damage expense and reserves, tax NOL carrybacks in accounts, ADIT, nuclear service lives and effects on depreciation and decommissioning.
04/08	2007-00562, 2007-00563	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co., Louisville Gas and Electric Co.	Merger surcredit.
04/08	26837 Direct Bond, Johnson, Thebert, Kollen Panel	GA	Georgia Public Service Commission Staff	SCANA Energy Marketing, Inc.	Rule Nisi complaint.
05/08	26837 Rebuttal Bond, Johnson, Thebert, Kollen Panel	GA	Georgia Public Service Commission Staff	SCANA Energy Marketing, Inc.	Rule Nisi complaint.
05/08	26837 Suppl Rebuttal Bond, Johnson, Thebert, Kollen Panel	GA	Georgia Public Service Commission Staff	SCANA Energy Marketing, Inc.	Rule Nisi complaint.
06/08	2008-00115	KY	Kentucky Industrial Utility Customers, Inc.	East Kentucky Power Cooperative, Inc.	Environmental surcharge recoveries, including costs recovered in existing rates, TIER.

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Date	Case	Jurisdict.	Party	Utility	Subject
07/08	27163 Direct	GA	Georgia Public Service Commission Public Interest Advocacy Staff	Atmos Energy Corp.	Revenue requirements, including projected test year rate base and expenses.
07/08	27163 Taylor, Kollen Panel	GA	Georgia Public Service Commission Public Interest Advocacy Staff	Atmos Energy Corp.	Affiliate transactions and division cost allocations, capital structure, cost of debt.
08/08	6680-CE-170 Direct	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Power and Light Company	Nelson Dewey 3 or Colombia 3 fixed financial parameters.
08/08	6680-UR-116 Direct	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Power and Light Company	CWIP in rate base, labor expenses, pension expense, financing, capital structure, decoupling.
08/08	6680-UR-116 Rebuttal	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Power and Light Company	Capital structure.
08/08	6690-UR-119 Direct	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Public Service Corp.	Prudence of Weston 3 outage, incentive compensation, Crane Creek Wind Farm incremental revenue requirement, capital structure.
09/08	6690-UR-119 Surrebuttal	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Public Service Corp.	Prudence of Weston 3 outage, Section 199 deduction.
09/08	08-935-EL-SSO, 08-918-EL-SSO	OH	Ohio Energy Group, Inc.	First Energy	Standard service offer rates pursuant to electric security plan, significantly excessive earnings test.
10/08	08-917-EL-SSO	OH	Ohio Energy Group, Inc.	AEP	Standard service offer rates pursuant to electric security plan, significantly excessive earnings test.
10/08	2007-00564, 2007-00565, 2008-00251 2008-00252	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co., Kentucky Utilities Company	Revenue forecast, affiliate costs, ELG v ASL depreciation procedures, depreciation expenses, federal and state income tax expense, capitalization, cost of debt.
11/08	EL08-51	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Spindletop gas storage facilities, regulatory asset and bandwidth remedy.
11/08	35717	TX	Cities Served by Oncor Delivery Company	Oncor Delivery Company	Recovery of old meter costs, asset ADFIT, cash working capital, recovery of prior year restructuring costs, levelized recovery of storm damage costs, prospective storm damage accrual, consolidated tax savings adjustment.
12/08	27800	GA	Georgia Public Service Commission	Georgia Power Company	AFUDC versus CWIP in rate base, mirror CWIP, certification cost, use of short term debt and trust preferred financing, CWIP recovery, regulatory incentive.
01/09	ER08-1056	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Entergy System Agreement bandwidth remedy calculations, including depreciation expense, ADIT, capital structure.
01/09	ER08-1056 Supplemental Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Blytheville leased turbines; accumulated depreciation.

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Date	Case	Jurisdict.	Party	Utility	Subject
02/09	EL08-51 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Spindletop gas storage facilities regulatory asset and bandwidth remedy.
02/09	2008-00409 Direct	KY	Kentucky Industrial Utility Customers, Inc.	East Kentucky Power Cooperative, Inc.	Revenue requirements.
03/09	ER08-1056 Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Entergy System Agreement bandwidth remedy calculations, including depreciation expense, ADIT, capital structure.
03/09 04/09	U-21453, U-20925 U-22092 (Sub J) Direct Rebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States Louisiana, LLC	Violation of EGSI separation order, ETI and EGSL separation accounting, Spindletop regulatory asset.
04/09	2009-00040 Direct-Interim (Oral)	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Emergency interim rate increase; cash requirements.
04/09	PUC Docket 36530	TX	State Office of Administrative Hearings	Oncor Electric Delivery Company, LLC	Rate case expenses.
05/09	ER08-1056 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Entergy System Agreement bandwidth remedy calculations, including depreciation expense, ADIT, capital structure.
06/09	2009-00040 Direct-Permanent	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Revenue requirements, TIER, cash flow.
07/09	080677-EI	FL	South Florida Hospital and Healthcare Association	Florida Power & Light Company	Multiple test years, GBRA rider, forecast assumptions, revenue requirement, O&M expense, depreciation expense, Economic Stimulus Bill, capital structure.
08/09	U-21453, U-20925, U-22092 (Subdocket J) Supplemental Rebuttal	LA	Louisiana Public Service Commission	Entergy Gulf States Louisiana, LLC	Violation of EGSI separation order, ETI and EGSL separation accounting, Spindletop regulatory asset.
08/09	8516 and 29950	GA	Georgia Public Service Commission Staff	Atlanta Gas Light Company	Modification of PRP surcharge to include infrastructure costs.
09/09	05-UR-104 Direct and Surrebuttal	WI	Wisconsin Industrial Energy Group	Wisconsin Electric Power Company	Revenue requirements, incentive compensation, depreciation, deferral mitigation, capital structure, cost of debt.
09/09	09AL-299E Answer	CO	CF&I Steel, Rocky Mountain Steel Mills LP, Climax Molybdenum Company	Public Service Company of Colorado	Forecasted test year, historic test year, proforma adjustments for major plant additions, tax depreciation.

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Date	Case	Jurisdict.	Party	Utility	Subject
09/09	6680-UR-117 Direct and Surrebuttal	WI	Wisconsin Industrial Energy Group	Wisconsin Power and Light Company	Revenue requirements, CWIP in rate base, deferral mitigation, payroll, capacity shutdowns, regulatory assets, rate of return.
10/09	09A-415E Answer	CO	Cripple Creek & Victor Gold Mining Company, et al.	Black Hills/CO Electric Utility Company	Cost prudence, cost sharing mechanism.
10/09	EL09-50 Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Waterford 3 sale/leaseback accumulated deferred income taxes, Entergy System Agreement bandwidth remedy calculations.
10/09	2009-00329	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Company, Kentucky Utilities Company	Trimble County 2 depreciation rates.
12/09	PUE-2009-00030	VA	Old Dominion Committee for Fair Utility Rates	Appalachian Power Company	Return on equity incentive.
12/09	ER09-1224 Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Hypothetical versus actual costs, out of period costs, Spindletop deferred capital costs, Waterford 3 sale/leaseback ADIT.
01/10	ER09-1224 Cross-Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Hypothetical versus actual costs, out of period costs, Spindletop deferred capital costs, Waterford 3 sale/leaseback ADIT.
01/10	EL09-50 Rebuttal Supplemental Rebuttal	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Waterford 3 sale/leaseback accumulated deferred income taxes, Entergy System Agreement bandwidth remedy calculations.
02/10	ER09-1224 Final	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Hypothetical versus actual costs, out of period costs, Spindletop deferred capital costs, Waterford 3 sale/leaseback ADIT.
02/10	30442 Wackerly-Kollen Panel	GA	Georgia Public Service Commission Staff	Atmos Energy Corporation	Revenue requirement issues.
02/10	30442 McBride-Kollen Panel	GA	Georgia Public Service Commission Staff	Atmos Energy Corporation	Affiliate/division transactions, cost allocation, capital structure.
02/10	2009-00353	KY	Kentucky Industrial Utility Customers, Inc., Attorney General	Louisville Gas and Electric Company, Kentucky Utilities Company	Ratemaking recovery of wind power purchased power agreements.
03/10	2009-00545	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Ratemaking recovery of wind power purchased power agreement.
03/10	E015/GR-09-1151	MN	Large Power Interveners	Minnesota Power	Revenue requirement issues, cost overruns on environmental retrofit project.

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Date	Case	Jurisdict.	Party	Utility	Subject
04/10	2009-00459	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Revenue requirement issues.
04/10	2009-00548, 2009-00549	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Company, Louisville Gas and Electric Company	Revenue requirement issues.
08/10	31647	GA	Georgia Public Service Commission Staff	Atlanta Gas Light Company	Revenue requirement and synergy savings issues.
08/10	31647 Wackerly-Kollen Panel	GA	Georgia Public Service Commission Staff	Atlanta Gas Light Company	Affiliate transaction and Customer First program issues.
08/10	2010-00204	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Company, Kentucky Utilities Company	PPL acquisition of E.ON U.S. (LG&E and KU) conditions, acquisition savings, sharing deferral mechanism.
09/10	38339 Direct and Cross-Rebuttal	TX	Gulf Coast Coalition of Cities	CenterPoint Energy Houston Electric	Revenue requirement issues, including consolidated tax savings adjustment, incentive compensation FIN 48; AMS surcharge including roll-in to base rates; rate case expenses.
09/10	EL10-55	FERC	Louisiana Public Service Commission	Entergy Services, Inc., Entergy Operating Cos	Depreciation rates and expense input effects on System Agreement tariffs.
09/10	2010-00167	KY	Gallatin Steel	East Kentucky Power Cooperative, Inc.	Revenue requirements.
09/10	U-23327 Subdocket E Direct	LA	Louisiana Public Service Commission	SWEPCO	Fuel audit: S02 allowance expense, variable O&M expense, off-system sales margin sharing.
11/10	U-23327 Rebuttal	LA	Louisiana Public Service Commission	SWEPCO	Fuel audit: S02 allowance expense, variable O&M expense, off-system sales margin sharing.
09/10	U-31351	LA	Louisiana Public Service Commission Staff	SWEPCO and Valley Electric Membership Cooperative	Sale of Valley assets to SWEPCO and dissolution of Valley.
10/10	10-1261-EL-UNC	OH	Ohio OCC, Ohio Manufacturers Association, Ohio Energy Group, Ohio Hospital Association, Appalachian Peace and Justice Network	Columbus Southern Power Company	Significantly excessive earnings test.
10/10	10-0713-E-PC	WV	West Virginia Energy Users Group	Monongahela Power Company, Potomac Edison Power Company	Merger of First Energy and Allegheny Energy.

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Date	Case	Jurisdict.	Party	Utility	Subject
10/10	U-23327 Subdocket F Direct	LA	Louisiana Public Service Commission Staff	SWEPCO	AFUDC adjustments in Formula Rate Plan.
11/10	EL10-55 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Services, Inc., Entergy Operating Cos	Depreciation rates and expense input effects on System Agreement tariffs.
12/10	ER10-1350 Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc. Entergy Operating Cos	Waterford 3 lease amortization, ADIT, and fuel inventory effects on System Agreement tariffs.
01/11	ER10-1350 Cross-Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc., Entergy Operating Cos	Waterford 3 lease amortization, ADIT, and fuel inventory effects on System Agreement tariffs.
03/11 04/11	ER10-2001 Direct Cross-Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc., Entergy Arkansas, Inc.	EAI depreciation rates.
04/11	U-23327 Subdocket E	LA	Louisiana Public Service Commission Staff	SWEPCO	Settlement, incl resolution of S02 allowance expense, var O&M expense, sharing of OSS margins.
04/11 05/11	38306 Direct Suppl Direct	TX	Cities Served by Texas-New Mexico Power Company	Texas-New Mexico Power Company	AMS deployment plan, AMS Surcharge, rate case expenses.
05/11	11-0274-E-GI	WV	West Virginia Energy Users Group	Appalachian Power Company, Wheeling Power Company	Deferral recovery phase-in, construction surcharge.
05/11	2011-00036	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Revenue requirements.
06/11	29849	GA	Georgia Public Service Commission Staff	Georgia Power Company	Accounting issues related to Vogtle risk-sharing mechanism.
07/11	ER11-2161 Direct and Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and Entergy Texas, Inc.	ETI depreciation rates; accounting issues.
07/11	PUE-2011-00027	VA	Virginia Committee for Fair Utility Rates	Virginia Electric and Power Company	Return on equity performance incentive.
07/11	11-346-EL-SSO 11-348-EL-SSO 11-349-EL-AAM 11-350-EL-AAM	OH	Ohio Energy Group	AEP-OH	Equity Stabilization Incentive Plan; actual earned returns; ADIT offsets in riders.
08/11	U-23327 Subdocket F Rebuttal	LA	Louisiana Public Service Commission Staff	SWEPCO	Depreciation rates and service lives; AFUDC adjustments.
08/11	05-UR-105	WI	Wisconsin Industrial Energy Group	WE Energies, Inc.	Suspended amortization expenses; revenue requirements.

**Expert Testimony Appearances
of
Lane Kollen
As of January 2022**

Date	Case	Jurisdict.	Party	Utility	Subject
08/11	ER11-2161 Cross-Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and Entergy Texas, Inc.	ETI depreciation rates; accounting issues.
09/11	PUC Docket 39504	TX	Gulf Coast Coalition of Cities	CenterPoint Energy Houston Electric	Investment tax credit, excess deferred income taxes; normalization.
09/11	2011-00161 2011-00162	KY	Kentucky Industrial Utility Consumers, Inc.	Louisville Gas & Electric Company, Kentucky Utilities Company	Environmental requirements and financing.
10/11	11-4571-EL-UNC 11-4572-EL-UNC	OH	Ohio Energy Group	Columbus Southern Power Company, Ohio Power Company	Significantly excessive earnings.
10/11	4220-UR-117 Direct	WI	Wisconsin Industrial Energy Group	Northern States Power-Wisconsin	Nuclear O&M, depreciation.
11/11	4220-UR-117 Surrebuttal	WI	Wisconsin Industrial Energy Group	Northern States Power-Wisconsin	Nuclear O&M, depreciation.
11/11	PUC Docket 39722	TX	Cities Served by AEP Texas Central Company	AEP Texas Central Company	Investment tax credit, excess deferred income taxes; normalization.
02/12	PUC Docket 40020	TX	Cities Served by Oncor	Lone Star Transmission, LLC	Temporary rates.
03/12	11AL-947E Answer	CO	Climax Molybdenum Company and CF&I Steel, L.P. d/b/a Evraz Rocky Mountain Steel	Public Service Company of Colorado	Revenue requirements, including historic test year, future test year, CACJA CWIP, contra-AFUDC.
03/12	2011-00401	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Big Sandy 2 environmental retrofits and environmental surcharge recovery.
4/12	2011-00036 Direct Rehearing Supplemental Rebuttal Rehearing	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Rate case expenses, depreciation rates and expense.
04/12	10-2929-EL-UNC	OH	Ohio Energy Group	AEP Ohio Power	State compensation mechanism, CRES capacity charges, Equity Stabilization Mechanism
05/12	11-346-EL-SSO 11-348-EL-SSO	OH	Ohio Energy Group	AEP Ohio Power	State compensation mechanism, Equity Stabilization Mechanism, Retail Stability Rider.
05/12	11-4393-EL-RDR	OH	Ohio Energy Group	Duke Energy Ohio, Inc.	Incentives for over-compliance on EE/PDR mandates.

Expert Testimony Appearances
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Date	Case	Jurisdict.	Party	Utility	Subject
06/12	40020	TX	Cities Served by Oncor	Lone Star Transmission, LLC	Revenue requirements, including ADIT, bonus depreciation and NOL, working capital, self insurance, depreciation rates, federal income tax expense.
07/12	120015-EI	FL	South Florida Hospital and Healthcare Association	Florida Power & Light Company	Revenue requirements, including vegetation management, nuclear outage expense, cash working capital, CWIP in rate base.
07/12	2012-00063	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Environmental retrofits, including environmental surcharge recovery.
09/12	05-UR-106	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Electric Power Company	Section 1603 grants, new solar facility, payroll expenses, cost of debt.
10/12	2012-00221 2012-00222	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Company, Kentucky Utilities Company	Revenue requirements, including off-system sales, outage maintenance, storm damage, injuries and damages, depreciation rates and expense.
10/12	120015-EI Direct	FL	South Florida Hospital and Healthcare Association	Florida Power & Light Company	Settlement issues.
11/12	120015-EI Rebuttal	FL	South Florida Hospital and Healthcare Association	Florida Power & Light Company	Settlement issues.
10/12	40604	TX	Steering Committee of Cities Served by Oncor	Cross Texas Transmission, LLC	Policy and procedural issues, revenue requirements, including AFUDC, ADIT – bonus depreciation & NOL, incentive compensation, staffing, self-insurance, net salvage, depreciation rates and expense, income tax expense.
11/12	40627 Direct	TX	City of Austin d/b/a Austin Energy	City of Austin d/b/a Austin Energy	Rate case expenses.
12/12	40443	TX	Cities Served by SWEPCO	Southwestern Electric Power Company	Revenue requirements, including depreciation rates and service lives, O&M expenses, consolidated tax savings, CWIP in rate base, Turk plant costs.
12/12	U-29764	LA	Louisiana Public Service Commission Staff	Entergy Gulf States Louisiana, LLC and Entergy Louisiana, LLC	Termination of purchased power contracts between EGSL and ETI, Spindletop regulatory asset.
01/13	ER12-1384 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Gulf States Louisiana, LLC and Entergy Louisiana, LLC	Little Gypsy 3 cancellation costs.
02/13	40627 Rebuttal	TX	City of Austin d/b/a Austin Energy	City of Austin d/b/a Austin Energy	Rate case expenses.
03/13	12-426-EL-SSO	OH	The Ohio Energy Group	The Dayton Power and Light Company	Capacity charges under state compensation mechanism, Service Stability Rider, Switching Tracker.

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Date	Case	Jurisdict.	Party	Utility	Subject
04/13	12-2400-EL-UNC	OH	The Ohio Energy Group	Duke Energy Ohio, Inc.	Capacity charges under state compensation mechanism, deferrals, rider to recover deferrals.
04/13	2012-00578	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Resource plan, including acquisition of interest in Mitchell plant.
05/13	2012-00535	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corporation	Revenue requirements, excess capacity, restructuring.
06/13	12-3254-EL-UNC	OH	The Ohio Energy Group, Inc., Office of the Ohio Consumers' Counsel	Ohio Power Company	Energy auctions under CBP, including reserve prices.
07/13	2013-00144	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Biomass renewable energy purchase agreement.
07/13	2013-00221	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corporation	Agreements to provide Century Hawesville Smelter market access.
10/13	2013-00199	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corporation	Revenue requirements, excess capacity, restructuring.
12/13	2013-00413	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corporation	Agreements to provide Century Sebree Smelter market access.
01/14	ER10-1350 Direct and Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Waterford 3 lease accounting and treatment in annual bandwidth filings.
02/14	U-32981	LA	Louisiana Public Service Commission	Entergy Louisiana, LLC	Montauk renewable energy PPA.
04/14	ER13-432 Direct	FERC	Louisiana Public Service Commission	Entergy Gulf States Louisiana, LLC and Entergy Louisiana, LLC	UP Settlement benefits and damages.
05/14	PUE-2013-00132	VA	HP Hood LLC	Shenandoah Valley Electric Cooperative	Market based rate; load control tariffs.
07/14	PUE-2014-00033	VA	Virginia Committee for Fair Utility Rates	Virginia Electric and Power Company	Fuel and purchased power hedge accounting, change in FAC Definitional Framework.
08/14	ER13-432 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Gulf States Louisiana, LLC and Entergy Louisiana, LLC	UP Settlement benefits and damages.
08/14	2014-00134	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corporation	Requirements power sales agreements with Nebraska entities.
09/14	E-015/CN-12-1163 Direct	MN	Large Power Intervenors	Minnesota Power	Great Northern Transmission Line; cost cap; AFUDC v. current recovery; rider v. base recovery; class cost allocation.
10/14	2014-00225	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Allocation of fuel costs to off-system sales.

Expert Testimony Appearances
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Date	Case	Jurisdict.	Party	Utility	Subject
10/14	ER13-1508	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Entergy service agreements and tariffs for affiliate power purchases and sales; return on equity.
10/14	14-0702-E-42T 14-0701-E-D	WV	West Virginia Energy Users Group	First Energy-Monongahela Power, Potomac Edison	Consolidated tax savings; payroll; pension, OPEB, amortization; depreciation; environmental surcharge.
11/14	E-015/CN-12-1163 Surrebuttal	MN	Large Power Intervenors	Minnesota Power	Great Northern Transmission Line; cost cap; AFUDC v. current recovery; rider v. base recovery; class allocation.
11/14	05-376-EL-UNC	OH	Ohio Energy Group	Ohio Power Company	Refund of IGCC CWIP financing cost recoveries.
11/14	14AL-0660E	CO	Climax, CF&I Steel	Public Service Company of Colorado	Historic test year v. future test year; AFUDC v. current return; CACJA rider, transmission rider; equivalent availability rider; ADIT; depreciation; royalty income; amortization.
12/14	EL14-026	SD	Black Hills Industrial Intervenors	Black Hills Power Company	Revenue requirement issues, including depreciation expense and affiliate charges.
12/14	14-1152-E-42T	WV	West Virginia Energy Users Group	AEP-Appalachian Power Company	Income taxes, payroll, pension, OPEB, deferred costs and write offs, depreciation rates, environmental projects surcharge.
01/15	9400-YO-100 Direct	WI	Wisconsin Industrial Energy Group	Wisconsin Energy Corporation	WEC acquisition of Integrys Energy Group, Inc.
01/15	14F-0336EG 14F-0404EG	CO	Development Recovery Company LLC	Public Service Company of Colorado	Line extension policies and refunds.
02/15	9400-YO-100 Rebuttal	WI	Wisconsin Industrial Energy Group	Wisconsin Energy Corporation	WEC acquisition of Integrys Energy Group, Inc.
03/15	2014-00396	KY	Kentucky Industrial Utility Customers, Inc.	AEP-Kentucky Power Company	Base, Big Sandy 2 retirement rider, environmental surcharge, and Big Sandy 1 operation rider revenue requirements, depreciation rates, financing, deferrals.
03/15	2014-00371 2014-00372	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Company and Louisville Gas and Electric Company	Revenue requirements, staffing and payroll, depreciation rates.
04/15	2014-00450	KY	Kentucky Industrial Utility Customers, Inc. and the Attorney General of the Commonwealth of Kentucky	AEP-Kentucky Power Company	Allocation of fuel costs between native load and off-system sales.
04/15	2014-00455	KY	Kentucky Industrial Utility Customers, Inc. and the Attorney General of the Commonwealth of Kentucky	Big Rivers Electric Corporation	Allocation of fuel costs between native load and off-system sales.

Expert Testimony Appearances of Lane Kollen As of January 2022

Date	Case	Jurisdict.	Party	Utility	Subject
04/15	ER2014-0370	MO	Midwest Energy Consumers' Group	Kansas City Power & Light Company	Affiliate transactions, operation and maintenance expense, management audit.
05/15	PUE-2015-00022	VA	Virginia Committee for Fair Utility Rates	Virginia Electric and Power Company	Fuel and purchased power hedge accounting; change in FAC Definitional Framework.
05/15 09/15	EL10-65 Direct, Rebuttal Complaint	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Accounting for AFUDC Debt, related ADIT.
07/15	EL10-65 Direct and Answering Consolidated Bandwidth Dockets	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Waterford 3 sale/leaseback ADIT, Bandwidth Formula.
09/15	14-1693-EL-RDR	OH	Public Utilities Commission of Ohio	Ohio Energy Group	PPA rider for charges or credits for physical hedges against market.
12/15	45188	TX	Cities Served by Oncor Electric Delivery Company	Oncor Electric Delivery Company	Hunt family acquisition of Oncor; transaction structure; income tax savings from real estate investment trust (REIT) structure; conditions.
12/15 01/16	6680-CE-176 Direct, Surrebuttal, Supplemental Rebuttal	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Power and Light Company	Need for capacity and economics of proposed Riverside Energy Center Expansion project; ratemaking conditions.
03/16 03/16 04/16 05/16 06/16	EL01-88 Remand Direct Answering Cross-Answering Rebuttal	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Bandwidth Formula: Capital structure, fuel inventory, Waterford 3 sale/leaseback, Vidalia purchased power, ADIT, Blythesville, Spindletop, River Bend AFUDC, property insurance reserve, nuclear depreciation expense.
03/16	15-1673-E-T	WV	West Virginia Energy Users Group	Appalachian Power Company	Terms and conditions of utility service for commercial and industrial customers, including security deposits.
04/16	39971 Panel Direct	GA	Georgia Public Service Commission Staff	Southern Company, AGL Resources, Georgia Power Company, Atlanta Gas Light Company	Southern Company acquisition of AGL Resources, risks, opportunities, quantification of savings, ratemaking implications, conditions, settlement.
04/16	2015-00343	KY	Office of the Attorney General	Atmos Energy Corporation	Revenue requirements, including NOL ADIT, affiliate transactions.
04/16	2016-00070	KY	Office of the Attorney General	Atmos Energy Corporation	R & D Rider.

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Date	Case	Jurisdict.	Party	Utility	Subject
05/16	2016-00026 2016-00027	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co., Louisville Gas & Electric Co.	Need for environmental projects, calculation of environmental surcharge rider.
05/16	16-G-0058 16-G-0059	NY	New York City	Keyspan Gas East Corp., Brooklyn Union Gas Company	Depreciation, including excess reserves, leak prone pipe.
06/16	160088-EI	FL	South Florida Hospital and Healthcare Association	Florida Power and Light Company	Fuel Adjustment Clause Incentive Mechanism re: economy sales and purchases, asset optimization.
07/16	160021-EI	FL	South Florida Hospital and Healthcare Association	Florida Power and Light Company	Revenue requirements, including capital recovery, depreciation, ADIT.
07/16	16-057-01	UT	Office of Consumer Services	Dominion Resources, Inc. / Questar Corporation	Merger, risks, harms, benefits, accounting.
08/16	15-1022-EL-UNC 16-1105-EL-UNC	OH	Ohio Energy Group	AEP Ohio Power Company	SEET earnings, effects of other pending proceedings.
9/16	2016-00162	KY	Office of the Attorney General	Columbia Gas Kentucky	Revenue requirements, O&M expense, depreciation, affiliate transactions.
09/16	E-22 Sub 519, 532, 533	NC	Nucor Steel	Dominion North Carolina Power Company	Revenue requirements, deferrals and amortizations.
09/16	15-1256-G-390P (Reopened) 16-0922-G-390P	WV	West Virginia Energy Users Group	Mountaineer Gas Company	Infrastructure rider, including NOL ADIT and other income tax normalization and calculation issues.
10/16	10-2929-EL-UNC 11-346-EL-SSO 11-348-EL-SSO 11-349-EL-SSO 11-350-EL-SSO 14-1186-EL-RDR	OH	Ohio Energy Group	AEP Ohio Power Company	State compensation mechanism, capacity cost, Retail Stability Rider deferrals, refunds, SEET.
11/16	16-0395-EL-SSO Direct	OH	Ohio Energy Group	Dayton Power & Light Company	Credit support and other riders; financial stability of Utility, holding company.
12/16	Formal Case 1139	DC	Healthcare Council of the National Capital Area	Potomac Electric Power Company	Post test year adjust, merger costs, NOL ADIT, incentive compensation, rent.
01/17	46238	TX	Steering Committee of Cities Served by Oncor	Oncor Electric Delivery Company	Next Era acquisition of Oncor; goodwill, transaction costs, transition costs, cost deferrals, ratemaking issues.
02/17	16-0395-EL-SSO Direct (Stipulation)	OH	Ohio Energy Group	Dayton Power & Light Company	Non-unanimous stipulation re: credit support and other riders; financial stability of utility, holding company.
02/17	45414	TX	Cities of Midland, McAllen, and Colorado City	Sharyland Utilities, LP, Sharyland Distribution & Transmission Services, LLC	Income taxes, depreciation, deferred costs, affiliate expenses.

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Date	Case	Jurisdict.	Party	Utility	Subject
03/17	2016-00370 2016-00371	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Company, Louisville Gas and Electric Company	AMS, capital expenditures, maintenance expense, amortization expense, depreciation rates and expense.
06/17	29849 (Panel with Philip Hayet)	GA	Georgia Public Service Commission Staff	Georgia Power Company	Vogtle 3 and 4 economics.
08/17	17-0296-E-PC	WV	West Virginia Energy Users Group	Monongahela Power Company, The Potomac Edison Power Company	ADIT, OPEB.
10/17	2017-00179	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Weather normalization, Rockport lease, O&M, incentive compensation, depreciation, income taxes.
10/17	2017-00287	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corporation	Fuel cost allocation to native load customers.
12/17	2017-00321	KY	Attorney General	Duke Energy Kentucky (Electric)	Revenues, depreciation, income taxes, O&M, regulatory assets, environmental surcharge rider, FERC transmission cost reconciliation rider.
12/17	29849 (Panel with Philip Hayet, Tom Newsome)	GA	Georgia Public Service Commission Staff	Georgia Power Company	Vogtle 3 and 4 economics, tax abandonment loss.
01/18	2017-00349	KY	Kentucky Attorney General	Atmos Energy Kentucky	O&M expense, depreciation, regulatory assets and amortization, Annual Review Mechanism, Pipeline Replacement Program and Rider, affiliate expenses.
06/18	18-0047	OH	Ohio Energy Group	Ohio Electric Utilities	Tax Cuts and Jobs Act. Reduction in income tax expense; amortization of excess ADIT.
07/18	T-34695	LA	LPSC Staff	Crimson Gulf, LLC	Revenues, depreciation, income taxes, O&M, ADIT.
08/18	48325	TX	Cities Served by Oncor	Oncor Electric Delivery Company	Tax Cuts and Jobs Act; amortization of excess ADIT.
08/18	48401	TX	Cities Served by TNMP	Texas-New Mexico Power Company	Revenues, payroll, income taxes, amortization of excess ADIT, capital structure.
08/18	2018-00146	KY	KIUC	Big Rivers Electric Corporation	Station Two contracts termination, regulatory asset, regulatory liability for savings
09/18 10/18	20170235-EI 20170236-EU Direct Supplemental Direct	FL	Office of Public Counsel	Florida Power & Light Company	FP&L acquisition of City of Vero Beach municipal electric utility systems.

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Date	Case	Jurisdict.	Party	Utility	Subject
09/18 10/18	2017-370-E Direct 2017-207, 305, 370-E Surrebuttal Supplemental Surrebuttal	SC	Office of Regulatory Staff	South Carolina Electric & Gas Company and Dominion Energy, Inc.	Recovery of Summer 2 and 3 new nuclear development costs, related regulatory liabilities, securitization, NOL carryforward and ADIT, TCJA savings, merger conditions and savings.
12/18	2018-00261	KY	Attorney General	Duke Energy Kentucky (Gas)	Revenues, O&M, regulatory assets, payroll, integrity management, incentive compensation, cash working capital.
01/19	2018-00294 2018-00295	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Company, Louisville Gas & Electric Company	AFUDC v. CWIP in rate base, transmission and distribution plant additions, capitalization, revenues generation outage expense, depreciation rates and expenses, cost of debt.
01/19	2018-00281	KY	Attorney General	Atmos Energy Corp.	AFUDC v. CWIP in rate base, ALG v. ELG depreciation rates, cash working capital, PRP Rider, forecast plant additions, forecast expenses, cost of debt, corporate cost allocation.
02/19 04/19	UD-18-17 Direct Surrebuttal and Cross-Answering	New Orleans	Crescent City Power Users Group	Entergy New Orleans, LLC	Post-test year adjustments, storm reserve fund, NOL ADIT, FIN48 ADIT, cash working capital, depreciation, amortization, capital structure, formula rate plans, purchased power rider.
03/19	2018-0358	KY	Attorney General	Kentucky American Water Company	Capital expenditures, cash working capital, payroll expense, incentive compensation, chemicals expense, electricity expense, water losses, rate case expense, excess deferred income taxes.
03/19	48929	TX	Steering Committee of Cities Served by Oncor	Oncor Electric Delivery Company LLC, Sempra Energy, Sharyland Distribution & Transmission Services, L.L.C.., Sharyland Utilities, L.P.	Sale, transfer, merger transactions, hold harmless and other regulatory conditions.
06/19	49421	TX	Gulf Coast Coalition of Cities	CenterPoint Energy Houston Electric	Prepaid pension asset, accrued OPEB liability, regulatory assets and liabilities, merger savings, storm damage expense, excess deferred income taxes.
07/19	49494	TX	Cities Served by AEP Texas	AEP Texas, Inc.	Plant in service, prepaid pension asset, O&M, ROW costs, incentive compensation, self-insurance expense, excess deferred income taxes.
08/19	19-G-0309 19-G-0310	NY	New York City	National Grid	Depreciation rates, net negative salvage.

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Date	Case	Jurisdict.	Party	Utility	Subject
10/19	42315	GA	Atlanta Gas Light Company	Public Interest Advocacy Staff	Capital expenditures, O&M expense, prepaid pension asset, incentive compensation, merger savings, affiliate expenses, excess deferred income taxes.
10/19	45253	IN	Duke Energy Indiana	Office of Utility Consumer Counselor	Prepaid pension asset, inventories, regulatory assets and labilities, unbilled revenues, incentive compensation, income tax expense, affiliate charges, ADIT, riders.
12/19	2019-00271	KY	Attorney General	Duke Energy Kentucky	ADIT, EDIT, CWC, payroll expense, incentive compensation expense, depreciation rates, pilot programs
05/20	202000067-EI	FL	Office of Public Counsel	Tampa Electric Company	Storm Protection Plan.
06/20	20190038-EI	FL	Office of Public Counsel	Gulf Power Company	Hurricane Michael costs.
07/20 09/20	PUR-2020-00015 Direct Surrebuttal	VA	Old Dominion Committee for Fair Utility Rates	Appalachian Power Company	Coal Amortization Rider, storm damage, prepaid pension and OPEB assets, return on joint-use assets.
07/20 09/20	2019-226-E Direct Surrebbutal	SC	Office of Regulatory Staff	Dominion Energy South Carolina	Integrated Resource Plan.
10/20	2020-00160	KY	Attorney General	Water Service Corporation of Kentucky	Return on rate base v. operating ratio.
10/20	2020-00174	KY	Attorney General and Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Rate base v. capitalization, Rockport UPA, prepaid pension and OPEB, cash working capital, incentive compensation, Rockport 2 depreciation expense, EDIT, AMI, grid modernization rider.
11/20 12/20	2020-125-E Direct Surrebuttal	SC	Office of Regulatory Staff	Dominion Energy South Carolina	Summer 2 and 3 cancelled plant and transmission cost recovery; TCJA; regulatory assets.
12/20	2020172-EI	FL	Office of Public Counsel	Florida Power & Light Company	Hurricane Dorian costs.
12/20	29849 (Panel with Philip Hayet, Tom Newsome)	GA	Georgia Public Service Commission Staff	Georgia Power Company	VCM23, Vogtle 3 and 4 rate impact analyses.
02/21 04/21	2019-224-E 2019-225-E Direct Surrebuttal	SC	Office of Regulatory Staff	Duke Energy Carolinas, LLC, Duke Energy Progress, LLC	Integrated Resource Plans.
03/21	51611	TX	Steering Committee of Cities Served by Oncor	Sharyland Utilities, L.L.C.	ADIT, capital structure, return on equity.

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Date	Case	Jurisdict.	Party	Utility	Subject
03/21	2020-00349 2020-00350	KY	Attorney General and Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Company and Louisville Gas and Electric Company	Rate base v. capitalization, retired plant costs, depreciation, securitization, staffing + payroll, pension + OPEB, AMI, off-system sales margins.
04/21 Direct 07/21	18-857-EL-UNC 19-1338-EL-UNC 20-1034-EL-UNC 20-1476-EL-UNC Supplemental Direct	OH	The Ohio Energy Group	First Energy Ohio Companies	Significantly Excessive Earnings Test; legacy nuclear plant costs.
05/21 06/21	2021-00004 Direct Supplemental Direct	KY	Attorney General and Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	CPCN for CCR/ELG Projects at Mitchell Plant.
06/21	29849 (Panel with Philip Hayet, Tom Newsome)	GA	Georgia Public Service Commission Staff	Georgia Power Company	VCM24, Vogtle 3 and 4 rate impact analyses.
06/21	2021-00103	KY	Attorney General and Nucor Steel Gallatin	East Kentucky Power Cooperative, Inc.	Revenues, depreciation, interest, TIER, O&M, regulatory asset.
07/21 08/21 10/21	U-35441 Direct Cross-Answering Surrebuttal	LA	Louisiana Public Service Commission Staff	Southwestern Electric Power Company	Revenues, O&M expense, depreciation, retirement rider.
09/21	2021-00190	KY	Attorney General	Duke Energy Kentucky	Revenues, O&M expense, depreciation, capital structure, cost of long-term debt, government mandate rider.
09/21	43838	GA	Public Interest Advocacy Staff	Georgia Power Company	Vogtle 3 base rates, NCCR rates; deferrals.
09/21	2021-00214	KY	Attorney General	Atmos Energy Corp.	NOL ADIT, working capital, affiliate expenses, amortization EDIT, capital structure, cost of debt, accelerated replacement Aldyl-A pipe, PRP Rider, Tax Act Adjustment Rider.

EXHIBIT___(LK-2)

JACKSON PURCHASE ENERGY CORPORATION
PSC CASE NO. 2021-00358
INITIAL REQUEST FOR INFORMATION RESPONSE

AG'S INITIAL REQUEST FOR INFORMATION—11/15/21
REQUEST 29
RESPONSIBLE PERSON: Jeff Williams
COMPANY: Jackson Purchase Energy Corporation

Request 29. Refer to Schedule 1.17 New HQ and Schedule 1.09 Interest Expense.

a. Identify the debt issues on Schedule 1.09 associated with the 2.0% interest rate reflected on Schedule 1.17 for the new headquarters building.

b. Confirm and demonstrate that the interest expense adjustment on the new headquarters building calculated on Schedule 1.17 is not already included in the interest expense reflected on Schedule 1.09.

Response 29.

(a) The advance had not yet been made at the time of the initial filing. The advance was made from RUS/FFB on November 5, 2021, in the amount of $21,926,146.48 at an interest rate of 1.988%. This included some construction work plan projects as well as the headquarters remodel. The amount of 2.0% was an estimate based upon RUS/FFB interest rates at the time.

(b) Confirmed. However, Jackson Purchase Energy is revising the schedules in order to provide increased clarity. Please see revised Reference Schedules 1.09 and 1.17 attached and included in the uploaded files in this docket. The actual note drawn from RUS in November 2021 has been added to the interest pro forma adjustment in Reference Schedule 1.09 and has been removed the headquarters pro forma adjustment in Reference Schedule 1.17. Additionally the depreciation estimate on Reference Schedule 1.17 has been updated with actual numbers. There is no amount that is duplicated on depreciation or interest..

Reference Schedule: 1.09
Revised 11-29-2021

JACKSON PURCHASE ENERGY CORPORATION
For the 12 Months Ended December 31, 2019

Interest Expense

#	Note #		Oustanding Principal 12/31/2020	Lender	Rate		Interest
1	1-1		1,231,384.40	RUS/FFB	2.457%	$	30,255.11
2	1-2		1,071,428.76	RUS/FFB	2.457%	$	26,325.00
3	2-1		2,953,846.18	RUS/FFB	4.264%	$	125,952.00
4	2-2		2,953,846.18	RUS/FFB	4.157%	$	122,791.39
5	2-3		3,750,000.00	RUS/FFB	2.144%	$	80,400.00
6	3-1		17,897,229.89	RUS/FFB	1.537%	$	275,080.42
7	3-2		3,010,195.66	RUS/FFB	1.552%	$	46,718.24
8	3-3		21,926,146.48	RUS/FFB	1.988%	$	435,891.79
9	9003005		401,765.21	CFC	2.700%	$	10,847.66
10	9003006		624,064.97	CFC	2.900%	$	18,097.88
11	9003007		649,879.93	CFC	3.100%	$	20,146.28
12	9003008		676,246.94	CFC	3.100%	$	20,963.66
13	9003009		705,489.54	CFC	3.150%	$	22,222.92
14	9003010		734,340.85	CFC	3.150%	$	23,131.74
15	9003011		765,018.30	CFC	3.200%	$	24,480.59
16	9003012		796,585	CFC	3.250%	$	25,889.03
17	9003013		830,929	CFC	3.300%	$	27,420.65
18	9003014		865,465	CFC	3.300%	$	28,560.33
19	9003015		901,975	CFC	3.350%	$	30,216.16
20	9003016		939,781	CFC	3.400%	$	31,952.55
21	9003017		980,249	CFC	3.400%	$	33,328.46
22	9003018		1,021,610	CFC	3.450%	$	35,245.53
23	9003019		1,065,126	CFC	3.500%	$	37,279.40
24	9003020		954,876	CFC	3.550%	$	33,898.10
25	9003021		694,348	CFC	3.550%	$	24,649.34
26	9003022		722,411	CFC	3.600%	$	26,006.80
27	9003023		751,764	CFC	3.650%	$	27,439.38
28	9003024		782,264	CFC	3.700%	$	28,943.78
29	9003025		709,523	CFC	3.700%	$	26,252.34
30	9003026		70,275	CFC	3.750%	$	2,635.33
31	ML0731T2		862,363	CoBank	2.530%	$	21,817.77
32	ML0731T3		526,300	CoBank	2.530%	$	13,315.39
33	ML0731T5		331,366	CoBank	2.530%	$	8,383.56
34	RX0731T7		1,359,102	CoBank	4.690%	$	63,741.87
35	RX0731T8		1,818,878	CoBank	4.900%	$	89,125.04
36	RIML0731T9		6,560,267	CoBank	4.500%	$	295,212.00
37	LTD per Form 7	$	82,896,339			$	2,194,617.50
38							
39	Test Year Amount					$	1,961,144.08
40							
41	Pro Forma Year Amount					$	2,194,617.50
42							
43	Adjustment - Account 427					$	233,473.42

This adjustment normalizes the interest on Interest Expense from test year to recent amounts.

Reference Schedule: 1.17
Revised 11-29-2021

JACKSON PURCHASE ENERGY CORPORATION
For the 12 Months Ended December 31, 2017

New HQ Depr & Interest

#	Accts 390 & 427 Item		Cost
1	HQ Building (excluding land)	$	19,123,332
2	Depreciation over 40 years	$	478,083
3	Old HQ Building Book value	$	1,030,414
4	Depreciation Saved on Old HQ	$	25,760
5	ProForma Adjustment Depreciation (Account 390) (line 2 minus 4)	$	452,323
6			
7	HQ Building Estimate (including land)	$	-
8	Interest @ 2.0%	$	-
9	Pro Forma Adjustment - Interest (Account 427) (See Note)	$	-

This adjustment adds to expense for depreciation costs associated with new HQ.
Interest moved to Reference Schedule 1.09

EXHIBIT___(LK-3)

JACKSON PURCHASE ENERGY CORPORATION
PSC CASE NO. 2021-00358
INITIAL REQUEST FOR INFORMATION RESPONSE

AG'S INITIAL REQUEST FOR INFORMATION—11/15/21
REQUEST 26
RESPONSIBLE PERSONS: **Jeff Williams and John Wolfram**
COMPANY: **Jackson Purchase Energy Corporation**

Request 26. Refer to Schedule 1.11 YearEndCust.

a. Refer to column (1) entitled "Year." Describe the meaning of the "Year" reference and explain why it ranges from 2015 through 2017 instead of referring to 2019, the test year, for each of the months shown in column (2) entitled "Month."

b. Provide schedule in the same format and with the same level of detail and calculations, but populated with 2018 data instead of 2019 data.

c. Explain why the Commission should use the number of customers at the end of the test year and the average usage per customer for the entire test year for all customer classes.

d. Explain why the Commission should use the number of customers at the end of the test year and the average usage per customer for the entire test year for all customer classes.

e. Explain why the Company proposes the expense adjustment based on the non-FAC PPA.

f. Explain why and how the average revenue per kWh for the C&I-D class (column 6) is less than the average adjusted purchase expense per kWh for that class. In other words, if the average adjusted purchase expense per kWh is $0.0801, then explain how it is possible that the average revenue per kWh for this class is only $0.06125. If the reason is that the allocation of purchased power expense in base rates is on something other than a kWh basis, then why did the Company simply assume that it was allocated on a kWh basis for purposes of the year end customer adjustment?

g. Provide a calculation of the purchased power expense included in base rates by class and billing determinant used to calculated the billed base revenues by month in the test year and in 2018. Provide the calculations and assumptions in an Excel workbook in live format with all formulas intact.

Response 26.

(a) This is an inadvertent clerical error; all of the values in the "Year" column should read "2019."

(b) The requested analysis was not performed because it is outside the test period of the case.

(c) The Commission has accepted this calculation for a normalized year-end customer adjustment in numerous prior cases, including several cases for LG&E and KU but also numerous distribution cooperative rate filings. The average usage captures the seasonal variations that occur over a twelve month period, and the number of customers at the end of the test year is more representative of the number of customers expected to be taking service when the rates are placed into effect.

(d) See Response 26.c.

(e) The expense adjustment is based on the total purchased power expense less the amounts of all riders, including not only the Non-FAC PPA but also the FAC, the ES, and the MRSM. This is consistent with the historic calculation accepted by the Commission in KU and LG&E rate filings.

(f) The total base rate revenue for the C&I-D class inadvertently excluded the demand revenue of $5,581,647. The correction will resolve this issue and result in an average revenue per kWh that exceeds the average adjusted purchased power expense for the class. This is corrected in the attachment and in the revised revenue requirements file uploaded to the Commission's website with these responses.

(g) The requested analysis was not performed because it is outside the test period of the case.

Reference Schedule: 1.11
Revised 11-29-2021

JACKSON PURCHASE ENERGY CORPORATION
For the 12 Months Ended December 31, 2019

Year-End Customers

Line #	Year (1)	Month (2)	Res - R (3)	Com - C1 (4)	Com - C3 (5)	C&I - D (6)	Total (7)
1	2019	Jan	25,428	3,437	485	614	
2	2019	Feb	25,436	3,426	483	614	
3	2019	Mar	25,423	3,416	484	613	
4	2019	Apr	25,409	3,429	485	611	
5	2019	May	25,378	3,437	483	610	
6	2019	Jun	25,398	3,430	483	611	
7	2019	Jul	25,422	3,420	486	608	
8	2019	Aug	25,401	3,437	489	610	
9	2019	Sep	25,381	3,433	491	613	
10	2019	Oct	25,380	3,443	491	630	
11	2019	Nov	25,386	3,461	492	631	
12	2019	Dec	25,353	3,470	494	631	
13	Average		25,400	3,437	487	616	
14							
15	End of Period Increase over Avg		(47)	33	7	15	
16							
17	Total kWh		358,325,499	32,376,820	11,275,679	176,065,127	
18	Average kWh		14,107	9,420	23,153	285,820	
19	Year-End kWh Adjustment		(663,043)	310,863	162,073	4,287,300	4,097,193
20	(continued)						
21	**Revenue Adjustment**						
22	Current Base Rate Revenue		$ 41,110,682	$ 3,984,454	$ 1,239,498	$ 16,365,980	
23	Average Revenue per kWh		$ 0.11473	$ 0.12307	$ 0.10993	$ 0.09295	
24	Year End Revenue Adj		$ (76,071)	$ 38,256	$ 17,816	$ 398,522	378,524
25							
26	**Expense Adjustment**						
27	Avg Adj Purchase Exp per kWh		0.08010	0.08010	0.08010	0.08010	
28	Year End Expense Adj		$ (53,112)	$ 24,901	$ 12,983	$ 343,429	328,201
29							

Line #		Revenue	Expense	Net Rev
30				
31		**Revenue**	**Expense**	**Net Rev**
32	Test Year Amount	$ -	$ -	$ -
33				
34	Pro Forma Year Amount	$ 378,524	$ 328,201	$ 50,323
35				
36	Adjustment	$ 378,524	$ 328,201	$ 50,323
37				
38				

Line #	For Expense Adjustment:	Test Period Total
39	**For Expense Adjustment:**	**Test Period Total**
40	Total Purchased Power Expense	$ 50,688,769
41	Less Fuel Adjustment Clause	$ (553,082)
42	Less Environmental Surcharge	$ (4,091,656)
43	Less MRSM & NonFAC PPA	$ 4,484,355
44	Adjusted Purchased Power Expense	$ 50,528,386
45	Total Purchased Power kWh	630,786,798

This adjustment adjusts the test year expenses and revenues to reflect the number of customers at the end of the test year.

EXHIBIT___(LK-4)

JACKSON PURCHASE ENERGY CORPORATION
PSC CASE NO. 2021-00358
SUPPLEMENTAL REQUEST FOR INFORMATION RESPONSE

AG'S SUPPLEMENTAL REQUEST FOR INFORMATION—12/14/21
REQUEST 10
RESPONSIBLE PERSON: **Jeff Williams**
COMPANY: **Jackson Purchase Energy Corporation**

Request 10. Provide the full-time equivalent employees ("FTEs") at the end of each month from January 2017 through November 2021.

Response 10. Please see below:

FTE

	2017	2018	2019	2020	2021
January	64	66	66	70	67
February	64	66	66	70	67
March	64	65	68	69	70
April	64	66	68	69	70
May	64	64	69	68	68
June	64	64	69	69	68
July	63	64	74	69	68
August	63	64	75	69	67
September	64	66	73	70	67
October	64	66	70	69	66
November	63	66	70	69	66
December	65	65	70	68	

EXHIBIT___(LK-5)

JACKSON PURCHASE ENERGY COOPERATIVE
PSC CASE NO. 2021-00358
SUPPLEMENTAL REQUEST FOR INFORMATION RESPONSE

AG'S SUPPLEMENTAL REQUEST FOR INFORMATION—12/14/21
REQUEST 8
RESPONSIBLE PERSON: Jeff Williams
COMPANY: Jackson Purchase Energy Corporation

Request 8. Provide the total wages and salaries for calendar years 2019 and 2020 and the twelve months ending November 2021. Separate the total wages and salaries for each of these periods into the amounts expensed and the amounts capitalized.

Response 8. Please refer to Jackson Purchase's response to AG 1 – 13(b) and more specifically to each year's Form 7 as requested in this data request. Please refer to page 3 and part I which shows this information. Total wages and salaries for 12 months ending November 2021 is $6,397,974, of which $3,372,803 was expensed and $1,665,278 was capitalized.

EXHIBIT___(LK-6)

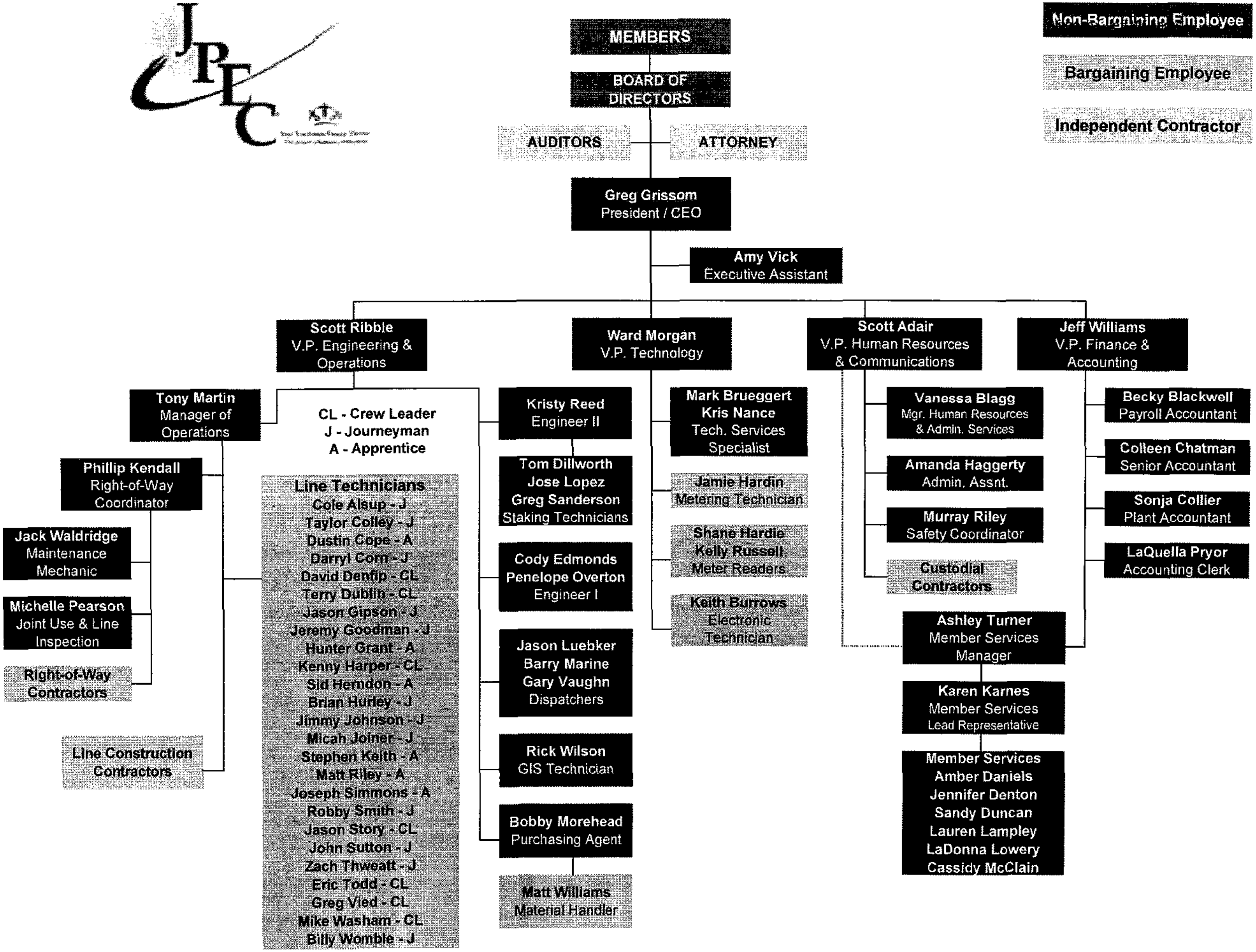
JACKSON PURCHASE ENERGY CORPORATION
PSC CASE NO. 2021-00358
SUPPLEMENTAL REQUEST FOR INFORMATION RESPONSE

AG'S SUPPLEMENTAL REQUEST FOR INFORMATION—12/14/21
REQUEST 11
RESPONSIBLE PERSON: **Jeff Williams**
COMPANY: **Jackson Purchase Energy Corporation**

Request 11. Provide an organization chart that shows each employee position along with the names of each supervisory position by month from January 2019 through the most recent month for which actual information is available. Indicate on each monthly chart each position that is filled (F) or unfilled (U).

Response 11. Jackson Purchase does not keep nor maintain an org chart for each month. Please see attached the org charts it does have. The positions filled are listed with names. Unfilled are either not listed or no names are included.

AG Request 2-11 Attachment



3/5/2019
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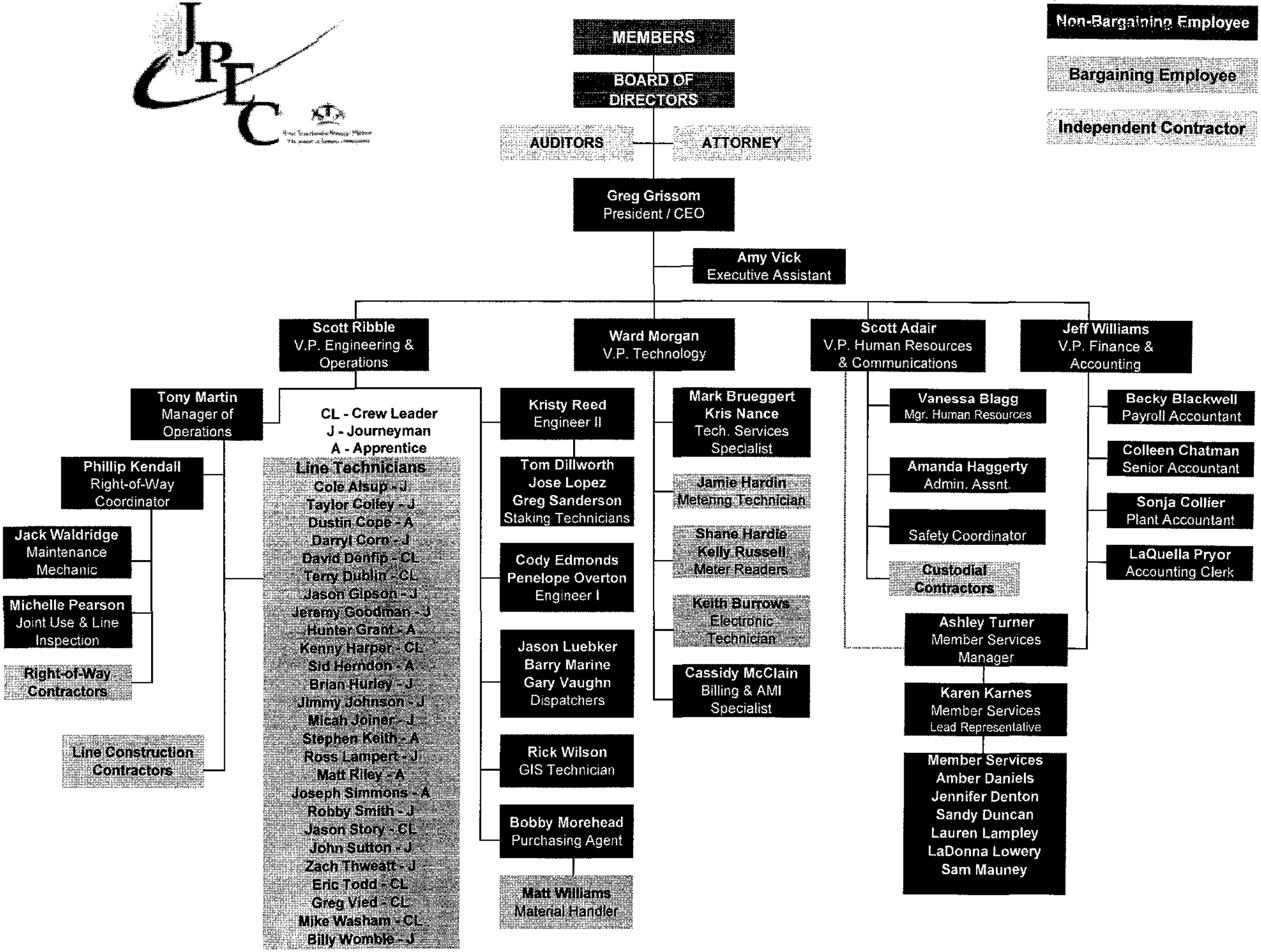
AG Request 2-11 Attachment



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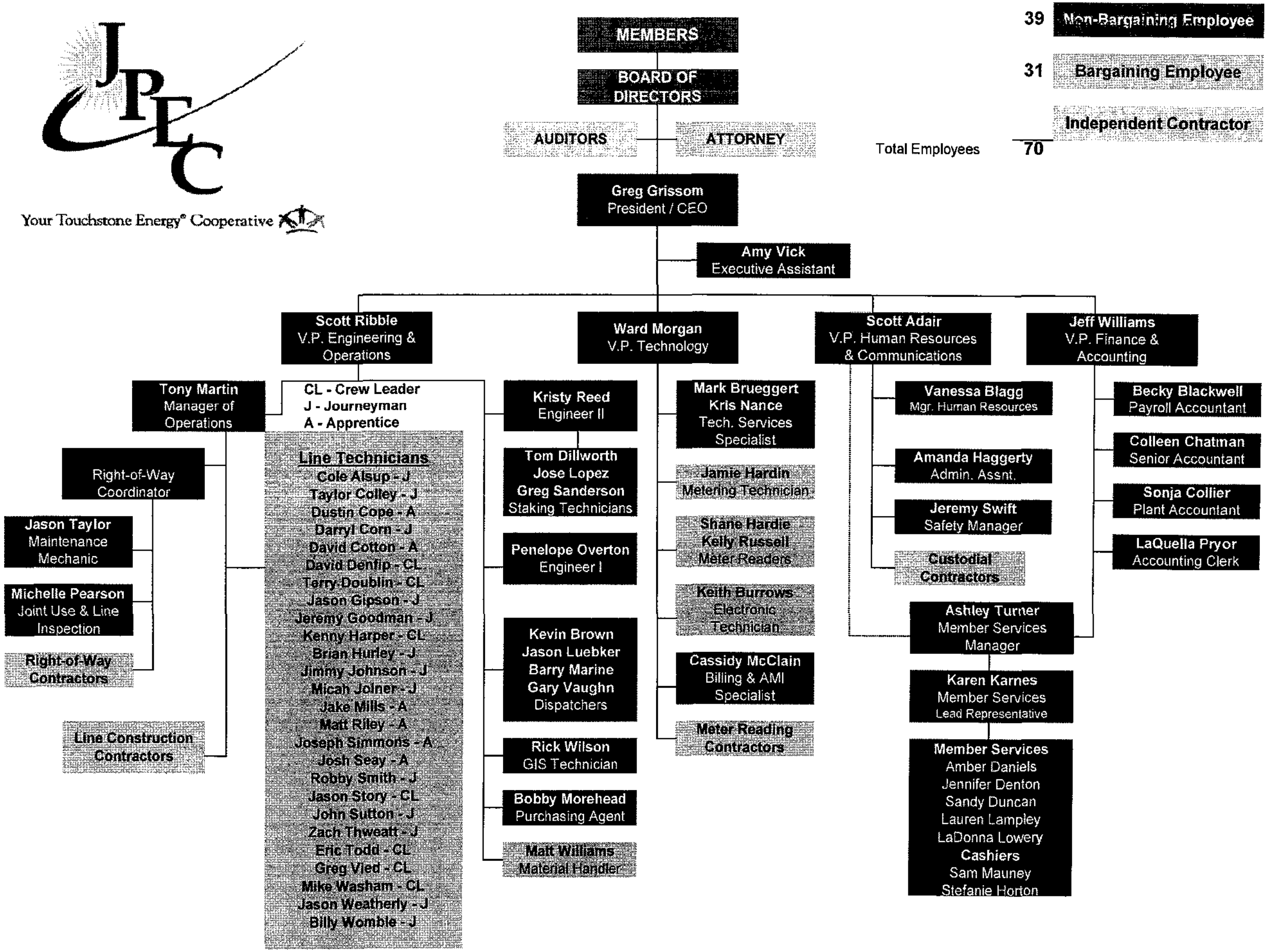
AG Request 2-11 Attachment

Your Touchstone Energy® Cooperative



10/15/2019
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AG Request 2-11 Attachment

JPEC
Your Touchstone Energy® Cooperative

39	Non-Bargaining Employee
31	Bargaining Employee
	Independent Contractor
Total Employees	70

- **MEMBERS**
  - **BOARD OF DIRECTORS**
    - **AUDITORS**
    - **ATTORNEY**
    - **Greg Grissom** President / CEO
      - **Amy Vick** Executive Assistant
      - **Scott Ribble** V.P. Engineering & Operations
        - **Tony Martin** Manager of Operations
          - **Jason Taylor** Maintenance Mechanic
          - **Michelle Pearson** Joint Use & Line Inspection
          - **Right-of-Way Contractors**
          - **Line Construction Contractors**
          - CL - Crew Leader; J - Journeyman; A - Apprentice
          - **Line Technicians**
            - Cole Alsup - J
            - Taylor Colley - J
            - Dustin Cope - J
            - Darryl Corn - J
            - David Cotton - A
            - David Denfip - CL
            - Terry Doublin - CL
            - Jason Gipson - J
            - Jeremy Goodman - J
            - Kenny Harper - CL
            - Brian Hurley - J
            - Jimmy Johnson - J
            - Micah Joiner - J
            - Jake Mills - A
            - Matt Riley - A
            - Joseph Simmons - A
            - Josh Seay - A
            - Robby Smith - J
            - Jason Story - CL
            - John Sutton - J
            - Zach Thweatt - J
            - Eric Todd - CL
            - Greg Vied - CL
            - Mike Washam - CL
            - Jason Weatherly - J
            - Billy Womble - J
        - **Kristy Reed** Engineer II
          - **Tom Dillworth, Jose Lopez, Greg Sanderson** Staking Technicians
        - **Penelope Overton** Engineer I
        - **Kevin Brown, Jason Luebker, Barry Marine, Gary Vaughn** Dispatchers
        - **Rick Wilson** GIS Technician
        - **Bobby Morehead** Purchasing Agent
          - **Matt Williams** Material Handler
      - **Ward Morgan** V.P. Technology
        - **Mark Brueggert, Kris Nance** Tech. Services Specialist
        - **Jamie Hardin** Metering Technician
        - **Shane Hardie, Kelly Russell** Meter Readers
        - **Keith Burrows** Electronic Technician
        - **Cassidy McClain** Billing & AMI Specialist
        - **Meter Reading Contractors**
      - **Scott Adair** V.P. Human Resources & Communications
        - **Vanessa Blagg** Mgr. Human Resources
        - **Amanda Haggerty** Admin. Assnt.
        - **Jeremy Swift** Safety Manager
        - **Custodial Contractors**
      - **Jeff Williams** V.P. Finance & Accounting
        - **Becky Blackwell** Payroll Accountant
        - **Colleen Chatman** Senior Accountant
        - **Sonja Collier** Plant Accountant
        - **LaQuella Pryor** Accounting Clerk
        - **Ashley Turner** Member Services Manager
          - **Karen Karnes** Member Services Lead Representative
            - **Member Services**: Amber Daniels, Jennifer Denton, Sandy Duncan, Lauren Lampley, LaDonna Lowery
            - **Cashiers**: Sam Mauney, Stefanie Horton

10/21/2019
AV

AG Request 2-11 Attachment

JPEC
Your Touchstone Energy® Cooperative

39	Non-Bargaining Employee
31	Bargaining Employee
	Independent Contractor
Total Employees 70	

- **MEMBER OWNERS**
  - **BOARD OF DIRECTORS**
    - AUDITORS
    - ATTORNEY
    - **Greg Grissom** – President / CEO
      - **Amy Vick** – Executive Assistant
      - **Scott Ribble** – V.P. Engineering & Operations
        - **Tony Martin** – Manager of Operations
          - **Jason Taylor** – Maintenance Mechanic
          - Right-of-Way Contractors
          - Line Construction Contractors
          - Line Technicians: Cole Alsup - J, Taylor Colley - J, Chris Cope - J, Dustin Cope - J, Darryl Corn - J, David Cotton - A, David Denfip - CL, Terry Doublin - CL, Kenny Harper - CL, Brian Hurley - J, Jimmy Johnson - J, Micah Joiner - J, Jake Mills - A, Matt Riley - A, Joseph Simmons - A, Josh Seay - A, Robby Smith - J, Jason Story - CL, John Sutton - J, Zach Thweatt - J, Eric Todd - CL, Greg Vied - CL, Mike Washam - CL, Billy Womble - J
        - **Kristy Reed** – Engineer II
          - **Michelle Pearson** – Line Inspector / Joint Use Administrator
          - **Tom Dillworth, Jose Lopez, Greg Sanderson** – Staking Technicians
          - Line Inspection Contractor
        - **Penelope Overton** – Engineer I
        - **Kevin Brown, Jason Luebker, Barry Marine, Gary Vaughn** – Dispatchers
        - **Amanda Haggerty** – Admin. Assnt.
        - **Bobby Morehead** – Purchasing Agent
          - **Matt Williams** – Material Handler
      - **Ward Morgan** – V.P. Technology
        - **Mark Brueggert** – Network Administrator
        - **Kris Nance** – Tech. Services Specialist
        - **Cassidy McClain** – Billing & AMI Specialist
        - **Rick Wilson** – GIS Technician
        - **Jamie Hardin** – Metering Technician
        - **Shane Hardie, Kelly Russell** – Meter Readers
        - **Jeremy Goodman** – Substation Crew Leader
          - **Keith Burrow** – Electronic Technician
          - **Jason Gipson** – Substation Technician
        - Meter Reading Contractors
        - Building / Grounds Contractors
      - **Scott Adair** – V.P. Human Resources & Communications
        - **Vanessa Blagg** – Mgr. Human Resources
        - **Jeremy Swift** – Safety Manager
      - **Jeff Williams** – V.P. Finance, Accounting & Member Services
        - **Becky Blackwell** – Payroll Accountant
        - **Colleen Chatman** – Senior Accountant
        - **Sonja Collier** – Plant Accountant
        - **LaQuella Pryor** – Accounting Clerk
        - **Ashley Turner** – Member Services Manager
          - **Karen Karnes** – Member Services Lead Representative
            - Member Services Rep.: **Amber Daniels, Jennifer Denton, Sandy Duncan, Lauren Lampley, LaDonna Lowery**
            - Cashiers: **Stefanie Horton, Sam Rudolph**

CL - Crew Leader
J - Journeyman
A - Apprentice

1/7/2020
AV

AG Request 2-11 Attachment

39	Non-Bargaining Employee
30	Bargaining Employee
	Independent Contractor
Total Employees 69	

JPEC

Your Touchstone Energy® Cooperative

MEMBER OWNERS

BOARD OF DIRECTORS

AUDITORS

ATTORNEY

Greg Grissom
President / CEO

Amy Vick
Executive Assistant

Scott Ribble
V.P. Engineering & Operations

Tony Martin
Manager of Operations

Jason Taylor
Maintenance Mechanic

Right-of-Way Contractors

Line Construction Contractors

CL - Crew Leader
J - Journeyman
A - Apprentice

Line Technicians
Cole Alsup - J
Taylor Colley - J
Chris Cope - J
Dustin Cope - J
Darryl Corn - J
David Cotton - A
David Denfip - CL
Terry Doublin - CL
Kenny Harper - CL
Brian Hurley - J
Jimmy Johnson - J
Micah Joiner - J
Jake Mills - A
Matt Riley - A
Joseph Simmons - A
Josh Seay - A
Robby Smith - J
Jason Story - CL
John Sutton - J
Zach Thweatt - J
Eric Todd - CL
Greg Vied - CL
Mike Washam - CL
Billy Womble - J

Kristy Reed
Engineer II

Michelle Pearson
Line Inspector / Joint Use Administrator

Tom Dillworth
Jose Lopez
Greg Sanderson
Staking Technicians

Line Inspection Contractor

Penelope Overton
Engineer I

Jason Luebker
Barry Marine
Gary Vaughn
Dispatchers

Amanda Haggerty
Admin. Assnt.

Bobby Morehead
Purchasing Agent

Matt Williams
Material Handler

Ward Morgan
V.P. Technology

Mark Brueggert
Network Administrator

Kris Nance
Tech. Services Specialist

Cassidy McClain
Billing & AMI Specialist

Rick Wilson
GIS Technician

Jamie Hardin
Metering Technician

Shane Hardie
Kelly Russell
Meter Readers

Jeremy Goodman
Substation Crew Leader

Keith Burrow
Electronic Technician

Jason Gipson
Substation Technician

Meter Reading Contractors

Building / Grounds Contractors

Scott Adair
V.P. Human Resources & Communications

Vanessa Blagg
Mgr. Human Resources

Jeremy Swift
Safety Manager

Jeff Williams
V.P. Finance, Accounting & Member Services

Becky Blackwell
Payroll Accountant

Colleen Chatman
Senior Accountant

Sonja Collier
Plant Accountant

LaQuella Pryor
Accounting Clerk

Ashley Turner
Member Services Manager

Karen Karnes
Member Services Lead Representative

Member Services Rep.
Amber Daniels
Jennifer Denton
Sandy Duncan
Lauren Lampley
LaDonna Lowery

Cashiers
Stefanie Horton
Sam Rudolph

4/1/2020
AV

AG Request 2-11 Attachment

JPEC
Your Touchstone Energy® Cooperative

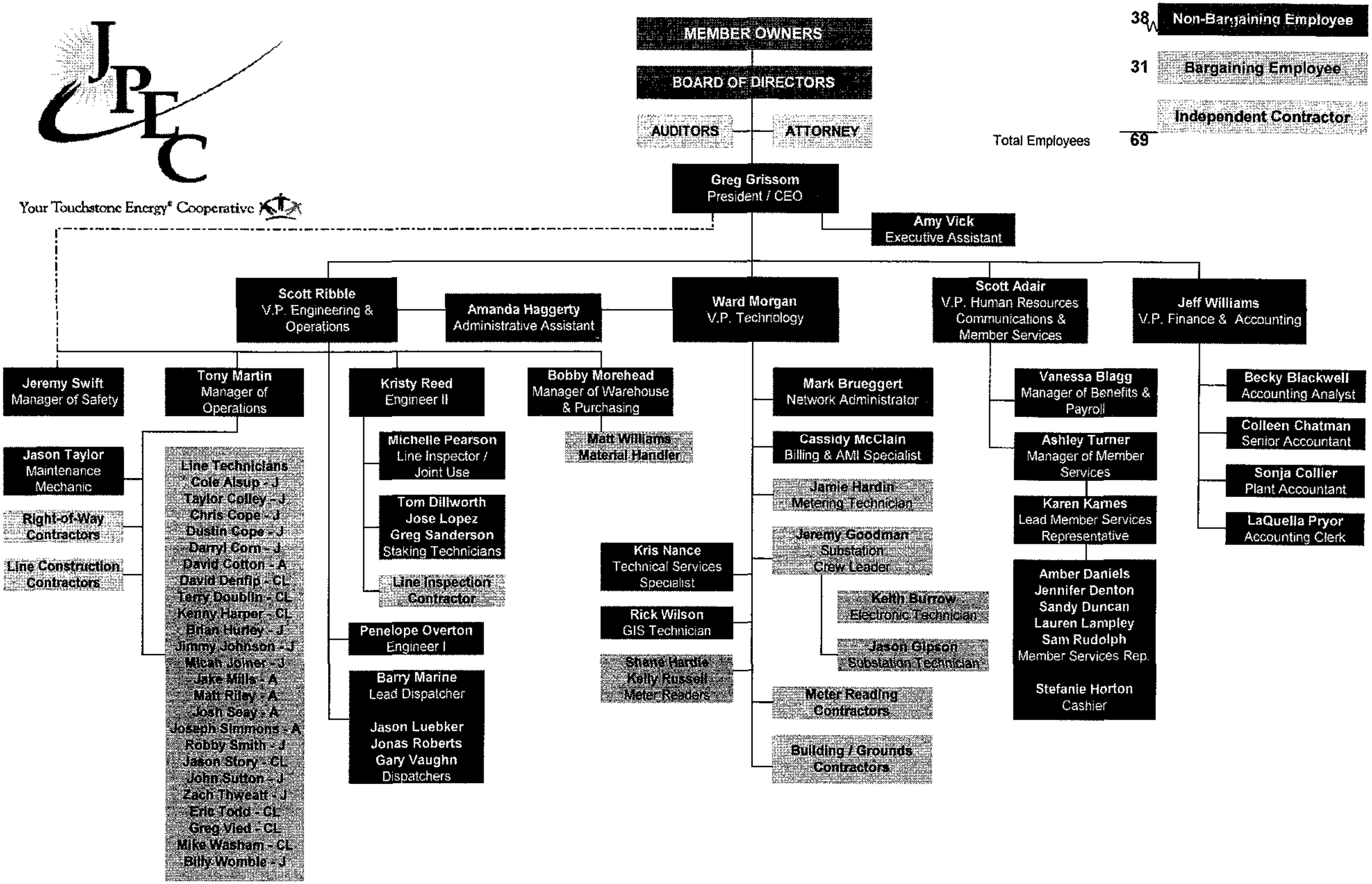
40	Non-Bargaining Employee
30	Bargaining Employee
	Independent Contractor
Total Employees	70

- **MEMBER OWNERS**
  - **BOARD OF DIRECTORS**
    - **AUDITORS**
    - **ATTORNEY**
    - **Greg Grissom** — President / CEO
      - **Amy Vick** — Executive Assistant
      - **Scott Ribble** — V.P. Engineering & Operations
        - **Tony Martin** — Manager of Operations
          - **Jason Taylor** — Maintenance Mechanic
          - **Right-of-Way Contractors**
          - **Line Construction Contractors**
          - **Line Technicians**
            - Cole Alsup - J
            - Taylor Colley - J
            - Chris Cope - J
            - Dustin Cope - J
            - Darryl Corn - J
            - David Cotton - A
            - David Denfip - CL
            - Terry Doublin - CL
            - Kenny Harper - CL
            - Brian Hurley - J
            - Jimmy Johnson - J
            - Micah Joiner - J
            - Jake Mills - A
            - Matt Riley - A
            - Joseph Simmons - A
            - Josh Seay - A
            - Robby Smith - J
            - Jason Story - CL
            - John Sutton - J
            - Zach Thweatt - J
            - Eric Todd - CL
            - Greg Vied - CL
            - Mike Washam - CL
            - Billy Womble - J
        - **Kristy Reed** — Engineer II
          - **Michelle Pearson** — Line Inspector / Joint Use Administrator
          - **Tom Dillworth, Jose Lopez, Greg Sanderson** — Staking Technicians
          - **Line Inspection Contractor**
        - **Penelope Overton** — Engineer I
        - **Barry Marine** — Lead Dispatcher
          - **Jason Luebker, Jonas Roberts, Gary Vaughn** — Dispatchers
        - **Amanda Haggerty** — Admin. Assnt.
        - **Bobby Morehead** — Purchasing Agent
          - **Matt Williams** — Material Handler
      - **Ward Morgan** — V.P. Technology
        - **Mark Brueggert** — Network Administrator
        - **Kris Nance** — Tech. Services Specialist
        - **Cassidy McClain** — Billing & AMI Specialist
        - **Rick Wilson** — GIS Technician
        - **Jamie Hardin** — Metering Technician
        - **Shane Hardie, Kelly Russell** — Meter Readers
        - **Jeremy Goodman** — Substation Crew Leader
          - **Keith Burrow** — Electronic Technician
          - **Jason Gipson** — Substation Technician
        - **Meter Reading Contractors**
        - **Building / Grounds Contractors**
      - **Scott Adair** — V.P. Human Resources & Communications
        - **Vanessa Blagg** — Mgr. Human Resources
        - **Jeremy Swift** — Safety Manager
      - **Jeff Williams** — V.P. Finance, Accounting & Member Services
        - **Becky Blackwell** — Payroll Accountant
        - **Colleen Chatman** — Senior Accountant
        - **Sonja Collier** — Plant Accountant
        - **LaQuella Pryor** — Accounting Clerk
        - **Ashley Turner** — Member Services Manager
          - **Karen Karnes** — Lead Member Services Representative
            - **Amber Daniels, Jennifer Denton, Sandy Duncan, Lauren Lampley, Sam Rudolph** — Member Services Rep.
            - **Stefanie Horton** — Cashier

CL - Crew Leader
J - Journeyman
A - Apprentice

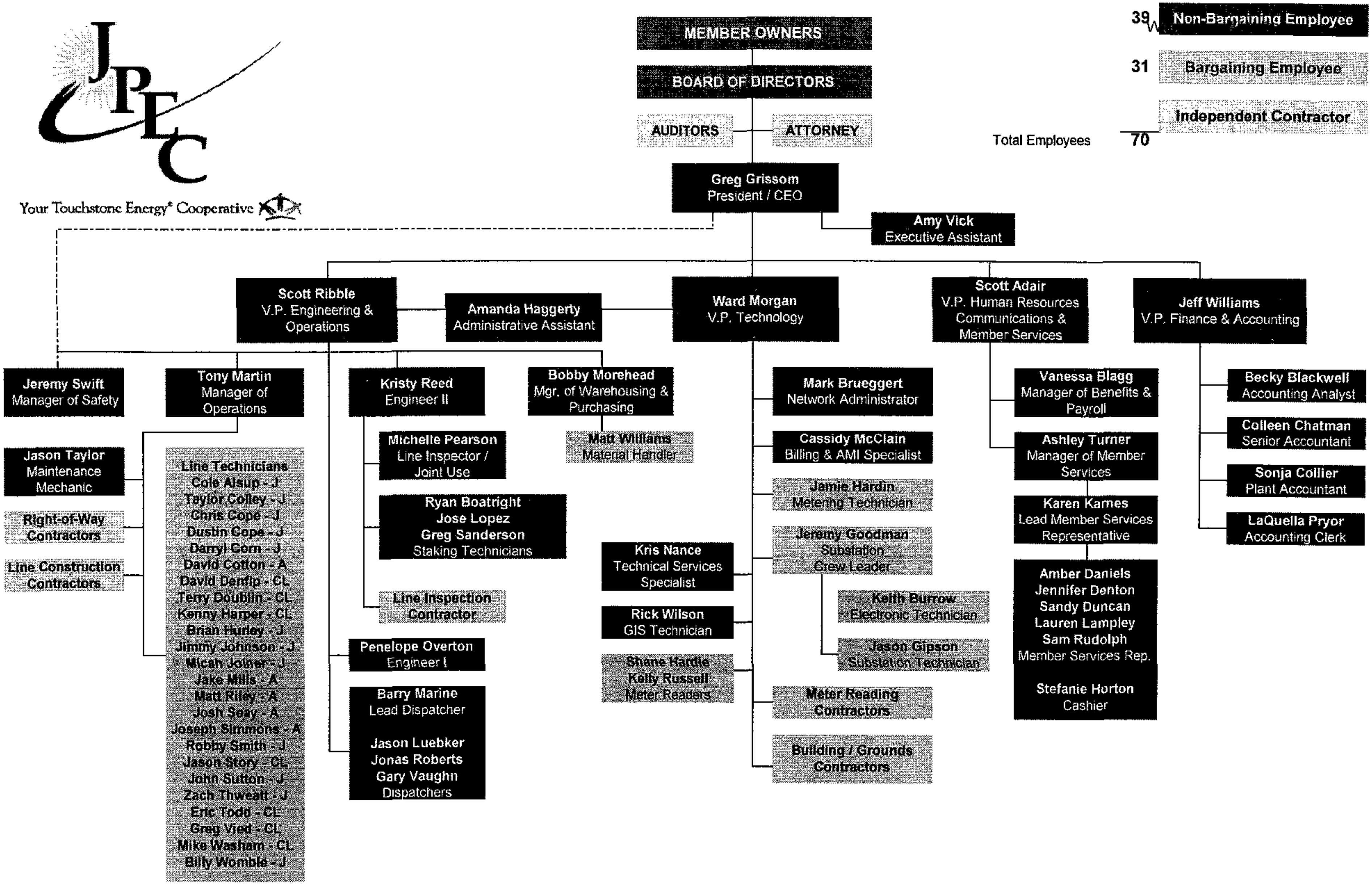
6/1/2020
AV

AG Request 2-11 Attachment



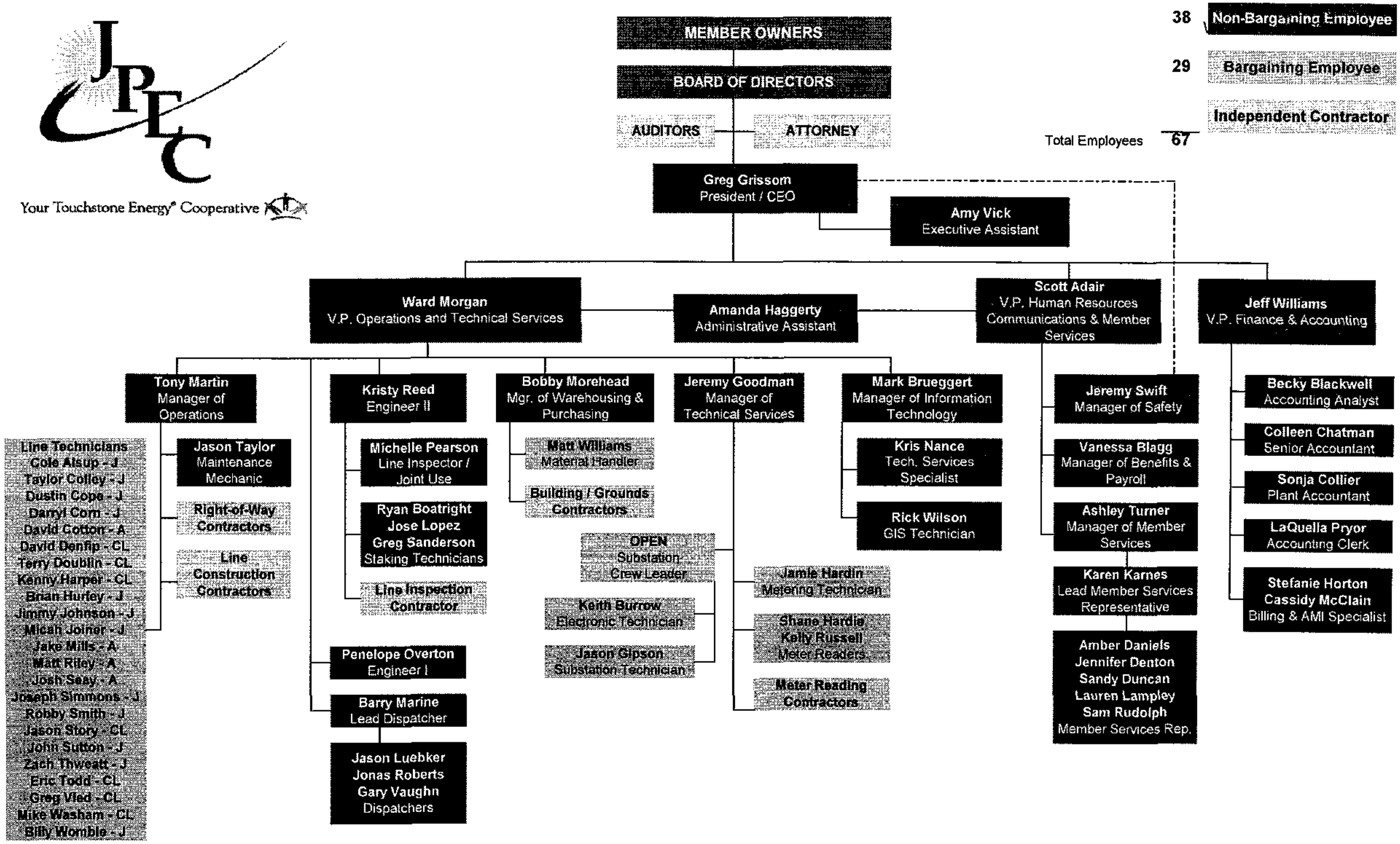
7/14/2020
AV

AG Request 2-11 Attachment



10/19/2020
AV

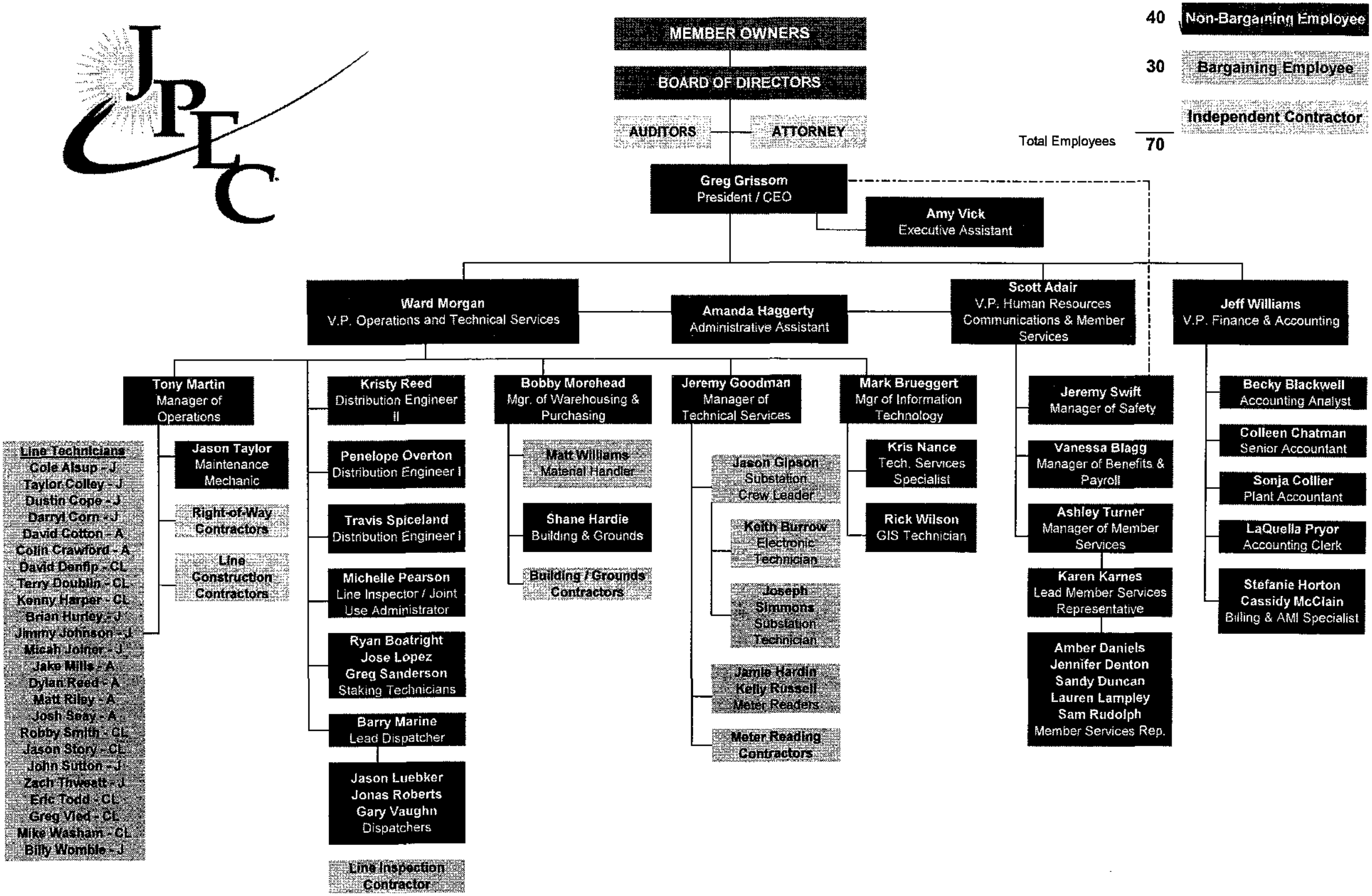
AG Request 2-11 Attachment



Your Touchstone Energy® Cooperative

1/11/2021
AV

AG Request 2-11 Attachment



4/26/2021
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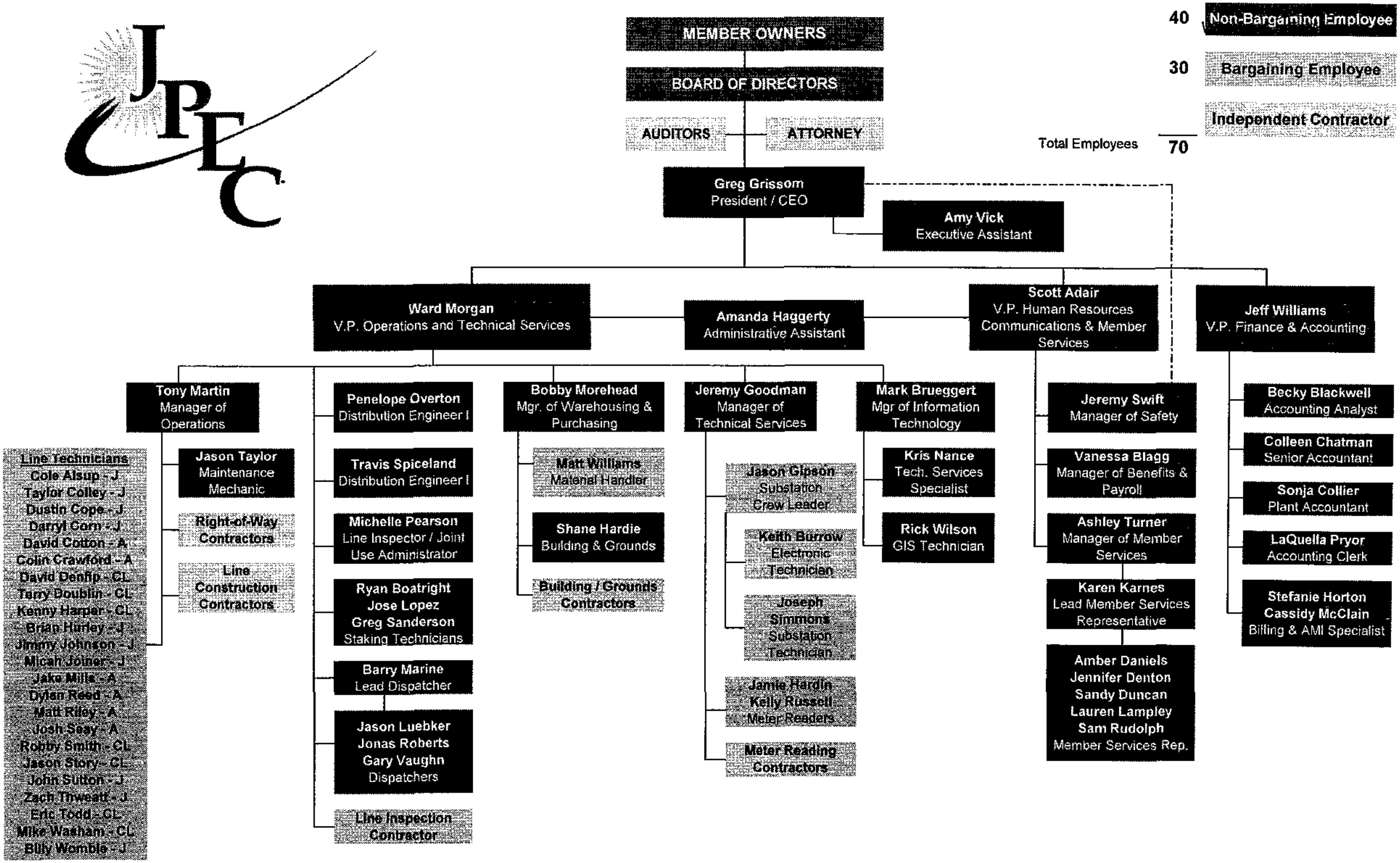
40 Non-Bargaining Employee
30 Bargaining Employee
Independent Contractor
Total Employees 70
MEMBER OWNERS
BOARD OF DIRECTORS
AUDITORS
ATTORNEY
Greg Grissom President / CEO
Amy Vick Executive Assistant
Ward Morgan V.P. Operations and Technical Services
Amanda Haggerty Administrative Assistant
Scott Adair V.P. Human Resources Communications & Member Services
Jeff Williams V.P. Finance & Accounting
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Line Construction Contractors
Line Technicians
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Dustin Cope - J
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Travis Spiceland Distribution Engineer I
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Ryan Boatright Jose Lopez Greg Sanderson Staking Technicians
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Shane Hardie Building & Grounds
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Rick Wilson GIS Technician
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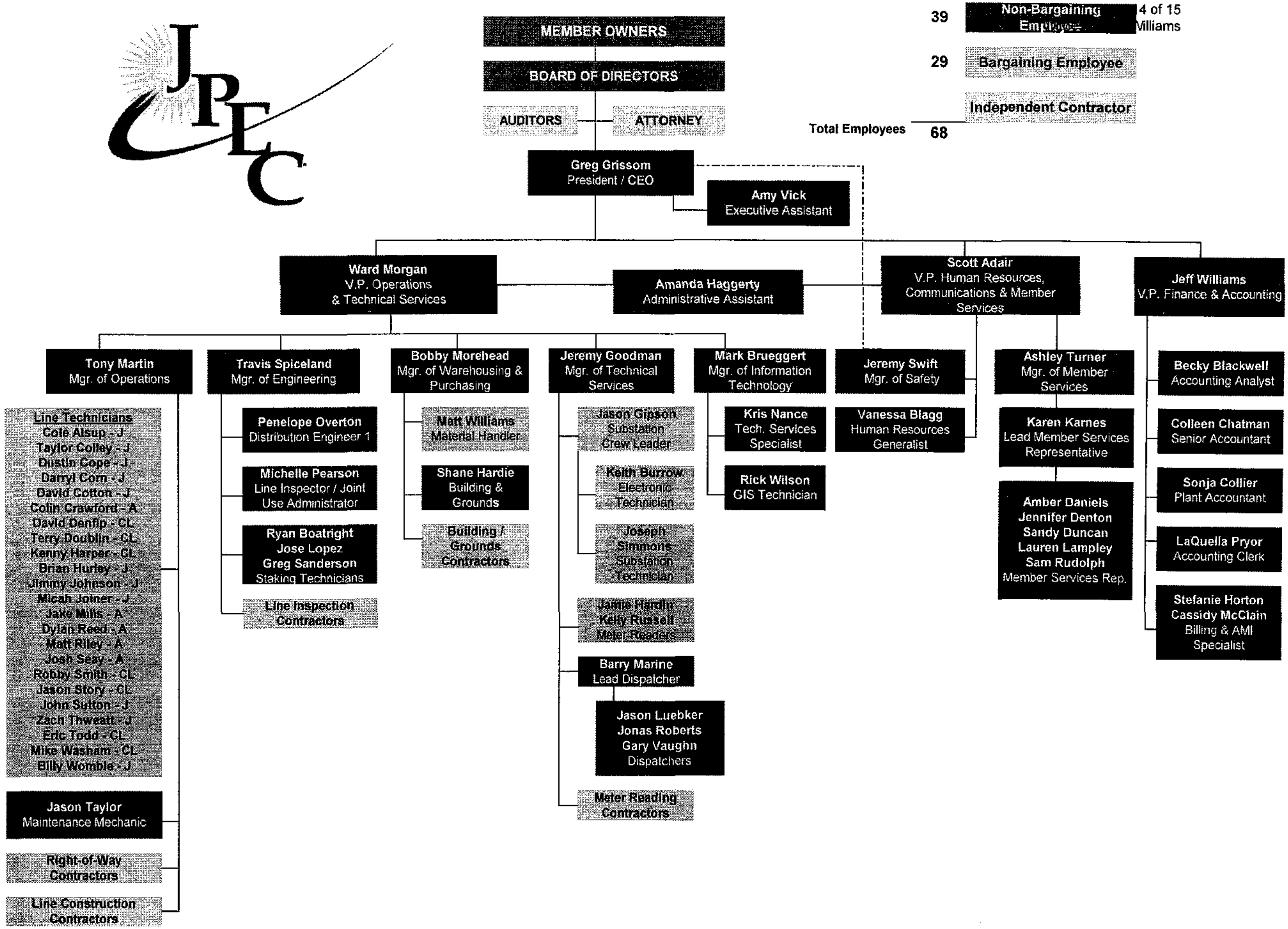
Colleen Chatman Senior Accountant
Sonja Collier Plant Accountant
LaQuella Pryor Accounting Clerk
Stefanie Horton Cassidy McClain Billing & AMI Specialist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Cassidy McClain
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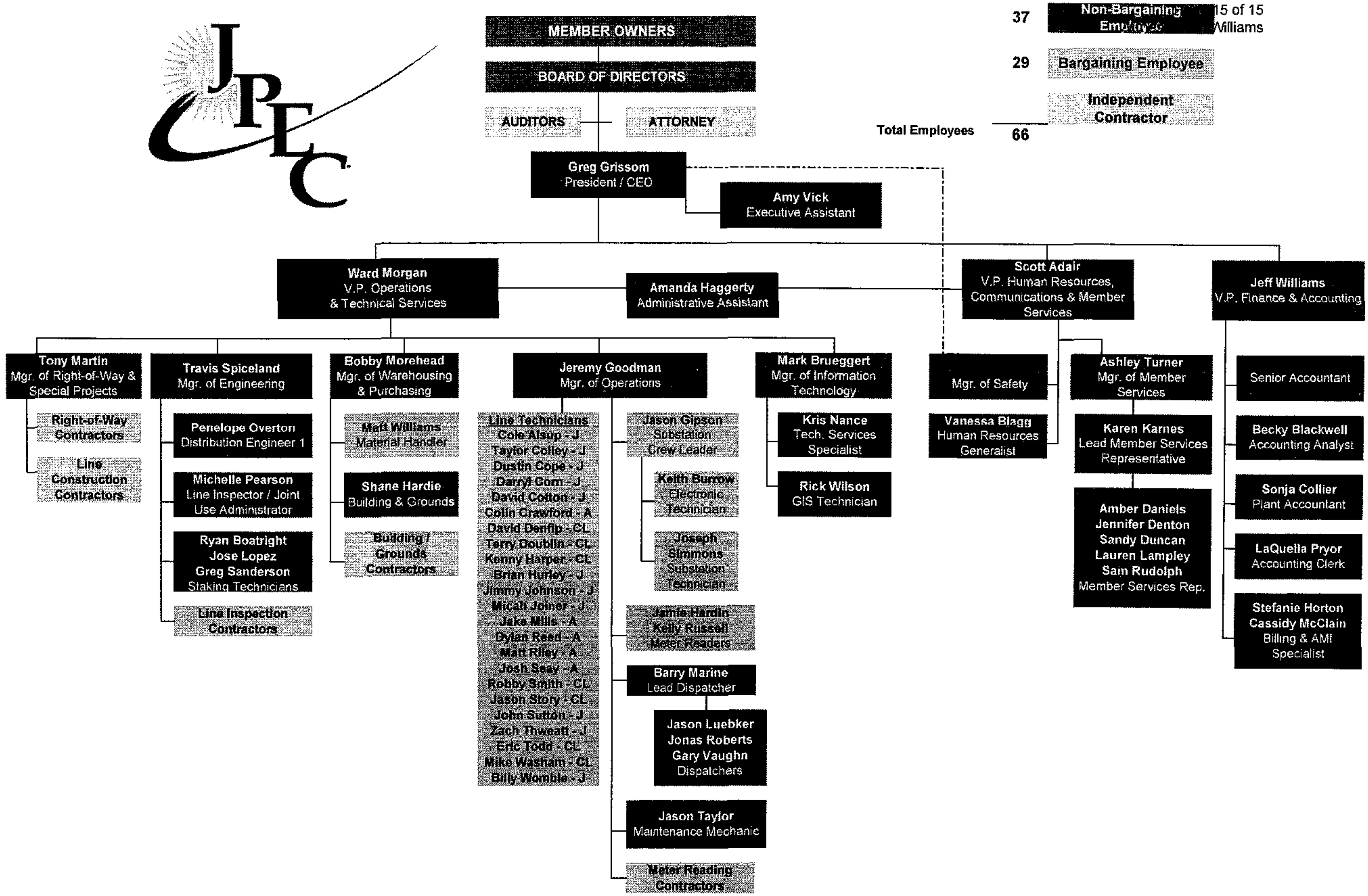
Independent Contractor
Total Employees 68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Independent Contractor
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EXHIBIT___(LK-7)

JACKSON PURCHASE ENERGY CORPORATION
PSC CASE NO. 2021-00358
INITIAL REQUEST FOR INFORMATION RESPONSE

AG'S INITIAL REQUEST FOR INFORMATION—11/15/21
REQUEST 14
RESPONSIBLE PERSON: Jeff Williams
COMPANY: Jackson Purchase Energy Corporation

Request 14. In its Order in Case No. 2019-00326, the Commission cites to Company statements that "its new headquarters building will allow Jackson Purchase Energy to save approximately 35 percent to 45 percent off its current power bill with Paducah Power System."

a. Provide a copy of the analysis developed by the Company used to quantify these savings.

b. Indicate when the Company terminated its electric service with Paducah Power System.

c. Indicate how the Company obtains electric service at its new headquarters building.

d. Indicate whether the Company's electric service at its new headquarters building is metered.

e. Describe how the cost of the Company's electric service is determined and how the Company recovers that cost, e.g., as "Company use" or "losses" through its fuel adjustment clause rider.

f. Provide a schedule showing the cost of electric service at its old headquarters building by month starting January 2018 through the most recent month for which actual cost is available. Indicate the FERC account used to record this expense.

g. Provide a schedule showing the cost of electric service at its new headquarters building by month starting January 2018 through the most recent month for which actual cost is available. Indicate the FERC account used to record this expense. If the Company does not record this cost separately in its accounting system, then so state and explain why it does not do so.

Response 14.

(a) Please refer to Jackson Purchase's response to Commission Staff's First Request for Information Item 14 in Case No. 2019-00326, *The Electronic Application of Jackson Purchase Energy Corporation for a Certificate of Public Convenience and Necessity to Construct a New Headquarters Facility*. Jackson Purchase used a very conservative savings number in 35%. Please compare the attachments to parts (f) and (g) of this response.

(b) The last bill with Paducah Power was for June 2021, as Jackson Purchase terminated service as of 6-7-21.

(c) Jackson Purchase's new headquarters facility is on its own distribution lines. Its G&T provider Big Rivers provides the power and transmission to the substation.

(d) Yes, it is metered.

(e) Jackson Purchase meters its headquarters facility and pays Big Rivers the wholesale price for the power used. This is booked into a 555 account for purchased power.

(f) Please see attachment.

(g) Please see attachment.

Jackson Purchase Energy Corporation
Case No. 2021-00358
AG 1 - 14(f)
Paducah Power System Invoices
January 2018 - June 2021

Date	Amount	Account #						
01/2018	$ 16,342.62	588.1	921	921.1	925	903	163	184.1
02/2018	$ 14,009.39	588.1	921	921.1	925	903	163	184.1
03/2018	$ 10,295.97	588.1	921	921.1	925	903	163	184.1
04/2018	$ 10,019.43	588.1	921	921.1	925	903	163	184.1
05/2018	$ 7,993.99	588.1	921	921.1	925	903	163	184.1
06/2018	$ 8,207.59	588.1	921	921.1	925	903	163	184.1
07/2018	$ 7,815.97	588.1	921	921.1	925	903	163	184.1
08/2018	$ 8,207.59	588.1	921	921.1	925	903	163	184.1
09/2018	$ 7,851.58	588.1	921	921.1	925	903	163	184.1
10/2018	$ 6,691.96	588.1	921	921.1	925	903	163	184.1
11/2018	$ 10,093.90	588.1	921	921.1	925	903	163	184.1
12/2018	$ 11,960.57	588.1	921	921.1	925	903	163	184.1
01/2019	$ 12,650.06	588.1						
02/2019	$ 13,866.25	588.1						
03/2019	$ 11,250.02	588.1						
04/2019	$ 9,134.87	588.1						
05/2019	$ 8,406.43	588.1						
06/2019	$ 8,775.20	588.1						
07/2019	$ 8,134.43	588.1						
08/2019	$ 8,410.19	588.1						
09/2019	$ 8,750.98	588.1						
10/2019	$ 8,369.79	588.1						
11/2019	$ 12,873.82	588.1						
12/2019	$ 13,187.70	588.1						
01/2020	$ 14,564.45	588.1						
02/2020	$ 15,557.68	588.1						
03/2020	$ 11,347.36	588.1						
04/2020	$ 9,752.61	588.1						
05/2020	$ 8,111.68	588.1						
06/2020	$ 8,352.68	588.1						
07/2020	$ 8,463.72	588.1						
08/2020	$ 8,574.73	588.1						
09/2020	$ 8,814.83	588.1						
10/2020	$ 9,238.04	588.1						
11/2020	$ 9,091.12	588.1						
12/2020	$ 13,777.22	588.1						
01/2021	$ 17,146.44	588.1						
02/2021	$ 21,967.38	588.1						
03/2021	$ 11,466.65	588.1						
04/2021	$ 10,189.02	588.1						

05/2021	$	7,663.78	588.1
06/2021	$	4,379.20	588.1

Jackson Purchase Energy Corporation
Case No. 2021-00358
AG 1 - 14(g)

Month		Amount	Account	KWH
21-Jun	$	15,254.75	555	201,250
21-Jul	$	5,271.60	555	69,000
21-Aug	$	4,934.40	555	64,250
21-Sep	$	4,223.75	555	54,500
21-Oct	$	5,134.38	555	66,250

EXHIBIT___(LK-8)

JACKSON PURCHASE ENERGY CORPORATION
PSC CASE NO. 2021-00358
INITIAL REQUEST FOR INFORMATION RESPONSE

AG'S INITIAL REQUEST FOR INFORMATION—11/15/21
REQUEST 38
RESPONSIBLE PERSONS: Greg Grissom and Jeff Williams
COMPANY: Jackson Purchase Energy Corporation

Request 38. Refer to the Direct Testimony of Jeffrey R. Williams at page 12 lines 6 - 18 regarding the right-of-way (ROW) management contract abandoned in 2019/2020. Provide the following:

a. Multi-year contract that contractor walked away from in 2019/2020 along with a detailed description of the former contractor.

b. Discuss notifications and actions taken when the contractor walked away. Provide copies of associated written communications.

c. Any presentations to the Jackson Purchase Board of Directors regarding the abandonment of the contract in 2019/2020 and associated board minutes.

d. All documents to RUS and other outside lenders or rating agencies regarding the abandonment of the right-of way management contract in 2019/2020.

e. Describe how this contract was managed by Jackson Purchase before it was abandoned.

f. Copies of all other ROW contracts that were in effect in 2019/2020 for any other ROW providers. If none, then so state.

g. Indication whether the Company pursued damages against the former contractor that walked away. If so, describe the Company's efforts and the current status of the Company's claim, including any damages. If not, then explain why it did not do so.

h. Description of the effects of the contractor walking away from the contract starting with the date at which the contractor stopped work and the date(s) the new contractor(s) began work. In your description, address the work that was performed during the period between the former and new contractors, if any, the estimated savings in expense during this period, the estimated savings in the test year, and the effects on the new contractor, including, but not limited to, additional work and additional expense due to the hiatus, if any, to catchup the work that was not performed during the hiatus between contractors.

Response 38.

(a) Please see attached.

(b) The former VP of Engineering and Operations dealt with the contractor as well as his staff. A meeting happened in late 2019 between Jackson Purchase and the contractor in which the contractor indicated it couldn't continue at 2019 pricing. The action taken by management was to rebid the right-of-way contract for 2020.

(c) Please see attached.

(d) Not applicable.

(e) The VP of Engineering and Operations along with the manager of operations and his staff dealt with the contractor to ensure circuits were cut and specifications were met. The engineering department helped to determine which circuits were the highest priority.

(f) Not applicable

(g) Jackson Purchase did not pursue damages.

(h) The contractor finished the 2019 work. Jackson Purchase put out bids for 2020 and started that program in 2020.

Attachment A

Substation and Circuit Mileage by Year

2018

Sub Name	Circuit No.	Circuit Name	Mileage
1 Culp	4201	Proform	10.02
1 Culp	4202	Little Cypress	5.75
1 Culp	4203	Possum Trot	10.98
1 Culp	4204	Sharpe	36.35
2 Draffenville	6601	Draffenville	10.75
3 Freemont	5101	Symsonia	59.72
3 Freemont	5102	Mc Neil Lane	30.2
3 Freemont	5104	Freemont	12.94
3 Freemont	5105	Bonds Rd	12.05
4 Husbands Road	4002	Husbands Rd	19.98
4 Husbands Road	4003	Lydon Rd	16.72
4 Husbands Road	4004	Clarkline Rd	14.4
5 Palma	5401	Hwy 95 N to Hwy 62	16.78
5 Palma	5402	Draffenville	9.01
5 Palma	5403	Palma	26.17
6 Reidland	4101	Ken Mar Rd	8.17
6 Reidland	4102	Reidland Water	1.61
6 Reidland	4103	Epperson Rd	4.85
6 Reidland	4104	Walker Boat Yard	6.83
7 Smithland	3201	Smithland	14.67
7 Smithland	3202	Tiline	78.1
7 Smithland	3204	Mitchell Store	37.28
		Total Milage	443.33

2019

Sub Name	Circuit No.	Circuit Name	Mileage
8 Burna	1401	Hampton	10.15
8 Burna	1404	Salem	39.51
8 Burna	1405	Smithland	65.54
9 Coleman Road	3002	Conrad Hgts	4.04
9 Coleman Road	3004	Holt Rd	1.45
9 Coleman Road	3005	Ky Oaks Mall	1.32
10 Cumberland River	1502	Pinckneyville	24.5
10 Cumberland River	1503	Quarry	4.41
11 High Point	2901	High Point	14.67
11 High Point	2902	Carneal Rd	11
12 LaCenter	2601	Damron's	31.12
12 LaCenter	2602	Oscar	52.01
13 Lovelaceville	4901	Blandville	15.24
13 Lovelaceville	4902	Lovelaceville	36.88
13 Lovelaceville	4903	.Cunningham	45.36
14 Olivet Church Road	7401	Olivet Ch Rd	3.06
14 Olivet Church Road	7402	Highland Ch Rd	10.29
14 Olivet Church Road	7403	Info Age Park	0.61
15 Possum Trot	7802	Hwy 95 North	24.95
15 Possum Trot	7803	Possum Trot	7.1
15 Possum Trot	7805	Industrial Loop North	20.82
15 Possum Trot	7806	Coal Tek	3.85
16 Strawberry Hill	7702	Hansen Rd	7.04
16 Strawberry Hill	7703	Walmart - Hansen Rd	3.49
16 Strawberry Hill	7705	CSI - James Sanders	1.57
16 Strawberry Hill	7706	Hwy 60 - James Sanders	1.18
		Total Milage	441.16

2020

Sub Name	Circuit No.	Circuit Name	Mileage
17 Grand Rivers	7601	Iuka	35.8
17 Grand Rivers	7602	Smithland	18.96
17 Grand Rivers	7604	Pelican GR #1	13.49
17 Grand Rivers	7605	Averitt GR #2	16.3
18 Joy	501	Hampton South	49.19
18 Joy	504	Carrsville	7.86
18 Joy	505	Lola	45.55
19 Kansas	6101	Lowes	40.06
19 Kansas	6102	US 45 Folsomdale	21.44
19 Kansas	6103	Melber	33.03
19 Kansas	6104	Pottsville	32.6
20 Krebs Rd.	5001	Browns Platin	18.9
20 Krebs Rd.	5002	Old US 45	39.1
20 Krebs Rd.	5003	Clinton Rd.	29.09
21 Ledbetter	3102	US 60 East	23.75
21 Ledbetter	3103	River Crossing	3.72
21 Ledbetter	3104	Ledbetter	28
		Total Milage	456.84

2021

Sub Name	Circuit No.	Circuit Name	Mileage
22 Calvert City	4301	Hwy 95	6.82
22 Calvert City	4302	Calvert Heights	11.95
22 Calvert City	4303	Gilbertsville	12.55
22 Calvert City	4304	Industrial Park	3.46
23 Kevil	2801	Hobbs Rd.	32.63
23 Kevil	2802	Woodville Rd.	47.2
23 Kevil	2803	Kelley Rd.	22.58
24 Little Union	3901	Airport	14.53
24 Little Union	3902	US 60 West	16.15
24 Little Union	3903	US 60 East Mall	3.6
24 Little Union	3904	Roy Lee Rd.	25.74
25 Maxon	7914	Meredith	3.72
25 Maxon	7924	Maxon Rd	5.3
25 Maxon	7934	Industrial Park	0
26 New York	4701	Hinkleville	32.98
26 New York	4702	US 286 East Gage	34.7
26 New York	4703	Blandville	22.22
26 New York	4704	Wickliffe	37.13
26 New York	4705	Slater	46.6
27 Ragland	1901	Monkeys Eyebrow	41.77
27 Ragland	1902	Ragland	25.22
		Total Milage	446.85

EXHIBIT___(LK-9)

JACKSON PURCHASE ENERGY CORPORATION
PSC CASE NO. 2021-00358
INITIAL REQUEST FOR INFORMATION RESPONSE

AG'S INITIAL REQUEST FOR INFORMATION—11/15/21
REQUEST 38
RESPONSIBLE PERSONS: **Greg Grissom and Jeff Williams**
COMPANY: **Jackson Purchase Energy Corporation**

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c. Any presentations to the Jackson Purchase Board of Directors regarding the abandonment of the contract in 2019/2020 and associated board minutes.

d. All documents to RUS and other outside lenders or rating agencies regarding the abandonment of the right-of way management contract in 2019/2020.

e. Describe how this contract was managed by Jackson Purchase before it was abandoned.

f. Copies of all other ROW contracts that were in effect in 2019/2020 for any other ROW providers. If none, then so state.

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h. Description of the effects of the contractor walking away from the contract starting with the date at which the contractor stopped work and the date(s) the new contractor(s) began work. In your description, address the work that was performed during the period between the former and new contractors, if any, the estimated savings in expense during this period, the estimated savings in the test year, and the effects on the new contractor, including, but not limited to, additional work and additional expense due to the hiatus, if any, to catchup the work that was not performed during the hiatus between contractors.

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(c) Please see attached.

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(e) The VP of Engineering and Operations along with the manager of operations and his staff dealt with the contractor to ensure circuits were cut and specifications were met. The engineering department helped to determine which circuits were the highest priority.

(f) Not applicable

(g) Jackson Purchase did not pursue damages.

(h) The contractor finished the 2019 work. Jackson Purchase put out bids for 2020 and started that program in 2020.

MINUTES
JACKSON PURCHASE ENERGY CORPORATION
October 24, 2019

A regular meeting of the Board of Directors of Jackson Purchase Energy Corporation was called to order on Thursday, October 24, 2019 at 5:30 p.m., at the office of the corporation at 2900 Irvin Cobb Drive, Paducah, Kentucky. The following directors were in attendance:

> Joshua Barnes, Kevin Bell, Dr. Ivus Crouch, Wayne Elliott, Erick Harris, Jack Marshall, and Terry Teitloff.

Also present were Greg Grissom, President and CEO; Ward Morgan, Vice President of Technology; Scott Ribble, VP of Engineering and Operations; Scott Adair, VP of Human Resources, and Communications; Jeff Williams, Vice President of Finance and Accounting; Amy Vick, Executive Assistant, and Richard L. Walter, general counsel.

OPENING BUSINESS

The meeting was called to order by Mr. Harris. Director Elliott offered the invocation.

The consent agenda was presented. Motion was made and seconded to accept the consent agenda; unanimously carried.

DEPARTMENTAL REPORTS

<u>Accounting/Member Services</u>
Jeff Williams presented his report relative to his departments. He reported on the survey results that had been an ongoing event. He presented graphs relative to the forms of payment that JPEC received. Bank checks are by far the most often used form of payment, but bank drafts are currently being used more frequently.

Jeff also reported on account write-offs. The October write-offs were extremely low and he believes this is a result of both efforts for this department as well as from Ward Morgan's technical services department.

Jeff Williams also reported on the Form 7. He indicated that monthly earnings were very strong for August being in excess of $507,000. Year-to-date earnings were at $830,529. Tier was 1.63.

Safety, Human Resources and Communications:

Scott Adair began his report by providing a safety moment. The safety moment concerned individuals' attitude with safe driving. The first week of October was "Drive Safe to Work" Week.

Scott reported that we had one recordable injury in August. In August, we also had six consecutive days with no lost time. He also reported that we have continued with no lost time events.

During the month of August, JPEC did four safety demonstrations. Our employees drove in excess of 69,000 miles without any accidents.

As part of the Human Resources Department report, it was reported that JPEC had 74 employees with no job openings for the month of August.

Engineering and Operations:

Scott Ribble reported on the Engineering and Operations Department. He reported that the Public Service Commission will be at JPEC the week of October 28 to inspect our system.

Scott also reported that there had been meeting with Townsend, our tree contractor. There were very candid discussions about their tree performance. We are approximately 50% through with the contract period and Townsend is 300 miles behind in its performance.

Technical Services:

Ward Morgan reported on the Technical Services Department. He reported that there are several ongoing projects. His department has installed cameras at three substations. This was in response to some thefts and vandalism occurring at a couple substations. There are plans to install more.

Ward also reported that the SCADA network has all been upgraded. He indicated that the upgrade to Windows 10 is 95% complete. That project must be done by January 1, 2020. He indicated that his department will meet that deadline.

Ward also reported that the disaster recovery site is 100% complete. There remains testing to be performed.

Attorney:

Attorney Rick Walter reported on the legal activities performed during the month of October 2019. An update was provided relative to the 911 litigation filed in the United States District Court for the Western District of Kentucky. He also reported on the fact that Marshall County has "re-booted" its 911 ordinance and has presented a first reading to the public. The second reading is to occur in the month of November. It was also reported that Calloway County has recently informed the public that it too is going to seek to collect additional 911 fees. However, Calloway County is doing it the proper way by placing it on the property tax bill for individual residences.

CEO Report:
Greg Grissom reported to the Board. He reported on the need to have an audit prepared of our financial records. He presented to the Board a proposal.

Greg also reported on other activities that he has participated in since the last meeting. This also included reports on the 911 litigation and his conversations with the Livingston County Judge Executive.

KEC Report:
There was no KEC report.

Big Rivers:
Board Member Wayne Elliott reported on Big Rivers. The report reflected on several projects relative to the NuCor Plant which is presently being constructed on the Big Rivers' system.

OLD BUSINESS

There was no old business presented.

NEW BUSINESS

RUS Form 7. The details of RUS Form 7 had been previously presented to the Board by Jeff Williams as well as by Greg Grissom. A motion was made to approve the RUS Form 7. Motion was appropriately seconded and unanimously carried.

Engagement of Financial Auditor. The Board was presented with a proposal from Alan Zumstein with Jones, Nale and Mattingly, PLLC to perform the audit of the financial statements of the corporation. Motion was made and duly seconded to approve the retention of Jones, Nale, and Mattingly, PLC and its accountant to perform the audit of the financial records of JPEC. Motion unanimously carried.

Board Policies. The Board was presented with a revised set of Board Policies (absent the policy concerning Board of Directors' qualifications). A motion was made to rescind all previously passed Board policies and to adopt the newly presented policies in their entirety. Motion was appropriately seconded and unanimously carried.

Travel Expenses to KEC Meeting. The Board was presented information concerning the KEC Meeting to be held in November. A motion was made that travel expenses for any Board member wishing to attend the KEC Meeting be approved. Motion was appropriately seconded and unanimously carried.

EXECUTIVE SESSION

A motion was made that the Board meet in Executive Session. The motion was appropriately seconded and unanimously carried.

The Board met in Executive Session. Following its discussion, a motion was made that the Board return to its General Session. The motion was duly seconded and passed unanimously.

ADJOURNMENT

Motion was made to adjourn the meeting. Motion was appropriately seconded and passed unanimously.

Erick Harris
Chair

Wayne Elliott
Secretary/Treasurer

EXHIBIT___(LK-10)

JACKSON PURCHASE ENERGY CORPORATION
PSC CASE NO. 2021-00358
INITIAL REQUEST FOR INFORMATION RESPONSE

AG'S INITIAL REQUEST FOR INFORMATION—11/15/21
REQUEST 38
RESPONSIBLE PERSONS: **Greg Grissom and Jeff Williams**
COMPANY: **Jackson Purchase Energy Corporation**

Request 38. Refer to the Direct Testimony of Jeffrey R. Williams at page 12 lines 6 - 18 regarding the right-of-way (ROW) management contract abandoned in 2019/2020. Provide the following:

a. Multi-year contract that contractor walked away from in 2019/2020 along with a detailed description of the former contractor.

b. Discuss notifications and actions taken when the contractor walked away. Provide copies of associated written communications.

c. Any presentations to the Jackson Purchase Board of Directors regarding the abandonment of the contract in 2019/2020 and associated board minutes.

d. All documents to RUS and other outside lenders or rating agencies regarding the abandonment of the right-of way management contract in 2019/2020.

e. Describe how this contract was managed by Jackson Purchase before it was abandoned.

f. Copies of all other ROW contracts that were in effect in 2019/2020 for any other ROW providers. If none, then so state.

g. Indication whether the Company pursued damages against the former contractor that walked away. If so, describe the Company's efforts and the current status of the Company's claim, including any damages. If not, then explain why it did not do so.

h. Description of the effects of the contractor walking away from the contract starting with the date at which the contractor stopped work and the date(s) the new contractor(s) began work. In your description, address the work that was performed during the period between the former and new contractors, if any, the estimated savings in expense during this period, the estimated savings in the test year, and the effects on the new contractor, including, but not limited to, additional work and additional expense due to the hiatus, if any, to catchup the work that was not performed during the hiatus between contractors.

Response 38.

(a) Please see attached.

(b) The former VP of Engineering and Operations dealt with the contractor as well as his staff. A meeting happened in late 2019 between Jackson Purchase and the contractor in which the contractor indicated it couldn't continue at 2019 pricing. The action taken by management was to rebid the right-of-way contract for 2020.

(c) Please see attached.

(d) Not applicable.

(e) The VP of Engineering and Operations along with the manager of operations and his staff dealt with the contractor to ensure circuits were cut and specifications were met. The engineering department helped to determine which circuits were the highest priority.

(f) Not applicable

(g) Jackson Purchase did not pursue damages.

(h) The contractor finished the 2019 work. Jackson Purchase put out bids for 2020 and started that program in 2020.

MINUTES
JACKSON PURCHASE ENERGY CORPORATION
November 21, 2019

A regular meeting of the Board of Directors of Jackson Purchase Energy Corporation was called to order on Thursday, November 21, 2019 at 5:30 p.m., at the office of the corporation at 2900 Irvin Cobb Drive, Paducah, Kentucky. The following directors were in attendance:

Joshua Barnes, Lee Bearden, Kevin Bell, Dr. Ivus Crouch, Wayne Elliott, Erick Harris, Jack Marshall, and Terry Teitloff.

Also present were Greg Grissom, President and CEO; Ward Morgan, Vice President of Technology; Scott Ribble, Vice President of Engineering and Operations; Scott Adair, Vice President of Human Resources & Communications; Jeff Williams, Vice President of Finance, Accounting and Member Services; Amy Vick, Executive Assistant, and Richard L. Walter, general counsel.

OPENING BUSINESS

The meeting was called to order by Chairperson Harris. Director Barnes offered the invocation.

A safety moment was presented by Scott Adair, Vice President of Human Resources & Communications. The safety moment discussed automobile highway breakdown safety.

The consent agenda was presented. Motion was made and seconded to accept the consent agenda; unanimously carried.

DEPARTMENTAL REPORTS

<u>Safety, Human Resources and Communications:</u>
Scott Adair provided the safety report. He indicated that there were no recordable accidents for September. Scott also informed the board that JPEC is now tracking No Lost Time in hours worked and not days. The change is to align with industry best practices.

The HR report indicated that in September, there were zero job openings. We had 72 employees. At the present time, we have 70 employees with one job opening being posted for a journeyman lineman.

As part of the Communications Department, Scott focused on Facebook and our efforts at communicating with our members.

Engineering and Operations:
Scott Ribble reported on the Engineering and Operations Department. He reported that on December 4 there will be a mandatory pre-bid meeting for those interested in bidding on the right of way contract. He stated there has been significant interest.

Scott also reported that the Public Service Commission had been on Jackson Purchase property. It conducted an inspection and noted no deficiencies.

Form 300 has taken place. The review was positive.

Technical Services:
Ward Morgan reported on the Technical Services Department. September AMI performance was at 95.17% for cycles one – four. Ward was available for questions from the Board.

Accounting/Members Services:
Jeff Williams presented his report relative to his departments. Jeff was available for questioning.

Attorney:
Attorney Rick Walter reported on the legal activities performed during the months of October and November 2019. He is providing separately an update on the 911 litigation in the United States District Court for the Western District of Kentucky. Marshall County has passed a revised ordinance.

CEO Report:
Greg Grissom reported to the Board. He reported that the auditor selected by the Board has been at the offices of JPEC performing routine audits.

KEC Report:
The Board was provided a report by Lee Bearden as to the recent KEC Annual Convention.

Big Rivers:
Board Member Wayne Elliott reported on Big Rivers. The NuCor Steel plant is proceeding and is actually ahead of schedule.

OLD BUSINESS

There was no old business presented.

NEW BUSINESS

RUS Form 7. The details of RUS Form 7 were discussed and presented to the Board. A motion was made to approve the RUS Form 7. Motion was appropriately seconded and unanimously carried.

Board Policy 108. The Board was presented with a revised Policy 108 concerning Director Qualifications. Motion was made and duly seconded to approve Board Policy 108. Motion unanimously carried.

Travel Expenses to NRECA Meeting. The Board was presented information concerning the NRECA meeting to be held in New Orleans. A motion was made that travel expenses for any Board member wishing to attend the NRECA meeting be approved. Motion was appropriately seconded and unanimously carried.

Amendment to Retirement Security Plan. As part of the Union negotiations, a revision is necessary relative to the Retirement Security Plan. Appropriate discussion was held with the Board. A motion was made authorizing the amendment to other Retirement Security Plan Nos. 18020-002 and 18020-004. The motion was appropriately seconded. Motion unanimously passed.

EXECUTIVE SESSION
There was no need for Executive Session.

ADJOURNMENT
Motion was made to adjourn the meeting. Motion was appropriately seconded and passed unanimously.

Erick Harris
Chair

Wayne Elliott
Secretary/Treasurer

MINUTES
JACKSON PURCHASE ENERGY CORPORATION
January 23, 2020

A regular meeting of the Board of Directors of Jackson Purchase Energy Corporation was called to order on Thursday, January 23, 2020 at 5:30 p.m., at the office of the corporation at 2900 Irvin Cobb Drive, Paducah, Kentucky. The following directors were in attendance:

> Joshua Barnes, Lee Bearden, Kevin Bell, Dr. Ivus Crouch, Wayne Elliott, Erick Harris, Jack Marshall, and Terry Teitloff.

Also present were Greg Grissom, President and CEO; Ward Morgan, Vice President of Technology; Scott Ribble, Vice President of Engineering and Operations; Scott Adair, Vice President of Human Resources and Communications; Jeff Williams, Vice President of Finance and Accounting; Amy Vick, Executive Assistant, and Richard L. Walter, general counsel.

OPENING BUSINESS

The meeting was called to order by Chairperson Harris. An invocation was offered by Scott Adair, the safety moment was presented by Scott Ribble.

The consent agenda was presented. Motion was made and seconded to accept the consent agenda; unanimously carried.

DEPARTMENTAL REPORTS

Safety, Human Resources and Communications:
Scott Adair provided the Human Resources and Safety Department reports. He stressed that during the preceding month, numerous crew visits were accomplished. All Human Resources' goals were met or exceeded. There was one resignation. There was one new hire. Total employee count was 70.

Scott also reported that there had been nine community events in the previous year. Community outreach is an important goal of Jackson Purchase.

Scott also provided a 911 update relative to the litigation involving Marshall County. He also advised that a right of way brochure is being circulated to Jackson Purchase members relative to tree trimming operations.

Engineering and Operations:
The Engineering and Operations Report was provided by Scott Ribble. Scott reported that the Kansas substation upgrade is underway. The Hampton circuit

out of Burna has been completed, Townsend is working on the Lovelaceville and Cunningham circuits. The Holter Group will begin working on the rest of Burna and Conrad Heights. The tree clearing is an important and ongoing operation.

Technical Services:
Ward Morgan reported on the Technical Services Department. AMI read performance was 92.32.

Ward also reported on the progress of future plans for fiber relative to Big Rivers' contribution. We have planned 77 miles of fiber installation.

Ward also reported on the ability to achieve conduit locations under the Ledbetter Bridge.

Accounting/Members Services:
Jeff Williams presented his report relative to his departments. Write offs continue to decrease, currently they are less than $10,000 monthly. That compares to over $30,000 per month in 2018.

Jeff also reported on the ACSI survey results. Jackson Purchase had a significant increase from 77 to 80. That will be further reported on at the upcoming Board workshop.

General Counsel:
Legal affairs of the co-op remained concentrated on the 911 litigation.

Information was also supplied to the Board relative to the revised Board Policy 108.

CEO Report:
Greg Grissom reported to the Board as to his monthly activities. He proudly reported that the application to the PSC for the Sports Plex purchase had been approved.

KEC Report:
Lee Bearden offered a brief report. His report indicated that ten million dollars in sales for 2019 as opposed to 2018.

Big Rivers:
Board Member Wayne Elliott reported on Big Rivers. The main portion of Wayne's report indicated that some of Big Rivers' power plants are idle. We are now buying more power than we are producing as a result of the downward trend in the market.

OLD BUSINESS

There was no old business presented.

NEW BUSINESS

RUS Form 7. The details of RUS Form 7 were discussed and presented to the Board. A motion was made to approve the RUS Form 7. Motion was appropriately seconded and unanimously carried.

Capital credits. In 2011 the Board of Directors approved the retirement and payment for all capital credits for years 1943-1957. There are currently $923,000 in unclaimed capital credits. A motion was made and appropriately seconded to return the outstanding capital credits to the income of the cooperative. After appropriate discussion was held, the motion was unanimously passed.

CoBank financing. It was reported that we had a twenty million short term line of credit from CoBank. It was determined that a promissory note for bridge financing is necessary. It was further reflected that Wayne Elliott, Erick Harris, and Greg Grissom were authorized to execute said promissory note. A motion was made and duly seconded to ratify that authority. Motion was appropriately seconded and unanimously passed.

RUS Loan. This matter was brought before the Board to advise the Board of need for construction financing up to $61,543,000. This is part of the construction work plan. No action was necessary.

Policy No. 108. A revised Policy 108 was presented to the Board. A motion was appropriately made and seconded and unanimously passed to adopt said Board policy.

CFC Voting Delegate. A motion was made to designate Lee Bearden as the voting delegate for CFC at the KEC Board Meeting. Erick Harris was nominated as the alternate. Said motion was duly and appropriately seconded and unanimously passed.

NRTC Voting Delegate. A motion was made that Erick Harris be nominated as the voting delegate and Greg Grissom be selected as the alternate. Said motion was appropriately seconded and unanimously passed.

NRECA Voting Delegate. A motion was made that Erick Harris be nominated as the voting delegate and Greg Grissom be selected as the alternate. Said motion was appropriately seconded and unanimously passed.

CFC Voting Delegate. A motion was made to designate Lee Bearden as the CFC voting delegate at the NRECA Annual Meeting. Erick Harris was selected as the alternate. Motion was appropriately seconded and unanimously passed.

EXECUTIVE SESSION
A motion was made by the Board to retire into Executive Session. Motion was appropriately seconded and unanimously passed.

RETURN TO GENERAL SESSION
A motion was made to return to general session. Motion was appropriately seconded and unanimously passed.

2020 BUDGET
Following appropriate discussion in the Executive Session, a motion was made to approve the 2020 budget. Motion was appropriately seconded and unanimously passed.

ADJOURNMENT
Motion was made to adjourn the meeting. Motion was appropriately seconded and passed unanimously.

Erick Harris	Wayne Elliott
Chair	Secretary/Treasurer

EXHIBIT___(LK-11)

JACKSON PURCHASE ENERGY CORPORATION
PSC CASE NO. 2021-00358
INITIAL REQUEST FOR INFORMATION RESPONSE

AG'S INITIAL REQUEST FOR INFORMATION—11/15/21
REQUEST 38
RESPONSIBLE PERSONS: **Greg Grissom and Jeff Williams**
COMPANY: **Jackson Purchase Energy Corporation**

Request 38. Refer to the Direct Testimony of Jeffrey R. Williams at page 12 lines 6 - 18 regarding the right-of-way (ROW) management contract abandoned in 2019/2020. Provide the following:

a. Multi-year contract that contractor walked away from in 2019/2020 along with a detailed description of the former contractor.

b. Discuss notifications and actions taken when the contractor walked away. Provide copies of associated written communications.

c. Any presentations to the Jackson Purchase Board of Directors regarding the abandonment of the contract in 2019/2020 and associated board minutes.

d. All documents to RUS and other outside lenders or rating agencies regarding the abandonment of the right-of way management contract in 2019/2020.

e. Describe how this contract was managed by Jackson Purchase before it was abandoned.

f. Copies of all other ROW contracts that were in effect in 2019/2020 for any other ROW providers. If none, then so state.

g. Indication whether the Company pursued damages against the former contractor that walked away. If so, describe the Company's efforts and the current status of the Company's claim, including any damages. If not, then explain why it did not do so.

h. Description of the effects of the contractor walking away from the contract starting with the date at which the contractor stopped work and the date(s) the new contractor(s) began work. In your description, address the work that was performed during the period between the former and new contractors, if any, the estimated savings in expense during this period, the estimated savings in the test year, and the effects on the new contractor, including, but not limited to, additional work and additional expense due to the hiatus, if any, to catchup the work that was not performed during the hiatus between contractors.

Response 38.

(a) Please see attached.

(b) The former VP of Engineering and Operations dealt with the contractor as well as his staff. A meeting happened in late 2019 between Jackson Purchase and the contractor in which the contractor indicated it couldn't continue at 2019 pricing. The action taken by management was to rebid the right-of-way contract for 2020.

(c) Please see attached.

(d) Not applicable.

(e) The VP of Engineering and Operations along with the manager of operations and his staff dealt with the contractor to ensure circuits were cut and specifications were met. The engineering department helped to determine which circuits were the highest priority.

(f) Not applicable

(g) Jackson Purchase did not pursue damages.

(h) The contractor finished the 2019 work. Jackson Purchase put out bids for 2020 and started that program in 2020.

MINUTES
JACKSON PURCHASE ENERGY CORPORATION
February 27, 2020

A regular meeting of the Board of Directors of Jackson Purchase Energy Corporation was called to order on Thursday, February 27, 2020 at 5:30 p.m., at the office of the corporation at 2900 Irvin Cobb Drive, Paducah, Kentucky. The following directors were in attendance:

> Joshua Barnes, Lee Bearden, Kevin Bell, Dr. Ivus Crouch, Wayne Elliott, Erick Harris, Jack Marshall, and Terry Teitloff.

Also present were Greg Grissom, President and CEO; Ward Morgan, Vice President of Technology; Scott Ribble, Vice President of Engineering and Operations; Scott Adair, Vice President of Human Resources, and Communications; Jeff Williams, Vice President of Finance and Accounting; Amy Vick, Executive Assistant, and Richard L. Walter, general counsel.

In addition, the Board welcomed special guests Bob Berry, CEO, and Paul Smith, CFO, of Big Rivers.

OPENING BUSINESS

The meeting was called to order by Chairperson Harris. An invocation was offered by Director Jack Marshall.

A safety moment was presented by Jeff Williams concerning safe practices on snow and ice.

The consent agenda was presented. Motion was made and seconded to accept the consent agenda; unanimously carried.

PRESENTATION BY BIG RIVERS

Bob Berry, CEO of Big Rivers, introduced to the Board Mr. Paul Smith, CFO of Big Rivers. Mr. Smith provided the financial report for Big Rivers for 2019. Numerous positive features of Big Rivers' financial conditions and upcoming plans for 2020 and beyond were discussed. The highlights included potential legislative changes to allow cooperatives to start fiber and broadband services. Mr. Smith also reported from a financial perspective, that 2019 was a great year. There was profit of 44 million dollars. He also reported that in the near term, i.e., through 2021, there are no rate increases projected. Further, for long range forecasting, Big Rivers likewise sees no increase and perhaps even a rate decrease. Also in the long range forecasting, it is believed that Big Rivers' investment rating will be improved so that Big Rivers would then become an investment grade rating.

Finally, Mr. Smith reported that in two years, Big Rivers would be 31% carbon free. He, along with Bob Berry, also reported that Big Rivers has achieved its 50th Governor's Health and Safety Award. Big Rivers is the most recognized company in the Commonwealth of Kentucky for safety.

DEPARTMENTAL REPORTS

Safety, Human Resources and Communications:
Scott Adair provided the Human Resources and Safety Department reports. He indicated that there was one recordable injury but no lost time in this reporting period. He states that Jackson Purchase has over 70,000 hours without a lost time incident.

As part of the Communications Department report, Scott indicated that there were four community events in December. This included an event with the Chamber of Commerce, the Rotary Club, and two Christmas events.

Engineering and Operations:
The Engineering and Operations Report was provided by Scott Ribble. He stated that Right-of-Way clearing continued to be a big issue. A second contractor has started work. Progress is being made. Scott also reported that the construction work plan is geared up to get started in the very near future.

Technical Services:
Ward Morgan provided a report on the Technical Services Department. He stated the AMI billing read performance has increased slightly and was reported at being 93.44%. Ward also indicated that the upgrade on the substations are ongoing.

As it relates to the Sports Plex/new JPEC headquarters, cameras have been installed for security purposes.

Ward also shared with the Board that evaluation continues concerning installation of 47 miles of fiber. He is in active discussions with Big Rivers on this project.

Accounting/Members Services:
Jeff Williams presented his report relative to his Member Service and finance functions. Jeff reported that write-offs are now less than $10,000 monthly, down from $30,000 per month over a year ago.

Jeff also reported that JPEC's customer base is 83% dependent on residential sales. Residential sales comprise 64% of our income. As such, and as the Board has previously informed, JPEC is heavily dependent upon weather. Unfortunately with milder weather, JPEC sales have been decreasing over the last 10 years.

General Counsel:
Legal affairs of the co-op were discussed. Primary emphasis was on the closing of the real estate purchase of the Sports Plex/new headquarters.

CEO Report:
Greg Grissom reported to the Board as to his monthly activities. One area of primary concern was the facility design phase ongoing with the new headquarters. Greg is working with CBS, the design consults/project manager. The next step in this process will be the formation of an internal committee for departmental areas of JPEC to obtain and secure employee input.

KEC Report:
Lee Bearden reported on activities of KEC. Lee advised that the pole treatment chemical plant that provides chemicals for the treating of electric poles is going out of business. Other businesses seem to be trying to fill this void. There may be an increase in costs in the short term.

Big Rivers:
There was no Big Rivers' report.

OLD BUSINESS

There was no old business presented.

NEW BUSINESS

Composition of Board of Director Districts. Pursuant to the Bylaws of Jackson Purchase Energy Corporation, the Board is required to review and analyze the Board of Director Districts. Information was provided to the Board concerning the Districts and the members served within each district.

A motion was made to keep the Board of Directors' Districts the same as currently exist. This motion was appropriately seconded and unanimously carried.

Reimbursement of Member Tony Sanders. A motion was made by Terry Teitloff to refund in total all sums expended by Tony Sanders for the cost of removing electric service line to his barn. The motion was appropriately seconded and unanimously carried.

EXECUTIVE SESSION
A motion was made for the Board to retire into Executive Session. Motion was appropriately seconded and unanimously passed.

ADJOURNMENT
Motion was made to adjourn the meeting. Motion was appropriately seconded and passed unanimously.

Erick Harris
Chair

3/26/2020
Date

Wayne Elliott
Secretary/Treasurer

3/26/2020
Date

EXHIBIT___(LK-12)

JACKSON PURCHASE ENERGY CORPORATION
PSC CASE NO. 2021-00358
INITIAL REQUEST FOR INFORMATION RESPONSE

AG'S INITIAL REQUEST FOR INFORMATION—11/15/21
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RESPONSIBLE PERSONS: **Greg Grissom and Jeff Williams**
COMPANY: **Jackson Purchase Energy Corporation**

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b. Discuss notifications and actions taken when the contractor walked away. Provide copies of associated written communications.

c. Any presentations to the Jackson Purchase Board of Directors regarding the abandonment of the contract in 2019/2020 and associated board minutes.

d. All documents to RUS and other outside lenders or rating agencies regarding the abandonment of the right-of way management contract in 2019/2020.

e. Describe how this contract was managed by Jackson Purchase before it was abandoned.

f. Copies of all other ROW contracts that were in effect in 2019/2020 for any other ROW providers. If none, then so state.

g. Indication whether the Company pursued damages against the former contractor that walked away. If so, describe the Company's efforts and the current status of the Company's claim, including any damages. If not, then explain why it did not do so.

h. Description of the effects of the contractor walking away from the contract starting with the date at which the contractor stopped work and the date(s) the new contractor(s) began work. In your description, address the work that was performed during the period between the former and new contractors, if any, the estimated savings in expense during this period, the estimated savings in the test year, and the effects on the new contractor, including, but not limited to, additional work and additional expense due to the hiatus, if any, to catchup the work that was not performed during the hiatus between contractors.

Response 38.

(a) Please see attached.

(b) The former VP of Engineering and Operations dealt with the contractor as well as his staff. A meeting happened in late 2019 between Jackson Purchase and the contractor in which the contractor indicated it couldn't continue at 2019 pricing. The action taken by management was to rebid the right-of-way contract for 2020.

(c) Please see attached.

(d) Not applicable.

(e) The VP of Engineering and Operations along with the manager of operations and his staff dealt with the contractor to ensure circuits were cut and specifications were met. The engineering department helped to determine which circuits were the highest priority.

(f) Not applicable

(g) Jackson Purchase did not pursue damages.

(h) The contractor finished the 2019 work. Jackson Purchase put out bids for 2020 and started that program in 2020.

MINUTES
JACKSON PURCHASE ENERGY CORPORATION
August 27, 2020

A regular meeting of the Board of Directors of Jackson Purchase Energy Corporation was conducted on Thursday, August 27, 2020 at 5:30 p.m., at the offices of Jackson Purchase Energy Corporation in Paducah, McCracken County, Kentucky.

The following Directors were present:

> Joshua Barnes, Lee Bearden, Kevin Bell, Dr. Ivus Crouch, Wayne Elliott, Erick Harris, Jack Marshall, and Terry Teitloff.

Also present and participating were Greg Grissom, President and CEO; Ward Morgan, Vice President of Technology; Scott Ribble, Vice President of Engineering and Operations; Scott Adair, Vice President of Human Resources, Communications and Member Services; Amy Vick, Executive Assistant, and Richard L. Walter, general counsel. Excused from the meeting was Jeff Williams, Vice President of Finance and Accounting.

OPENING BUSINESS

The meeting was called to order by Chairperson Harris. An invocation was offered by Director Joshua Barnes.

A safety moment was presented by Scott Adair. The safety moment concerned itself with 10 safety rules as to why accidents occur.

The consent agenda was then presented to the Board. Motion was made and seconded to accept the consent agenda; unanimously carried.

DEPARTMENTAL REPORTS

<u>Safety, Engineering and Operations:</u>
Scott Ribble provided the Safety, Engineering and Operations report. This was his first report after the Safety Department was transferred to him.

Safety: Scott reported that Jackson Purchase is doing well in the performance of their work in a safe and prudent manner. Scott prepared graphs showing how Jackson Purchase compared to other cooperatives within the state and other high performing co-ops. Scott also reported on the hours worked with no lost time. He believes that by spring 2021, JPEC will hit its goal of 250,000 work hours without a lost time event. He also reported on the miles driven without a reportable accident.

Engineering and Operations: Scott Ribble provided the Engineering and Operations Report. The focus of his report included the readiness of JPEC for the aftermath of the hurricane that recently struck the gulf.

Over the past two weeks, the right of way crews have been finishing their work. Townsend is finished. The crew in Livingston County is completing its work. We are now soliciting new bids for 2021.

Human Resources, Communications and Member Services:
Scott Adair provided the Human Resources, Communications and Member Services Department reports.

Human Resources: JPEC currently has 69 employees. There was one job opening at a staking position. An offer has been made.

Overtime has been trending normally and will be well below six percent which is a stated goal.

Communications: There were zero public events in June. This is a result of the pandemic.

In analyzing Facebook and our website, there have been more visitors on a month to date basis than typical. We believe our Facebook and website are communicating well with the members.

Technical Services:
Ward Morgan provided his report for the Technical Services Department. Ward stressed to the Board that our voice provider upgrades has resulted in significant cost savings. Our partnership with Paducah Power has been critical in the savings. Ward provided examples as it relates to our voice provider, we save approximately $3,500 monthly in comparison with the ATT monthly bill. Likewise, on internet and voice, we previously paid $8,000 monthly and we are paying a local provider only $2,000 per month.

Finally, as it relates to meter reading, the manual reads continue to trend downward. That is a very positive report.

Accounting:
Jeff Williams was absent from the Board meeting. His report was provided by Greg Grissom.

As a result of the PSC prohibition against us collecting late fees, it is estimated that JPEC has lost between $200,000 and $300,000.

Tier is 0.41.

Greg also provided an update on the construction work plan which is scheduled to begin in October.

General Counsel:
General Counsel Richard L. Walter reported on several matters.

As it relates to the amendment of Bylaws, it was decided that the Bylaws will be amended monthly in the workshop. When all Bylaws are amended, the Board will act at one time in passing those.

A report was given that on Tuesday, August 25, a meeting of the election tellers was held. Ballots were being sent out on Friday, August 28. Finally, a proposal was provided to the Board relative to organizational meeting. The Bylaws require the Board to conduct an organizational meeting immediately after the annual meeting. Because the annual meeting will be done virtually this year, it was decided that immediately upon the completion of the presentation of the annual meeting, an organizational meeting will take place where officers of the Board are elected.

CEO Report:
Greg Grissom provided his report to the Board. His report discussed requested relief for hurricane assistance in the Gulf of Mexico. He stated that until the storm passed through Western Kentucky, no decision had been made. He had mentioned storm duty to the linemen and there were several volunteers, depending upon our availability to send assistance.

There was a discussion of JPEC's rules and regulations requiring deposits on member accounts. The Board provided direction to CEO Grissom on how to proceed. It is expected that Mr. Grissom will provide additional reporting on this issue at either the workshop or the next Board meeting.

KEC Report:
Lee Bearden reported there was no KEC meeting.

Big Rivers:
Wayne Elliott provided the report from Big Rivers. He reported that Big Rivers' annual meeting in September is going to occur as a live meeting as opposed to a virtual meeting. The Board was polled as to who was going to attend.

OLD BUSINESS
There was no old business presented.

NEW BUSINESS

RUS Form 7: The details of RUS Form 7 were discussed and presented by CEO Grissom in the absence of Jeff Williams. A motion was made to approve the RUS Form 7. Motion was appropriately seconded and unanimously carried.

NRECA Voting Delegate: Lee Bearden was nominated to serve as the Jackson Purchase NRECA voting delegate. Jack Marshall was nominated as the alternative. Motion was duly made and appropriately seconded and unanimously passed.

Big Rivers Voting Delegate: A motion was made to appoint Jack Marshall as the Jackson Purchase annual voting delegate for Big Rivers. Motion was appropriately made and seconded and unanimously carried.

ADJOURNMENT

Motion was made to adjourn the meeting. Motion was appropriately seconded and passed unanimously.

Erick Harris
Chair

9/24/2020
Date

Wayne E Elliott

Wayne Elliott
Secretary/Treasurer

9/24/20
Date

EXHIBIT___(LK-13)

JACKSON PURCHASE ENERGY CORPORATION
PSC CASE NO. 2021-00358
INITIAL REQUEST FOR INFORMATION RESPONSE

AG'S INITIAL REQUEST FOR INFORMATION—11/15/21
REQUEST 38
RESPONSIBLE PERSONS: **Greg Grissom and Jeff Williams**
COMPANY: **Jackson Purchase Energy Corporation**

Request 38. Refer to the Direct Testimony of Jeffrey R. Williams at page 12 lines 6 - 18 regarding the right-of-way (ROW) management contract abandoned in 2019/2020. Provide the following:

a. Multi-year contract that contractor walked away from in 2019/2020 along with a detailed description of the former contractor.

b. Discuss notifications and actions taken when the contractor walked away. Provide copies of associated written communications.

c. Any presentations to the Jackson Purchase Board of Directors regarding the abandonment of the contract in 2019/2020 and associated board minutes.

d. All documents to RUS and other outside lenders or rating agencies regarding the abandonment of the right-of way management contract in 2019/2020.

e. Describe how this contract was managed by Jackson Purchase before it was abandoned.

f. Copies of all other ROW contracts that were in effect in 2019/2020 for any other ROW providers. If none, then so state.

g. Indication whether the Company pursued damages against the former contractor that walked away. If so, describe the Company's efforts and the current status of the Company's claim, including any damages. If not, then explain why it did not do so.

h. Description of the effects of the contractor walking away from the contract starting with the date at which the contractor stopped work and the date(s) the new contractor(s) began work. In your description, address the work that was performed during the period between the former and new contractors, if any, the estimated savings in expense during this period, the estimated savings in the test year, and the effects on the new contractor, including, but not limited to, additional work and additional expense due to the hiatus, if any, to catchup the work that was not performed during the hiatus between contractors.

<u>**Response 38.**</u>

(a) Please see attached.

(b) The former VP of Engineering and Operations dealt with the contractor as well as his staff. A meeting happened in late 2019 between Jackson Purchase and the contractor in which the contractor indicated it couldn't continue at 2019 pricing. The action taken by management was to rebid the right-of-way contract for 2020.

(c) Please see attached.

(d) Not applicable.

(e) The VP of Engineering and Operations along with the manager of operations and his staff dealt with the contractor to ensure circuits were cut and specifications were met. The engineering department helped to determine which circuits were the highest priority.

(f) Not applicable

(g) Jackson Purchase did not pursue damages.

(h) The contractor finished the 2019 work. Jackson Purchase put out bids for 2020 and started that program in 2020.

MINUTES
JACKSON PURCHASE ENERGY CORPORATION
December 8, 2020

A regular meeting of the Board of Directors of Jackson Purchase Energy Corporation was conducted on Tuesday, December 8, 2020 at 5:30 p.m. Due to the COVID pandemic, the meeting was conducted virtually.

The following directors were present:

> Josh Barnes, Lee Bearden, Kevin Bell, Dr. Ivus Crouch, Wayne Elliott, Erick Harris, Jack Marshall, and Terry Teitloff.

Also present was an invited guest, Mr. Bob Berry, CEO of Big Rivers.

Also present and participating were Greg Grissom, President & CEO; Ward Morgan, Vice-President of Technology; Scott Ribble, Vice-President of Safety, Engineering, and Operations; Scott Adair, Vice-President of Human Resources Communications, and Member Services; Jeff Williams, Vice-President of Finance and Accounting; Amy Vick, Executive Assistant, and Richard L. Walter, general counsel.

OPENING BUSINESS

The meeting was called to order by Chairperson Harris. An invocation was offered by Director Jack Marshall.

A safety moment was presented by Scott Adair. Scott's message concentrated on keeping our bodies in good shape to help fight off illness. He also concentrated on nutritional consideration including the ingesting of minerals that would help our body stay healthy.

The consent agenda was then presented to the Board. Motion was made and seconded to accept the consent agenda; unanimously carried.

BIG RIVERS REPORT

Bob Berry presented a report to the Board relative to Big Rivers. Bob reported that Big Rivers has decided to relocate its headquarters from the City of Henderson to the City of Owensboro, Kentucky. Bob presented to the Board the economic incentive program offered by the City of Owensboro to Big Rivers. In summary, Big Rivers will receive a brand new building; have more equity in the building; and have a positive cash flow from the incentives offered by the City of Owensboro. The decision to move to Owensboro is financially beneficial to Big Rivers.

Mr. Berry also reported on some significant financial news for Big Rivers. Moody's Credit Rating Agency has improved Big Rivers rating to investment grade credit rating. This is a significant step for Big Rivers and actually saves it significant amounts relative to interest rates it pays.

Mr. Berry made himself available for questions from the Board.

DEPARTMENTAL REPORTS

Safety, Engineering, and Operations:
Scott Ribble provided the Safety, Engineering, and Operation Department Report. A copy of his reports were part of the Board packet and made available to all Board members in advance.

Safety: Scott told the Board that the employees of Jackson Purchase are meeting and exceeding the goals for safety. It is projected that by late spring, the goal of 250,000 hours worked with no time lost will be met. Similarly, by the end of December 2020, Jackson Purchase employees will have driven 1.5 million miles without accident.

Scott was also pleased to report that Joe Simmons, an apprentice, has recently topped out and is now a line technician.

Engineering and Operations: Scott reported that the Reidland to Ledbetter line has been established and is now working. This is a significant accomplishment.

In a recent staff meeting, Scott also reported that Townsend has been selected to maintain our right of ways for the year 2021. It has been assigned three circuits to maintain for the upcoming year. Scott stressed how right of way clearance is a substantial and continuing expense for the co-op.

Human Resources, Communications, and Member Services:
Scott Adair provided to the Board the Human Resources, Communications, and Member Services report. A full copy of Scott's report was provided in the Board packet to each of the Board Members.

Scott reported that more and more community activities are commencing. He reported on local government legislative meetings that are scheduled for both Ballard as well as McCracken County.

Scott reported that a new engineering intern has joined our staff. She will work for a couple of months. Scott also reported that Jackson Purchase Scholarship Program will be posted in the Kentucky Living Magazine in the January 2021 edition.

Following up on other Directors who had reported on the effect of COVID on Jackson Purchase Members and their ability to pay their electric charges, Scott informed the Board that as of November 2020, 479 members have payment arrangements. This compared to 301 payment arrangements for 2019.

Scott finally reported that there are currently 68 employees of Jackson Purchase. One lineman gave resignation effective Friday, December 11.

Technical Services:
Ward Morgan reported on the Technical Services Department. A full copy of Technical Services Department report was made available in the Board packet.

Ward reported to the Board on several technical services projects that had been accomplished over the year 2020. He commenced on substation equipment improvements. He also commented on the communications system and SCADA. In addition, Ward reported on two projects that we are partnering with Big Rivers on. These include the 2020 fiber buildout as well as the 2021 fiber to substation buildout projects that are ongoing and planned. He also commented on software upgrades as well as communication transition for the new headquarters.

Finally, Ward reported on the new headquarters. Furniture is being ordered and things are progressing well. We still appear to be on schedule for occupancy in May 2021.

Finance and Accounting:
Jeff Williams provided the Finance and Accounting report. As is true with other departments, Jeff's full report was part of the Board packet and available for Board Members in advance of our meeting.

Jeff reported that our RUS borrowing is at 20.9 million. This is at a 1.4% annual interest rate and has a 34 year term. This is a significant savings of previous interest rates.

Jeff also reported that Paducah Bank has officially informed Jackson Purchase that the PPP loan has been forgiven. This is a 1.6 million dollar loan forgiveness which leads to a very positive impact on our income statement.

Jeff also reported on the effect of COVID on our revenue streams. The PSC has prevented Jackson Purchase and other co-ops from collecting late fees. By way of comparison in 2018, Jackson Purchase collected $454,000 in late fees. Similarity in 2019, Jackson Purchase collected $402,000 in late fees. In 2020, that number has substantially diminished so that our late feel collections for 2020 have only been $92,000.

At the conclusion of Jeff's report, he was available for any questions from Board Members.

General Counsel:
General Counsel Richard L. Walter provided the legal update. His report concentrated on the easement necessary to service the headquarters. He is working with Scott Ribble on securing that easement.

Counsel also provided an update on the Marshall County 911 litigation. That litigation is presently pending in the United States District Court with the Hon. Thomas Russell presiding. Legal briefs have recently been filed with the Court. A ruling is expected in the spring of 2021.

CEO Report:
Greg Grissom provided the CEO report. Greg's report discussed with the Board various issues at the new headquarters' building. He stated we appear to be on time and certainly on budget. He echoed the thoughts of Ward that we would be ready to move to the headquarters in May 2021. Greg invited all the Board Members to the facility for a tour at their convenience.

KEC Report:
Lee Bearden reported on the KEC annual meeting, as well as the November KEC Board Meeting.

Big Rivers:
Wayne Elliott and Erick Harris briefly reported on Big Rivers. As Bob Berry had presented his report earlier, there was really not much to add.

OLD BUSINESS

No old business was addressed.

NEW BUSINESS

RUS Form 7: The details of the October 2020 RUS Form 7 were discussed and presented by Jeff Williams. A motion was made to approve the RUS Form 7 for October 2020. Motion was appropriately seconded and unanimously approved.

EXECUTIVE SESSION

There was no Executive Session.

ADJOURNMENT

Motion was made to adjourn the meeting. Motion was appropriately seconded and passed unanimously.

Erick Harris
Chair

1/28/2021
Date

Wayne Elliott
Secretary/Treasurer

1/28/2021
Date

EXHIBIT___(LK-14)

JACKSON PURCHASE ENERGY CORPORATION
PSC CASE NO. 2021-00358
INITIAL REQUEST FOR INFORMATION RESPONSE

AG'S INITIAL REQUEST FOR INFORMATION—11/15/21
REQUEST 38
RESPONSIBLE PERSONS: **Greg Grissom and Jeff Williams**
COMPANY: **Jackson Purchase Energy Corporation**

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h. Description of the effects of the contractor walking away from the contract starting with the date at which the contractor stopped work and the date(s) the new contractor(s) began work. In your description, address the work that was performed during the period between the former and new contractors, if any, the estimated savings in expense during this period, the estimated savings in the test year, and the effects on the new contractor, including, but not limited to, additional work and additional expense due to the hiatus, if any, to catchup the work that was not performed during the hiatus between contractors.

Response 38.

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(c) Please see attached.

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(g) Jackson Purchase did not pursue damages.

(h) The contractor finished the 2019 work. Jackson Purchase put out bids for 2020 and started that program in 2020.

OPERATIONS

STRATEGIC INITIATIVE 4 – SYSTEM OPERATIONS & MEMBER SUPPORT EFFICIENCIES

Strategic Initiative 4

2020 ROW Summary

			The Halter Group		Townsend	
Circuit	**Substation**	**Mileage**	**Per Circuit**	**Per Mile**	**Per Circuit**	**Per Mile**
Hampton - 14214	Burna	10.15		$ -	$ 60,779.00	$ 5,988.08
Smithland - 14254	Burna	39.51	$ 241,762.85	$ 6,119.03		$ -
Salem - 14244	Burna	65.54	$ 384,911.56	$ 5,872.93		$ -
Lovelaceville - 4902	Lovelaceville	36.88		$ -	$ 287,303.00	$ 7,790.21
Blandville - 4901	Lovelaceville	15.24		$ -	$ 57,431.00	$ 3,768.44
Cunningham - 4903	Lovelaceville	45.36		$ -	$ 172,543.00	$ 3,803.86
		212.68	$ 626,674.41	$ 5,965.49	$ 578,056.00	$ 5,370.77

	2019 Budgeted	2019 Actual	2020
Total Circuit Clearance Costs	$ 1,007,009.42	$ 665,360.83	$ 1,204,730.41
Total Cost per Mile	$ 2,282.43	$ 2,429.47	$ 5,664.52
Percent Increase from 2019 to 2020	148%		

EXHIBIT___(LK-15)

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION FOR A GENERAL ADJUSTMENT OF RATES, APPROVAL OF DEPRECIATION STUDY, AND OTHER GENERAL RELIEF	)))))	CASE NO. 2021-00407

DIRECT TESTIMONY OF KENNETH E. SIMMONS,

PRESIDENT AND CHIEF EXECUTIVE OFFICER,

ON BEHALF OF SOUTH KENTUCKY RURAL

ELECTRIC COOPERATIVE CORPORATION

Filed: December 14, 2021

remained unchanged since March 30, 2012, the rates-effective date in the 2011 rate case.[2]

Q. PLEASE DESCRIBE IN DETAIL IMPORTANT CHANGES THAT HAVE OCCURRED AT THE COOPERATIVE SINCE THE EFFECTIVE DATE OF THE 2011-12 GENERAL BASE RATE ADJUSTMENT.

A. Residential kWh sales have not increased since their general rate request in 2011-2012. South Kentucky's 2011 residential kWh sales were 825,681,500, while at the end of the test year residential kWh sales were 776,790,917, a 5.8% reduction over the period. This reduction occurred even though there were more residential customers at the end of the test year than there were in 2011. Residential customer usage results in approximately 67.5% of our total electric revenue on a yearly basis. Any negative or even flat load growth can significantly impact net margins since costs in all aspects of our business are continuously increasing.

Like many other cooperatives around Kentucky right-of-way management has become a significant source of increased costs. In the period from 2016 to 2020, right-of-way expense has increased by 11.84% per mile. Right-of way maintenance is a critical aspect of our operation. With the increased cost per mile under our current rate structure, we have had to reduce the number of miles of line clearing maintenance by 8% during the period noted above to maintain costs within our budget allowances. Recently, South Kentucky has been required to renegotiate and rebid some of its right-of-way management contracts at substantially higher rates per circuit-mile. Current cost per mile under this structure ranges from $3,356

[2] Id., Final Order (Ky. PSC March 30, 2012)

to $9,969 per mile of line. This bid structure is more advantageous as it provides for more accurate budgeting and accountability on the part of our contractors. Similarly, the contractors prefer this methodology as they have guaranteed targets and income streams when being awarded circuit contracts.

Changes in energy efficiency programs under the umbrella from East Kentucky Power have also impacted our financials. At the height of program offerings in 2017, South Kentucky leveraged substantial savings to its membership, as well as offset revenue reimbursement from East Kentucky Power in the amount of $1,120,936 that aided South Kentucky in reducing its expenses for the year. Currently, the energy efficiency programming offset revenue reimbursement has been reduced to a projected amount of $143,354 for 2021. This is a reduction of 87%.

The cost of our materials used for our distribution lines continue to see pressure, especially in recent months. The recent shortages and demand has caused double digit price increases in our necessary materials.

Technology needs continue to be a driving source of increased costs. In order to provide efficient and reliable service both in the field and in our interactions with members we have leveraged new technology, as well as continually enhanced traditional technologies. These advancements and enhancements require our financial resources to purchase and maintain. Similarly, our members are using these new technologies to not only communicate with us, but to also keep informed on their energy usage and general account and payment data. In 2011, our bill with our primary software vendor averaged $60,800 per month. Today they average

EXHIBIT___(LK-16)

JACKSON PURCHASE ENERGY CORPORATION
PSC CASE NO. 2021-00358
INITIAL REQUEST FOR INFORMATION RESPONSE

AG'S INITIAL REQUEST FOR INFORMATION—11/15/21
REQUEST 17
RESPONSIBLE PERSON: **Jeff Williams**
COMPANY: **Jackson Purchase Energy Corporation**

Request 17. Refer to Exhibit_JRW-4, which provides the calculation details for the Company's Right-of-Way proforma adjustment depicted on Schedule 1.18.

a. Provide the actual circuit miles trimmed and the amounts incurred by FERC account/subaccount for each year 2010 through 2020 and for each month in 2021 with available information.

b. If the 358 average circuit miles being trimmed per year being requested in this proceeding is substantially more than in prior years, explain in detail all reasons for the increase.

c. Explain why the projected 2021 circuit miles trimming amounted to only 80.6 miles compared to the average 358 circuit miles being requested in this proceeding.

d. Describe the Company's circuit trimming plan in effect for each year 2015 through 2021. If different from the 5-year cycle approach being requested in this proceeding, explain why in detail.

e. Explain all known reasons why bid pricing is listed for only three of the eight separate circuit tranches identified in this exhibit.

f. Since the bid pricing received and depicted in Exhibit_JRW-4 relates to only 80.6 circuit miles and specific lines, describe all commitments from the winning bid contractor that it can perform similar services for the same or similar pricing for an average of 358 miles per year. If none, then so state. Provides copies of all communications that memorialize such commitments.

Response 17.

(a) Due to turnover in the engineering department, we do not have history of miles for 2010 – 2019. In 2020, we trimmed 213 miles and in 2021, we plan to finish with 81 miles.

(b) The amount of 358 circuit miles is standard for a 5-year right-of-way program at Jackson Purchase and is not an annual amount. Due to a drastic price increase in right-of-way maintenance resulting in budgetary limitations, a fewer number of right-of-way miles were cut in 2020.

(c) Jackson Purchase's contractor informed it in 2019 that it could not proceed with the same pricing in 2020, therefore new bids were put out. At the conclusion of that process, it was deemed that fewer miles had to be cut due to the drastic price increases in the market.

(d) Please see attachment from Jackson Purchase in response to AG 1 – 40 which is the Company's procedure on right-of-way management.

(e) Please see Jackson Purchase's response to part (b) and (c) of this data request.

(f) The contractor can perform the work with current pricing, but not with pricing in place in 2019. The 80-mile restriction is Jackson Purchase's response to a drastic increase in right-of-way maintenance market pricing.

EXHIBIT___(LK-17)

JACKSON PURCHASE ENERGY CORPORATION
PSC CASE NO. 2021-00358
THIRD REQUEST FOR INFORMATION RESPONSE

COMMISSION STAFF'S THIRD REQUEST FOR INFORMATION—12/13/21
REQUEST 7
RESPONSIBLE PERSON: **John Wolfram**
COMPANY: **Jackson Purchase Energy Corporation**

Request 7. Refer to Jackson Purchase's response to Staff's Second Request, Item 29. Provide a revied revenue requirement including the appropriate rate case amortization from Case No. 2019-00053.

Response. Jackson Purchase did not amortize the rate case costs for Case No. 2019-00053; please see the response to PSC 3-4. However, since Jackson Purchase expensed those costs in full during the test year in this case, Jackson Purchase believes that the amount allowed by the Commission in its order in Case No. 2019-00053 for inclusion in rates should now be removed from the revenue requirement to avoid double recovery of these costs going forward. See the revised Revenue Requirement file uploaded with this response to reflect the removal of the 2019 rate case expense from the test year. See the revision to the test year amount on Reference Schedule 1.08, Rate Case Expenses, Line 10. Note that the Revenue Requirement file also includes a revision to interest expense on Reference Schedule 1.09 as described in the response to AG 2-15(b).

Reference Schedule: 1.08
Revised 01/03/2022

JACKSON PURCHASE ENERGY CORPORATION
For the 12 Months Ended December 31, 2017

Rate Case Expenses

Line #	Item (1)		Expense (2)
1	Legal - Goss Samford PLLC	$	125,000
2	Consulting - Catalyst Consulting LLC	$	50,000
3	Advertising / Notices	$	-
4	Subtotal	$	175,000
5			
6	Total Amount	$	175,000
7	Amortization Period (Years)	$	3
8	Annual Amortization Amount	$	58,333
9			
10	Test Year Amount	$	87,034
11			
12	Pro Forma Year Amount	$	58,333
13			
14	Adjustment	$	(28,701)

This adjustment estimates the rate case costs amortized over a 3 year period, consistent with standard Commission practice.

Test year included expense from last rate case which offsets adjusment.

EXHIBIT___(LK-18)

JACKSON PURCHASE ENERGY CORPORATION
PSC CASE NO. 2021-00358
SUPPLEMENTAL REQUEST FOR INFORMATION RESPONSE

AG'S SUPPLEMENTAL REQUEST FOR INFORMATION—12/14/21
REQUEST 15
RESPONSIBLE PERSON: **Jeff Williams**
COMPANY: **Jackson Purchase Energy Corporation**

Request 15. Refer to the revised Schedule 1.09 and the narrative response to AG 1-29.

a. Confirm that the revised Schedule 1.09 reflects outstanding long-term debt at some date in November 2021, nearly two years after the end of the historic test year and that the related revised revenue requirement includes two times the revised increase in long-term debt interest expense, one time for the increase in interest expense and the second time for the requested 2.0 TIER.

b. Confirm that the Company did not reduce or eliminate its interest-other expense to reflect the fact that it repaid its short-term borrowings when it issued the new RUS/FFB debt in November 2021. If it did not reduce or eliminate this interest expense, then explain why it did not do so.

c. Separate the November 2021 RUS/FFB #3-3 debt issuance on revised Schedule 1.09 into the amount for the new HQ building, the amount for other construction work plan projects, and the amounts for any other assets.

d. Provide the November 2021 trial balance for all accounts and compare the October 2021 trial balances to the November 2021 trial balances for each short-term debt and long-term debt trial balance account/subaccount.

e. Confirm that the revised Schedule 1.09 reflects $82.896 million in long-term debt outstanding at some date in November 2021 compared to the actual $45.808 million at December 31, 2019, an increase of $37.088 million, or 81.0%, in less than two years and since the end of the historic test year.

Response 15.

(a) Confirmed, Jackson Purchase reflected this amount on the interest pro-forma to show known and measurable changes.

(b) The short-term borrowings that Jackson Purchase paid off were the headquarters line-of-credit, which did not exist in the test year. Even so, Jackson Purchase would agree that an adjustment should be necessary to interest-other expense. That amount should be $171,498.26, which is the test year amount for short-term line of credit expenses that is contained in interest other expense. Please see the revisions to Reference Schedule 1.09, Interest Expense, included in the file uploaded in response to PSC 3-7.

(c) Out of the $21,926,146.48, $15,110,947.30 was related to the headquarters. The remainder was for other construction work plan items.

(d) Please refer to Jackson Purchase's response to AG 1-3, specifically the attachment, pages 15-16 of 19. For long-term debt please look at all 224 accounts and for short-term debt, please look at all 231 accounts. If you would rather see the monthly activity, please refer to our updated response to the AG's supplemental request for AG 1-3. The last information is September, but Jackson Purchase is already planning to provide the updates to AG 1-3 as previously requested.

(e) Jackson Purchase confirms that the amount on Schedule 1.09 shows $82.896 million in long-term debt outstanding. The remainder of part (e) is not confirmed and is in error.

EXHIBIT___(LK-19)

JACKSON PURCHASE ENERGY CORPORATION
PSC CASE NO. 2021-00358
INITIAL REQUEST FOR INFORMATION RESPONSE

AG'S INITIAL REQUEST FOR INFORMATION—11/15/21
REQUEST 22
RESPONSIBLE PERSON: **John Wolfram**
COMPANY: **Jackson Purchase Energy Corporation**

Request 22. Confirm that no witness provided any support in his testimony for the requested TIER of 2.00 used to calculate the revenue requirement. If confirmed, then explain why the Company chose not to provide testimony on this issue. If denied, then provide the specific cite(s) to the testimony (page and lines) wherein the witness provided support for the requested TIER of 2.00.

Response 22. Confirmed. The cooperative did not elect to provide testimony in support of a 2.00 TIER because the Commission has accepted a TIER of 2.00 for distribution cooperative traditional rate cases (i.e., not streamlined rate cases) for several recent filings, including Big Sandy RECC (Case No. 2017-00374), Farmers RECC (Case No. 2016-00365), and Kenergy Corp. (Case No. 2015-00312). The Commission's streamlined rate pilot program requires an OTIER of 1.85 which can produce a TIER greater than 2.00. In its last filing two years ago in 2019, Jackson Purchase Energy requested and the Commission awarded an increase corresponding to a 2.00 TIER.

EXHIBIT___(LK-20)

JACKSON PURCHASE ENERGY CORPORATION
PSC CASE NO. 2021-00358
INITIAL REQUEST FOR INFORMATION RESPONSE

AG'S INITIAL REQUEST FOR INFORMATION—11/15/21
REQUEST 6
RESPONSIBLE PERSON: Jeff Williams
COMPANY: Jackson Purchase Energy Corporation

Request 6. Provide a list of all loan agreements that the Company had outstanding with each of its lenders and provide a copy of each agreement in 2019, 2020, and 2021. For each agreement and lender, identify and provide the formula/calculation for each required financial metrics, e.g., TIER, DSC, equity ratio, etc. necessary for the Company to remain in compliance with the terms of the agreement.

Response 6. Please refer to the Jackson Purchase's response to AG 1 – 4 for a list of all agreements (notes) with CoBank, CFC and RUS/FFB. CoBank requires a 27.5% equity-to-assets ratio, and DSCR of 1.25x. CFC requires a 20% equity-to-assets ratio and a MDSCR of 1.35x. RUS requires TIER and DSCR of 1.25 and an OTIER of 1.10. Each of the ratio's formulas are included in the attachments to AG 1 – 13(b).

EXHIBIT___(LK-21)

JACKSON PURCHASE ENERGY CORPORATION
PSC CASE NO. 2021-00358
INITIAL REQUEST FOR INFORMATION RESPONSE

AG'S INITIAL REQUEST FOR INFORMATION—11/15/21
REQUEST 5
RESPONSIBLE PERSON: Jeff Williams
COMPANY: Jackson Purchase Energy Corporation

Request 5. Refer to paragraph 6 of the Commission's Order in Case No. 2007-00116, which states:

> The rates for electric service agreed to in the Settlement Agreement will result in a TIER greater than the 1.25 TIER required by Rural Utility Service ("RUS"), Jackson Purchase's primary funding agency. The purpose for the higher TIER is to allow Jackson Purchase an opportunity to build equity. Therefore, Jackson Purchase should develop a written plan to manage this equity and file it with the Commission no later than June 30, 2010. The plan should establish, at a minimum, long-term financial goals, a plan to meet those financial goals, a capital credit rotation program, and a provision for an annual review of the equity and capital management performance.

a. Provide a copy of the written plan filed in response to the preceding requirement. Describe what action(s) the Commission took in response to the filing of the written plan, if any.

b. Provide a copy of all subsequent written plans, including the most recent written plan, to manage equity. Indicate if, and if so, when, each such written plan was filed with the Commission. In addition, describe what action(s) the Commission took in response to the filing of each such subsequent written plan, if any.

c. Describe the annual process adopted and employed by the Company for the "annual review of the equity and capital management performance." Provide the dates of each such annual review since the Order in Case No. 2007-00116, a copy of all filings, if any, a copy of all handout and all other materials developed and/or compiled for the annual review, a copy of all resolutions, determinations, task lists, action plans, and a copy of all other written documents developed in response to the annual review.

Response 5.

(a) Please refer to the Equity Management Plan which was filed in the post-case correspondence folder for Case No. 2007-00116 located on the Commission's website.

(b) Jackson Purchase's Board of Directors enacted a Board policy addressing equity management in 2019. This Board Policy is attached to this response. To Jackson Purchase's knowledge no subsequent action was taken by the Commission in response to this Board Policy.

(c) Jackson Purchase's management team manages the equity/total capitalization and equity/assets on a continuous basis. Per its Board policy, Jackson Purchase strives to maintain an equity/assets ratio in the 30-50% range.

POLICY NO. 118

CAPITAL MANAGEMENT POLICY

I. **OBJECTIVE:**

The objective of the capital management policy is prudent equity and debt capital management.

POLICY STATEMENTS

A. Equity and Debt Capital Levels
The corporation should strive to maintain an equity to assets level between 30% and 50%. If a 2.0 TIER is exceeded, management and the Board will review whether or not to pay capital credits to its members.

B. Equity Capital Retirement

The corporation should strive to retire equity capital on a systematic basis, assuring equitable treatment for all members. These retirements should be made in the best interests of the members while avoiding jeopardy to the financial security of the corporation. The early retirement of capital credits to estates of deceased members shall be on a discounted basis.

C. Debt Capital

The corporation should explore and take advantage of all debt capital sources, seeking always to mitigate risks associated with debt capital by utilizing interest rate and debt composition strategies. Any financing shall be approved by the Board.

D. Long-Range Financial Forecast

Management should develop and update as needed a ten-year financial forecast incorporating specific recommendations for achieving to the maximum possible extent the objectives of this policy and all other corporate strategies.

Earl Harris
CHAIRPERSON

10/24/2019
DATE

APPROVED: 10/24/2019
REVISED

EXHIBIT___(LK-22)

JACKSON PURCHASE ENERGY CORPORATION
PSC CASE NO. 2021-00358
INITIAL REQUEST FOR INFORMATION RESPONSE

AG'S INITIAL REQUEST FOR INFORMATION—11/15/21
REQUEST 6
RESPONSIBLE PERSON: **Jeff Williams**
COMPANY: **Jackson Purchase Energy Corporation**

Request 6. Provide a list of all loan agreements that the Company had outstanding with each of its lenders and provide a copy of each agreement in 2019, 2020, and 2021. For each agreement and lender, identify and provide the formula/calculation for each required financial metrics, e.g., TIER, DSC, equity ratio, etc. necessary for the Company to remain in compliance with the terms of the agreement.

Response 6. Please see attached for copies of Jackson Purchase's loan agreements with CFC/CoBank and RUS. The RUS agreement is the restated mortgage that was signed in 2020.

described in Section 5.02.D(i) of this Agreement shall at all times be less than fifteen percent (15%) of Total Utility Plant or fifty percent (50%) of Equity, whichever is greater.

O. Special Covenants. The Borrower agrees that it will comply with any special covenants identified in Schedule 1 hereto.

Section 5.02 Negative Covenants. The Borrower covenants and agrees with CFC that until payment in full of the Note and performance of all obligations of the Borrower hereunder, the Borrower will not, directly or indirectly, without CFC's prior written consent:

A. Limitations on Mergers. Consolidate with, merge, or sell all or substantially all of its business or assets, or enter into an agreement for such consolidation, merger or sale, to another entity or person unless such action is either approved, as is evidenced by the prior written consent of CFC, or the purchaser, successor or resulting corporation is or becomes a member in good standing of CFC and assumes the due and punctual payment of the Note and the due and punctual performance of the covenants contained in the Mortgage and this Agreement.

B. Limitations on Sale, Lease or Transfer of Capital Assets; Application of Proceeds. Sell, lease or transfer (or enter into an agreement to sell, lease or transfer) any capital asset, except in accordance with this Section 5.02.B. If no Event of Default (and no event, which with notice or lapse of time and notice would become an Event of Default) shall have occurred and be continuing, the Borrower may, without the prior written consent of CFC, sell, lease or transfer (or enter into an agreement to sell, lease or transfer) any capital asset in exchange for fair market value consideration paid to the Borrower if the value of such capital asset is less than five percent (5%) of Total Utility Plant and the aggregate value of capital assets sold, leased or transferred in any 12-month period is less than ten percent (10%) of Total Utility Plant. Subject to the terms of the Mortgage, if the Borrower does sell, lease or transfer any capital assets, then the proceeds thereof (less ordinary and reasonable expenses incident to such transaction) shall immediately (i) be applied as a prepayment of the Note, to such installments as may be designated by CFC at the time of any such prepayment; (ii) in the case of dispositions of equipment, material or scrap, applied to the purchase of other property useful in the Borrower's business, although not necessarily of the same kind as the property disposed of, which shall forthwith become subject to the Lien of the Mortgage; or (iii) applied to the acquisition or construction of other property or in reimbursement of the costs of such property.

C. Limitation on Dividends, Patronage Refunds and Other Distributions. Make any Distribution except under the following conditions:

(i) if (a) no Event of Default has occurred and is continuing and (b), after taking into account the effect of the Distribution, the total Equity of the Borrower will be at least twenty percent (20%) of its Total Assets, then the Borrower may make a Distribution in any amount.

(ii) if (a) no Event of Default has occurred and is continuing and (b), after taking into account the effect of the Distribution, the total Equity of the Borrower will be less than twenty percent (20%) of its Total Assets, then the Borrower may make a Distribution in an amount up to thirty percent (30%) of the Borrower's total margins for the preceding calendar year.

D. Limitations on Loans, Investments and Other Obligations.

AFFIDAVIT

STATE OF GEORGIA)

COUNTY OF FULTON)

LANE KOLLEN, being duly sworn, deposes and states: that the attached is his sworn testimony and that the statements contained are true and correct to the best of his knowledge, information and belief.

Lane Kollen

Sworn to and subscribed before me on this
10th day of January 2022.

Notary Public

RANDY A FUTRAL
MY COMMISSION EXPIRES
NOTARY
PUBLIC
AUGUST 26, 2024
COBB COUNTY, GEORGIA